



**Sacramento Housing and Redevelopment Agency
Sacramento, California**

Comprehensive Annual Financial Report

For the year ended December 31, 2013

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SACRAMENTO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2013

ACKNOWLEDGEMENT

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**SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Year Ended December 31, 2013

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*Introductory
Section*



INVESTING IN COMMUNITIES

June 16, 2014

City Council, Housing Authority
of the City of Sacramento
Board of Supervisors, Housing Authority
of the County of Sacramento
Sacramento Housing and Redevelopment Commission
Sacramento Housing Development Corporation
Sacramento, California

State law requires that the Sacramento Housing and Redevelopment Agency (the Agency) publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) applied to governmental entities. The financial statements are to be audited by certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue this Comprehensive Annual Financial Report (CAFR) of the Agency for the year ended December 31, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, Agency management has established a comprehensive internal control framework that is designed both to protect the Agency's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Agency's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Agency's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Agency's financial statements have been audited by Macias Gini & O'Connell LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Agency as of and for the year ended December 31, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Agency's financial statements as of and for the year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report, which can be found on pages 1 and 2.

801 12th Street
Sacramento, CA 95814
www.shra.org

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE AGENCY

The Agency is located in Sacramento, California. The City of Sacramento, established in 1849, serves as the capitol for the State of California and is the center of state government. Sacramento also serves as the seat of Sacramento County government. It is the sixth largest populated city in California and continues to see a migration of people from the San Francisco Bay Area and Southern California. The State of California Department of Finance estimates the population on January 1, 2013 at 473,509 for the City and 1,445,806 for the County of Sacramento. Sacramento encompasses 99 square miles and is located in the northern section of California's burgeoning Central Valley. Sacramento is a charter city and operates under a Council-Manager form of government.

The Agency is a joint powers authority formally created in 1982 (but operating since 1973) to provide common professional staffing to the City and County of Sacramento to administer and manage its housing authorities and the city and county federal housing and community development entitlement funds. The Agency is a separate legal entity and is not a component unit of the City or County of Sacramento. The Agency receives no City or County general funds and SHRA is not included in Comprehensive Annual Financial Report of either the City or County of Sacramento.

The members of the joint powers agency included the City and County of Sacramento, the Housing Authorities of the City and County of Sacramento and the Redevelopment Agencies of the City and County of Sacramento. On February 1, 2012, all Redevelopment Agencies in the State of California were eliminated and replaced with a Successor Agency responsible for the wind down of former redevelopment agency activities and obligations. On February 1, 2012, the legal and treasury functions related to the administration and management of the former redevelopment activities and payment of debt for the former redevelopment agencies of the City and County of Sacramento were assumed within the City and County management structure. However, all housing assets and housing functions of the former redevelopment agencies were assumed by the Housing Authority of the City and the Housing Authority of the County to be staffed, managed and administered by the Agency

The Agency serves as the fiscal agent/administrator and provides the exclusive staffing for the Housing Authorities of the City and County of Sacramento. The Housing Authorities of the City and County were formed in July 1939 and June 1940, respectively. Additionally, since June of 1982 the Agency administers and manages the federal Community Development Block Grant Programs (CDBG) and Home Investment Partnership Programs (HOME) for the City and County of Sacramento. In 2012 with changes to federal regulations related to Homeless Continuum of Care funding, the Agency assumed administration of Housing Opportunities for Person with AIDS (HOPWA), a federal grant program from the County of Sacramento.

The governing board of the Agency is the Sacramento Housing and Redevelopment Commission (Commission). The Commission authority to approve housing related projects, programs and budgets is limited to what is delegated to them by the governing boards of the Agency members. The City Council serves as the City Housing Authority and the City Redevelopment Agency Successor Agency governing boards and retained the power to approve City housing related projects, programs and budgets. The County Board of Supervisors, serves as the County Housing Authority and the County Redevelopment Agency Successor Agency governing boards and retained power to, approve County related housing agenda items. The Commission also serves in an advisory capacity for each Agency member and the Commission has operational authority within the budget and policy direction

approved by the City Council and County Board of Supervisors.

The Agency has defined its reporting entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity. The component units discussed in the following paragraphs are included in the Agency's reporting entity because of the significance of their operational or financial relationships with the Agency. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the Agency. Complete financial statements of individual component units can be obtained from the Finance Department of the Agency.

Blended Component Unit

Foundation Uniting Needs and Dollars (FUND, Inc.) - A nonprofit corporation established to maintain or aid charitable activities serving the public. It is a component unit of the Agency because the purpose of this corporation is to promote and support the activities and programs of the Sacramento Housing and Redevelopment Agency. The Board of Directors of FUND, Inc. is comprised of the members of the Commission. Acting in its capacity as the Board of Directors, the Commission approves the FUND, Inc. budget. The Executive Director of the Agency serves as the Executive Director of FUND, Inc.

Discretely Presented Component Units

Sacramento Housing Development Corporation (SHDC) - A nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). It is a component unit of the Agency because the governing board of the SHDC is comprised of the members of one of the governing boards of the Agency, the County Board of Supervisors. The Housing Authority of the City of Sacramento is legally obligated to finance any deficits of SHDC. The Executive Director of the Agency also serves as the Executive Director of SHDC. SHDC is the General Partner of the following limited partnership:

Riverview Plaza Associates (RPA) - A California limited partnership created to provide affordable housing to seniors with limited income. One of the governing boards of the Agency (the County Board of Supervisors) serves as the Board of Directors of the general partner. The Housing Authority of the City of Sacramento serves as the limited partner. Additionally, through contractual arrangement, the Agency is responsible for all financial matters including management of daily operations. Finally, the Agency has historically contributed funds to cover obligations of the RPA, to the extent that RPA revenues are inadequate. During the year ended December 31, 2013, the Agency did not contribute to RPA.

Shasta Hotel Corporation (Corporation) - A nonprofit corporation with a governing board comprised of Agency staff and representatives of selected nonprofit housing and social service entities. It is a component unit because the general partner's governing board members serve at the direction of the Executive Director of the Agency, and through contractual arrangements, the Agency is responsible for financial and operational matters of the Partnership. The Corporation is the General Partner of the following limited partnership:

Shasta Hotel Investors Partnership - A California limited partnership created for the purpose of constructing and operating an 80 unit rental housing project in Sacramento, California. The Partnership is comprised of the following two entities: (1) Shasta Hotel Corporation, as managing general partner and (2) Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation as limited partner.

Sacramento Housing Authority Asset Repositioning Program, Inc. - As a nonprofit public benefit corporation, the Sacramento Housing Authority Repositioning Program, Inc. (SHARP), was formed for the purpose of serving as the general partner of the entity that will own, rehabilitate and operate former public housing properties acquired through HUD's assets demolition and disposition process. The purpose of SHARP is to allow the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento to leverage private sector capital to make improvements to housing inventory removed from the federal Public Housing program through HUD's asset disposition process. SHARP will be closely controlled by the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento and board members will be appointed by the Agency's Executive Director. Assets transferred to SHARP will be rehabilitated through various financing structures including the use of limited partnerships that will be able to benefit from the use of tax credit financing.

Washington Plaza Housing Associates L.P. - A California limited partnership has been formed and continues as a limited partnership under the California Uniform Limited Partnership Act of 2008 pursuant to that certain Agreement of Limited Partnership made as of June 25, 2013 and was created for the purpose of providing low- income senior housing by developing, financing, rehabilitating, owning, maintaining and operating a rental housing project. The project consists of a 76 unit mid-rise located in Sacramento, California. Washington Plaza Housing Associates LLC, a California limited liability company, is the general partner of the Partnership (the "General Partner") and Winfield Hill, Inc., a California nonprofit public benefit corporation, and Sacramento Housing Authority Repositioning Program, Inc., a California nonprofit public benefit corporation, are the initial limited partners of the Partnership (collectively, the "Initial Limited Partner").

Norwood Avenue Housing Corporation (NAHC) - A nonprofit public benefit corporation with a governing board comprised of three Agency staff appointed by the Executive Director of the Agency and two community representatives. It is a component unit because through contractual arrangements, the Agency bears some responsibility for financial and operational matters of NAHC, as well as having the ability to impose its will on the NAHC. The NAHC is the General Partner of the following limited partnerships:

Phoenix Park I L.P. (PPI) - A California limited partnership created for the purpose of providing low-income housing to the poor and distressed by developing, financing, constructing, rehabilitating, owning, maintaining and operating a rental housing project. The project consists of 178 units located in Sacramento, California. PPI has a Managing General Partner, Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation; MMA Special Limited Partner, Inc., a Florida corporation, as Special Limited Partner; and MMA Financial Warehousing, LLC, a Maryland limited liability company, as Investor Limited Partner.

Phoenix Park II L.P. (PPII) - A California limited partnership created for the purpose of providing low-income housing to the poor and distressed by developing, financing, constructing, rehabilitating, owning, maintaining, and operating a rental housing project. The project consists of 182 units located in Sacramento, California. PPII has a Managing General Partner, Norwood Avenue Housing Corporation; a California nonprofit public benefit corporation; and MMA Financial Institutional Tax Credits XXVIII, LP, as an Investor Limited Partner.

Budget

The annual budget of the Agency, consisting of the operating and project budgets, is adopted on a calendar year basis. Prior to December 25th, the Executive Director submits a proposed operating budget to the governing bodies for review and approval. The budget is legally enacted through passage of resolutions prior to January 1 of each year. The budget adoption resolution specifies that the legal level of budgetary control is at the fund level. Budgeted expenditures represent original appropriations adjusted by supplemental budgetary appropriation amendments.

Annual operating budgets are adopted on a modified accrual basis for all debt service funds, Local Tax Special Revenue funds and Housing Special Revenue funds, except for the City Housing Successor, County Housing Successor, Revenue Bond Program and FUND, Inc. Project budgets are adopted for the Agency's major special revenue funds, City and County HOME, for the duration of the project which may extend over several years. The adopted project budgets for the Community Development and Revenue Bond Program Special Revenue funds and for the Capital Project funds are adopted on a project length basis. Additionally, although not legally required, the Agency adopts annual budgets for the Enterprise, Internal Service, and certain Component Unit funds.

FACTORS AFFECTING ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Agency operates.

Local economy

The California State University Sacramento College of Business Administration reports that more than two years into the local recovery, the Sacramento economic outlook continues to improve, albeit at a moderate pace, as expected. The regional unemployment rate is currently 8%, down from 9.6% a year ago and is expected to fluctuate between 7% -8.5% in 2014. This compares to 8.3% for California and 6.6% for the United States (unadjusted). The fact that Sacramento lags the national economy in recovery is due largely to the housing crash that precipitated the recent recession. Housing is typically the sector that drives regional economic rebounds, but not so this time. While most other recoveries have been paced by resurgence in construction, this last downturn was caused by overbuilding and it will take longer to correct. As a result, every year of this recovery seems to look pretty much like the year before. The housing bust associated with the recession has also dampened another factor that drove strong growth in the past: population inflows. Rapid population growth fueled the economic growth in the Sacramento region prior to the recession but not during the recovery. In 2014, population growth is expected to continue to be moderate without faster job growth to attract more people to the Sacramento area.

Long-term financial planning

Recognizing an emerging trend toward economic instability on a national and local level, the Agency adopted conservative fiscal strategies in anticipation of a progressive decline in resources. In 2008 the Agency began to restructure and re-engineer the organization which entailed an analysis of span of control (number of employees reporting to management), process improvements, adjusting service level expectations and implementing initiatives that streamline and consolidate services and functions. Many of the initiatives have been implemented and have resulted in a much more cost effective and efficient organization. Had the Agency not implemented a timely response at the first signs of these fiscal challenges, our current budget situation would have required a more drastic approach.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the long term financial sustainability;
- Using partnerships with community based organizations and private entities whenever practical; and
- Developing budget plans that deal with the immediate needs of the Agency and employ strategies that address the long-term needs of the communities we serve.

Relevant financial policies

The demand for affordable housing in Sacramento City and County, and in the entire Sacramento region, has increased with the slow housing recovery and as unemployment and household income remains stagnant. In turn, this trend has put pressure on the rental market and has increased the demand for affordable housing. The Agency is committed to increasing the supply of affordable housing and has worked closely with the City and County in the development of inclusionary ordinances, the development of a ten year plan to end chronic homelessness, and other policies that will help increase rental housing production and homeownership opportunities. As a lender and developer, the Agency strives to efficiently manage its resources in order to address the range of need and reach special populations, the workforce population, and those who are moving out of the rental market and buying their first homes.

2013 Accomplishments

Once again, the Agency has faced a year that brought unprecedented challenges and the need to quickly adapt and overcome in order to continue serving the needs of Sacramento's low income residents and communities. Despite those obstacles, our performance continues to be regarded as a model for best practices in affordable housing preservation and production through successful public-private-nonprofit partnerships. Those accomplishments are worthy of recognition.

Affordable Housing construction/renovation (completed)

- The Arbors at Oak Park Senior Housing - 55 units
- Kelsey Village - 20 units for low income adults and developmentally disabled individuals
- 7th and H Street - 150 units (includes 75 units Permanent Supportive Housing for formerly homeless individuals)
- Arbor Creek Family Apartments – 102 units for families

- Taylor Terrace – 168 units
- Norcade Circle – 52 units
- Del Paso Nuevo – 20 homes constructed and sold as affordable housing

Affordable Housing production (under construction/renovation/financed)

- Cannery Place Apartments at Township 9 – 180 units affordable housing
- Ridgeway Studios – 22 single room occupancy units for low income residents
- Washington Plaza – 76 units
- Garden Village – 195 units
- Broadway Triangle – 10 rental units; 10 for sale single family units two live-work lofts, and rehabilitation of a vacant historic commercial structure

Neighborhood Stabilization Program (NSP)

- 363 housing units impacted to date (119 very low income)
- Completed rehabilitation on 315 units
- Program has leveraged \$22.8 million in non-NSP funding , including \$1.8 million under NSP3
- 52 active development partners
- Over 830 jobs retained since program inception

Commercial/Infrastructure (completed)

- Del Paso Blvd streetscape
- Mack Road median improvements
- R Street Phase II and III
- ADA sidewalk improvements throughout the unincorporated County,

Housing Choice Voucher (HCV) Program

- Despite the impact of sequestration the Agency’s HCV program continues to successfully administer program activities. In 2013, the Agency is expected to maintain close to 98 percent leasing of our HUD vouchers, providing rental assistance to an estimated 11,614 families each month. Unfortunately, this leasing level is expected to decline to approximately 95% by the end of 2014 if the federal government maintains the current funding levels.

Public Housing Program

- The Public Housing program continues to make significant progress improving overall operating performance. Over the past five years, the Agency has reduced the public housing operating deficit through aggressive operational cuts, implementation of our asset repositioning strategy and through capital investments in our public housing properties. The PHA has invested over \$17 million in capital improvements to public housing units over the last two years renovating units in order to increase accessibility for disabled families, upgrade fire safety equipment and improve energy efficiency measures, for example.
- The asset repositioning strategies employed by the Housing Authority of the City of Sacramento over the last three years have been successful. In June 2010, two elderly high-rise properties, 153 units in all, were transferred to the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), a non-profit component unit of the Agency. The repositioned properties were awarded project based vouchers which provide market rate revenue for the properties. In 2013, HUD also approved another disposition application for Sierra Vista high-rise, a 78 unit senior only development. These repositioning efforts have improved the financial performance of the properties and enabled the Housing Authority of the City of Sacramento to

provide for the long term capital needs of these assets, ensuring these properties will continue to provide affordable housing in the community for a long time to come.

The Agency continues to hone its core strength of adapting to change which has enabled the organization to successfully address both new and ongoing challenges of the past several years. Despite elimination of redevelopment in 2012 and dramatic cuts to federal programs mandated by Congress in 2013, the Agency has effectively managed its way through one crisis after another, and has emerged from each challenge a stronger and more efficient organization.

Nearly 90% of Agency funding comes from the federal government through the Department of Housing and Urban Development. Accordingly, the Agency has adapted to the new economic reality post redevelopment by refocusing the organization's direction and priorities, and fine tuning resources for doing business. The appropriate response called for proactively streamlining operations by strategically reducing operational costs through layoffs, staff attrition, transfers, reduced work schedules, and cuts to services and supplies. To date, these efficiencies have lessened the impact within the communities we serve and enabled the Agency to continue fulfilling its commitment to keep residents housed.

INITIATIVES

The Agency will continue to partner with the City and County of Sacramento to initiate projects and programs that maximize affordable housing opportunities for low-income, very low-income, and extremely low-income households and revitalize low-income communities. A major focus of our housing initiatives will be the development of housing for the chronic homeless and the rehabilitation and replacement of single-room occupancy (SRO) units in the City of Sacramento. We will also continue strategies to eliminate blight and revitalize low-income communities, older commercial corridors, and converted military bases. Our initiatives include infrastructure and community facility improvements, financial assistance for commercial development, homeownership and housing rehabilitation assistance, and intervention to transform troubled rental properties into safe and affordable housing that complements the surrounding neighborhoods.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Agency for its comprehensive annual financial report for the year ended December 31, 2012. This was the twenty first consecutive year that the Agency has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Their dedication to professional excellence is reflected in an improved comprehensive annual financial report. We would also like to commend the Agency's Commission, the City Council and the County Board of Supervisors for their interest, support of this substantial effort, and shared commitment to assuring the financial viability of the Agency which remains progressively committed to meeting the economic, redevelopment and housing needs of the communities we serve.

Meritorious Operating Budget Award

The California Society of Municipal Finance Officers (CSMFO) issued an Operating Budget Meritorious Award to the Agency for its 2013 annual budget. This was the second consecutive year that the Agency has achieved this award. In order to receive this award, a government must meet stringent requirements outlined by the CSMFO including producing a document that is readable, efficiently organized, and provides the reader with a transparent understanding of the government's proposed activities for the reported budget cycle.

The Operating Budget Meritorious Award is valid for a period of one year only. We believe that our current annual budget continues to meet the CSMFO award program requirements and we are submitting it to the CSMFO to determine its eligibility for another award.

Respectfully submitted,



LA SHELLE DOZIER
Executive Director



DONALD CAVIER
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Sacramento Housing
and Redevelopment Agency
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Meritorious Award Fiscal Year 2013

Presented to the

Sacramento Housing and Redevelopment Agency

For meeting the criteria established to achieve the Operating Budget Meritorious Award.

July 31, 2013



Pauline Marx

**Pauline Marx
CSMFO President**

Ken Brown

**Ken Brown, Chair
Professional Standards and
Recognition Committee**

Dedicated Excellence in Municipal Financial Reporting

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

DIRECTORY OF OFFICIALS

COUNTY HOUSING AUTHORITY

District 1 – Phil Serna
District 2 – Jimmie Yee
District 3 – Susan Peters
District 4 – Roberta MacGlashan
District 5 – Don Nottoli

CITY HOUSING AUTHORITY

Kevin Johnson, Mayor
District 1 – Angelique Ashby
District 2 – Allen Warren
District 3 – Steve Cohn
District 4 – Steve Hansen
District 5 – Jay Schenirer
District 6 – Kevin McCarty
District 7 – Darrell Fong
District 8 – Bonnie Pannell

HOUSING AND REDEVELOPMENT COMMISSION *

Michael Alcalay
Bill Chan
Verne Gore
Mel Griffin
Thad Johnson
Jeanne LeDuc
Gale Morgan
Louis Morton
Josh Rosa
Cyril Shah
Mark Stivers

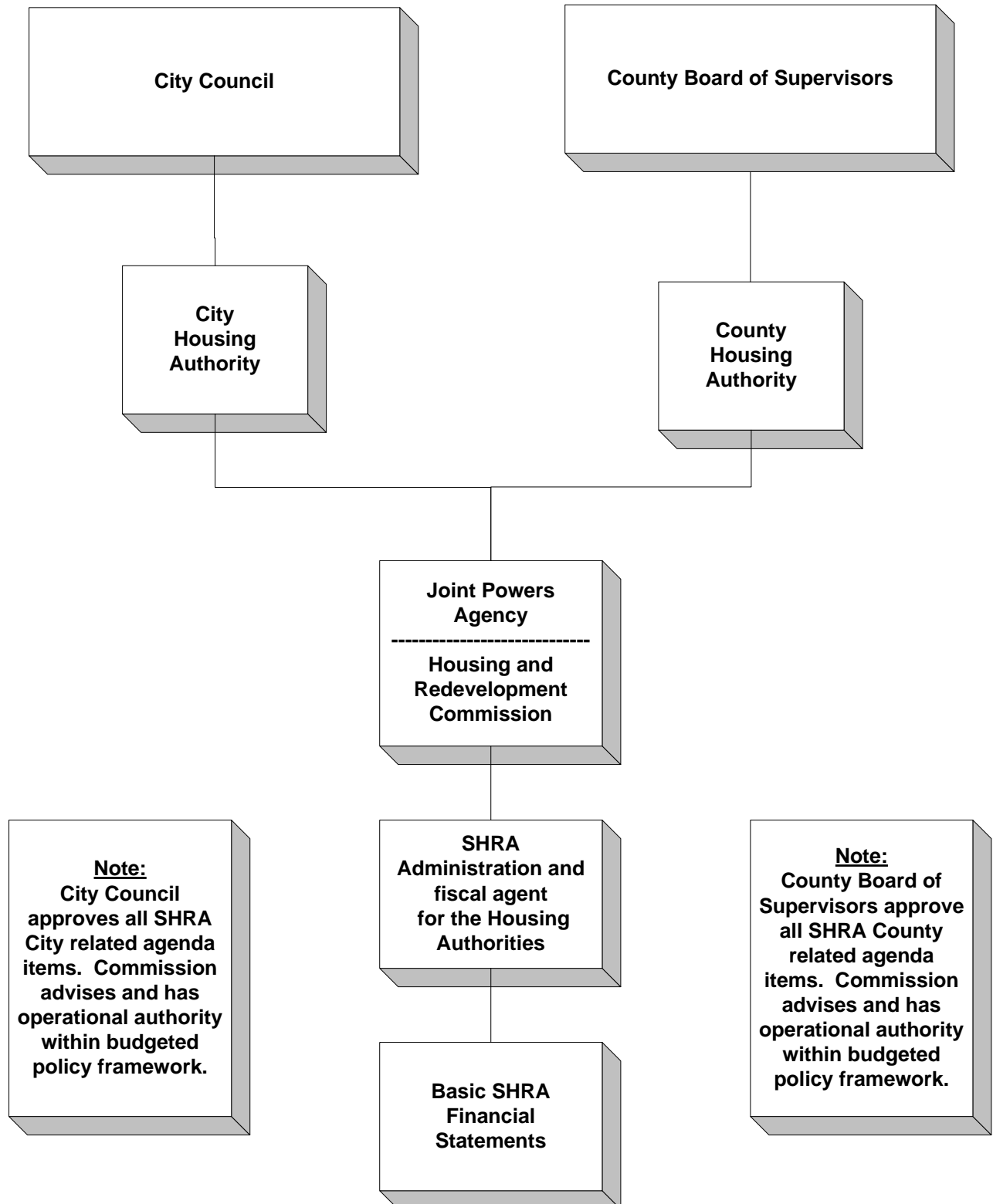
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Executive Director – LaShelle Dozier
Agency Clerk – Vickie Smith
Agency Counsel – Tia Boatman Patterson

*Commission Members in office at December 31, 2013

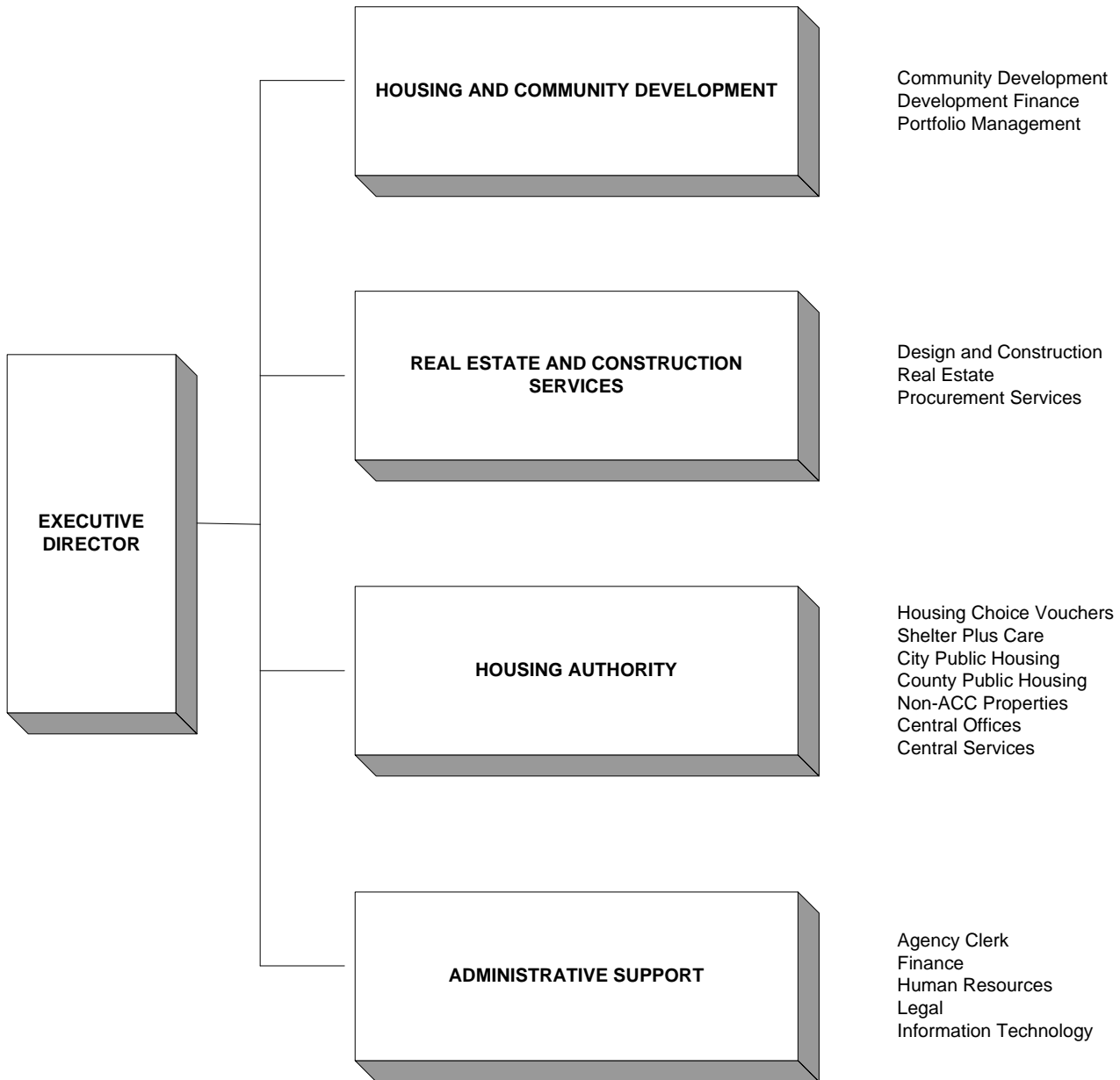
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

GOVERNING BODIES AND ADMINISTRATION ORGANIZATION CHART



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

DEPARTMENT/DIVISION ORGANIZATION CHART



Financial Section

INDEPENDENT AUDITOR'S REPORT

Honorable Members of the Sacramento
City Council, Housing Authority
of the City of Sacramento
County Board of Supervisors, Housing Authority
of the County of Sacramento and
Sacramento Housing and Redevelopment Commission
Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Sacramento Housing and Redevelopment Agency (Agency), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Shasta Hotel Corporation (Hotel) and the Norwood Avenue Housing Corporation (Corporation) discretely presented component units. The Hotel and Corporation represent 70 percent, 46% percent, and 56% percent, respectively of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hotel and the Corporation, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Agency as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I (B) to the financial statements, the Agency adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus—an Amendment of GASB Statements No. 14 and No. 34*; GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*; and GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*. Our opinion was not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress for the pension plan and other post employment benefits plan on pages 4 – 23 and page 71, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic statements. The introductory section, combining and individual fund statements and schedules, Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), American Recovery and Reinvestment Act (ARRA), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), American Recovery and Reinvestment Act (ARRA), ROSS

Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual fund statements and schedules and the Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), American Recovery and Reinvestment Act (ARRA), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, Actual Modernization Grant Cost Certificate Letters, and statistical section have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also issued our report dated June 16, 2014 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Macias Jini & O'Connell LLP

Sacramento, California
June 16, 2014

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*Management's
Discussion
and
Analysis*

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

This portion of the Sacramento Housing and Redevelopment Agency's (Agency) annual financial report presents a narrative overview and analysis of the Agency's financial activities for the year ended December 31, 2013. Please read this in conjunction with the transmittal letter at the beginning of this report and the Agency's financial statements following this section. All dollar amounts are expressed in thousands unless otherwise indicated.

FINANCIAL HIGHLIGHTS

	Governmental Activities	Business-type Activities	Total
Net position:			
Net investment in capital assets	\$ 44,836	\$ 160,586	\$ 205,422
Restricted	303,784	2,436	306,220
Unrestricted	5,120	29,539	34,659
Total net position	\$ 353,740	\$ 192,561	\$ 546,301

The assets of the Agency exceeded liabilities at the end of the 2013 year by \$546,301 (net position). A more detailed explanation of the major categories of the Agency's net position is discussed below:

- \$205,422 is the Agency's net investment in capital assets.
- \$306,220 is restricted to specific purposes (restricted net position). Of this amount \$1,284 was restricted for Housing Choice Vouchers, \$1,940 for debt service, \$153,460 for housing operations, \$142,563 for community development, \$116 for Community Services and \$6,857 for the amount of the OPEB asset, which is for future post-retirement benefit costs.
- The unrestricted net position of \$34,659, is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position

The Agency's total net position, excluding discretely presented component units, decreased over the course of the year by \$15,821 to \$546,301. The net position of governmental activities decreased by \$15,809 and the net position of business-type activities decreased by \$12.

Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (*Continued*)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of Agency finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all Agency assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., grant revenue, accounts payable and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the Agency that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Agency include a variety of federal, state and local housing programs, community development programs funded by the federal government, including the City and County Community Development Block Grant Program (CDBG), community social service programs, and capital projects which include acquisition and construction of major capital facilities.

The business-type activities of the Agency consist of assisted housing, which includes public housing subsidized by the Department of Housing and Urban Development (HUD), locally funded housing projects, and units subsidized by the State of California's California Housing Finance Agency. In addition, the County Housing Authority operates the Housing Choice Voucher (formerly Section 8) Program.

Component units included in the Agency's basic financial statements consist of legally separate entities whose inclusion is necessary for the fair presentation in accordance with generally accepted accounting principles. Included within this grouping are: Sacramento Housing Development Corporation, Shasta Hotel Corporation, Sacramento Housing Authority Asset Repositioning Program, Inc., and the Norwood Avenue Housing Corporation.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

The government-wide financial statements can be found on pages 24 - 25 of this report.

Fund Financial Statements are groupings of related funds that are used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the Agency can be divided into two categories: *governmental funds and proprietary funds*.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements.

However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Agency's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency maintains 61 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the City and County HOME funds and the City and County Housing Successor funds as each is considered a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental funds financial statements can be found on pages 26 - 29 of this report.

Proprietary funds include two different types of funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Agency uses enterprise funds to account for City and County Public Housing Authorities' operations, locally funded housing projects, units funded by the State of California's California Housing Finance Agency and the Housing Choice Vouchers program. The Agency maintains 30 individual enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Agency's various functions. The Agency uses internal service funds to

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

account for the internal support services of administrative divisions, payroll, SHRA administration building and self-insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included with *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County Housing Choice Vouchers and the County AMP 5 funds are considered to be major funds of the Agency.

The Agency's two internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds are provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements can be found on pages 30 - 33 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 36 - 84 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the Supplementary Information.

Combining and individual fund statements and schedules can be found on pages 85 - 162 of this report.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements provide long-term information about the Agency's overall financial condition. This analysis addresses the financial statements of the Agency as a whole.

Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 325,964	\$ 325,212	\$ 34,046	\$ 31,725	\$ 360,010	\$ 356,937
Capital assets	56,416	65,404	163,089	166,104	219,505	231,508
Total assets	<u>382,380</u>	<u>390,616</u>	<u>197,135</u>	<u>197,829</u>	<u>579,515</u>	<u>588,445</u>
Long-term liabilities	22,165	24,394	2,503	2,543	24,668	26,937
Other liabilities	6,475	8,819	2,071	2,713	8,546	11,532
Total liabilities	<u>28,640</u>	<u>33,213</u>	<u>4,574</u>	<u>5,256</u>	<u>33,214</u>	<u>38,469</u>
Net position:						
Net investment in						
capital assets	44,836	52,784	160,586	163,561	205,422	216,345
Restricted	303,784	299,023	2,436	6,836	306,220	305,859
Unrestricted	5,120	5,596	29,539	22,176	34,659	27,772
Total net position	<u>\$ 353,740</u>	<u>\$ 357,403</u>	<u>\$ 192,561</u>	<u>\$ 192,573</u>	<u>\$ 546,301</u>	<u>\$ 549,976</u>

Restricted and Unrestricted Governmental Activities net position for 2012 has been reclassified to conform with the current year's presentation. It does not affect prior year financial statements. Net position was also restated by \$12,146 due to implementation of GASB Statement No. 65 in the current year.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$546,301 at the close of the most recent fiscal year. Combined net position decreased by less than 1% from 2012.

Current and other assets of governmental activities had a net increase of \$752 from 2012. This is mainly due to an increase in notes receivables in the City and County HOME Funds generated from the Agency's financing of affordable housing projects. Total liabilities decreased by \$4,573 compared with 2012. Long-term liabilities decreased \$2,229 due to scheduled principal payments of \$1,529; compensated absences decreased \$555 due to staff reductions, and pollution remediation estimates decreased by \$145. Other liabilities decreased by \$2,344 mainly due to the following: timing of payments for Long Term Disability and Unemployment Insurance, timing for project payments relating to the City and County Capital fund and City and County CDBG programs, a reduction in accrued interest on the CHFA Help loan due to restructuring of the note payable and unearned revenues relating to unspent grant funds.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

Current and other assets of business-type activities had a net increase of \$2,321 from 2012. This is mainly due to the SHARP Washington Plaza development, which sold buildings and improvements to Washington Plaza Associates L. P. in exchange for a \$5,850 seller carry back note and is shown as advances to component units in the financial statements. Long-term liabilities decreased \$40 due to scheduled principal payments. Other liabilities decreased \$642 due mainly to less accrued payables to vendors at year end.

\$205,422 of the Agency's net position reflects its investment in capital assets (e.g., land, buildings, property, and equipment); less any related debt used to acquire those assets that is still outstanding. The Agency uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although this investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The amount invested in capital assets decreased by \$10,923 in the current year. A detailed explanation follows:

The net investment in capital assets for governmental activities decreased by \$7,948 due to the following:

- Transfers of construction in progress and other capital asset transfers from the City Housing Successor funds (\$2,763), City CDBG (\$1,299), County CDBG (\$353), City CDBG NSP 1 (\$92), City CDBG NSP 3 (\$403), City Capital Fund Program (\$2,452), and the County Capital Fund Program (\$1,113), were transferred to buildings in the enterprise funds.
- Deletions consisted of sales of land, buildings and equipment in the NSP3 (\$965), City Housing Successor funds (\$357), County HOME funds (\$305) and additional property transferred to the City Redevelopment Successor agency (\$3,661).
- Additions consisted of: land in County CDBG NSP 1 (\$559) and City CDBG NSP 3 (\$203), Buildings in City CDBG NSP 3 (\$1,100), and construction in progress in City Housing Successor (\$58), City CDBG (\$259), County CDBG (\$197), Local Housing Revenue (\$67), City Capital Fund Program (\$1,849), and County Capital Fund Program (\$1,013).
- Depreciation expense was (\$530) and reduction in debt related to capital assets was (\$1,040).

The net investment in capital assets for business-type activities decreased by \$2,975 in the current year due to the following:

- \$6,039 in depreciation expense, and \$11,551 in sales and deletions of capital assets. The sales and deletions were mainly the sale of 320 Commerce Circle, Section 32 properties and the sale of Washington Plaza.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

- These decreases were offset by a contribution of \$4,900 in buildings to the Asset Repositioning fund, a \$12 purchase of equipment in City AMP 1, and \$8,475 in transfers from governmental activities.
- Construction in progress increased by \$1,608 due to \$489 in HCV for the tenant improvements at 630 I Street, \$979 in Norcade Circle and \$140 in Locally Funded Projects that added to the value of buildings.
- Additionally, the decrease in debt related to capital assets was \$40.

Restricted net position represents amounts that must be used in accordance with external restrictions. Restricted net position in governmental activities increased by a net of \$4,761. This increase was mainly due to the proceeds received from the sale of the Commerce Circle warehouse and the sale of single family homes by the Housing Authorities of the City and County under the HUD Section 32 program.

Unrestricted net position in governmental activities decreased by a net of \$476 due mainly to a reduction in charges for services resulting from adjustments to the Agency's cost allocation plan due to staffing reductions/turnover in the prior year.

Restricted net position for business-type activities decreased by a net of \$4,400 due mainly to the use of Housing Choice Vouchers housing assistance payments (HAP) reserves to cover HUD funding reductions for HAP in 2013 (\$4,409). These reductions were offset by an increase in the San Jose/Broadway replacement reserve and impound accounts (\$9).

Unrestricted net position in Business-type activities increased by \$7,363 due mainly to the sale of the Greenfair development which received sales proceeds and paid off advances from other funds which eliminated the negative unrestricted net position. The SHARP Washington Plaza development sold buildings and improvements to Washington Plaza Associates L. P. in exchange for a seller carry back note which is shown as advances to component units in the financial statements.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

The following table indicates the changes in net position for governmental and business-type activities.

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 1,533	\$ 1,419	\$ 7,141	\$ 6,814	\$ 8,674	\$ 8,233
Operating grants and contributions	18,258	29,078	121,129	127,389	139,387	156,467
Capital grants and contributions	8,698	7,717	4,481	-	13,179	7,717
General revenues:						
Investment earnings	2,634	4,022	1,072	697	3,706	4,719
Miscellaneous	1,304	1,938	751	727	2,055	2,665
Total revenues	<u>32,427</u>	<u>44,174</u>	<u>134,574</u>	<u>135,627</u>	<u>167,001</u>	<u>179,801</u>
Expenses:						
Housing operations	10,700	9,477	-	-	10,700	9,477
Community development	25,677	18,048	-	-	25,677	18,048
Community social services	2,946	2,860	-	-	2,946	2,860
Interest expense	894	953	-	-	894	953
Local housing	-	-	9,084	8,710	9,084	8,710
Public housing	-	-	24,133	24,009	24,133	24,009
Housing choice vouchers	-	-	110,757	112,765	110,757	112,765
Total expenses	<u>40,217</u>	<u>31,338</u>	<u>143,974</u>	<u>145,484</u>	<u>184,191</u>	<u>176,822</u>
Increase (decrease) in net position before transfers, special item and extraordinary item	(7,790)	12,836	(9,400)	(9,857)	(17,190)	2,979
Transfers	(8,019)	(6,559)	8,019	6,559	-	-
Special item	-	-	1,369	-	1,369	-
Extraordinary item	-	116,162	-	-	-	116,162
Increase (decrease) in net position	(15,809)	122,439	(12)	(3,298)	(15,821)	119,141
Net position - beginning*	369,549	234,964	192,573	195,871	562,122	430,835
Net position - ending	<u>\$ 353,740</u>	<u>\$ 357,403</u>	<u>\$ 192,561</u>	<u>\$ 192,573</u>	<u>\$ 546,301</u>	<u>\$ 549,976</u>

* Beginning net position was restated by \$12,146 due to implementation of GASB Statement No. 65.

Analysis of the changes in net position:

Total government-wide revenues of the primary government decreased \$12,800, a 7% decrease from the prior year, and total expenses increased \$7,369, a 4% increase. These fluctuations are discussed in more detail below.

Governmental Activities.

Total revenues for governmental activities decreased \$11,747, a 27% decrease from the prior year, and total expenses increased \$8,879, a 28% increase, and net transfers out decreased \$1,460. These fluctuations are discussed in more detail below.

Revenue

Operating grants and contributions decreased by a net of \$10,820 due primarily to the recognition of one time grant revenue from the State Housing Trust and NSP funds in 2012 with no new grants issued and drawn down in 2013. Additionally, the City and County CDBG had decreased project activity which resulted in less revenue being recognized in 2013.

Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (*Continued*)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

- Capital grants and contributions increased by a net \$981 due primarily to City and County CFP capital outlay expenses, and the City and County Housing Successor revenues received for obligations relating to the dissolved redevelopment agency.
- Investment earnings decreased by \$1,388. The Agency had less cash to invest and the investments did not do as well as in 2012.
- Miscellaneous income decreased by \$634 mainly due to not receiving the same level of insurance and SMUD rebates as the prior year.
- The decrease in governmental activities total revenue of \$11,747 was offset by an increase of \$8,879 in expenses.

Expenses

- Housing operations increased by \$1,223 mainly due to the Housing Successor funds that account for the low and moderate tax increment funds from the former redevelopment agency. Expenditures vary based on projects.
- Community development operations increased by a net of \$7,629 mainly due to the loss on sale of HUD Section 32 homes and disposal of capital assets sent to the City Redevelopment Agency Successor Agency (RASA) due to the elimination of redevelopment.
- Community social services increased by a net of \$86 mainly due to increased sub-recipient activity in the Housing Opportunities for People with AIDS (HOPWA) program, FUND, Inc. expenditures, new programs in 2013 for City and County Emergency Solutions Grants (ESG) and Transitional Living and Community Support (TLCS).
- Interest expense decreased by \$59 due to a reduction of investment fees.

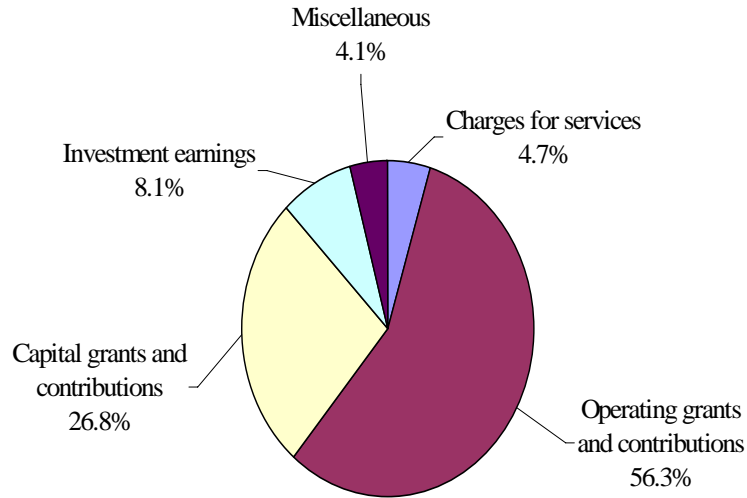
The net transfers of (\$8,019) are mainly due to transfers of construction in progress from governmental activities for costs incurred by the following funds: City Housing Successor funds (\$2,763), City CDBG (\$1,299), County CDBG (\$353), City CDBG NSP 1 (\$92), City CDBG NSP 3 (\$403), City Capital Fund Program (\$2,452), and the County Capital Fund Program (\$1,113), were transferred to buildings in the enterprise funds. Other transfers were to cover operating deficits in various funds.

The extraordinary item of \$116,162 in 2012 was due to the dissolution of redevelopment in which assets were transferred to the Redevelopment Successor and Housing Successor agencies.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

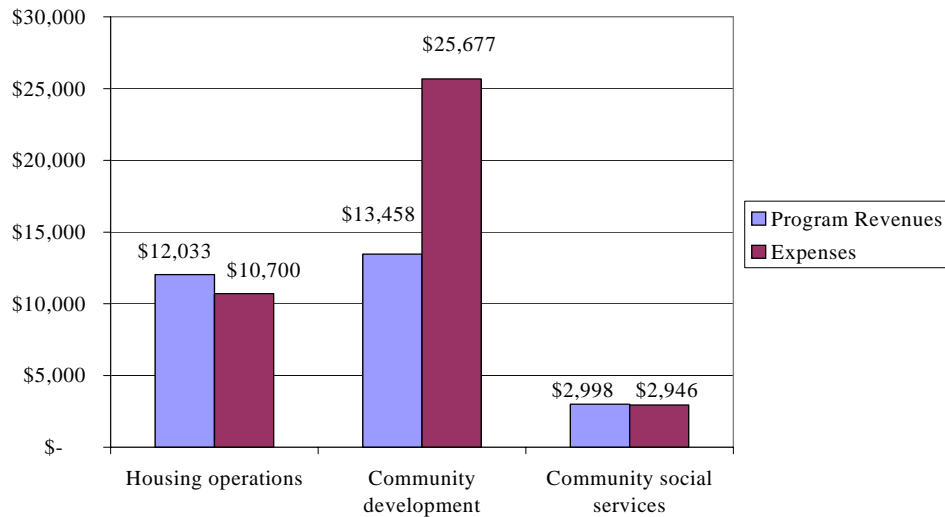
The following graph shows the breakdown of revenue by source.

Revenues by Source - Governmental Activities



The following graphs show a comparison of expenses and program revenues for governmental activities and the general revenues that cover the expenses that program revenues do not.

Expenses and Program Revenues - Governmental Activities



**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

The community development expenses include adjustments for implementation of GASB Statement No. 65 which increased expenses by a net of \$9,802 in order to record deferred in flows for revolving loan funds. Additionally, adjustments to convert governmental fund activities into the Government-wide statements reflects increased expenses for deletions of capital assets transferred to the City Redevelopment Agency Successor Agency (RASA) and for the loss on sale of capital assets sold from governmental funds.

The variance in Community Social Services between revenues and expense is due to unspent revenues in the local tax special revenue funds.

Business-type Activities.

Total revenues for business-type activities decreased \$1,053 less than a 1% decrease from the prior year, and total expenses decreased \$1,510, a 1% decrease, and net transfers to business-type activities increased \$1,460. These fluctuations are discussed in more detail below.

Revenue

- Charges for services increased by \$327 mainly due to Public Housing units at 626 I street, which were fully leased in 2013.
- Operating grants and contributions decreased by \$6,260 due mainly to HUD Sequestration cuts for federal programs. Specifically, the Housing Choice Vouchers program (HCV) received cuts to both housing assistance payments (HAP) and administrative funding of (\$4,933). Additionally, the Public housing program operating subsidy decreased \$1,173. The Agency received only 82% of funding eligibility in 2013 compared with 92% in 2012.
- Capital grants and contributions increased by \$4,481 due to a contribution of property in the Asset Repositioning enterprise fund from the SHARP component unit fund. This property was subsequently sold to the SHARP Washington Plaza Associates L.P.
- Investment earnings increased by \$375 due to a repayment of accrued interest for Phoenix Park development project.
- Miscellaneous revenue increased by \$24 due to refunds from Comcast.

Expenses

- Local housing increased by \$374 due mainly to a change in accounting practice for County COCC. In 2013, the Agency implemented HUD guidance to fund the indirect costs of the Housing Choice Vouchers through the County COCC. Previously, indirect costs were paid directly from the Housing Choice Vouchers program.
- Public housing increased by \$124 due mainly to property insurance costs charged in 2013 that were not charged in 2012 due to a refund from the insurance company used to cover the cost in the prior year.

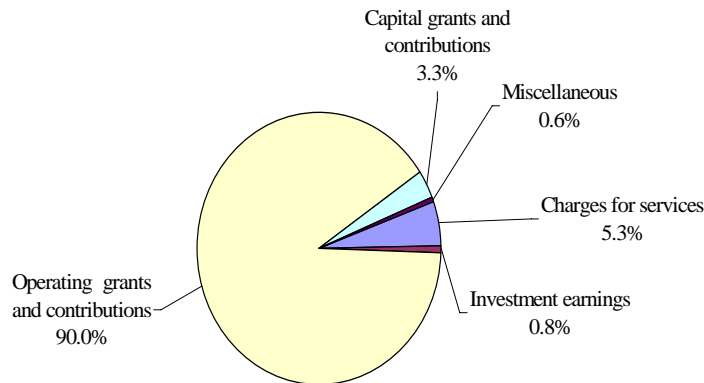
**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

- Housing choice vouchers HAP expenses decreased by \$2,008 due to reduced HUD funding which reduced the number of vouchers available to lease in the Housing Choice Vouchers Program.

The net transfers in of (\$8,019) are mainly due to transfers of capital assets from governmental activities to enterprise funds with the primary transfers being associated with the following developments: 626 I Street project in City AMP 6, 23 Coral Gables, Las Victorianas and 325 Elkhorn. The remaining transfers were primarily from the Capital Fund Program to the Public Housing AMPs for construction in progress and to cover costs of the resident trainee program.

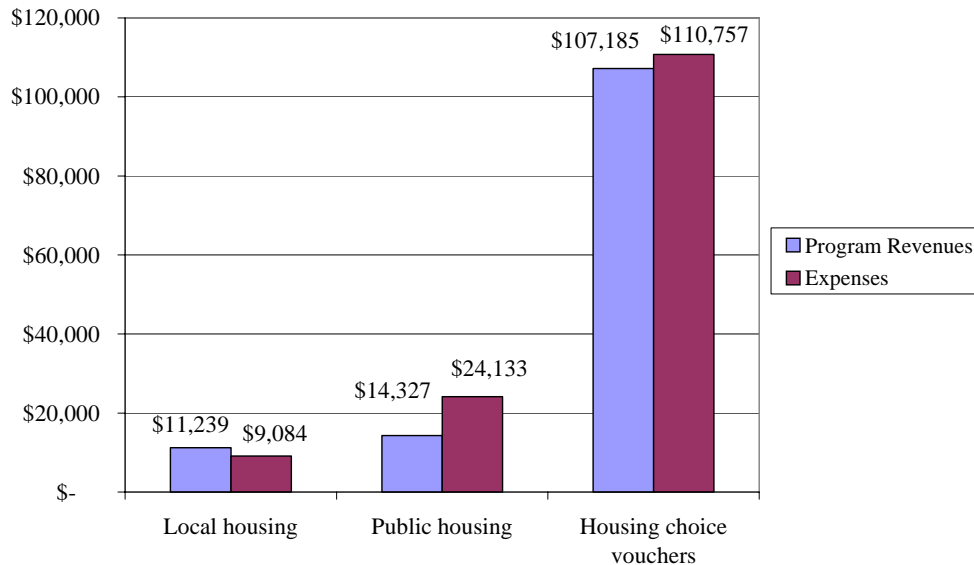
The following graphs show the breakdown of revenues by source and a comparison of expenses and program revenues for business-type activities.

Revenues by Source - Business-type Activities



**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

Expenses and Program Revenues - Business-type Activities



In the second graph, the variance in the revenues and expenses in Local Housing is primarily due to a capital grant and contribution of property in the Asset Repositioning enterprise fund. This was offset by a loss on the sale of capital assets for the Greenfair development and the low lease up level for Villa De Novo project.

The variance in Public Housing is primarily due to depreciation expense and the loss on the sale of capital assets that relate to the sales of HUD Section 32 properties in City AMP 5 and City AMP 7.

The variance in Housing Choice Vouchers represents the net impact of sequestration cuts to the program in 2013. Expenses in excess of revenues were covered by Housing Choice Vouchers reserves.

FINANCIAL ANALYSIS OF THE AGENCY'S FUNDS

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The general government functions are contained in the Special Revenue, Debt Service, and Capital Projects Funds. The Agency does not have a General Fund. The focus of the Agency's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, *assigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. The governmental funds financial statements can be found on pages 26 - 29 of this report.

The Agency's governmental funds reported combined ending fund balances of \$176,111. With the restatement, there was a net decrease of \$3,804 in comparison with the prior year. The major funds listed below are responsible for a decrease of \$9,473 in the combined fund balances and the nonmajor funds are responsible for a \$5,669 increase.

The City HOME fund has a total fund balance of \$2,673, which is restricted for community development.

The County HOME fund has a total fund balance of \$281, which is restricted for community development.

The City Housing Successor fund has a total fund balance of \$65,824, of which \$45,285 is for nonspendable long-term receivables and \$20,539 is restricted for housing activities. The net decrease in fund balance during the current year was \$4,307. This decrease is due to the wind down of projects in response to the dissolution of redevelopment.

The County Housing Successor fund has a total fund balance of \$16,590, of which \$15,890 is for nonspendable long-term receivables and \$700 is restricted for housing activities. The net decrease in fund balance during the current year was \$415. This decrease is due to the wind down of projects in response to the dissolution of redevelopment.

Proprietary funds. The Agency's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail (See Business-type Activities section on page 14).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Agency's net investment in capital assets for its governmental and business-type activities as of December 31, 2013, amounted to \$219,505 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, property and equipment, and construction in progress.

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

Capital assets for the governmental and business-type activities are presented below.

	Capital Assets (net of depreciation)						Increase/ (Decrease) Percent of Change
	Governmental Activities		Business-type Activities		Total		
	2013	2012	2013	2012	2013	2012	
Land	\$ 18,979	\$ 22,122	\$ 16,202	\$ 17,920	\$ 35,181	\$ 40,042	-12.14%
Building and improvements	12,581	13,340	144,982	140,249	157,563	153,589	2.59%
Property and equipment	204	423	255	242	459	665	-30.98%
Construction in progress	24,652	29,519	1,650	7,693	26,302	37,212	-29.32%
Total	<u>\$ 56,416</u>	<u>\$ 65,404</u>	<u>\$ 163,089</u>	<u>\$ 166,104</u>	<u>\$ 219,505</u>	<u>\$ 231,508</u>	<u>-5.18%</u>

The governmental activities decreased by \$8,988. The decrease in land and building and improvements in the governmental activities is due mainly to additional properties transferred to the City Redevelopment Successor Agencies due to the dissolution of redevelopment, sales of single family homes under the NSP 3 property recycling program, and the sale of the 46th and Lang property. The decrease in property and equipment is due to accumulated depreciation and transfers of equipment from the Capital Fund Program to the City COCC enterprise fund. Construction in progress decreased in the City and County Capital Fund Program and was transferred to buildings in the business-type activities.

The business-type activities decreased by \$3,015. The decrease in land is mainly due to the sale of 320 Commerce Circle and sale of Section 32 properties to the CDBG NSP 3 property recycling program for rehabilitation and sale to qualified home buyers. The increase in buildings and improvements was due to transfers of construction and progress from governmental activities. The increase in equipment is due to the purchase of a bizhub printer in City AMP 1. The decrease in construction in progress is primarily due to the completion of the Housing Choice Voucher program tenant improvements at 630 I Street that was moved to buildings and also completion of Greenfair eminent domain and subsequent sale.

**Sacramento Housing and Redevelopment Agency
Management’s Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

Long-term Debt. At the end of December 31, 2013, the Agency had long-term debt outstanding of \$22,226. This is a net decrease of \$1,714 from the prior year total of \$23,940.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Notes payable	\$ 18,379	\$ 19,908	\$ 2,503	\$ 2,543	\$ 20,882	\$ 22,451
Pollution remediation	1,344	1,489	-	-	1,344	1,489
Total	<u>\$ 19,723</u>	<u>\$ 21,397</u>	<u>\$ 2,503</u>	<u>\$ 2,543</u>	<u>\$ 22,226</u>	<u>\$ 23,940</u>

Governmental activities notes payable decreased by \$1,529 due to scheduled principal payments which reduced the year-end balances. There were no notes issued in 2013.

Pollution remediation obligations decreased by \$145 due to a decrease in estimated costs.

Business-type activities notes payable decreased \$40 due to scheduled principal payments which reduced the year-end balances. There were no notes issued in 2013.

Additional information about the Agency’s capital assets and total long-term debt is presented in Note III.C. and Note III.F., respectively, to the financial statements on pages 50 - 51 and 57 - 63 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The Agency has both housing authority and Housing Successor Agency functions. As such, its revenues and expenditures are dependent on external factors such as the availability of federal funding.

BUDGET SUMMARY

The 2014 Proposed Budget recommends total expenses of \$167.6 million, with the Housing Assistance Payments Budget at \$103.5 million; the Operating Budget at \$34.4 million; the Capital Project Budget at \$21.9 million; the Public Services Budget at \$4.9 million; and, the Debt Service and Financial Transaction Budget at \$2.9 million. The 2014 Proposed Budget of \$167.6 million represents a \$2.0 million or 1% decrease compared with the total 2013 Adopted Budget.

Some of the guiding principles used to develop the Agency’s budget include:

- Protecting “core services” to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;

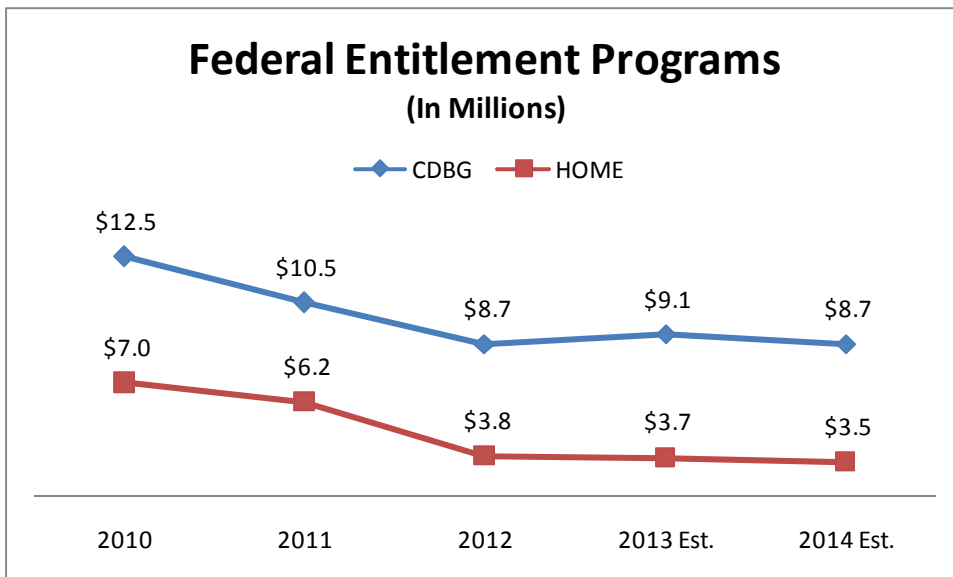
**Sacramento Housing and Redevelopment Agency
Management’s Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

- Consideration of the overall financial health of the organization, not just the cash flow from year to year;
- Using partnerships with community based organizations and private entities whenever possible; and
- Developing budget plans that employ strategies to address the long-term needs of the communities we serve.

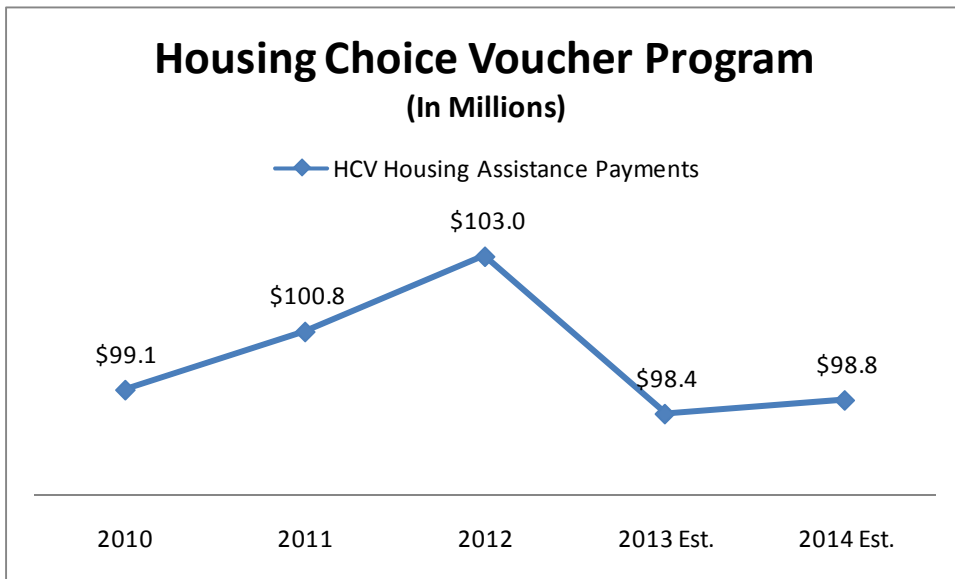
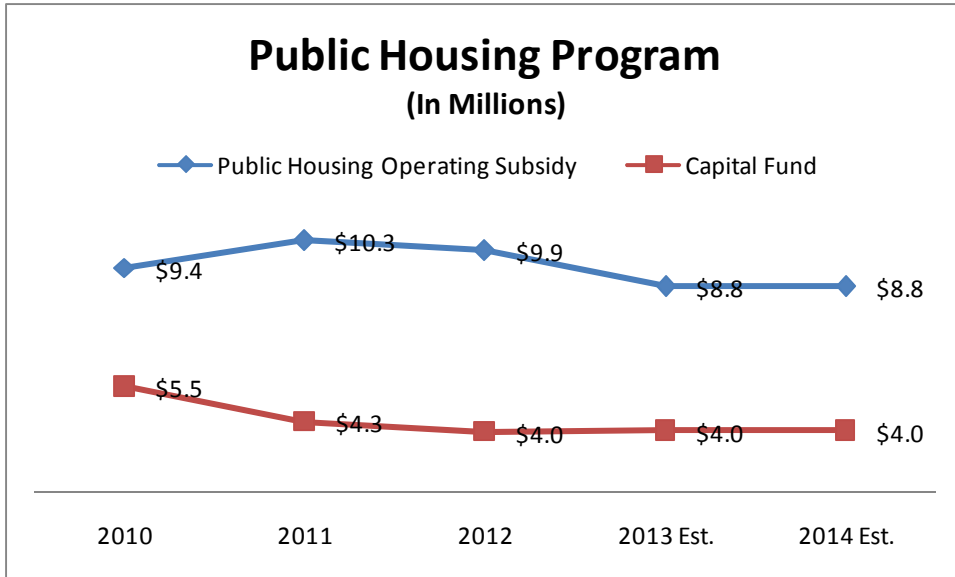
Challenges:

The uncertain nature of the current economic environment and our expectation that the recovery will be a slow process necessitate a fiscally conservative approach to the budget and continued vigilance regarding the ever changing landscape of the federal budget process. The Agency anticipates it will emerge from these unsettling times with a new economic reality for the programs and activities that we administer. Part of this new reality will be a much lower baseline of funding for federal community development and affordable housing programs, and greater challenges in keeping up with the demand for affordable housing in our community.

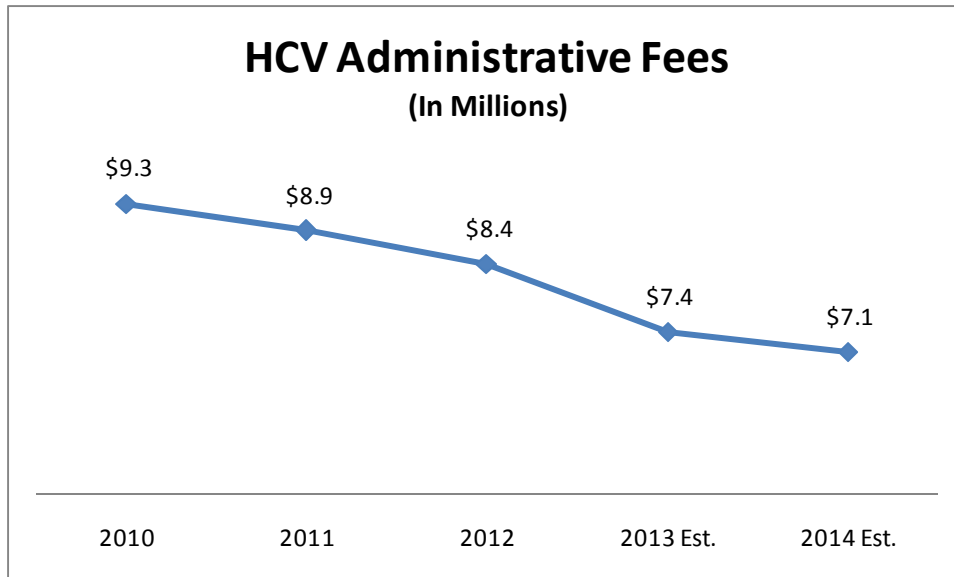
Beginning in 2011, Congress systematically began reducing federal spending for domestic programs and, in 2013, implemented the cuts required by the Sequestration Transparency Act of 2012. The vast majority of the spending cuts imposed by sequestration directly impact the federal discretionary programs we administer on behalf of the City and County of Sacramento. The following charts provide a visual representation of the decline of the Agency’s federal funding over the past several years as presented in the Agency’s FY2014 adopted budget.



**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**



**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**



The reductions in federal support for community development, affordable housing and public services are magnified by the simultaneous growth in the need for these programs and assistance. Waiting lists for affordable housing across the country continue to grow and low-income families with children and elderly and disabled people in need today, must wait longer and longer for assistance.

2014 Outlook:

The Agency continues to hone its core strength of adapting to change which has enabled the organization to successfully address both new and ongoing challenges of the past several years. Despite elimination of redevelopment in 2012 and dramatic cuts to federal programs mandated by Congress, the Agency has effectively managed its way through one crisis after another, and has emerged from each challenge a stronger and more efficient organization.

Nearly 90% of Agency funding comes from the federal government through the Department of Housing and Urban Development. Accordingly, the Agency has adapted to the new economic reality post redevelopment, by refocusing the organization's direction and priorities, and fine tuning resources for doing business. The appropriate response called for proactively streamlining operations by strategically reducing operational costs through layoffs, staff attrition, transfers, reduced work schedules, and cuts to services and supplies. To date, these efficiencies have lessened the impact within the communities we serve and enabled the Agency to continue fulfilling its commitment to keep residents housed.

Despite our best efforts to maintain service levels for key Agency programs, the sequestration cuts of 2013 have exacted a toll and leave many activities in a state of uncertainty in the coming year. For example, the 2013 HUD funding for the Agency's Housing Choice Vouchers program will require the Agency to cease pulling families

**Sacramento Housing and Redevelopment Agency
Management's Discussion and Analysis (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)**

from the wait list and use all available program reserves just to breakeven with program costs. Should HUD continue to fund the program at this level, we estimate that the Agency will serve 600 less families by the end of 2014. For this and similar reasons, we must continue to refine the organization and adapt to our new reality.

The 2014 Proposed Budget reflects a decrease of 1 percent compared with 2013 due to continued cuts to federal programs under sequestration. Cumulatively, the Agency budget has been reduced by 33 percent since 2011. Accordingly, the Agency has implemented a variety of cost savings measures that have reduced staff costs and services and supply costs by \$8.5 million and reduced Agency funded full time equivalent positions FTE by 30%. In 2014 we are proposing to eliminate 28 previously unfunded positions reducing the number of authorized positions from 253 to 225. We are also recommending that an additional 22 positions be unfunded for the remainder of 2014, and propose to continue with the Agency's year-end closure schedule.

Since 2008, the Agency has worked to restructure and re-engineer the organization requiring an analysis of span of control (number of employees reporting to management), process improvements, service level expectations and implementing initiatives that streamline and consolidate services and functions. Many of the initiatives have been implemented and have resulted in a much more cost effective and efficient organization.

Although the Agency is operating through a period of economic uncertainty, we will continue to bring forward award-winning projects and to invest in community revitalization activities through effective partnerships that improve Sacramento's quality of life.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, Sacramento Housing and Redevelopment Agency, 801 12th Street, Sacramento, California, 95814.

*Basic
Financial
Statements*

Sacramento Housing and Redevelopment Agency
Statement of Net Position
December 31, 2013
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and investments	\$ 61,739	\$ 12,186	\$ 73,925	\$ 4,710
Receivables (net)	7,437	802	8,239	535
Internal balances	5,161	(5,161)	-	-
Prepaid items	84	6	90	537
Restricted cash and investments	3,107	3,579	6,686	2,466
Other long-term assets	-	-	-	356
Notes receivable (net)	240,086	5,763	245,849	191
Advances to component units	1,493	16,871	18,364	-
Advances to primary government	-	-	-	1,000
OPEB asset	6,857	-	6,857	-
Capital assets:				
Land and construction in progress	43,631	17,852	61,483	4,500
Depreciable buildings and improvements, and property and equipment, net	12,785	145,237	158,022	77,083
Total assets	<u>382,380</u>	<u>197,135</u>	<u>579,515</u>	<u>91,378</u>
LIABILITIES				
Accounts payable and accrued liabilities	2,422	821	3,243	769
Interest payable	151	-	151	4,050
Unearned revenue	607	107	714	44
Deposit and trust liability	2,295	1,143	3,438	326
Advances from component units	1,000	-	1,000	-
Advances from primary government	-	-	-	18,364
Long-term liabilities:				
Due within one year	2,828	43	2,871	879
Due in more than one year	19,337	2,460	21,797	30,183
Total liabilities	<u>28,640</u>	<u>4,574</u>	<u>33,214</u>	<u>54,615</u>
DEFERRED INFLOWS OF RESOURCES				
Interest rate swap at fair value	-	-	-	1,127
NET POSITION				
Net investment in capital assets	44,836	160,586	205,422	36,020
Restricted for:				
Debt service	983	957	1,940	-
Housing	153,265	195	153,460	2,140
Housing choice vouchers	-	1,284	1,284	-
Community development	142,563	-	142,563	-
Community services	116	-	116	-
Other	6,857	-	6,857	-
Unrestricted	5,120	29,539	34,659	(2,524)
Total net position	<u>\$ 353,740</u>	<u>\$ 192,561</u>	<u>\$ 546,301</u>	<u>\$ 35,636</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Activities
For the Year Ended December 31, 2013
(amounts expressed in thousands)

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Primary government:					
Governmental activities:					
Housing operations	\$ 10,700	\$ 1,533	\$ 1,802	\$ 8,698	\$ 1,333
Community development	25,677	-	13,458	-	(12,219)
Community social services	2,946	-	2,998	-	52
Interest expense	894	-	-	-	(894)
Total governmental activities	<u>40,217</u>	<u>1,533</u>	<u>18,258</u>	<u>8,698</u>	<u>(11,728)</u>
Business-type activities:					
Local housing	9,084	1,581	5,177	4,481	2,155
Public housing	24,133	5,560	8,767	-	(9,806)
Housing choice vouchers	110,757	-	107,185	-	(3,572)
Total business-type activities	<u>143,974</u>	<u>7,141</u>	<u>121,129</u>	<u>4,481</u>	<u>(11,223)</u>
Total primary government	<u>\$ 184,191</u>	<u>\$ 8,674</u>	<u>\$ 139,387</u>	<u>\$ 13,179</u>	<u>\$ (22,951)</u>
Component units:					
Local housing	<u>\$ 12,604</u>	<u>\$ 2,680</u>	<u>\$ 4,228</u>	<u>\$ 1,340</u>	<u>\$ (4,356)</u>

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Net revenue (expense)	\$ (11,728)	\$ (11,223)	\$ (22,951)	\$ (4,356)
General revenues:				
Investment earnings	2,634	1,072	3,706	45
Miscellaneous	1,304	751	2,055	314
Special item	-	1,369	1,369	-
Transfers, net	(8,019)	8,019	-	-
Total general revenues, special item, and transfers	<u>(4,081)</u>	<u>11,211</u>	<u>7,130</u>	<u>359</u>
Change in net position	(15,809)	(12)	(15,821)	(3,997)
Net position - beginning, as restated	369,549	192,573	562,122	39,633
Net position - ending	<u>\$ 353,740</u>	<u>\$ 192,561</u>	<u>\$ 546,301</u>	<u>\$ 35,636</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Balance Sheet
Governmental Funds
December 31, 2013
(amounts expressed in thousands)

	City HOME	County HOME	City Housing Successor	County Housing Successor	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 2,547	\$ 209	\$ 16,528	\$ 703	\$ 28,349	\$ 48,336
Accounts receivable	1	67	34	-	310	412
Due from other funds	-	-	-	-	1,826	1,826
Due from other governments	127	7	4,000	-	2,891	7,025
Notes receivable (net)	41,212	47,811	45,115	15,890	89,793	239,821
Advances to other funds	-	-	170	-	7,699	7,869
Advances to component units	-	-	-	-	1,493	1,493
Restricted cash and investments	-	1	33	-	2,525	2,559
Total assets	<u>\$ 43,887</u>	<u>\$ 48,095</u>	<u>\$ 65,880</u>	<u>\$ 16,593</u>	<u>\$ 134,886</u>	<u>\$ 309,341</u>
Liabilities						
Accounts payable	\$ -	\$ -	\$ 20	\$ -	\$ 1,126	\$ 1,146
Accrued liabilities	2	2	3	3	47	57
Contracts payable	-	-	-	-	56	56
Due to other funds	-	-	-	-	1,507	1,507
Due to other governments	-	-	-	-	196	196
Unearned revenue	-	-	-	-	607	607
Deposit and trust liability	-	1	33	-	2,261	2,295
Advances from other funds	-	-	-	-	3,319	3,319
Total liabilities	<u>2</u>	<u>3</u>	<u>56</u>	<u>3</u>	<u>9,119</u>	<u>9,183</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>41,212</u>	<u>47,811</u>	<u>-</u>	<u>-</u>	<u>35,024</u>	<u>124,047</u>
Fund Balances (Deficits)						
Nonspendable:						
Long-term receivables	-	-	45,285	15,890	64,587	125,762
Restricted for:						
Debt service	-	-	-	-	435	435
Housing	-	-	20,539	700	14,962	36,201
Community development	2,673	281	-	-	6,864	9,818
Community services	-	-	-	-	116	116
Committed for:						
Housing	-	-	-	-	1,882	1,882
Community development	-	-	-	-	638	638
Assigned for:						
Housing	-	-	-	-	3,859	3,859
Community development	-	-	-	-	176	176
Unassigned	-	-	-	-	(2,776)	(2,776)
Total fund balances (deficits)	<u>2,673</u>	<u>281</u>	<u>65,824</u>	<u>16,590</u>	<u>90,743</u>	<u>176,111</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 43,887</u>	<u>\$ 48,095</u>	<u>\$ 65,880</u>	<u>\$ 16,593</u>	<u>\$ 134,886</u>	<u>\$ 309,341</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2013
(amounts expressed in thousands)

Total fund balances of governmental funds (page 26)		\$ 176,111
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term assets that are not available to pay for current period expenditures and, therefore, are considered deferred inflows of resources in governmental funds.		124,047
OPEB assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		6,857
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 44,953	
Less: accumulated depreciation	<u>(764)</u>	
		44,189
Internal service funds are used by management to charge the costs of administration to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		11,771
Certain current liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Interest payable		(151)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Notes payable	(18,379)	
Pollution remediation payable	(1,344)	
Less internal service fund notes payable	<u>10,639</u>	
		<u>(9,084)</u>
Net position of governmental activities (page 24)		<u><u>\$ 353,740</u></u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City HOME	County HOME	City Housing Successor	County Housing Successor	Other Governmental Funds	Total Governmental Funds
Revenues:						
Intergovernmental	\$ 1,257	\$ 2,119	\$ 1,975	\$ 191	\$ 25,924	\$ 31,466
Charges for services	-	-	-	9	1,524	1,533
Investment earnings	130	490	514	19	1,176	2,329
Miscellaneous	4	51	147	51	779	1,032
Total revenues	<u>1,391</u>	<u>2,660</u>	<u>2,636</u>	<u>270</u>	<u>29,403</u>	<u>36,360</u>
Expenditures:						
Current:						
Housing operations	-	-	6,544	552	3,607	10,703
Community development	3,972	5,251	-	-	10,601	19,824
Community social services	-	-	-	-	2,946	2,946
Capital outlay	-	-	58	-	5,247	5,305
Debt service:						
Principal retirement	-	-	209	-	839	1,048
Interest	-	-	262	-	495	757
Total expenditures	<u>3,972</u>	<u>5,251</u>	<u>7,073</u>	<u>552</u>	<u>23,735</u>	<u>40,583</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,581)</u>	<u>(2,591)</u>	<u>(4,437)</u>	<u>(282)</u>	<u>5,668</u>	<u>(4,223)</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	-	238	-	-	830	1,068
Transfers in	1	182	130	25	4,912	5,250
Transfers out	-	-	-	(158)	(5,741)	(5,899)
Total other financing sources (uses)	<u>1</u>	<u>420</u>	<u>130</u>	<u>(133)</u>	<u>1</u>	<u>419</u>
Net change in fund balances	(2,580)	(2,171)	(4,307)	(415)	5,669	(3,804)
Fund balances, beginning, as restated	5,253	2,452	70,131	17,005	85,074	179,915
Fund balances, ending	<u>\$ 2,673</u>	<u>\$ 281</u>	<u>\$ 65,824</u>	<u>\$ 16,590</u>	<u>\$ 90,743</u>	<u>\$ 176,111</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

Net change in fund balances - total governmental funds (page 28)		\$ (3,804)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:		
Capital outlay	\$ 5,305	
Depreciation expense	<u>(142)</u>	5,163
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds received from the sale of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of the capital assets disposed of or sold.		(5,288)
Capital assets transferred from governmental activities to business-type activities are reported as transfers in the statement of activities. The transfers are not reported in the governmental funds because there has been no use of current financial resources.		(8,475)
The repayment of the principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position: Principal repayments on long-term debt - notes payable		1,048
The Agency has recorded an obligation and corresponding expense for pollution remediation activities which does not require the use of current financial resources, and therefore, is not reported as an expenditure in governmental funds.		145
A reduction in interest expense reported in the statement of activities does not provide or use current financial resources, and therefore, is not reported as a reduction in expenditures in governmental funds.		427
OPEB contributions made in excess of the annual required contribution are reported as expenditures in the governmental funds, however, in the statement of activities the excess contributions does not have any effect on net position, rather the OPEB asset increases.		1,257
Unavailable revenues not available to liquidate liabilities of the current period that were not previously recognized in governmental funds, but were recognized as revenue in the statement of activities in prior years.		(4,510)
Internal service funds are used by management to charge the costs of certain activities, such as administration to individual funds. The net expense of the internal service funds is reported with the governmental activities.		(1,772)
Change in net position of governmental activities (page 25)		<u>\$ (15,809)</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Net Position
Proprietary Funds
December 31, 2013
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	County Housing Choice Vouchers	County AMP 5	Other Enterprise Funds	Total	
Assets					
Current assets:					
Cash and investments	\$ 2,474	\$ 218	\$ 9,494	\$ 12,186	\$ 13,403
Restricted cash and investments	146	78	1,876	2,100	-
Accounts receivable (net)	87	20	303	410	-
Due from other funds	-	-	297	297	292
Due from other governments	-	-	392	392	-
Prepaid items	-	-	6	6	84
Total current assets	<u>2,707</u>	<u>316</u>	<u>12,368</u>	<u>15,391</u>	<u>13,779</u>
Noncurrent assets:					
Restricted cash and investments	1,284	-	195	1,479	548
Notes receivable	-	-	5,763	5,763	265
Advances to component units	-	-	16,871	16,871	-
Total noncurrent assets	<u>1,284</u>	<u>-</u>	<u>22,829</u>	<u>24,113</u>	<u>813</u>
Capital assets:					
Land	-	1,696	14,506	16,202	2,040
Construction in progress	-	-	1,650	1,650	-
Buildings and improvements	-	52,730	192,896	245,626	11,510
Property and equipment	48	74	1,369	1,491	639
Less accumulated depreciation	(48)	(26,465)	(75,367)	(101,880)	(1,962)
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>28,035</u>	<u>135,054</u>	<u>163,089</u>	<u>12,227</u>
Total noncurrent assets	<u>1,284</u>	<u>28,035</u>	<u>157,883</u>	<u>187,202</u>	<u>13,040</u>
Total assets	<u>3,991</u>	<u>28,351</u>	<u>170,251</u>	<u>202,593</u>	<u>26,819</u>
Liabilities					
Current liabilities:					
Accounts payable	34	29	390	453	134
Accrued liabilities	75	10	218	303	833
Due to other funds	-	104	804	908	-
Compensated absences	-	-	-	-	1,708
Due to other governments	50	-	15	65	-
Unearned revenue	41	2	64	107	-
Current portion of long-term debt	-	-	43	43	506
Current liabilities payable from restricted assets: Deposit and trust liability	146	78	919	1,143	-
Total current liabilities	<u>346</u>	<u>223</u>	<u>2,453</u>	<u>3,022</u>	<u>3,181</u>
Noncurrent liabilities:					
Compensated absences	-	-	-	-	734
Mortgage notes payable	-	-	2,460	2,460	10,133
Advances from other funds	1,800	-	2,750	4,550	-
Advances from component unit	-	-	-	-	1,000
Total noncurrent liabilities	<u>1,800</u>	<u>-</u>	<u>5,210</u>	<u>7,010</u>	<u>11,867</u>
Total liabilities	<u>2,146</u>	<u>223</u>	<u>7,663</u>	<u>10,032</u>	<u>15,048</u>
Net Position					
Net investment in capital assets	-	28,035	132,551	160,586	1,588
Restricted for debt service	-	-	957	957	548
Restricted for housing operations	-	-	195	195	-
Restricted for housing choice vouchers	1,284	-	-	1,284	-
Unrestricted	561	93	28,885	29,539	9,635
Total net position	<u>\$ 1,845</u>	<u>\$ 28,128</u>	<u>\$ 162,588</u>	<u>\$ 192,561</u>	<u>\$ 11,771</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	County Housing Choice Vouchers	County AMP 5	Other Enterprise Funds	Eliminations	Total	
Operating revenues:						
Charges for services	\$ -	\$ 401	\$ 11,696	\$ (4,956)	\$ 7,141	\$ 5,823
Miscellaneous	-	8	743	-	751	272
Total operating revenues	<u>-</u>	<u>409</u>	<u>12,439</u>	<u>(4,956)</u>	<u>7,892</u>	<u>6,095</u>
Operating expenses:						
Employee services	3,411	346	6,515	-	10,272	6,429
Administrative services	1,492	172	5,775	(4,956)	2,483	-
Services and supplies	1,785	478	8,410	-	10,673	1,781
Utilities	-	241	2,874	-	3,115	115
Claims and judgments	-	-	27	-	27	-
Depreciation	5	1,322	4,712	-	6,039	388
Housing assistance payments	104,064	25	4,189	-	108,278	-
Total operating expenses	<u>110,757</u>	<u>2,584</u>	<u>32,502</u>	<u>(4,956)</u>	<u>140,887</u>	<u>8,713</u>
Operating loss	<u>(110,757)</u>	<u>(2,175)</u>	<u>(20,063)</u>	<u>-</u>	<u>(132,995)</u>	<u>(2,618)</u>
Nonoperating revenues (expenses):						
Intergovernmental	107,185	755	13,189	-	121,129	-
Investment earnings	98	1	973	-	1,072	305
Interest expense	-	-	(39)	-	(39)	(564)
Loss on disposal of capital assets	-	-	(2,873)	-	(2,873)	-
Loss on loan write-off	-	-	(175)	-	(175)	-
Total nonoperating revenues (expenses)	<u>107,283</u>	<u>756</u>	<u>11,075</u>	<u>-</u>	<u>119,114</u>	<u>(259)</u>
Loss before capital contributions, special item and transfers	<u>(3,474)</u>	<u>(1,419)</u>	<u>(8,988)</u>	<u>-</u>	<u>(13,881)</u>	<u>(2,877)</u>
Capital contributions	-	93	17,551	-	17,644	-
Transfers in	31	147	2,976	-	3,154	1,105
Transfers out	(4,494)	-	(3,804)	-	(8,298)	-
Special item-SHARP sale transaction	-	-	1,369	-	1,369	-
Change in net position	<u>(7,937)</u>	<u>(1,179)</u>	<u>9,104</u>	<u>-</u>	<u>(12)</u>	<u>(1,772)</u>
Net position, beginning	<u>9,782</u>	<u>29,307</u>	<u>153,484</u>	<u>-</u>	<u>192,573</u>	<u>13,543</u>
Net position, ending	<u>\$ 1,845</u>	<u>\$ 28,128</u>	<u>\$ 162,588</u>	<u>\$ -</u>	<u>\$ 192,561</u>	<u>\$ 11,771</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	County Housing Choice Vouchers	County AMP 5	Other Enterprise Funds	Total	
Cash flows from operating activities:					
Cash receipts from tenants	\$ 8	\$ 439	\$ 14,340	\$ 14,787	\$ -
Cash receipts from interfund services provided	-	-	-	-	6,209
Cash paid to tenants	-	-	(10)	(10)	-
Cash paid to suppliers for goods and services	(2,068)	(779)	(11,642)	(14,489)	(2,110)
Cash paid to employees for services	(3,530)	(355)	(6,631)	(10,516)	(7,878)
Cash paid for administrative expense	(1,492)	(172)	(5,775)	(7,439)	-
Cash paid for housing assistance payment	(104,064)	(25)	(4,171)	(108,260)	-
Cash paid for claims and judgment	-	-	(27)	(27)	-
Net cash used in operating activities	<u>(111,146)</u>	<u>(892)</u>	<u>(13,916)</u>	<u>(125,954)</u>	<u>(3,779)</u>
Cash flows from noncapital financing activities:					
Transfers in	31	147	2,971	3,149	1,105
Transfers out	-	-	(1,031)	(1,031)	-
Intergovernmental revenue received	107,185	755	13,176	121,116	-
Loans to other funds	-	-	404	404	-
Payments made on advances from other funds	-	-	(2,831)	(2,831)	-
Net cash provided by noncapital financing activities	<u>107,216</u>	<u>902</u>	<u>12,689</u>	<u>120,807</u>	<u>1,105</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	(489)	-	(1,131)	(1,620)	-
Proceeds from the sale of capital assets	-	-	1,624	1,624	-
Payments on long-term liabilities	-	-	(40)	(40)	(481)
Interest paid	-	-	(39)	(39)	(564)
Net cash provided by (used in) capital and related financing activities	<u>(489)</u>	<u>-</u>	<u>414</u>	<u>(75)</u>	<u>(1,045)</u>
Cash flows from investing activities:					
Payments received on notes receivable	-	-	91	91	101
Interest received	98	1	973	1,072	305
Net cash provided by investing activities	<u>98</u>	<u>1</u>	<u>1,064</u>	<u>1,163</u>	<u>406</u>
Net increase (decrease) in cash and cash equivalents	(4,321)	11	251	(4,059)	(3,313)
Cash and cash equivalents, beginning	8,225	285	11,314	19,824	17,264
Cash and cash equivalents, ending	<u>\$ 3,904</u>	<u>\$ 296</u>	<u>\$ 11,565</u>	<u>\$ 15,765</u>	<u>\$ 13,951</u>
Reconciliation of cash and cash equivalents to the statement of net position:					
Cash and investments	\$ 2,474	\$ 218	\$ 9,494	\$ 12,186	\$ 13,403
Restricted cash and investments	1,430	78	2,071	3,579	548
Total	<u>\$ 3,904</u>	<u>\$ 296</u>	<u>\$ 11,565</u>	<u>\$ 15,765</u>	<u>\$ 13,951</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Business-type Activities-Enterprise Funds</u>				<u>Governmental Activities- Internal Service Funds</u>
	<u>County Housing Choice Vouchers</u>	<u>County AMP 5</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Reconciliation of operating loss to net cash used in operating activities:					
Operating loss	\$ (110,757)	\$ (2,175)	\$ (20,063)	\$ (132,995)	\$ (2,618)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation	5	1,322	4,712	6,039	388
Change in assets and liabilities:					
Accounts receivable	(60)	12	(22)	(70)	3
Due from other funds	-	-	(2)	(2)	(287)
Prepaid items	-	-	(2)	(2)	416
Accounts payable	(73)	(14)	(361)	(448)	(232)
Accrued liabilities	(119)	(9)	(116)	(244)	(894)
Due to other funds	(200)	(46)	1,839	1,593	-
Due to other governments	50	-	15	65	-
Unearned revenue	8	-	(8)	-	-
Deposit and trust liability	-	18	92	110	-
Compensated absences	-	-	-	-	(555)
Total adjustments	<u>(389)</u>	<u>1,283</u>	<u>6,147</u>	<u>7,041</u>	<u>(1,161)</u>
Net cash used in operating activities	<u>\$ (111,146)</u>	<u>\$ (892)</u>	<u>\$ (13,916)</u>	<u>\$ (125,954)</u>	<u>\$ (3,779)</u>
Noncash Investing, Capital and Financing Activities:					
Capital assets transferred from governmental funds	\$ -	\$ 93	\$ 8,382	\$ 8,475	\$ -
Capital assets transferred from other enterprise funds	-	-	4,688	4,688	-
Capital asset transferred to other enterprise funds	(4,494)	-	(194)	(4,688)	-
Gain/loss on disposition of capital assets	-	-	(2,873)	(2,873)	-
Loss on note receivable write-off	-	-	(175)	(175)	-
Note receivable for sale of capital assets	-	-	5,850	5,850	-
Capital asset transferred from component unit funds	-	-	4,675	4,675	-

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Component Units
December 31, 2013
(amounts expressed in thousands)

	Sacramento Housing Development Corporation	Shasta Hotel Corporation	Norwood Avenue Housing Corporation	Sacramento Housing Authority Repositioning Program, Inc.	Total Component Units
ASSETS					
Cash and investments	\$ 343	\$ 31	\$ 1,942	\$ 2,394	\$ 4,710
Receivables (net)	6	6	512	11	535
Prepaid items	-	17	108	412	537
Restricted cash and investments	250	15	1,975	226	2,466
Other long-term assets	-	-	356	-	356
Notes receivable (net)	-	-	-	191	191
Advances to primary government	1,000	-	-	-	1,000
Capital assets	-	-	-	-	-
Land and construction in progress	-	-	2,552	1,948	4,500
Depreciable buildings and improvements, and property and equipment, net	9,590	1,399	55,053	11,041	77,083
Total assets	<u>11,189</u>	<u>1,468</u>	<u>62,498</u>	<u>16,223</u>	<u>91,378</u>
LIABILITIES					
Accounts payable and accrued liabilities	15	79	199	476	769
Interest payable	-	-	4,050	-	4,050
Unearned revenue	8	1	32	3	44
Deposit and trust liability	50	13	162	101	326
Advances from primary government	101	-	12,413	5,850	18,364
Long-term liabilities:					
Due within one year	-	-	879	-	879
Due in more than one year	1,633	3,204	25,241	105	30,183
Total liabilities	<u>1,807</u>	<u>3,297</u>	<u>42,976</u>	<u>6,535</u>	<u>54,615</u>
Deferred Inflows of Resources					
Interest rate swap at fair value	-	-	1,127	-	1,127
Net Position					
Net investment in capital assets	8,657	(601)	20,825	7,139	36,020
Restricted for:					
Housing	200	2	1,813	125	2,140
Unrestricted (deficit)	525	(1,230)	(4,243)	2,424	(2,524)
Total net position (deficit)	<u>\$ 9,382</u>	<u>\$ (1,829)</u>	<u>\$ 18,395</u>	<u>\$ 9,688</u>	<u>\$ 35,636</u>

The notes to the basic financial statements are an integral part of this statement.

Sacramento Housing and Redevelopment Agency
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2013
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Business-type activities:					
Sacramento Housing Development Corporation					
Local Housing	\$ 1,050	\$ 524	\$ 131	\$ -	\$ (395)
Shasta Hotel Corporation					
Local Housing	761	428	50	-	(283)
Norwood Avenue Housing Corporation					
Local Housing	5,325	1,272	3,011	-	(1,042)
Sacramento Housing Authority Repositioning Program, Inc.					
Local Housing	5,468	456	1,036	1,340	(2,636)
Total component units	<u>\$ 12,604</u>	<u>\$ 2,680</u>	<u>\$ 4,228</u>	<u>\$ 1,340</u>	<u>\$ (4,356)</u>

	Sacramento Housing Development Corporation	Shasta Hotel Corporation	Norwood Avenue Housing Corporation	Sacramento Housing Authority Repositioning Program, Inc.	Total Component Units
Change in net position:					
Net expense (revenue)	\$ (395)	\$ (283)	\$ (1,042)	\$ (2,636)	\$ (4,356)
General revenues:					
Investment earnings	5	-	12	28	45
Miscellaneous	16	2	36	260	314
Total general revenues	<u>21</u>	<u>2</u>	<u>48</u>	<u>288</u>	<u>359</u>
Change in net position	(374)	(281)	(994)	(2,348)	(3,997)
Net position (deficits) - beginning	9,756	(1,548)	19,389	12,036	39,633
Net position (deficits)- ending	<u>\$ 9,382</u>	<u>\$ (1,829)</u>	<u>\$ 18,395</u>	<u>\$ 9,688</u>	<u>\$ 35,636</u>

The notes to the basic financial statements are an integral part of this statement.

*Notes to the Basic
Financial Statements*

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

I. Summary of Significant Accounting Policies

A. Reporting Entity

The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers authority formally created in 1982 (but operating since 1973) to provide common professional staffing to the City of Sacramento (City) and County of Sacramento (County) to administer and manage its housing authorities, redevelopment agencies and the city and county federal housing and community development entitlement funds. The Agency is a separate legal entity and is not a component unit of the City or County of Sacramento. SHRA receives no City or County general funds and the Agency is not included in the Comprehensive Annual Financial Report of either the City or County of Sacramento.

The members of the joint powers authority included the City and County of Sacramento, the Housing Authorities of the City and County of Sacramento and the Redevelopment Agencies of the City and County of Sacramento (or their Successor Agency). On February 1, 2012, all Redevelopment Agencies in the State of California were eliminated and replaced with a Successor Agency responsible for the wind down of former redevelopment agency activities and debt. On February 1, 2012, the legal and treasury functions related to the administration and management of the former redevelopment activities and payment of debt for the former redevelopment agencies of the City and County of Sacramento were assumed within the City and County management structure. However, all housing assets and housing functions of the former redevelopment agencies were assumed by the Housing Authority of the City and the Housing Authority of the County to be staffed, managed and administered by the Agency.

The Agency serves as the fiscal agent/administrator and provides the exclusive staffing for the Housing Authorities of the City and County of Sacramento. The Housing Authorities of the City and County were formed in July 1939 and June 1940, respectively. Additionally, since June of 1982 the Agency has administered and managed the federal Community Development Block Grant Programs (CDBG) and Home Investment Partnership Programs (HOME) for the City and County of Sacramento. In 2012 and 2013 with changes to federal regulations related to Homeless Continuum of Care funding, the Agency assumed administration of several federal grant programs from the County of Sacramento including Housing Opportunities for Persons with AIDS (HOPWA), Shelter Plus Care, Transitional Living and Community Support (TLCS) and Emergency Solutions Grants (ESG).

The governing board of the Agency is the Sacramento Housing and Redevelopment Commission (Commission). The Commission's authority to approve housing related projects, programs and budgets is limited to what is delegated to them by the governing boards of the Agency members. The City Council serves as the governing board for the City Housing Authority and the City Redevelopment Agency Successor Agency and has retained the power to approve City housing related projects, programs and budgets. The County Board of Supervisors serves as the governing board for the County Housing Authority and the County Redevelopment Agency Successor Agency and has retained power to approve County related housing agenda items. The Commission also serves in an advisory capacity for each Agency member and the Commission has operational authority within the budget and policy direction approved by the City Council and County Board of Supervisors.

The Agency has defined its reporting entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity. The component units discussed in the following paragraphs are included in the Agency's reporting entity because of the significance of their operational or financial relationships with the Agency. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the Agency. Complete financial statements of individual component units can be obtained from the Finance Department of the Agency.

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Blended Component Unit

Foundation Uniting Needs and Dollars (FUND, Inc.) - A nonprofit corporation established to maintain or aid charitable activities serving the public. FUND, Inc. is a component unit of the Agency because the purpose of this corporation is to promote and support the activities and programs of the Sacramento Housing and Redevelopment Agency. The Board of Directors of FUND, Inc. is comprised of the members of the Commission. Acting in its capacity as the Board of Directors, the Commission approves the FUND, Inc. budget. The Executive Director of the Agency serves as the Executive Director of FUND, Inc.

Discretely Presented Component Units

Sacramento Housing Development Corporation (SHDC) - A nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). SHDC is a component unit of the Agency because the governing board of the SHDC is comprised of the members of one of the governing boards of the Agency, the County Board of Supervisors; the Agency is legally obligated to finance any deficits of SHDC; and the Executive Director of the Agency also serves as the Executive Director of SHDC. SHDC is the General Partner of the following limited partnership:

Riverview Plaza Associates (RPA) - A California limited partnership created to provide affordable housing to seniors with limited income. One of the governing boards of the Agency (the County Board of Supervisors) serves as the Board of Directors of the general partner. The Housing Authority of the City of Sacramento serves as the limited partner. Additionally, through contractual arrangement, the Agency is responsible for all financial matters including management of daily operations. Finally, the Agency has historically contributed funds to cover obligations of the RPA, to the extent that RPA revenues are inadequate. During the year ended December 31, 2013, the Agency did not contribute to RPA.

Shasta Hotel Corporation (Corporation) - A nonprofit corporation with a governing board comprised of Agency staff and representatives of selected nonprofit housing and social service entities. The Corporation is a component unit because the general partner's governing board members serve at the direction of the Executive Director of the Agency, and through contractual arrangements, the Agency is responsible for financial and operational matters of the Shasta Hotel Investors Partnership (Partnership). The Corporation is the General Partner of the following limited partnership:

Shasta Hotel Investors Partnership - A California limited partnership created for the purpose of constructing and operating an 80 unit rental housing project in Sacramento, California. The Partnership is comprised of the following two entities: (1) Shasta Hotel Corporation, as managing general partner and (2) Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation as limited partner.

Sacramento Housing Authority Asset Repositioning Program, Inc. - As a nonprofit public benefit corporation, the Sacramento Housing Authority Repositioning Program, Inc. (SHARP), was formed for the purpose of serving as the general partner of the entity that will own, rehabilitate and operate former public housing properties acquired through HUD's assets demolition and disposition process. The purpose of SHARP is to allow the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento to leverage private sector capital to make improvements to housing inventory removed from the federal Public Housing program through HUD's asset disposition process. SHARP will be closely controlled by the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento and board members will be appointed by the Agency's Executive Director. Assets transferred to SHARP will be rehabilitated through various financing structures including the use of limited partnerships that will be able to benefit from the use of tax credit financing. SHARP is the General Partner of the following limited partnership:

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Washington Plaza Housing Associates L.P. – A California limited partnership was formed for the purpose of providing low- income senior housing by developing, financing, rehabilitating, owning, maintaining and operating a rental housing project. The project consists of a 76 unit mid-rise located in Sacramento, California. Washington Plaza Housing Associates LLC, a California limited liability company, is the general partner of the Partnership (the “General Partner”) and Winfield Hill, Inc., a California nonprofit public benefit corporation, and Sacramento Housing Authority Repositioning Program, Inc., a California nonprofit public benefit corporation, are the initial limited partners of the Partnership (collectively, the “Initial Limited Partner”).

Norwood Avenue Housing Corporation (NAHC) - A nonprofit public benefit corporation with a governing board comprised of three Agency staff appointed by the Executive Director of the Agency and two community representatives. NAHC is a component unit because through contractual arrangements, the Agency bears some responsibility for financial and operational matters of NAHC, as well as having the ability to impose its will on the NAHC by appointing and removing its board members. The NAHC is the General Partner of the following limited partnerships:

Phoenix Park I L.P. (PPI) - A California limited partnership created for the purpose of providing low- income housing to the poor and distressed by developing, financing, constructing, rehabilitating, owning, maintaining and operating a rental housing project. The project consists of 178 units located in Sacramento, California. PPI has a Managing General Partner, Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation; MMA Special Limited Partner, Inc., a Florida corporation, as Special Limited Partner; and MMA Financial Warehousing, LLC, a Maryland limited liability company, as Investor Limited Partner.

Phoenix Park II L.P. (PPII) - A California limited partnership created for the purpose of providing low-income housing to the poor and distressed by developing, financing, constructing, rehabilitating, owning, maintaining, and operating a rental housing project. The project consists of 182 units located in Sacramento, California. PPII has a Managing General Partner, Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation; and MMA Financial Institutional Tax Credits XXVIII, LP, as an Investor Limited Partner.

B. New Pronouncements

In November 2010, the GASB has issued Statement 61, *The Financial Reporting Entity: Omnibus-an Amendment of GASB Statements No. 14 and No. 34*. GASB 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The statement is effective for periods beginning after June 15, 2012. The Agency has determined that there is no impact in terms of reportable component units on the financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Statement 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. The requirements for this Statement improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. As a result of implementing this statement, the Agency changed the classification of certain liabilities to deferred inflows of resources, as well as restating beginning fund balance due to the reclassification of previously reported liabilities related to the Agency’s long term notes receivable. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2012.

In March 2012, GASB issued Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk*

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Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This Statement also amends Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. The Agency has determined that there is no impact on the financial statements resulting from the implementation of this standard. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2012.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Agency and its component units. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Investment earnings, and certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. All other revenue items are considered to be measurable and available only when cash is received by the Agency.

The Agency reports the following major governmental funds:

The *City and County Home Investment Partnerships Act (HOME) funds* account for the activities of programs/projects to provide more units of low-income housing in the City and County of Sacramento. HOME reports federal and state grant revenues and program income receipts from loan repayments.

The *City and County Housing Successor funds* account for the low and moderate capital improvement activity remaining after the dissolution of redevelopment.

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The Agency reports the following major enterprise funds:

The *County Housing Choice Vouchers fund* accounts for various U.S. Department of Housing and Urban Development programs that subsidize private landlords to house low-income households within the County of Sacramento.

The *County AMP 5 fund* accounts for the Pointe Lagoon low-income housing project owned and operated by the Agency.

Additionally, the Agency reports the following fund type:

Internal service funds are used to account for the costs of insurance and accumulated funds for catastrophic events and the financing of goods or services provided among and between Agency departments and to other governmental units.

Eliminations have been made to minimize the double counting of internal activities in the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Agency's enterprise funds are rental income from its public housing units. Operating expenses for enterprise funds include employee services, services and supplies, administrative expenses, utilities, depreciation on capital assets and housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities and Net Position or Equity

1. Cash and Investments

Under the terms of the joint powers agreement the Agency's Director of Finance is the treasurer of the joint powers agency. However, since 1980 the City Treasurer manages the Agency's cash and investments, except those that must be legally segregated. The share of each fund in the pooled cash accounts is separately accounted for and investment earnings is apportioned monthly to funds that are legally required to receive interest based on the relationship of a fund's average daily balance to the total pooled cash and investments. The balance of pooled cash is maintained at a level sufficient to meet current operating requirements. Cash in excess of current requirements is invested. Investments for the Agency are stated at fair value, based on quoted market prices.

The City Treasurer is responsible for the regulatory oversight of its pool. The Agency formally requested that the City invest the Agency's funds in compliance with Section 53601 of the California Government Code and the City Council adopted a revised investment policy to accommodate the Agency's request.

Investment of funds serves to maximize investment income and is accomplished by various custodial financial institutions vested with responsibility for administering funds under the control of the City Treasurer. The fair value of investments is determined monthly. The value of the pooled shares in the City and with the Local Agency Investment Fund (LAIF) that may be withdrawn is determined on an amortized cost basis, which is different than fair value. However, the fair value of the Agency's position in the pool is the same as the value of the pool shares.

Investment earnings on bond proceeds are recorded in the City and County Housing Successor funds.

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2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of inter-fund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Advances to other funds, as reported in the governmental fund financial statements, are offset by nonspendable fund balance for long-term receivables in the applicable governmental funds to indicate that they are not in spendable form.

Notes receivable amounts primarily represent loans made for redevelopment, economic development and property rehabilitation. The Agency has created an allowance for loan losses for receivables that the Agency has identified as potentially uncollectible. If the amounts become uncollectible, they will be written-off and charged against the allowance when the determination is made. The allowance for loan losses as of December 31, 2013 was \$1,571.

Amounts reported as due from other governments represent receivables from federal, state, and local governments for various programs.

3. Prepaid Items

Prepaid items represent costs for goods and/or services, which will benefit periods beyond December 31, 2013.

4. Restricted Cash and Investments

Certain proceeds of debt issuances, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position and balance sheet because their use is limited by applicable debt covenants. In addition, certain cash and investments are restricted by grantors for replacement, tenant security deposits and insurance impounds. The total restricted assets on the government-wide statement of net position equals \$9,152 of which \$1,825 represents cash and investments restricted by debt covenants, \$1,284 is restricted for the Housing Choice Voucher program, \$2,230 is for replacement and operating reserves, \$2,261 is for deposit and trust liabilities, \$233 is for the Family Self Sufficiency program (FSS), \$1,269 is for tenant security deposits and \$50 is for insurance impounds.

5. Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, and property and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and the proprietary funds financial statements. Capital assets are recorded at the lower of actual historical cost or fair market value (as of the date donated for contributed assets). Capital assets are depreciated using the straight-line method over the following estimated useful lives: 40 years for buildings and improvements, and 5 to 10 years for property and equipment. It is the policy of the Agency to capitalize all land, construction in progress, buildings and improvements, and property and equipment with an initial, individual cost of more than \$5. Interest incurred during the construction phase of capital assets of business-type activities and component units is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

In the government-wide financial statements and in the proprietary funds financial statements, costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the proceeds of the sale of general capital assets are reported in the statement of revenues, expenditures and changes in fund balances.

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6. Compensated Absences

An employee accumulates vacation time in accordance with the employee's respective Memorandum of Understanding. The amount of vacation vested and accrued depends on years of service and date of hire. Vacation vested may be accumulated up to various maximum hours and is paid in full upon retirement. Sick leave time may be accumulated without limit.

At retirement an employee may convert all unused sick leave towards retirement service credit or at retirement with fifteen (15) years or more of Agency service, may receive in cash the value of one-third (33.3%) of the unused balance and convert the remaining two-thirds (66.7%) to retirement service credit. Annually, employees with an accumulated sick leave balance of 500 hours or more, and who have used 24 hours or less of sick leave by December 1 of the current calendar year, may receive in cash the value of up to 16 hours sick leave by December 31.

In the government-wide and proprietary funds financial statements, accrued vacation and sick pay are charged as an expense in the period earned. Compensated absences are generally liquidated by the Agency's internal service funds. The related liability is recorded in the Internal Support Internal Service Fund.

7. Unavailable and Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period resources received before the Agency has a legal claim to them and the earnings process has completed.

Unearned revenue represents income that is received before the money is earned. Monies are collected prior to providing the goods and/or services to satisfy the obligations.

8. Long-Term Obligations

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt and bond premiums received on debt issuances are reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount. Principal and interest repayments are shown as debt service expenditures in the fund financial statements.

9. Net Position/Fund Balance

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted net position - This category consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. This net position is mainly restricted by HUD and the Health and Safety Code.

Unrestricted net position - This category represents the net position of the Agency, not restricted for any project or other purpose.

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Notes to the Basic Financial Statements (Continued)
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In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based on the extent to which the Agency is bound to honor constraints on how resources can be spent.

- **Nonspendable fund balance**-amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance**-amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed fund balance**-amounts that can only be used for specific purposes determined by formal action of the Agency's highest level of decision making authorities-(1) the Commission has authority to approve housing related projects, programs and budgets and is limited to what is delegated to them by the governing boards of the Agency members. (2) The City Council serves as the City Housing Authority and the City Redevelopment Agency Successor Agency governing boards and has retained the power to approve City housing related projects, programs and budgets. (3) The County Board of Supervisors serves as the County Housing Authority and the County Redevelopment Agency Successor Agency governing boards and has retained power to approve County related housing agenda items. These actions result in a formal resolution that remains binding unless removed in the same manor. The underlying action that imposed the limitation must occur prior to the close of the reporting period; however, the amount which will be subject to the constraint may be determined in a subsequent period. The Commission, City Council or County Board of Supervisors establishes, modifies or rescinds fund balance commitments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.
- **Assigned fund balance**-amounts that are constrained by the Agency's intent to be used for specific purposes. The intent can be established at either the highest level of decision making or by a body or an official designated for that purpose. The City Council and County Board of Supervisors have given the Executive Director authorization to assign fund balances that meet the purposes of the respective funds. This fund balance classification also represents the residual balance for all funds. Agency management can assign fund balance to be used for specific purposes.
- **Unassigned fund balance**-the residual classification for the general fund. However, the Agency does not have a general fund so it may only use the classification if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, and it is necessary to report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first if allowed by funding sources, followed by committed, assigned and unassigned as they are needed.

The Agency considers restricted amounts to have been spent when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Committed and assigned amounts are considered to have been spent when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

10. Statement of Cash Flows

For the purposes of the statement of cash flows, cash and cash equivalents have been defined as all highly liquid investments (including restricted cash and investments) with a maturity of three months or less from the date of purchase and pooled cash.

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Notes to the Basic Financial Statements (Continued)
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11. Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Special Item

In 2013, the Housing Authority completed the sale and subsequent tax credit financing of the Washington Plaza LP. The financing included the sale of the building from the Housing Authority to the limited partnership and a ground lease of the land. The building was sold for fair market value and the Housing Authority received a seller carry back loan in exchange. The transaction resulted in a special item for 2013 in the amount of \$1,369, which was determined as follows:

Advances to component units	\$ 5,850
Land	194
Book value of land and buildings sold	(4,675)
	\$ <u>1,369</u>

II. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

The annual budget of the Agency is adopted on a calendar year basis. Prior to December 31, the Executive Director submits a proposed operating budget to the governing bodies for review and approval. The budget is legally enacted through passage of a resolution prior to January 1. The budget adoption resolution specifies that the Agency budget is controlled at the fund level and that no expenditure will exceed the approved budget. Budgeted expenditures represent original appropriations adjusted by supplemental budgetary appropriation amendments. Management has the authority to over expend appropriations at the function or department level without additional approval of the governing bodies as long as the total appropriations for the fund are not exceeded.

Encumbrance accounting is used during the year for budgetary control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities, but rather, a commitment of fund balance. The Agency honors contracts represented by year-end encumbrances in the subsequent year's appropriations provided that the Agency has adequate funding to complete these transactions. Encumbrance appropriation carryovers are limited to the balance remaining of operating budget appropriations. All other operating budget appropriations and encumbrances lapse at year-end.

Annual operating budgets are adopted on a modified accrual basis for all debt service funds, Local Tax Special Revenue funds, Community Services and Housing Special Revenue funds, except for the Revenue Bond Program and FUND, Inc. Project budgets are adopted for the Agency's major special revenue funds, City and County HOME, for the duration of the project which may extend over several years. The adopted project budgets for the Community Development, Revenue Bond Program Special Revenue funds and for the capital project funds are adopted on a project length basis. Additionally, although not legally required, the Agency adopts annual budgets for the enterprise, internal service, and certain component unit funds.

For financial reporting purposes, budgetary information is presented on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America for those special revenue funds and debt service funds which have annual budgets.

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B. Excess of Expenditures over Appropriations

For the year ended December 31, 2013, the following funds had expenditures in excess of budgeted appropriations at the fund level.

Special Revenue:	
City Local Tax	\$3
County Local Tax	2

The excess in the City and County Local Tax Special Revenue fund was the result of unanticipated expenditures and will be covered by future revenues.

C. Deficit Fund Balances

The following funds have deficit fund balances/net position:

Special Revenue:	
County Misc Development Grants	\$ 1,627
BEGIN State Prop 46	77
City ESG	177
County ESG	179
Capital Projects:	
County Capital Fund	12
Enterprise:	
Norcade Circle	173

The deficit fund balance of the County Misc Development Grants special revenue fund is due to a debt payment that occurred in 2011 for the Auburn/Garfield project. This fund received an advance of cash to cover the payment which will be repaid by sales proceeds from the Auburn/Garfield property. The deficit fund balance of the BEGIN State Prop 46 special revenue fund was a result of revenues that were received more than 60 days after year end and, therefore resulted in unavailable revenue. The deficit in the City and County ESG special revenue fund will be funded by future revenues. The County Capital Fund capital projects fund was a result of revenues that were received more than 60 days after year end and, therefore resulted in unavailable revenue. Norcade Circle did not begin leasing units until September of 2013 but had operating expenditures. The deficit will be paid with future rental revenues.

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III. Detailed Notes on All Funds

A. Cash and Investments

At December 31, 2013, total Agency cash and investments at fair value were as follows:

	Primary Government	Component Units	Total
Cash and investments	\$ 73,925	\$ 4,710	\$ 78,635
Restricted cash and investments	<u>6,686</u>	<u>2,466</u>	<u>9,152</u>
Total cash and investments	<u>\$ 80,611</u>	<u>\$ 7,176</u>	<u>\$ 87,787</u>

At December 31, 2013, the Agency's cash and investments consist of the following:

Cash in bank	\$ 17,948
Investments	<u>69,839</u>
Total cash and investments	<u>\$ 87,787</u>

The table below identifies the investment types that are authorized for the Agency, including its discretely presented component units, by California Government Code Section 53601 and pursuant to the Agency's investment policy. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Agency, rather than the general provisions of the Agency's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
Local Agency Bonds	5 years	None	None	None
U.S. Treasury Obligations	5 years	None	None	None
U.S. Agency Securities	5 years	None	None	None
Bankers Acceptance	180 days	40%	30%	None
Commercial Paper	270 days	25%	10%	A1/P1
Negotiable Certificates of Deposit	5 years	30%	30%	None
Repurchase Agreements	1 year	None	None	None
Reverse Repurchase Agreements	92 days	20%	None	None
Medium Term Notes (Corporate & Depository debt securities)	5 years	30%	None	A
Mutual Funds (that invest in allowable securities)	N/A	20%	10%	AAA
Money Market Mutual Funds	N/A	20%	10%	AAA
Collateralized Bank Deposits	5 years	None	None	None
Mortgage Pass-through Securities	5 years	20%	None	AA
Time Deposits	5 years	None	None	None
County Pooled Investment	N/A	None	None	None
Joint Powers Authority Pool	N/A	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None	None

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Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways that the City Treasurer manages the Agency's exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes have a value of 150% of the secured public deposits. The California Government Code limits the total of all securities lending transactions to 20% of the fair value of the investment portfolio. At December 31, 2013, the carrying amount of the Agency's deposits is \$10,772 and the bank balance is \$11,732. Of the bank balance, \$2,709 is covered by federal depository insurance, and \$9,023 is collateralized with securities held by the pledging financial institution, in accordance with the State of California Government Code. At December 31, 2013, the carrying amount of the Agency's discretely presented component units deposits is \$7,176 and the bank balance is \$7,225. Of the bank balance, \$1,300 is covered by federal depository insurance, \$3,218 is collateralized with securities held by the pledging financial institution, and \$2,707 is uninsured and uncollateralized. Those amounts which are uninsured and uncollateralized are held with state and federal agencies.

Concentration of Credit Risk

Nearly 4%, or \$3,169, of the Agency's investment portfolio at year-end are in U.S. Agency Securities. There is no limitation on amounts invested in U.S. Agency Securities. Of the \$29,745, or 37%, of the Agency's investment portfolio invested in corporate bonds, and municipal bonds, no investment in a single issuer exceeded 5%. There were no investments in any one issuer (other than CalTrust, an external investment pool) that represents 5% or more of the Agency's total investments.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the Agency's policy to purchase investments with the minimum ratings required by the California Government Code. Several bonds were below the minimum rating requirements at December 31, 2013 but met compliance with the Agency's policy at the time of purchase.

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As of December 31, 2013, the Agency's (primary government) investments and credit ratings are as follows:

	Credit Rating (S&P/Moody's)	Remaining Maturity in Years		Fair Value
		Under 1	1-5	
Cash in banks		\$ -	\$ -	\$ 9,494
Certificates of Deposits (non-negotiable)	Not Rated	497	1,741	2,238
Less Outstanding Checks		-	-	(960)
		<u>497</u>	<u>1,741</u>	<u>10,772</u>
Corporate Bonds	AA-/Aa3	1,004	-	1,004
Corporate Bonds	A-/Baa2	2,052	-	2,052
Corporate Bonds	A/A2	-	4,460	4,460
Corporate Bonds	AA+/A1	-	1,044	1,044
U.S Agency Securities	AA+/Aaa	-	3,169	3,169
CalTrust	Not Rated	36,822	-	36,822
LAIF	Not Rated	8	-	8
Money Market Mututal Funds	Not Rated	95	-	95
Municipal Bonds	A/A1	8,295	3,127	11,422
Municipal Bonds	A-/A3	3,454	-	3,454
Municipal Bonds	A+/A3	-	213	213
Municipal Bonds	AA/Aa2	-	1,133	1,133
Corporate Bonds (Variable Rate Securities)	A/A2	-	4,963	4,963
Total Cash and Investments-Primary Government		<u>\$ 52,227</u>	<u>\$ 19,850</u>	<u>\$ 80,611</u>

As of December 31, 2013, the investments and credit ratings of the discretely presented component units of the Agency are as follows:

	Credit Rating (S&P/Moody's)	Remaining Maturity in Years		Fair Value
		Under 1		
Cash in banks		\$ -	\$ -	\$ 6,893
Certificates of Deposits	Not Rated		332	332
Less Outstanding Checks			-	(49)
Total Cash and Investments-Component Units		<u>\$ 332</u>	<u>332</u>	<u>\$ 7,176</u>

Participation in External Investment Pools

The Agency is also a voluntary participant in the Investment Trust of California (CalTRUST) which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST, and selects and supervises the activities of the Investment Manager and other agents. As of December 31, 2013, the Agency's investment in CalTRUST is \$36,822, of which \$10,923 was invested in the Money Market Fund and \$25,899 in the Short-term pool. The fair value of the Position in the pool is the same as the value of the Pool shares

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Investment in State Investment Pool

The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code. All investments with LAIF are secured by the full faith and credit of the State of California. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designated by State Statute. A total of \$19,894,496 is invested by public agencies in the LAIF as of December 31, 2013. LAIF is part of the State of California Pooled Money Investment Account (PMIA) whose balance at December 31, 2013 was \$57,666,947. Of this amount, 1.24% was invested in structured notes and medium-term asset-backed securities and .95% was invested in short-term asset-backed commercial paper (ABCP). PMIA is not SEC-registered, but is required to invest according to California Government Code. The average maturity of PMIA investments was 209 days as of December 31, 2013.

B. Receivables

Receivables as of December 31, 2013 for the Agency's governmental activities are as follows:

	Accounts receivable	Due from other governments	Total receivables	Gross notes receivable	Allowance for loan losses	Net notes receivable
City HOME	\$ 1	\$ 127	\$ 128	\$ 41,596	\$ (384)	\$ 41,212
County HOME	67	7	74	48,191	(380)	47,811
City Housing Successor Capital Projects	34	4,000	4,034	45,127	(12)	45,115
County Housing Successor Capital Projects	-	-	-	15,890	-	15,890
Nonmajor Funds	310	2,891	3,201	90,588	(795)	89,793
Internal Service	-	-	-	265	-	265
Total	\$ 412	\$ 7,025	\$ 7,437	\$ 241,657	\$ (1,571)	\$ 240,086

Generally notes receivable are not expected to be collected within one year.

Receivables as of December 31, 2013 for the Agency's business-type activities are as follows:

	Gross accounts receivable	Allowance for uncollectibles	Net accounts receivable	Due from other governments	Net total receivables	Gross notes receivable	Allowance for loan losses	Notes receivable
County Housing Choice Vouchers	\$ 133	\$ (46)	\$ 87	\$ -	\$ 87	\$ -	\$ -	\$ -
County AMP 5	23	(3)	20	-	20	-	-	-
Nonmajor Funds	380	(77)	303	392	695	5,763	-	5,763
Total	\$ 536	\$ (126)	\$ 410	\$ 392	\$ 802	\$ 5,763	\$ -	\$ 5,763

The notes receivable in the business-type activities are from 1.) notes received for the sale of property in the San Carlos Shelter Plus Care (\$295) and 2.) loans to low income homeowners in the City and County COCC funds (\$5,468). Repayment of principal and interest are not expected for 30 years.

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C. Capital Assets

Capital asset activity for the year ended December 31, 2013, was as follows:

<u>Governmental activities:</u>	January 1, 2013	Increases	Decreases	Transfers In/Out	December 31, 2013
Capital assets, not being depreciated:					
Land	\$ 22,122	\$ 762	\$ (3,890)	\$ (15)	\$ 18,979
Construction in progress	29,519	3,443	-	(8,310)	24,652
Total capital assets, not being depreciated	<u>51,641</u>	<u>4,205</u>	<u>(3,890)</u>	<u>(8,325)</u>	<u>43,631</u>
Capital assets, being depreciated:					
Buildings and improvements	15,234	1,100	(1,553)	(84)	14,697
Property and equipment	1,570	-	(621)	(135)	814
Total capital assets being depreciated	<u>16,804</u>	<u>1,100</u>	<u>(2,174)</u>	<u>(219)</u>	<u>15,511</u>
Less accumulated depreciation for:					
Buildings and improvements	(1,894)	(385)	155	8	(2,116)
Property and equipment	(1,147)	(145)	621	61	(610)
Total accumulated depreciation	<u>(3,041)</u>	<u>(530)</u>	<u>776</u>	<u>69</u>	<u>(2,726)</u>
Total capital assets, being depreciated, net	<u>13,763</u>	<u>570</u>	<u>(1,398)</u>	<u>(150)</u>	<u>12,785</u>
Governmental activities capital assets, net	<u>\$ 65,404</u>	<u>\$ 4,775</u>	<u>\$ (5,288)</u>	<u>\$ (8,475)</u>	<u>\$ 56,416</u>
<u>Business-type activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 17,920	\$ -	\$ (3,036)	\$ 1,318	\$ 16,202
Construction in progress	7,693	1,608	-	(7,651)	1,650
Total capital assets, not being depreciated	<u>25,613</u>	<u>1,608</u>	<u>(3,036)</u>	<u>(6,333)</u>	<u>17,852</u>
Capital assets, being depreciated:					
Buildings and improvements	237,222	4,900	(11,230)	14,734	245,626
Property and equipment	1,485	12	(80)	74	1,491
Total capital assets, being depreciated	<u>238,707</u>	<u>4,912</u>	<u>(11,310)</u>	<u>14,808</u>	<u>247,117</u>
Less accumulated depreciation for:					
Buildings and improvements	(96,973)	(6,386)	2,715	-	(100,644)
Property and equipment	(1,243)	(73)	80	-	(1,236)
Total accumulated depreciation	<u>(98,216)</u>	<u>(6,459)*</u>	<u>2,795</u>	<u>-</u>	<u>(101,880)</u>
Total capital assets, being depreciated, net	<u>140,491</u>	<u>(1,547)</u>	<u>(8,515)</u>	<u>14,808</u>	<u>145,237</u>
Business-type activities capital assets, net	<u>\$ 166,104</u>	<u>\$ 61</u>	<u>\$ (11,551)</u>	<u>\$ 8,475</u>	<u>\$ 163,089</u>

* The total accumulated depreciation in this schedule is \$420 more than the proprietary statement of revenues, expenses and changes in net position and statement of cash flows due to a transfer of property from the SHARP component unit. Buildings and improvements is \$4,900 more than the statement of cash flows due to the above transfer of property.

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Notes to the Basic Financial Statements (Continued)
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

Housing	\$	45
Community Development		97
Internal Service - capital assets held by the Agency's internal service funds are charged to the various functions based on their usage of the assets.		388
Total depreciation expense - governmental activities	\$	530

Business-type activities:

Local Housing	\$	470
Public Housing		5,564
Housing Choice Vouchers		5
Total depreciation expense - business-type activities	\$	6,039

Component unit capital asset activity for the year ended December 31, 2013, was as follows:

<u>Component unit activities:</u>	<u>January 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>December 31, 2013</u>
Capital assets, not being depreciated:				
Land	\$ 2,552	\$ -	\$ -	\$ 2,552
Construction in progress	-	1,948	-	1,948
Total capital assets, not being depreciated	2,552	1,948	-	4,500
Capital assets, being depreciated:				
Buildings and improvements	106,724	5,458	(4,900)	107,282
Property and equipment	1,633	-	(306)	1,327
Total capital assets, being depreciated	108,357	5,458	(5,206)	108,609
Less accumulated depreciation for:				
Buildings and improvements	(27,696)	(2,939)	419	(30,216)
Property and equipment	(1,612)	(4)	306	(1,310)
Total accumulated depreciation	(29,308)	(2,943)	725	(31,526)
Total capital assets, being depreciated, net	79,049	2,515	(4,481)	77,083
Component unit activities capital assets, net	\$ 81,601	\$ 4,463	\$ (4,481)	\$ 81,583

Depreciation expense was charged to functions/programs as follows:

Component unit activities:

Local Housing	\$	2,943
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Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
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D. Payables

Payables as of December 31, 2013 for the Agency's governmental activities are summarized as follows:

	<u>Accounts payable</u>	<u>Accrued liabilities</u>	<u>Contracts payable</u>	<u>Due to other governments</u>	<u>Net total payables</u>
City HOME	\$ -	\$ 2	\$ -	\$ -	\$ 2
County HOME	-	2	-	-	2
City Housing Successor	20	3	-	-	23
County Housing Successor	-	3	-	-	3
Nonmajor Funds	1,126	47	56	196	1,425
Internal Service	134	833	-	-	967
Total	<u>\$ 1,280</u>	<u>\$ 890</u>	<u>\$ 56</u>	<u>\$ 196</u>	<u>\$ 2,422</u>

Payables as of December 31, 2013 for the Agency's business-type activities are summarized as follows:

	<u>Accounts payable</u>	<u>Accrued liabilities</u>	<u>Due to other governments</u>	<u>Net total payables</u>
County Housing Choice				
Vouchers	\$ 34	\$ 75	\$ 50	\$ 159
County AMP 5	29	10	-	39
Nonmajor Funds	390	218	15	623
Total	<u>\$ 453</u>	<u>\$ 303</u>	<u>\$ 65</u>	<u>\$ 821</u>

E. Interfund Transactions

The composition of interfund balances as of December 31, 2013, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Governmental	Nonmajor Governmental	\$ 1,191
	Nonmajor Enterprise	635
		<u>1,826</u>
Nonmajor Enterprise	County AMP 5	104
	Nonmajor Governmental	24
	Nonmajor Enterprise	169
		<u>297</u>
Internal Service	Nonmajor Governmental	292
Total		<u>\$ 2,415</u>

The due to/from other funds amounts represent negative cash reclassifications.

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Notes to the Basic Financial Statements (Continued)
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Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
City Housing Successor Agency	Nonmajor Governmental	\$ 170
Nonmajor Governmental	Nonmajor Governmental	3,149
	County Housing Choice Vouchers	1,800
	Nonmajor Enterprise	<u>2,750</u>
		<u>7,699</u>
 Total		 <u><u>\$ 7,869</u></u>

Advances from/to other funds:

Amount

\$170 advance from the former City Low/Mod Merged Downtown capital projects fund which now resides with the City Housing Successor capital projects fund to the Local Housing Revenue special revenue fund, authorized and issued in August 2006, with no annual payments due until January 2017, with interest accruing at 4%, due in annual installments of \$5 thru December 2036. Repayment will occur only if the project can receive Housing Choice Vouchers. If no project-based contract is obtained, the advance will be forgiven at the end of 30 years. \$170

\$2,000 advance from the Mortgage Revenue Bond Program special revenue fund to the County Housing Choice Vouchers enterprise fund, authorized and issued December 2010, with annual installments of \$200 beginning January 2013 and continuing until December 2019, to be repaid with administrative revenue with 0% interest, for the purpose of providing funds for tenant improvements. 1,800

\$320 advance from the City CDBG special revenue fund to the Phoenix Park enterprise fund, authorized and issued in April 2005, with monthly payments beginning October 2006, with interest accruing at 4%, due in monthly installments of \$2 thru April 2026, to be repaid with rents, for the rehabilitation of 16 units at Phoenix Park. 246

\$390 advance from the City Housing Trust special revenue fund to the City Locally Funded Projects enterprise fund, authorized and issued in 2005. The note was restructured in 2006, adding \$20 to the principal amount, with no interest, payments deferred for 50 years, for the purpose of acquiring and rehabilitating 31-37 Coral Gables Court. 410

\$1,115 advance from the County Housing Trust special revenue fund to the County Affordable Housing special revenue fund, authorized and issued in May 2010, with annual payments beginning December 2011, based upon available revenues, with no interest. No payment was made in 2013. The outstanding balance of all principal then owing shall be paid in a balloon payment in December 2030, for the purpose of planning and formation costs for the Arbor Creek Apartments Project. 1,115

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Advances from/to other funds (continued):	<u>Amount</u>
\$2,034 advance from the Mortgage Revenue Bond Program special revenue fund to the County Miscellaneous Development Grant special revenue fund, authorized and issued June 2011, with no annual installments, to be repaid by sales proceeds from the Auburn Garfield development.	\$2,034
\$2,094 advance from the County CDBG NSP 3 and County CDBG Revolving Loan special revenue funds to the City Norcade Circle enterprise fund, authorized and issued September 2011, with 0% interest and no annual payments. Additional principal of \$1,563 was added in 2013. Loan shall be forgiven in equal installments annually over a 10 year term beginning October 2014.	<u>2,094</u>
Total Advances from/to other funds	<u>\$7,869</u>

Advances to/from primary government and component units:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary Government-Nonmajor Governmental Funds	Component Unit-NAHC (Phoenix Park I, L.P.) Component Unit-SHDC	\$ 1,392 <u>101</u> <u>1,493</u>
Primary Government-Nonmajor Enterprise Funds	Component Unit-NAHC (Phoenix Park I, L.P.) Component Unit-NAHC (Phoenix Park II, L.P.) Component Unit-NAHC Component Unit-SHARP, Inc.	2,671 5,798 2,552 <u>5,850</u> <u>16,871</u>
Component Unit-SHDC	Internal Service Funds	<u>1,000</u>
Total		<u>\$ 19,364</u>

Advances to/from primary government and component units:	<u>Amount</u>
\$101 advance from the Mortgage Revenue Bond Program special revenue fund to the Sacramento Housing Development Corporation (SHDC) component unit fund, at 0% interest and no due date, for the purpose of covering cash deficit in fund.	\$101
\$4,063 advance from the Phoenix Park enterprise fund (\$2,671) and the Riverview Plaza Reserve special revenue fund (\$1,392) to the NAHC Phoenix Park I, L.P. component unit fund. The note bears interest of 3% on the first \$1,644 and 4.94% on the remaining. Principal payments are deferred until 2059. Interest payments are to be made monthly only to the extent that residual receipts income is available, as defined in the Partnership Agreement. The note is secured by a deed of trust.	4,063

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Notes to the Basic Financial Statements (Continued)
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Advances to/from primary government and component units (continued):	<u>Amount</u>
<p>\$4,730 advance from the Phoenix Park enterprise fund, to the NAHC Phoenix Park II, L.P. component unit fund. The note bears interest equal to the prime rate estimated at 3.5% on the first \$2,638, which was paid off in 2004, and 6% on the remaining \$2,092. Principal payments are deferred until 2059. Interest payments are to be made monthly only to the extent that residual receipts income is available, as defined in the Partnership Agreement. The note is secured by a deed of trust.</p>	\$1,213
<p>\$4,585 advance from the Phoenix Park enterprise fund to the NAHC Phoenix Park II, L.P. component unit fund. The note bears interest of 3% on the first \$856 accruing from March 15, 2003 and continuing through the term of the loan. The remaining \$3,729 bears interest of 3% accruing from the date of the origination of the construction financing. Principal payments are deferred until 2059. Interest payments are to be made monthly only to the extent that residual receipts income is available, as defined in the Partnership Agreement. The note is secured by a deed of trust.</p>	4,585
<p>\$1,430 advance from the Phoenix Park enterprise fund to the Norwood Avenue Housing Corporation component unit fund at 0% interest. Payments shall be made annually in an amount equal to the annual aggregate Phoenix Park I, L.P. ground lease payments, if any, that are received by the borrower payable on or before March 1 of each year from and after the payment start date, which has yet to occur. The unpaid balance of the note is due and payable in 2059, including without limitation all unpaid principal, interest, fees and charges. The note is secured by a deed of trust.</p>	1,430
<p>\$1,122 advance from the Phoenix Park enterprise fund to the Norwood Avenue Housing Corporation component unit fund at 0% interest. Payments shall be made on or before the sixtieth (60th) day following borrower's receipt of each of the Phoenix Park II, L.P. ground lease payments in an amount equal to the Phoenix Park II, L.P. ground lease payments that are received by borrower from and after the payment start date, which has yet to occur. The unpaid balance of the note is due and payable in 2059, including without limitation all unpaid principal, interest, fees and charges. The note is secured by a deed of trust.</p>	1,122
<p>\$1,000 advance from the SHDC component unit fund to the Internal Support internal service fund at 0% interest and no due date, for the purpose of providing equity to the general partner of Riverview Plaza Associates for start up capital.</p>	1,000
<p>\$5,850 SHARP Washington Plaza Housing Associates, L.P. note payable to the Asset Repositioning enterprise fund. The note bears 3.32% interest compounded annually. Commencing May 1, 2016, annual payments of interest and principal shall be due in arrears subject to review of the annual audited financial statement. Annual payments of interest and principal shall be due in an amount equal to the Residual Receipts remaining. All payments shall be applied first to accrued interest and thereafter to principal. All outstanding principal and interest is due and payable in December 2071.</p>	<u>5,850</u>
<p>Total Advances to/from primary government and component units</p>	<u>\$19,364</u>

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Transfers:

Transfers report the nonreciprocal contribution of resources from one fund to another. They represent funding for capital projects, debt service payments and subsidies of various Agency operations. The following is a summary of transfers for the year ended December 31, 2013:

<u>Transfers in:</u>	<u>Transfers out:</u>	<u>Amount</u>
City HOME	Nonmajor Governmental Funds	\$ 1
County HOME	Nonmajor Governmental Funds	182
City Housing Successor	Nonmajor Governmental Funds	130
County Housing Successor	Nonmajor Governmental Funds	25
Nonmajor Governmental Funds	County Housing Successor	42
	Nonmajor Governmental Funds	1,291
	Nonmajor Enterprise Funds	3,579
		<u>4,912</u>
County Housing Choice Vouchers Enterprise Fund	Nonmajor Enterprise Funds	31
County AMP 5 Enterprise Fund	Nonmajor Governmental Funds	147
Nonmajor Enterprise Funds	Nonmajor Governmental Funds	2,976
	County Housing Choice Vouchers Enterprise Fund-Capital Contribution	4,494
	Nonmajor Enterprise Funds-Capital Contribution	194
		<u>7,664</u>
Internal Service	County Housing Successor	116
	Nonmajor Governmental Funds	989
		<u>1,105</u>
Total Transfers		<u>\$ 14,197</u>

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
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F. Long-Term Debt

Long-term debt payable at December 31, 2013 for the Agency and component units is comprised of the following individual issues:

<u>Governmental activities – Notes Payable:</u>	<u>Interest Rates</u>	<u>Balance Dec. 31, 2013</u>
City B-97-MC-06-0003	5.28% - 5.46%	\$ 725
City B-97-MC-06-0003	5.70% - 6.67%	1,805
City B-06-MC-06-0003	4.96% - 5.77%	4,269
*CHFA-Phoenix Park	3.00%	941
*801 12 th Street Bank of America	5.18%	<u>10,639</u>
Total Governmental activities notes payable		<u>18,379</u>
 <u>Business-type activities – Mortgage Notes Payable:</u>		
County Public Housing (AMP 3) – City of Citrus Heights (HCD)	1.00%	1,000
County Public Housing (AMP 3) – City of Citrus Heights (HTF)	0.00%	1,173
San Jose/Broadway	8.38%	<u>330</u>
Total business-type activities		<u>2,503</u>
 <u>Component unit activities – Bonds and Notes Payable:</u>		
SHDC - Riverview Plaza Associates	3.00%	933
Shasta Hotel Corporation (HCD)	3.00%	2,000
NAHC – Phoenix Park I, L.P. – Citibank – Tax Credit	6.56%	5,912
NAHC – Phoenix Park I, L.P. – Citibank – Section 8	5.60%	768
NAHC – Phoenix Park I, L.P. – Bank of the West	0.00%	1,000
NAHC – Phoenix Park II, L.P. – Demand Bonds	0.33%	7,587
NAHC – Phoenix Park II, L.P. – State of California	0.42%	9,100
SHARP-Washington Plaza-Construction Bonds	variable	<u>105</u>
Total component unit activities bonds and notes payable		<u>27,405</u>
 <u>Other Debt:</u>		
Component unit activities - Accrued interest due in future years		<u>3,657</u>
Total long-term debt		<u>\$51,944</u>

* Capital-related debts

GOVERNMENTAL ACTIVITIES:

<u>Notes Payable:</u>	<u>Amount</u>
\$2,320 Community Development Block Grant Note Payable authorized and issued September 3, 1998, due in installments of \$80 to \$155 from August 1999 through August 2018 with interest payable semiannually at 5.28% to 5.46% for the purpose of financing the Del Paso Nuevo project. This note is collateralized by and payable from future CDBG entitlements.	\$725
\$3,125 Community Development Block Grant Note Payable authorized and issued August 9, 2001, due in installments of \$85 to \$300 from February 2002 through August 2021 with interest payable semiannually at 5.70% to 6.67% for the purpose of financing the Del Paso Nuevo project. This note is collateralized by and payable from future CDBG entitlements.	1,805

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Notes to the Basic Financial Statements (Continued)
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<u>Notes Payable (continued):</u>	<u>Amount</u>
\$5,500 Community Development Block Grant Note Payable authorized and issued September 14, 2006, due in installments of \$146 to \$461 from February 2007 through August 2026 with interest payable semiannually at 4.96% to 5.77% for the purpose of financing the Globe Mills project. This note is collateralized by and payable from the City Redevelopment Successor Agency.	\$4,269
\$1,500 California Housing Finance Agency Note Payable authorized and issued January 2003. Interest accrues annually at 3.00% on funds drawn for the purpose of acquisition of properties in the Phoenix Park project. The terms of the agreement were amended on October 16, 2012 to extend the time to repay the entire unpaid balance to January 31, 2016.	941
\$13,000 Bank of America Note Payable authorized and issued June 2008, due in installments of \$87 from July 2008 through June 2028 with interest payable monthly at 5.18% for the purpose of financing the Agency's administration building at 801 12th street.	<u>10,639</u>
Total notes payable	18,379
Less current portion	<u>(1,120)</u>
Total notes payable, long-term	<u>\$17,259</u>

BUSINESS-TYPE ACTIVITIES

<u>Mortgage Notes Payable:</u>	<u>Amount</u>
\$1 million County Public Housing (AMP 3) Note Payable to the City of Citrus Heights (California Housing and Community Development Housing Trust Fund (HCD)). Loan Payments on the HCD Loan shall equal 75% of project residual receipts, but only to the extent that the project has excess cash flow. One percent (1.00%) simple interest shall accrue on the HCD Loan. The HCD Loan shall be for a term of thirty (30) years. There is no amortization requirement on the HCD loan other than the repayment of residual receipts as noted above. Any remaining balance shall be forgiven on the thirtieth (30th) anniversary from the Effective Date of September 2009. This loan is to significantly rehabilitate and provide security improvements to two county public housing developments.	\$ 1,000
\$1.2 million County Public Housing (AMP 3) Note Payable to the City of Citrus Heights (Housing Trust Fund). The loan shall be for a term of fifty-five (55) years with no interest. Provided that the loan is not in default, no repayment is due to the lender. The remaining balance shall be forgiven on the fifty-fifth (55 th) anniversary of the Effective Date of September 2009. This loan is to significantly rehabilitate and provide security improvements to two county public housing developments.	1,173

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Notes to the Basic Financial Statements (Continued)
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<u>Mortgage Notes Payable (continued):</u>	<u>Amount</u>
\$787 San Jose/Broadway Mortgage Note Payable authorized and issued May 1984, due in monthly installments of \$6 through February 2020 with interest payable monthly at 8.38%. This note is collateralized by land and building.	\$330
Total notes payable	2,503
Less current portion	(43)
Mortgage notes payable, long-term	\$ 2,460

COMPONENT UNITS:

<u>Bonds and Notes Payable:</u>	<u>Amount</u>
\$933 SHDC Riverview Plaza Associates Mortgage Note Payable authorized and issued October 1988, principal and interest due in full September 2016 with interest payable at 3.00%, for the purpose of financing the construction of multiple unit housing. This note is collateralized by land and building.	\$933
\$2,000 Shasta Hotel Corporation Note Payable to the Department of Housing and Community Development principal and interest due in full March 2043 with interest payable at 3.00%, for the purpose of financing the construction of a multiple single room occupancy unit. This note is collateralized by land and building.	2,000
\$6,594 NAHC Phoenix Park I, L.P. Permanent "Tax Credit" note dated May 10, 2006, payable to Citibank (West), F.S.B. The note bears interest at 6.56% per annum and requires monthly payments of principal and interest in the amount of \$42. The note matures June 1, 2021 at which time \$4,812 is due and is secured by a deed of trust encumbering the rental property.	5,912
\$2,521 NAHC Phoenix Park I, L.P. Permanent "Section 8" note dated May 8, 2006, payable to Citibank (West), F.S.B. The note bears interest at 5.60% per annum and requires monthly payments of principal and interest in the amount of \$27. The note matures June 1, 2016 at which time \$55 is due and is secured by a deed of trust encumbering the rental property.	768
\$1,000 NAHC Phoenix Park I, L.P. note payable to Bank of the West. The note is non-interest bearing and forgivable at the sole discretion of the lender, 57 years after February 1, 2004 provided that the Partnership complies with its obligation under the Affordable Housing Program (AHP) Agreement. There are no scheduled payments of interest and principal. The note is secured by a subordinated deed of trust.	1,000
\$23,470 NAHC Phoenix Park II, L.P. Variable Rate Demand Bonds authorized and issued October 1, 2004, maturing on October 1, 2036, subject to the prior redemption of the bonds on demand by the bondholders, and are fully secured by a letter of credit in the amount of \$23,740 which expires on October 1, 2017. The bonds were issued for the rehabilitation and construction of the Phoenix Park II, L.P. affordable housing complex. The interest rate is determined on a weekly basis as described in the official statement. As of December 31, 2013, the interest rate percentage was 0.33%.	7,587

Sacramento Housing and Redevelopment Agency
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(dollar amounts expressed in thousands)

<u>Bonds and Notes Payable (continued):</u>	<u>Amount</u>
<p>\$9,100 NAHC Phoenix Park II, L.P. note payable to the Multifamily Housing Program (MHP) State of California Department of Housing and Community Development (permanent loan) dated December 20, 2006. The note bears simple interest of 3.00% per annum and is secured by a deed of trust. Payment of the entire unpaid principal amount, together with all accrued but unpaid interest is due on December 20, 2061. Interest payments in the amount of 0.42% per annum on the unpaid principal balance of the loan are to be paid annually beginning December 31, 2006 and continuing annually thereafter up to and including December 31, 2035. Commencing December 31, 2006 and continuing annually thereafter, annual loan payments in an amount equal to the lesser of (1) the full amount of interest accruing on the unpaid principal amount advanced under the Loan Documents for the immediately preceding twelve (12) month period, or (2) the amount determined by the Projects to be necessary to cover the cost of continued monitoring of the Projects for compliance with the requirements of the program. Additional payments are to be made only to the extent that net cash flow is available, as defined in the regulatory agreement.</p>	\$9,100
<p>\$12,722 SHARP Washington Plaza L.P. Multifamily Housing Revenue Variable Rate Bonds authorized and issued December 1, 2013 maturing on December 1, 2045. Principal and interest are due on the first day of each month commencing January 1, 2014. The note is secured by a construction leasehold deed of trust. The bonds were issued to finance a portion of the costs of the acquisition, rehabilitation and equipping of the Washington Plaza project. All of the bonds shall bear interest at the variable rate through and including the conversion date. Following the conversion date, \$3,872 of the bonds shall bear interest at the fixed rate of 4.70% and the remainder of the bonds shall continue to bear interest at the variable rate. As of December 31, 2013 only \$105 was drawn from the bonds.</p>	<u>105</u>
<p>Total bonds and notes payable</p>	27,405
<p style="padding-left: 40px;">Less current portion</p>	<u>(879)</u>
<p style="padding-left: 40px;">Total bonds and notes payable, long-term</p>	<u>\$26,526</u>
<u>Other Long-Term Obligations:</u>	
<p>Accrued interest on \$933 SHDC Riverview Plaza Associates mortgage notes payable from available surplus cash. Due in full in September 2016.</p>	\$700
<p>Accrued interest on \$6,594 NAHC Phoenix Park I, L.P. Permanent "Tax Credit" note dated May 10, 2006, payable to Citibank (West), F.S.B. The note matures June 1, 2021.</p>	32
<p>Accrued interest on \$2,521 NAHC Phoenix Park I, L.P. Permanent "Section 8" note dated May 8, 2006, Payable to Citibank (West), F.S.B. The note matures June 1, 2016.</p>	4
<p>Accrued interest on \$23,470 NAHC Phoenix Park II Citibank variable rate demand bonds payable from available surplus cash. The note matures October 1, 2036.</p>	28
<p>Accrued interest on \$9,100 NAHC Phoenix Park II MHP note payable from available surplus cash. The note matures December 20, 2061.</p>	1,689

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
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<u>Other Long-Term Obligations (continued):</u>	<u>Amount</u>
Accrued interest on \$2,000 Shasta Hotel Corporation mortgage notes payable from available surplus cash. Due in full January 2043.	\$ 1,204
Total other long-term obligations	\$ <u>3,657</u>

The following is a summary of changes in long-term liabilities for the fiscal year ended December 31, 2013:

	January 1, 2013	Additions	Retirements	December 31, 2013	Amounts Due Within One Year
Governmental activities:					
Notes payable	\$ 19,908	\$ -	\$ (1,529)	\$ 18,379	\$ 1,120
Pollution remediation	1,489	-	(145)	1,344	-
Compensated absences	2,997	833	(1,388)	2,442	1,708
Total governmental activities					
-long-term liabilities	\$ 24,394	\$ 833	\$ (3,062)	\$ 22,165	\$ 2,828
	January 1, 2013	Additions	Retirements	December 31, 2013	Amounts Due Within One Year
Business-type activities:					
Notes payable	\$ 2,543	\$ -	\$ (40)	\$ 2,503	\$ 43
Component unit activities:					
Bonds and notes payable	\$ 28,133	\$ 105	\$ (833)	\$ 27,405	\$ 879
Other long-term obligations	3,336	323	(2)	3,657	-
Total component unit activities					
-long-term liabilities	\$ 31,469	\$ 428	\$ (835)	\$ 31,062	\$ 879

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Annual debt service requirements of governmental activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 1,120	\$ 867
2015	1,879	819
2016	1,201	747
2017	1,193	694
2018	1,251	639
2019 - 2023	6,247	2,298
2024 - 2028	5,488	669
Totals	<u>\$ 18,379</u>	<u>\$ 6,733</u>

Annual debt service requirements of business-type activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Mortgage Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 43	\$ 26
2015	47	22
2016	51	18
2017	56	14
2018	61	9
2019 - 2023	72	3
2024 - 2028	-	-
2029 - 2033	-	-
2034 - 2038	-	-
2039 - 2043	1,000	-
2044 - 2048	-	-
2049 - 2053	-	-
2054 - 2058	-	-
2059 - 2063	-	-
2064 - 2065	1,173	-
Total	<u>\$ 2,503</u>	<u>\$ 92</u>

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Annual debt service requirements of component unit activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Bonds and Notes Payable</u>		<u>Other Long-term Obligations</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 879	\$ 792	\$ -	\$ -
2015	929	751	-	-
2016	828	709	-	704
2017	1,188	1,457	-	-
2018	360	660	-	-
2019 - 2023	6,301	2,344	-	32
2024 - 2028	1,315	1,133	-	-
2029 - 2033	1,825	909	-	-
2034 - 2038	1,575	514	-	28
2039 - 2043	2,000	3,191	-	1,204
2044 - 2048	105	191	-	-
2049 - 2053	-	191	-	-
2054 - 2058	-	191	-	-
2059 - 2061	10,100	115	-	1,689
Total	<u>\$ 27,405</u>	<u>\$ 13,148</u>	<u>\$ -</u>	<u>\$ 3,657</u>

Pollution Remediation Obligations

The Agency has obligated itself to commence environmental assessment and remediation activities on three projects. The nature and source of pollutants on these projects are petroleum and metals including arsenic, cadmium and lead. The total estimated costs of \$1,344 for remediation of these projects were derived by environmental remediation consultants. These estimates may change resulting from the Sacramento County Environmental Management Department (SCEMD) input and also from price increases or reductions. There are no estimated recoveries to reduce the cost of remediation. The estimated costs are recorded as long-term liabilities on the governmental activities statement of net position.

Derivatives

Effective October 1, 2006, NAHC (Phoenix Park II L.P.) adopted SFAS No. 133, *Accounting for Derivative Investments and Hedging Activities*, as amended. The NAHC uses a derivative to manage risks related to interest rate movements. An interest rate swap contract designated and qualifying as a cash flow hedge is reported at fair value. Valued separately, the interest rate swap agreement represents a liability as of December 31, 2013 in the amount of \$1,127. The value represents the fair value of the current difference in the fixed and variable interest rates under the agreement over the remaining term of the agreement. Payments are recognized in current operating results as settlements occur under the agreement as a component of interest expense. In connection with the agreement, the Partnership made interest payments of \$346 during 2013. As of December 31, 2013 \$2 remains payable.

Pledged Revenues

The Agency pledged a portion of future Community Development Block Grant (CDBG) entitlement and program income revenues to repay all Section 108 notes payable (City B-97-MC-06-0003 and City B-06-MC-06-0003). The Section 108 notes are payable from CDBG and Redevelopment Agency Successor Agency (RASA) fund revenues through August 2026. The RASA is reimbursing the Agency for the Globe Mills loan and a portion of the Del Paso Nuevo loan as these were located in the old redevelopment areas. CDBG entitlement funds will still

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
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back these loan payments in the event the RASA ends the reimbursement. As of December 31, 2013, the total remaining principal and interest on the notes was \$8,969. For the current year, principal and interest paid from CDBG entitlement funds was \$334, and the RASA contributed \$471. CDBG revenue was \$7,895. Detailed information on the Section 108 notes begins on page 57.

IV. Other Information

A. Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries and illnesses of employees; wrongful employment practices; and natural disasters. The Agency maintains an internal service fund to account for and finance its risks of loss. Under these programs the Agency maintains a deductible for the following risks up to the maximum amount per claim as follows: general liability, \$25; property, \$50; auto liability, \$0; and employment practice liability, \$50.

For general liability, the Agency covers the first \$25 per claim. Excess liability coverage is obtained from a national housing authority insurance pool and is provided through the pool up to \$5,000 for each occurrence. Settled claims have not exceeded this commercial coverage in any of the past ten years.

For property, the Agency covers the first \$50 per claim. Excess property coverage is obtained from a national housing authority insurance pool and covers up to maximum limit of \$100,000 per occurrence. Settled claims have not exceeded this commercial coverage in any of the past ten years.

For automotive insurance the Agency obtains automotive liability coverage from a national housing authority insurance group up to \$5,000. The insurance group contracts with Travelers for auto physical damage and collision. The Agency covers the first five hundred dollars per claim on the collision.

For this policy year, the Agency has purchased employment liability insurance from Arthur Gallagher Insurance Brokers. The policy provides a maximum of \$2 million per occurrence/aggregate per policy year with a \$50 retention/deductible for indemnifiable claims. Workers compensation insurance is provided through California Housing Workers Compensation Authority (CHWCA), a risk sharing pool. For worker's compensation claims, the pool covers the Agency's claims within the statutory limit. Should actual losses among participants be greater than anticipated, the Agency will be assessed its pro rata share per that deficiency. Conversely, if the actual losses are less than anticipated, the Agency will be refunded its pro rata share of the excess.

The operating funds no longer make contributions to the internal service fund based on historical cost and/or actuarial estimates of amounts needed to pay prior and current year claims. The accrued amount in the Self Insurance internal service fund will remain as a reserve for future catastrophic claims that cannot be paid by a single department.

Claim estimates were made in accordance with the requirements of Governmental Accounting Standards Board Statement Nos.10 and 30, and include claims incurred but not reported and allocated loss adjustment expenses as of December 31. Changes in the Self Insurance fund claims liability during the years ended December 31, 2013 and 2012 were as follows:

	Claims Liability January 1	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Claims Liability December 31
2012	\$ 301	\$ 14	\$ (14)	\$ 301
2013	301	2	(2)	301

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

B. Employee Retirement Plan

1. Plan Description

The Agency contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan that acts as a common investment and administrative agent for participating public entities within the state of California. The Agency's defined benefit pension plan, the Agency miscellaneous plan, provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. The Agency's miscellaneous plan is part of the public agency portion of CalPERS.

All current and new employees are covered by the California Public Employees' Retirement System (CalPERS) plans in accordance with the California Public Employees Pension Reform Act of 2013. All employees that are not "new members" under the California Public Employees Pension Reform Act of 2013 ("PEPRA") are part of the 2% at 55 CalPERS retirement formula. Accordingly, all new employees hired on or after January 1, 2013, who are considered "new members" under the PEPRA are part of the 2% at 62 CalPERS retirement formula described in PEPRA. In addition, "new members" are subject to the equal sharing and contribution requirements of California Government Code Section 7522.30(a) and (c) and must pay at least 50% of the normal costs of their pension benefit.

All full-time Agency employees are required to participate in CalPERS. Benefits for employees who are not "new members" vest after five years of credited service. Employees who retire at or after age 50 with five years of credited service are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 1.426% to 2.418% of their average salary, during their highest year of employment, for each year of credited service. Benefits for "new members" vest after five years of credited service. New members who retire at or after age 52 with five years of credited service are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 1.0% to 2.5% of their average salary, during the highest three years of employment, for each year of credited service. These benefit provisions and all other requirements are established by state statute within the Public Employees' Retirement Law and Agency resolution. CalPERS issues a separate comprehensive annual financial report.

Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814. A separate report for the Agency's plan is not available.

2. Funding Policy and Funding Progress

The Agency participated in two plans with CalPERS under the names of the Sacramento Housing Authority (SHA) and the Redevelopment Agency of the City of Sacramento (RACS). The first plan covered employees hired after 1974; the second plan covered employees hired prior to 1974. The plans merged effective July 1, 2001. Agency employees are required to contribute 7.0% of their annual salary to CalPERS, of which the Agency pays 50% to 57% of this amount on the employee's behalf depending on requirements set forth under contractual agreements with employee groups. The Agency is also required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by the CalPERS actuaries and actuarial consultants and adopted by the CalPERS Board of Administration. Contribution rates are determined as a percentage of covered payroll. The Agency's required employer contribution rate for January 1 through June 30, 2013 was 13.405% and for July 1 through December 31, 2013 was 14.532%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. The funding progress of the plan as of the most recent actuarial valuation is presented in the table below.

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Schedule of Funding Progress - Pension

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
			Unfunded			Unfunded
		Entry Age	Actuarial			Actuarial
Actuarial	Actuarial	Actuarial	Accrued	Funded		Liability as
Valuation	Asset	Accrued	Liability	Ratio	Covered	Percentage of
Date	Value	Liability	[B - A]	[A / B]	Payroll	Covered Payroll
						[(B - A) / E]
6/30/2012	\$ 112,692	\$ 129,457	\$ 16,765	87.10%	\$ 13,422	124.91%

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

3. Annual Pension Cost

For the year ended December 31, 2013, the Agency's annual pension cost of \$1,642 was equal to the Agency's required and actual contributions. The required contribution for the year ended December 31, 2013 was determined as part of the June 30, 2011 and 2010 actuarial valuations using the entry age normal actuarial cost method with the contributions determined as a percentage of covered payroll. The actuarial assumptions in the June 30, 2012 and 2011 actuarial valuations included (a) 7.5% investment rate of return, (net of administrative expenses) and (b) projected salary increases of 3.30% to 14.20% which are attributable to inflation, merit, or seniority increases that vary by length of service and no post-retirement increases. Both (a) and (b) include an inflation component of 2.75% and an annual production growth of 0.25%. The June 30, 2010 actuarial valuation included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected salary increases of 3.55% to 14.45% which are attributable to inflation, merit, or seniority increases that vary by length of service and no post-retirement increases. Both (a) and (b) include an inflation component of 3.00% and an annual production growth of 0.25%. The actuarial value of the plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a fifteen year period depending on the size of investments gains and/or losses. The amortization period on the unfunded actuarial liability is expected to be 20 years and is a closed period. The amortization method is a level percentage of projected payroll.

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2011	\$ 1,747	100%	\$ -
12/31/2012	1,711	100%	-
12/31/2013	1,642	100%	-

C. Postemployment Health Benefits

1. Plan Description

The Agency's defined benefit postemployment healthcare plan, provides premium coverage for medical and dental benefits to eligible retired agency employees and their families up to a maximum that depends on the participant's unit and/or coverage level. The Agency established an irrevocable trust to prefund the other post employment benefits annual required contribution through the California Employer's Retiree Benefit Trust Program (CERBT). The funds in the CERBT are held in trust and administered by the California Public

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Employees' Retirement System (CalPERS) as an agent multiple-employer plan (plan). Benefit provisions are established and may be amended by Agency labor agreements which are approved by the City Council and County Board of Supervisors. The Agency's Other Postemployment Benefits (OPEB) plan financial statements are included in the CalPERS CAFR. Copies of the CalPERS' CAFR may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

The Agency provides allowances for health benefits for all employees who retire from the Agency and for their survivors and dependents. Participants have the choice of enrolling in one of several health plans and one of two dental plans. Postemployment health benefits for the Agency range from \$360 to \$605 (in actual dollars, not thousands) per month per participant, depending on the participant's job classification at the time of retirement. The Agency covers the participant's health and dental benefits under these plans up to the allotted benefit allowance.

The maximum allowances are shown in the following table:

Unit	Maximum Premium Coverage: Current Retirees
1 & 2	\$605/month
3 & 4	\$585/month
5	\$430/month
6	\$360/month

Coverage level for current retirees is set and assumed not to increase. Coverage continues at the participant's level for the spouse and any eligible dependents after the participant's death.

2. Funding Policy

The obligation of the Agency to contribute to the plan is established and may be amended by the City Council and County Board of Supervisors.

Employees are not required to contribute to the plan. The Agency is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. In order to provide adequate funding for post retirement medical benefits, the Agency consistently contributes the full ARC to the CERBT fund and has periodically paid additional amounts into the CERBT when available. Further, the Agency has not yet elected to use the CERBT to pay current retiree benefits but instead pays current retiree costs directly. The Agency may elect to change this process in future years. The current ARC rate is 7.6 percent of annual covered payroll.

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

3. Annual OPEB Cost and Net OPEB Asset

For the year ended December 31, 2013, the Agency's annual OPEB cost (expense) was \$983. The Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the last three years were as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
12/31/2011	\$ 1,027	190%	\$ 5,248
12/31/2012	1,018	135%	5,600
12/31/2013	983	228%	6,857

The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Agency's net OPEB asset for the Retiree Health Plan:

Annual required contribution	\$ 929
Interest on net OPEB asset	(420)
Adjustment to annual required contribution	<u>474</u>
Annual OPEB cost (expense)	983
Contributions made	<u>(2,240)</u>
Increase in net OPEB asset	(1,257)
Net OPEB asset-beginning of year	<u>(5,600)</u>
Net OPEB asset-end of year	<u><u>\$ (6,857)</u></u>

4. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 15,687
Actuarial value of plan assets	<u>8,727</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 6,960</u></u>
Funded ratio (actuarial value of plan assets/AAL)	55.63%
Covered payroll (active plan members)	\$ 12,255
UAAL as a percentage of covered payroll	56.79%

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

5. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the entry age normal cost, level percent of pay method was used. The actuarial assumptions utilized a 3.0 percent inflation rate, a 7.5 percent investment rate of return, (net of administrative expenses) and an annual blended healthcare cost trend rate of 8.5 percent beginning in 2015, reduced by decrements to an ultimate rate of 4.64 percent for years 2025 and later. The July 1, 2013 actuarial valuation was used for the calculation of the ARC for the year ended December 31, 2013.

The minimum required contribution and dental premiums are each assumed to increase annually by 4.5%. The UAAL is being amortized as a level percentage of payroll each year over the employees career. The Entry Age Normal (EAN) cost method spreads plan costs for each participant from entry date to the expected retirement date. Under the EAN cost method the plan's normal cost is developed as a level amount over the participants' working lifetime. The AAL is the cumulative value, on the valuation date, of prior service costs. For retirees, the AAL is the present value of all projected benefits.

The ARC under this method equals the normal cost plus the amortization of the unfunded AAL over a thirty (30) year period. The Plan costs are derived by making certain specific assumptions as to the rates of interest, mortality, turnover, and the like, which are assumed to hold for many years into the future. Actual experience may differ somewhat from the assumptions and the effect of such differences is spread over all periods. Due to these differences, the costs determined by the valuation must be regarded as estimates of the true Plan costs.

D. Commitments and Contingencies

1. Mortgage Insured Bonds

The City and the County of Sacramento, between 1980 and 2013, issued multifamily mortgage bonds totaling \$1,001,210. The bonds were issued to provide funds for the purchase of home mortgages in the Sacramento County area. The Agency was appointed by the City and the County of Sacramento to administer the mortgage revenue bond program. As a public entity, the Agency can issue tax-exempt bonds, the proceeds of which can provide acquisition, construction, and permanent financing for multi-family housing projects. Interest paid on the bonds is exempt from federal and state income tax, so bondholders will accept a below-market yield from the bonds. These savings are, in turn, passed on to the project owner in the form of a below-market rate loan, with interest rates approximately one to two percent below prevailing market rates. As a conduit issuer, the bonds do not constitute a liability of the Agency, but are instead secured solely by the project financed with the bonds.

Sacramento Housing and Redevelopment Agency
Notes to the Basic Financial Statements (Continued)
For the Year Ended December 31, 2013
(dollar amounts expressed in thousands)

2. Litigation

The Agency is a defendant in various matters of litigation. Of these matters, management and the Agency's legal counsel do not anticipate any material effect to the December 31, 2013 financial statements if there was an unfavorable outcome against the Agency as a result of the litigation.

3. Contractual Obligations

At December 31, 2013, the outstanding contractual obligations for the Agency's governmental activities are as follows:

	<u>Encumbrances</u>
City HOME	\$ 1,750
County HOME	5,016
City Housing Successor	10,526
County Housing Successor	174
Nonmajor funds	<u>7,876</u>
Total	<u>\$ 25,342</u>

These obligations are primarily for housing project site improvements and structural rehabilitation. The encumbrances are included in the committed fund balance with the exception of the funds that do not have a fund balance on the governmental funds balance sheet.

4. Contingent Liabilities

The Agency receives funding from a number of federal, state, and local assistance programs, comprised principally of Community Development Block Grants, and Housing and Urban Development Housing Programs. These programs are subject to financial and compliance review by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Agency expects such amounts, if any, to be immaterial. Receipt of these federal, state, and local grant revenues is not assured in the future.

E. Restatements

Beginning fund balance and net position for governmental activities was restated due to GASB Statement No. 65. As a result of implementing this statement, the Agency changed the classification of certain liabilities to deferred inflows of resources, as well as restating beginning fund balance due to the correction of previously reported liabilities related to the Agency's long term notes receivable. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2012.

	City HOME	County HOME	Other Governmental Funds	Governmental Activities
Fund balance/Net position at December 31, 2012, as previously reported	\$ -	\$ -	\$ 97,638	\$ 357,403
Adjustment due to GASB Statement No. 65	5,253	2,452	4,441	12,146
Reclassification of nonmajor fund to major fund	-	-	(17,005)	-
Fund balance/Net position at December 31, 2012, as restated	<u>\$ 5,253</u>	<u>\$ 2,452</u>	<u>\$ 85,074</u>	<u>\$ 369,549</u>

**Sacramento Housing and Redevelopment Agency
Required Supplementary Information (Unaudited)
For the Year Ended December 31, 2013**
(dollar amounts expressed in thousands)

Schedule of Funding Progress - Pension

Actuarial Valuation Date	A Actuarial Asset Value	B Entry Age Actuarial Accrued Liability	C Unfunded Actuarial Accrued Liability [B - A]	D Funded Ratio [A / B]	E Covered Payroll	F Unfunded Actuarial Liability as Percentage of Covered Payroll [(B - A) / E]
6/30/2010	\$ 104,778	\$ 116,843	\$ 12,065	89.70%	\$ 16,334	73.90%
6/30/2011	109,386	124,977	15,591	87.50%	16,071	97.00%
6/30/2012	112,692	129,457	16,765	87.10%	13,422	124.91%

Schedule of Funding Progress - Other Postemployment Benefits

Actuarial Valuation Date	A Actuarial Asset Value	B Actuarial Accrued Liability (AAL) Entry Age	C Unfunded AAL (UAAL) [B - A]	D Funded Ratio [A / B]	E Covered Payroll	F UAAL as Percentage of Covered Payroll [(B - A) / E]
1/01/2010	\$ 2,560	\$ 15,121	\$ 12,561	16.93%	\$ 12,727	98.70%
6/30/2011	6,913	14,928	8,015	46.31%	16,653	48.13%
6/30/2013	8,727	15,687	6,960	55.63%	12,255	56.79%

**Sacramento Housing and Redevelopment Agency
Supplementary Information
For the Year Ended December 31, 2013**

Below is the Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), American Recovery and Reinvestment Act (ARRA), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) programs and Choice Neighborhoods Initiative (CNI) grant.

Project Number	Funds Approved	Funds Expended					Total Funds Expended	Balance of Funds Approved
		2009	2010	2011	2012	2013		
City CFP:								
CA30P00550109	\$ 3,619,942	\$ -	\$ 1,484,030	\$ 1,483,835	\$ 301,512	\$ 350,565	\$ 3,619,942	\$ -
CA30P00550110	3,600,644	-	159,864	943,390	1,503,738	878,163	3,485,155	115,489
CA30P00550111	2,766,569	-	-	-	928,767	1,571,916	2,500,683	265,886
CA30P00550112	2,559,332	-	-	-	7,001	1,371,888	1,378,889	1,180,443
CA30P00550113	1,848,795	-	-	-	-	9,705	9,705	1,839,090
Total City CFP	\$ 14,395,282	\$ -	\$ 1,643,894	\$ 2,427,225	\$ 2,741,018	\$ 4,182,237	\$ 10,994,374	\$ 3,400,908
City ARRA:								
CA30S00550109	\$ 4,651,660	\$ 1,658,501	\$ 2,770,824	\$ 222,335	\$ -	\$ -	\$ 4,651,660	\$ -
CA00500010609T	10,000,000	547	1,217,599	7,567,730	1,214,124	-	10,000,000	-
Total City ARRA	\$ 14,651,660	\$ 1,659,048	\$ 3,988,423	\$ 7,790,065	\$ 1,214,124	\$ -	\$ 14,651,660	\$ -
City ROSS Public Housing Family Self Sufficiency (FSS)								
CA005RFS116A011	\$ 69,000	\$ -	\$ -	\$ -	\$ 21,781	\$ 46,869	\$ 68,650	\$ 350
City ROSS Service Coordinator (SC)								
CA005RPS273A011	\$ 480,000	\$ -	\$ -	\$ 34,341	\$ 215,075	\$ 136,152	\$ 385,568	\$ 94,432
County CFP:								
CA30P00750109	\$ 1,913,875	\$ -	\$ 1,307,837	\$ 566,916	\$ 31,381	\$ 7,741	\$ 1,913,875	\$ -
CA30P00750110	1,882,271	-	193,659	851,322	568,432	268,858	1,882,271	-
CA30P00750111	1,554,066	-	-	111,154	556,856	780,752	1,448,762	105,304
CA30P00750112	1,438,555	-	-	-	55,080	1,079,519	1,134,599	303,956
CA30P00750113	1,382,203	-	-	-	-	71,510	71,510	1,310,693
Total County CFP	\$ 8,170,970	\$ -	\$ 1,501,496	\$ 1,529,392	\$ 1,211,749	\$ 2,208,380	\$ 6,451,017	\$ 1,719,953
County ARRA:								
CA30S00750109	\$ 2,472,032	\$ 491,434	\$ 1,901,744	\$ 78,854	\$ -	\$ -	\$ 2,472,032	\$ -
County ROSS Public Housing Family Self Sufficiency (FSS)								
CA007RFS174A011	\$ 69,000	\$ -	\$ -	\$ -	\$ 5,602	\$ 49,018	\$ 54,620	\$ 14,380
County Choice Neighborhood Initiative (CNI)								
CA9A007CNB111	\$ 300,000	\$ -	\$ -	\$ -	\$ 93,166	\$ 205,787	\$ 298,953	\$ 1,047



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

OCT 18 2011

Ms. La Salle Dozier
Executive Director
Sacramento City And
Redevelopment Agency
801 12th Street
P. O. Box 1895
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00550107

Dear Ms. Dozier:

We have reviewed the Actual Modernization Grant Cost Certificate (AMGCC), for the above referenced project and find it acceptable. Our approval for the final close-out of this project is contingent on the audit verification of the amounts reported on the AMGCC. At that time, an executed copy of the AMGCC will be forwarded for your records.

Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in cursive script, appearing to read "Melina Whitehead".

Melina Whitehead
Acting Director
Office of Public Housing

Attachment



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

DEC 13 2012

Ms. La Shelle Dozier
Executive Director
Sacramento City And
Redevelopment Agency
801 12th Street
P. O. Box 1895
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00550108

Dear Ms. Dozier:

We have reviewed the Actual Modernization Grant Cost Certificate (AMGCC), for the above referenced project and find it acceptable. Our approval for the final close-out of this project is contingent on the audit verification of the amounts reported on the AMGCC. At that time, an executed copy of the AMGCC will be forwarded for your records.

Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in black ink, appearing to read "Velma Navarro", written over a horizontal line.

Velma Navarro
Director
Office of Public Housing

Attachment



OCT 24 2013

U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

Ms. La Salle Dozier
Executive Director
Sacramento City And
Redevelopment Agency
801 12th Street
P. O. Box 1895
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00550109

Dear Ms. Dozier:

We have reviewed the Actual Modernization Grant Cost Certificate (AMGCC), for the above referenced project and find it acceptable. Our approval for the final close-out of this project is contingent on the audit verification of the amounts reported on the AMGCC. At that time, an executed copy of the AMGCC will be forwarded for your records.

Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Navarro", written over a horizontal line.

Velma C. Navarro
Director
Office of Public Housing

Attachment



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

MAR 16 2012

Ms. La Salle Dozier
Executive Director
Sacramento City And
Redevelopment Agency
801 12th Street
P. O. Box 1895
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00750107

Dear Ms. Dozier:

We have reviewed the Actual Modernization Grant Cost Certificate (AMGCC), for the above referenced project and find it acceptable. Our approval for the final close-out of this project is contingent on the audit verification of the amounts reported on the AMGCC. At that time, an executed copy of the AMGCC will be forwarded for your records.

Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in black ink, appearing to read "Melina Whitehead".

Melina Whitehead
Division Director
Office of Public Housing

Attachment



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
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DEC 13 2012

Ms. La Shelle Dozier
Executive Director
Sacramento County And
Redevelopment Agency
801 12th Street
P. O. Box 1895
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00750108

Dear Ms. Dozier:

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Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in black ink, appearing to read "Velma Navarro".

Velma Navarro
Director
Office of Public Housing

Attachment



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

DEC 10 2013

Ms. LaShelle Dozier
Executive Director
Sacramento County And
Redevelopment Agency
801 12th Street
P.O. Box 1834
Sacramento, CA 95814

SUBJECT: Actual Modernization Grant Cost Certificate (AMGCC)
Project Number: CA30P00750109

Dear Ms. Dozier:

We have reviewed the Actual Modernization Grant Cost Certificate (AMGCC), for the above referenced project and find it acceptable. Our approval for the final close-out of this project is contingent on the audit verification of the amounts reported on the AMGCC. At that time, an executed copy of the AMGCC will be forwarded for your records.

Should you have any questions or need assistance, please contact Norma Peñamante, Public Housing Facilities Management Specialist, at (415) 489-6441.

Sincerely,

A handwritten signature in black ink, appearing to be "Jesse Wu", written over the word "Sincerely,".

Jesse Wu
Acting Director
Office of Public Housing

Enclosure

**Actual Modernization
Cost Certificate**

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 01/31/2014)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

HA Name:

Housing Authority of the City of Sacramento

Modernization Project Number:

CA30S00550109

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	\$ 4,651,660.00
B. Funds Disbursed	\$ 4,651,660.00
C. Funds Expended (Actual Modernization Cost)	\$ 4,651,660.00
D. Amount to be Recaptured (A-C)	\$
E. Excess of Funds Disbursed (B-C)	\$
2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

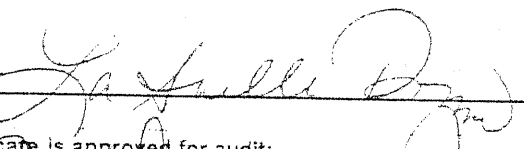
I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director & Date:

X

LaShelle Dozier
For HUD Use Only



2-9-12

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator)

Date:

8/1/2012

X

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official)

Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator)

Date:

X

Actual Modernization Cost Certificate

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 01/31/2014)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

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HA Name: Housing Authority of the County of Sacramento	Modernization Project Number: CA30S00750109
---	--

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	\$ 2,472,032.00
B. Funds Disbursed	\$ 2,472,032.00
C. Funds Expended (Actual Modernization Cost)	\$ 2,472,032.00
D. Amount to be Recaptured (A-C)	\$
E. Excess of Funds Disbursed (B-C)	\$

- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
- That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director & Date:

X
LaShelle Dozier *[Signature]* 2-9-12
For HUD Use Only

The Cost Certificate is approved for audit:
Approved for Audit (Director, Office of Public Housing / ONAP Administrator) *[Signature]* Date: 9/23/2012

The audited costs agree with the costs shown above:
Verified: (Designated HUD Official) *[Signature]* Date:
X
Approved: (Director, Office of Public Housing / ONAP Administrator) Date:
X

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 01/31/2014)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3800. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

HA Name: City of Sacramento Housing Authority (CA005)	Modernization Project Number: CA00500010609T
---	--

The HA hereby certifies to the Department of Housing and Urban Development as follows:

- That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	\$	10,000,000.00
B. Funds Disbursed	\$	10,000,000.00
C. Funds Expended (Actual Modernization Cost)	\$	10,000,000.00
D. Amount to be Recaptured (A-C)	\$	
E. Excess of Funds Disbursed (B-C)	\$	
- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
- That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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Signature of Executive Director & Date:

X L. Dozier

[Signature] 6/14/12

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator)

Date:

X

12/3/12

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official)

Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator)

Date:

X

2009 City #55

Assistance Award/Amendment U.S. Department of Housing and Urban Development Office of Administration

1. Assistance Instrument		2. Type of Action	
<input type="checkbox"/> Cooperative Agreement	<input checked="" type="checkbox"/> Grant	Award <input type="checkbox"/>	<input checked="" type="checkbox"/> Amendment

3. Instrument Number CA005RFS014A009	4. Amendment Number	5. Effective Date of this Action	6. Control Number
---	---------------------	----------------------------------	-------------------

7. Name and Address of Recipient 137351016 City of Sacramento Housing Authority 630 I Street Sacramento, CA 95814	8. HUD Administering Office Office of Public Housing 600 Harrison Street San Francisco, CA 94107
---	---

8a. Name of Administrator	8b. Telephone Number
---------------------------	----------------------

10. Recipient Project Manager Mr. Nick Chhotu Assistant Director of Housing - Public Housing	9. HUD Government Technical Representative Sharron Treskunoff
--	--

11. Assistance Arrangement	12. Payment Method	13. HUD Payment Office
<input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Cost Sharing <input type="checkbox"/> Fixed Price	<input type="checkbox"/> Treasury Check Reimbursement <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse	LOCCS

14. Assistance Amount		15. HUD Accounting and Appropriation Data	
Previous HUD Amount	\$68,000.00	15a. Appropriation Number	15b. Reservation Number
HUD Amount this action	\$0	Amount Previously Obligated	\$68,000.00
Total HUD Amount	\$68,000.00	Obligation by this action	\$0
Recipient Amount	\$0	Total Obligation	\$68,000.00
Total Instrument Amount	\$68,000.00		

16. Description
Close out of Grant; HA has successfully expended all program funds.

17. <input type="checkbox"/> Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office	18. <input checked="" type="checkbox"/> Recipient is not required to sign this document.
---	--

19. Recipient (By Name) Mr. Nick Chhotu Assistant Director of Housing - Public Housing	20. HUD (By Name) Ms. Meina Whitehead, Acting Public Housing Director
--	--

Signature & Title	Date (mm/dd/yyyy)	Signature & Title	Date (mm/dd/yyyy)
		<i>[Signature]</i>	12-15-2011

Form HUD-1044 (8/90) ref. Handbook 2210.17

2010 City FSS

Assistance Award/Amendment U.S. Department of Housing and Urban Development Office of Administration

1. Assistance Instrument
 Cooperative Agreement Grant
 2. Type of Action
 Award Amendment

3. Instrument Number CA005RFS017A010
 4. Amendment Number
 5. Effective Date of this Action 9/12/2012
 6. Control Number

7. Name and Address of Recipient
 DUNS # 137351016 Tax ID - 946000759
 City of Sacramento Housing Authority
 801 12th Street
 Sacramento, CA 94814-2947
 8. HUD Administering Office
 Office of Public Housing
 600 Harrison Street
 San Francisco, CA 94107

8a. Name of Administrator 8b. Telephone Number

10. Recipient Project Manager
 Ms. La Shelle Dozier Executive Director
 9. HUD Government Technical Representative
 Sharron Treskunoff

11. Assistance Arrangement
 Cost Reimbursement
 Cost Sharing
 Fixed Price
 12. Payment Method
 Treasury Check Reimbursement
 Advance Check
 Automated Clearinghouse
 13. HUD Payment Office
 LOCCS

14. Assistance Amount		15. HUD Accounting and Appropriation Data	
Previous HUD Amount	\$69,000	15a. Appropriation Number	15b. Reservation Number
HUD Amount this action	\$0	Amount Previously Obligated	\$69,000
Total HUD Amount	\$69,000	Obligation by this action	\$0
Recipient Amount	\$	Total Obligation	\$69,000
Total Instrument Amount	\$69,000		

16. Description:
 GRANT IS CLOSED, PLEASE ENTER POST AUDIT DATE

17. Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office
 18. Recipient is not required to sign this document.

19. Recipient (By Name)
 Ms. La Shelle Dozier Executive Director
 20. HUD (By Name)
 Veima Navarro, Public Housing Director

Signature & Title Date (mm/dd/yyyy)
 Signature & Title Date (mm/dd/yyyy)
 12/14/12

Form HUD-1044 (8/90)
 ref. Handbook 2210.17

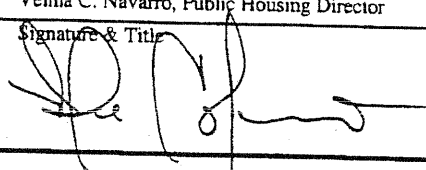
Assistance Award/Amendment

U.S. Department of Housing and
Urban Development
Office of Administration

2010 60 444

1. Assistance Instrument <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant		2. Type of Action <input type="checkbox"/> Award <input checked="" type="checkbox"/> Amendment	
3. Instrument Number CA007RFS018A010	4. Amendment Number	5. Effective Date of this Action 3/13/2013	6. Control Number
7. Name and Address of Recipient DUNS # 137351164 TAX ID#94-6300529 Sacramento County HA 801 12 th St. Sacramento CA 95814		8. HUD Administering Office Office of Public Housing 600 Harrison Street; 3 rd Floor San Francisco CA 94107	
10. Recipient Project Manager Ms. LaShelle Dozier, Executive Director		8a. Name of Administrator	8b. Telephone Number
11. Assistance Arrangement <input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Cost Sharing <input type="checkbox"/> Fixed Price		12. Payment Method <input type="checkbox"/> Treasury Check Reimbursement <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse	
13. HUD Payment Office LOCCS		9. HUD Government Technical Representative Sharron Treskunoff	
14. Assistance Amount		15. HUD Accounting and Appropriation Data	
Previous HUD Amount	\$69,000	15a. Appropriation Number	15b. Reservation number
HUD Amount this action	\$0	Amount Previously Obligated	\$69,000
Total HUD Amount	\$69,000	Obligation by this action	\$0
Recipient Amount	\$0	Total Obligation	\$69,000
Total Instrument Amount	\$69,000		
16. Description			

This submission represents the closeout of this grant as all funds have been expended. Please provide post audit date.

17. <input type="checkbox"/> Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office		18. <input checked="" type="checkbox"/> Recipient is not required to sign this document.	
19. Recipient (By Name) Ms. LaShelle Dozier, Executive Director		20. HUD (By Name) Velma C. Navarro, Public Housing Director	
Signature & Title	Date (mm/dd/yyyy)	Signature & Title	Date (mm/dd/yyyy)
			03/22/2013

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*Nonmajor
Governmental
Funds*

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013
(amounts expressed in thousands)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
Assets				
Cash and investments	\$ 24,742	\$ 232	\$ 3,375	\$ 28,349
Accounts receivable	310	-	-	310
Due from other funds	1,826	-	-	1,826
Due from other governments	1,692	-	1,199	2,891
Notes receivable (net)	89,793	-	-	89,793
Advances to other funds	7,699	-	-	7,699
Advances to component units	1,493	-	-	1,493
Restricted cash and investments	2,525	-	-	2,525
Total assets	<u>\$ 130,080</u>	<u>\$ 232</u>	<u>\$ 4,574</u>	<u>\$ 134,886</u>
Liabilities				
Accounts payable	\$ 1,003	\$ -	\$ 123	\$ 1,126
Accrued liabilities	42	-	5	47
Contracts payable	-	-	56	56
Due to other funds	492	-	1,015	1,507
Due to other governments	196	-	-	196
Unearned revenue	607	-	-	607
Deposit and trust liability	2,261	-	-	2,261
Advances from other funds	3,319	-	-	3,319
Total liabilities	<u>7,920</u>	<u>-</u>	<u>1,199</u>	<u>9,119</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>35,012</u>	<u>-</u>	<u>12</u>	<u>35,024</u>
Fund Balances (Deficits)				
Nonspendable:				
Long-term receivables	64,587	-	-	64,587
Restricted for:				
Debt service	203	232	-	435
Housing	11,763	-	3,199	14,962
Community development	6,864	-	-	6,864
Community services	116	-	-	116
Committed for:				
Housing	1,882	-	-	1,882
Community development	638	-	-	638
Assigned for:				
Housing	3,859	-	-	3,859
Community development	-	-	176	176
Unassigned	(2,764)	-	(12)	(2,776)
Total fund balances	<u>87,148</u>	<u>232</u>	<u>3,363</u>	<u>90,743</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 130,080</u>	<u>\$ 232</u>	<u>\$ 4,574</u>	<u>\$ 134,886</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Intergovernmental	\$ 19,392	\$ -	\$ 6,532	\$ 25,924
Charges for services	1,524	-	-	1,524
Investment earnings	1,144	3	29	1,176
Miscellaneous	779	-	-	779
Total revenues	<u>22,839</u>	<u>3</u>	<u>6,561</u>	<u>29,403</u>
Expenditures:				
Current:				
Housing operations	2,891	-	716	3,607
Community development	10,601	-	-	10,601
Community social services	2,946	-	-	2,946
Capital outlay	2,386	-	2,861	5,247
Debt service:				
Principal retirement	-	839	-	839
Interest	-	495	-	495
Total expenditures	<u>18,824</u>	<u>1,334</u>	<u>3,577</u>	<u>23,735</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,015</u>	<u>(1,331)</u>	<u>2,984</u>	<u>5,668</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	830	-	-	830
Transfers in	405	1,334	3,173	4,912
Transfers out	(2,861)	-	(2,880)	(5,741)
Total other financing sources (uses)	<u>(1,626)</u>	<u>1,334</u>	<u>293</u>	<u>1</u>
Net change in fund balances	2,389	3	3,277	5,669
Fund balances, beginning, as restated	84,759	229	86	85,074
Fund balances, ending	<u>\$ 87,148</u>	<u>\$ 232</u>	<u>\$ 3,363</u>	<u>\$ 90,743</u>

Nonmajor Special Revenue Funds

Special revenue funds account for specific financial resources (other than for major capital projects) that are legally restricted to expenditure for specific purposes.

- ◆ **Housing funds** are used to account for a variety of federal, state and local housing programs that provide public housing assistance for low and moderate income households within the City and County.
- ◆ **Community Development Funds** are used to account for a variety of specific community programs funded by the federal government.
- ◆ **Community Services Funds** are used to account for activity associated with social services such as homelessness, mental health and special needs housing.
- ◆ **Local Tax Funds** are used to account for payments in lieu of taxes. Revenues from the City and County Public Housing Funds are used to fund community service activities.

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	<u>Housing</u>	<u>Community Development</u>	<u>Community Services</u>	<u>Local Tax</u>	<u>Total</u>
Assets					
Cash and investments	\$ 16,654	\$ 7,975	\$ -	\$ 113	\$ 24,742
Accounts receivable	202	88	20	-	310
Due from other funds	1,826	-	-	-	1,826
Due from other governments	341	837	514	-	1,692
Notes receivable (net)	49,037	40,756	-	-	89,793
Advances to other funds	5,359	2,340	-	-	7,699
Advances to component units	1,493	-	-	-	1,493
Restricted cash and investments	2,475	50	-	-	2,525
Total assets	<u>\$ 77,387</u>	<u>\$ 52,046</u>	<u>\$ 534</u>	<u>\$ 113</u>	<u>\$ 130,080</u>
Liabilities					
Accounts payable	\$ 127	\$ 655	\$ 221	\$ -	\$ 1,003
Accrued liabilities	14	27	1	-	42
Due to other funds	68	115	309	-	492
Due to other governments	-	196	-	-	196
Unearned revenue	-	607	-	-	607
Deposit and trust liability	2,214	47	-	-	2,261
Advances from other funds	1,285	2,034	-	-	3,319
Total liabilities	<u>3,708</u>	<u>3,681</u>	<u>531</u>	<u>-</u>	<u>7,920</u>
Deferred Inflows of Resources					
Unavailable revenue	<u>137</u>	<u>34,519</u>	<u>356</u>	<u>-</u>	<u>35,012</u>
Fund Balances (Deficits)					
Nonspendable:					
Long-term receivables	55,889	8,698	-	-	64,587
Restricted for:					
Debt service	200	3	-	-	203
Housing	11,763	-	-	-	11,763
Community development	-	6,864	-	-	6,864
Community services	-	-	3	113	116
Committed for:					
Housing	1,882	-	-	-	1,882
Community development	-	638	-	-	638
Assigned for:					
Housing	3,859	-	-	-	3,859
Unassigned	(51)	(2,357)	(356)	-	(2,764)
Total fund balances (deficits)	<u>73,542</u>	<u>13,846</u>	<u>(353)</u>	<u>113</u>	<u>87,148</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 77,387</u>	<u>\$ 52,046</u>	<u>\$ 534</u>	<u>\$ 113</u>	<u>\$ 130,080</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Housing</u>	<u>Community Development</u>	<u>Community Services</u>	<u>Local Tax</u>	<u>Total</u>
Revenues:					
Intergovernmental	\$ 1,802	\$ 16,296	\$ 997	\$ 297	\$ 19,392
Charges for services	1,524	-	-	-	1,524
Investment earnings	953	190	-	1	1,144
Miscellaneous	620	159	-	-	779
Total revenues	<u>4,899</u>	<u>16,645</u>	<u>997</u>	<u>298</u>	<u>22,839</u>
Expenditures:					
Current:					
Housing operations	2,630	261	-	-	2,891
Community development	29	10,572	-	-	10,601
Community social services	16	1,348	1,350	232	2,946
Capital outlay	68	2,318	-	-	2,386
Total expenditures	<u>2,743</u>	<u>14,499</u>	<u>1,350</u>	<u>232</u>	<u>18,824</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,156</u>	<u>2,146</u>	<u>(353)</u>	<u>66</u>	<u>4,015</u>
Other financing sources (uses):					
Proceeds from sale of capital assets	-	830	-	-	830
Transfers in	-	405	-	-	405
Transfers out	(1,084)	(1,777)	-	-	(2,861)
Total other financing sources (uses)	<u>(1,084)</u>	<u>(542)</u>	<u>-</u>	<u>-</u>	<u>(1,626)</u>
Net change in fund balances	1,072	1,604	(353)	66	2,389
Fund balances, beginning, as restated	72,470	12,242	-	47	84,759
Fund balances (deficits), ending	<u>\$ 73,542</u>	<u>\$ 13,846</u>	<u>\$ (353)</u>	<u>\$ 113</u>	<u>\$ 87,148</u>

Nonmajor Housing Special Revenue Funds

- ◆ **General Housing Reserve** acts as a clearing account for excess funding to go to housing authority programs requiring additional funding.
- ◆ **Revenue Bond Program** accounts for the revenue from Mortgage Revenue Bonds and Mortgage Credit Certificates.
- ◆ **Local Housing Revenue** accounts for the receipt and use of rebates derived from various energy conservation programs and accounts for activities relating to the Ping Yuen Center.
- ◆ **City and County Public Housing Homeownership** accounts for the sale of single-family public housing units to eligible public housing residents in the City and County of Sacramento.
- ◆ **Riverview Plaza Reserve** acts as a clearing account for excess funding to go to Riverview Plaza activities and other housing programs.
- ◆ **Foundation Uniting Needs and Dollars (FUND), Inc.** accounts for the fundraising activities of the Agency.
- ◆ **City State/Local Housing Grant** is used to account for the receipt of grants from sources outside of the housing authority and the expenditures associated with those grants.
- ◆ **County State/Local Housing Grant** is used to account for the receipt of grants from sources outside of the housing authority and the expenditures associated with those grants.
- ◆ **City and County Ross Grant** is used to fund the project coordinator who administers the activities of residents in the Family Self Sufficiency program.
- ◆ **City ROSS Service Coordinator** provides for a Service Coordinator to coordinate supportive services and other activities designed to help Public and Indian housing residents attain economic and housing self-sufficiency.
- ◆ **County CNI Planning Grant** accounts for development and implementation of a comprehensive neighborhood revitalization strategy for public and/or assisted housing units, while simultaneously directing the transformation of the surrounding neighborhood.
- ◆ **City and County Housing Trust and State Local Housing Trust** accounts for the acquisition, rehabilitation and development of low-income housing funded by local developer fees.
- ◆ **City Inclusionary and County Affordable Housing Programs** account for in-lieu and affordability fees paid by developers. Sacramento County's Affordable Housing Ordinance requires new residential projects of five or more dwelling units to provide an affordable housing component of not less than 15 percent of the development project's dwelling units. Depending on such project parameters as size, a developer is given various options to meet the affordable housing obligation.

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Housing Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	General Housing Reserve	Revenue Bond Program	Local Housing Revenue	City Public Housing Homeownership	County Public Housing Homeownership
Assets					
Cash and investments	\$ 843	\$ 5,206	\$ 1,452	\$ 1,376	\$ 949
Accounts receivable	-	157	-	-	-
Due from other funds	250	429	-	-	-
Due from other governments	-	-	-	-	-
Notes receivable (net)	-	1,051	3,170	-	-
Advances to other funds	-	3,834	-	-	-
Advances to component units	-	101	-	-	-
Restricted cash and investments	6	2,468	-	1	-
Total assets	\$ 1,099	\$ 13,246	\$ 4,622	\$ 1,377	\$ 949
Liabilities					
Accounts payable	\$ -	\$ 43	\$ -	\$ 1	\$ -
Accrued liabilities	-	8	-	-	-
Due to other funds	-	-	-	-	-
Deposit and trust liability	6	2,207	-	1	-
Advances from other funds	-	-	170	-	-
Total liabilities	6	2,258	170	2	-
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	-	-
Fund Balances					
Nonspendable:					
Long-term receivables	-	4,986	3,170	-	-
Restricted for:					
Debt service	-	200	-	-	-
Housing	1,093	61	1,282	1,375	949
Committed for:					
Housing	-	1,882	-	-	-
Assigned for:					
Housing	-	3,859	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	1,093	10,988	4,452	1,375	949
Total liabilities, deferred inflows of resources and fund balances	\$ 1,099	\$ 13,246	\$ 4,622	\$ 1,377	\$ 949

**Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Housing Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)**

	<u>Riverview Plaza Reserve</u>	<u>FUND, Inc.</u>	<u>City State/Local Housing Grants</u>	<u>County State/Local Housing Grants</u>	<u>City ROSS PH FSS Grant</u>
Assets					
Cash and investments	\$ 256	\$ 16	\$ 23	\$ 118	\$ -
Accounts receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	3
Notes receivable (net)	1,000	-	-	-	-
Advances to other funds	-	-	-	-	-
Advances to component units	1,392	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	<u>\$ 2,648</u>	<u>\$ 16</u>	<u>\$ 23</u>	<u>\$ 118</u>	<u>\$ 3</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	1
Deposit and trust liability	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	-	-
Fund Balances					
Nonspendable:					
Long-term receivables	2,392	-	-	-	-
Restricted for:					
Debt service	-	-	-	-	-
Housing	256	16	23	118	-
Committed for:					
Housing	-	-	-	-	-
Assigned for:					
Housing	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>2,648</u>	<u>16</u>	<u>23</u>	<u>118</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,648</u>	<u>\$ 16</u>	<u>\$ 23</u>	<u>\$ 118</u>	<u>\$ 3</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Housing Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	County ROSS PH FSS Grant	City ROSS Service Coordinator	County CNI Planning Grant	City Housing Trust	County Housing Trust
Assets					
Cash and investments	\$ -	\$ -	\$ -	\$ 1,906	\$ 3,387
Accounts receivable	-	-	-	17	28
Due from other funds	-	-	-	545	602
Due from other governments	2	28	122	49	59
Notes receivable (net)	-	-	-	20,947	17,854
Advances to other funds	-	-	-	410	1,115
Advances to component units	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	<u>\$ 2</u>	<u>\$ 28</u>	<u>\$ 122</u>	<u>\$ 23,874</u>	<u>\$ 23,045</u>
Liabilities					
Accounts payable	\$ -	\$ 2	\$ 79	\$ -	\$ -
Accrued liabilities	-	3	1	1	1
Due to other funds	2	23	42	-	-
Deposit and trust liability	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>2</u>	<u>28</u>	<u>122</u>	<u>1</u>	<u>1</u>
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	-	59
Fund Balances					
Nonspendable:					
Long-term receivables	-	-	-	21,357	18,969
Restricted for:					
Debt service	-	-	-	-	-
Housing	-	-	-	2,516	4,016
Committed for:					
Housing	-	-	-	-	-
Assigned for:					
Housing	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,873</u>	<u>22,985</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2</u>	<u>\$ 28</u>	<u>\$ 122</u>	<u>\$ 23,874</u>	<u>\$ 23,045</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Housing Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	State Local Housing Trust	City Inclusionary Housing	County Affordable Housing	Total
Assets				
Cash and investments	\$ -	\$ 58	\$ 1,064	\$ 16,654
Accounts receivable	-	-	-	202
Due from other funds	-	-	-	1,826
Due from other governments	-	-	78	341
Notes receivable (net)	3,000	-	2,015	49,037
Advances to other funds	-	-	-	5,359
Advances to component units	-	-	-	1,493
Restricted cash and investments	-	-	-	2,475
Total assets	<u>\$ 3,000</u>	<u>\$ 58</u>	<u>\$ 3,157</u>	<u>\$ 77,387</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 127
Accrued liabilities	-	-	-	14
Due to other funds	-	-	-	68
Deposit and trust liability	-	-	-	2,214
Advances from other funds	-	-	1,115	1,285
Total liabilities	<u>-</u>	<u>-</u>	<u>1,115</u>	<u>3,708</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>-</u>	<u>-</u>	<u>78</u>	<u>137</u>
Fund Balances				
Nonspendable:				
Long-term receivables	3,000	-	2,015	55,889
Restricted for:				
Debt service	-	-	-	200
Housing	-	58	-	11,763
Committed for:				
Housing	-	-	-	1,882
Assigned for:				
Housing	-	-	-	3,859
Unassigned	-	-	(51)	(51)
Total fund balances	<u>3,000</u>	<u>58</u>	<u>1,964</u>	<u>73,542</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,000</u>	<u>\$ 58</u>	<u>\$ 3,157</u>	<u>\$ 77,387</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Housing Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	General Housing Reserve	Revenue Bond Program	Local Housing Revenue	City Public Housing Homeownership	County Public Housing Homeownership
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	1,524	-	-	-
Investment earnings	19	180	24	24	17
Miscellaneous	-	472	74	-	-
Total revenues	<u>19</u>	<u>2,176</u>	<u>98</u>	<u>24</u>	<u>17</u>
Expenditures:					
Current:					
Housing operations	2	1,838	23	77	33
Community development	-	-	-	-	-
Community social services	-	-	-	-	-
Capital outlay	-	-	68	-	-
Total expenditures	<u>2</u>	<u>1,838</u>	<u>91</u>	<u>77</u>	<u>33</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17</u>	<u>338</u>	<u>7</u>	<u>(53)</u>	<u>(16)</u>
Other financing sources (uses):					
Transfers out	<u>(41)</u>	<u>(182)</u>	<u>-</u>	<u>-</u>	<u>(600)</u>
Net change in fund balances	(24)	156	7	(53)	(616)
Fund balances, beginning, as restated	1,117	10,832	4,445	1,428	1,565
Fund balances, ending	<u>\$ 1,093</u>	<u>\$ 10,988</u>	<u>\$ 4,452</u>	<u>\$ 1,375</u>	<u>\$ 949</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Housing Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Riverview Plaza Reserve	FUND, Inc.	City State/Local Housing Grants	County State/Local Housing Grants	City ROSS PH FSS Grant
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 47
Charges for services	-	-	-	-	-
Investment earnings	4	1	-	2	-
Miscellaneous	-	1	-	-	-
Total revenues	<u>4</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>47</u>
Expenditures:					
Current:					
Housing operations	-	-	-	-	47
Community development	-	-	-	-	-
Community social services	-	16	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>-</u>	<u>16</u>	<u>-</u>	<u>-</u>	<u>47</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4</u>	<u>(14)</u>	<u>-</u>	<u>2</u>	<u>-</u>
Other financing sources (uses):					
Transfers out	-	-	-	-	-
Net change in fund balances	4	(14)	-	2	-
Fund balances, beginning, as restated	2,644	30	23	116	-
Fund balances, ending	<u>\$ 2,648</u>	<u>\$ 16</u>	<u>\$ 23</u>	<u>\$ 118</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Housing Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	County ROSS PH FSS Grant	City ROSS Service Coordinator	County CNI Planning Grant	City Housing Trust	County Housing Trust
Revenues:					
Intergovernmental	\$ 49	\$ 136	\$ 206	\$ 382	\$ 291
Charges for services	-	-	-	-	-
Investment earnings	-	-	-	188	483
Miscellaneous	-	-	-	72	-
Total revenues	<u>49</u>	<u>136</u>	<u>206</u>	<u>642</u>	<u>774</u>
Expenditures:					
Current:					
Housing operations	49	136	206	54	165
Community development	-	-	-	-	-
Community social services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>49</u>	<u>136</u>	<u>206</u>	<u>54</u>	<u>165</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>588</u>	<u>609</u>
Other financing sources (uses):					
Transfers out	-	-	-	(261)	-
Net change in fund balances	-	-	-	327	609
Fund balances, beginning, as restated	-	-	-	23,546	22,376
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,873</u>	<u>\$ 22,985</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Housing Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	State Local Housing Trust	City Inclusionary Housing	County Affordable Housing	Total
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 691	\$ 1,802
Charges for services	-	-	-	1,524
Investment earnings	-	2	9	953
Miscellaneous	-	1	-	620
Total revenues	<u>-</u>	<u>3</u>	<u>700</u>	<u>4,899</u>
Expenditures:				
Current:				
Housing operations	-	-	-	2,630
Community development	-	-	29	29
Community social services	-	-	-	16
Capital outlay	-	-	-	68
Total expenditures	<u>-</u>	<u>-</u>	<u>29</u>	<u>2,743</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>3</u>	<u>671</u>	<u>2,156</u>
Other financing sources (uses):				
Transfers out	-	-	-	(1,084)
Net change in fund balances	-	3	671	1,072
Fund balances, beginning, as restated	3,000	55	1,293	72,470
Fund balances, ending	<u>\$ 3,000</u>	<u>\$ 58</u>	<u>\$ 1,964</u>	<u>\$ 73,542</u>

**Sacramento Housing and Redevelopment Agency
 General Housing Reserve Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
 For the Year Ended December 31, 2013
 (amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 54	\$ 54	\$ 19	\$ (35)
Expenditures:				
Current:				
Housing operations	206	206	2	204
Excess (deficiency) of revenues over (under) expenditures	(152)	(152)	17	169
Other financing uses:				
Transfers out	(41)	(41)	(41)	-
Net change in fund balance	(193)	(193)	(24)	169
Fund balance, beginning	1,117	1,117	1,117	-
Fund balance, ending	<u>\$ 924</u>	<u>\$ 924</u>	<u>\$ 1,093</u>	<u>\$ 169</u>

**Sacramento Housing and Redevelopment Agency
Local Housing Revenue Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 43	\$ 43	\$ 24	\$ (19)
Miscellaneous	-	-	74	74
Total revenues	<u>43</u>	<u>43</u>	<u>98</u>	<u>55</u>
Expenditures:				
Current:				
Housing operations	354	354	23	331
Capital outlay	-	-	68	(68)
Total expenditures	<u>354</u>	<u>354</u>	<u>91</u>	<u>263</u>
Net change in fund balance	(311)	(311)	7	318
Fund balance, beginning	4,445	4,445	4,445	-
Fund balance, ending	<u>\$ 4,134</u>	<u>\$ 4,134</u>	<u>\$ 4,452</u>	<u>\$ 318</u>

Sacramento Housing and Redevelopment Agency
City Public Housing Homeownership Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 54	\$ 54	\$ 24	\$ (30)
Expenditures:				
Current:				
Housing operations	1,011	1,011	77	934
Net change in fund balance	(957)	(957)	(53)	904
Fund balance, beginning	1,428	1,428	1,428	-
Fund balance, ending	<u>\$ 471</u>	<u>\$ 471</u>	<u>\$ 1,375</u>	<u>\$ 904</u>

Sacramento Housing and Redevelopment Agency
County Public Housing Homeownership Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 20	\$ 20	\$ 17	\$ (3)
Expenditures:				
Current:				
Housing operations	209	209	33	176
Deficiency of revenues under expenditures	(189)	(189)	(16)	173
Other financing sources:				
Transfers out	-	-	(600)	(600)
Net change in fund balance	(189)	(189)	(616)	(427)
Fund balance, beginning	1,565	1,565	1,565	-
Fund balance, ending	<u>\$ 1,376</u>	<u>\$ 1,376</u>	<u>\$ 949</u>	<u>\$ (427)</u>

**Sacramento Housing and Redevelopment Agency
Riverview Plaza Reserve Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 4	\$ 4	\$ 4	\$ -
Expenditures:				
Current:				
Housing operations	71	71	-	71
Net change in fund balance	(67)	(67)	4	71
Fund balance, beginning	2,644	2,644	2,644	-
Fund balance, ending	<u>\$ 2,577</u>	<u>\$ 2,577</u>	<u>\$ 2,648</u>	<u>\$ 71</u>

Sacramento Housing and Redevelopment Agency
City State/Local Housing Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ (1)	\$ (1)	\$ -	\$ 1
Expenditures:				
Current:				
Housing operations	21	21	-	21
Net change in fund balances	(22)	(22)	-	22
Fund balance, beginning	22	22	23	1
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 23</u>

**Sacramento Housing and Redevelopment Agency
County State/Local Housing Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 2	\$ 2	\$ 2	\$ -
Expenditures:				
Current:				
Housing operations	109	109	-	109
Net change in fund balances	(107)	(107)	2	109
Fund balance, beginning	116	116	116	-
Fund balance, ending	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 118</u>	<u>\$ 109</u>

Sacramento Housing and Redevelopment Agency
City ROSS PH FSS Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 47	\$ 47
Expenditures:				
Current:				
Housing operations	82	69	47	22
Net change in fund balances	(82)	(69)	-	69
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (82)</u>	<u>\$ (69)</u>	<u>\$ -</u>	<u>\$ 69</u>

**Sacramento Housing and Redevelopment Agency
County ROSS PH FSS Grant Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 49	\$ 49
Expenditures:				
Current:				
Housing operations	105	69	49	20
Net change in fund balance	(105)	(69)	-	69
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (105)</u>	<u>\$ (69)</u>	<u>\$ -</u>	<u>\$ 69</u>

Sacramento Housing and Redevelopment Agency
City ROSS Service Coordinator Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 136	\$ 136
Expenditures:				
Current:				
Housing operations	155	155	136	19
Net change in fund balance	(155)	(155)	-	155
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (155)</u>	<u>\$ (155)</u>	<u>\$ -</u>	<u>\$ 155</u>

**Sacramento Housing and Redevelopment Agency
County CNI Planning Grant Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 206	\$ 206
Expenditures:				
Current:				
Housing operations	206	206	206	-
Net change in fund balance	(206)	(206)	-	206
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (206)</u>	<u>\$ (206)</u>	<u>\$ -</u>	<u>\$ 206</u>

**Sacramento Housing and Redevelopment Agency
City Housing Trust Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 75	\$ 75	\$ 382	\$ 307
Investment earnings	180	180	188	8
Miscellaneous	50	50	72	22
Total revenues	<u>305</u>	<u>305</u>	<u>642</u>	<u>337</u>
Expenditures:				
Current:				
Housing operations	<u>2,031</u>	<u>700</u>	<u>54</u>	<u>646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,726)</u>	<u>(395)</u>	<u>588</u>	<u>983</u>
Other financing sources (uses):				
Transfers in	-	1,139	-	(1,139)
Transfers out	-	(1,400)	(261)	1,139
Total other financing sources (uses)	<u>-</u>	<u>(261)</u>	<u>(261)</u>	<u>-</u>
Net change in fund balance	(1,726)	(656)	327	983
Fund balance, beginning	23,546	23,546	23,546	-
Fund balance (deficit), ending	<u>\$ 21,820</u>	<u>\$ 22,890</u>	<u>\$ 23,873</u>	<u>\$ 983</u>

**Sacramento Housing and Redevelopment Agency
County Housing Trust Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 150	\$ 150	\$ 291	\$ 141
Investment earnings	210	210	483	273
Miscellaneous	150	150	-	(150)
Total revenues	510	510	774	264
Expenditures:				
Current:				
Housing operations	3,321	3,321	165	3,156
Net change in fund balance	(2,811)	(2,811)	609	3,420
Fund balance, beginning	22,376	22,376	22,376	-
Fund balance (deficit), ending	\$ 19,565	\$ 19,565	\$ 22,985	\$ 3,420

**Sacramento Housing and Redevelopment Agency
State Local Housing Trust Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Housing operations	\$ -	\$ 2,000	\$ -	\$ 2,000
Net change in fund balance	-	(2,000)	-	2,000
Fund balance, beginning	3,000	3,000	3,000	-
Fund balance (deficit), ending	<u>\$ 3,000</u>	<u>\$ 1,000</u>	<u>\$ 3,000</u>	<u>\$ 2,000</u>

**Sacramento Housing and Redevelopment Agency
City Inclusionary Housing Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 2	\$ 2
Miscellaneous	-	-	1	1
Total revenues	-	-	3	3
Expenditures:				
Current:				
Housing operations	101	101	-	101
Net change in fund balance	(101)	(101)	3	104
Fund balance, beginning	55	55	55	-
Fund balance (deficit), ending	\$ (46)	\$ (46)	\$ 58	\$ 104

**Sacramento Housing and Redevelopment Agency
County Affordable Housing Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 114	\$ 114	\$ 691	\$ 577
Investment earnings	12	12	9	(3)
Total revenues	126	126	700	574
Expenditures:				
Current:				
Community development	547	547	29	518
Net change in fund balance	(421)	(421)	671	1,092
Fund balance, beginning	1,293	1,293	1,293	-
Fund balance (deficit), ending	\$ 872	\$ 872	\$ 1,964	\$ 1,092

Nonmajor Community Development

Special Revenue Funds

- ◆ **County Economic Development Activities** accounts for various economic development projects in the County of Sacramento.
- ◆ **City Brownfields Cleanup** accounts for loans for toxic cleanup in the City.
- ◆ **City and County Miscellaneous Development Grants** account for various economic development activities in the City and County of Sacramento.
- ◆ **Shasta Trust** is used to account for funds legally required to be set aside for the Shasta Hotel Corporation.
- ◆ **City BEGIN** accounts for loans on behalf of the federal government.
- ◆ **BEGIN State Prop 46** accounts for loans on behalf of the state government.
- ◆ **City and County CalHOME** is a state program that provides loans for low-income housing residents within the City and County of Sacramento.
- ◆ **City and County American Dream Downpayment Initiative (ADDI)** is a program that provides assistance to low-income, first-time homebuyers which can be used for the down payment, closing costs, and rehabilitation that is completed in conjunction with a home purchase within the City and County of Sacramento.
- ◆ **Mental Health Services** accounts for a one-time California Department of Mental Health grant provided to the County Department of Health and Human Services. Funding is to invest in the development and/or rehabilitation of permanent supportive housing units for homeless adults, transition age youth, and children and families with psychiatric disabilities residing in Sacramento County.
- ◆ **City Globe Mills Economic Development Initiative Grant (EDI)** provides for the construction and rehabilitation of the Globe Mills housing project.
- ◆ **City and County Community Development Block Grant (CDBG) program** enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income.
- ◆ **City and County CDBG Neighborhood Stabilization Program (NSP 1 and NSP 3)** were established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment.
- ◆ **City and County Section 108 Programs** account for the acquisition of land, buildings, rehabilitation of various redevelopment activities. These funds are collateralized by and payable from future CDBG entitlements.
- ◆ **City and County Non-housing Project Delivery** accounts for the reimbursement of non-housing related obligations of the former City and County Redevelopment Agencies that are owed to the Agency from the City and County Redevelopment Agency Successor Agencies (RASA).

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Community Development Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	County Economic Development Activities	City Brownfields Cleanup	City Misc Development Grants	County Misc Development Grants	Shasta Trust	City BEGIN
Assets						
Cash and investments	\$ 107	\$ 69	\$ 189	\$ 958	\$ 21	\$ -
Accounts receivable	-	-	-	-	-	-
Due from other governments	-	-	18	-	-	-
Notes receivable (net)	-	414	20	15	-	160
Advances to other funds	-	-	-	-	-	-
Restricted cash and investments	-	-	2	44	-	-
Total assets	<u>\$ 107</u>	<u>\$ 483</u>	<u>\$ 229</u>	<u>\$ 1,017</u>	<u>\$ 21</u>	<u>\$ 160</u>
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	2	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	41	566	-	-
Deposit and trust liability	-	-	2	44	-	-
Advances from other funds	-	-	-	2,034	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>45</u>	<u>2,644</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>-</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>160</u>
Fund Balances (Deficits)						
Nonspendable:						
Long-term receivables	-	414	20	15	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	107	69	146	-	21	-
Committed for:						
Community development	-	-	-	638	-	-
Unassigned	-	-	-	(2,280)	-	-
Total fund balances (deficits)	<u>107</u>	<u>483</u>	<u>166</u>	<u>(1,627)</u>	<u>21</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 107</u>	<u>\$ 483</u>	<u>\$ 229</u>	<u>\$ 1,017</u>	<u>\$ 21</u>	<u>\$ 160</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Community Development Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	BEGIN State Prop 46	City CalHOME	County CalHOME	City ADDI	County ADDI	Mental Health Services
Assets						
Cash and investments	\$ 26	\$ 180	\$ 103	\$ 24	\$ 20	\$ 2,071
Accounts receivable	-	22	-	-	-	-
Due from other governments	103	-	-	-	-	-
Notes receivable (net)	1,402	4,864	4,421	429	531	325
Advances to other funds	-	-	-	-	-	-
Restricted cash and investments	1	-	-	-	-	-
Total assets	<u>\$ 1,532</u>	<u>\$ 5,066</u>	<u>\$ 4,524</u>	<u>\$ 453</u>	<u>\$ 551</u>	<u>\$ 2,396</u>
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	1	-	-	-	-
Due to other funds	103	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Deposit and trust liability	1	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>104</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>1,505</u>	<u>4,864</u>	<u>4,421</u>	<u>429</u>	<u>531</u>	<u>-</u>
Fund Balances (Deficits)						
Nonspendable:						
Long-term receivables	-	-	-	-	-	325
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	-	201	103	24	20	2,071
Committed for:						
Community development	-	-	-	-	-	-
Unassigned	(77)	-	-	-	-	-
Total fund balances (deficits)	<u>(77)</u>	<u>201</u>	<u>103</u>	<u>24</u>	<u>20</u>	<u>2,396</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1,532</u>	<u>\$ 5,066</u>	<u>\$ 4,524</u>	<u>\$ 453</u>	<u>\$ 551</u>	<u>\$ 2,396</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Community Development Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	<u>City Globe Mills EDI</u>	<u>City CDBG</u>	<u>County CDBG</u>	<u>City CDBG-NSP 1</u>	<u>County CDBG-NSP 1</u>	<u>City CDBG - NSP 3</u>
Assets						
Cash and investments	\$ -	\$ 1,385	\$ 2,498	\$ -	\$ -	\$ -
Accounts receivable	-	21	-	-	-	-
Due from other governments	-	264	314	2	6	130
Notes receivable (net)	2,000	5,513	5,409	-	7,964	1,011
Advances to other funds	-	246	657	-	-	-
Restricted cash and investments	-	-	-	-	-	-
Total assets	<u>\$ 2,000</u>	<u>\$ 7,429</u>	<u>\$ 8,878</u>	<u>\$ 2</u>	<u>\$ 7,970</u>	<u>\$ 1,141</u>
Liabilities						
Accounts payable	\$ -	\$ 224	\$ 250	\$ -	\$ -	\$ 120
Accrued liabilities	-	6	7	1	1	3
Due to other funds	-	-	-	1	4	7
Due to other governments	-	24	38	-	-	-
Unearned revenue	-	-	-	-	-	-
Deposit and trust liability	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>254</u>	<u>295</u>	<u>2</u>	<u>5</u>	<u>130</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>2,000</u>	<u>5,513</u>	<u>5,409</u>	<u>-</u>	<u>7,964</u>	<u>1,011</u>
Fund Balances (Deficits)						
Nonspendable:						
Long-term receivables	-	246	657	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	-	1,416	2,517	-	1	-
Committed for:						
Community development	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>1,662</u>	<u>3,174</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 2,000</u>	<u>\$ 7,429</u>	<u>\$ 8,878</u>	<u>\$ 2</u>	<u>\$ 7,970</u>	<u>\$ 1,141</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Community Development Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	County CDBG - NSP 3	City Section 108	County Section 108	City Non-housing Project Delivery	County Non-housing Project Delivery	Total
Assets						
Cash and investments	\$ 30	\$ -	\$ 166	\$ 125	\$ 3	\$ 7,975
Accounts receivable	43	-	2	-	-	88
Due from other governments	-	-	-	-	-	837
Notes receivable (net)	694	5,500	84	-	-	40,756
Advances to other funds	1,437	-	-	-	-	2,340
Restricted cash and investments	-	3	-	-	-	50
Total assets	<u>\$ 2,204</u>	<u>\$ 5,503</u>	<u>\$ 252</u>	<u>\$ 125</u>	<u>\$ 3</u>	<u>\$ 52,046</u>
Liabilities						
Accounts payable	\$ 61	\$ -	\$ -	\$ -	\$ -	\$ 655
Accrued liabilities	4	-	-	1	1	27
Due to other funds	-	-	-	-	-	115
Due to other governments	8	-	-	124	2	196
Unearned revenue	-	-	-	-	-	607
Deposit and trust liability	-	-	-	-	-	47
Advances from other funds	-	-	-	-	-	2,034
Total liabilities	<u>73</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>3</u>	<u>3,681</u>
Deferred Inflows of Resources						
Unavailable revenue	<u>694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,519</u>
Fund Balances (Deficits)						
Nonspendable:						
Long-term receivables	1,437	5,500	84	-	-	8,698
Restricted for:						
Debt service	-	3	-	-	-	3
Community development	-	-	168	-	-	6,864
Committed for:						
Community development	-	-	-	-	-	638
Unassigned	-	-	-	-	-	(2,357)
Total fund balances (deficits)	<u>1,437</u>	<u>5,503</u>	<u>252</u>	<u>-</u>	<u>-</u>	<u>13,846</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 2,204</u>	<u>\$ 5,503</u>	<u>\$ 252</u>	<u>\$ 125</u>	<u>\$ 3</u>	<u>\$ 52,046</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Community Development Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>County Economic Development Activities</u>	<u>City Brownfields Cleanup</u>	<u>City Misc Development Grants</u>	<u>County Misc Development Grants</u>	<u>Shasta Trust</u>	<u>City BEGIN</u>
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 279	\$ 364	\$ -	\$ 1
Investment earnings	2	1	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>2</u>	<u>1</u>	<u>279</u>	<u>364</u>	<u>-</u>	<u>1</u>
Expenditures:						
Current:						
Housing operations	-	-	-	-	-	-
Community development	-	-	149	305	-	1
Community social services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>149</u>	<u>305</u>	<u>-</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2</u>	<u>1</u>	<u>130</u>	<u>59</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(1)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Net change in fund balances	2	1	130	59	-	(1)
Fund balances (deficits), beginning, as restated	105	482	36	(1,686)	21	1
Fund balances (deficits), ending	<u>\$ 107</u>	<u>\$ 483</u>	<u>\$ 166</u>	<u>\$ (1,627)</u>	<u>\$ 21</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Community Development Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>BEGIN State Prop 46</u>	<u>City CalHOME</u>	<u>County CalHOME</u>	<u>City ADDI</u>	<u>County ADDI</u>	<u>Mental Health Services</u>
Revenues:						
Intergovernmental	\$ 95	\$ 692	\$ 284	\$ 8	\$ 26	\$ -
Investment earnings	1	9	10	-	4	36
Miscellaneous	9	1	1	1	-	-
Total revenues	<u>105</u>	<u>702</u>	<u>295</u>	<u>9</u>	<u>30</u>	<u>36</u>
Expenditures:						
Current:						
Housing operations	-	-	-	-	-	-
Community development	199	780	271	6	11	512
Community social services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>199</u>	<u>780</u>	<u>271</u>	<u>6</u>	<u>11</u>	<u>512</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94)</u>	<u>(78)</u>	<u>24</u>	<u>3</u>	<u>19</u>	<u>(476)</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(94)	(78)	24	3	19	(476)
Fund balances (deficits), beginning, as restated	17	279	79	21	1	2,872
Fund balances (deficits), ending	<u>\$ (77)</u>	<u>\$ 201</u>	<u>\$ 103</u>	<u>\$ 24</u>	<u>\$ 20</u>	<u>\$ 2,396</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Community Development Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City Globe Mills EDI</u>	<u>City CDBG</u>	<u>County CDBG</u>	<u>City CDBG-NSP 1</u>	<u>County CDBG-NSP 1</u>	<u>City CDBG - NSP 3</u>
Revenues:						
Intergovernmental	\$ -	\$ 3,375	\$ 4,812	\$ 389	\$ 1,028	\$ 1,664
Investment earnings	-	38	72	-	-	-
Miscellaneous	-	136	9	-	-	-
Total revenues	<u>-</u>	<u>3,549</u>	<u>4,893</u>	<u>389</u>	<u>1,028</u>	<u>1,664</u>
Expenditures:						
Current:						
Housing operations	-	-	-	-	-	16
Community development	-	2,562	2,936	389	431	818
Community social services	-	729	619	-	-	-
Capital outlay	-	259	197	-	559	1,303
Total expenditures	<u>-</u>	<u>3,550</u>	<u>3,752</u>	<u>389</u>	<u>990</u>	<u>2,137</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1)</u>	<u>1,141</u>	<u>-</u>	<u>38</u>	<u>(473)</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	-	-	-	-	-	508
Transfers in	-	363	42	-	-	-
Transfers out	-	(293)	-	-	-	-
Total other financing sources	<u>-</u>	<u>70</u>	<u>42</u>	<u>-</u>	<u>-</u>	<u>508</u>
Net change in fund balances	-	69	1,183	-	38	35
Fund balances (deficits), beginning, as restated	-	1,593	1,991	-	(37)	(35)
Fund balances (deficits), ending	<u>\$ -</u>	<u>\$ 1,662</u>	<u>\$ 3,174</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Community Development Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	County CDBG - NSP 3	City Section 108	County Section 108	City Non-housing Project Delivery	County Non-housing Project Delivery	Total
Revenues:						
Intergovernmental	\$ 1,955	\$ -	\$ -	\$ 910	\$ 414	\$ 16,296
Investment earnings	-	11	6	-	-	190
Miscellaneous	2	-	-	-	-	159
Total revenues	<u>1,957</u>	<u>11</u>	<u>6</u>	<u>910</u>	<u>414</u>	<u>16,645</u>
Expenditures:						
Current:						
Housing operations	-	-	-	136	109	261
Community development	1,202	-	-	-	-	10,572
Community social services	-	-	-	-	-	1,348
Capital outlay	-	-	-	-	-	2,318
Total expenditures	<u>1,202</u>	<u>-</u>	<u>-</u>	<u>136</u>	<u>109</u>	<u>14,499</u>
Excess (deficiency) of revenues over (under) expenditures	<u>755</u>	<u>11</u>	<u>6</u>	<u>774</u>	<u>305</u>	<u>2,146</u>
Other financing sources (uses):						
Proceeds from sale of capital assets	322	-	-	-	-	830
Transfers in	-	-	-	-	-	405
Transfers out	-	(404)	-	(774)	(305)	(1,777)
Total other financing sources	<u>322</u>	<u>(404)</u>	<u>-</u>	<u>(774)</u>	<u>(305)</u>	<u>(542)</u>
Net change in fund balances	1,077	(393)	6	-	-	1,604
Fund balances (deficits), beginning, as restated	360	5,896	246	-	-	12,242
Fund balances (deficits), ending	<u>\$ 1,437</u>	<u>\$ 5,503</u>	<u>\$ 252</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,846</u>

Nonmajor Community Services Special Revenue Funds

- ◆ **City Housing Opportunities for Persons with AIDS (HOPWA)** provides housing assistance and related support services to persons with AIDS.
- ◆ **City and County Emergency Shelter Grant (ESG)** provides assistance to rehabilitate and operate emergency shelters and transitional housing, provide essential social services and prevent homelessness.
- ◆ **County TLCS** provides assistance for mental health recovery services.

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Community Services Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	<u>City HOPWA</u>	<u>City ESG</u>	<u>County ESG</u>	<u>County TLCS</u>	<u>Total</u>
Assets					
Accounts receivable	\$ -	\$ -	\$ -	\$ 20	\$ 20
Due from other governments	158	177	179	-	514
Total assets	<u>\$ 158</u>	<u>\$ 177</u>	<u>\$ 179</u>	<u>\$ 20</u>	<u>\$ 534</u>
Liabilities					
Accounts payable	\$ 145	\$ 38	\$ 38	\$ -	\$ 221
Accrued liabilities	1	-	-	-	1
Due to other funds	12	139	141	17	309
Total liabilities	<u>158</u>	<u>177</u>	<u>179</u>	<u>17</u>	<u>531</u>
Deferred Inflows of Resources					
Unavailable revenue	<u>-</u>	<u>177</u>	<u>179</u>	<u>-</u>	<u>356</u>
Fund Balances					
Restricted for:					
Community services	-	-	-	3	3
Unassigned	-	(177)	(179)	-	(356)
Total fund balances	<u>-</u>	<u>(177)</u>	<u>(179)</u>	<u>3</u>	<u>(353)</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 158</u>	<u>\$ 177</u>	<u>\$ 179</u>	<u>\$ 20</u>	<u>\$ 534</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Community Services Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City HOPWA</u>	<u>City ESG</u>	<u>County ESG</u>	<u>County TLCS</u>	<u>Total</u>
Revenues:					
Intergovernmental	\$ 936	\$ -	\$ -	\$ 61	\$ 997
Expenditures:					
Current:					
Community social services	936	177	179	58	1,350
Total expenditures	<u>936</u>	<u>177</u>	<u>179</u>	<u>58</u>	<u>1,350</u>
Net change in fund balances	-	(177)	(179)	3	(353)
Fund balances, beginning	-	-	-	-	-
Fund balances (deficits), ending	<u>\$ -</u>	<u>\$ (177)</u>	<u>\$ (179)</u>	<u>\$ 3</u>	<u>\$ (353)</u>

**Sacramento Housing and Redevelopment Agency
City HOPWA Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 863	\$ 953	\$ 936	\$ (17)
Expenditures:				
Current:				
Community social services	874	953	936	17
Net change in fund balance	(11)	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ (11)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
City ESG Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 302	\$ 302	\$ -	\$ (302)
Expenditures:				
Current:				
Community social services	335	302	177	125
Net change in fund balance	(33)	-	(177)	(177)
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (33)</u>	<u>\$ -</u>	<u>\$ (177)</u>	<u>\$ (177)</u>

**Sacramento Housing and Redevelopment Agency
County ESG Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 331	\$ -	\$ (331)
Expenditures:				
Current:				
Community social services	337	331	179	152
Net change in fund balance	(337)	-	(179)	(179)
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (337)</u>	<u>\$ -</u>	<u>\$ (179)</u>	<u>\$ (179)</u>

**Sacramento Housing and Redevelopment Agency
County TLCS Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 61	\$ 61	\$ -
Expenditures:				
Current:				
Community social services	-	58	58	-
Net change in fund balance	-	3	3	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>

Nonmajor Local Tax Special Revenue Funds

- ◆ **City Local Tax** accounts for the City Public Housing portion of payments in lieu of taxes. The resources are used for community service programs.
- ◆ **County Local Tax** accounts for the County Public Housing portion of payments in lieu of taxes. The resources are used for community service programs.

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Local Tax Special Revenue Funds
December 31, 2013
(amounts expressed in thousands)

	City Local Tax	County Local Tax	Total
Assets			
Cash and investments	\$ 21	\$ 92	\$ 113
Fund Balances			
Restricted for:			
Community services	\$ 21	\$ 92	\$ 113

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Local Tax Special Revenue Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City Local Tax	County Local Tax	Total
Revenues:			
Intergovernmental	\$ 201	\$ 96	\$ 297
Investment earnings	-	1	1
Total revenues	201	97	298
Expenditures:			
Current:			
Community social services	142	90	232
Net change in fund balances	59	7	66
Fund balances (deficits), beginning	(38)	85	47
Fund balances, ending	\$ 21	\$ 92	\$ 113

Sacramento Housing and Redevelopment Agency
City Local Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 148	\$ 148	\$ 201	\$ 53
Expenditures:				
Current:				
Community social services	139	139	142	(3)
Net change in fund balance	9	9	59	50
Fund deficit, beginning	(38)	(38)	(38)	-
Fund balance (deficit), ending	<u>\$ (29)</u>	<u>\$ (29)</u>	<u>\$ 21</u>	<u>\$ 50</u>

**Sacramento Housing and Redevelopment Agency
County Local Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 99	\$ 99	\$ 96	\$ (3)
Investment earnings	3	3	1	(2)
Total revenues	<u>102</u>	<u>102</u>	<u>97</u>	<u>(5)</u>
Expenditures:				
Current:				
Community social services	<u>88</u>	<u>88</u>	<u>90</u>	<u>(2)</u>
Net change in fund balance	14	14	7	(7)
Fund balance, beginning	85	85	85	-
Fund balance, ending	<u>\$ 99</u>	<u>\$ 99</u>	<u>\$ 92</u>	<u>\$ (7)</u>

Nonmajor Debt Service Funds

The debt service funds are used to account for the accumulation of resources and payment of long-term debt principal and interest. Enterprise debt is included in the enterprise funds. The following funds account for the accumulation of monies for payment of interest and principal on notes and loans issued to finance capital improvements and redevelopment:

- ◆ **City CDBG**
- ◆ **County CHFA HELP**

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2013
(amounts expressed in thousands)

	City CDBG	County CHFA HELP	Total
Assets			
Cash and investments	\$ -	\$ 232	\$ 232
 Fund Balances			
Restricted for:			
Debt service	\$ -	\$ 232	\$ 232

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City CDBG</u>	<u>County CHFA HELP</u>	<u>Total</u>
Revenues:			
Investment earnings	\$ -	\$ 3	\$ 3
Expenditures:			
Debt service:			
Principal retirement	280	559	839
Interest	54	441	495
Total expenditures	<u>334</u>	<u>1,000</u>	<u>1,334</u>
Deficiency of revenues under expenditures	<u>(334)</u>	<u>(997)</u>	<u>(1,331)</u>
Other financing sources:			
Transfers in	<u>334</u>	<u>1,000</u>	<u>1,334</u>
Net change in fund balances	-	3	3
Fund balances, beginning	-	229	229
Fund balances, ending	<u>\$ -</u>	<u>\$ 232</u>	<u>\$ 232</u>

**Sacramento Housing and Redevelopment Agency
City CDBG Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service:				
Principal retirement	\$ 280	\$ 280	\$ 280	\$ -
Interest	71	71	54	17
Total expenditures	<u>351</u>	<u>351</u>	<u>334</u>	<u>17</u>
Deficiency of revenues under expenditures	<u>(351)</u>	<u>(351)</u>	<u>(334)</u>	<u>17</u>
Other financing sources:				
Transfers in	<u>412</u>	<u>412</u>	<u>334</u>	<u>(78)</u>
Net change in fund balance	61	61	-	(61)
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u><u>\$ 61</u></u>	<u><u>\$ 61</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (61)</u></u>

Sacramento Housing and Redevelopment Agency
County CHFA HELP Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment earnings	\$ 3	\$ 3	\$ 3	\$ -
Expenditures:				
Current:				
Community development	1	1	-	1
Debt service:				
Principal retirement	1,000	1,000	559	441
Interest	-	-	441	(441)
Total expenditures	<u>1,001</u>	<u>1,001</u>	<u>1,000</u>	<u>1</u>
Deficiency of revenues under expenditures	<u>(998)</u>	<u>(998)</u>	<u>(997)</u>	<u>1</u>
Other financing sources:				
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net change in fund balance	2	2	3	1
Fund balance, beginning	229	229	229	-
Fund balance, ending	<u>\$ 231</u>	<u>\$ 231</u>	<u>\$ 232</u>	<u>\$ 1</u>

Nonmajor Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- ◆ **City and County Land Bank Funds** account for the accumulation of land acquired for the future development of low- income housing.
- ◆ **City and County Capital Fund Programs** account for the modernization and rehabilitation of Agency operated low-income housing funded by the U.S. Department of Housing and Urban Development.
- ◆ **Community Social Service Complex** accounts for the financing and construction activities of the complex.
- ◆ **City and County Section 32** accounts for the sale of single-family public housing units to eligible low-income residents in the City and County of Sacramento.
- ◆ **City Commerce Circle** accounts for proceeds relating to the sale of 320 Commerce Circle.

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013
(amounts expressed in thousands)

	City Land Bank	County Land Bank	City Capital Fund	County Capital Fund	Community Social Service Complex
Assets					
Cash and investments	\$ 1	\$ 175	\$ -	\$ -	\$ -
Due from other governments	-	-	494	705	-
Total assets	<u>\$ 1</u>	<u>\$ 175</u>	<u>\$ 494</u>	<u>\$ 705</u>	<u>\$ -</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ 23	\$ 100	\$ -
Accrued liabilities	-	-	3	2	-
Contracts payable	-	-	34	22	-
Due to other funds	-	-	434	581	-
Total liabilities	<u>-</u>	<u>-</u>	<u>494</u>	<u>705</u>	<u>-</u>
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	12	-
Fund Balances (Deficit)					
Restricted for:					
Housing	-	-	-	-	-
Assigned for:					
Community development	1	175	-	-	-
Unassigned	-	-	-	(12)	-
Total fund balances (deficit)	<u>1</u>	<u>175</u>	<u>-</u>	<u>(12)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1</u>	<u>\$ 175</u>	<u>\$ 494</u>	<u>\$ 705</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2013
(amounts expressed in thousands)

	City Section 32	County Section 32	City Commerce Circle	Total
Assets				
Cash and investments	\$ 1,321	\$ 602	\$ 1,276	\$ 3,375
Due from other governments	-	-	-	1,199
Total assets	<u>\$ 1,321</u>	<u>\$ 602</u>	<u>\$ 1,276</u>	<u>\$ 4,574</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 123
Accrued liabilities	-	-	-	5
Contracts payable	-	-	-	56
Due to other funds	-	-	-	1,015
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,199</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>
Fund Balances (Deficit)				
Restricted for:				
Housing	1,321	602	1,276	3,199
Assigned for:				
Community development	-	-	-	176
Unassigned	-	-	-	(12)
Total fund balances (deficit)	<u>1,321</u>	<u>602</u>	<u>1,276</u>	<u>3,363</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 1,321</u>	<u>\$ 602</u>	<u>\$ 1,276</u>	<u>\$ 4,574</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City Land Bank</u>	<u>County Land Bank</u>	<u>City Capital Fund</u>	<u>County Capital Fund</u>	<u>Community Social Service Complex</u>
Revenues:					
Intergovernmental	\$ -	\$ -	\$ 4,182	\$ 2,350	\$ -
Investment earnings	-	3	-	-	-
Total revenues	<u>-</u>	<u>3</u>	<u>4,182</u>	<u>2,350</u>	<u>-</u>
Expenditures:					
Current:					
Housing operations	-	-	478	238	-
Capital outlay	-	-	1,848	1,013	-
Total expenditures	<u>-</u>	<u>-</u>	<u>2,326</u>	<u>1,251</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>3</u>	<u>1,856</u>	<u>1,099</u>	<u>-</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(1,856)	(959)	(65)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,856)</u>	<u>(959)</u>	<u>(65)</u>
Net change in fund balances	-	3	-	140	(65)
Fund balances (deficits), beginning	1	172	-	(152)	65
Fund balances (deficits), ending	<u>\$ 1</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ (12)</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City Section 32	County Section 32	City Commerce Circle	Total
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 6,532
Investment earnings	18	8	-	29
Total revenues	<u>18</u>	<u>8</u>	<u>-</u>	<u>6,561</u>
Expenditures:				
Current:				
Housing operations	-	-	-	716
Capital outlay	-	-	-	2,861
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,577</u>
Excess of revenues over expenditures	<u>18</u>	<u>8</u>	<u>-</u>	<u>2,984</u>
Other financing sources (uses):				
Transfers in	1,303	594	1,276	3,173
Transfers out	-	-	-	(2,880)
Total other financing sources (uses)	<u>1,303</u>	<u>594</u>	<u>1,276</u>	<u>293</u>
Net change in fund balances	1,321	602	1,276	3,277
Fund balances (deficits), beginning	-	-	-	86
Fund balances (deficits), ending	<u>\$ 1,321</u>	<u>\$ 602</u>	<u>\$ 1,276</u>	<u>\$ 3,363</u>

Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises; where the intent of the Agency is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Agency has decided that periodic determination of net income is appropriate for measurement and accountability purposes.

The following funds are low-income housing projects owned and/or operated by the Agency.

- ◆ **City Public Housing AMP 1-7**
- ◆ **County Public Housing AMP 1- 4**
- ◆ **San Jose/Broadway**
- ◆ **Scattered Sites**
- ◆ **Larchmont/Wildflower**
- ◆ **Locally Funded Projects**
- ◆ **Riverview Plaza Commercial**
- ◆ **San Carlos Shelter Plus Care**
- ◆ **Greenfair**
- ◆ **Phoenix Park**
- ◆ **Norcade Circle**
- ◆ **Villa De Novo**
- ◆ **Auburn/Garfield Property Management**

The following funds support the operations of the low-income housing projects owned and/or operated by the Agency.

- ◆ **City Mod Rehab**
- ◆ **City and County COCC**
- ◆ **Shelter Plus Care**
- ◆ **Foreclosure Access**
- ◆ **Asset Repositioning**

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2013
(amounts expressed in thousands)

	<u>City AMP 1</u>	<u>City AMP 2</u>	<u>City AMP 3</u>	<u>City AMP 4</u>	<u>City AMP 5</u>	<u>City AMP 6</u>
Assets						
Current assets:						
Cash and investments	\$ 945	\$ 1,204	\$ 836	\$ 528	\$ 407	\$ 611
Restricted cash and investments	98	118	56	68	67	47
Accounts receivable (net)	29	20	14	76	42	5
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total current assets	<u>1,072</u>	<u>1,342</u>	<u>906</u>	<u>672</u>	<u>516</u>	<u>663</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Advances to component units	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets:						
Land	552	1,192	215	907	2,191	1,000
Construction in progress	-	-	-	-	-	-
Buildings and improvements	5,252	18,838	3,699	21,384	39,017	25,184
Property and equipment	106	248	151	18	103	62
Less accumulated depreciation	(2,031)	(6,232)	(1,304)	(8,442)	(18,442)	(11,076)
Total capital assets (net of accumulated depreciation)	<u>3,879</u>	<u>14,046</u>	<u>2,761</u>	<u>13,867</u>	<u>22,869</u>	<u>15,170</u>
Total noncurrent assets	<u>3,879</u>	<u>14,046</u>	<u>2,761</u>	<u>13,867</u>	<u>22,869</u>	<u>15,170</u>
Total assets	<u>4,951</u>	<u>15,388</u>	<u>3,667</u>	<u>14,539</u>	<u>23,385</u>	<u>15,833</u>
Liabilities						
Current liabilities:						
Accounts payable	17	32	16	37	27	12
Accrued liabilities	21	20	14	13	12	10
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	3	7	2	3	5	5
Current portion of long-term debt	-	-	-	-	-	-
Current liabilities payable from restricted assets:						
Deposit and trust liability	98	118	56	68	67	47
Total current liabilities	<u>139</u>	<u>177</u>	<u>88</u>	<u>121</u>	<u>111</u>	<u>74</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>139</u>	<u>177</u>	<u>88</u>	<u>121</u>	<u>111</u>	<u>74</u>
Net Position						
Net investment in capital assets	3,879	14,046	2,761	13,867	22,869	15,170
Restricted for debt service	-	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-	-
Unrestricted	933	1,165	818	551	405	589
Total net position	<u>\$ 4,812</u>	<u>\$ 15,211</u>	<u>\$ 3,579</u>	<u>\$ 14,418</u>	<u>\$ 23,274</u>	<u>\$ 15,759</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2013
(amounts expressed in thousands)

	<u>City AMP 7</u>	<u>County AMP 1</u>	<u>County AMP 2</u>	<u>County AMP 3</u>	<u>County AMP 4</u>	<u>San Jose/ Broadway</u>
Assets						
Current assets:						
Cash and investments	\$ 819	\$ 196	\$ 194	\$ 370	\$ 404	\$ 1
Restricted cash and investments	63	59	60	77	58	7
Accounts receivable (net)	22	20	19	17	8	1
Due from other funds	-	-	-	194	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	3
Total current assets	<u>904</u>	<u>275</u>	<u>273</u>	<u>658</u>	<u>470</u>	<u>12</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	-	195
Notes receivable	-	-	-	-	-	-
Advances to component units	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195</u>
Capital assets:						
Land	998	193	373	2,240	1,170	67
Construction in progress	-	-	-	-	-	-
Buildings and improvements	12,911	12,631	8,165	13,268	12,522	1,195
Property and equipment	98	165	40	91	65	-
Less accumulated depreciation	(4,416)	(3,861)	(2,214)	(2,818)	(5,847)	(1,039)
Total capital assets (net of accumulated depreciation)	<u>9,591</u>	<u>9,128</u>	<u>6,364</u>	<u>12,781</u>	<u>7,910</u>	<u>223</u>
Total noncurrent assets	<u>9,591</u>	<u>9,128</u>	<u>6,364</u>	<u>12,781</u>	<u>7,910</u>	<u>418</u>
Total assets	<u>10,495</u>	<u>9,403</u>	<u>6,637</u>	<u>13,439</u>	<u>8,380</u>	<u>430</u>
Liabilities						
Current liabilities:						
Accounts payable	20	5	20	38	39	3
Accrued liabilities	10	11	12	14	11	-
Due to other funds	-	90	-	-	250	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	3	12	5	3	3	1
Current portion of long-term debt	-	-	-	-	-	43
Current liabilities payable from restricted assets:						
Deposit and trust liability	63	59	60	77	58	7
Total current liabilities	<u>96</u>	<u>177</u>	<u>97</u>	<u>132</u>	<u>361</u>	<u>54</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	2,173	-	287
Advances from other funds	-	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,173</u>	<u>-</u>	<u>287</u>
Total liabilities	<u>96</u>	<u>177</u>	<u>97</u>	<u>2,305</u>	<u>361</u>	<u>341</u>
Net Position						
Net investment in capital assets	9,591	9,128	6,364	10,608	7,910	(107)
Restricted for debt service	-	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-	195
Unrestricted	808	98	176	526	109	1
Total net position	<u>\$ 10,399</u>	<u>\$ 9,226</u>	<u>\$ 6,540</u>	<u>\$ 11,134</u>	<u>\$ 8,019</u>	<u>\$ 89</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2013
(amounts expressed in thousands)

	<u>Scattered Sites</u>	<u>Larchmont/ Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>	<u>Greenfair</u>
Assets						
Current assets:						
Cash and investments	\$ 29	\$ 282	\$ 996	\$ 442	\$ 23	\$ 1
Restricted cash and investments	7	6	41	6	-	-
Accounts receivable (net)	7	2	3	-	-	-
Due from other funds	-	-	103	-	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total current assets	<u>43</u>	<u>290</u>	<u>1,143</u>	<u>448</u>	<u>23</u>	<u>1</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	-	-
Notes receivable	-	-	-	-	295	-
Advances to component units	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>295</u>	<u>-</u>
Capital assets:						
Land	44	116	2,269	198	-	-
Construction in progress	-	-	140	-	-	-
Buildings and improvements	170	344	5,687	5,552	-	-
Property and equipment	-	-	111	-	-	-
Less accumulated depreciation	(157)	(296)	(2,577)	(3,471)	-	-
Total capital assets (net of accumulated depreciation)	<u>57</u>	<u>164</u>	<u>5,630</u>	<u>2,279</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>57</u>	<u>164</u>	<u>5,630</u>	<u>2,279</u>	<u>295</u>	<u>-</u>
Total assets	<u>100</u>	<u>454</u>	<u>6,773</u>	<u>2,727</u>	<u>318</u>	<u>1</u>
Liabilities						
Current liabilities:						
Accounts payable	1	-	10	2	-	1
Accrued liabilities	-	1	8	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	1	5	-	-	-
Current portion of long-term debt	-	-	-	-	-	-
Current liabilities payable from restricted assets:						
Deposit and trust liability	7	6	41	6	-	-
Total current liabilities	<u>8</u>	<u>8</u>	<u>64</u>	<u>8</u>	<u>-</u>	<u>1</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	-	-	-
Advances from other funds	-	-	410	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>410</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>8</u>	<u>8</u>	<u>474</u>	<u>8</u>	<u>-</u>	<u>1</u>
Net Position						
Net investment in capital assets	57	164	5,630	2,279	-	-
Restricted for debt service	-	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-	-
Unrestricted	35	282	669	440	318	-
Total net position	<u>\$ 92</u>	<u>\$ 446</u>	<u>\$ 6,299</u>	<u>\$ 2,719</u>	<u>\$ 318</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2013
(amounts expressed in thousands)

	<u>Phoenix Park</u>	<u>City Mod Rehab</u>	<u>Norcade Circle</u>	<u>City COCC</u>	<u>County COCC</u>
Assets					
Current assets:					
Cash and investments	\$ 233	\$ 13	\$ 4	\$ 46	\$ 439
Restricted cash and investments	1,013	-	7	-	-
Accounts receivable (net)	15	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	5	-	-	-
Prepaid items	3	-	-	-	-
Total current assets	<u>1,264</u>	<u>18</u>	<u>11</u>	<u>46</u>	<u>439</u>
Noncurrent assets:					
Restricted cash and investments	-	-	-	-	-
Notes receivable	-	-	-	2,964	2,504
Advances to component units	11,021	-	-	-	-
	<u>11,021</u>	<u>-</u>	<u>-</u>	<u>2,964</u>	<u>2,504</u>
Capital assets:					
Land	456	-	45	-	-
Construction in progress	-	-	1,510	-	-
Buildings and improvements	3,531	-	400	-	-
Property and equipment	8	-	-	103	-
Less accumulated depreciation	(916)	-	(31)	(29)	-
Total capital assets (net of accumulated depreciation)	<u>3,079</u>	<u>-</u>	<u>1,924</u>	<u>74</u>	<u>-</u>
Total noncurrent assets	<u>14,100</u>	<u>-</u>	<u>1,924</u>	<u>3,038</u>	<u>2,504</u>
Total assets	<u>15,364</u>	<u>18</u>	<u>1,935</u>	<u>3,084</u>	<u>2,943</u>
Liabilities					
Current liabilities:					
Accounts payable	101	-	2	2	1
Accrued liabilities	6	-	-	23	26
Due to other funds	-	5	5	-	-
Due to other governments	-	13	-	-	-
Unearned revenue	5	-	-	-	-
Current portion of long-term debt	-	-	-	-	-
Current liabilities payable from restricted assets:					
Deposit and trust liability	56	-	7	-	-
Total current liabilities	<u>168</u>	<u>18</u>	<u>14</u>	<u>25</u>	<u>27</u>
Noncurrent liabilities:					
Mortgage notes payable	-	-	-	-	-
Advances from other funds	246	-	2,094	-	-
Total noncurrent liabilities	<u>246</u>	<u>-</u>	<u>2,094</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>414</u>	<u>18</u>	<u>2,108</u>	<u>25</u>	<u>27</u>
Net Position					
Net investment in capital assets	3,079	-	1,924	74	-
Restricted for debt service	957	-	-	-	-
Restricted for housing operations	-	-	-	-	-
Unrestricted	10,914	-	(2,097)	2,985	2,916
Total net position	<u>\$ 14,950</u>	<u>\$ -</u>	<u>\$ (173)</u>	<u>\$ 3,059</u>	<u>\$ 2,916</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2013
(amounts expressed in thousands)

	Villa De Novo	Shelter Plus Care	Auburn/ Garfield Property Management	Foreclosure Access	Asset Repositioning	Total
Assets						
Current assets:						
Cash and investments	\$ -	\$ -	\$ 437	\$ 34	\$ -	\$ 9,494
Restricted cash and investments	11	-	7	-	-	1,876
Accounts receivable (net)	1	2	-	-	-	303
Due from other funds	-	-	-	-	-	297
Due from other governments	-	387	-	-	-	392
Prepaid items	-	-	-	-	-	6
Total current assets	<u>12</u>	<u>389</u>	<u>444</u>	<u>34</u>	<u>-</u>	<u>12,368</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	-	195
Notes receivable	-	-	-	-	-	5,763
Advances to component units	-	-	-	-	5,850	16,871
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,850</u>	<u>22,829</u>
Capital assets:						
Land	86	-	-	-	194	14,506
Construction in progress	-	-	-	-	-	1,650
Buildings and improvements	3,146	-	-	-	-	192,896
Property and equipment	-	-	-	-	-	1,369
Less accumulated depreciation	(168)	-	-	-	-	(75,367)
Total capital assets (net of accumulated depreciation)	<u>3,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>194</u>	<u>135,054</u>
Total noncurrent assets	<u>3,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,044</u>	<u>157,883</u>
Total assets	<u>3,076</u>	<u>389</u>	<u>444</u>	<u>34</u>	<u>6,044</u>	<u>170,251</u>
Liabilities						
Current liabilities:						
Accounts payable	2	-	2	-	-	390
Accrued liabilities	1	5	-	-	-	218
Due to other funds	74	380	-	-	-	804
Due to other governments	-	2	-	-	-	15
Unearned revenue	1	-	-	-	-	64
Current portion of long-term debt	-	-	-	-	-	43
Current liabilities payable from restricted assets:						
Deposit and trust liability	11	-	7	-	-	919
Total current liabilities	<u>89</u>	<u>387</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>2,453</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	-	-	2,460
Advances from other funds	-	-	-	-	-	2,750
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,210</u>
Total liabilities	<u>89</u>	<u>387</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>7,663</u>
Net Position						
Net investment in capital assets	3,064	-	-	-	194	132,551
Restricted for debt service	-	-	-	-	-	957
Restricted for housing operations	-	-	-	-	-	195
Unrestricted	(77)	2	435	34	5,850	28,885
Total net position	<u>\$ 2,987</u>	<u>\$ 2</u>	<u>\$ 435</u>	<u>\$ 34</u>	<u>\$ 6,044</u>	<u>\$ 162,588</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City AMP 1	City AMP 2	City AMP 3	City AMP 4	City AMP 5	City AMP 6
Operating revenues:						
Charges for services	\$ 631	\$ 593	\$ 471	\$ 505	\$ 497	\$ 410
Miscellaneous	75	81	63	39	45	30
Total operating revenues	<u>706</u>	<u>674</u>	<u>534</u>	<u>544</u>	<u>542</u>	<u>440</u>
Operating expenses:						
Employee services	552	657	440	303	321	196
Administrative services	324	350	196	220	176	150
Services and supplies	659	1,155	600	505	509	324
Utilities	280	281	187	259	253	174
Claims and judgements	1	19	-	-	-	-
Depreciation/amortization	137	495	95	534	962	543
Housing assistance payments	-	-	-	-	-	-
Total operating expenses	<u>1,953</u>	<u>2,957</u>	<u>1,518</u>	<u>1,821</u>	<u>2,221</u>	<u>1,387</u>
Operating income (loss)	<u>(1,247)</u>	<u>(2,283)</u>	<u>(984)</u>	<u>(1,277)</u>	<u>(1,679)</u>	<u>(947)</u>
Nonoperating revenues (expenses):						
Intergovernmental	1,317	1,549	475	706	716	398
Investment earnings	15	21	17	5	5	9
Interest expense	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	473	-	-	(638)	-
Loss on loan write-off	-	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>1,332</u>	<u>2,043</u>	<u>492</u>	<u>711</u>	<u>83</u>	<u>407</u>
Income (loss) before contributions, special item and transfers	85	(240)	(492)	(566)	(1,596)	(540)
Capital contributions	166	100	-	1,426	488	7,549
Transfers in	31	79	101	383	302	234
Transfers out	-	(1,335)	-	-	(440)	-
Special item-SHARP sale transaction	-	-	-	-	-	-
Change in net position	<u>282</u>	<u>(1,396)</u>	<u>(391)</u>	<u>1,243</u>	<u>(1,246)</u>	<u>7,243</u>
Net position, beginning	4,530	16,607	3,970	13,175	24,520	8,516
Net position, ending	<u>\$ 4,812</u>	<u>\$ 15,211</u>	<u>\$ 3,579</u>	<u>\$ 14,418</u>	<u>\$ 23,274</u>	<u>\$ 15,759</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City AMP 7	County AMP 1	County AMP 2	County AMP 3	County AMP 4	San Jose/ Broadway
Operating revenues:						
Charges for services	\$ 427	\$ 333	\$ 377	\$ 541	\$ 374	\$ 43
Miscellaneous	49	32	9	9	3	1
Total operating revenues	<u>476</u>	<u>365</u>	<u>386</u>	<u>550</u>	<u>377</u>	<u>44</u>
Operating expenses:						
Employee services	370	281	277	373	342	41
Administrative services	177	171	168	215	130	18
Services and supplies	473	383	381	516	474	81
Utilities	203	184	167	241	235	28
Claims and judgements	-	1	-	1	5	-
Depreciation/amortization	336	327	201	293	319	32
Housing assistance payments	-	42	16	18	12	4
Total operating expenses	<u>1,559</u>	<u>1,389</u>	<u>1,210</u>	<u>1,657</u>	<u>1,517</u>	<u>204</u>
Operating income (loss)	<u>(1,083)</u>	<u>(1,024)</u>	<u>(824)</u>	<u>(1,107)</u>	<u>(1,140)</u>	<u>(160)</u>
Nonoperating revenues (expenses):						
Intergovernmental	664	573	444	755	415	181
Investment earnings	7	1	5	10	1	-
Interest expense	-	-	-	-	-	(29)
Gain (loss) on disposal of capital assets	(2,190)	-	-	(5)	-	-
Loss on loan write-off	-	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>(1,519)</u>	<u>574</u>	<u>449</u>	<u>760</u>	<u>416</u>	<u>152</u>
Income (loss) before contributions, special item and transfers	<u>(2,602)</u>	<u>(450)</u>	<u>(375)</u>	<u>(347)</u>	<u>(724)</u>	<u>(8)</u>
Capital contributions	191	115	670	585	3	-
Transfers in	726	236	42	105	435	34
Transfers out	(998)	-	-	-	-	-
Special item-SHARP sale transaction	-	-	-	-	-	-
Change in net position	<u>(2,683)</u>	<u>(99)</u>	<u>337</u>	<u>343</u>	<u>(286)</u>	<u>26</u>
Net position, beginning	<u>13,082</u>	<u>9,325</u>	<u>6,203</u>	<u>10,791</u>	<u>8,305</u>	<u>63</u>
Net position, ending	<u>\$ 10,399</u>	<u>\$ 9,226</u>	<u>\$ 6,540</u>	<u>\$ 11,134</u>	<u>\$ 8,019</u>	<u>\$ 89</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Scattered Sites	Larchmont/ Wildflower	Locally Funded Projects	Riverview Plaza Commercial	San Carlos Shelter Plus Care	Greenfair
Operating revenues:						
Charges for services	\$ 30	\$ 53	\$ 379	\$ 132	\$ -	\$ -
Miscellaneous	-	-	6	-	5	-
Total operating revenues	<u>30</u>	<u>53</u>	<u>385</u>	<u>132</u>	<u>5</u>	<u>-</u>
Operating expenses:						
Employee services	13	41	273	13	-	-
Administrative services	5	8	69	-	1	-
Services and supplies	24	26	282	39	-	124
Utilities	14	16	96	61	-	-
Claims and judgements	-	-	-	-	-	-
Depreciation/amortization	4	8	109	140	-	-
Housing assistance payments	-	-	-	-	-	-
Total operating expenses	<u>60</u>	<u>99</u>	<u>829</u>	<u>253</u>	<u>1</u>	<u>124</u>
Operating income (loss)	<u>(30)</u>	<u>(46)</u>	<u>(444)</u>	<u>(121)</u>	<u>4</u>	<u>(124)</u>
Nonoperating revenues (expenses):						
Intergovernmental	61	54	213	-	-	-
Investment earnings	-	5	21	7	-	20
Interest expense	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-	(513)
Loss on loan write-off	-	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>61</u>	<u>59</u>	<u>234</u>	<u>7</u>	<u>-</u>	<u>(493)</u>
Income (loss) before contributions, special item and transfers	31	13	(210)	(114)	4	(617)
Capital contributions	-	-	1,509	-	-	-
Transfers in	7	-	-	-	-	261
Transfers out	-	-	-	-	-	-
Special item-SHARP sale transaction	-	-	-	-	-	-
Change in net position	<u>38</u>	<u>13</u>	<u>1,299</u>	<u>(114)</u>	<u>4</u>	<u>(356)</u>
Net position (deficit), beginning	<u>54</u>	<u>433</u>	<u>5,000</u>	<u>2,833</u>	<u>314</u>	<u>356</u>
Net position, ending	<u>\$ 92</u>	<u>\$ 446</u>	<u>\$ 6,299</u>	<u>\$ 2,719</u>	<u>\$ 318</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Phoenix Park	City Mod Rehab	Norcade Circle	City COCC	County COCC
Operating revenues:					
Charges for services	\$ 760	\$ -	\$ 18	\$ 2,178	\$ 2,748
Miscellaneous	271	-	1	1	23
Total operating revenues	<u>1,031</u>	<u>-</u>	<u>19</u>	<u>2,179</u>	<u>2,771</u>
Operating expenses:					
Employee services	174	-	4	738	749
Administrative services	141	-	-	1,183	2,018
Services and supplies	657	-	590	300	195
Utilities	122	-	13	15	-
Claims and judgements	-	-	-	-	-
Depreciation/amortization	88	-	10	-	-
Housing assistance payments	-	171	-	-	-
Total operating expenses	<u>1,182</u>	<u>171</u>	<u>617</u>	<u>2,236</u>	<u>2,962</u>
Operating income (loss)	<u>(151)</u>	<u>(171)</u>	<u>(598)</u>	<u>(57)</u>	<u>(191)</u>
Nonoperating revenues (expenses):					
Intergovernmental	268	202	-	-	-
Investment earnings	808	-	-	-	8
Interest expense	(10)	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Loss on loan write-off	(6)	-	-	-	(169)
Total nonoperating revenues (expenses)	<u>1,060</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>(161)</u>
Income (loss) before contributions, special item and transfers	909	31	(598)	(57)	(352)
Capital contributions	-	-	-	74	-
Transfers in	-	-	-	-	-
Transfers out	(1,000)	(31)	-	-	-
Special item-SHARP sale transaction	-	-	-	-	-
Change in net position	<u>(91)</u>	<u>-</u>	<u>(598)</u>	<u>17</u>	<u>(352)</u>
Net position (deficit), beginning	15,041	-	425	3,042	3,268
Net position, ending	<u>\$ 14,950</u>	<u>\$ -</u>	<u>\$ (173)</u>	<u>\$ 3,059</u>	<u>\$ 2,916</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	Villa De Novo	Shelter Plus Care	Auburn/ Garfield Property Management	Foreclosure Access	Asset Repositioning	Total
Operating revenues:						
Charges for services	\$ 65	\$ -	\$ 111	\$ 20	\$ -	\$ 11,696
Miscellaneous	-	-	-	-	-	743
Total operating revenues	<u>65</u>	<u>-</u>	<u>111</u>	<u>20</u>	<u>-</u>	<u>12,439</u>
Operating expenses:						
Employee services	41	231	85	-	-	6,515
Administrative services	12	-	43	-	-	5,775
Services and supplies	23	31	59	-	-	8,410
Utilities	18	-	27	-	-	2,874
Claims and judgements	-	-	-	-	-	27
Depreciation/amortization	79	-	-	-	-	4,712
Housing assistance payments	-	3,926	-	-	-	4,189
Total operating expenses	<u>173</u>	<u>4,188</u>	<u>214</u>	<u>-</u>	<u>-</u>	<u>32,502</u>
Operating income (loss)	<u>(108)</u>	<u>(4,188)</u>	<u>(103)</u>	<u>20</u>	<u>-</u>	<u>(20,063)</u>
Nonoperating revenues (expenses):						
Intergovernmental	8	4,190	-	-	-	13,189
Investment earnings	-	-	8	-	-	973
Interest expense	-	-	-	-	-	(39)
Gain (loss) on disposal of capital assets	-	-	-	-	-	(2,873)
Loss on loan write-off	-	-	-	-	-	(175)
Total nonoperating revenues (expenses)	<u>8</u>	<u>4,190</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>11,075</u>
Income (loss) before contributions, special item and transfers	(100)	2	(95)	20	-	(8,988)
Capital contributions	-	-	-	-	4,675	17,551
Transfers in	-	-	-	-	-	2,976
Transfers out	-	-	-	-	-	(3,804)
Special item-SHARP sale transaction	-	-	-	-	1,369	1,369
Change in net position	<u>(100)</u>	<u>2</u>	<u>(95)</u>	<u>20</u>	<u>6,044</u>	<u>9,104</u>
Net position (deficit), beginning	3,087	-	530	14	-	153,484
Net position, ending	<u>\$ 2,987</u>	<u>\$ 2</u>	<u>\$ 435</u>	<u>\$ 34</u>	<u>\$ 6,044</u>	<u>\$ 162,588</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	City AMP 1	City AMP 2	City AMP 3	City AMP 4	City AMP 5	City AMP 6
Cash flows from operating activities:						
Cash receipts from tenants	\$ 711	\$ 682	\$ 593	\$ 560	\$ 520	\$ 443
Cash paid to tenants	-	(1)	(6)	-	-	-
Cash paid to suppliers for goods and services	(987)	(1,456)	(821)	(770)	(796)	(539)
Cash paid to employees for services	(564)	(672)	(436)	(310)	(326)	(201)
Cash paid for administrative expense	(324)	(350)	(196)	(220)	(176)	(150)
Cash paid for housing assistance payments	-	-	-	-	-	-
Cash paid for judgment and claims	(1)	(19)	-	-	-	-
Net cash provided by (used in) operating activities	<u>(1,165)</u>	<u>(1,816)</u>	<u>(866)</u>	<u>(740)</u>	<u>(778)</u>	<u>(447)</u>
Cash flows from noncapital financing activities:						
Transfers in	31	79	101	383	302	234
Transfers out	-	-	-	-	-	-
Intergovernmental revenue received	1,317	1,549	475	706	716	398
Payment received on interfund loans	-	-	-	-	-	-
Payments made on advances from other funds	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>1,348</u>	<u>1,628</u>	<u>576</u>	<u>1,089</u>	<u>1,018</u>	<u>632</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	(12)	-	-	-	-	-
Proceeds from the sale of capital assets	-	224	-	-	-	-
Payments on long-term liabilities	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(12)</u>	<u>224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	-	-
Interest received	15	21	17	5	5	9
Net cash provided by investing activities	<u>15</u>	<u>21</u>	<u>17</u>	<u>5</u>	<u>5</u>	<u>9</u>
Net increase (decrease) in cash and cash equivalents	186	57	(273)	354	245	194
Cash and cash equivalents, beginning	857	1,265	1,165	242	229	464
Cash and cash equivalents, ending	<u>\$ 1,043</u>	<u>\$ 1,322</u>	<u>\$ 892</u>	<u>\$ 596</u>	<u>\$ 474</u>	<u>\$ 658</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 945	\$ 1,204	\$ 836	\$ 528	\$ 407	\$ 611
Restricted cash and investments	98	118	56	68	67	47
Total	<u>\$ 1,043</u>	<u>\$ 1,322</u>	<u>\$ 892</u>	<u>\$ 596</u>	<u>\$ 474</u>	<u>\$ 658</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City AMP 7</u>	<u>County AMP 1</u>	<u>County AMP 2</u>	<u>County AMP 3</u>	<u>County AMP 4</u>	<u>San Jose Broadway</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 474	\$ 367	\$ 410	\$ 624	\$ 645	\$ 49
Cash paid to tenants	-	-	-	-	-	-
Cash paid to suppliers for goods and services	(703)	(606)	(566)	(794)	(720)	(120)
Cash paid to employees for services	(378)	(288)	(277)	(379)	(345)	(43)
Cash paid for administrative expense	(177)	(171)	(168)	(215)	(130)	(18)
Cash paid for housing assistance payments	-	(42)	(16)	(18)	(12)	(4)
Cash paid for judgment and claims	-	(1)	-	(1)	(5)	-
Net cash provided by (used in) operating activities	<u>(784)</u>	<u>(741)</u>	<u>(617)</u>	<u>(783)</u>	<u>(567)</u>	<u>(136)</u>
Cash flows from noncapital financing activities:						
Transfers in	726	236	42	100	435	34
Transfers out	-	-	-	-	-	-
Intergovernmental revenue received	664	573	444	755	415	181
Loans to other funds	-	-	-	-	-	-
Payments made on advances from other funds	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>1,390</u>	<u>809</u>	<u>486</u>	<u>855</u>	<u>850</u>	<u>215</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	-	-	-
Proceeds from the sale of capital assets	-	-	-	-	-	-
Payments on long-term liabilities	-	-	-	-	-	(40)
Interest paid	-	-	-	-	-	(29)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(69)</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	-	-
Interest received	7	1	5	10	1	-
Net cash provided by investing activities	<u>7</u>	<u>1</u>	<u>5</u>	<u>10</u>	<u>1</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	613	69	(126)	82	284	10
Cash and cash equivalents, beginning	<u>269</u>	<u>186</u>	<u>380</u>	<u>365</u>	<u>178</u>	<u>193</u>
Cash and cash equivalents, ending	<u>\$ 882</u>	<u>\$ 255</u>	<u>\$ 254</u>	<u>\$ 447</u>	<u>\$ 462</u>	<u>\$ 203</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 819	\$ 196	\$ 194	\$ 370	\$ 404	\$ 1
Restricted cash and investments	<u>63</u>	<u>59</u>	<u>60</u>	<u>77</u>	<u>58</u>	<u>202</u>
Total	<u>\$ 882</u>	<u>\$ 255</u>	<u>\$ 254</u>	<u>\$ 447</u>	<u>\$ 462</u>	<u>\$ 203</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Scattered Sites</u>	<u>Larchmont Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>	<u>Greenfair</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 35	\$ 55	\$ 361	\$ 134	\$ 5	\$ -
Cash paid to tenants	-	-	-	-	(3)	-
Cash paid to suppliers for goods and services	(49)	(47)	(390)	(103)	-	(126)
Cash paid to employees for services	(14)	(42)	(288)	(14)	-	-
Cash paid for administrative expense	(5)	(8)	(69)	-	(1)	-
Cash paid for housing assistance payments	-	-	-	-	-	-
Cash paid for judgment and claims	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(33)</u>	<u>(42)</u>	<u>(386)</u>	<u>17</u>	<u>1</u>	<u>(126)</u>
Cash flows from noncapital financing activities:						
Transfers in	7	-	-	-	-	261
Transfers out	-	-	-	-	-	-
Intergovernmental revenue received	61	54	213	-	-	-
Loans to other funds	-	-	-	-	-	404
Payments made on advances from other funds	-	-	-	-	-	(2,831)
Net cash provided by (used in) noncapital financing activities	<u>68</u>	<u>54</u>	<u>213</u>	<u>-</u>	<u>-</u>	<u>(2,166)</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	(141)	-	-	-
Proceeds from the sale of capital assets	-	-	-	-	-	1,400
Payments on long-term liabilities	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(141)</u>	<u>-</u>	<u>-</u>	<u>1,400</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	-	-
Interest received	-	5	21	7	-	20
Net cash provided by investing activities	<u>-</u>	<u>5</u>	<u>21</u>	<u>7</u>	<u>-</u>	<u>20</u>
Net increase (decrease) in cash and cash equivalents	35	17	(293)	24	1	(872)
Cash and cash equivalents, beginning	1	271	1,330	424	22	873
Cash and cash equivalents, ending	<u>\$ 36</u>	<u>\$ 288</u>	<u>\$ 1,037</u>	<u>\$ 448</u>	<u>\$ 23</u>	<u>\$ 1</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 29	\$ 282	\$ 996	\$ 442	\$ 23	\$ 1
Restricted cash and investments	7	6	41	6	-	-
Total	<u>\$ 36</u>	<u>\$ 288</u>	<u>\$ 1,037</u>	<u>\$ 448</u>	<u>\$ 23</u>	<u>\$ 1</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Phoenix Park</u>	<u>City Mod Rehab</u>	<u>Norcade Circle</u>	<u>City COCC</u>	<u>County COCC</u>
Cash flows from operating activities:					
Cash receipts from tenants	\$ 1,036	\$ -	\$ 1,469	\$ 2,179	\$ 2,771
Cash paid to tenants	-	-	-	-	-
Cash paid to suppliers for goods and services	(786)	-	(603)	(322)	(199)
Cash paid to employees for services	(173)	-	(4)	(760)	(753)
Cash paid for administrative expense	(141)	-	-	(1,183)	(2,018)
Cash paid for housing assistance payments	-	(153)	-	-	-
Cash paid for judgment and claims	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(64)</u>	<u>(153)</u>	<u>862</u>	<u>(86)</u>	<u>(199)</u>
Cash flows from noncapital financing activities:					
Transfers in	-	-	-	-	-
Transfers out	(1,000)	(31)	-	-	-
Intergovernmental revenue received	268	197	-	-	-
Payment received on interfund loans	-	-	-	-	-
Payments made on advances from other funds	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>(732)</u>	<u>166</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	-	-	(978)	-	-
Proceeds from the sale of capital assets	-	-	-	-	-
Payments on long-term liabilities	-	-	-	-	-
Interest paid	(10)	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(10)</u>	<u>-</u>	<u>(978)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:					
Payment received on notes receivable	-	-	-	91	-
Interest received	808	-	-	-	8
Net cash provided by investing activities	<u>808</u>	<u>-</u>	<u>-</u>	<u>91</u>	<u>8</u>
Net increase (decrease) in cash and cash equivalents	2	13	(116)	5	(191)
Cash and cash equivalents, beginning	<u>1,244</u>	<u>-</u>	<u>127</u>	<u>41</u>	<u>630</u>
Cash and cash equivalents, ending	<u>\$ 1,246</u>	<u>\$ 13</u>	<u>\$ 11</u>	<u>\$ 46</u>	<u>\$ 439</u>
Reconciliation of cash and cash equivalents to the statement of net position:					
Cash and investments	\$ 233	\$ 13	\$ 4	\$ 46	\$ 439
Restricted cash and investments	<u>1,013</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,246</u>	<u>\$ 13</u>	<u>\$ 11</u>	<u>\$ 46</u>	<u>\$ 439</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Villa De Novo</u>	<u>Shelter Plus Care</u>	<u>Auburn/ Garfield Property Management</u>	<u>Foreclosure Access</u>	<u>Asset Repositioning</u>	<u>Total</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 86	\$ -	\$ 111	\$ 20	\$ -	\$ 14,340
Cash paid to tenants	-	-	-	-	-	(10)
Cash paid to suppliers for goods and services	(32)	(19)	(88)	-	-	(11,642)
Cash paid to employees for services	(41)	(237)	(86)	-	-	(6,631)
Cash paid for administrative expense	(12)	-	(43)	-	-	(5,775)
Cash paid for housing assistance payments	-	(3,926)	-	-	-	(4,171)
Cash paid for judgment and claims	-	-	-	-	-	(27)
Net cash provided by (used in) operating activities	<u>1</u>	<u>(4,182)</u>	<u>(106)</u>	<u>20</u>	<u>-</u>	<u>(13,916)</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	-	-	2,971
Transfers out	-	-	-	-	-	(1,031)
Intergovernmental revenue received	8	4,182	-	-	-	13,176
Payment received on interfund loans	-	-	-	-	-	404
Payments made on advances from other funds	-	-	-	-	-	(2,831)
Net cash provided by (used in) noncapital financing activities	<u>8</u>	<u>4,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,520</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	-	-	(1,131)
Proceeds from the sale of capital assets	-	-	-	-	-	1,624
Payments on long-term liabilities	-	-	-	-	-	(40)
Interest paid	-	-	-	-	-	(39)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>414</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	-	91
Interest received	-	-	8	-	-	973
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>1,064</u>
Net increase (decrease) in cash and cash equivalents	9	-	(98)	20	-	251
Cash and cash equivalents, beginning	<u>2</u>	<u>-</u>	<u>542</u>	<u>14</u>	<u>-</u>	<u>11,314</u>
Cash and cash equivalents, ending	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 444</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 11,565</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ -	\$ -	\$ 437	\$ 34	\$ -	9,494
Restricted cash and investments	<u>11</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>2,071</u>
Total	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 444</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 11,565</u>

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City AMP 1</u>	<u>City AMP 2</u>	<u>City AMP 3</u>	<u>City AMP 4</u>	<u>City AMP 5</u>	<u>City AMP 6</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (1,247)	\$ (2,283)	\$ (984)	\$ (1,277)	\$ (1,679)	\$ (947)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	137	495	95	534	962	543
Change in assets and liabilities:						
Accounts receivable	-	(2)	61	7	(26)	(3)
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Accounts payable	(48)	(20)	(34)	(6)	(34)	(41)
Accrued liabilities	(12)	(15)	4	(7)	(5)	(5)
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	1	(4)	(2)	2	(5)	3
Deposit and trust liability	4	13	(6)	7	9	3
Total adjustments	<u>82</u>	<u>467</u>	<u>118</u>	<u>537</u>	<u>901</u>	<u>500</u>
Net cash provided by (used in) operating activities	<u>\$ (1,165)</u>	<u>\$ (1,816)</u>	<u>\$ (866)</u>	<u>\$ (740)</u>	<u>\$ (778)</u>	<u>\$ (447)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ 166	\$ 100	\$ -	\$ 1,426	\$ 488	\$ 3,055
Capital assets transferred from other enterprise funds	-	-	-	-	-	4,494
Capital asset transferred to other enterprise funds	-	-	-	-	(194)	-
Gain/loss on disposition of capital assets	-	473	-	-	(638)	-
Loss on note receivable write-off	-	-	-	-	-	-
Note receivable for sale of capital assets	-	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-	-

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>City AMP 7</u>	<u>County AMP 1</u>	<u>County AMP 2</u>	<u>County AMP 3</u>	<u>County AMP 4</u>	<u>San Jose Broadway</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (1,083)	\$ (1,024)	\$ (824)	\$ (1,107)	\$ (1,140)	\$ (160)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	336	327	201	293	319	32
Change in assets and liabilities:						
Accounts receivable	(5)	(5)	14	32	11	4
Due from other funds	-	-	-	46	-	-
Prepaid items	-	-	-	-	-	(3)
Accounts payable	(27)	(39)	(18)	(37)	(11)	(8)
Accrued liabilities	(8)	(7)	-	(6)	(3)	(2)
Due to other funds	-	-	-	-	250	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	6	(3)	(4)	-	1
Deposit and trust liability	3	1	13	-	7	-
Total adjustments	<u>299</u>	<u>283</u>	<u>207</u>	<u>324</u>	<u>573</u>	<u>24</u>
Net cash provided by (used in) operating activities	<u>\$ (784)</u>	<u>\$ (741)</u>	<u>\$ (617)</u>	<u>\$ (783)</u>	<u>\$ (567)</u>	<u>\$ (136)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ 191	\$ 115	\$ 670	\$ 585	\$ 3	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-	-
Capital asset transferred to other enterprise funds	-	-	-	-	-	-
Gain/loss on disposition of capital assets	(2,190)	-	-	(5)	-	-
Loss on note receivable write-off	-	-	-	-	-	-
Note receivable for sale of capital assets	-	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-	-

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Scattered Sites</u>	<u>Larchmont Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>	<u>Greenfair</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (30)	\$ (46)	\$ (444)	\$ (121)	\$ 4	\$ (124)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	4	8	109	140	-	-
Change in assets and liabilities:						
Accounts receivable	1	-	17	2	-	-
Due from other funds	-	-	(48)	-	-	-
Prepaid items	-	-	-	-	-	-
Accounts payable	(8)	(5)	(12)	(3)	-	(2)
Accrued liabilities	(1)	(1)	(15)	(1)	-	-
Due to other funds	(3)	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	(2)	-	1	-	-	-
Deposit and trust liability	6	2	6	-	(3)	-
Total adjustments	<u>(3)</u>	<u>4</u>	<u>58</u>	<u>138</u>	<u>(3)</u>	<u>(2)</u>
Net cash provided by (used in) operating activities	<u>\$ (33)</u>	<u>\$ (42)</u>	<u>\$ (386)</u>	<u>\$ 17</u>	<u>\$ 1</u>	<u>\$ (126)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ -	\$ 1,509	\$ -	\$ -	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-	-
Capital asset transferred to other enterprise funds	-	-	-	-	-	-
Gain/loss on disposition of capital assets	-	-	-	-	-	(513)
Loss on note receivable write-off	-	-	-	-	-	-
Note receivable for sale of capital assets	-	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-	-

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Phoenix Park</u>	<u>City Mod Rehab</u>	<u>Norcade Circle</u>	<u>City COCC</u>	<u>County COCC</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (151)	\$ (171)	\$ (598)	\$ (57)	\$ (191)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation/amortization	88	-	10	-	-
Change in assets and liabilities:					
Accounts receivable	(4)	-	(125)	-	-
Due from other funds	-	-	-	-	-
Prepaid items	1	-	-	-	-
Accounts payable	5	-	-	(7)	(4)
Accrued liabilities	1	-	-	(22)	(4)
Due to other funds	(13)	5	1,568	-	-
Due to other governments	-	13	-	-	-
Unearned revenue	(2)	-	-	-	-
Deposit and trust liability	11	-	7	-	-
Total adjustments	<u>87</u>	<u>18</u>	<u>1,460</u>	<u>(29)</u>	<u>(8)</u>
Net cash provided by (used in) operating activities	<u>\$ (64)</u>	<u>\$ (153)</u>	<u>\$ 862</u>	<u>\$ (86)</u>	<u>\$ (199)</u>
Noncash Investing, Capital and Financing Activities:					
Capital assets transferred from governmental funds	\$ -	\$ -	\$ -	\$ 74	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-
Capital asset transferred to other enterprise funds	-	-	-	-	-
Gain/loss on disposition of capital assets	-	-	-	-	-
Loss on note receivable write-off	(6)	-	-	-	(169)
Note receivable for sale of capital assets	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-

Sacramento Housing and Redevelopment Agency
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Villa De Novo</u>	<u>Shelter Plus Care</u>	<u>Auburn/ Garfield Property Management</u>	<u>Foreclosure Access</u>	<u>Asset Repositioning</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (108)	\$ (4,188)	\$ (103)	\$ 20	\$ -	\$ (20,063)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	79	-	-	-	-	4,712
Change in assets and liabilities:						
Accounts receivable	1	(2)	-	-	-	(22)
Due from other funds	-	-	-	-	-	(2)
Prepaid items	-	-	-	-	-	(2)
Accounts payable	-	-	(2)	-	-	(361)
Accrued liabilities	-	(6)	(1)	-	-	(116)
Due to other funds	20	12	-	-	-	1,839
Due to other governments	-	2	-	-	-	15
Unearned revenue	-	-	-	-	-	(8)
Deposit and trust liability	9	-	-	-	-	92
Total adjustments	<u>109</u>	<u>6</u>	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>6,147</u>
Net cash provided by (used in) operating activities	<u>\$ 1</u>	<u>\$ (4,182)</u>	<u>\$ (106)</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ (13,916)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,382
Capital assets transferred from other enterprise funds	-	-	-	-	194	4,688
Capital asset transferred to other enterprise funds	-	-	-	-	-	(194)
Gain/loss on disposition of capital assets	-	-	-	-	-	(2,873)
Loss on note receivable write-off	-	-	-	-	-	(175)
Note receivable for sale of capital assets	-	-	-	-	5,850	5,850
Capital asset transferred from component unit funds	-	-	-	-	4,675	4,675

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. Since the services and commodities are supplied exclusively to departments of a governmental jurisdiction, they are distinguishable from those public services rendered to the public in general and which are accounted for in Special Revenue, Enterprise or Fiduciary Funds.

- ◆ **Internal Support Fund** is used to account for the accumulation and allocation of costs associated with central support organizations of the Agency as well as the accumulation of funds to pay for compensated absences earned by employees.
- ◆ **Self Insurance Fund** is used to account for the costs of insurance (i.e. premiums and estimated claims liabilities) and accumulate funds for catastrophic events.

Sacramento Housing and Redevelopment Agency
Combining Statement of Net Position
Internal Service Funds
December 31, 2013
(amounts expressed in thousands)

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 9,026	\$ 4,377	\$ 13,403
Due from other funds	292	-	292
Prepaid items	13	71	84
Total current assets	<u>9,331</u>	<u>4,448</u>	<u>13,779</u>
Noncurrent assets:			
Restricted cash and investments	548	-	548
Notes receivable	-	265	265
Total noncurrent assets	<u>548</u>	<u>265</u>	<u>813</u>
Capital assets:			
Land	2,040	-	2,040
Buildings and improvements	11,510	-	11,510
Property and equipment	639	-	639
Less accumulated depreciation	(1,962)	-	(1,962)
Total capital assets (net of accumulated depreciation)	<u>12,227</u>	<u>-</u>	<u>12,227</u>
Total noncurrent assets	<u>12,775</u>	<u>265</u>	<u>13,040</u>
Total assets	<u>22,106</u>	<u>4,713</u>	<u>26,819</u>
Liabilities			
Current liabilities:			
Accounts payable	134	-	134
Accrued liabilities	532	301	833
Compensated absences	1,708	-	1,708
Current portion of long-term debt	506	-	506
Total current liabilities	<u>2,880</u>	<u>301</u>	<u>3,181</u>
Noncurrent liabilities:			
Compensated absences	734	-	734
Mortgage notes payable	10,133	-	10,133
Advances from component units	1,000	-	1,000
Total noncurrent liabilities	<u>11,867</u>	<u>-</u>	<u>11,867</u>
Total liabilities	<u>14,747</u>	<u>301</u>	<u>15,048</u>
Net Position			
Net investment in capital assets	1,588	-	1,588
Restricted for debt service	548	-	548
Unrestricted	5,223	4,412	9,635
Total net position	<u>\$ 7,359</u>	<u>\$ 4,412</u>	<u>\$ 11,771</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 5,823	\$ -	\$ 5,823
Miscellaneous	9	263	272
Total operating revenues	<u>5,832</u>	<u>263</u>	<u>6,095</u>
Operating expenses:			
Employee services	6,429	-	6,429
Services and supplies	1,673	108	1,781
Utilities	115	-	115
Depreciation	388	-	388
Total operating expenses	<u>8,605</u>	<u>108</u>	<u>8,713</u>
Operating income (loss)	<u>(2,773)</u>	<u>155</u>	<u>(2,618)</u>
Nonoperating revenues (expenses):			
Investment earnings	195	110	305
Interest expense	(564)	-	(564)
Total nonoperating revenues, net	<u>(369)</u>	<u>110</u>	<u>(259)</u>
Income (loss) before transfers	(3,142)	265	(2,877)
Transfers in	1,105	-	1,105
Change in net position	<u>(2,037)</u>	<u>265</u>	<u>(1,772)</u>
Net position, beginning	9,396	4,147	13,543
Net position, ending	<u>\$ 7,359</u>	<u>\$ 4,412</u>	<u>\$ 11,771</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash receipts from interfund services provided	\$ 5,545	\$ 664	\$ 6,209
Cash paid to suppliers for goods and services	(2,002)	(108)	(2,110)
Cash paid to employees for services	(7,878)	-	(7,878)
Net cash provided by (used in) operating activities	<u>(4,335)</u>	<u>556</u>	<u>(3,779)</u>
Cash flows from noncapital financing activities:			
Transfers in	<u>1,105</u>	<u>-</u>	<u>1,105</u>
Cash flows from capital and related financing activities:			
Payments on long-term liabilities	(481)	-	(481)
Interest paid	(564)	-	(564)
Net cash used in capital and related financing activities	<u>(1,045)</u>	<u>-</u>	<u>(1,045)</u>
Cash flows from investing activities:			
Payments received on notes receivable	-	101	101
Interest received	195	110	305
Net cash provided by investing activities	<u>195</u>	<u>211</u>	<u>406</u>
Net increase (decrease) in cash and cash equivalents	(4,080)	767	(3,313)
Cash and cash equivalents, beginning	13,654	3,610	17,264
Cash and cash equivalents, ending	<u>\$ 9,574</u>	<u>\$ 4,377</u>	<u>\$ 13,951</u>
Reconciliation of cash and cash equivalents to the statement of net position:			
Cash and investments	\$ 9,026	\$ 4,377	\$ 13,403
Restricted cash and investments	548	-	548
Total	<u>\$ 9,574</u>	<u>\$ 4,377</u>	<u>\$ 13,951</u>

Sacramento Housing and Redevelopment Agency
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013
(amounts expressed in thousands)

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (2,773)	\$ 155	\$ (2,618)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization	388	-	388
Change in assets and liabilities:			
Accounts receivable	-	3	3
Due from other funds	(287)	-	(287)
Prepaid items	18	398	416
Accounts payable	(232)	-	(232)
Accrued liabilities	(894)	-	(894)
Compensated absences	(555)	-	(555)
Total adjustments	<u>(1,562)</u>	<u>401</u>	<u>(1,161)</u>
Net cash provided by (used in) operating activities	<u>\$ (4,335)</u>	<u>\$ 556</u>	<u>\$ (3,779)</u>

Statistical Section

This part of the Agency's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency's overall financial health.

Financial Trends-These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being have changed over time.

- ◆ Net Position by Component
- ◆ Changes in Net Position
- ◆ Fund Balances of Governmental Funds
- ◆ Changes in Fund Balances of Governmental Funds

Debt Capacity-This schedule presents information to help the reader assess the affordability of the Agency's current levels of outstanding debt and the Agency's ability to issue additional debt in the future.

- ◆ Ratios of Outstanding Debt by Type

Demographic and Economic Information-This schedule offers demographic and economic indicators to help the reader understand the environment within which the Agency's financial activities take place.

- ◆ Demographic and Economic Statistics
- ◆ Principal Employers

Operating Information-These schedules contain service and infrastructure data to help the reader understand how the information in the Agency's financial report relates to the services the Agency provides and the activities it performs.

- ◆ Full-time Equivalent Agency Employees by Function/Program
- ◆ Operating Indicators by Function
- ◆ Capital Assets by Function

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Net Position by Component
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities:					
Net investment in capital assets	\$ 47,646	\$ 49,081	\$ 70,631	\$ 76,253	\$ 107,570
Restricted	284,011	420,634	460,225	465,194	509,519
Unrestricted	(226,134)	(344,057)	(367,938)	(348,874)	(402,122)
Total governmental activities net position	<u>\$ 105,523</u>	<u>\$ 125,658</u>	<u>\$ 162,918</u>	<u>\$ 192,573</u>	<u>\$ 214,967</u>
Business-type Activities:					
Net investment in capital assets	\$ 168,910	\$ 173,114	\$ 167,935	\$ 169,602	\$ 170,496
Restricted	1,776	8,954	304	23,727	14,055
Unrestricted	19,842	18,951	35,709	15,770	22,889
Total business-type activities, net position	<u>\$ 190,528</u>	<u>\$ 201,019</u>	<u>\$ 203,948</u>	<u>\$ 209,099</u>	<u>\$ 207,440</u>
Primary Government:					
Net investment in capital assets	\$ 216,556	\$ 222,195	\$ 238,566	\$ 245,855	\$ 278,066
Restricted	285,787	429,588	460,529	488,921	523,574
Unrestricted	(206,292)	(325,106)	(332,229)	(333,104)	(379,233)
Total primary government net position	<u>\$ 296,051</u>	<u>\$ 326,677</u>	<u>\$ 366,866</u>	<u>\$ 401,672</u>	<u>\$ 422,407</u>

Note: The negative unrestricted net position are mainly the result of redevelopment debt that does not produce capital assets.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Net Position by Component
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental Activities:					
Net investment in capital assets	\$ 119,673	\$ 130,643	\$ 118,952	\$ 52,784	\$ 44,836
Restricted	13,762	13,597	13,738	129,376	303,784
Unrestricted	107,144	98,320	102,274	175,243	5,120
Total governmental activities net position	<u>\$ 240,579</u>	<u>\$ 242,560</u>	<u>\$ 234,964</u>	<u>\$ 357,403</u>	<u>\$ 353,740</u>
Business-type Activities:					
Net investment in capital assets	\$ 169,031	\$ 158,391	\$ 160,344	\$ 163,561	\$ 160,586
Restricted	9,375	8,557	8,487	6,836	2,436
Unrestricted	23,197	27,714	27,040	22,176	29,539
Total business-type activities, net position	<u>\$ 201,603</u>	<u>\$ 194,662</u>	<u>\$ 195,871</u>	<u>\$ 192,573</u>	<u>\$ 192,561</u>
Primary Government:					
Net investment in capital assets	\$ 288,704	\$ 289,034	\$ 279,296	\$ 216,345	\$ 205,422
Restricted	23,137	22,154	22,225	136,212	306,220
Unrestricted	130,341	126,034	129,314	197,419	34,659
Total primary government net position	<u>\$ 442,182</u>	<u>\$ 437,222</u>	<u>\$ 430,835</u>	<u>\$ 549,976</u>	<u>\$ 546,301</u>

Note: The negative unrestricted net position are mainly the result of redevelopment debt that does not produce capital assets.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Changes In Net Position
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands)

	2004	2005	2006	2007	2008
Expenses:					
Governmental activities:					
Housing operations	\$ 5,836	\$ 7,017	\$ 3,200	\$ 1,549	\$ 1,629
Community development	53,774	64,151	72,164	88,388	86,887
Community social services	4,408	3,231	2,796	3,179	3,580
Interest expense	12,233	11,737	15,826	16,725	19,124
Total governmental activities expenses	<u>76,251</u>	<u>86,136</u>	<u>93,986</u>	<u>109,841</u>	<u>111,220</u>
Business-type activities:					
Local housing	4,599	3,516	2,922	7,370	8,152
Public housing	21,687	21,605	22,647	18,706	16,170
Housing choice vouchers	104,228	93,425	87,790	95,218	101,105
Total business-type activities expenses	<u>130,514</u>	<u>118,546</u>	<u>113,359</u>	<u>121,294</u>	<u>125,427</u>
Total primary government expenses	<u>206,765</u>	<u>204,682</u>	<u>207,345</u>	<u>231,135</u>	<u>236,647</u>
Program Revenues:					
Governmental activities:					
Charges for services:					
Housing operations	1,222	1,152	1,371	1,582	1,557
Community development	89	117	31	76	50
Operating grants and contributions:					
Housing operations	559	743	508	231	-
Community development	27,925	39,296	51,620	45,328	23,813
Community social services	1,805	1,802	1,665	1,817	1,952
Capital grants and contributions:					
Housing operations	9,251	7,594	4,143	7,312	5,996
Total governmental activities program revenues	<u>40,851</u>	<u>50,704</u>	<u>59,338</u>	<u>56,346</u>	<u>33,368</u>
Business-type activities:					
Charges for services:					
Local housing	958	885	936	5,526	3,384
Public housing	7,224	7,268	7,070	2,776	7,397
Housing choice vouchers	3,527	2,439	-	-	-
Operating grants and contributions:					
Local housing	1,420	1,430	754	803	816
Public housing	8,070	7,770	7,882	7,393	7,833
Housing choice vouchers	100,600	98,589	102,480	94,595	88,544
Capital grants and contributions:					
Local housing	-	-	-	-	-
Total business-type activities program revenues	<u>121,799</u>	<u>118,381</u>	<u>119,122</u>	<u>111,093</u>	<u>107,974</u>
Total primary government program revenues	<u>162,650</u>	<u>169,085</u>	<u>178,460</u>	<u>167,439</u>	<u>141,342</u>
Net (Expenses) Revenue:					
Governmental activities	(35,400)	(35,432)	(34,648)	(53,495)	(77,852)
Business-type activities	(8,715)	(165)	5,763	(10,201)	(17,453)
Total primary government net expense	<u>(44,115)</u>	<u>(35,597)</u>	<u>(28,885)</u>	<u>(63,696)</u>	<u>(95,305)</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Changes In Net Position
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands)

	2009	2010	2011	2012	2013
Expenses:					
Governmental activities:					
Housing operations	\$ 1,588	\$ 3,837	\$ 2,512	\$ 9,477	\$ 10,700
Community development	77,762	97,044	89,525	18,048	25,677
Community social services	3,586	9,133	5,848	2,860	2,946
Interest expense	18,280	17,632	16,859	953	894
Total governmental activities expenses	<u>101,216</u>	<u>127,646</u>	<u>114,744</u>	<u>31,338</u>	<u>40,217</u>
Business-type activities:					
Local housing	7,022	3,745	7,256	8,701	9,084
Public housing	19,615	27,801	22,985	24,009	24,133
Housing choice vouchers	102,348	107,162	111,496	112,774	110,757
Total business-type activities expenses	<u>128,985</u>	<u>138,708</u>	<u>141,737</u>	<u>145,484</u>	<u>143,974</u>
Total primary government expenses	<u>230,201</u>	<u>266,354</u>	<u>256,481</u>	<u>176,822</u>	<u>184,191</u>
Program Revenues:					
Governmental activities:					
Charges for services:					
Housing operations	1,307	1,499	1,370	1,410	1,533
Community development	39	138	63	9	-
Operating grants and contributions:					
Housing operations	-	41	109	452	1,802
Community development	39,289	46,056	33,742	25,940	13,458
Community social services	1,656	7,447	4,914	2,686	2,998
Capital grants and contributions:					
Housing operations	7,669	6,854	15,211	7,717	8,698
Total governmental activities program revenues	<u>49,960</u>	<u>62,035</u>	<u>55,409</u>	<u>38,214</u>	<u>28,489</u>
Business-type activities:					
Charges for services:					
Local housing	1,588	1,299	1,321	1,420	1,581
Public housing	7,422	6,231	5,804	5,394	5,560
Housing choice vouchers	-	-	-	-	-
Operating grants and contributions:					
Local housing	786	703	3,841	5,331	5,177
Public housing	8,314	10,277	10,261	9,940	8,767
Housing choice vouchers	98,196	110,003	110,933	112,118	107,185
Capital grants and contributions:					
Local housing	-	-	-	-	4,481
Total business-type activities program revenues	<u>116,306</u>	<u>128,513</u>	<u>132,160</u>	<u>134,203</u>	<u>132,751</u>
Total primary government program revenues	<u>166,266</u>	<u>190,548</u>	<u>187,569</u>	<u>172,417</u>	<u>161,240</u>
Net (Expenses) Revenue:					
Governmental activities	(51,256)	(65,611)	(59,335)	6,876	(11,728)
Business-type activities	(12,679)	(10,195)	(9,577)	(11,281)	(11,223)
Total primary government net expense	<u>(63,935)</u>	<u>(75,806)</u>	<u>(68,912)</u>	<u>(4,405)</u>	<u>(22,951)</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Changes In Net Position
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General revenues, transfers and changes in net position:					
Governmental activities:					
Tax increment	\$ 40,676	\$ 50,173	\$ 50,219	\$ 71,839	\$ 70,163
Investment earnings	5,918	7,464	16,917	19,360	13,693
Gain/(loss) on disposal of capital assets	3,437	(364)	(2,316)	-	-
Income from assets held for resale	-	5,613	-	-	-
Miscellaneous	3,305	2,201	3,398	1,335	4,096
Special items	-	-	-	-	27,623
Transfers	(13,237)	(9,520)	3,690	(9,384)	(15,329)
Total governmental activities	<u>40,099</u>	<u>55,567</u>	<u>71,908</u>	<u>83,150</u>	<u>100,246</u>
Business-type activities:					
Investment earnings	83	112	531	1,038	556
Gain on sale of capital assets	6,833	29	5,239	3,466	-
Miscellaneous	836	995	1,316	1,464	873
Special items	-	-	-	-	(964)
Transfers	13,237	9,520	(3,690)	9,384	15,329
Total business-type activities	<u>20,989</u>	<u>10,656</u>	<u>3,396</u>	<u>15,352</u>	<u>15,794</u>
Total primary government	<u>61,088</u>	<u>66,223</u>	<u>75,304</u>	<u>98,502</u>	<u>116,040</u>
Change in net position before extraordinary item:					
Governmental activities	4,699	20,135	37,260	29,655	22,394
Business-type activities	12,274	10,491	9,159	5,151	(1,659)
Total primary government before extraordinary item	<u>16,973</u>	<u>30,626</u>	<u>46,419</u>	<u>34,806</u>	<u>20,735</u>
Extraordinary item - Governmental activities	-	-	-	-	-
Change in net position:					
Governmental activities	-	-	-	-	-
Business-type activities	-	-	-	-	-
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Changes In Net Position
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General revenues, transfers and changes in net position:					
Governmental activities:					
Tax increment	\$ 67,792	\$ 61,367	\$ 52,083	\$ -	\$ -
Investment earnings	9,856	6,099	7,537	4,022	2,634
Gain/(loss) on disposal of capital assets	-	-	-	-	-
Income from assets held for resale	-	-	-	-	-
Miscellaneous	3,121	2,586	1,582	1,938	1,304
Special items	2,250	-	-	-	-
Transfers	(6,151)	(2,460)	(9,463)	(6,559)	(8,019)
Total governmental activities	<u>76,868</u>	<u>67,592</u>	<u>51,739</u>	<u>(599)</u>	<u>(4,081)</u>
Business-type activities:					
Investment earnings	390	378	610	697	1,072
Gain on sale of capital assets	-	-	-	-	-
Miscellaneous	301	416	713	727	751
Special items	-	-	-	-	1,369
Transfers	6,151	2,460	9,463	6,559	8,019
Total business-type activities	<u>6,842</u>	<u>3,254</u>	<u>10,786</u>	<u>7,983</u>	<u>11,211</u>
Total primary government	<u>83,710</u>	<u>70,846</u>	<u>62,525</u>	<u>7,384</u>	<u>7,130</u>
Change in net position before extraordinary item:					
Governmental activities	25,612	1,981	(7,596)	6,277	(15,809)
Business-type activities	(5,837)	(6,941)	1,209	(3,298)	(12)
Total primary government before extraordinary item	<u>19,775</u>	<u>(4,960)</u>	<u>(6,387)</u>	<u>2,979</u>	<u>(15,821)</u>
Extraordinary item - Governmental activities	-	-	-	116,162	-
Change in net position:					
Governmental activities	-	-	-	122,439	(15,809)
Business-type activities	-	-	-	(3,298)	(12)
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,141</u>	<u>\$ (15,821)</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Fund Balances of Governmental Funds
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands)

	2004	2005	2006	2007	2008
Major funds:					
Reserved	\$ 91,572	\$ 176,196	\$ 152,664	\$ 141,873	\$ 194,044
Unreserved, reported in:					
Debt service funds	2,531	282	2,792	6,517	-
Capital projects funds	1,819	1,035	2,366	(6,661)	(6,377)
Nonspendable:					
Long-term receivables	-	-	-	-	-
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service reserves	-	-	-	-	-
Housing					
Community development					
Committed for:					
Community development projects	-	-	-	-	-
Housing projects					
Assigned for:					
Housing					
Community development	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned	-	-	-	-	-
Total major funds	<u>\$ 95,922</u>	<u>\$ 177,513</u>	<u>\$ 157,822</u>	<u>\$ 141,729</u>	<u>\$ 187,667</u>
Other governmental funds:					
Reserved	\$ 113,201	\$ 158,249	\$ 192,466	\$ 198,206	\$ 211,442
Unreserved, reported in:					
Special revenue funds	7,133	6,886	8,986	20,538	17,777
Debt service funds	4,732	7,999	9,546	14,409	(845)
Capital projects funds	4,623	4,320	4,502	(339)	4,408
Nonspendable:					
Long-term receivables	-	-	-	-	-
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service reserves	-	-	-	-	-
Housing	-	-	-	-	-
Community development	-	-	-	-	-
Community services	-	-	-	-	-
Committed for:					
Housing projects	-	-	-	-	-
Community development projects	-	-	-	-	-
Community service projects	-	-	-	-	-
Assigned for:					
Debt service	-	-	-	-	-
Housing	-	-	-	-	-
Community development	-	-	-	-	-
Community services	-	-	-	-	-
Unassigned	-	-	-	-	-
Total other governmental funds	<u>\$ 129,689</u>	<u>\$ 177,454</u>	<u>\$ 215,500</u>	<u>\$ 232,814</u>	<u>\$ 232,782</u>
Total governmental Funds	<u>\$ 225,611</u>	<u>\$ 354,967</u>	<u>\$ 373,322</u>	<u>\$ 374,543</u>	<u>\$ 420,449</u>

Note: The governmental fund balances do not include long-term debt or capital assets.

The Agency implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2009. Statement No. 54 is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Fund Balances of Governmental Funds
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands)

	2009	2010	2011	2012	2013
Major funds:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable:					
Long-term receivables	43,705	48,549	52,912	45,488	61,175
Prepaid items	26	-	-	-	-
Restricted for:					
Debt service reserves	934	934	1,038	-	-
Housing	-	-	-	-	21,239
Community development	-	-	-	-	2,954
Committed for:					
Community development projects	85,386	70,660	58,313	-	-
Housing projects	-	-	-	17,683	-
Assigned for:					
Housing	-	-	-	6,960	-
Community development	1,433	2,418	1,183	-	-
Debt service	4,703	-	-	-	-
Unassigned	-	(3,718)	(6,343)	-	-
Total major funds	<u>\$ 136,187</u>	<u>\$ 118,843</u>	<u>\$ 107,103</u>	<u>\$ 70,131</u>	<u>\$ 85,368</u>
Other governmental funds:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable:					
Long-term receivables	91,921	103,151	113,752	79,895	64,587
Prepaid items	8	-	-	-	-
Restricted for:					
Debt service reserves	12,222	12,056	12,093	211	435
Housing	61	61	61	61	14,962
Community development	-	-	-	-	6,864
Community services	-	-	-	-	116
Committed for:					
Housing projects	15,761	13,794	6,817	10,288	1,882
Community development projects	131,054	114,028	100,398	4,035	638
Community service projects	278	-	77	85	-
Assigned for:					
Debt service	4,156	968	400	-	-
Housing	7,241	5,460	6,209	6,478	3,859
Community development	7,875	7,480	14,159	1,051	176
Community services	-	16	80	-	-
Unassigned	(9,315)	(12,853)	(11,003)	(4,466)	(2,776)
Total other governmental funds	<u>\$ 261,262</u>	<u>\$ 244,161</u>	<u>\$ 243,043</u>	<u>\$ 97,638</u>	<u>\$ 90,743</u>
Total governmental Funds	<u>\$ 397,449</u>	<u>\$ 363,004</u>	<u>\$ 350,146</u>	<u>\$ 167,769</u>	<u>\$ 176,111</u>

Note: The governmental fund balances do not include long-term debt or capital assets.

The Agency implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2009. Statement No. 54 is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Changes in Fund Balances of Governmental Funds
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	2004	2005	2006	2007	2008
Revenues:					
Intergovernmental	\$ 34,151	\$ 38,838	\$ 36,864	\$ 43,907	\$ 35,111
Property taxes	40,676	50,173	50,219	71,839	70,163
Charges for services	1,311	1,269	1,402	1,658	1,607
Investment earnings	5,312	7,150	16,167	18,089	15,738
Income from assets held for resale	-	5,613	-	-	-
Miscellaneous	3,293	2,173	2,463	1,032	3,605
Total revenues	<u>84,743</u>	<u>105,216</u>	<u>107,115</u>	<u>136,525</u>	<u>126,224</u>
Expenditures:					
Current:					
Housing operations	4,903	9,212	3,527	1,131	1,625
Community development	49,088	57,262	65,966	79,044	82,787
Community services	4,408	3,231	2,796	3,179	3,580
Capital outlay	10,229	16,786	26,694	18,547	44,201
Debt service:					
Principal retirement	13,031	13,383	16,530	15,106	17,232
Interest and related charges	16,382	23,598	21,815	21,046	19,189
Advance refunding escrow	-	1,111	1,150	-	-
Total expenditures	<u>98,041</u>	<u>124,583</u>	<u>138,478</u>	<u>138,053</u>	<u>168,614</u>
Deficiency of revenues under expenditures	<u>(13,298)</u>	<u>(19,367)</u>	<u>(31,363)</u>	<u>(1,528)</u>	<u>(42,390)</u>
Other Financing Sources(Uses):					
Long-term debt issued	2,772	172,558	55,239	3,328	66,714
Proceeds from sale of capital assets	5,286	5,797	170	342	972
Transfers in	14,370	27,960	27,644	40,047	66,693
Transfers out	(15,287)	(28,616)	(21,729)	(40,968)	(73,706)
Total other financing sources (uses)	<u>7,141</u>	<u>148,723</u>	<u>49,718</u>	<u>2,749</u>	<u>60,673</u>
Special Item:					
Proceeds from sale of Sheraton Hotel	-	-	-	-	28,623
Forgiveness of Riverview Plaza debt	-	-	-	-	(1,000)
Extraordinary Item-Dissolution of RDA	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (6,157)</u>	<u>\$ 129,356</u>	<u>\$ 18,355</u>	<u>\$ 1,221</u>	<u>\$ 45,906</u>
Debt service as a percentage of non-capital expenditures	33%	35%	35%	30%	29%

Note: This statement includes all Special Revenue, Debt Service and Capital Projects Funds.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Changes in Fund Balances of Governmental Funds
 For the Ten Years Ended December 31, 2013
 (amounts expressed in thousands)

	2009	2010	2011	2012	2013
Revenues:					
Intergovernmental	\$ 34,038	\$ 52,961	\$ 54,043	\$ 33,525	\$ 31,466
Property taxes	67,792	61,367	52,083	-	-
Charges for services	1,346	1,637	1,433	1,419	1,533
Investment earnings	6,245	6,230	7,061	3,506	2,329
Income from assets held for resale	-	-	-	-	-
Miscellaneous	2,480	1,633	517	1,817	1,032
Total revenues	<u>111,901</u>	<u>123,828</u>	<u>115,137</u>	<u>40,267</u>	<u>36,360</u>
Expenditures:					
Current:					
Housing operations	1,568	3,789	2,360	9,326	10,703
Community development	76,167	100,755	76,050	19,891	19,824
Community services	3,586	9,133	5,848	2,860	2,946
Capital outlay	18,913	17,203	12,310	8,364	5,305
Debt service:					
Principal retirement	25,564	19,105	20,823	1,517	1,048
Interest and related charges	17,966	16,973	16,246	605	757
Advance refunding escrow	-	-	-	-	-
Total expenditures	<u>143,764</u>	<u>166,958</u>	<u>133,637</u>	<u>42,563</u>	<u>40,583</u>
Deficiency of revenues under expenditures	<u>(31,863)</u>	<u>(43,130)</u>	<u>(18,500)</u>	<u>(2,296)</u>	<u>(4,223)</u>
Other Financing Sources(Uses):					
Long-term debt issued	6,412	-	2,200	-	-
Proceeds from sale of capital assets	1,550	10,929	4,755	851	1,068
Transfers in	36,256	19,131	14,996	101,565	5,250
Transfers out	(37,605)	(21,375)	(16,309)	(101,702)	(5,899)
Total other financing sources (uses)	<u>6,613</u>	<u>8,685</u>	<u>5,642</u>	<u>714</u>	<u>419</u>
Special Item:					
Proceeds from sale of Sheraton Hotel	2,250	-	-	-	-
Forgiveness of Riverview Plaza debt	-	-	-	-	-
Extraordinary Item-Dissolution of RDA	<u>-</u>	<u>-</u>	<u>-</u>	<u>(180,795)</u>	<u>-</u>
Net change in fund balances	<u>\$ (23,000)</u>	<u>\$ (34,445)</u>	<u>\$ (12,858)</u>	<u>\$ (182,377)</u>	<u>\$ (3,804)</u>
Debt service as a percentage of non-capital expenditures	35%	24%	31%	6%	5%

Note: This statement includes all Special Revenue, Debt Service and Capital Projects Funds.

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Ratios of Outstanding Debt by Type
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands)

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Actual Taxable Value of Property (2)	Percentage of Personal Income (1)	Per Capita (1)
	Notes Payable	Tax Allocation Bonds	Mortgage Notes Payable				
2004	\$ 57,186	\$ 185,484	\$ 727	\$ 243,397	4.66%	0.55%	\$ 183
2005	56,715	314,621	680	372,016	6.61%	0.80%	276
2006	86,206	311,711	628	398,545	6.01%	0.81%	293
2007	86,713	299,426	572	386,711	4.97%	0.75%	282
2008	114,895	334,080	509	449,484	5.18%	0.84%	325
2009	109,126	320,306	1,067	430,499	4.85%	0.78%	309
2010	103,967	305,949	1,036	410,952	5.05%	0.75%	292
2011	99,898	290,961	2,580	393,439	5.21%	0.71%	277
2012	19,908	-	2,543	22,451	*N/A	0.04%	16
2013	18,379	-	2,503	20,882	*N/A	0.03%	14

Source: Agency Comprehensive Annual Financial Reports

Note: Details regarding the Agency's outstanding debt can be found in the notes to the financial statements

(1) See the "Demographic and Economic Statistics" table for personal income and population figures. Based on County of Sacramento population.

(2) Estimated actual value of taxable property cannot be easily determined as the property owned by SHRA is not reassessed annually. Reassessment normally occurs when ownership changes. Prior amounts were based on assessed values of redevelopment properties. With the dissolution of redevelopment that no longer applies.

* Not available at this time

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Demographic and Economic Statistics
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands except per capita amount)

	2004	2005	2006	2007	2008
City population (1)	441	453	458	467	476
City assessed value (1)	\$ 24,599,695	\$ 27,911,260	\$ 32,037,151	\$ 36,674,108	\$ 40,345,605
County population (2)	1,329	1,349	1,361	1,370	1,381
County assessed value (2)	\$ 84,563,678	\$ 94,691,971	\$ 108,301,283	\$ 124,126,471	\$ 135,341,067
Unemployment Rate % (2)	5.9%	5.6%	5.0%	4.8%	5.4%
Personal Income (2)	\$ 44,075,334	\$ 46,771,956	\$ 48,922,482	\$ 51,575,249	\$ 53,769,563
Per Capita Personal Income (2)	\$ 33,176	\$ 34,673	\$ 35,951	\$ 37,658	\$ 38,931
City public housing authority low income housing units (3)	2,089	2,076	2,064	1,776	1,806
County public housing authority low income housing units (3)	1,103	1,098	1,087	923	1,037
City housing choice vouchers (3)	5,644	N/A	N/A	N/A	N/A
County housing choice vouchers (3)	5,370	11,087	11,120	11,123	11,245

Sources:

- (1) City of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30
(2) County of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30. The Bureau of Economic Analysis revised population and per capita personal income to reflect Census Bureau midyear population estimates available as of April 2012.
(3) These statistics have been provided to assist in the analysis of the Agency's financial position. Demographic information specific to the City and County can be found in their annual reports. Amounts not in thousands.
(4) The City and County Housing Choice Voucher programs were combined into a single County program during 2005.
* Not available at this time

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Demographic and Economic Statistics
For the Ten Years Ended December 31, 2013
(amounts expressed in thousands except per capita amount)

	2009	2010	2011	2012	2013
City population (1)	481	486	470	471	474
City assessed value (1)	\$ 41,560,435	\$ 38,778,007	\$ 37,647,002	\$ 36,502,112	\$ 35,494,811
County population (2)	1,394	1,409	1,422	1,436	1,450
County assessed value (2)	\$ 138,687,470	\$ 128,939,293	\$ 126,016,298	\$ 121,921,878	\$ 118,563,859
Unemployment Rate % (2)	7.2%	11.3%	12.7%	12.1%	10.6%
Personal Income (2)	\$ 55,206,829	\$ 54,437,987	\$ 55,176,682	\$ 57,996,392	\$ 60,668,975
Per Capita Personal Income (2)	\$ 39,591	\$ 38,647	\$ 38,794	\$ 40,380	\$ 41,837
City public housing authority low income housing units (3)	1,822	1,798	1,799	1,868	1,866
County public housing authority low income housing units (3)	1,017	1,018	1,021	1,047	1,035
City housing choice vouchers (3) (4)	N/A	N/A	N/A	N/A	N/A
County housing choice vouchers (3) (4)	11,245	11,268	11,507	11,840	11,890

Sources:

(1) City of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30

(2) County of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30. The Bureau of Economic Analysis revised population and per capita personal income to reflect Census Bureau midyear population estimates available as of April 2013.

(3) These statistics have been provided to assist in the analysis of the Agency's financial position. Demographic information specific to the City and County can be found in their annual reports. Amounts not in thousands.

(4) The City and County Housing Choice Voucher programs were combined into a single County program during 2005.

* Not available at this time

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Principal Employers
June 30, 2013 and 2004

Employer (a)	June 30, 2013			June 30, 2004		
	Employees (b)	Rank	Percentage of Total County Employment	Employees (c)	Rank	Percentage of Total County Employment (c)
Kaiser Permanente	10,140	1	1.67%	7,694	1	1.24%
Sutter / California Health Services	9,112	2	1.50%	6,405	4	1.04%
Raley's Inc. / Bel Air	7,283	3	1.20%	6,632	3	1.07%
CHW / Mercy Health Care	7,054	4	1.16%	6,002	5	0.97%
Intel Corporation	6,500	5	1.07%	7,000	2	1.13%
Hewlett-Packard	3,200	6	0.53%	4,500	7	0.73%
Wells Fargo & Co.	3,188	7	0.52%	-		
Health Net of California	2,552	8	0.42%	2,000	10	0.32%
Thunder Valley Casino Resort	2,400	9	0.39%	-		
Pacific Gas and Electric Co.	2,247	10	0.37%	-		
SBC Communications (a)	-			5,180	6	0.84%
Wal-Mart	-			3,220	8	0.52%
EDS	-			2,870	9	0.46%
Total	53,676		8.83%	51,503		8.32%

(a) SBC Communications merged with AT & T in November 2005;
(b) Source: Sacramento Business Journal Annual Book of Lists
(c) Source: Sacramento Area Commerce and Trade Organization

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Full-time Equivalent Agency Employees by Function/Program
 For The Ten Years Ended December 31, 2013

Function/Program:	2004	2005	2006	2007	2008
Administration	55.76	47.50	45.50	44.50	46.05
Housing	186.50	186.50	174.40	164.50	155.25
Community Development	75.73	83.30	81.50	88.60	87.50
Affiliated Organizations	<u>10.13</u>	<u>8.13</u>	<u>7.13</u>	<u>4.63</u>	<u>3.00</u>
Total agency	<u><u>328.12</u></u>	<u><u>325.43</u></u>	<u><u>308.53</u></u>	<u><u>302.23</u></u>	<u><u>291.80</u></u>

Source: Agency Annual Budgets

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Full-time Equivalent Agency Employees by Function/Program
 For The Ten Years Ended December 31, 2013

Function/Program:	2009	2010	2011	2012	2013
Administration	45.50	46.50	45.50	40.00	39.00
Housing	155.00	156.00	156.00	160.00	163.50
Community Development	87.50	85.50	87.50	51.00	50.50
Affiliated Organizations	<u>3.00</u>	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
Total agency	<u><u>291.00</u></u>	<u><u>291.00</u></u>	<u><u>291.00</u></u>	<u><u>253.00</u></u>	<u><u>253.00</u></u>

Source: Agency Annual Budgets

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Operating Indicators by Function
 For the Ten Years Ending December 31, 2013

	2004	2005	2006	2007	2008
Affordable Housing (1):					
Public housing units occupied	3,127	3,023	2,904	2,742	2,806
Housing choice vouchers utilized	11,203	10,783	10,541	11,123	11,245
Multi-family housing units assisted (2)	1,692	353	1,064	1,496	774
Homeownership assistance (3)	545	180	137	221	247
Neighborhood Development:					
Planning activities	21	-	24	1	1
Infrastructure projects (4)	44	17	11	16	1
Community facilities (5)	15	8	29	11	-
Economic Development:					
Commercial loans	54	18	37	13	29

Source: Agency annual budgets and Consolidated Annual Performance Evaluation Reports (CAPER's)

- (1) Includes units encumbered by regulatory restrictions to maintain affordability
- (2) Includes both new and rehabilitated units
- (3) Includes developer assistance to build or rehabilitate affordable units, and direct assistance to homebuyers
- (4) Typical projects are traffic improvements to increase safety
- (5) Typical projects are community centers and parks

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 Operating Indicators by Function
 For the Ten Years Ending December 31, 2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Affordable Housing (1):					
Public housing units occupied	2,845	2,529	2,575	2,695	2,816
Housing choice vouchers utilized	11,245	11,268	11,228	11,774	11,326
Multi-family housing units assisted (2)	504	853	390	589	630
Homeownership assistance (3)	401	534	379	214	291
Neighborhood Development:					
Planning activities	21	22	7	7	4
Infrastructure projects (4)	12	40	12	28	15
Community facilities (5)	12	14	0	8	6
Economic Development:					
Commercial loans	6	23	2	0	0

Source: Agency annual budgets and Consolidated Annual Performance Evaluation Reports (CAPER's)

- (1) Includes units encumbered by regulatory restrictions to maintain affordability
- (2) Includes both new and rehabilitated units
- (3) Includes developer assistance to build or rehabilitate affordable units, and direct assistance to homebuyers
- (4) Typical projects are traffic improvements to increase safety
- (5) Typical projects are community centers and parks

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Capital Assets by Function
For the Nine Years Ending December 31, 2013

	2005	2006	2007	2008	2009
Primary government:					
Governmental activities:					
Housing operations (1)					
Land and Construction in progress	\$ 8,538	\$ 10,795	8,631	\$ 5,682	\$ 6,495
Depreciable buildings and improvements, and property and equipment, net	77	63	30	-	197
Total Housing operations	<u>8,615</u>	<u>10,858</u>	<u>8,661</u>	<u>5,682</u>	<u>6,692</u>
Community development (1)					
Land and Construction in progress	34,870	46,997	54,953	81,907	89,747
Depreciable buildings and improvements, and property and equipment, net	10,096	17,276	17,140	33,537	38,155
Total community development operations	<u>44,966</u>	<u>64,273</u>	<u>72,093</u>	<u>115,444</u>	<u>127,902</u>
Summary of governmental activities:					
Land and Construction in progress	43,408	57,792	63,584	87,589	96,242
Depreciable buildings and improvements, and property and equipment, net	10,173	17,339	17,170	33,537	38,352
Total governmental activities	<u>\$ 53,581</u>	<u>\$ 75,131</u>	<u>\$ 80,754</u>	<u>\$ 121,126</u>	<u>\$ 134,594</u>
Business-type activities:					
Local housing (1)					
Land and Construction in progress	\$ 1,241	\$ 1,749	\$ 1,843	\$ 2,203	\$ 3,420
Depreciable buildings and improvements, and property and equipment, net	8,471	8,569	8,248	7,876	7,469
Total local housing	<u>9,712</u>	<u>10,318</u>	<u>10,091</u>	<u>10,079</u>	<u>10,889</u>
Public housing (2)					
Land and Construction in progress	14,127	13,917	13,774	13,643	13,598
Depreciable buildings and improvements, and property and equipment, net	149,955	144,328	146,309	147,239	145,577
Total public housing	<u>164,082</u>	<u>158,245</u>	<u>160,083</u>	<u>160,882</u>	<u>159,175</u>
Housing choice vouchers					
Land and Construction in progress	-	-	-	-	-
Depreciable buildings and improvements, and property and equipment, net	-	-	-	44	34
Total housing choice vouchers	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>	<u>34</u>
Summary of business-type activities:					
Land and Construction in progress	15,368	15,666	15,617	15,846	17,018
Depreciable buildings and improvements, and property and equipment, net	158,426	152,897	154,557	155,159	153,080
Total business-type activities	<u>\$ 173,794</u>	<u>\$ 168,563</u>	<u>\$ 170,174</u>	<u>\$ 171,005</u>	<u>\$ 170,098</u>
Total primary government	<u>\$ 227,375</u>	<u>\$ 243,694</u>	<u>\$ 250,928</u>	<u>\$ 292,131</u>	<u>\$ 304,692</u>
Component units:					
Local housing (1)					
Land and Construction in progress	\$ 2,728	\$ 2,728	\$ 2,728	\$ 5,160	\$ 7,344
Depreciable buildings and improvements, and property and equipment, net	86,665	81,717	79,128	76,221	73,338
Total component units-local housing	<u>\$ 89,393</u>	<u>\$ 84,445</u>	<u>\$ 81,856</u>	<u>\$ 81,381</u>	<u>\$ 80,682</u>

(1) Affordable housing

(2) Public housing

Information prior to 2005 not available by function.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
Capital Assets by Function
For the Nine Years Ending December 31, 2013

	2010	2011	2012	2013
Primary government:				
Governmental activities:				
Housing operations (1)				
Land and Construction in progress	\$ 19,475	\$ 25,549	25,035	\$ 24,472
Depreciable buildings and improvements, and property and equipment, net	374	379	233	114
Total Housing operations	<u>19,849</u>	<u>25,928</u>	<u>25,268</u>	<u>24,586</u>
Community development (1)				
Land and Construction in progress	86,143	76,399	26,606	19,159
Depreciable buildings and improvements, and property and equipment, net	39,161	30,701	13,530	12,671
Total community development operations	<u>125,304</u>	<u>107,100</u>	<u>40,136</u>	<u>31,830</u>
Summary of governmental activities:				
Land and Construction in progress	105,618	101,948	51,641	43,631
Depreciable buildings and improvements, and property and equipment, net	39,535	31,080	13,763	12,785
Total governmental activities	<u>\$ 145,153</u>	<u>\$ 133,028</u>	<u>\$ 65,404</u>	<u>\$ 56,416</u>
Business-type activities:				
Local housing (1)				
Land and Construction in progress	\$ 2,890	\$ 5,000	\$ 5,050	\$ 5,127
Depreciable buildings and improvements, and property and equipment, net	6,731	8,047	7,027	11,561
Total local housing	<u>9,621</u>	<u>13,047</u>	<u>12,077</u>	<u>16,688</u>
Public housing (2)				
Land and Construction in progress	13,713	16,005	16,559	12,725
Depreciable buildings and improvements, and property and equipment, net	136,069	133,660	133,459	133,676
Total public housing	<u>149,782</u>	<u>149,665</u>	<u>150,018</u>	<u>146,401</u>
Housing choice vouchers				
Land and Construction in progress	-	197	4,004	-
Depreciable buildings and improvements, and property and equipment, net	24	15	5	-
Total housing choice vouchers	<u>24</u>	<u>212</u>	<u>4,009</u>	<u>-</u>
Summary of business-type activities:				
Land and Construction in progress	16,603	21,202	25,613	17,852
Depreciable buildings and improvements, and property and equipment, net	142,824	141,722	140,491	145,237
Total business-type activities	<u>\$ 159,427</u>	<u>\$ 162,924</u>	<u>\$ 166,104</u>	<u>\$ 163,089</u>
Total primary government	<u>\$ 304,580</u>	<u>\$ 295,952</u>	<u>\$ 231,508</u>	<u>\$ 219,505</u>
Component units:				
Local housing (1)				
Land and Construction in progress	\$ 2,552	\$ 2,552	\$ 2,552	\$ 4,500
Depreciable buildings and improvements, and property and equipment, net	84,698	81,843	79,049	77,083
Total component units-local housing	<u>\$ 87,250</u>	<u>\$ 84,395</u>	<u>\$ 81,601</u>	<u>\$ 81,583</u>

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INVESTING IN COMMUNITIES