

CITY OF CITRUS HEIGHTS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2018



Prepared by:

Ronda Rivera
Assistant City Manager

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City of Citrus Heights, California
Comprehensive Annual Financial Report
For the Year Ended June 30, 2018

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To the Honorable Mayor and Members of the City Council and Citizens of the City of Citrus Heights:

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with the City. City staff believes the data presented in this report is accurate in all material respects and all statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included. Management of the City has established an internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of a control should not exceed the benefits derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

While traditionally addressed to the governing body of the City, this report is intended to provide relevant financial information to the citizens of the City of Citrus Heights, City staff, creditors, investors, and other concerned readers. City staff encourages all readers to contact the Finance Division with any questions or comments concerning this report.

The City's financial statements have been audited by Richardson & Company, LLP, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2018 are free of material misstatements. 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.

Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unmodified opinion, which states that the City's financial statements for the fiscal year ended June 30, 2018 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.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Reports.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Citrus Heights

The City of Citrus Heights operates under a Council-Manager form of government and provides municipal services that include public safety, public works, and community development. This report includes all funds of the City of Citrus Heights.

The City Council establishes annual budgets for the General Fund, Proprietary Funds, and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department directors submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the following year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30th each year in accordance with the City's Municipal Code.

The City of Citrus Heights was incorporated on January 1, 1997, as a general law city. Citrus Heights was the first new city in Sacramento County in more than 50 years and was the largest city to incorporate in the State of California. With a population of approximately 88,000 in a 14.2 square-mile area, Citrus Heights is 99% developed and is graced with a strong business base and a well-established residential community.

The Citrus Heights City Council consists of five members, elected at-large to four-year overlapping terms. Council members must be residents of the City. The positions of Mayor and Vice Mayor are chosen by the City Council through policy direction determined by the City

Council. The Mayor conducts the City Council meetings and represents the City on ceremonial occasions.

The City Council serves as the policy board for the municipality. As an elected Board of Directors, the City Council provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders, including the General Plan. The City Council appoints the City Manager, City Attorney, and all members of advisory boards and commissions.

Citrus Heights is retail oriented and is fortunate to have a large area which serves as a hub of shopping and retail services in the Sunrise-Greenback area. The Sunrise Mall, the flagship retail center, was built in 1972 and was the largest indoor mall in Northern California at that time.

In Citrus Heights, the total labor force is approximately 44,000. Unemployment in Citrus Heights is approximately 3.6%. Within ten miles, there is a diverse labor force specializing in such occupations as sales, executive and managerial services, technical support, professional specialties, and other services.

Budget Initiatives

The City of Citrus Heights has developed broad policy direction through the development of budget strategies that establish long-term policy guidance for conducting the City's financial activities. The City Council has established these policies to meet the following strategic objectives:

1. **Strategic Focus** – The City's financial management should be strategic, reflecting the Council's and the community's priorities for service while providing resources that realistically fund routine operations.
2. **Fiscal Control and Accountability** – The City's financial activities should be fiscally sound and accountable to the City Council through the City Manager.
3. **Clarity** – The City's financial planning and reporting should be clear and easy to understand so that all participants, the City Council, the community and staff can productively participate in making good decisions.
4. **Long-Term Planning** – The City's financial planning should emphasize multi-year horizons to promote long-term planning of resource uses.
5. **Flexible and Cost Effective Responses** – The City's financial management practices should encourage a mission-driven organization that responds quickly and straightforwardly to community demands. The City's management should flexibly

respond to opportunities for better service, should proactively manage revenues, and should cost-effectively manage ongoing operating costs.

6. **Staffing Philosophy** – The City has worked towards establishing a balance between City employees and contract staff to ensure the most efficient City operations.

Financial Policies

The City Council has developed policy parameters for the City’s fiscal management. Those fiscal policies address a number of issues including financial activity reporting, budgeting and financial planning, appropriation control, debt management, investments, fees and charges, purchasing, performance measures and competitive review, and reserves.

Long-Term Financial Planning

The City’s financial planning promotes long-term planning of its resources. The ten-year financial model has served as the primary budget guidance tool since the City’s incorporation in 1997. The model is adjusted annually to project future operating revenue and expenditures. Modest increases in General Fund expenditures have been projected for the next ten years. Several factors directly affect the City’s General Fund revenue. Since the City receives approximately 53.5% of its General Fund revenue from sales and use tax, it is especially susceptible to economic downturns. Also, the City is approximately 99% built out which results in fewer opportunities for revenue generating growth. The City is projected to maintain a balanced General Fund through FY 2022-2023, when the City will start to receive its Property Tax revenue.

Current Economic Conditions and Outlook

The City’s economic development efforts and implementation of the City’s financial policies help to promote Citrus Heights’ long-term fiscal stability. Since incorporation in 1997, at the direction of Council, staff has conducted a systematic review of operations, resulting in some cases in the transition from contract service to an in-house operational model; in other instances, a renegotiation of existing service contracts; and in other instances, retention of the contract operational model with a different service provider. These operational analyses and reforms are intended to promote long-term savings to the City and ensure long-term stability. As part of this operation review, the City has established appropriation limits in key operational areas such as law enforcement, which has promoted increased operational efficiency.

The City of Citrus Heights anticipates minimal revenue growth for the next ten years. The City has set up a reserve fund to help maintain a balanced budget until property tax revenue is received in fiscal year 2022-2023.

Awards and Acknowledgements

The City of Citrus Heights received an award for its submission of the FY 2016-17 Comprehensive Annual Financial Report for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). This was the eighteenth consecutive year that the City received this 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. City staff believes that this report will again meet the program requirements to receive the award.

The preparation of this Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Division and the auditing firm of Richardson & Company, LLP. I would also like to thank members of the City Council, the City Manager, and the various departments for their cooperation and support in planning and conducting the financial operations of the City during the past fiscal year.

Respectfully Submitted,



Ronda Rivera

Assistant City Manager



Government Finance Officers Association

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

Presented to

**City of Citrus Heights
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

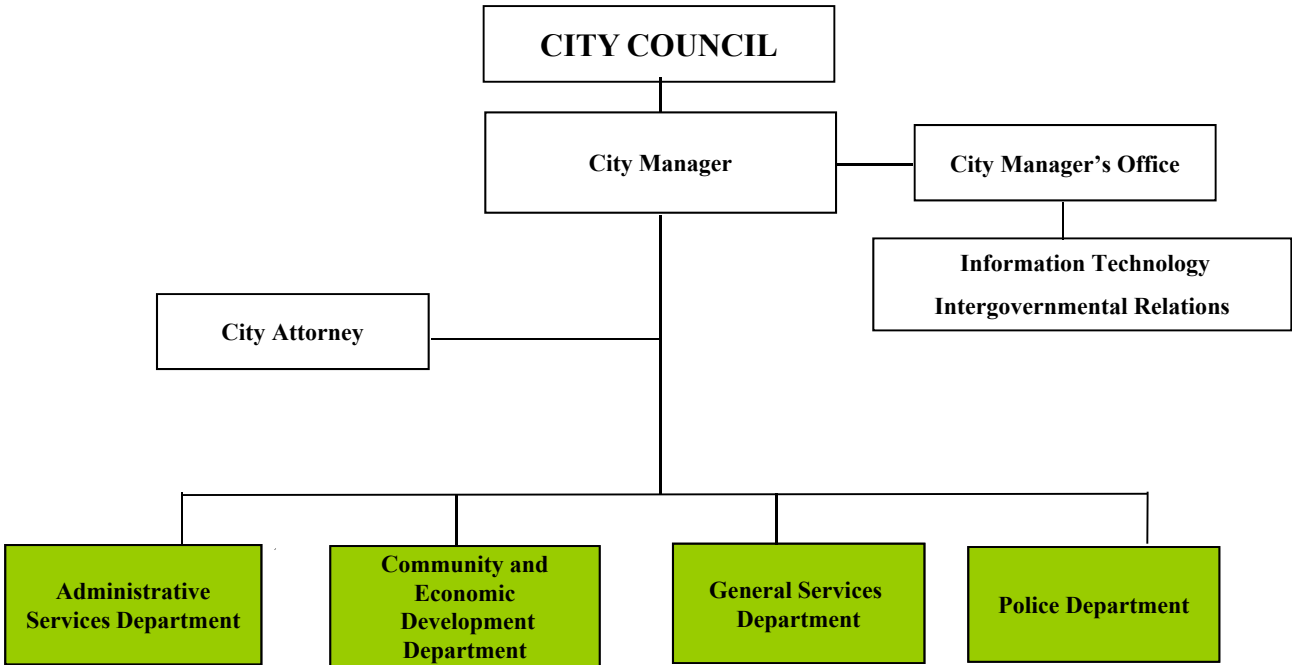
June 30, 2017

Christopher P. Merrill

Executive Director/CEO

CITY OF CITRUS HEIGHTS

Organization Chart



City of Citrus Heights, California

For the year ended June 30, 2018

List of Officials

- Steve Miller, Mayor
- Jeannie Bruins, Vice Mayor
- Bret Daniels, Council Member
- Albert J. Fox, Council Member
- Jeff Slowey, Council Member

- Christopher W. Boyd, City Manager
- Ronda Rivera, Assistant City Manager
- Rhonda Sherman, Community Services Director
- Ronald A. Lawrence, Chief of Police
- Ruthann Ziegler, City Attorney



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Citrus Heights, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Citrus Heights, California (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City'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 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 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.

To the Honorable Mayor and Members of the City Council
City of Citrus Heights, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Citrus Heights, California, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund, Housing Program Grants Special Revenue Fund and Community Development Block Grants Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 11 to the financial statements, during the year ended June 30, 2018, the City adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is 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, schedule of the proportionate share of the net pension liability and schedule of contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios and schedule of contributions to the OPEB plan, as listed in the accompanying table of contents, 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 City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Honorable Mayor and Members of the City Council
City of Citrus Heights, California

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic 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 have also issued our report dated December 21, 2018 on our consideration of the City'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 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 City's internal control over financial reporting and compliance.

Richardson & Company, LLP

December 21, 2018

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City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis

This section provides a narrative overview and analysis of the financial activities of the City of Citrus Heights (City) for the fiscal year ended June 30, 2018. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- ◆ As of June 30, 2018, total assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$363,129,247 (net position). The portion of net position that may be used to meet the government's ongoing obligations to citizens and creditors (unrestricted net position) is \$1,974,482. The portion of net position that is restricted and may only be used for specific purposes is \$16,266,052. The remaining \$344,888,713 is invested in capital assets.
- ◆ As of June 30, 2018, the City's governmental funds reported combined ending fund balances of \$17,772,851. Of the combined fund balances, 33.7% (\$5.986 million) is available to meet the City's current and future needs (committed, assigned and unassigned balances).
- ◆ As of June 30, 2018, the committed amount in the General Fund of \$4.6 million represents amounts committed for insurance, postemployment healthcare benefits and a Council commitment for economic uncertainties and anticipated future short-term structural deficits (i.e. revenue stabilization). See Note 7.
- ◆ Under the revenue neutrality agreement with the County of Sacramento, \$4,885,101 of property tax revenue was retained by the County as payment under the agreement. These payments are expected to continue through the fiscal year ending June 30, 2022.
- ◆ The City signed a ground lease agreement with Dignity Health Medical Foundation (Dignity Health) for the former City Hall site under which the City collected an initial payment of \$1.0 million and will collect an additional \$5.9 million over a fifteen-year period beginning in the fiscal year ending June 30, 2019.
- ◆ Capital assets, net of depreciation, decreased to \$344,888,713 from \$355,681,545 which includes \$307,643,606 of infrastructure per the requirements of GASB 34.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report is in three major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information;

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

- 2) **Financial section**, which includes the Management's Discussion and Analysis (this part), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements along with the notes to these financial statements and Combining and Individual Fund Financial Statements and Schedules; and,
- 3) **Statistical section**, which includes detailed information as a context for understanding what the information in the financial statements, and footnotes says about the City's overall financial health.

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the City's financial activities and financial position.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the City's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the City's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each the City's programs. The Statement of Activities explains in detail the change in net position for the year.

All of the City's activities are grouped into Governmental Activities and Business-type activities, as explained below. All the amounts in the Statement of Net Position and the Statement of Activities are separated into Governmental Activities and Business-type Activities in order to provide a summary of these two activities of the City as a whole.

- ◆ ***Governmental activities*** – All of the City's basic services are considered to be governmental activities, including general government, community development, economic development, public safety, animal control, engineering, community events, public improvements, planning and zoning, building inspections, and general administration. These services are supported by general City revenues such as taxes and by specific program revenues such as developer fees.
- ◆ ***Business-type activities*** – All of the City's enterprise activities are reported here. The City's only Business-type activity fund is Solid Waste. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental 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 Fund 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 a government's near-term financing requirements.

Because the focus of the Governmental Fund Financial Statements 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 Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund Financial Statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all nonmajor funds summarized and presented only in a single column. Subordinate schedules present the detail of these nonmajor funds. Major funds present the major activities of the City for the year, and may change from year to year as a result of changes in the pattern of the City's activities.

For the fiscal year ended June 30, 2018, the City's major funds include the General Fund, HOME Program Grants Special Revenue Fund, and the Community Development Block Grant (CDBG) Special Revenue Fund.

For the fiscal year ended June 30, 2018, the City adopted annual appropriated budgets for the General Fund and Special Revenue funds.

Proprietary funds. The City maintains one Enterprise-type proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Solid Waste activities.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste operation.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found on pages 32-68 of this report. Required Supplementary Information follows the notes on page 69.

Combining and Individual Fund Financial Statements and Schedules. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found on pages 73-112 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

In the case of the City, assets exceeded liabilities by \$363,129,247 as of June 30, 2018. Under the state's revenue neutrality law, the County retains the annual property tax for the first twenty-five years after the City's incorporation through the fiscal year ending June 30, 2022. For the fiscal year ended June 30, 2018, the County retained \$5,278,677 of property taxes.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The Summary of Net Position as of June 30, 2018, and 2017, follows:

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 32,286,485	\$ 31,196,247	\$ 409,404	\$ 379,239	\$ 32,695,889	\$ 31,575,486
Capital assets	344,507,138	355,292,096	381,575	389,449	344,888,713	355,681,545
Total Assets	376,793,623	386,488,343	790,979	768,688	377,584,602	387,257,031
Total Deferred Outflows	10,483,514	11,344,874	342,240	54,046	10,825,754	11,398,920
Long-term liabilities	15,825,240	13,005,965	468,753	138,608	16,293,993	13,144,573
Other liabilities	8,001,273	7,338,149	33,345	127,074	8,034,618	7,465,223
Total Liabilities	23,826,513	20,344,114	502,098	265,682	24,328,611	20,609,796
Total Deferred Inflows	922,386	1,997,193	30,112	7,040	952,498	2,004,233
Net position:						
Net investment in capital assets	344,507,138	355,292,096	381,575	389,449	344,888,713	355,681,545
Restricted	16,266,052	15,935,790	-	-	16,266,052	15,935,790
Unrestricted	1,755,048	4,264,024	219,434	160,563	1,974,482	4,424,587
Total Net Position	\$362,528,238	\$375,491,910	\$ 601,009	\$ 550,012	\$363,129,247	\$376,041,922

Restricted net position increased by \$330,262 due to the receipt of restricted funds in a number of special revenue funds for road maintenance, transit services and various development activities. Unrestricted net position can be used to finance day to day operations without constraints established by debt covenants or other legal requirements. The City had \$1,974,482 of unrestricted net position as of June 30, 2018, which is a decrease of \$2,450,105. The decrease was mainly due to the \$2,362,687 net pension liability increase and a \$519,000 increase in claims payable offset by a decrease in OPEB liability of \$196,706. While unrestricted net position is technically unrestricted, much of the amount is committed for a specific use as described in Note 7.

The City maintains a commitment of fund balance in the General Fund, commonly called the General Fund Reserve. It is set at a maximum of \$35 million at June 30, 2018, and the balance is currently \$4.6 million. The net position of business-type activities cannot be used to make up an unrestricted net position deficit in the governmental activities. The City generally can only use these assets to finance the continuing operations of the business-type activities.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2018, and 2017, follows:

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 7,946,857	\$ 9,363,391	\$ 798,838	\$ 761,614	\$ 8,745,695	\$ 10,125,005
Grants and contributions:						
Operating	6,265,040	6,087,515	-	-	6,265,040	6,087,515
Capital	1,483,643	2,006,396	-	-	1,483,643	2,006,396
General revenues:						
Property taxes and assessments	758,653	991,552	-	-	758,653	991,552
Sales and use taxes	15,653,986	15,412,345	-	-	15,653,986	15,412,345
Utility users tax	2,932,236	2,881,617	-	-	2,932,236	2,881,617
Other taxes	1,600,300	1,616,163	-	-	1,600,300	1,616,163
Shared intergovernmental - unrestricted	8,037,540	7,611,171	-	-	8,037,540	7,611,171
Investment earnings (Losses)	254,162	1,108,551	3,450	452	257,612	1,109,003
Total Revenues	44,932,417	47,078,701	802,288	762,066	45,734,705	47,840,767
Expenses:						
Governmental activities:						
General government	6,106,557	5,463,122	-	-	6,106,557	5,463,122
Public safety	21,698,128	18,378,242	-	-	21,698,128	18,378,242
Public ways and facilities	24,395,899	24,188,701	-	-	24,395,899	24,188,701
Culture and recreation	722,254	669,948	-	-	722,254	669,948
Economic development	353,608	402,904	-	-	353,608	402,904
Community enhancements	4,664,278	4,710,977	-	-	4,664,278	4,710,977
Business-type activities:						
Solid waste	-	-	751,291	798,694	751,291	798,694
Total Expenses	57,940,724	53,813,894	751,291	798,694	58,692,015	54,612,588
Excess of revenues over expenditures before transfers	(13,008,307)	(6,735,193)	50,997	(36,628)	(12,957,310)	(6,771,821)
Transfers	-	-	-	-	-	-
Change in Net Position	(13,008,307)	(6,735,193)	50,997	(36,628)	(12,957,310)	(6,771,821)
Restatement	44,635				44,635	
Net position, beginning of year	375,491,910	382,227,103	550,012	586,640	376,041,922	382,813,743
NET POSITION, JUNE 30	\$ 362,528,238	\$ 375,491,910	\$ 601,009	\$ 550,012	\$ 363,129,247	\$ 376,041,922

Revenues

The City's total revenues for governmental and business-type activities were \$45,734,705 for the fiscal year ended June 30, 2018. Approximately 66% of the City's key revenues are generated from three major sources.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The following discusses variances in key revenues from the prior fiscal year:

1. **Sales Tax** - Annual receipts for the fiscal year ended June 30, 2018 increased \$241,641 from the prior year.
2. **Shared Intergovernmental Revenues** - Annual receipts for the fiscal year ended June 30, 2018 increased by \$426,369 from the prior year. This amount represents the state motor vehicle in-lieu tax.
3. **Grants and Contributions - Governmental Activities Operating** - Governmental Activities operating grants and contributions were mainly from transit allocations from the Sacramento Area Council of Governments and street, road, and community enhancement grants that were for maintenance and operations as well as grant reimbursements for housing loans made during the year. Revenues increased in 2018 for public ways and facilities as project spending went up.

Grants and Contributions - Governmental Activities Capital - The decrease in capital revenues reflects the completion of several capital projects during the fiscal year ended June 30, 2018. Those projects included the 2017 Access and Drainage Improvements, Sunrise/Sayonara Drainage Project and the Baird Drainage Project.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Expenses

Governmental and business-type activity expenses of the City for the year totaled \$58,692,015. Governmental activity expenses totaled \$57,940,724 or 98.7% of total expenses. Business-type activities expenses totaled \$751,291 during the fiscal year. Public safety costs represented 37.4% of total governmental activities expenses. Public ways and facilities costs represented the largest single expense for governmental activities.

Governmental Activities

The following table shows the cost of each of the City's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2018, and 2017, were as follows:

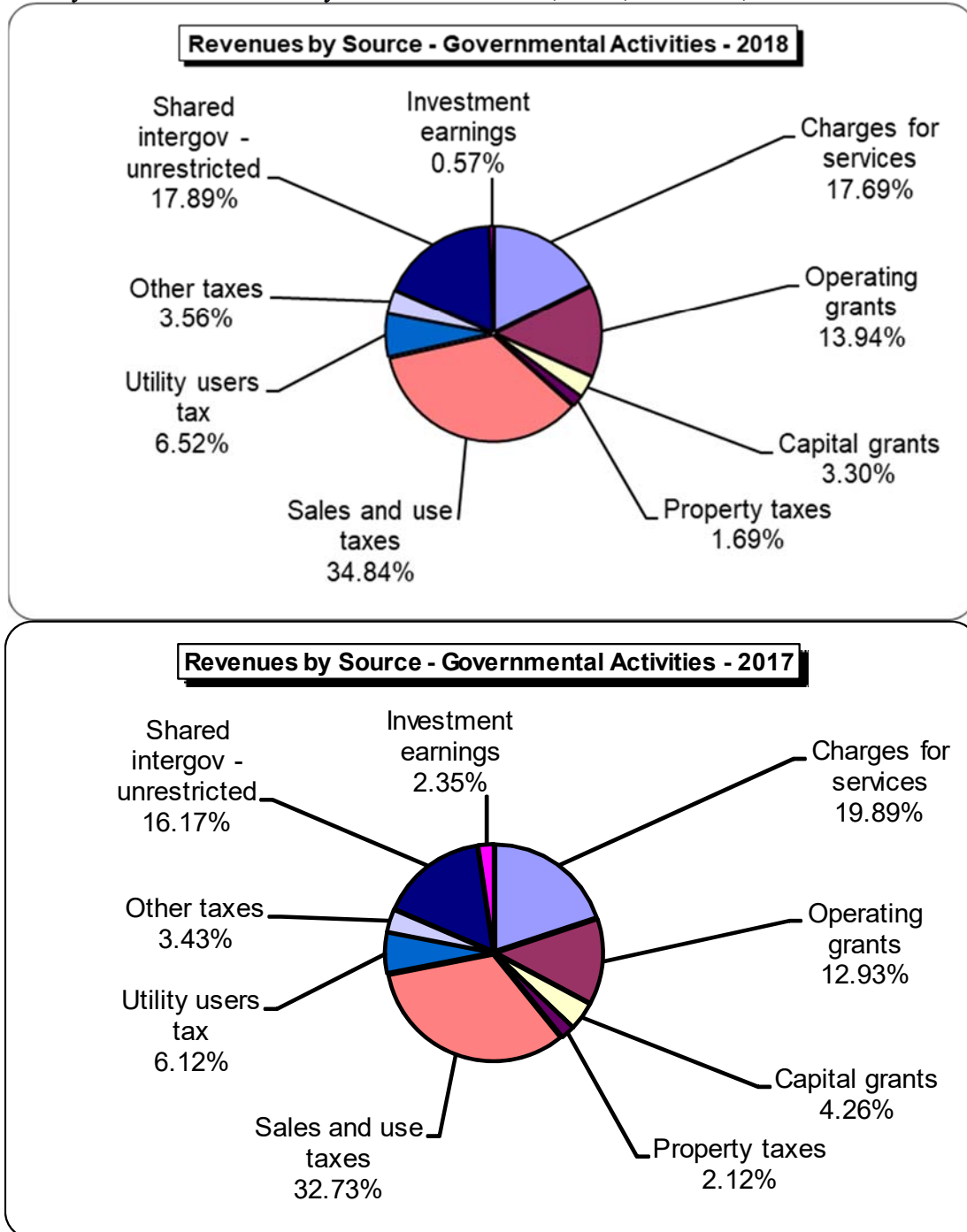
	2018		2017	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 6,106,557	\$ (4,829,201)	\$ 5,463,122	\$ (4,059,762)
Public safety	21,698,128	(19,491,503)	18,378,242	(15,766,626)
Public ways and facilities	24,395,899	(14,064,850)	24,188,701	(14,270,186)
Culture and recreation	722,254	(264,132)	669,948	(297,501)
Economic development	353,608	(353,608)	402,904	(402,904)
Community enhancements	4,664,278	(3,241,890)	4,710,977	(1,559,613)
TOTAL	\$ 57,940,724	\$ (42,245,184)	\$ 53,813,894	\$ (36,356,592)

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues by source for the fiscal years ended June 30, 2018, and 2017, are as follows:

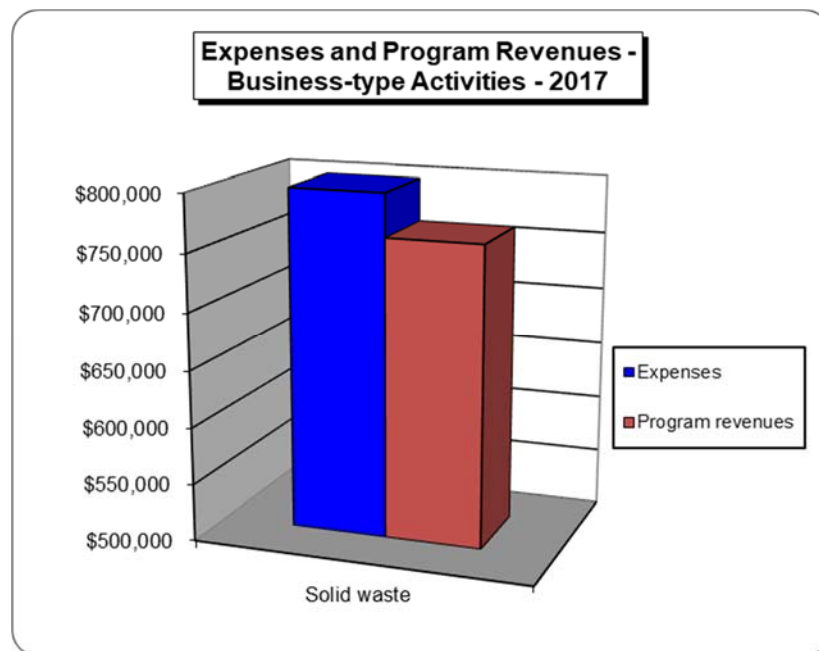
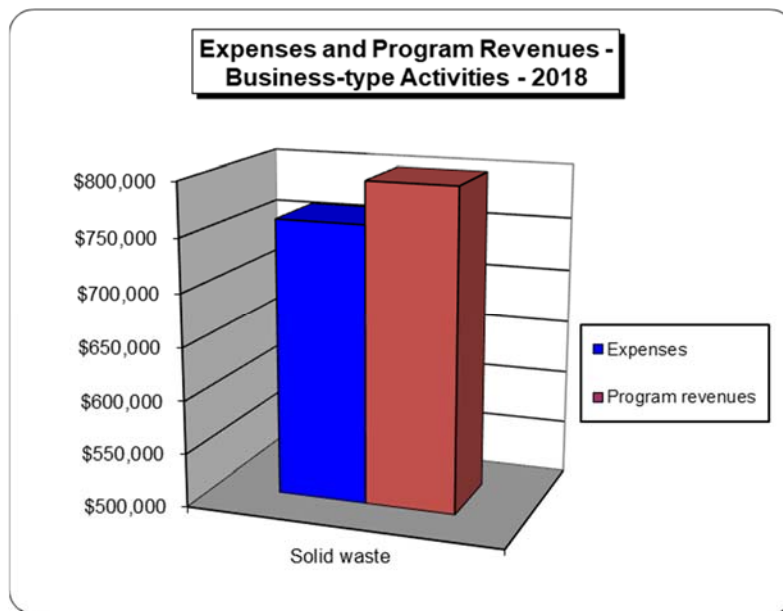


City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Business-type activities. The City's net position for business-type activities increase by \$50,997. The City has one business-type activity, which is Solid Waste Operations. The expenses and program revenues for the Solid Waste Operation for the fiscal year ended June 30, 2018, and 2017, are as follows:

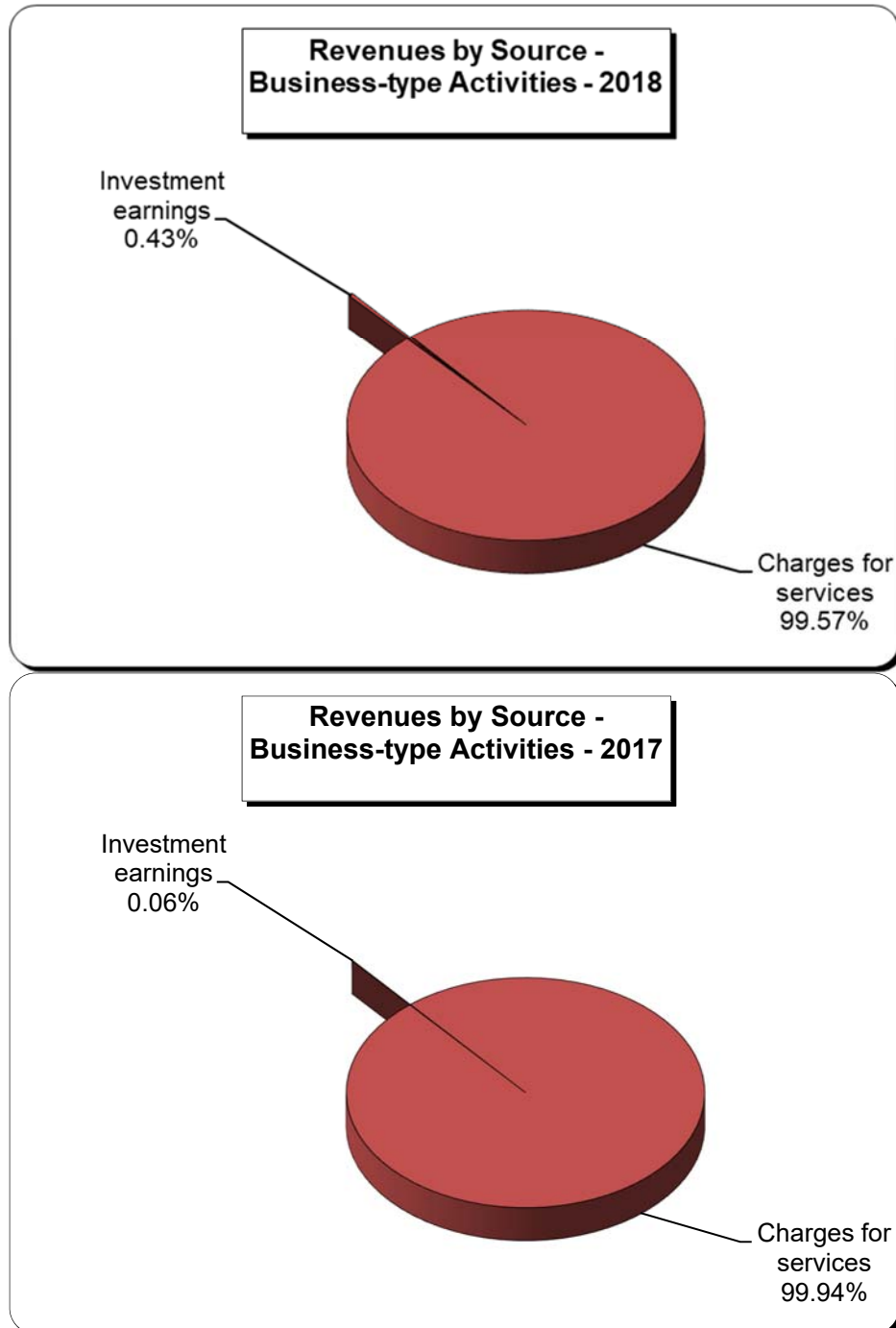


City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The revenues by source for the solid waste business-type activity for the fiscal years ended June 30, 2018 and 2017 are as follows:



City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Financial Analysis of the Government's Funds

The City of Citrus Heights uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.

Governmental funds. The City's governmental funds provide information on near-term inflows, outflows, and balances of spending resources. At the fiscal year ended June 30, 2018, the City's governmental funds reported combined fund balances of \$17,772,851. The City reports two major funds, the General Fund and General Capital Improvements Fund.

The General Fund is the chief operating fund of the City. At the fiscal year ended June 30, 2018, the General Fund's fund balance totaled \$5,173,792 of which \$4,559,378 was committed for board approved projects. Fund balance in the General Fund decreased by \$544,643 mainly due to the transfer of \$500,000 from the General Fund Reserve to the General Capital Improvements Fund for furniture, fixtures and equipment related to the purchase of the new City Hall building and utility yard.

The City's Redevelopment Agency was dissolved on January 31, 2012, in accordance with the provisions of ABx1 26. The City of Citrus Heights elected to become the Housing Successor and Successor Agency. With the exception of residual interest, all loans, advances, land held for sale and other assets were sold or transferred to the City or other appropriate agencies as of June 30, 2017. The distribution for residual interest occurred during the year ending June 30, 2018. The State Department of Finance notified the Successor Agency that it acknowledges the end of the Successor Agency's existence as March 1, 2017.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Proprietary funds. The City has one business-type activity, which is Solid Waste Operations. The Proprietary fund unrestricted net position increased \$50,997 in the fiscal year ended June 30, 2018.

General Fund Budgetary Highlights

There was no difference between the original budget and the final amended budget for revenues. The difference between the final budget and actual revenues reflects a negative amount of \$22,192. Taxes and Assessments, licenses and permits, and charges for services came in under budget; all other revenue categories exceeded the budget estimate. The largest favorable variance compared to the budget was in fines and forfeitures of \$138,309.

There was no difference between the original budget and the final amended budget for expenditures. Total expenditures were \$307,907 under the budgeted amount. The saved costs were mainly related to salary savings.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2018 amounted to \$344,888,713. This investment in capital assets includes land, art, construction in progress costs for road and other improvements, buildings and improvements, infrastructure, the City Hall and Utility Yard assets and machinery and equipment.

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 14,860,489	\$ 14,118,799	\$ -	\$ -	\$ 14,860,489	\$ 14,118,799
Art	103,650	103,650	-	-	103,650	103,650
Construction in progress	1,094,336	537,821	-	-	1,094,336	537,821
Buildings and improvements	18,975,142	19,807,698	-	-	18,975,142	19,807,698
Infrastructure	307,262,031	318,138,754	381,575	389,449	307,643,606	318,528,203
Assets under capital lease	8,575	-	-	-	8,575	-
Machinery and equipment	2,202,915	2,585,374	-	-	2,202,915	2,585,374
Total	\$ 344,507,138	\$ 355,292,096	\$ 355,292,096	\$ 389,449	\$ 344,888,713	\$ 355,681,545

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The increase in land was mainly due to Right of Way (ROW) escrow charges and land acquisitions. The increase in construction in progress was mainly due to the ongoing construction of several major capital projects including the Sunrise Boulevard Complete Streets Improvement Project (Phase 2A) and the Auburn Boulevard Complete Streets Revitalization Project (Phase 2). More detail of the capital assets and current activity can be found in the notes to the financial statements on Pages 36 and 37 for significant accounting policies and Note 4 on Page 47 and 48 for other capital asset information.

Long-term Debt

The City's long-term debt at June 30, 2018 totaled \$18,305,401 and include a net pension liability of \$14,224,447. More detail on the City's long-term debt can be found in Note 6 on page 49.

Economic Outlook

The local economy continues to perform well. The housing market has rebounded with the median value of a home in Sacramento County increasing by 7.6 percent between June 2017 and June 2018. The City of Citrus Heights experienced a net taxable value increase of 6.1 percent for the 2018-19 tax roll, just slightly less than the countywide increase of 6.8 percent.

Employment has continued to increase in the Sacramento Region. During the past twelve months, local employment increased by 1.3 percent compared to 1.1 percent during the previous twelve-month period. The unemployment rate in Sacramento County was 3.6 percent in June 2018 which compares favorably to the statewide unemployment rate of 4.2 percent.

Consumer spending has also continued its positive trend with a 1.6 percent increase in sales tax collections by the City during Fiscal Year 2017-18. It is anticipated that the local, state and national economies will continue along a slow, steady growth trajectory in 2019.

The City maintains a multi-year forecasting model to project anticipated revenues and expenditures. The model predicts continued positive operating performance through fiscal year 2022-2023, when the City will begin to receive property tax revenues that are currently being retained by Sacramento County as part of the revenue neutrality settlement.

City of Citrus Heights, California
Basic Financial Statements
For the Year ended June 30, 2018

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Requests for Information

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Citrus Heights Administrative Services Department, 6360 Fountain Square Drive, Citrus Heights, CA 95621, or visit the City's web page at www.citrusheights.net.

CITY OF CITRUS HEIGHTS, CALIFORNIA
STATEMENT OF NET POSITION
June 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and investments	\$ 12,982,631	\$ 283,661	\$ 13,266,292
Receivables:			
Accounts	1,254,146	124,681	1,378,827
Interest	43,323	1,062	44,385
Due from other governments	5,707,540	-	5,707,540
Prepaid items	254,571	-	254,571
TOTAL CURRENT ASSETS	20,242,211	409,404	20,651,615
NONCURRENT ASSETS			
Interest receivable - lease	236,015	-	236,015
Loans and notes receivable	5,317,438	-	5,317,438
Lease receivable	3,706,221	-	3,706,221
Land held for resale	2,784,600	-	2,784,600
Capital assets:			
Nondepreciable	16,058,475	-	16,058,475
Depreciable, net	328,448,663	381,575	328,830,238
TOTAL NONCURRENT ASSETS	356,551,412	381,575	356,932,987
TOTAL ASSETS	376,793,623	790,979	377,584,602
DEFERRED OUTFLOWS OF RESOURCES			
Pension plans	10,117,500	330,254	10,447,754
Other postemployment benefits plan	366,049	11,951	378,000
TOTAL DEFERRED OUTFLOWS OF RESOURCES	10,483,549	342,205	10,825,754
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	2,059,018	17,217	2,076,235
Salaries and benefits payable	427,491	-	427,491
Refundable deposits	76,562	-	76,562
Due to other governments	912,047	16,128	928,175
Retention payable	54,375	-	54,375
Unearned revenue	2,460,372	-	2,460,372
Noncurrent liabilities - current portion	2,011,408	-	2,011,408
TOTAL CURRENT LIABILITIES	8,001,273	33,345	8,034,618
NONCURRENT LIABILITIES			
Noncurrent liabilities	15,825,288	468,705	16,293,993
TOTAL NONCURRENT LIABILITIES	15,825,288	468,705	16,293,993
TOTAL LIABILITIES	23,826,561	502,050	24,328,611
DEFERRED INFLOWS OF RESOURCES			
Pension plans	880,253	28,733	908,986
Other postemployment benefits plan	42,136	1,376	43,512
TOTAL DEFERRED INFLOWS OF RESOURCES	922,389	30,109	952,498
NET POSITION			
Net investment in capital assets	344,507,138	381,575	344,888,713
Restricted for:			
Housing projects	8,858,157	-	8,858,157
Stormwater maintenance	2,122,376	-	2,122,376
Streets, roads and park projects	2,951,579	-	2,951,579
Assessment District maintenance	1,440,740	-	1,440,740
Other	893,200	-	893,200
Unrestricted	1,755,032	219,450	1,974,482
TOTAL NET POSITION	\$ 362,528,222	\$ 601,025	\$ 363,129,247

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Totals
		Charges for Services	Grants and Other Contributions		Governmental Activities	Business-type Activities	
			Operating	Capital			
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES							
General government	\$ 6,106,559	\$ 1,185,547	\$ 91,809	\$ -	\$ (4,829,203)	\$ -	\$ (4,829,203)
Public safety	21,698,139	1,488,252	718,373	-	(19,491,514)	-	(19,491,514)
Public ways and facilities	24,395,900	4,324,674	4,525,543	1,480,832	(14,064,851)	-	(14,064,851)
Culture and recreation	722,255	449,711	8,411	-	(264,133)	-	(264,133)
Economic development	353,608	-	-	-	(353,608)	-	(353,608)
Community enhancements	4,664,279	498,673	920,904	2,811	(3,241,891)	-	(3,241,891)
TOTAL GOVERNMENTAL ACTIVITIES	57,940,740	7,946,857	6,265,040	1,483,643	(42,245,200)	-	(42,245,200)
BUSINESS-TYPE ACTIVITIES							
Solid waste	751,275	798,838	-	-	-	47,563	47,563
TOTAL BUSINESS-TYPE ACTIVITIES	751,275	798,838	-	-	-	47,563	47,563
TOTAL PRIMARY GOVERNMENT	\$ 58,692,015	\$ 8,745,695	\$ 6,265,040	\$ 1,483,643	(42,245,200)	47,563	(42,197,637)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					758,653	-	758,653
Sales and use tax					15,653,986	-	15,653,986
Utility users tax					2,932,236	-	2,932,236
Other taxes					1,600,300	-	1,600,300
Intergovernmental:							
State motor vehicle in-lieu tax (MVLFF)					8,037,540	-	8,037,540
Investment earnings					254,162	3,450	257,612
Total general revenues					29,236,877	3,450	29,240,327
Change in net position							
					(13,008,323)	51,013	(12,957,310)
Net position, beginning of year, as previously reported							
previously reported					375,491,910	550,012	376,041,922
Restatement					44,635		44,635
Net position, beginning of year, as restated					375,536,545	550,012	376,086,557
Net position, end of year							
					\$ 362,528,222	\$ 601,025	\$ 363,129,247

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
GOVERNMENTAL FUNDS
BALANCE SHEETS
June 30, 2018

	Major Funds				
	General Fund	HOME Program Grants Special Revenue Fund	CDBG Grants Special Revenue Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 2,519,666	\$ 276,895	\$ 171,868	\$ 10,014,202	\$ 12,982,631
Receivables:					
Accounts	492,874	-	-	761,272	1,254,146
Interest	4,910	1,756	1,918	34,739	43,323
Interest - lease	236,015	-	-	-	236,015
Loans and notes receivable	24,639	3,476,098	\$ 1,550,200	266,501	5,317,438
Direct financing lease receivable	3,706,221	-	-	-	3,706,221
Due from other funds	806,261	-	-	-	806,261
Due from other governments	3,443,540	118,263	110,593	2,035,144	5,707,540
Prepaid items	254,571	-	-	-	254,571
Land held for resale	-	-	-	2,784,600	2,784,600
TOTAL ASSETS	\$ 11,488,697	\$ 3,873,012	\$ 1,834,579	\$ 15,896,458	\$ 33,092,746
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Accounts payable	\$ 573,765	\$ 31,089	\$ 80,165	\$ 1,373,999	\$ 2,059,018
Salaries and benefits payable	427,491	-	-	-	427,491
Refundable deposits	76,562	-	-	-	76,562
Due to other funds	-	-	92,525	713,736	806,261
Due to other governments	537,009	-	-	375,038	912,047
Retention payable	-	-	-	54,375	54,375
Unearned revenue	436,837	-	-	317,943	754,780
Compensated absences liability	36,905	-	-	-	36,905
TOTAL LIABILITIES	2,088,569	31,089	172,690	2,835,091	5,127,439
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - accounts and grants receivable	284,100	-	-	673,321	957,421
Unavailable revenue - loans	-	3,476,098	1,550,200	266,501	5,292,799
Unavailable revenue - direct financing lease	3,706,221	-	-	-	3,706,221
Unavailable revenue - direct financing lease interest	236,015	-	-	-	236,015
TOTAL DEFERRED INFLOWS OF RESOURCES	4,226,336	3,476,098	1,550,200	939,822	10,192,456
FUND BALANCES (DEFICITS)					
Nonspendable:					
Loans and notes receivable	24,639	-	-	-	24,639
Prepaid items	254,571	-	-	-	254,571
Land held for resale	-	-	-	2,784,600	2,784,600
Restricted	21,143	365,825	111,689	8,224,826	8,723,483
Committed	4,559,378	-	-	-	4,559,378
Assigned	-	-	-	1,374,838	1,374,838
Unassigned (deficit)	314,061	-	-	(262,719)	51,342
TOTAL FUND BALANCES	5,173,792	365,825	111,689	12,121,545	17,772,851
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 11,488,697	\$ 3,873,012	\$ 1,834,579	\$ 15,896,458	\$ 33,092,746

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
Reconciliation of the
GOVERNMENTAL FUND -- BALANCE SHEETS
to the
STATEMENT OF NET POSITION
June 30, 2018

Fund balances - total governmental funds	\$ 17,772,851
--	---------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	344,507,138
--	-------------

Deferred outflows related to the City's pension and OPEB plans will reduce the pension and OPEB liability in the future.	10,483,549
--	------------

Long-term receivables are not available to pay current period expenditures and, therefore, are not recognized in the governmental funds. The City's direct financing lease receivable is reported as unearned revenue under GASB Statement No. 62 for government-wide purposes.

Deferred inflows of resources recognized	\$ 10,192,456	
Unearned revenue - direct financing lease receivable	<u>(1,705,592)</u>	8,486,864

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund balance sheet. Those liabilities consist of:

Compensated absences	(1,722,302)	
Claims payable	(1,710,000)	
Net OPEB obligation	(584,102)	
Net pension liability	<u>(13,774,812)</u>	(17,799,791)

Deferred inflows of resources related to the City's pension and OPEB plans will be reflected in the pension and OPEB liability in the future.	<u>(922,389)</u>
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NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 362,528,222</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF CITRUS HEIGHTS, CALIFORNIA
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2018

	Major Funds				
	General Fund	HOME Program Grants Special Revenue Fund	CDBG Grants Special Revenue Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and assessments	\$ 16,522,415	\$ -	\$ -	\$ -	\$ 16,522,415
Licenses and permits	1,306,547	-	-	155,957	1,462,504
Fines and forfeitures	878,309	-	-	269,410	1,147,719
Intergovernmental	8,092,919	357,340	217,890	10,171,382	18,839,531
Use of money and property	444,571	2,704	3,209	65,033	515,517
Charges for services	1,289,828	-	-	5,304,596	6,594,424
Contributions	11,315	-	-	8,411	19,726
Other revenues	91,518	89,849	169,395	140,352	491,114
TOTAL REVENUES	28,637,422	449,893	390,494	16,115,141	45,592,950
EXPENDITURES					
Current:					
General government	5,222,028	-	-	360,555	5,582,583
Public safety	18,992,647	-	-	1,025,542	20,018,189
Public ways and facilities	23,950	-	-	11,227,389	11,251,339
Culture and recreation	559,474	-	-	145,392	704,866
Economic development	298,781	-	-	-	298,781
Community enhancements	3,044,752	378,140	388,022	495,712	4,306,626
Capital outlay	15,995	-	-	2,302,324	2,318,319
TOTAL EXPENDITURES	28,157,627	378,140	388,022	15,556,914	44,480,703
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	479,795	71,753	2,472	558,227	1,112,247
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	-	-	-	112,672	112,672
Transfers in	216,671	-	-	1,298,093	1,514,764
Transfers out	(1,241,109)	-	-	(273,655)	(1,514,764)
TOTAL OTHER FINANCING SOURCES (USES)	(1,024,438)	-	-	1,137,110	112,672
NET CHANGE IN FUND BALANCES	(544,643)	71,753	2,472	1,695,337	1,224,919
Beginning fund balances	5,718,435	294,072	109,217	10,426,208	16,547,932
ENDING FUND BALANCES	\$ 5,173,792	\$ 365,825	\$ 111,689	\$ 12,121,545	\$ 17,772,851

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
Reconciliation of the
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS
to the
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds \$ 1,224,919

Amounts reported for governmental activities in the statement of activities are different because:

Some receivables are deferred in the governmental funds because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities. This amount represents the change in deferred inflows of resources related to unavailable revenue and loans receivable. (660,534)

Governmental funds report capital outlay as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.

Capital outlay	\$ 2,318,319	
Depreciation expense	<u>(13,099,282)</u>	(10,780,963)

Governmental funds report proceeds from disposal of capital assets as revenues. However, in the statement of activities only the gain or (loss) on the sale of capital assets is reported. This is the difference between the gain or (loss) and proceeds. (12,570)

Deferred outflows and inflows of resources related to the City's pension and OPEB plans do not result in the receipt or use of current financial resources and are not reported in the governmental funds.

Change in deferred outflows of resources - pension plan		(1,227,374)
Change in deferred inflows of resources - pension plan		1,116,940
Change in deferred outflows of resources - OPEB plan		366,049
Change in deferred inflows of resources - OPEB plan		(42,136)

Long-term liabilities reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Principal payments are reported as expenditures in governmental funds, but are reported as a reduction of the liability in the statement of net position. These amounts represents the change in long-term liabilities not recorded in the fund statements.

Change in claims liability	(519,000)	
Change in compensated absences liability	65,374	
Change in net OPEB liability	(176,293)	
Change in net pension liability	<u>(2,362,735)</u>	<u>(2,992,654)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ (13,008,323)</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF CITRUS HEIGHTS, CALIFORNIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2018

GENERAL FUND				
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 16,696,937	\$ 16,696,937	\$ 16,522,415	\$ (174,522)
Licenses and permits	1,341,000	1,341,000	1,306,547	(34,453)
Fines and forfeitures	740,000	740,000	878,309	138,309
Intergovernmental	7,962,373	7,962,373	8,092,919	130,546
Use of money and property	547,779	547,779	444,571	(103,208)
Charges for services	1,371,525	1,371,525	1,289,828	(81,697)
Contributions	-	-	11,315	11,315
Other revenues	-	-	91,518	91,518
TOTAL REVENUES	28,659,614	28,659,614	28,637,422	(22,192)
EXPENDITURES				
Current:				
General government	5,220,319	5,220,319	5,222,028	(1,709)
Public safety	19,215,741	19,215,741	18,992,647	223,094
Public ways and facilities	-	-	23,950	(23,950)
Culture and recreation	435,757	435,757	559,474	(123,717)
Economic development	343,639	343,639	298,781	44,858
Community enhancements	3,071,078	3,071,078	3,044,752	26,326
Capital outlay	179,000	179,000	15,995	163,005
TOTAL EXPENDITURES	28,465,534	28,465,534	28,157,627	307,907
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	194,080	194,080	479,795	285,715
OTHER FINANCING SOURCES (USES)				
Transfers in	235,000	235,000	216,671	(18,329)
Transfers out	(704,058)	(704,058)	(1,241,109)	(537,051)
TOTAL OTHER FINANCING SOURCES (USES)	(469,058)	(469,058)	(1,024,438)	(555,380)
NET CHANGE IN FUND BALANCE	\$ (274,978)	\$ (274,978)	(544,643)	\$ (269,665)
Beginning fund balance			5,718,435	
ENDING FUND BALANCE			\$ 5,173,792	

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

HOME PROGRAM GRANTS SPECIAL REVENUE FUND				CDBG GRANTS SPECIAL REVENUE FUND			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
648,000	648,000	357,340	(290,660)	988,113	988,113	217,890	(770,223)
3,427	3,427	2,704	(723)	-	-	3,209	3,209
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	89,849	89,849	30,000	30,000	169,395	139,395
651,427	651,427	449,893	(201,534)	1,018,113	1,018,113	390,494	(627,619)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
811,074	811,074	378,140	432,934	969,650	969,650	388,022	581,628
-	-	-	-	-	-	-	-
811,074	811,074	378,140	432,934	969,650	969,650	388,022	581,628
(159,647)	(159,647)	71,753	231,400	48,463	48,463	2,472	(45,991)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ (159,647)</u>	<u>\$ (159,647)</u>	71,753	<u>\$ 231,400</u>	<u>\$ 48,463</u>	<u>\$ 48,463</u>	2,472	<u>\$ (45,991)</u>
		294,072				109,217	
		<u>\$ 365,825</u>				<u>\$ 111,689</u>	

CITY OF CITRUS HEIGHTS, CALIFORNIA
SOLID WASTE NONMAJOR ENTERPRISE FUND
STATEMENT OF NET POSITION
June 30, 2018

	<u>Totals</u>
ASSETS	
CURRENT ASSETS	
Cash and investments	\$ 283,661
Receivables:	
Accounts	124,681
Interest	<u>1,062</u>
TOTAL CURRENT ASSETS	<u>409,404</u>
NONCURRENT ASSETS	
Capital assets:	
Depreciable, net	<u>381,575</u>
TOTAL NONCURRENT ASSETS	<u>381,575</u>
TOTAL ASSETS	<u>790,979</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	330,254
Other post-employment benefits	<u>11,951</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>342,205</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	17,217
Due to other governments	<u>16,128</u>
TOTAL CURRENT LIABILITIES	<u>33,345</u>
NONCURRENT LIABILITIES	
Net pension liability	449,635
Net other post-employment benefits obligation	<u>19,070</u>
TOTAL NONCURRENT LIABILITIES	<u>468,705</u>
TOTAL LIABILITIES	<u>502,050</u>
DEFERRED INFLOWS OF RESOURCES	
Pension plans	28,733
Other post-employment benefits	<u>1,376</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>30,109</u>
NET POSITION	
Net investment in capital assets	381,575
Unrestricted	<u>219,450</u>
TOTAL NET POSITION	<u>\$ 601,025</u>

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
SOLID WASTE NONMAJOR ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
For the Year Ended June 30, 2018

	<u>Totals</u>
OPERATING REVENUES	
Charges for services	\$ 798,838
TOTAL OPERATING REVENUES	<u>798,838</u>
OPERATING EXPENSES	
Salaries and benefits	342,413
Professional services	27,603
Materials and supplies	99,363
General and administrative expenses	274,022
Depreciation expense	7,874
TOTAL OPERATING EXPENSES	<u>751,275</u>
OPERATING INCOME	47,563
NONOPERATING REVENUES	
Interest revenue	3,450
TOTAL NONOPERATING REVENUES	<u>3,450</u>
CHANGE IN NET POSITION	51,013
Net position, beginning of year	<u>550,012</u>
NET POSITION, END OF YEAR	<u>\$ 601,025</u>

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
SOLID WASTE NONMAJOR ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2018

	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 765,914
Payments to suppliers	(494,603)
Payments to employees	<u>(277,520)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(6,209)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income received	<u>2,641</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>2,641</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,568)
Cash and cash equivalents, beginning of the year	<u>287,229</u>
Cash and cash equivalents, end of the year	<u><u>\$ 283,661</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 47,563
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation Expense	7,874
(Increase) decrease in current assets and deferred outflows of resources:	
Accounts receivable	(42,107)
Due from other governments	9,183
Deferred outflows of resources - pensions	(276,208)
Deferred outflows of resources - OPEB	(11,951)
Increase (decrease) in liabilities and deferred inflows of resources:	
Accounts payable and accrued liabilities	(100,560)
Due to other governments	6,945
Salaries and benefits payable	(114)
Net pension liability	311,027
Deferred inflows of resources - pensions	21,693
Net OPEB liability	19,070
Deferred inflows of resources - OPEB	<u>1,376</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (6,209)</u></u>

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	<u>Agency Funds</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
CURRENT ASSETS	
Cash and investments	<u>\$ 21,894</u>
TOTAL ASSETS	<u><u>\$ 21,894</u></u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Due to other governments	<u>\$ 21,894</u>
TOTAL CURRENT LIABILITIES	<u><u>\$ 21,894</u></u>
TOTAL LIABILITIES	
NET POSITION	
Net position held in trust for redevelopment dissolution	

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

CITY OF CITRUS HEIGHTS, CALIFORNIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2018

		Successor Agency Private Purpose Trust Funds
		<hr/>
ADDITIONS:		
Investment earnings		\$ 181
	TOTAL ADDITIONS	<hr/> 181
DEDUCTIONS:		
Public ways and facilities		181
	TOTAL DEDUCTIONS	<hr/> 181
	CHANGE IN FIDUCIARY NET POSITION	-
NET POSITION		
Net position, beginning of year		<hr/> -
	NET POSITION, END OF YEAR	<hr/> <hr/> \$ -

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The City applies all GASB pronouncements to its activities. The more significant of these accounting policies are described below.

Financial Reporting Entity

The City of Citrus Heights (City) was incorporated on January 1, 1997, under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: public safety (police), highways and streets, solid waste, stormwater utility, public improvements, planning and zoning, building, animal services, transit, and general administration.

The City operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The City's main funding sources include sales taxes, utility user tax, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance. All secured and unsecured ad valorem property taxes, with the exception of tax assessments associated with lighting and landscaping special assessments, are paid to Sacramento County (County) as part of the revenue neutrality payment obligation through June 30, 2022. The financial statements do not reflect the amounts received on behalf of the City and retained by the County.

The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the City has the ability to impose its will on the organization, or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the City.

As required by GAAP, these financial statements would present the government and its component units, entities for which the government is considered to be financially accountable. The City does not have any component units.

Basis of Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities display information about the nonfiduciary activities of the government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues, while business-type activities rely to a significant extent on fees and charges to external parties.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions restricted to the operating or capital requirements of a specific function or segment. All taxes and internally dedicated resources classified as program revenues are reported as *general revenues*.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental fund are at least ten percent of the corresponding total for all funds of that category or type; and,
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

Qualitative factors are also considered in determining major programs as applicable.

The City reports the following major funds:

- **General Fund** – The General Fund is the primary operating fund of the City. It accounts for all activities except those legally or administratively required to be accounted for in another fund. From this fund are paid the City's general operating expenditures, the fixed charges, and the capital costs that are not paid through other funds.
- **HOME Program Grants Special Revenue Fund** – Accounts for HOME Program Grant funds used for low income housing activities.
- **Community Development Block Grants (CDBG) Special Revenue Fund** – Accounts for CDBG grant funds used for low income housing loans for home repair projects, and non-profit public service activities.

Additionally, the City reports the following fund types:

Governmental Funds

Special Revenue Funds - The Special Revenue Funds are used to account for specific revenues that are legally or otherwise restricted to expenditures for particular purposes.

Capital Project Funds - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Proprietary Funds

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user charges.

Fiduciary Funds

Private Purpose Trust Funds - Private Purpose Trust Funds are used to account for fiduciary assets not required to be reported in another fiduciary fund type. The City's private purpose trust fund was used to account for the activities of the Successor Agency to the Community Redevelopment Agency of City of Citrus Heights that was terminated prior to year-end as described in Note 12.

Agency Funds - Agency Funds account for assets held by the City in a purely custodial capacity. Since agency funds are custodial in nature, they do not involve the measurement of results of operations and are not presented in the government-wide financial statements. There are two agency funds reported by the City, including a fund that collects fire development fees on behalf of the Sacramento Metropolitan Fire District and a fund that collects transportation fees on behalf of the State.

Measurement Focus

Measurement focus is a term used to describe which transactions are recorded within the various financial statements.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds, with the exception of agency funds, which have no measurement focus. The accounting objectives of economic resources measurement focus are the determination of net income, financial position, and cash flows. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recorded in the year for which they are levied. Sales taxes are recognized when the underlying sales transaction takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. All assets and liabilities (whether current or noncurrent) as well as deferred outflows and inflows of resources, associated with their activities are reported. Fund equity is classified as net position, which serves as an indicator of financial position.

In the governmental fund financial statements, the "current financial resources" measurement focus is used and the modified accrual basis of accounting. Only current financial assets and liabilities along with deferred outflows and inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statements, proprietary funds and private purpose trust funds are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the fund are those revenues that are generated from the primary operations of the fund,

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

including charges for services. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount, and available means the amount is collectible within the current period or soon enough thereafter to pay current liabilities. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end, with the exception of grant revenues, sales tax and Transportation Development Act (TDA) revenues. Grant revenues are considered to be available if collected within 180 days and sales tax and TDA revenues are considered to be available if collected within 90 days of the end of the current fiscal period.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

Assets, Liabilities and Equity

Cash and Investments

The City’s cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including the City’s investments in LAIF, and certificates of deposit.

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, utility user taxes, intergovernmental subventions, interest earnings, and expense reimbursements.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, utility user tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available, such as property tax, are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. The loans receivable are recorded in the fund statements, but are reported as deferred inflows of resources to indicate they do not represent current financial resources. The loans are recognized when advanced in the government-wide statements. The City's experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the government-wide Statement of Net Position. See Note 8 for details of interfund transactions, including receivables and payables at year-end.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the governmental fund financial statements, prepaid items are reported as nonspendable fund balance to indicate they do not constitute current resources available for appropriation. The consumption method is used to recognize prepaid items.

Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost, if actual cost is unavailable. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The City policy has set the capitalization threshold at \$5,000 for non-infrastructure capital assets and \$25,000 for infrastructure capital assets.

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems. Prior to July 1, 2003, governmental activity infrastructure assets were not capitalized; however, since then these assets have been valued at estimated historical cost.

The accounting treatment of capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Purchases of capital assets are reported as capital outlay expenditures in governmental funds and proceeds from sales of capital assets are reported as other financing sources. In the government-wide and proprietary fund statements, the cost of assets sold or retired, net of accumulated depreciation, is removed from the statement of net position in the year of sale or retirement and the resulting gain or loss on disposal is reported.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The range of estimated useful lives by type of asset is as follows:

Building and improvements	5-50 years
Leasehold improvements	5 years
Machinery and equipment	5 years
Network equipment/phone system	10 years
Computer equipment	5 years
Vehicles	5-15 years

Deferred Outflows and Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expenditure/expense) or an inflow of resources (revenue) until the earnings process is complete. The governmental funds report unavailable revenues for grants and other revenues when the amounts meet the asset recognition criteria under GASB 33 and were accrued as receivables, but the amounts were not received in the availability period. Deferred outflows and inflows of resources include amounts deferred related to the City's pension plan under GASB 68 as described in Note 10 and the City's OPEB plan as described in Note 11. As indicated above, loans receivable are also reported as deferred inflows of resources to indicate they do not represent current financial resources.

Compensated Absences

Employees accrue annual leave, long-term medical, holiday and compensatory time off benefits. City employees have vested interests in the amount of accrued time off, with the exception of long-term medical leave, and are paid at termination. Also, annually an employee may elect to be compensated for up to 40 hours of unused annual leave. However, this is contingent upon the employee using at least 40 hours of annual leave during the previous year and, the employee having a minimum balance of 80 annual leave hours after the payment. Compensated absences are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements and is currently payable. The City had no employee resignations or retirements for which compensated absences should be accrued in governmental funds at year-end. The General Fund is typically used to liquidate compensated absences.

Equity Classification

Government-Wide Statements

Equity in government-wide and proprietary fund statements is classified as net position and is displayed in three components:

- a. *Investment capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The net investment in capital assets for the City represents the balance of capital assets, net of depreciation since the City has no long-term liabilities outstanding.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

- b. *Restricted net position* – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or by laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “investment in capital assets.”

Fund Financial Statements

Governmental fund equity is classified as fund balance and displayed in the following components:

Nonspendable Fund Balance –

- Assets that will never convert to cash (prepaid items and inventory) and assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable not deferred in the fund statements).

Restricted Fund Balance –

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (creditors, grantors, contributors and other governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation (e.g., Gas Tax).

Committed Fund Balance –

- Self-imposed limitations set in place prior to the end of the period (encumbrances, economic contingencies and uncertainties).
- Limitation at the highest level of decision-making (Council) that requires formal action at the same level to remove. Council Resolution is required to be approved to establish, modify or rescind a fund balance commitment.

Assigned Fund Balance –

- Resources constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- Governmental fund amounts in excess of nonspendable, restricted and committed in other than the General Fund are automatically reported as assigned.
- Assigned amounts for specific purposes are determined and authorized by the City Manager according to the City’s fund balance policy. Use of assigned funds exceeding the City Manager’s \$50,000 spending authority are approved as part of the budget or by Council Resolution.

Unassigned Fund Balance –

- Residual net resources.
- Total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus).
- Excess of nonspendable, restricted and committed fund balance over total fund balance (deficit).

See Note 7 for more information about the City’s net position and fund balances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenues, Expenditures, and Expenses

Program Revenues

Amounts reported as *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 or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Tax

The County of Sacramento (County) is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The City recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year-end.

Secured property taxes are levied on or before the first day of September of each year. They become a lien on real property on March 1 preceding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, cost, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1, and become delinquent if unpaid on August 31.

The City participates in an alternative method of distribution of property tax levies and assessments known as the “Teeter Plan.” The State Revenue and Taxation Code allow counties to distribute secured real property, assessment, and supplemental property taxes on an accrual basis resulting in full payment to cities each fiscal year. Any subsequent delinquent payments and penalties and interest during a fiscal year will revert to Sacramento County. The Teeter Plan payment, which includes 95% of the outstanding accumulated delinquency, is included in property tax revenue retained by Sacramento County under the revenue neutrality agreement. Under the Teeter Plan Code, 5% of the delinquency must remain with the County as a reserve for Teeter Plan funding.

Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers within individual governmental funds have been eliminated. See Note 8 for more information about the City’s interfund transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Solid Waste Fund and any non-major special revenue funds that have contributions expense are used to liquidate the net pension liability.

Other Postemployment Benefits Plan (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Solid Waste Fund and any non-major special revenue funds that have contributions expense are used to liquidate the net OPEB liability.

Budgetary Accounting

The City Council establishes budgets for the General Fund and all Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. The City did not budget the following special revenue funds: The Road Maintenance and Rehabilitation Fund, Measure A Construction Fund, General Capital Improvements Capital Projects Fund and Auburn Boulevard Utilities Fund. The City did not budget capital projects funds with the exception of the Community Capital Replacement Fund. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Manager is authorized to transfer budgeted amounts within a fund without formal council action or approval.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. There were no material supplemental appropriations made for the fiscal year ended June 30, 2018. Budget information is presented for the General and budgeted Special Revenue Funds in the fund financial statements. The budget information is presented on a basis consistent with generally accepted accounting principles. Appropriations, except open project appropriations and unexpended grant appropriations, lapse at the end of each fiscal year.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Joint Power Authorities or Jointly Governed Organizations

The City of Citrus Heights is a member of several Joint Powers Agencies (JPA) and/or jointly managed agencies, including:

<u>Agency Name</u>	<u>Purpose</u>
Sacramento Metropolitan Air Quality Management District	Monitors and enforces air quality requirements
Sacramento Regional County Sanitation District	Waste water conveyance, treatment and disposal
Sacramento Area Sewer District	Sewer service
Sacramento Transportation Authority	Administration of transportation projects
Sacramento Area Council of Governments	Regional planning (primarily transportation)

Funding, if any, for each of these agencies from the City is based on annual appropriations. The City has no continuing financial liability and does not expect any financial burden from its participation in any of these agencies. Separate financial statements of the JPA's can be obtained by contacting the individual agencies.

2. CASH AND INVESTMENTS

At June 30, 2018, the City's pooled cash and investments are classified in the accompanying financial statements as follows:

Government-wide Statements of Net Position	
Governmental Activities	\$ 12,982,631
Business-type Activities	283,661
Statement of Fiduciary Net Position - Fiduciary Funds	<u>21,894</u>
Total cash and investments	<u><u>\$ 13,288,186</u></u>

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

2. CASH AND INVESTMENTS, Continued

Cash and investments are categorized as follows under GASB Statement No. 40:

Cash on hand	\$ 4,600
Deposits with financial institutions	29,344
Total cash and deposits	<u>33,944</u>
Local Agency Investment Funds (LAIF)	10,470,997
U.S. Agency obligations	2,776,227
Money market mutual funds	7,018
Total investments	<u>13,254,242</u>
Total cash and investments	<u>\$ 13,288,186</u>

Investments Authorized by the California Government Code and the City's Investment Policy

Investments are reported at fair value. California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

During the year ended June 30, 2018, the City's permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
U.S. Treasury obligations	5 years	N/A	None	None
U.S. Agency securities	5 years	N/A	None	None
Local agency bonds	5 years	N/A	None	None
Bankers acceptances	180 days	N/A	40%	10%
High grade commercial paper	270 days	AAA	25%	10%
Negotiable certificates of deposit	5 years	A	15%	3%
Medium-term corporate notes	5 years	A	30%	10%
Mutual funds	90 days	AAA	20%	10%
Money market mutual funds	90 days	AAA	20%	10%
Repurchase agreements	1 year	A	20%	None
Reverse repurchase agreements	92 days	A	20% of base value	None
LAIF	N/A	N/A	\$50,000,000	None

The City complied with the provisions of California Government Code pertaining to the types of investments held, institutions in which deposits were made and security requirements. The City will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

2. CASH AND INVESTMENTS, Continued

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 maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. In accordance with its investment policy, the City manages its exposures to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 5 years. As of June 30, 2018, the weighted average maturity of investments was 2.20 years.

Information about the sensitivity of the fair values of the City's investments to market rate interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Type of Investment	Total	Maturities as of Year-end		
		12 Months or Less	13-24 Months	25-60 Months
Local Agency Investment Fund	\$ 10,470,997	\$ 10,470,997	\$ -	\$ -
U.S. Agency obligations	2,776,227	-	984,160	1,792,067
Money market mutual funds	7,018	7,018	-	-
Total	<u>\$ 13,254,242</u>	<u>\$ 10,478,015</u>	<u>\$ 984,160</u>	<u>\$ 1,792,067</u>

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. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, and the actual rating as of year-end for each investment type.

Type of Investment	Total	Ratings as of Year-end		
		AAA	AA+	Unrated
Local Agency Investment Fund	\$ 10,470,997	\$ -	\$ -	\$ 10,470,997
U.S. Agency obligations	2,776,227	-	2,776,227	-
Money market mutual funds	7,018	7,018	-	-
Total	<u>\$ 13,254,242</u>	<u>\$ 7,018</u>	<u>\$ 2,776,227</u>	<u>\$ 10,470,997</u>

Concentration of Credit Risk

The investment policy of the City contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer, other than U.S. Treasury securities, mutual funds, and external investment pools that represent 5% or more of total District-wide investments are as follows:

Issuer	Investment Type	Amount
Federal Home Loan Mortgage Corporation	U.S. Agencies	\$ 1,792,067
Federal National Mortgage Association	U.S. Agencies	984,160

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

2. CASH AND INVESTMENTS, Continued

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 (e.g., broker-dealer) 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 City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by depository regulated under state law (unless so waived by the governmental unit). 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 public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2018, the carrying amount of the City's deposits was \$29,344 and the balance in financial institutions was \$963,759. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$713,759 was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the City and governmental agencies, but not in the name of the City. As of June 30, 2018, all of the City's U.S. Agency obligations and money market mutual funds totaling \$2,776,227 and \$7,018, respectively, were held by the same broker-dealer (counterparty) that was used by the City to buy the securities.

Investment in LAIF

LAIF is stated at fair value. LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The total fair value amount invested by all public agencies in LAIF is \$88,798,232,977 and is managed by the State Treasurer. Of that amount, 2.67 percent was invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The weighted average maturity of investments held by LAIF was 193 days at June 30, 2018.

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

2. CASH AND INVESTMENTS, Continued

The Fund has the following recurring fair value measurements as of June 30, 2018:

	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
U.S. Agency obligations	\$ 2,776,227	\$ -	\$ 2,776,227	\$ -
Total investments by fair value level	2,776,227	-	2,776,227	-
Investments measured at net asset value or not categorized:				
LAIF	10,470,997			
Money market mutual funds	7,018			
Total	\$ 13,254,242			

All securities classified in Level 2 are valued using pricing models based on market data, such as matrix or model pricing from outside pricing services, such as Interactive Data Corporation. These valuation techniques include third party benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two sided markets, benchmark securities, bids, offers and reference data including market research publications.

3. LOANS AND NOTES RECEIVABLE

Through the City's various housing rehabilitation funds and first-time home buyer's funds, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Accrued interest receivable on the loans totaled \$715,519 at year-end. The City also has loans receivable from employees for computer purchases in the General Fund.

Governmental activities loans and notes receivable consisted of the following for the year ended June 30, 2018:

	Beginning June 30, 2017	Additions	Deletions	Ending June 30, 2018
General Fund	\$ 25,054	\$ 30,235	\$ (30,650)	\$ 24,639
Home Program Grants Special Revenue Fund	4,509,212	334,425	(1,367,539)	3,476,098
CDBG Special Revenue Fund	1,524,318	194,206	(168,324)	1,550,200
Non-Major Special Revenue Funds	307,297	966	(41,762)	266,501
Total loans/notes receivable	\$ 6,365,881	\$ 559,832	\$ (1,608,275)	\$ 5,317,438

The following is a summary of the loans and notes receivable outstanding as of June 30, 2018:

General Fund – These loans are for employees to purchase computers for personal use as a benefit provided by the City, loans are provided on a two-year amortization schedule and do not bear interest. The balance of these loans at June 30, 2018, was \$24,639.

3. LOANS AND NOTES RECEIVABLE, Continued

HOME Program Grants Special Revenue Fund – The City made various loans to qualifying participants within the City that are reported in this fund under the following programs:

Federal First Time Home Buyers Program (HOME) - Interest rates vary depending on the terms of the loan and interest is deferred until the loan is refinanced or title to the property changes. The loan principal may be assumed by another qualifying borrower or must be returned to the City if a nonqualifying buyer purchases the related property. Interest rates ranged from 0% to 3% at year-end and the loans mature through 2043. The HOME notes receivable balance at June 30, 2018 was \$3,449,142.

The Sacramento Housing and Redevelopment Agency (SHRA) services approximately \$840,000 of the HOME loans recorded by the City under a Home Investment Partnerships Consortium Agreement and the responsibilities of the City and SHRA were previously outlined in a subrecipient agreement (Agreement). The SHRA's staff indicated that the City is no longer responsible for the single audit on these loans and recommended the City write-off the loans. However, the term of the Agreement expired in December 2017 and a new agreement has not been executed. The City will consider writing off the loans once the contractual responsibilities over the loans has been defined in a new subrecipient or other agreement.

HUD Economic Development Initiative Grants - Interest rates vary depending on the terms of the loan and interest is deferred until the loan is refinanced or title to the property changes. The interest rates were 3% at year-end. The down payment assistance notes receivable at June 30, 2018 were \$26,956.

Total HOME Program Grant Special Revenue Fund loans totaled \$3,476,098.

Community Development Block Grant (CDBG) Special Revenue Fund – The City participates in a CDBG Revolving loan program. The program is federally funded and provides housing rehabilitation loans to eligible applicants. The City makes loans to resident homeowners who qualify as low income, some of which are deferred and are not repaid until the title to the property changes. Interest rates range from 0% to 3% at year-end and mature through 2047. The balance of these loans outstanding at June 30, 2018 was \$1,550,200.

Housing Agency Special Revenue Fund – The City took over maintenance of loans receivable during the year ended June 30, 2016 for Low and Moderate-income Housing that were previously reported in the Successor Agency Housing Fund. The City provides home rehabilitation loans to eligible low and moderate-income borrowers. Interest on certain loans may be waived by the City if the loan remains outstanding for the full term; therefore, interest income is recorded when received. Interest rates ranged from 0% to 3% and loans mature through 2039. The balance of these loans outstanding at June 30, 2018 was \$266,501.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

4. CAPITAL ASSETS

Capital asset activity was as follows for the year ended June 30, 2018:

	Balance June 30, 2017	Additions	Deletions	Transfers/ Adjustments	Balance June 30, 2018
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 14,118,799	\$ 741,690	\$ -	\$ -	\$ 14,860,489
Art	103,650	-	-	-	103,650
Construction in Progress	537,821	1,164,212	-	(607,697)	1,094,336
Total capital assets not being depreciated	14,760,270	1,905,902	-	(607,697)	16,058,475
Capital assets being depreciated:					
Buildings and improvements	41,278,459	10,386	(13,350)	-	41,275,495
Infrastructure	571,164,972	-	-	607,697	571,772,669
Assets under capital lease	-	8,575	-	-	8,575
Machinery and equipment	9,244,673	402,031	(390,332)	-	9,256,372
Total capital assets, being depreciated	621,688,104	420,992	(403,682)	607,697	622,313,111
Less accumulated depreciation for:					
Buildings and improvements	(21,470,761)	(837,602)	8,010	-	(22,300,353)
Infrastructure	(253,026,218)	(11,484,420)	-	-	(264,510,638)
Machinery and equipment	(6,659,299)	(777,260)	383,102	-	(7,053,457)
Total accumulated depreciation	(281,156,278)	(13,099,282)	391,112	-	(293,864,448)
Total capital assets being depreciated, net	340,531,826	(12,678,290)	(12,570)	607,697	328,448,663
Total capital assets, net	\$ 355,292,096	\$ (10,772,388)	\$ (12,570)	\$ -	\$ 344,507,138

The assets under capital lease in the table above represent a vehicle donated to the Police Department for temporary use in undercover anti-theft investigations.

	Balance at June 30, 2017	Additions	Transfers & Adjustments	Balance at June 30, 2018
Business-type Activities:				
Capital assets, being depreciated:				
Infrastructure	\$ 393,675	\$ -	\$ -	\$ 393,675
Total capital assets being depreciated	393,675	-	-	393,675
Less accumulated depreciation for:				
Infrastructure	(4,226)	(7,874)	-	(12,100)
Total accumulated depreciation	(4,226)	(7,874)	-	(12,100)
Total capital assets, net	\$ 389,449	\$ (7,874)	\$ -	\$ 381,575

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

4. CAPITAL ASSETS, Continued

Depreciation expense for capital assets was charged to functions as follows:

General government	\$ 68,506
Public safety	470,665
Public ways and facilities	12,557,850
Culture and recreation	<u>2,261</u>
Total	<u>\$ 13,099,282</u>

5. DIRECT FINANCING LEASE RECEIVABLE

In February 2017, the City entered into a ground lease receivable agreement with Dignity Health Medical Foundation (Dignity Health) to lease the former City Hall site at Fountain Square Drive and Greenback Lane. The property will be used for medical office building for outpatient services and other medical uses. Under the terms of the agreement, Dignity Health will own all improvements made to the property and will be responsible for all taxes, insurance and other property related expenses. Dignity Health reimbursed the City \$749,249 incurred by the City to demolish the old City Hall building and prepare the site for use by Dignity Health. Dignity Health provided an initial payment of \$1,000,000 in February 2017 and will pay monthly lease payments ranging from \$10,828 to \$57,554 over a 15-year period beginning six months after the core and shell of the medical office building are completed. The core and shell of the building were completed on June 15, 2018, resulting in payments beginning on December 1, 2018. The agreement contains a provision for the City to sell the property to Dignity Health for \$1 at the end of the lease term. Interest was imputed at 4.5%, which was the estimated market rate for similar instruments at the date the lease was executed. Principal payments on the lease at inception were \$4,706,221. Because the payments are not sufficient to pay the imputed interest at 4.5% through May 2021, unpaid interest of \$315,025 was added to principal balance of the lease through May 2021 for interest computation purposes. Cumulative unpaid interest as of June 30, 2018 was \$236,015.

The lease and related interest receivable are offset with deferred inflows in the General Fund since the amounts were not received in the availability period. The difference between the leased property and principal amount of the lease of \$1,705,592 is reported as unearned revenue in the government-wide statements under GASB Statement No. 62.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

6. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

	Balance June 30, 2017 (As Restated)	Additions	Retirements	Balance June 30, 2018	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 1,787,676	\$ 1,359,686	\$ (1,388,155)	\$ 1,759,207	\$ 1,374,296
Claims payable	1,191,000	853,450	(334,450)	1,710,000	637,112
Capital lease payable		8,575		8,575	
Net OPEB Liability	780,808	-	(196,706)	584,102	-
Net pension liability	11,412,077	2,362,735	-	13,774,812	-
	<u>\$ 15,171,561</u>	<u>\$ 4,584,446</u>	<u>\$ (1,919,311)</u>	<u>\$ 17,836,696</u>	<u>\$ 2,011,408</u>
Business-type Activities:					
OPEB Liability	\$ -	\$ 19,070	\$ -	\$ 19,070	\$ -
Net pension liability	138,608	311,027	-	449,635	-
	<u>\$ 138,608</u>	<u>\$ 330,097</u>	<u>\$ -</u>	<u>\$ 468,705</u>	<u>\$ -</u>

See Note 1 for a discussion of compensated absences, Note 9 for more information about the claims liability, Note 10 for information about the net pension liability and Note 11 for information about the OPEB liability. The July 1, 2017 balance above reflects a restatement to the net OPEB liability to implement GASB Statement No. 75 as described in Note 14.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

7. FUND BALANCES

Nonspendable, restricted and committed fund balance consisted of the following at June 30, 2018:

Fund Balance Classifications	Major Funds			Total Nonmajor Governmental Funds	Total
	General Fund	Housing Program Grants	CDBG Grants		
Nonspendable:					
Loans and notes receivable	\$ 24,639	\$ -	\$ -	\$ -	\$ 24,639
Prepaid items	254,571	-	-	-	254,571
Land held for sale	-	-	-	2,784,600	2,784,600
Total Nonspendable Fund Balances	279,210	-	-	2,784,600	3,063,810
Restricted for:					
Donations for projects	21,143	-	-	-	21,143
Stormwater maintenance	-	-	-	2,255,885	2,255,885
Streets, roads and park projects	-	-	-	3,394,583	3,394,583
Assessment district maintenance	-	-	-	1,440,740	1,440,740
Police activities	-	-	-	443,080	443,080
Housing projects	-	365,825	111,689	335,723	813,237
Pedestrian and bicycle facilities	-	-	-	159,389	159,389
Tree preservation	-	-	-	99,446	99,446
Business marketing	-	-	-	527	527
Transit program	-	-	-	79,153	79,153
Other grant programs	-	-	-	16,300	16,300
Total Restricted Fund Balances	21,143	365,825	111,689	8,224,826	8,723,483
Committed to:					
Insurance	375,000	-	-	-	375,000
Postemployment healthcare benefits	274,980	-	-	-	274,980
Revenue stabilization	3,909,398	-	-	-	3,909,398
Total Committed Fund Balances	4,559,378	-	-	-	4,559,378
Assigned to:					
Capital improvements and equipment replacement	-	-	-	1,374,838	1,374,838
	-	-	-	1,374,838	1,374,838
Unassigned in:					
General Fund	314,061	-	-	-	314,061
Special Revenue Funds	-	-	-	(247,487)	(247,487)
Capital Project Funds	-	-	-	(15,232)	(15,232)
Total Unassigned Fund Balances	314,061	-	-	(262,719)	51,342
Total fund balances (deficit)	\$ 5,173,792	\$ 365,825	\$ 111,689	\$ 12,121,545	\$ 17,772,851

Nonspendable

- **Advances to other funds** – used to indicate that the long-term advances do not represent available, spendable resources even though they are components of assets.
- **Loans and notes receivable** – used to segregate that portion of fund balance to indicate that long-term loans or notes receivable do not represent available, spendable resources, even though they are components of assets. Only loans and notes not deferred are reported in this category.
- **Prepaid items** – used to indicate that prepaid amounts do not represent available, spendable resources, even though they are components of assets.

7. FUND BALANCES, Continued

- **Land held for resale** – used to indicate land held for resale is not in spendable form.

Restricted

- **HOME Program Grants** – represents amounts restricted for housing under the HOME program.
- **CDBG Grants** – represents amounts restricted for housing purposes by the Department of Housing and Urban Development.
- **Gas Tax** – represents amounts restricted for street maintenance and construction by the State excise Gas Tax.
- **Road Maintenance and Rehabilitation** – represents amounts restricted for use by the Road Repaid Accountability Act SB1.
- **Stormwater Utility Tax** – represents parcel tax revenue restricted for stormwater drainage activities.
- **Road Maintenance** – represents amounts restricted for streets and road maintenance by the Department of Transportation.
- **Transportation Development Act** – represents amounts restricted for use by the Transportation Development Act for transportation, including pedestrian and bicycle.
- **Police** – represents police revenues restricted to fund programs to combat drug abuse and divert gang activity.
- **SLES** – represents state funds for use as a match for COPS Universal Hiring Grants.
- **Housing In-lieu Fees** – represents housing in-lieu fees restricted by ordinance to housing in-lieu programs.
- **Property Based Improvement District and Assessment District Funds** – represents special assessments on Sunrise MarketPlace businesses for marketing expenditures and special assessments on homeowners for lighting and landscaping and other expenses.
- **Housing Agency** – represents assets of the former redevelopment agency that are restricted for low and moderate-income housing.
- **Development Fee Funds** – represents development fees restricted to expenditures for development of infrastructure and low-income housing by ordinance.
- **Other Grants Funds** – represents grant funds restricted for the purpose of the fund.
- **Assessment District Funds** – represents special assessments restricted to assessment district activities.
- **Measure A Construction** – represents funds received from the Sacramento Transportation Authority restricted for construction, upgrade and improvement of the City's roadways.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

7. FUND BALANCES, Continued

Committed

General Fund Reserve – used to represent that portion of fund balance committed for unexpected events that may impact the City’s ability to provide essential day-to-day services. The attached table lists specific amounts committed by the City Council. The revenue stabilization commitment amount may only be used if there is a revenue shortfall of 10% of budgeted revenues. This amount can only be changed by Council Resolution.

Assigned

The fund balances of the Code Enforcement Fund, General Capital Improvements Fund and Community Capital Replacement Fund are assigned to various equipment and public improvement projects.

The City’s policy is to use restricted, committed, assigned and unassigned resources, in that order, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. There were no deficit net position balances at June 30, 2018. Deficit fund balances consisted of the following:

Nonmajor Special Revenue Funds:

Community Events – \$6,051 deficit resulted from project expenses exceeding contributions and transfers in from other funds. The deficit will be eliminated with future contributions and transfers in.

Code Enforcement - \$6,223 deficit resulted from revenues received being below the amount budgeted. Deficit will be eliminated by future expenditure reductions or transfers in.

Transit - \$91,586 deficit resulted from unavailable revenues. The deficit will be eliminated when the amount due from the Transit Development Act funds are received is collected.

Police Grants - \$40,480 deficit resulted from revenues received being less than the amount budgeted. The deficit will be eliminated with future reductions of expenditures.

PetSmart Grants - \$36,481 deficit resulted from expenditures being more than the amount budgeted. The deficit will be eliminated with the recognition of unearned revenue.

Assessment District Funds Zone 3, Zone 4 and Lighting Assessment District - \$3,556, \$7,238 and \$55,872 deficits, respectively, were the result of expenditures and transfers out exceeding the budget. The deficits will be eliminated with future expenditure reductions.

Nonmajor Capital Projects Funds:

Auburn Boulevard Utilities - \$187 deficit was caused by expenditures exceeding grant revenues. The deficit will be eliminated by future transfers in or grant claims.

Streets - \$15,045 deficit was caused by expenditures exceeding grant revenues. The deficit will be eliminated by future transfers in or grant claims.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

7. FUND BALANCES, Continued

Excess of Expenditures and Transfers Over Appropriations

Expenditures and transfers for budgeted funds exceeded appropriations for the following funds for the year ended June 30, 2018:

	Total Expenditures and Transfers Final Budget	Total Expenditures and Transfers	Excess Expenditures over Appropriations
<u>Governmental Activities</u>			
General Fund	\$ 29,169,592	\$ 29,398,736	\$ (229,144)
Non-major funds:			
Special Revenue funds:			
Community Events	136,609	145,392	(8,783)
Gas Tax	1,665,684	1,724,313	(58,629)
Transit	3,763,407	3,998,049	(234,642)
SLES	132,893	221,669	(88,776)
Property Based Improvement District	750,373	755,765	(5,392)
Tree Preservation Development Fees	90,000	136,186	(46,186)
Recycling Grants	39,742	83,537	(43,795)
SACOG Community Design Grant	41,095	42,428	(1,333)
Assessment District funds:			
Zone 3	8,638	8,802	(164)
Zone 4	8,619	11,957	(3,338)
98-01	5,696	5,924	(228)
Capital Projects funds:			
Community Capital Replacement	-	414,200	(414,200)

8. INTERFUND TRANSACTIONS

A. Due to and due from other funds

Due From Other Funds	Due to Other Funds	Amount
General Fund	CDBG Special Revenue Fund	\$ 92,525
	Non-Major governmental Funds	713,736
Total Due to/from Other Funds		<u>\$ 806,261</u>

This balance resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. All interfund receivables are expected to be paid back within the next fiscal year.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

8. INTERFUND TRANSACTIONS, Continued

B. Interfund Advances

At June 30, 2018, the City had no long-term interfund advances.

C. Interfund Transfers

Transfers Out	Transfers In	Amount
General Fund	Non-major Governmental Funds	\$ 1,241,109
Non-Major Governmental Funds	General Fund	216,671
	Non-Major Governmental Funds	56,984
Total Interfund Transfers		<u>\$ 1,514,764</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the funds that statute or budget requires to expend them and (2) subsidize operating losses.

D. Internal Balances

Internal balances are presented in the Government-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities. There were no internal balances as of June 20, 2018.

9. RISK MANAGEMENT

The City is a member of the Public Agency Risk Sharing Authority of California (PARSAC), for liability and workers' compensation risk coverage. The liability program includes coverage for general liability, property, bond and employment practices. PARSAC is a statewide joint powers authority providing risk sharing services to California public entities that provide a municipal service. The City pays an annual premium to PARSAC for its risk coverage and purchases commercial insurance for claims exceeding PARSAC limits.

The City's insurance coverage for liability and workers' compensation provided through membership in PARSAC are as follows:

Amount	Coverage provider	Payment Source
GENERAL LIABILITY CLAIMS		
\$ 0 - \$ 100,000	Self-insured retention	City funds
100,001 - 1,000,000	Public Agency Risk Sharing Authority of California	Shared risk pool
1,000,001 - 5,000,000	CSAC - Excess Insurance Authority	Shared risk pool
5,000,001 - 25,000,000	Commercial reinsurance	
25,000,001 - 35,000,000	Commercial excess carrier	Shared risk pool
WORKERS' COMPENSATION CLAIMS		
\$ 0 - \$ 100,000	Self-Insured retention	City funds
100,001 - 500,000	Public Agency Risk Sharing Authority of California	Shared risk pool
500,001 - 5,000,000	Local Agency Workers' Compensation Excess Pool	Shared risk pool
5,000,001 - 50,000,000	Commercial reinsurance (purchased with CSAC-EIA)	
50,000,001 - statutory limits	Excess insurance (purchased with CSAC-EIA)	

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

9. RISK MANAGEMENT, Continued

PARSAC is governed by a Board of Directors and member agencies are entitled to representation on the board. Upon termination of the joint powers authority agreements, all property of PARSAC would be returned to the respective parties that transferred the property to PARSAC and any surplus of funds and assets would be returned to the parties in proportion to actual balances of each entity. Complete financial information for PARSAC is available at 1525 Response Road, Sacramento, CA 95815.

The City accrues a claims liability for probable losses under the self-insured retention amounts in the table above for the general liability and workers' compensation programs. While the ultimate amount of losses incurred through June 30 is dependent on future developments, the estimated claims liability is based upon information from the actuarial valuation reports. The liability is based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors, and includes an estimate for incurred but not reported claims. There are no claims that exceed insurance coverage and no significant changes or reductions in insurance coverage over the last three fiscal years. Costs relating to the litigation of claims are charged to expenditures as incurred. Claims are generally liquidated by the General Fund. At June 30, 2018 and 2017, fund balance of \$375,000 has been committed for self-insured general liability claims.

Changes in the liability and workers' compensation claims payable amounts during the year ended June 30, 2018 were as follows:

	Beginning June 30, 2017	Claims and Changes in Estimates	Claims Paid	Ending June 30, 2018
General Liability	\$ 428,000	\$ 113,801	\$ (58,801)	\$ 483,000
Workers' Compensation	763,000	739,649	(275,649)	1,227,000
Total Claims Payable	<u>\$ 1,191,000</u>	<u>\$ 853,450</u>	<u>\$ (334,450)</u>	<u>\$ 1,710,000</u>

10. PENSION PLANS

A. General Information about the Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan or PERFC) administered by the California Public Employees' Retirement System (CalPERS). PERFC consists of a miscellaneous risk pool and a safety risk pool, which are comprised of the following rate plans:

- Miscellaneous Plan
- Miscellaneous Second Tier Plan
- PEPRM Miscellaneous Plan
- Safety Plan
- Safety Second Tier Plan
- PEPRM Safety Police Plan

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

10. PENSION PLANS, Continued

Although one Plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately below where available. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 4, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The rate plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRA Miscellaneous Rate Plan
Hire date	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula (at full retirement)	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.25%
Required employer contribution rates	11.675%	8.418%	6.533%

	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula (at full retirement)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.40% to 3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	9.00%	11.50%
Required employer contribution rates	19.723%	16.842%	11.990%

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

10. PENSION PLANS, Continued

All rate plans except the PEPRA plans are closed to new members that are not already CalPERS participants. All miscellaneous rate plans are combined and reported below as the Miscellaneous Risk Pool and all safety rate plans are combined and reported below as the Safety Risk Pool.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the risk pools are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2018, the contributions recognized as part of pension expense for each risk pool were as follows:

	<u>Miscellaneous Risk Pool</u>	<u>Safety Risk Pool</u>	<u>Total</u>
Contributions - employer	<u>\$ 1,127,777</u>	<u>\$ 1,675,225</u>	<u>\$ 2,803,002</u>

B. *Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources*

As of June 30, 2018, the City reported a net pension liability for its proportionate share of the net pension liability of each risk pool as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous Risk Pool	\$ 7,873,259
Safety Risk Pool	<u>6,351,188</u>
Total Net Pension Liability	<u>\$ 14,224,447</u>
<u>Financial Statement Classification:</u>	
Governmental Activities	\$ 13,774,812
Business-type Activities	<u>449,635</u>
Total Net Pension Liability	<u>\$ 14,224,447</u>

The City's net pension liability for each risk pool is measured as the proportionate share of the net pension liability. The net pension liability of each risk pool is measured as of June 30, 2017, and the total pension liability for each risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

10. PENSION PLANS, Continued

of contributions to the risk pool relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each risk pool as of June 30, 2018 and 2017 from the measurement date as of the previous year-end were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2017	0.186726%	0.097777%	0.133486%
Proportion - June 30, 2018	0.199725%	0.106292%	0.143431%
Change - Increase (Decrease)	0.012999%	0.008515%	0.009945%

For the year ended June 30, 2018, the City recognized pension expense of \$5,332,682 for both risk pools combined. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to each risk pool and combined from the following sources:

	Miscellaneous Risk Pool		Safety Risk Pool		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,127,777	\$ -	\$ 1,675,225	\$ -	\$ 2,803,002	\$ -
Differences between actual and expected experience	12,159	(174,199)	101,945	(26,579)	114,104	(200,778)
Changes in assumptions	1,508,635	(115,035)	1,478,460	(113,431)	2,987,095	(228,466)
Differences between the employer's contributions and the employer's proportionate share of contributions	237,165	-	1,037,408	-	1,274,573	-
Change in employer's proportion	1,059,971	(83,036)	1,545,456	(396,706)	2,605,427	(479,742)
Net differences between projected and actual earnings on plan investments	341,191	-	322,362	-	663,553	-
Total	\$ 4,286,898	\$ (372,270)	\$ 6,160,856	\$ (536,716)	\$ 10,447,754	\$ (908,986)
Financial Statement Classification:						
Governmental Activities					\$ 10,117,500	\$ (880,253)
Business-type Activities					330,254	(28,733)
Total					\$ 10,447,754	\$ (908,986)

The \$2,803,002 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the risk pools will be recognized as pension expense as follows:

Year Ended June 30	Miscellaneous Risk Pool	Safety Risk Pool	Total
2019	\$ 1,157,107	\$ 1,774,030	\$ 2,931,137
2020	1,117,580	1,390,506	2,508,086
2021	714,735	973,003	1,687,738
2022	(202,571)	(188,624)	(391,195)
	\$ 2,786,851	\$ 3,948,915	\$ 6,735,766

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

10. PENSION PLANS, Continued

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations for each risk pool was determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.375%
Mortality ¹	Derived using CalPERS Membership Data for all funds

¹ The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study Report can be found on CalPERS' website under Forms and Publications.

Change of Assumptions

During the year ended June 30, 2018, the financial reporting discount rate was lowered from 7.65% to 7.15%.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% in the June 30, 2017 accounting valuation. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

10. PENSION PLANS, Continued

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employee's Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class for each risk pool. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11(b)
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	100.0%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for each risk pool, calculated using the discount rate for each risk pool, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 12,846,151	\$ 11,235,406	\$ 24,081,557
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 7,873,259	\$ 6,351,188	\$ 14,224,447
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 3,754,621	\$ 2,358,583	\$ 6,113,204

10. PENSION PLANS, Continued

Pension Plan Fiduciary Net Position

Detailed information about each risk pool's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2018, the City reported payables for the outstanding amount of employer contributions to the Plan of \$73,057.

D. Defined Contribution Plan

On June 22, 2017, the City Council approved an Internal Revenue Code (IRC) Section 401(a) retirement plan in the form of a Governmental Money Purchase Plan & Trust (the 401(a) Plan), which is a single employer defined contribution retirement plan. Eligible employees include the City's full-time executive management directors, who may participate at their employment date. The 401(a) Plan is administered by the ICMA Retirement Corporation and assets are invested in an IRC qualifying trust fund with VantageTrust, which holds assets for the benefit of participants.

Benefit terms, including contribution requirements, for the 401(a) Plan are established and may be amended by the City Council. For each employee in the 401(a) Plan, the City is required to contribute a match 5% of the employee's annual salary to an individual employee account. Employees are allowed to opt-in to contribute a minimum of 5% and up to 20% of their salary to the 401(a) Plan, subject to IRC contribution limits. Employees vest immediately in their own contributions and City contributions, as well as earnings on those contributions. For the year ended June 30, 2018, the employer and employee contributions made totaled \$30,930 each.

11. OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description. The City's defined benefit other postemployment healthcare benefit plan, the City of Citrus Heights Retiree Healthcare Plan (the Plan), is an agent multiple-employer defined benefit plan administered by CalPERS. The Plan provides access to lifetime healthcare benefits to eligible retirees and their dependents. Employees are eligible to participate in the Plan if they retire directly from the City under CalPERS at age 50 or above and with five years of CalPERS service (there is no minimum service requirement if retirement is due to a service-connected disability). The City does not provide dental, vision, life, or Medicare Part B reimbursement to retirees. The City Council has the authority under the California Government Code and City Municipal Code to establish and amend the benefit provisions of the Plan subject to collective bargaining arrangements. The City participates in the California Employers' Retiree Benefit Trust (CERBT) Fund, which is administered by CalPERS. The CERBT is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 to administer retiree healthcare benefits and collectively invest plan assets of all trust members. The CERBT issues publicly available financial statements that can be obtained from the CalPERS website at www.calpers.ca.gov. The City's Plan does not issue separate financial statements.

Benefits Provided. The City provides retiree medical benefits through the California Public Employees' Medical and Hospital Care Act (PEMHCA). The City pays the PEMHCA minimum contribution for active employees. For eligible retirees, the City contributes not less than 5% of the active employee

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

11. OTHER POST EMPLOYMENT BENEFITS PLAN, Continued

contribution, multiplied by the number of years the City has participated in PEMHCA (the City joined PEMHCA in 1998). The City's active employee contributions were \$133.00 and \$128.00 per month and retiree contributions were \$133.00 and \$121.60 per month for the years ended June 30, 2018 and 2017, respectively. In May 2014, the Actuarial Standards Board released revisions to ASOP 6 requiring that the implied subsidy for claims in excess of premiums be valued for community rated plans such as PEMHCA.

Employees Covered by Benefit Terms. At the June 30, 2017 actuarial valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	11
Inactive employees entitled to but not yet receiving benefit payments	34
Active employees	<u>193</u>
Total	<u><u>238</u></u>

Contributions. The City Council has the authority to establish and amend the contribution requirements of the City and employees, subject to the City's Memorandum of Understanding with employee bargaining units. The City currently funds Plan benefits through the CERBT by contributing at least 100% of the actuarially determined contribution based on the active employee contributions described above. During the year ending June 30, 2018, the City contributed \$378,000 to the CERBT.

Net OPEB Liability. The City's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017.

Actuarial Assumptions. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2017
Measurement date	June 30, 2017
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.75%
Inflation	2.75%
Salary increases	3.00%, aggregate
Investment rate of return	6.75%
Mortality, retirement, withdrawal and disability rates	Derived using CalPERS 1997-2011 Experience Study
Mortality improvement	Society of Actuaries mortality improvement Scale MP-16
Healthcare cost trend rates	7.5% and 6.5% in the first year for pre-65 and post-65, respectively, trending down to 4.0% until 2076 and later.

Pre-retirement mortality information was derived from data collected during 1997 to 2011 CalPERS Experience Study dated January 2014 and post-retirement mortality information was derived from the 2007 to 2011 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

11. OTHER POST EMPLOYMENT BENEFITS PLAN, Continued

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Global Equity	57.0%	4.82%
Fixed Income	27.0%	1.47%
Treasury Inflation Protected Securities (TIPS)	5.0%	1.29%
Commodities	3.0%	0.84%
Real Estate Investment Trusts (REITs)	8.0%	3.76%
Total	100.0%	

Discount Rate. The discount rate used to measure the total OPEB liability was 6.75%, which is 0.5% lower than the discount rate used in the previous valuation. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2017	\$ 2,017,702	\$ 1,236,894	\$ 780,808
Changes in the year:			
Service cost	205,006	-	205,006
Interest	149,338	-	149,338
Contributions - employer	-	373,000	(373,000)
Investment income	-	159,817	(159,817)
Administrative expenses	-	(837)	837
Benefit payments	(20,597)	(20,597)	-
Net changes	333,747	511,383	(177,636)
Balance at June 30, 2018	\$ 2,351,449	\$ 1,748,277	\$ 603,172
Financial Statement Classification:			
Governmental Activities			\$ 584,102
Business-type Activities			19,070
Total			\$ 603,172

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

11. OTHER POST EMPLOYMENT BENEFITS PLAN, Continued

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net OPEB liability	\$ 981,050	\$ 603,172	\$ 294,791

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease (6.5%/5.5% decreasing to 3%)	Current Healthcare Cost Trend Rates (7.5%/6.5% decreasing to 4%)	1% Increase (8.5%/7.5% decreasing to 5%)
Net OPEB liability	\$ 228,441	\$ 603,172	\$ 1,079,800

OPEB Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued CERBT financial report at www.calpers.ca.gov.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the City recognized OPEB expense of \$238,876. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 378,000	\$ -
Net differences between projected and actual earnings on plan investments	-	(43,512)
Total	\$ 378,000	\$ (43,512)

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

11. OTHER POST EMPLOYMENT BENEFITS PLAN, Continued

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ended June 30	
2019	\$ (10,878)
2020	(10,878)
2021	(10,878)
2022	(10,878)
	\$ (43,512)

Payable to the OPEB Plan. At June 30, 2018, the City did not have any payables to the Plan.

12. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Citrus Heights that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit. The Bill provided that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 12, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-007.

The City elected to retain the housing assets and functions previously performed by the former redevelopment agency. Low income housing loans were transferred to the Housing Agency Special Revenue Fund as a result. Activity in the housing assets are reported in the City’s nonmajor governmental funds combining balance sheet and statement of revenues, expenditures and changes in fund balances.

All loans, advances, land held for sale and other assets, with the exception of residual interest, were sold or transferred to the City or other appropriate agencies as of June 30, 2017. The residual interest was distributed during the year ending June 30, 2018. The Successor Agency was notified by the State Department of Finance that it acknowledges the end of the Successor Agency’s existence on March 1, 2017.

City of Citrus Heights, California
Notes to Basic Financial Statements, Continued
For the Year Ended June 30, 2018

13. COMMITMENTS AND CONTINGENCIES

The City is a party to claims and lawsuits arising in the ordinary course of business. The City's management and legal counsel are of the opinion that the ultimate liability, if any, arising from these claims will not have material adverse impact on the financial position of the City.

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits 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 City expects such amounts, if any, to be immaterial.

The City of Citrus Heights and the County of Sacramento entered into a revenue neutrality agreement pursuant to Government Code §56845, as a means of mitigating the financial impacts of the incorporation of the City in 1997 on the County's general fund. Currently all secured and unsecured ad valorem property taxes levied and collected pursuant to state law within the City's corporate limits, except landscaping and lighting special assessments, are retained by the County. The County will collect and retain the property taxes beginning January 1, 1997 through June 30, 2022. For the fiscal year ended June 30, 2018, property taxes retained by the County in accordance with the revenue neutrality agreement totaled \$5,278,677.

In 2011, the City purchased fifteen parcels in foreclosure along Sayonara Drive and demolished the buildings. Because affordable housing was demolished, a statutory requirement exists under the State of California Health & Safety Code, Redevelopment Law, Chapter 4, Article 9, Section 33413 to replace the affordable housing. The City must replace either 35 units or 70 bedrooms of affordable housing. The replacement requirement may be satisfied within or outside of the former redevelopment project area. The City is currently pursuing alternatives for replacement of the affordable housing. Options being considered include selling the property for fair market value and selling the property with an affordable housing requirement attached to the property. The parcels are reported as land held for resale in the Housing Agency Special Revenue Fund.

The City had the following significant unexpended contractual commitments as of June 30, 2018:

Sunrise Complete Streets Project	<u>\$ 2,911,006</u>
Total commitments	<u>\$ 2,911,006</u>

14. RESTATEMENT

During the year ended June 30, 2018, the City adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Due to the implementation of this Statement, the City recorded deferred outflows of resources of \$373,000 and an increase in the a net OPEB liability of \$328,364, which resulted in an increase in government-wide net position of \$44,635 as of July 1, 2017.

15. NEW ACCOUNTING PRONOUNCEMENTS

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset (example is decommissioning a water treatment plant). A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. This Statement requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred. The best estimate should include probability weighting of all potential outcomes, when such information is available or can be obtained at reasonable cost. The requirements of this Statement are effective for periods beginning after June 15, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement improves the information that is disclosed in the notes to government financial statements and clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets

15. NEW ACCOUNTING PRONOUNCEMENTS, Continued

pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences and significant subjective acceleration clauses. For notes to the financial statement there is a requirement that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for the reporting periods beginning after June 15, 2018.

The City will fully analyze the impact of these new Statements prior to the implementation dates above.

16. SUBSEQUENT EVENT

On November 29, 2018, the City executed the 2018 Lease Revenue Credit Facility financing in the amount of \$12,000,000 which included a revolving credit agreement, site lease, facilities sublease and assignment agreement. The revolving line of credit funds may be utilized to fund certain capital improvements and operating expenditures until the City receives its share of property tax revenue from Sacramento County in Fiscal Year 2022-23 under the terms of the 1997 Revenue Neutrality Agreement described in Note 13. The revolving line of credit bears interest ranging from 4.40% to 6.09%. Interest payments on any funds drawn from the line of credit will be due on March 1 and September 1 of each year beginning March 1, 2019. Payment of outstanding principal is due on September 1, 2024 at which time the line of credit will be repaid in full. The City has the option to repay all or a portion of the funds it has drawn beginning March 1, 2021 with no prepayment penalty. The City was required to take an initial minimum draw of \$50,001 to open the line of credit, which will be used for the Auburn Boulevard Complete Streets Revitalization Project Phase 2.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - MISCELLANEOUS PLAN (UNAUDITED)
Last 10 Years**

	2018	2017	2016	2015
Proportion of the net pension liability	0.199725%	0.186726%	0.180888%	0.160219%
Proportionate share of the net pension liability	\$ 7,873,259	\$ 6,486,625	\$ 4,962,609	\$ 3,959,792
Covered payroll (measurement period)	\$ 8,017,935	\$ 8,102,528	\$ 7,437,222	\$ 7,143,034
Proportionate share of the net pension liability as a percentage of covered payroll	98.20%	80.06%	66.73%	55.44%
Plan fiduciary net position as a percentage of the total pension liability	78.22%	77.85%	80.21%	83.03%

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION
PLAN - MISCELLANEOUS PLAN (UNAUDITED)
Last 10 Years**

	2018	2017	2016	2015
Contractually required contribution (employer's fiscal year - actuarially determined)	\$ 1,127,777	\$ 1,109,977	\$ 1,052,606	\$ 1,237,660
Contributions in relation to the actuarially determined contributions	(1,127,777)	(1,109,977)	(1,052,606)	(1,237,660)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll (employer's fiscal year)	\$ 7,889,233	\$ 8,017,935	\$ 8,102,528	\$ 7,437,222
Contributions as a percentage of covered payroll	14.30%	13.84%	12.99%	16.64%

Notes to Schedule:

Valuation date:	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement date:	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment rate of return and discount rate used to compute contribution rates	7.375%	7.50%	7.50%	7.50%

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over average remaining service life of participants.
Remaining amortization period	Not stated
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Retirement age	50-67 years. Probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.

Mortality	CalPERS specific data from January 2014 actuarial experience study for the period 1997 to 2011 that uses 20 years of mortality improvements using Society of Actuaries Scale BB.
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Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Future years will be reported prospectively as they become available.

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - SAFETY PLAN (UNAUDITED)
Last 10 Years**

	2018	2017	2016	2015
Proportion of the net pension liability	0.106292%	0.097777%	0.089355%	0.095971%
Proportionate share of the net pension liability	\$ 6,351,188	\$ 5,064,060	\$ 3,681,807	\$ 3,599,860
Covered payroll (measurement period)	\$ 8,247,151	\$ 7,921,496	\$ 7,350,834	\$ 7,239,564
Proportionate share of the net pension liability as a percentage of covered payroll	77.01%	63.93%	50.09%	49.72%
Plan fiduciary net position as a percentage of the total pension liability	81.81%	81.96%	83.45%	80.92%

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION
PLAN - SAFETY PLAN (UNAUDITED)
Last 10 Years**

	2018	2017	2016	2015
Contractually required contribution (employer's fiscal year - actuarially determined)	\$ 1,675,225	\$ 1,605,543	\$ 1,460,317	\$ 1,937,578
Contributions in relation to the actuarially determined contributions	(1,675,225)	(1,605,543)	(1,460,317)	(1,937,578)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll (employer's fiscal year)	\$ 8,354,763	\$ 8,247,151	\$ 7,921,496	\$ 7,350,834
Contributions as a percentage of covered payroll	20.05%	19.47%	18.43%	26.36%
Notes to Schedules:				
Valuation date:	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement date:	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment rate of return and discount rate used to compute contribution rates	7.375%	7.50%	7.50%	7.50%

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over average remaining service life of participants.
Remaining amortization period	Not stated
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Retirement age	50-67 years. Probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.
Mortality	CalPERS specific data from January 2014 actuarial experience study for the period 1997 to 2011 that uses 20 years of mortality improvements using Society of Actuaries Scale BB.

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Future years will be reported prospectively as they become available.

City of Citrus Heights, California
Required Supplementary Information
For the Year Ended June 30, 2018

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS (UNAUDITED)
Last 10 Years

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 205,006
Interest	149,338
Benefit payments	<u>(20,597)</u>
Net change in total OPEB liability	333,747
Total OPEB liability - beginning	2,017,702
Total OPEB liability - ending (a)	<u><u>\$ 2,351,449</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 373,000
Investment income	159,817
Benefit payments	(20,597)
Administrative expenses	<u>(837)</u>
Net change in plan fiduciary net position	511,383
Plan fiduciary net position - beginning	1,236,894
Plan fiduciary net position - ending (b)	<u><u>\$ 1,748,277</u></u>
Net OPEB liability - ending (a)-(b)	<u><u>\$ 603,172</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u><u>74.35%</u></u>
Covered - employee payroll - measurement period	<u><u>\$ 18,696,235</u></u>
Net OPEB liability as percentage of covered - employee payroll	<u><u>3.23%</u></u>
Notes to schedule:	
Valuation date	June 30, 2017
Measurement period - fiscal year ended	June 30, 2017
Benefit changes:	None
Changes in assumptions:	None

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

City of Citrus Heights, California
Required Supplementary Information
For the Year Ended June 30, 2018

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
(UNAUDITED)
Last 10 Years

	<u>2018</u>
Actuarially determined contribution - employer fiscal year	\$ 378,000
Contributions in relation to the actuarially determined contributions	<u>(378,000)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered - employee payroll - employer fiscal year	\$ 18,764,996
Contributions as a percentage of covered - employee payroll	2.01%

Notes to Schedule:

Valuation date	June 30, 2017
Measurement period - fiscal year ended	June 30, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method/period	Level percent of payroll; 15-year remaining fixed period.
Asset valuation method	Investment gains and losses spread out over 5-year rolling period
Discount rate	7.25%
Inflation	3.00%
Investment rate of return	7.25%
Healthcare cost-trend rate	7.2%/7.0% decreasing to an ultimate rate of 5.0% in 2021 and later years
PEMHCA minimum increases	4.5% after 2017
Mortality	CalPERS 1997-2011 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-14, modified to converge to improvement rates in 2022

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Community Events – Accounts for funds received and expended for the City's community events.

Code Enforcement – Accounts for funds to be used on Code Enforcement for neighborhood enhancement activities.

Gas Tax – Accounts for State gas tax revenues used for street maintenance and construction.

Road Maintenance and Rehabilitation – Accounts for revenue and expenditures on deferred maintenance on local streets and road systems with State funds provided by the Road Repair and Accountability Act SB1.

Stormwater Utility Tax – Accounts for revenues and expenditures associated with the administration and coordination of stormwater drainage activities as supported by a parcel tax.

Road Maintenance – Accounts for sales tax revenue collected in accordance with a voter approved special tax to be used for repairs and maintenance of streets.

Transit – Accounts for Transportation Development Act revenues restricted for the City's transportation needs.

Transportation Development Act – Accounts for Transportation Development Act monies received for road and sidewalk improvement purposes and transit related activities.

Police – Accounts for police revenues received that are restricted to fund programs designed to combat drug abuse and divert gang activity.

Police Grants – Accounts for police grants received that are restricted to fund specific police programs, including sobriety checkpoints, methamphetamine enforcement, stolen vehicles, children exposed to domestic violence and other programs.

Supplemental Law Enforcement Services (SLES) – Accounts for revenues and expenditures associated with State funds provided as a match for the COPS Universal Hiring Grant.

Housing In-lieu Fee – Accounts for revenues and expenditures associated with housing in-lieu fees.

Property Based Improvement District – Accounts for assessments made on Sunrise MarketPlace businesses reduced by related marketing expenditures.

Housing Agency – Accounts for the housing assets of the former redevelopment agency that are used for low and moderate income housing activities.

Development Fees Funds: These funds account for the revenues and expenditures associated with new development of infrastructure and low-income housing:

- Roadway
- Housing Mitigation
- Tree Preservation
- Park Facilities
- Transit Development

Other Grant Special Revenue Funds:

Recycling Grants – Accounts for revenues and expenditures associated with the Recycling grants.

SACOG Community Design Grant – Accounts for revenues and expenditures associated with community design activities in coordination with the Sacramento Area Council of Governments (SACOG).

Bicycle Transportation Agreement (BTA) Grant – Accounts for revenues and expenditures associated with the design and construction of new and improved bikeways throughout the City.

PetSmart Grant – Accounts for revenues and expenditures associated with the PetSmart grant.

Assessment Districts: Accounts for special assessments collected for the assessment districts below within the City limits for which the City is obligated to maintain. The Lighting Assessment District accounts for special assessments used for street lighting purposes. The remaining assessment districts were organized under the Landscaping and Lighting Act of 1972 to account for special assessment used for street corridor landscape, open space maintenance and sound wall maintenance expenses.

- Zone 1
- Zone 2
- Zone 3
- Zone 4
- District 98-01
- District 98-02
- District 03-01
- District 98-02, Zone 2
- District 03-01, Zone 2
- Lighting Assessment District

Capital Project Funds:

- **Measure A Construction** – Accounts for Measure A revenues received from the Sacramento Transportation Authority that are restricted for expenditures associated with specific purposes, including construction, upgrade and improvements of the City's roadways.
- **General Capital Improvements** – Accounts for funds collected and expended for the construction or purchase of public facilities and projects.
- **Community Capital Replacement** – Accounts for funds expended on various capital improvement and replacement projects, including vehicle replacement.
- **Safe Routes to Schools** – Accounts for funds expended for the Safe Routes grant projects and improvements.
- **Auburn Boulevard Utilities** – Accounts for revenues and expenditures associated with the undergrounding of utilities on Auburn Boulevard from Sylvan to Antelope Road.
- **Streets** – Accounts for funds expended on various street capital improvement and paving projects, including an intersection improvements project and Old Auburn Bike Trail development.

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
June 30, 2018

Nonmajor Special Revenue Funds				
	Community Events	Code Enforcement	Gas Tax	Road Maintenance and Rehabilitation
ASSETS				
Cash and investments	\$ 1,467	\$ 484	\$ 260,952	\$ 324,678
Receivables:				
Accounts	-	356,494	-	-
Interest	-	-	1,745	-
Loans	-	-	-	-
Due from other governments	-	-	3,861	184,423
Land held for resale	-	-	-	-
TOTAL ASSETS	<u>\$ 1,467</u>	<u>\$ 356,978</u>	<u>\$ 266,558</u>	<u>\$ 509,101</u>
LIABILITIES				
Accounts payable	\$ 7,518	\$ 93	\$ 120,752	\$ -
Due to other funds	-	23,875	-	-
Due to other governments	-	-	8,411	-
Retention payable	-	-	-	-
Unearned revenue	-	-	-	-
TOTAL LIABILITIES	<u>7,518</u>	<u>23,968</u>	<u>129,163</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - accounts and grants receivable	-	339,233	-	-
Unavailable revenue - loans	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>339,233</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable:				
Land held for resale	-	-	-	-
Restricted	-	-	137,395	509,101
Assigned	-	-	-	-
Unassigned (deficit)	(6,051)	(6,223)	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>(6,051)</u>	<u>(6,223)</u>	<u>137,395</u>	<u>509,101</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,467</u>	<u>\$ 356,978</u>	<u>\$ 266,558</u>	<u>\$ 509,101</u>

Nonmajor Special Revenue Funds

Stormwater Utility Tax	Road Maintenance	Transit	Transportation Development Act	Police	Police Grants	SLES
\$ 2,305,047	\$ 885,324	\$ 217,352	\$ 158,840	\$ 414,701	\$ -	\$ 151,168
1,200	-	-	-	28,165	-	-
9,610	2,898	-	549	1,903	(5)	529
-	-	-	-	-	-	-
648,544	-	332,888	-	-	137,172	109,671
-	-	-	-	-	-	-
<u>\$ 2,964,401</u>	<u>\$ 888,222</u>	<u>\$ 550,240</u>	<u>\$ 159,389</u>	<u>\$ 444,769</u>	<u>\$ 137,167</u>	<u>\$ 261,368</u>
\$ 652,624	\$ 40,791	\$ 1,634	\$ -	\$ 2,263	\$ 37,490	\$ 63,238
-	-	-	-	-	87,013	-
7,404	-	307,304	-	-	-	-
41,288	4,283	-	-	-	-	-
6,000	-	-	-	-	53,144	197,556
<u>707,316</u>	<u>45,074</u>	<u>308,938</u>	<u>-</u>	<u>2,263</u>	<u>177,647</u>	<u>260,794</u>
1,200	-	332,888	-	-	-	-
-	-	-	-	-	-	-
<u>1,200</u>	<u>-</u>	<u>332,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
2,255,885	843,148	-	159,389	442,506	-	574
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(91,586)</u>	<u>-</u>	<u>-</u>	<u>(40,480)</u>	<u>-</u>
<u>2,255,885</u>	<u>843,148</u>	<u>(91,586)</u>	<u>159,389</u>	<u>442,506</u>	<u>(40,480)</u>	<u>574</u>
<u>\$ 2,964,401</u>	<u>\$ 888,222</u>	<u>\$ 550,240</u>	<u>\$ 159,389</u>	<u>\$ 444,769</u>	<u>\$ 137,167</u>	<u>\$ 261,368</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
June 30, 2018

	Nonmajor Special Revenue Funds			
	Housing In-lieu Fee	Property Based Improvement District	Housing Agency	Development Fee Funds Roadway Development Fees
ASSETS				
Cash and investments	\$ 1,623	\$ 13	\$ 30,333	\$ 434,924
Receivables:				
Accounts	-	5,911	-	32,209
Interest	7	515	223	1,399
Loans	-	-	266,501	-
Due from other governments	-	-	-	-
Land held for resale	-	-	2,784,600	-
TOTAL ASSETS	\$ 1,630	\$ 6,439	\$ 3,081,657	\$ 468,532
LIABILITIES				
Accounts payable	\$ -	\$ 5,912	\$ -	\$ 12,766
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Retention payable	-	-	-	-
Unearned revenue	-	-	-	-
TOTAL LIABILITIES	-	5,912	-	12,766
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - accounts and grants receivable	-	-	-	-
Unavailable revenue - loans	-	-	266,501	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	266,501	-
FUND BALANCES (DEFICITS)				
Nonspendable:				
Land held for resale	-	-	2,784,600	-
Restricted	1,630	527	30,556	455,766
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	1,630	527	2,815,156	455,766
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,630	\$ 6,439	\$ 3,081,657	\$ 468,532

Nonmajor Special Revenue Funds

Development Fee Funds					Other Grant Funds	
Housing Mitigation Development Fees	Tree Preservation Development Fees	Park Facilities Development Fees	Transit Development Fees	Total Development Fees Funds	Recycling Grants	SACOG Community Design Grant
\$ 302,888	\$ 104,577	\$ 121,735	\$ 72,012	\$ 1,036,136	\$ 26,956	\$ -
-	-	-	6,909	39,118	-	20,420
649	901	542	232	3,723	220	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 303,537</u>	<u>\$ 105,478</u>	<u>\$ 122,277</u>	<u>\$ 79,153</u>	<u>\$ 1,078,977</u>	<u>\$ 27,176</u>	<u>\$ 20,420</u>
\$ -	\$ 6,032	\$ -	\$ -	\$ 18,798	\$ -	\$ -
-	-	-	-	-	-	19,306
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	14,850	-
-	6,032	-	-	18,798	14,850	19,306
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
303,537	99,446	122,277	79,153	1,060,179	12,326	1,114
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>303,537</u>	<u>99,446</u>	<u>122,277</u>	<u>79,153</u>	<u>1,060,179</u>	<u>12,326</u>	<u>1,114</u>
<u>\$ 303,537</u>	<u>\$ 105,478</u>	<u>\$ 122,277</u>	<u>\$ 79,153</u>	<u>\$ 1,078,977</u>	<u>\$ 27,176</u>	<u>\$ 20,420</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
June 30, 2018

Nonmajor Special Revenue Funds				
	Other Grant Funds			Assessment District Funds
	BTA Grant	PetSmart Grant	Total Other Grants Funds	Zone 1
ASSETS				
Cash and investments	\$ 2,860	\$ 61,838	\$ 91,654	\$ 38,681
Receivables:				
Accounts	-	-	20,420	150
Interest	-	-	220	174
Loans	-	-	-	-
Due from other governments	-	-	-	-
Land held for resale	-	-	-	-
TOTAL ASSETS	\$ 2,860	\$ 61,838	\$ 112,294	\$ 39,005
LIABILITIES				
Accounts payable	\$ -	\$ 51,926	\$ 51,926	\$ -
Due to other funds	-	-	19,306	-
Due to other governments	-	-	-	-
Retention payable	-	-	-	-
Unearned revenue	-	46,393	61,243	-
TOTAL LIABILITIES	-	98,319	132,475	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - accounts and grants receivable	-	-	-	-
Unavailable revenue - loans	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable:				
Land held for resale	-	-	-	-
Restricted	2,860	-	16,300	39,005
Assigned	-	-	-	-
Unassigned (deficit)	-	(36,481)	(36,481)	-
TOTAL FUND BALANCES (DEFICITS)	2,860	(36,481)	(20,181)	39,005
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,860	\$ 61,838	\$ 112,294	\$ 39,005

Nonmajor Special Revenue Funds

Assessment District Funds

Zone 2	Zone 3	Zone 4	98-01	98-02	03-01	98-02 Zone 2
\$ 73,620	\$ -	\$ -	\$ 150,939	\$ 101,496	\$ 966,451	\$ 26,578
85	45	-	137	400	-	201
248	-	-	510	319	3,166	74
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 73,953</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 151,586</u>	<u>\$ 102,215</u>	<u>\$ 969,617</u>	<u>\$ 26,853</u>
\$ 2,531	\$ 523	\$ 333	\$ 114	\$ 339	\$ 2,321	\$ 562
-	3,078	6,371	-	-	-	-
-	-	534	20	686	13,973	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,531</u>	<u>3,601</u>	<u>7,238</u>	<u>134</u>	<u>1,025</u>	<u>16,294</u>	<u>562</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
71,422	-	-	151,452	101,190	953,323	26,291
-	-	-	-	-	-	-
-	(3,556)	(7,238)	-	-	-	-
<u>71,422</u>	<u>(3,556)</u>	<u>(7,238)</u>	<u>151,452</u>	<u>101,190</u>	<u>953,323</u>	<u>26,291</u>
<u>\$ 73,953</u>	<u>\$ 45</u>	<u>\$ -</u>	<u>\$ 151,586</u>	<u>\$ 102,215</u>	<u>\$ 969,617</u>	<u>\$ 26,853</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
June 30, 2018

<u>Nonmajor Special Revenue Funds</u>				
	<u>Assessment District Funds</u>		Total Assessment District Funds	Total Nonmajor Special Revenue Funds
	03-01 Zone 2	Lighting Assessment District		
ASSETS				
Cash and investments	\$ 113,577	\$ -	\$ 1,471,342	\$ 7,351,114
Receivables:				
Accounts	185	8,761	9,964	461,272
Interest	402	-	4,893	26,810
Loans	-	-	-	266,501
Due from other governments	-	-	-	1,416,559
Land held for resale	-	-	-	2,784,600
TOTAL ASSETS	<u>\$ 114,164</u>	<u>\$ 8,761</u>	<u>\$ 1,486,199</u>	<u>\$ 12,306,856</u>
LIABILITIES				
Accounts payable	\$ 1,141	\$ 27,984	\$ 35,848	\$ 1,038,887
Due to other funds	-	14,909	24,358	154,552
Due to other governments	14,966	21,740	51,919	375,038
Retention payable	-	-	-	45,571
Unearned revenue	-	-	-	317,943
TOTAL LIABILITIES	<u>16,107</u>	<u>64,633</u>	<u>112,125</u>	<u>1,931,991</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - accounts and grants receivable	-	-	-	673,321
Unavailable revenue - loans	-	-	-	266,501
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>939,822</u>
FUND BALANCES (DEFICITS)				
Nonspendable:				
Land held for resale	-	-	-	2,784,600
Restricted	98,057	-	1,440,740	6,897,930
Assigned	-	-	-	-
Unassigned (deficit)	-	(55,872)	(66,666)	(247,487)
TOTAL FUND BALANCES (DEFICITS)	<u>98,057</u>	<u>(55,872)</u>	<u>1,374,074</u>	<u>9,435,043</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 114,164</u>	<u>\$ 8,761</u>	<u>\$ 1,486,199</u>	<u>\$ 12,306,856</u>

Nonmajor Capital Projects Funds

Measure A Construction	General Capital Improvements Capital Projects Fund	Community Capital Replacement	Auburn Boulevard Utilities	Streets	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 1,458,635	\$ 146,403	\$ 931,957	\$ 126,093	\$ -	\$ 2,663,088	\$ 10,014,202
-	300,000	-	-	-	300,000	761,272
4,891	-	3,038	-	-	7,929	34,739
-	-	-	-	-	-	266,501
-	-	-	-	618,585	618,585	2,035,144
-	-	-	-	-	-	2,784,600
<u>\$ 1,463,526</u>	<u>\$ 446,403</u>	<u>\$ 934,995</u>	<u>\$ 126,093</u>	<u>\$ 618,585</u>	<u>\$ 3,589,602</u>	<u>\$ 15,896,458</u>
\$ 131,243	\$ 116	\$ 6,444	\$ 126,280	\$ 71,029	\$ 335,112	\$ 1,373,999
-	-	-	-	559,184	559,184	713,736
-	-	-	-	-	-	375,038
5,387	-	-	-	3,417	8,804	54,375
-	-	-	-	-	-	317,943
<u>136,630</u>	<u>116</u>	<u>6,444</u>	<u>126,280</u>	<u>633,630</u>	<u>903,100</u>	<u>2,835,091</u>
-	-	-	-	-	-	673,321
-	-	-	-	-	-	266,501
-	-	-	-	-	-	939,822
-	-	-	-	-	-	2,784,600
1,326,896	-	-	-	-	1,326,896	8,224,826
-	446,287	928,551	-	-	1,374,838	1,374,838
-	-	-	(187)	(15,045)	(15,232)	(262,719)
<u>1,326,896</u>	<u>446,287</u>	<u>928,551</u>	<u>(187)</u>	<u>(15,045)</u>	<u>2,686,502</u>	<u>12,121,545</u>
<u>\$ 1,463,526</u>	<u>\$ 446,403</u>	<u>\$ 934,995</u>	<u>\$ 126,093</u>	<u>\$ 618,585</u>	<u>\$ 3,589,602</u>	<u>\$ 15,896,458</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2018

	Nonmajor Special Revenue Funds			
	Community Events	Code Enforcement	Gas Tax	Road Maintenance and Rehabilitation
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	1,761,072	509,858
Use of money and property	(2)	-	2,756	(757)
Charges for services	705	270,184	-	-
Contributions	8,411	-	-	-
Other revenues	-	-	105,789	-
TOTAL REVENUES	9,114	270,184	1,869,617	509,101
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	186,305	-	-
Public ways and facilities	-	-	1,720,662	-
Culture and recreation	145,392	-	-	-
Community enhancements	-	152,862	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	145,392	339,167	1,720,662	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(136,278)	(68,983)	148,955	509,101
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	136,407	92,747	-	-
Transfers out	-	(25,000)	(3,651)	-
TOTAL OTHER FINANCING SOURCES (USES)	136,407	67,747	(3,651)	-
NET CHANGE IN FUND BALANCES	129	(1,236)	145,304	509,101
Beginning fund balances (deficits),	(6,180)	(4,987)	(7,909)	-
ENDING FUND BALANCES (DEFICITS)	\$ (6,051)	\$ (6,223)	\$ 137,395	\$ 509,101

Nonmajor Special Revenue Funds

Stormwater Utility Tax	Road Maintenance	Transit	Transportation Development Act	Police	Police Grants	SLES
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7,077)	-	-	-	276,487	-	-
-	1,946,818	3,644,759	-	-	453,183	221,669
18,794	4,295	862	1,156	2,643	-	30
3,741,426	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,753,143</u>	<u>1,951,113</u>	<u>3,645,621</u>	<u>1,156</u>	<u>279,130</u>	<u>453,183</u>	<u>221,699</u>
-	276,150	84,405	-	-	-	-
-	-	-	-	214,647	447,766	176,824
2,695,875	999,262	3,913,644	11,013	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
924,442	45,000	-	-	-	5,226	44,845
<u>3,620,317</u>	<u>1,320,412</u>	<u>3,998,049</u>	<u>11,013</u>	<u>214,647</u>	<u>452,992</u>	<u>221,669</u>
132,826	630,701	(352,428)	(9,857)	64,483	191	30
-	-	-	-	-	-	-
-	-	-	-	86,234	-	-
-	(53,333)	-	-	(191,671)	-	-
-	(53,333)	-	-	(105,437)	-	-
132,826	577,368	(352,428)	(9,857)	(40,954)	191	30
2,123,059	265,780	260,842	169,246	483,460	(40,671)	544
<u>\$ 2,255,885</u>	<u>\$ 843,148</u>	<u>\$ (91,586)</u>	<u>\$ 159,389</u>	<u>\$ 442,506</u>	<u>\$ (40,480)</u>	<u>\$ 574</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2018

	Nonmajor Special Revenue Funds			
	Housing In-lieu Fee	Property Based Improvement District	Housing Agency	Development Fee Funds Roadway Development Fees
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ 30,140
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	3	1,492	492	2,781
Charges for services	-	750,714	-	-
Contributions	-	-	-	-
Other revenues	-	-	11,795	-
TOTAL REVENUES	3	752,206	12,287	32,921
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	755,765	-	2,171
Culture and recreation	-	-	-	-
Community enhancements	(27)	-	40,526	-
Capital outlay	-	-	-	13,247
TOTAL EXPENDITURES	(27)	755,765	40,526	15,418
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	30	(3,559)	(28,239)	17,503
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	30	(3,559)	(28,239)	17,503
Beginning fund balances (deficits),	1,600	4,086	2,843,395	438,263
ENDING FUND BALANCES (DEFICITS)	\$ 1,630	\$ 527	\$ 2,815,156	\$ 455,766

Nonmajor Special Revenue Funds

Development Fee Funds					Other Grant Funds	
Housing Mitigation Development Fees	Tree Preservation Development Fees	Park Facilities Development Fees	Transit Development Fees	Total Development Fees Funds	Recycling Grants	SACOG Community Design Grant
\$ 114,128	\$ -	\$ 6,471	\$ 5,218	\$ 155,957	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	97,617	42,046
1,143	2,054	896	463	7,337	525	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	17,685	-	-	17,685	-	-
115,271	19,739	7,367	5,681	180,979	98,142	42,046
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	904	3,075	-	-
-	-	-	-	-	-	-
-	136,186	-	-	136,186	83,537	42,428
-	-	-	-	13,247	-	-
-	136,186	-	904	152,508	83,537	42,428
115,271	(116,447)	7,367	4,777	28,471	14,605	(382)
-	-	-	-	-	-	-
-	-	-	-	-	-	1,496
-	-	-	-	-	-	-
-	-	-	-	-	-	1,496
115,271	(116,447)	7,367	4,777	28,471	14,605	1,114
188,266	215,893	114,910	74,376	1,031,708	(2,279)	-
\$ 303,537	\$ 99,446	\$ 122,277	\$ 79,153	\$ 1,060,179	\$ 12,326	\$ 1,114

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2018

	Nonmajor Special Revenue Funds			
	Other Grants Funds			Assessment District Funds
	BTA Grant	PetSmart Grant	Total Other Grants Funds	Zone 1
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	13,528	-	153,191	-
Use of money and property	-	163	688	389
Charges for services	-	-	-	10,523
Contributions	-	-	-	-
Other revenues	-	3,478	3,478	-
TOTAL REVENUES	13,528	3,641	157,357	10,912
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	11,288
Culture and recreation	-	-	-	-
Community enhancements	-	40,200	166,165	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	40,200	166,165	11,288
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,528	(36,559)	(8,808)	(376)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	1,496	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	1,496	-
NET CHANGE IN FUND BALANCES	13,528	(36,559)	(7,312)	(376)
Beginning fund balances (deficits),	(10,668)	78	(12,869)	39,381
ENDING FUND BALANCES (DEFICITS)	\$ 2,860	\$ (36,481)	\$ (20,181)	\$ 39,005

Nonmajor Special Revenue Funds

Assessment District Funds

Zone 2	Zone 3	Zone 4	98-01	98-02	03-01	98-02 Zone 2
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
509	8	1	1,039	686	6,301	171
12,337	6,550	4,718	10,680	22,250	88,700	16,288
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,846	6,558	4,719	11,719	22,936	95,001	16,459
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,959	8,802	11,957	5,924	12,045	39,215	9,980
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,959	8,802	11,957	5,924	12,045	39,215	9,980
2,887	(2,244)	(7,238)	5,795	10,891	55,786	6,479
-	-	-	-	-	-	-
-	-	3,651	-	-	-	-
-	-	-	-	-	-	-
-	-	3,651	-	-	-	-
2,887	(2,244)	(3,587)	5,795	10,891	55,786	6,479
68,535	(1,312)	(3,651)	145,657	90,299	897,537	19,812
\$ 71,422	\$ (3,556)	\$ (7,238)	\$ 151,452	\$ 101,190	\$ 953,323	\$ 26,291

CITY OF CITRUS HEIGHTS, CALIFORNIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2018

	Nonmajor Special Revenue Funds			
	Assessment District Funds		Total Assessment District Funds	Total Nonmajor Special Revenue Funds
	03-01 Zone 2	Lighting Assessment District		
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ 155,957
Fines and forfeitures	-	-	-	269,410
Intergovernmental	-	-	-	8,690,550
Use of money and property	841	683	10,628	50,417
Charges for services	19,466	350,055	541,567	5,304,596
Contributions	-	-	-	8,411
Other revenues	-	-	-	138,747
TOTAL REVENUES	20,307	350,738	552,195	14,618,088
EXPENDITURES				
Current:				
General government	-	-	-	360,555
Public safety	-	-	-	1,025,542
Public ways and facilities	24,688	406,610	540,468	10,639,764
Culture and recreation	-	-	-	145,392
Community enhancements	-	-	-	495,712
Capital outlay	-	-	-	1,032,760
TOTAL EXPENDITURES	24,688	406,610	540,468	13,699,725
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,381)	(55,872)	11,727	918,363
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	53,333	56,984	373,868
Transfers out	-	-	-	(273,655)
TOTAL OTHER FINANCING SOURCES (USES)	-	53,333	56,984	100,213
NET CHANGE IN FUND BALANCES	(4,381)	(2,539)	68,711	1,018,576
Beginning fund balances (deficits),	102,438	(53,333)	1,305,363	8,416,467
ENDING FUND BALANCES (DEFICITS)	\$ 98,057	\$ (55,872)	\$ 1,374,074	\$ 9,435,043

Nonmajor Capital Projects Funds

Measure A Construction	General Capital Improvement Capital Projects Fund	Community Capital Replacement	Auburn Boulevard Utilities	Streets	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,957
-	-	-	-	-	-	269,410
464,970	-	-	849,734	166,128	1,480,832	10,171,382
9,099	(218)	5,922	(187)	-	14,616	65,033
-	-	-	-	-	-	5,304,596
-	-	-	-	-	-	8,411
-	-	1,605	-	-	1,605	140,352
474,069	(218)	7,527	849,547	166,128	1,497,053	16,115,141
-	-	-	-	-	-	360,555
-	-	-	-	-	-	1,025,542
264,266	124,386	67,849	-	131,124	587,625	11,227,389
-	-	-	-	-	-	145,392
-	-	-	-	-	-	495,712
-	25,100	346,351	849,734	48,379	1,269,564	2,302,324
264,266	149,486	414,200	849,734	179,503	1,857,189	15,556,914
209,803	(149,704)	(406,673)	(187)	(13,375)	(360,136)	558,227
-	-	112,672	-	-	112,672	112,672
-	500,000	424,225	-	-	924,225	1,298,093
-	-	-	-	-	-	(273,655)
-	500,000	536,897	-	-	1,036,897	1,137,110
209,803	350,296	130,224	(187)	(13,375)	676,761	1,695,337
1,117,093	95,991	798,327	-	(1,670)	2,009,741	10,426,208
<u>\$ 1,326,896</u>	<u>\$ 446,287</u>	<u>\$ 928,551</u>	<u>\$ (187)</u>	<u>\$ (15,045)</u>	<u>\$ 2,686,502</u>	<u>\$ 12,121,545</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		COMMUNITY EVENTS			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		-	-	-	-
Use of money and property		-	-	(2)	(2)
Charges for services		3,000	3,000	705	(2,295)
Contributions		20,000	20,000	8,411	(11,589)
Other revenues		-	-	-	-
TOTAL REVENUES		23,000	23,000	9,114	(13,886)
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		-	-	-	-
Culture and recreation		136,609	136,609	145,392	(8,783)
Community enhancements		-	-	-	-
Capital outlay		-	-	-	-
TOTAL EXPENDITURES		136,609	136,609	145,392	(8,783)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(113,609)	(113,609)	(136,278)	(22,669)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		113,611	113,611	136,407	22,796
Transfers out		-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		113,611	113,611	136,407	22,796
NET CHANGE IN FUND BALANCES		\$ 2	\$ 2	129	\$ 127
Beginning fund balances (deficits)				(6,180)	
ENDING FUND BALANCES (DEFICITS)				\$ (6,051)	

CODE ENFORCEMENT				GAS TAX			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,810,177	1,810,177	1,761,072	(49,105)
-	-	-	-	-	-	2,756	2,756
295,000	295,000	270,184	(24,816)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	98,733	98,733	105,789	7,056
295,000	295,000	270,184	(24,816)	1,908,910	1,908,910	1,869,617	(39,293)
-	-	-	-	-	-	-	-
238,425	238,425	186,305	52,120	-	-	-	-
-	-	-	-	1,661,783	1,661,783	1,720,662	(58,879)
-	-	-	-	-	-	-	-
151,645	151,645	152,862	(1,217)	-	-	-	-
-	-	-	-	-	-	-	-
390,070	390,070	339,167	50,903	1,661,783	1,661,783	1,720,662	(58,879)
(95,070)	(95,070)	(68,983)	26,087	247,127	247,127	148,955	(98,172)
-	-	-	-	-	-	-	-
120,070	120,070	92,747	(27,323)	-	-	-	-
(25,000)	(25,000)	(25,000)	-	(3,901)	(3,901)	(3,651)	250
95,070	95,070	67,747	(27,323)	(3,901)	(3,901)	(3,651)	250
\$ -	\$ -	(1,236)	\$ (1,236)	\$ 243,226	\$ 243,226	145,304	\$ (97,922)
		(4,987)				(7,909)	
		\$ (6,223)				\$ 137,395	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		STORMWATER UTILITY TAX			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	(7,077)	(7,077)
Intergovernmental		-	-	-	-
Use of money and property		24,000	24,000	18,794	(5,206)
Charges for services		3,400,000	3,400,000	3,741,426	341,426
Contributions		-	-	-	-
Other revenues		-	-	-	-
	TOTAL REVENUES	3,424,000	3,424,000	3,753,143	329,143
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		3,005,169	3,005,169	2,695,875	309,294
Culture and recreation		-	-	-	-
Community enhancements		-	-	-	-
Capital outlay		1,920,000	1,920,000	924,442	995,558
	TOTAL EXPENDITURES	4,925,169	4,925,169	3,620,317	1,304,852
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(1,501,169)	(1,501,169)	132,826	1,633,995
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES		\$ (1,501,169)	\$ (1,501,169)	132,826	\$ 1,633,995
Beginning fund balances (deficits)				2,123,059	
ENDING FUND BALANCES (DEFICITS)				\$ 2,255,885	

ROAD MAINTENANCE				TRANSIT			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,917,002	1,917,002	1,946,818	29,816	3,699,811	3,699,811	3,644,759	(55,052)
-	-	4,295	4,295	960	960	862	(98)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,917,002	1,917,002	1,951,113	34,111	3,700,771	3,700,771	3,645,621	(55,150)
276,150	276,150	276,150	-	84,406	84,406	84,405	1
-	-	-	-	-	-	-	-
1,009,561	1,009,561	999,262	10,299	3,623,950	3,623,950	3,913,644	(289,694)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
450,000	450,000	45,000	405,000	55,051	55,051	-	55,051
1,735,711	1,735,711	1,320,412	415,299	3,763,407	3,763,407	3,998,049	(234,642)
181,291	181,291	630,701	449,410	(62,636)	(62,636)	(352,428)	(289,792)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(79,125)	(79,125)	(53,333)	25,792	-	-	-	-
(79,125)	(79,125)	(53,333)	25,792	-	-	-	-
\$ 102,166	\$ 102,166	577,368	\$ 475,202	\$ (62,636)	\$ (62,636)	(352,428)	\$ (289,792)
		265,780				260,842	
		\$ 843,148				\$ (91,586)	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		TRANSPORTATION DEVELOPMENT ACT			Variance With
		Budgeted Amounts		Actual	Final Budget
		Original	Final		Positive
					(Negative)
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		69,911	69,911	-	(69,911)
Use of money and property		3,556	3,556	1,156	(2,400)
Charges for services		-	-	-	-
Contributions		-	-	-	-
Other revenues		-	-	-	-
	TOTAL REVENUES	73,467	73,467	1,156	(72,311)
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		-	-	11,013	(11,013)
Culture and recreation		-	-	-	-
Community enhancements		-	-	-	-
Capital outlay		30,000	30,000	-	30,000
	TOTAL EXPENDITURES	30,000	30,000	11,013	18,987
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		43,467	43,467	(9,857)	(53,324)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES		\$ 43,467	\$ 43,467	(9,857)	\$ (53,324)
Beginning fund balances (deficits)				169,246	
ENDING FUND BALANCES (DEFICITS)				\$ 159,389	

POLICE				POLICE GRANTS			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
324,000	324,000	276,487	(47,513)	-	-	-	-
-	-	-	-	652,750	652,750	453,183	(199,567)
6,021	6,021	2,643	(3,378)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
330,021	330,021	279,130	(50,891)	652,750	652,750	453,183	(199,567)
-	-	-	-	-	-	-	-
344,769	344,769	214,647	130,122	652,750	652,750	447,766	204,984
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	5,226	(5,226)
344,769	344,769	214,647	130,122	652,750	652,750	452,992	199,758
(14,748)	(14,748)	64,483	79,231	-	-	191	191
-	-	-	-	-	-	-	-
46,152	46,152	86,234	40,082	-	-	-	-
(210,000)	(210,000)	(191,671)	18,329	-	-	-	-
(163,848)	(163,848)	(105,437)	58,411	-	-	-	-
\$ (178,596)	\$ (178,596)	(40,954)	\$ 137,642	\$ -	\$ -	191	\$ 191
		483,460				(40,671)	
		\$ 442,506				\$ (40,480)	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		SLES			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		132,893	132,893	221,669	88,776
Use of money and property		-	-	30	30
Charges for services		-	-	-	-
Contributions		-	-	-	-
Other revenues		-	-	-	-
TOTAL REVENUES		132,893	132,893	221,699	88,806
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		132,893	132,893	176,824	(43,931)
Public ways and facilities		-	-	-	-
Culture and recreation		-	-	-	-
Community enhancements		-	-	-	-
Capital outlay		-	-	44,845	(44,845)
TOTAL EXPENDITURES		132,893	132,893	221,669	(88,776)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		-	-	30	30
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		-	-	-	-
NET CHANGE IN FUND BALANCES		\$ -	\$ -	30	\$ 30
Beginning fund balances (deficits)				544	
ENDING FUND BALANCES (DEFICITS)				\$ 574	

HOUSING IN-LIEU FEE				PROPERTY BASED IMPROVEMENT DISTRICT			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
125	125	3	(122)	-	-	1,492	1,492
-	-	-	-	750,373	750,373	750,714	341
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
125	125	3	(122)	750,373	750,373	752,206	1,833
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	750,373	750,373	755,765	(5,392)
-	-	-	-	-	-	-	-
4,700	4,700	(27)	4,727	-	-	-	-
-	-	-	-	-	-	-	-
4,700	4,700	(27)	4,727	750,373	750,373	755,765	(5,392)
(4,575)	(4,575)	30	4,605	-	-	(3,559)	(3,559)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ (4,575)	\$ (4,575)	30	\$ 4,605	\$ -	\$ -	(3,559)	\$ (3,559)
		1,600				4,086	
		\$ 1,630				\$ 527	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		HOUSING AGENCY			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		-	-	-	-
Use of money and property		-	-	492	492
Charges for services		-	-	-	-
Contributions		-	-	-	-
Other revenues		-	-	11,795	11,795
TOTAL REVENUES		-	-	12,287	12,287
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		-	-	-	-
Culture and recreation		-	-	-	-
Community enhancements		43,614	43,614	40,526	3,088
Capital outlay		-	-	-	-
TOTAL EXPENDITURES		43,614	43,614	40,526	3,088
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(43,614)	(43,614)	(28,239)	15,375
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		-	-	-	-
NET CHANGE IN FUND BALANCES		\$ (43,614)	\$ (43,614)	(28,239)	\$ 15,375
Beginning fund balances (deficits)				2,843,395	
ENDING FUND BALANCES (DEFICITS)				\$ 2,815,156	

ROADWAY DEVELOPMENT FEES				HOUSING MITIGATION DEVELOPMENT FEES			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,000	5,000	30,140	25,140	-	-	114,128	114,128
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,874	4,874	2,781	(2,093)	2,371	2,371	1,143	(1,228)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,874	9,874	32,921	23,047	2,371	2,371	115,271	112,900
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,171	(2,171)	-	-	-	-
-	-	-	-	158,044	158,044	-	158,044
284,668	284,668	-	284,668	-	-	-	-
-	-	13,247	(13,247)	-	-	-	-
284,668	284,668	15,418	269,250	158,044	158,044	-	158,044
(274,794)	(274,794)	17,503	292,297	(155,673)	(155,673)	115,271	270,944
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ (274,794)	\$ (274,794)	17,503	\$ 292,297	\$ (155,673)	\$ (155,673)	115,271	\$ 270,944
		438,263				188,266	
		\$ 455,766				\$ 303,537	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

TREE PRESERVATION DEVELOPMENT FEES				
	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	4,140	4,140	2,054	(2,086)
Charges for services	-	-	-	-
Contributions	-	-	-	-
Other revenues	-	-	17,685	17,685
TOTAL REVENUES	4,140	4,140	19,739	15,599
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	-	-	-	-
Culture and recreation	-	-	-	-
Community enhancements	90,000	90,000	136,186	(46,186)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	90,000	90,000	136,186	(46,186)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(85,860)	(85,860)	(116,447)	(30,587)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (85,860)	\$ (85,860)	(116,447)	\$ (30,587)
Beginning fund balances (deficits)			215,893	
ENDING FUND BALANCES (DEFICITS)			\$ 99,446	

PARK FACILITIES DEVELOPMENT FEES				TRANSIT DEVELOPMENT FEES			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,200	2,200	6,471	4,271	1,000	1,000	5,218	4,218
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,536	1,536	896	(640)	754	754	463	(291)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,736	3,736	7,367	3,631	1,754	1,754	5,681	3,927
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	904	(904)
-	-	-	-	-	-	-	-
4,000	4,000	-	4,000	24,000	24,000	-	24,000
-	-	-	-	-	-	-	-
4,000	4,000	-	4,000	24,000	24,000	904	23,096
(264)	(264)	7,367	7,631	(22,246)	(22,246)	4,777	27,023
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ (264)	\$ (264)	7,367	\$ 7,631	\$ (22,246)	\$ (22,246)	4,777	\$ 27,023
		114,910				74,376	
		\$ 122,277				\$ 79,153	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		RECYCLING GRANTS			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		44,742	44,742	97,617	52,875
Use of money and property		-	-	525	525
Charges for services		-	-	-	-
Contributions		-	-	-	-
Other revenues		-	-	-	-
TOTAL REVENUES		44,742	44,742	98,142	53,400
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		-	-	-	-
Culture and recreation		-	-	-	-
Community enhancements		39,742	39,742	83,537	(43,795)
Capital outlay		-	-	-	-
TOTAL EXPENDITURES		39,742	39,742	83,537	(43,795)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		5,000	5,000	14,605	9,605
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		-	-	-	-
NET CHANGE IN FUND BALANCES		\$ 5,000	\$ 5,000	14,605	\$ 9,605
Beginning fund balances (deficits)				(2,279)	
ENDING FUND BALANCES (DEFICITS)				\$ 12,326	

SACOG COMMUNITY DESIGN GRANT				BTA GRANT			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
41,095	41,095	42,046	951	-	-	13,528	13,528
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
41,095	41,095	42,046	951	-	-	13,528	13,528
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
41,095	41,095	42,428	(1,333)	-	-	-	-
-	-	-	-	-	-	-	-
41,095	41,095	42,428	(1,333)	-	-	-	-
-	-	(382)	(382)	-	-	13,528	13,528
-	-	-	-	-	-	-	-
-	-	1,496	1,496	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,496	1,496	-	-	-	-
\$ -	\$ -	1,114	\$ 1,114	\$ -	\$ -	13,528	\$ 13,528
		-				(10,668)	
		\$ 1,114				\$ 2,860	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		PETSMART GRANT			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		-	-	-	-
Use of money and property		-	-	163	163
Charges for services		-	-	-	-
Contributions		-	-	-	-
Other revenues		-	-	3,478	3,478
	TOTAL REVENUES	-	-	3,641	3,641
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		-	-	-	-
Culture and recreation		-	-	-	-
Community enhancements		63,159	63,159	40,200	22,959
Capital outlay		-	-	-	-
	TOTAL EXPENDITURES	63,159	63,159	40,200	22,959
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(63,159)	(63,159)	(36,559)	26,600
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES		\$ (63,159)	\$ (63,159)	(36,559)	\$ 26,600
Beginning fund balances (deficits)				78	
ENDING FUND BALANCES (DEFICITS)				\$ (36,481)	

ZONE 1				ZONE 2			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
591	591	389	(202)	955	955	509	(446)
10,523	10,523	10,523	-	12,413	12,413	12,337	(76)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,114	11,114	10,912	(202)	13,368	13,368	12,846	(522)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,323	11,323	11,288	35	15,379	15,379	9,959	5,420
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,323	11,323	11,288	35	15,379	15,379	9,959	5,420
(209)	(209)	(376)	(167)	(2,011)	(2,011)	2,887	4,898
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ (209)	\$ (209)	(376)	\$ (167)	\$ (2,011)	\$ (2,011)	2,887	\$ 4,898
		39,381				68,535	
		\$ 39,005				\$ 71,422	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

ZONE 3				
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	31	31	8	(23)
Charges for services	6,550	6,550	6,550	-
Contributions	-	-	-	-
Other revenues	-	-	-	-
TOTAL REVENUES	6,581	6,581	6,558	(23)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	8,638	8,638	8,802	(164)
Culture and recreation	-	-	-	-
Community enhancements	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	8,638	8,638	8,802	(164)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,057)	(2,057)	(2,244)	(187)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ (2,057)</u>	<u>\$ (2,057)</u>	(2,244)	<u>\$ (187)</u>
Beginning fund balances (deficits)			<u>(1,312)</u>	
ENDING FUND BALANCES (DEFICITS)			<u>\$ (3,556)</u>	

ZONE 4				98-01			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1	1	2,216	2,216	1,039	(1,177)
8,619	8,619	4,718	(3,901)	10,640	10,640	10,680	40
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,619	8,619	4,719	(3,900)	12,856	12,856	11,719	(1,137)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,619	8,619	11,957	(3,338)	5,696	5,696	5,924	(228)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,619	8,619	11,957	(3,338)	5,696	5,696	5,924	(228)
-	-	(7,238)	(7,238)	7,160	7,160	5,795	(1,365)
-	-	-	-	-	-	-	-
-	-	3,651	3,651	-	-	-	-
-	-	-	-	-	-	-	-
-	-	3,651	3,651	-	-	-	-
\$ -	\$ -	(3,587)	\$ (3,587)	\$ 7,160	\$ 7,160	5,795	\$ (1,365)
		(3,651)				145,657	
		\$ (7,238)				\$ 151,452	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

		98-02			Variance With Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
Taxes and assessments		\$ -	\$ -	\$ -	\$ -
Licenses and permits		-	-	-	-
Fines and forfeitures		-	-	-	-
Intergovernmental		-	-	-	-
Use of money and property		1,334	1,334	686	(648)
Charges for services		22,200	22,200	22,250	50
Contributions		-	-	-	-
Other revenues		-	-	-	-
TOTAL REVENUES		23,534	23,534	22,936	(598)
EXPENDITURES					
Current:					
General government		-	-	-	-
Public safety		-	-	-	-
Public ways and facilities		16,988	16,988	12,045	4,943
Culture and recreation		-	-	-	-
Community enhancements		-	-	-	-
Capital outlay		-	-	-	-
TOTAL EXPENDITURES		16,988	16,988	12,045	4,943
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		6,546	6,546	10,891	4,345
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		-	-	-	-
NET CHANGE IN FUND BALANCES		\$ 6,546	\$ 6,546	10,891	\$ 4,345
Beginning fund balances (deficits)				90,299	
ENDING FUND BALANCES (DEFICITS)				\$ 101,190	

03-01				98-02 ZONE 2			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13,247	13,247	6,301	(6,946)	284	284	171	(113)
88,700	88,700	88,700	-	16,288	16,288	16,288	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
101,947	101,947	95,001	(6,946)	16,572	16,572	16,459	(113)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
49,645	49,645	39,215	10,430	10,440	10,440	9,980	460
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
49,645	49,645	39,215	10,430	10,440	10,440	9,980	460
52,302	52,302	55,786	3,484	6,132	6,132	6,479	347
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 52,302	\$ 52,302	55,786	\$ 3,484	\$ 6,132	\$ 6,132	6,479	\$ 347
		897,537				19,812	
		\$ 953,323				\$ 26,291	

CITY OF CITRUS HEIGHTS, CALIFORNIA
BUDGETED NONMAJOR GOVERNMENTAL FUNDS
SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

03-01 ZONE 2				
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	1,760	1,760	841	(919)
Charges for services	20,146	20,146	19,466	(680)
Contributions	-	-	-	-
Other revenues	-	-	-	-
TOTAL REVENUES	21,906	21,906	20,307	(1,599)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public ways and facilities	26,217	26,217	24,688	1,529
Culture and recreation	-	-	-	-
Community enhancements	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	26,217	26,217	24,688	1,529
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,311)	(4,311)	(4,381)	(70)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ (4,311)</u>	<u>\$ (4,311)</u>	(4,381)	<u>\$ (70)</u>
Beginning fund balances (deficits)			102,438	
ENDING FUND BALANCES (DEFICITS)			\$ 98,057	

LIGHTING ASSESSMENT DISTRICT				COMMUNITY CAPITAL REPLACEMENT			
Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	683	683	-	-	5,922	5,922
431,102	431,102	350,055	(81,047)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,605	1,605
431,102	431,102	350,738	(80,364)	-	-	7,527	7,527
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
432,102	432,102	406,610	25,492	-	-	67,849	(67,849)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	346,351	(346,351)
432,102	432,102	406,610	25,492	-	-	414,200	(414,200)
(1,000)	(1,000)	(55,872)	(54,872)	-	-	(406,673)	(406,673)
-	-	-	-	-	-	112,672	112,672
-	-	53,333	53,333	424,225	424,225	424,225	-
-	-	-	-	-	-	-	-
-	-	53,333	53,333	424,225	424,225	536,897	112,672
\$ (1,000)	\$ (1,000)	(2,539)	\$ (1,539)	\$ 424,225	\$ 424,225	130,224	\$ (294,001)
		(53,333)				798,327	
		\$ (55,872)				\$ 928,551	

FIDUCIARY FUNDS

Agency Funds:

Fire Capital Facilities Fee – Accounts for fire district development fees collected on behalf of Sacramento Metropolitan Fire District.

STA Fees – Accounts for Transportation fees collected on behalf of State.

CITY OF CITRUS HEIGHTS, CALIFORNIA
 AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 As of June 30, 2018

	Fire Capital Facilities Fee	STA Fees	Totals
ASSETS			
Cash and investments	\$ 1,205	\$ 20,689	\$ 21,894
TOTAL ASSETS	<u>\$ 1,205</u>	<u>\$ 20,689</u>	<u>\$ 21,894</u>
LIABILITIES			
Due to other governments	\$ 1,205	\$ 20,689	\$ 21,894
TOTAL LIABILITIES	<u>\$ 1,205</u>	<u>\$ 20,689</u>	<u>\$ 21,894</u>

CITY OF CITRUS HEIGHTS, CALIFORNIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the Year Ended June 30, 2018

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
<u>FIRE CAPITAL FACILITIES FEE</u>				
ASSETS:				
Cash and investments	\$ 1,168	\$ 1,205	\$ (1,168)	\$ 1,205
TOTAL ASSETS	<u>\$ 1,168</u>	<u>\$ 1,205</u>	<u>\$ (1,168)</u>	<u>\$ 1,205</u>
LIABILITIES:				
Due to other governments	\$ 1,168	\$ 1,205	\$ (1,168)	1,205
TOTAL LIABILITIES	<u>\$ 1,168</u>	<u>\$ 1,205</u>	<u>\$ (1,168)</u>	<u>\$ 1,205</u>
<u>STA FEES</u>				
ASSETS:				
Cash and investments	\$ 50,571	\$ 20,689	\$ (50,571)	\$ 20,689
TOTAL ASSETS	<u>\$ 50,571</u>	<u>\$ 20,689</u>	<u>\$ (50,571)</u>	<u>\$ 20,689</u>
LIABILITIES:				
Accounts payable	\$ 32,991	\$ -	\$ (32,991)	\$ -
Due to other governments	17,580	20,689	(17,580)	20,689
TOTAL LIABILITIES	<u>\$ 50,571</u>	<u>\$ 20,689</u>	<u>\$ (50,571)</u>	<u>\$ 20,689</u>
<u>TOTAL OF ALL AGENCY FUNDS</u>				
ASSETS:				
Cash and investments	\$ 51,739	\$ 21,894	\$ (51,739)	\$ 21,894
TOTAL ASSETS	<u>\$ 51,739</u>	<u>\$ 21,894</u>	<u>\$ (51,739)</u>	<u>\$ 21,894</u>
LIABILITIES:				
Accounts payable	\$ 34,159	\$ -	\$ (34,159)	\$ -
Due to other governments	17,580	21,894	(17,580)	21,894
TOTAL LIABILITIES	<u>\$ 51,739</u>	<u>\$ 21,894</u>	<u>\$ (51,739)</u>	<u>\$ 21,894</u>

STATISTICAL SECTION

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

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	114-123
Revenue Capacity generate revenues. Property taxes, sales and use taxes, charges for services, licenses, permits and fees and intergovernmental revenue are the City's most significant revenue sources.	124-131
Debt Capacity These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	132-135
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	136-138
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	139-144

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

City of Citrus Heights, California
Net Position by Component
Last Ten Fiscal Years
(Fiscal Year Ended June 30)
(Accrual basis of accounting)

	2009	2010	2011	2012
Governmental activities				
Invested in capital assets	\$ 384,928,105	\$ 388,085,031	\$ 380,131,270	\$ 370,403,423
Restricted	477,776	3,046,484	4,342,108	3,696,281
Unrestricted	59,472,462	53,063,713	57,351,701	51,220,587
Total governmental activities net position	\$ 444,878,343	\$ 444,195,228	\$ 441,825,079	\$ 425,320,291
Business-type activities				
Invested in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted	300,025	-	-	-
Unrestricted	745,876	2,848,766	716,320	759,833
Total business-type activities net position	\$ 1,045,901	\$ 2,848,766	\$ 716,320	\$ 759,833
Primary government				
Invested in capital assets	\$ 384,928,105	\$ 388,085,031	\$ 380,131,270	\$ 370,403,423
Restricted	777,801	3,046,484	4,342,108	3,696,281
Unrestricted	60,218,338	55,912,479	58,068,021	51,980,420
Total primary government net position	\$ 445,924,244	\$ 447,043,994	\$ 442,541,399	\$ 426,080,124

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
\$ 369,630,853	\$366,354,751	\$ 362,247,604	\$ 351,834,754	\$355,292,096	\$344,507,138
22,751,540	15,749,227	15,682,624	15,279,052	15,935,790	16,266,052
25,246,205	28,626,101	12,581,607	14,663,297	4,264,024	1,755,048
<u>\$ 417,628,598</u>	<u>\$410,730,079</u>	<u>\$ 390,511,835</u>	<u>\$ 381,777,103</u>	<u>\$375,491,910</u>	<u>\$362,528,238</u>
\$ -	\$ 200,000	\$ 200,000	\$ 321,123	\$ 389,449	\$ 381,575
-	-	-	-	-	-
655,163	614,441	406,354	265,517	160,563	219,434
<u>\$ 655,163</u>	<u>\$ 814,441</u>	<u>\$ 606,354</u>	<u>\$ 586,640</u>	<u>\$ 550,012</u>	<u>\$ 601,009</u>
\$ 369,630,853	\$366,554,751	\$ 362,447,604	\$ 352,155,877	\$355,681,545	\$344,888,713
22,751,540	15,749,227	15,682,624	15,279,052	15,935,790	16,266,052
25,901,368	29,240,542	12,987,961	14,928,814	4,424,587	1,974,482
<u>\$ 418,283,761</u>	<u>\$411,544,520</u>	<u>\$ 391,118,189</u>	<u>\$ 382,363,743</u>	<u>\$376,041,922</u>	<u>\$363,129,247</u>

City of Citrus Heights, California
Changes in Net Position
Last Ten Fiscal Years
(Fiscal Year Ended June 30)
(Accrual basis of accounting)

	2009	2010	2011	2012
Expenses				
Governmental activities:				
General government	\$ 6,296,913	\$ 6,053,708	\$ 5,984,581	\$ 5,190,638
Public safety	18,473,394	17,694,892	18,817,306	19,522,974
Public ways and facilities	17,396,873	21,335,008	24,344,523	25,489,982
Culture and recreation	346,317	557,661	820,799	883,463
Economic development	163,256	80,074	62,687	64,906
Community enhancements	4,018,617	3,421,515	5,702,868	4,532,930
Total governmental activities expenses	46,695,370	49,142,858	55,732,764	55,684,893
Business-type activities:				
Transit	2,871,380	-	-	-
Stormwater utility	829,033	697,400	-	-
Solid waste	395,791	436,658	535,094	579,195
Total business-type activities expenses	4,096,204	1,134,058	535,094	579,195
Total primary government expenses	50,791,574	50,276,916	56,267,858	56,264,088
Program revenues				
Governmental activities:				
Charges for services:				
General government	1,538,107	584,124	332,690	343,013
Public safety	250,785	1,512,882	433,535	443,227
Public ways and facilities	166,610	653,995	7,857,400	3,642,658
Culture and recreation	-	-	292,134	394,188
Economic development	-	-	-	-
Community enhancements	-	1,088,280	761,323	858,413
Operating grants and contributions	8,545,951	1,458,333	14,447,725	12,857,360
Capital grants and contributions	5,909,073	16,329,085	1,580,765	187,957
Total governmental activities program revenues	16,410,526	21,626,699	25,705,572	18,726,816
Business-type activities:				
Charges for services:				
Stormwater utility	643,536	2,655,812	-	-
Solid waste	568,294	546,290	613,242	616,288
Operating grants and contributions	2,972,090	-	-	-
Total business-type activities program revenues	4,183,920	3,202,102	613,242	616,288
Total primary government program revenues	20,594,446	24,828,801	26,318,814	19,343,104
Net (Expense)/Revenue				
Governmental activities	(30,284,844)	(27,516,159)	(30,027,192)	(36,958,077)
Business-type activities	87,716	2,068,044	78,148	37,093
Total primary government net expense	(30,197,128)	(25,448,115)	(29,949,044)	(36,920,984)

2013	2014	2015	2016	2017	2018
\$ 4,905,500	\$ 4,825,401	\$ 5,401,023	\$ 4,704,899	\$ 5,463,122	\$ 6,106,557
18,371,871	19,595,533	18,092,747	17,355,288	18,378,242	21,698,128
25,152,231	27,499,125	30,037,037	34,185,103	24,188,701	24,395,899
692,989	613,235	555,342	654,183	669,948	722,254
114,616	172,083	159,243	214,978	402,904	353,608
4,429,170	4,407,068	4,319,791	4,313,943	4,710,977	4,664,278
53,666,377	57,112,445	58,565,183	61,428,394	53,813,894	57,940,724
-	-	-	-	-	-
-	-	-	-	-	-
752,084	529,464	903,522	757,028	798,694	751,291
752,084	529,464	903,522	757,028	798,694	751,291
54,418,461	57,641,909	59,468,705	62,185,422	54,612,588	58,692,015
305,057	331,675	381,923	1,120,688	1,151,570	1,185,547
366,726	459,073	337,199	1,547,840	1,759,927	1,488,252
4,789,239	4,730,893	4,666,240	4,359,774	4,500,372	4,324,674
343,817	374,244	311,350	352,401	354,517	449,711
-	-	100	50	-	-
842,151	1,036,139	1,298,079	1,912,936	1,597,005	498,673
10,909,700	13,558,056	13,179,453	10,236,552	6,087,515	6,265,040
7,590,789	7,173,645	2,418,225	4,489,329	2,006,396	1,483,643
25,147,479	27,663,725	22,592,569	24,019,570	17,457,302	15,695,540
-	-	-	-	-	-
651,300	657,027	710,618	732,401	761,614	798,838
-	-	-	-	-	-
651,300	657,027	710,618	732,401	761,614	798,838
25,798,779	28,320,752	23,303,187	24,751,971	18,218,916	16,494,378
(28,518,898)	(29,448,720)	(35,972,614)	(37,408,824)	(36,356,592)	(42,245,184)
(100,784)	127,563	(192,904)	(24,627)	(37,080)	47,547
(28,619,682)	(29,321,157)	(36,165,518)	(37,433,451)	(36,393,672)	(42,197,637)

City of Citrus Heights, California
Changes in Net Position
Last Ten Fiscal Years
(Fiscal year ended June 30)
(Accrual basis of accounting)

	2009	2010	2011	2012
Continued from previous page:				
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Property taxes	\$ 2,967,249	\$ 4,259,087	\$ 3,089,382	\$ 2,117,970
Sales and use tax	10,903,918	9,877,654	10,636,890	10,617,617
Utility users tax	2,785,298	2,885,300	2,883,331	2,771,161
Other taxes	1,179,418	1,419,925	1,346,658	1,353,716
Shared intergovernmental revenues	7,544,177	6,985,507	7,035,404	6,418,174
Investment earnings	1,955,836	1,105,546	448,746	561,376
Gain (loss) on sale of assets	(4,202)	-	-	-
Transfers	-	300,025	2,216,632	2,334
Extraordinary loss on dissolution of redevelopment	-	-	-	(3,389,059)
Total governmental activities	27,331,694	26,833,044	27,657,043	20,453,289
Business-type activities:				
Investment earnings	37,582	34,846	6,038	8,754
Transfers	-	(300,025)	(2,216,632)	(2,334)
Total business-type activities	37,582	(265,179)	(2,210,594)	6,420
Total primary government	27,369,276	26,567,865	25,446,449	20,459,709
Changes in Net Position				
Governmental activities	(2,953,150)	(683,115)	(2,370,149)	(16,504,788)
Business-type activities	125,298	1,802,865	(2,132,446)	43,513
Total primary government	\$ (2,827,852)	\$ 1,119,750	\$ (4,502,595)	\$ (16,461,275)

Note: Information was not available from the City's pension plan to report both the ension liability and changes in pension liaility under GASB Statement No. 68 prior to 2015. Consequently the amounts reported above in 2014 and prior years are prior to restatement

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
\$ 270,913	\$ 139,634	\$ 138,659	\$ 946,113	\$ 991,552	\$ 758,653
11,261,741	11,195,869	11,230,382	15,977,575	15,412,345	15,653,986
2,770,644	2,739,486	2,768,562	2,810,771	2,881,617	2,932,236
1,362,446	1,332,334	1,416,552	1,601,229	1,616,163	1,600,300
6,659,357	6,652,222	7,015,174	7,260,670	7,611,171	8,037,540
(299,378)	455,531	246,710	527,734	1,108,551	254,162
-	-	-	-	-	-
2,918	35,125	-	-	-	-
-	-	-	-	-	-
22,028,641	22,550,201	22,816,039	29,124,092	29,621,399	29,236,877
(968)	31,715	4,158	4,913	452	3,450
(2,918)	-	-	-	-	-
(3,886)	31,715	4,158	4,913	452	3,450
22,024,755	22,581,916	22,820,197	29,129,005	29,621,851	29,240,327
(6,490,257)	(6,898,519)	(13,156,575)	(8,284,732)	(6,735,193)	(13,008,307)
(104,670)	159,278	(188,746)	(19,714)	(36,628)	50,997
\$ (6,594,927)	\$ (6,739,241)	\$ (13,345,321)	\$ (8,304,446)	\$ (6,771,821)	\$ (12,957,310)

City of Citrus Heights, California
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal Year Ended June 30)
(Modified accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund:				
Nonspendable	\$ 8,788,942	\$ 8,441,469	\$ 1,293,139	\$ 1,366,759
Restricted	-	-	-	-
Committed	25,000,000	27,630,000	34,416,550	32,677,537
Unassigned	3,974,686	782,766	-	172,951
Total general fund	<u>37,763,628</u>	<u>36,854,235</u>	<u>35,709,689</u>	<u>34,217,247</u>
All Other Governmental Funds:				
Nonspendable	3,255,450	4,763,352	4,758,923	-
Restricted	3,026,817	4,102,253	4,414,317	3,696,281
Committed	-	-	-	-
Assigned	14,650,164	8,090,593	15,020,966	13,451,353
Unassigned (deficit)	<u>(424,928)</u>	<u>(727,512)</u>	<u>(2,236,731)</u>	<u>(14)</u>
Total all other governmental funds	<u>20,507,503</u>	<u>16,228,686</u>	<u>21,957,475</u>	<u>17,147,620</u>
Total all governmental funds	<u><u>\$ 58,271,131</u></u>	<u><u>\$ 53,082,921</u></u>	<u><u>\$ 57,667,164</u></u>	<u><u>\$ 51,364,867</u></u>

NOTE: Information was not available from the City's pension plan to report both the pension liability and changes in pension liability under GASB Statement No. 68 prior to 2015. Consequently, the amounts reported above in 2014 and prior years are prior to restatement.

2013	2014	2015	2016	2017	2018
\$ 1,233,199	\$ 1,144,639	\$ 962,457	\$ 298,407	\$ 32,159	\$ 279,210
-	6,443	14,148	14,613	25,394	21,143
29,080,819	27,279,124	19,395,418	18,616,257	4,559,378	4,559,378
855,369	925,202	64,943	146,734	1,101,504	314,061
31,169,387	29,355,408	20,436,966	19,076,011	5,718,435	5,173,792
512,312	643,352	-	-	-	2,784,600
3,454,581	9,994,202	9,479,154	9,723,591	10,067,839	8,702,340
-	-	-	-	-	-
9,705,971	-	1,652,198	928,925	894,318	1,374,838
(578,904)	950,267	(570,131)	(122,707)	(132,660)	(262,719)
13,093,960	11,587,821	10,561,221	10,529,809	10,829,497	12,599,059
\$44,263,347	\$ 40,943,229	\$ 30,998,187	\$29,605,820	\$ 16,547,932	\$ 17,772,851

City of Citrus Heights, California
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal Year Ended June 30)
(Modified accrual basis of accounting)

	2009	2010	2011	2012
Revenues:				
Taxes and assessments	\$ 18,557,033	\$ 19,184,773	\$ 26,358,981	\$ 21,031,929
Licenses, permits and fees	1,147,843	1,064,263	999,510	1,056,671
Fines and forfeitures	948,261	996,933	940,646	1,013,877
Intergovernmental	19,121,754	23,763,010	19,781,727	16,424,374
Use of money and property	2,492,898	1,804,746	1,951,351	1,786,652
Charges for services	1,960,828	747,240	582,141	652,637
Contributions	25,487	35,598	540,192	24,046
Other revenues	29,380	1,257,949	635,554	553,348
Total revenues	44,283,484	48,854,512	51,790,102	42,543,534
Expenditures:				
General government	4,828,988	5,020,192	5,498,176	4,792,560
Public safety	16,884,699	17,448,366	17,751,208	18,477,602
Public ways and facilities	7,080,913	9,544,682	13,457,880	12,658,660
Culture and recreation	346,317	557,661	639,813	690,509
Economic development	163,256	80,074	60,941	64,906
Community enhancements	4,146,976	5,130,586	6,671,921	4,531,696
Capital outlay	12,031,576	15,866,392	4,698,433	4,080,252
Debt service:				
Lease principal ¹	-	-	-	-
Interest and fiscal charges	546,900	699,200	646,767	49,200
Total expenditures	46,029,625	54,347,153	49,425,139	45,345,385
Reconciliation of Governmental Revenues				
Less Expenditures to Fund Equity:				
Revenues over (under) expenditures	\$ (1,746,141)	\$ (5,492,641)	\$ 2,364,963	\$ (2,801,851)
Other financing sources (uses):				
Extraordinary loss on dissolution of redevelopment	-	-	-	(3,005,604)
Tax sharing payments	-	-	-	(573,320)
Proceeds from sale of capital assets	9,838	4,406	2,648	76,147
Transfers in	9,464,433	11,259,475	19,571,032	3,379,196
Transfers out	(9,464,433)	(10,959,450)	(17,354,400)	(3,376,862)
Total other financing sources (uses)	9,838	304,431	2,219,280	(3,500,443)
Net change in fund balances	<u>\$ (1,736,303)</u>	<u>\$ (5,188,210)</u>	<u>\$ 4,584,243</u>	<u>\$ (6,302,294)</u>
Debt service as a percentage of noncapital expenditures	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>

¹ In 2015, the City entered into a capital lease payable agreement for a new City Hall building and utility yard. In 2017, the City exercised its option to purchase the City Hall building and utility yard by making payments totaling \$13,749,031.

Due to the purchase, the capital lease liability was extinguished.

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
\$ 20,405,852	\$ 15,419,083	\$ 15,582,175	\$ 16,984,351	\$ 16,631,964	\$ 16,522,415
1,069,757	1,162,034	1,467,405	1,524,848	1,631,147	1,462,504
898,734	947,834	1,454,939	1,084,980	1,247,094	1,147,719
22,909,194	24,645,011	19,573,316	22,748,760	19,003,009	18,839,531
803,392	890,087	577,893	874,978	1,398,709	515,517
1,080,785	6,281,132	6,197,842	6,470,344	6,598,162	6,594,424
26,522	25,520	27,126	1,807,470	155,409	19,726
83,037	52,826	6,031	216,226	1,082,642	491,114
47,277,273	49,423,527	44,886,727	51,711,957	47,748,136	45,592,950
4,472,530	4,472,814	4,732,760	4,940,481	5,547,678	5,582,583
17,944,997	18,945,346	18,954,246	19,537,621	19,631,973	20,018,189
18,506,469	12,507,432	14,809,940	16,288,336	12,303,244	11,251,339
682,528	608,931	560,376	667,099	724,750	704,866
114,395	171,271	159,924	223,753	405,901	298,781
4,406,960	4,348,398	4,388,846	4,425,724	4,714,654	4,306,626
8,278,153	12,620,848	25,084,392	7,036,250	4,144,138	2,318,319
-	-	7,638,960	-	13,749,031	-
-	-	-	-	-	-
54,406,032	53,675,040	76,329,444	53,119,264	61,221,369	44,480,703
\$ (7,128,759)	\$ (4,251,513)	\$(31,442,717)	\$ (1,407,307)	\$ (13,473,233)	\$ 1,112,247
-	-	-	-	-	-
-	-	21,387,991	-	-	-
24,321	105,911	109,684	14,940	415,345	112,672
4,938,773	3,106,136	2,642,014	2,514,601	15,236,333	1,514,764
(4,935,855)	(3,106,136)	(2,642,014)	(2,514,601)	(15,236,333)	(1,514,764)
27,239	105,911	21,497,675	14,940	415,345	112,672
\$ (7,101,520)	\$ (4,145,602)	\$ (9,945,042)	\$ (1,392,367)	\$ (13,057,888)	\$ 1,224,919
0%	0%	14.91%	0%	24.09%	0%

City of Citrus Heights, California
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30:	City *		Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured		
2009	\$ 6,014,888,776	\$ 140,108,317	\$ 6,154,997,093	0.13
2010	5,599,965,487	138,126,469	5,738,091,956	0.14
2011	5,543,906,147	142,729,495	5,686,635,642	0.14
2012	5,317,663,118	136,830,564	5,454,493,682	0.13
2013	5,178,643,530	136,454,777	5,315,098,307	0.12
2014	5,406,194,397	130,148,077	5,536,342,474	0.08
2015	5,730,450,690	129,655,189	5,860,105,879	0.08
2016	5,940,311,781	108,308,288	6,048,620,069	0.08
2017	6,194,220,242	127,456,727	6,321,676,969	0.08
2018	6,579,162,284	125,883,733	6,705,046,017	0.08

* Due to a Revenue Neutrality law, the City has entered into a contract with the County, whereby the County will keep all of the City's property tax revenue through June 2022. Numbers above represent estimates provided by the County.

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is assessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Sacramento County Auditor-Controller

Redevelopment Agency				
Secured	Unsecured	Less: Exceptions	Table Assessed Value	Total Direct Tax Rate
\$ 525,612,565	\$ 55,457,903	\$ 413,000	\$ 580,657,468	0.068%
601,937,210	62,235,182	404,600	663,767,792	0.084%
584,558,211	58,833,950	410,200	642,981,961	0.084%
561,092,961	56,908,605	460,600	617,540,966	0.084%
535,868,652	53,083,982	434,000	588,518,634	0.084%
521,362,337	51,620,891	434,000	572,549,228	0.084%
519,033,049	48,319,149	420,000	566,932,198	0.084%
505,368,074	38,951,421	378,000	543,941,495	0.084%
515,200,283	39,266,230	371,000	554,095,513	0.084%
532,993,401	36,254,710	322,000	568,926,111	0.084%

City of Citrus Heights, California
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of taxable value)

	2009	2010	2011	2012	2013
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Grant Joint High	0.05180	0.07270	0.06330	0.05890	0.08230
Los Rios College Bond	0.00000	0.00000	0.00000	0.01920	0.00000
Los Rios College Gob	0.00740	0.01240	0.00900	0.00000	0.01930
North Sacramento Elementary Gob 2017	0.00000	0.00000	0.00230	0.00000	0.00000
North Sacto Elementary Gob	0.06700	0.00000	0.00000	0.01450	0.01670
Rio Linda Elementary Bond	0.00000	0.00000	0.00000	0.06030	0.05760
Rio Linda Elementary Gob	0.08040	0.00870	0.05100	0.00000	0.00000
San Juan Unified	0.07250	0.06880	0.08130	0.09480	0.10030
Twin Rivers Unified	0.00000	0.00000	0.00000	0.00000	0.01170
Total Direct & Overlapping² Tax Rates	1.27910	1.16260	1.20690	1.24770	1.28790
City's Share of 1% Levy Per Prop 13 ³	0.0843	0.0843	.0.8431	0.08431	0.08431
Voter Approved City Debt Rate	0.0000	0.0000	0.0000	0.0000	0.0000
Redevelopment Rate ⁴	1.00000	1.0000	1.0000	1.0000	0.0000
Total Direct Rate ⁵	0.12938	0.14390	0.14260	0.12715	0.12388

¹ In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides withing. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

² Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

³ City's Share of 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

⁴ Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

⁵ Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

Source: Sacramento County Assessor 2008/09-2017/18 Tax Rate Table
Source: HDL Coren & Cone

2014	2015	2016	2017	2018
1.00000	1.00000	1.00000	1.00000	1.00000
0.07280	0.04850	0.03060	0.06480	0.01460
0.00000	0.00000	0.00000	0.00000	0.00000
0.01810	0.01130	0.00910	0.01410	0.01300
0.00000	0.00000	0.00000	0.00000	0.00000
0.02060	0.01850	0.01260	0.01680	0.00000
0.05570	0.05290	0.04890	0.05210	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000
0.16300	0.15090	0.15470	0.15220	0.21150
0.00990	0.05520	0.03890	0.04810	0.14430
1.34010	1.33730	1.29480	1.34810	1.38340
0.08431	0.08431	0.08431	0.08431	0.08431
0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000
0.07634	0.07664	0.07735	0.07759	0.08140

City of Citrus Heights, California
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>City</u> <u>Direct Rate</u>	<u>Sacramento</u> <u>County</u>	<u>STA Measure A</u>	<u>State of</u> <u>California</u>	<u>Total</u> <u>Sales Tax Rate</u>
2009	1.00	0.25	0.50	7.00	8.75%
2010	1.00	0.25	0.50	7.00	8.75%
2011	1.00	0.25	0.50	7.00	8.75%
2012	1.00	0.25	0.50	6.00	7.75%
2013	1.00	0.25	0.50	6.25	8.00%
2014	1.00	0.25	0.50	6.25	8.00%
2015	1.00	0.25	0.50	6.25	8.00%
2016	1.00	0.25	0.50	6.25	8.00%
2017	1.00	0.25	0.50	6.00	7.75%
2018	1.00	0.25	0.50	6.00	7.75%

Source: California State Board of Equalization

City of Citrus Heights, California
Principal Property Tax Payers
Current Year and 9 Years Ago

Property Owner	Fiscal Year Ended June 30:					
	2018			2009		
	Assessed Valuation	Rank	% of Total	Assessed Valuation	Rank	% of Total
Birdcage GRF2 LLC	\$ 77,937,995	1	1.16%	-	-	-
Montage Apartments Property	75,480,000	2	1.13%	-	-	-
Sunrise Mall Property LLC	56,319,387	3	0.84%	-	-	-
Lakeview Gold 101305 LP	45,974,762	4	0.69%	-	-	-
Mitchell Sippola LP Bollinger Investment *	43,155,222	5	0.64%	-	-	-
Oakmont Properties Autumn Ridge LP	29,221,040	6	0.44%	-	-	-
Fairfield Sunrise LLC	27,982,522	7	0.42%	-	-	-
Wal-Mart/Sam's Club *	26,206,355	8	0.39%	-	-	-
Marshall Field Stores Inc *	24,927,953	9	0.37%	-	-	-
Wedgewood Commons Apartments LLC	24,742,702	10	0.37%	-	-	-
VIF Lyon Oak Creek LLC	-	-	-	\$ 60,686,674	1	0.99%
MP Birdcage Marketplace LLC	-	-	-	56,095,009	2	0.91%
Ronald P. & Maureen A. Ashley	-	-	-	42,284,097	3	0.69%
Wal-Mart/Sam's Club *	-	-	-	32,070,406	4	0.52%
Steadfast-BLK LLC	-	-	-	31,581,149	5	0.51%
Grove At Sunrise LLC	-	-	-	27,840,649	6	0.45%
Lowe's HIW Inc. *	-	-	-	25,749,921	7	0.42%
1158 Page State LLC 4731 Whitney LLC	-	-	-	23,235,600	8	0.38%
Sears Roebuck & Company	-	-	-	22,517,509	9	0.37%
Wedgewood Commons Apartments LLC	-	-	-	21,857,734	10	0.36%
	<u>\$431,947,938</u>		<u>6.45%</u>	<u>\$343,918,748</u>		<u>5.60%</u>

* Pending Appeals on Parcels

Data Source: Sacramento County Assessor 2017/18 & 2008/09 Combined Tax Rolls and the SBE Non Unitary Tax Roll

Source: HDL Coren & Cone

City of Citrus Heights, California

Schedule of Top 25 Principal Sales Tax Remitters (listed in alphabetical order)

Current Year and Nine Years Ago

Fiscal Year Ended June 30

Fiscal Year Ended June 30:	
2018	2009
(represents 52.72% of total sales tax)	(represents 52.28% of total sales tax)
A&A Stepping Stone Manufacturing	AT & T Mobility
Arco AM PM Location #1	Barnes & Noble
Arco AM PM Location #2	Bests
AT&T Mobility	BevMo
Best Buy	Burlington
Burlington Coat Factory	Carmichael Honda
Citrus Heights Shell	Chevron
Costco	Circuit City
JC Penney	Costco
Kohls	JC Penney
Lifetouch National School Studios	Kmart
Lowe's	Lowe's
Macy's	Macys
Maita Honda	Mervyns
Marshalls	Pastor Auto Care
McDonald's	Rite Aid
Pastor Auto Care	Ross
Quik Stop	Sam's Club w/ Fuel
Ross	Sears
Sams Club w/ Fuel	Shell
Sears	Steward Enterprices
Target	Target
Toy R Us	Toys R Us
Ulta Beauty	Walgreens
Walmart Supercenter	Walmart Supercenter

Note: The lists above includes both public and private entities and therefore the dollar values have been omitted because the information is not public information and is not provided by HDL. Rankings are determined by the sales dollar volume.

Source: Hinderliter, de Llamas & Associates, State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office

City of Citrus Heights, California
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year*	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 7,694,494	\$ 7,694,494	100%	-	\$ 7,694,494	100%
2010	8,392,429	8,392,429	100%	-	8,392,429	100%
2011	7,015,175	7,015,175	100%	-	7,015,175	100%
2012	5,228,554	5,228,554	100%	-	5,228,554	100%
2013	3,952,063	3,952,063	100%	-	3,952,063	100%
2014	4,180,600	4,180,600	100%	-	4,180,600	100%
2015	4,397,415	4,397,415	100%	-	4,397,415	100%
2016	4,662,052	4,662,052	100%	-	4,662,052	100%
2017	4,774,258	4,774,258	100%	-	4,774,258	100%
2018	5,278,677	5,278,677	100%	-	4,885,101	100%

* Due to a Revenue Neutrality law, the City has entered into a contract with the County of Sacramento (County), whereby the County will keep all of the City's property tax revenue through June 2022. Numbers above were provided by the County.

Note: Amounts reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with the County retaining any interest or penalties on uncollected balances.

Source: Sacramento County Auditor-Controller's Office

City of Citrus Heights, California
Direct and Overlapping Debt
Current Year
June 30, 2018

2017-18 Assessed Valuation \$6,691,484,243

	Percentage Applicable ¹	Outstanding Debt 6/30/2018	Estimated Share of Overlapping Debt
DIRECT & OVERLAPPING TAX & ASSESSMENT DEBT:			
Los Rios Community College District	3.650%	\$ 413,020,000	\$ 15,075,230
San Juan Unified School District	19.483%	441,659,706	86,048,561
Twin Rivers Unified School District	0.239%	65,810,000	157,286
Twin Rivers Unified School District (former Grant Joint UHSD)	0.189%	216,056,274	408,346
City of Citrus Heights	-	-	-
Total Overlapping Tax and Assessment Debt		<u>1,136,545,980.00</u>	<u>101,689,423</u>
OVERLAPPING GENERAL FUND DEBT:			
Sacramento County General Fund Obligation:	4.438%	213,680,900	9,483,158
Sacramento County Pension Obligation Bonds	4.438%	925,700,052	41,082,568
Sacramento Board of Education Certificates of Participation	4.438%	4,840,000	214,799
Los Rios Community College District Certificates of Participation	3.650%	440,000	16,060
San Juan Unified School District Certificates of Participation	19.483%	251,352	48,971
Twin Rivers Unified School District Certificates of Participation	0.189%	65,440,000	123,682
Sacramento Metropolitan Fire District General Fund Obligations	10.644%	9,090,000	967,540
Sacramento Metropolitan Fire District Pension Obligations Bonds	10.644%	49,423,975	5,260,688
Sunrise Recreation and Park District Certificates of Participation	54.458%	5,875,000	3,204,695
Total Overlapping General Fund Debt		<u>1,274,741,279</u>	<u>60,402,161</u>
Less: Sacramento County supported obligations			798,436
Total Net Overlapping General Fund Debt		<u>\$ 2,411,287,259 ²</u>	<u>\$ 161,293,148</u>
Total City Direct Debt			-
Total Direct and Overlapping Debt			<u>\$ 161,293,148</u>

⁽¹⁾The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and non-bonded capital lease obligations.

Note: The City has no outstanding debt and does not anticipate any GO bonds in the future.

Ratios to 2017-18 Assessed Valuation:

Direct Debt	0.00%
Total Direct and Overlapping Tax and Assessment Debt	1.52%
Gross Combined Total Debt	2.42%
Net Combined Total Debt	2.41%

Source: California Municipal Statistics, Inc.

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City of Citrus Heights, California
Legal Debt Margin Information
Last Ten Fiscal Years

	2009	2010	2011	2012
Assessed Value	\$ 5,993,040,915	\$ 5,578,901,387	\$ 5,492,388,843	\$ 5,290,587,477
Conversion Percentage	25%	25%	25%	25%
Adjusted Assessed Value	1,498,260,229	1,394,725,347	1,373,097,211	1,322,646,869
Debt Limit Percentage	15%	15%	15%	15%
Debt limit	224,739,034	209,208,802	205,964,582	198,397,030
Total net debt applicable to limit	-	-	-	-
Legal debt margin	\$ 224,739,034	\$ 209,208,802	\$ 205,964,582	\$ 198,397,030
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%

Notes: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed secured tax valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of the assessed value for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

The City does not have any outstanding general obligation debt subject to the limit.

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
\$ 5,155,662,329	\$ 5,408,064,500	\$ 5,714,275,249	\$ 5,925,147,810	\$ 6,194,220,242	\$ 6,579,162,284
25%	25%	25%	25%	25%	25%
1,288,915,582	1,352,016,125	1,428,568,812	1,481,286,953	1,548,555,061	1,644,790,571
15%	15%	15%	15%	15%	15%
193,337,337	202,802,419	214,285,322	222,193,043	232,283,259	246,718,586
-	-	-	-	-	-
\$ 193,337,337	\$ 202,802,419	\$ 214,285,322	\$ 222,193,043	\$ 232,283,259	\$ 246,718,586
0%	0%	0%	0%	0%	0%

City of Citrus Heights, California

Ratios of Outstanding Debt by Type - Government Activities

Last Ten Fiscal Years

(Fiscal Year Ended June 30)

Fiscal Year Ended June 30	Capital Lease	Percentage of Personal Income	Per Capita
2008	\$ -	-	\$ -
2009	-	-	-
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	13,749,031	652.44%	162.61
2016	13,749,031	651.70%	159.33
2017	-	-	-
2018	-	-	-

Source: City Administrative Services Department

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City of Citrus Heights, California
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate
2009	87,205	\$ 2,176,945	\$ 24,964	5.0%
2010	87,615	2,140,047	24,426	8.0%
2011	88,115	2,153,002	24,434	9.0%
2012	83,881	2,150,709	25,640	8.5%
2013	84,345	2,168,257	25,707	5.8%
2014	84,544	2,163,481	25,590	4.9%
2015	84,550	2,107,324	24,924	7.7%
2016	86,291	2,109,711	24,448	6.3%
2017	87,013	2,097,135	24,101	5.6%
2018	87,731	2,193,100	24,997	4.5%

Notes and Data Sources:

Information collected by: HDL Coren & Cone

Population: California State Department of Finance. Unemployment Data: California Employment Development Department

2007-2009 Income, Age and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries

2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

Median Age	% of Pop 25+ w/ High School Degree	% of Pop 25+ w/ Bachelor's Degree
35.9	89.3%	20.3%
36.6	89.2%	18.8%
36.7	89.0%	18.9%
37.1	89.2%	18.5%
37.0	89.9%	19.2%
37.0	89.2%	18.9%
37.8	89.2%	18.9%
37.3	89.9%	18.8%
37.7	89.6%	19.0%

City of Citrus Heights, California
Principal Employers
Current Year and Ten Years Ago

Employer	2018*			2009*		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
State of California	75,801	1	48.02%	73,273	1	52.20%
Kaiser Permanente	16,959	2	10.74%	6,500	6	4.63%
UC Davis/US Davis Health System	12,840	3	8.13%	8,496	3	6.05%
Sacramento County	12,208	4	7.73%	13,304	2	9.48%
Sutter Health Sacramento Sierra Region	12,138	5	7.69%	7,979	4	5.68%
Dignity Health	7,000	6	4.43%	-	-	-
Intel Corp	6,000	7	3.80%	6,391	7	4.55%
Raley's Inc	5,528	8	3.50%	-	-	-
Apple Inc	5,000	9	3.17%	-	-	-
San Juan Unified School District	4,365	10	2.77%	5,190	10	3.70%
Sacramento Unified School District	-	-	-	7,314	5	5.21%
Los Rios Community College District	-	-	-	6,000	8	4.27%
Mercy/Catholic Healthcare West	-	-	-	5,922	9	4.22%
Total	<u>157,839</u>		<u>100.00%</u>	<u>140,369</u>		<u>100.00%</u>

Notes:

* Information presented is for the Sacramento Region Largest Sacramento County Employers and Largest Private-Sector Employers, since separate data is not available for the City of Citrus Heights. Companies surveyed for this list have offices in Sacramento, El Dorado, Placer or Yolo counties. Not all companies surveyed responded to inquiries.

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City of Citrus Heights, California
Full-time and Part-time City Employees by Function
Last Ten Fiscal Years
(Fiscal Year Ended June 30)

Function	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General government	31	27	27	22
Public safety	145	153	150	150
Public works	24	22	22	23
Community development	21	16	16	17
Community center	-	8	9	10
Total	<u>221</u>	<u>226</u>	<u>224</u>	<u>222</u>

Source: City Administrative Services Department

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
22	22	22	25	28	28
141	150	145	144	144	151
27	25	25	20	18	16
19	16	17	18	18	18
<u>11</u>	<u>15</u>	<u>14</u>	<u>14</u>	<u>11</u>	<u>9</u>
<u>220</u>	<u>228</u>	<u>223</u>	<u>221</u>	<u>219</u>	<u>222</u>

City of Citrus Heights, California
Operating Indicators by Function
Last Ten Fiscal Years
(Fiscal Year Ended June 30)

Function	2009	2010	2011	2012
Police				
Arrests	3,542	3,705	3,882	3,176
Parking citations issued	2,119	1,792	1,415	803
Total police actions	5,661	5,497	5,297	3,979
Fire **	n/a	n/a	n/a	n/a
Public works				
Street resurfacing (miles)	3	4	3	1
Parks and recreation **	n/a	n/a	n/a	n/a
Water **	n/a	n/a	n/a	n/a
Sewer **	n/a	n/a	n/a	n/a
Building:				
Commercial/Industrial Construction	4	2	0	3
Residential Construction	29	18	30	6
Total building actions	33	20	30	9

** Services are provided by Special Districts, which are separate from the City. Information not available.

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
3,276	3,348	3,185	2,990	2730	2452
724	539	685	520	650	908
4,000	3,887	3,870	3,510	3,380	3,360
n/a	n/a	n/a	n/a	n/a	n/a
1	4	2	4	1	0
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
2	1	3	12	2	1
7	10	43	28	9	17
9	11	46	40	11	18

City of Citrus Heights, California
Capital Asset Statistics by Function
Last Ten Fiscal Years
(Fiscal Year Ended June 30)

Function	2009	2010	2011	2012
Police:				
Stations	1	1	1	1
Fire *				
Fire stations	5	5	5	5
Public works				
Streets (miles)	237	237	237	237
Streetlights	4250	4264	4283	4289
Parks and recreation				
Parks *	12	12	12	12
Community centers	-	1	1	1
Water *				
Water mains (miles)	225	225	225	225
Daily average consumption in MGD **	17.8	17.8	17.8	17.8
Sewer *				
Sanitary sewers (miles)	235	235	235	235
Number of pump stations	1	1	1	1
Building				
Commercial/Industrial Construction Value	\$ 10,900,000	\$ 3,434,750	\$ -	\$ 2,093,500
Residential Construction Value	5,917,307	3,689,820	5,316,613	468,007

* Services are provided by Special Districts, which are separate from the City. The data provided are for those portions of the system located within the City of Citrus Heights.

** MGD = Million Gallons per Day.

Source: City Administrative Services Department

2013	2014	2015	2016	2017	2018
1	1	1	1	1	1
5	5	5	4	4	4
237 4337	237 4365	237 4407	237 4497	237 4480	237 4702
14 3	14 3	14 3	15 3	15 3	15 3
225 17.8	225 17.8	225 17.8	225 12	225 12	225 12
235 1	235 1	235 1	235 1	235 1	235 1
\$ 1,202,480 1,275,716	\$ 1,600,000 1,675,004	\$ 4,387,549 10,993,691	\$22,135,000 6,898,647	\$ 7,105,826 6,306,226	\$ 680,000 2,753,290

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