

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019



**CITRUS
HEIGHTS**
CALIFORNIA

.....
Solid roots. New growth.

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CITY OF CITRUS HEIGHTS, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2019

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CITY OF CITRUS HEIGHTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting – Government Finance Officers Association	vii
Organizational Chart	viii
List of Officials	ix
 FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	5
 BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	19
Statement of Activities.....	20
Fund Financial Statements:	
Balance Sheet – Governmental Funds	21
Reconciliation of Governmental Funds Balance Sheets to the Statement of Net Position	25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statements of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	28
Statement of Net Position – Proprietary Funds	29
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	30
Statement of Cash Flows – Proprietary Funds	31
Statement of Assets and Liabilities – Agency Funds.....	32
Notes to Basic Financial Statements.....	33

CITY OF CITRUS HEIGHTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

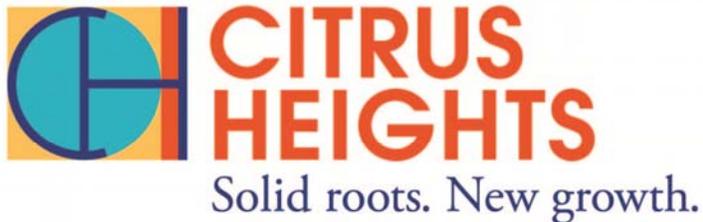
TABLE OF CONTENTS

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Funds:	
General Fund	70
HOME Program Grants Special Revenue Fund	71
CDBG Grants Special Revenue Fund	72
Housing Agency	73
Schedule of the Proportionate Share of the Net Pension Liability – Cost Sharing Plan	74
Schedule of Plan Contributions – Cost Sharing Plan	75
Schedule of Changes in the Net OPEB Liability and Related Ratios	76
Schedule of OPEB Contributions	77
Notes to Required Supplementary Information	78
SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds:	
Description of Nonmajor Funds	80
Combining Balance Sheets	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	92
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Funds:	
Community Events	101
Code Enforcement	102
Gas Tax	103
Road Maintenance and Rehabilitation	104
Stormwater Utility Tax	105
Road Maintenance	106
Transit	107
Transportation Development Act	108
Police	109
Police Grants	110
Supplemental Law Enforcement Services (SLES)	111
Property Based Improvement District	112
Roadway Development Fees	113
Housing Mitigation Development Fees	114
Tree Preservation Development Fees	115
Park Facilities Development Fees	116
Transit Development Fees	117
Other Grants Fund	118
Assessment District Zone 1	119

CITY OF CITRUS HEIGHTS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
SUPPLEMENTARY INFORMATION (CONTINUED)	
Assessment District Zone 2	120
Assessment District Zone 3	121
Assessment District Zone 4	122
Assessment District 98-01	123
Assessment District 98-02	124
Assessment District 03-01	125
Assessment District 98-02 Zone 2	126
Assessment District 03-01 Zone 2	127
Lighting Assessment District.....	128
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Funds:	
Streets	129
Measure A Construction.....	130
General Capital Improvements Capital Projects Fund.....	131
Community Capital Replacement	132
Agency Funds:	
Combining Statement of Assets and Liabilities.....	133
Combining Statement of Changes in Assets and Liabilities	134
STATISTICAL SECTION:	
Table of Contents	135
Net Position by Component.....	137
Changes in Net Position	138
Fund Balances, Governmental Funds.....	140
Changes in Fund Balances, Governmental Funds.....	141
Assessed Value and Actual Value of Taxable Property	142
Direct and Overlapping Property Tax Rates.....	143
Principal Property Tax Payers	144
Direct and Overlapping Sales Tax Rates	145
Schedule of Top 25 Principal Sales Tax Remitters	146
Property Tax Levies and Collections	147
Direct and Overlapping Debt	148
Legal Debt Margin Information	149
Ratios of Outstanding Debt by Type – Governmental Activities	150
Demographic and Economic Statistics	151
Principal Employers	152
Full-time and Part-time City Employees by Function	153
Operating Indicators by Function.....	154
Capital Asset Statistics by Function	155



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*The City of CITRUS HEIGHTS
is committed to providing
high quality, economical,
responsive city services
to our community.*

December 18, 2019

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

City staff is pleased to submit the City of Citrus Heights' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The City of Citrus Heights has a long tradition of self-reliance. Strong financial policies and responsible fiscal management of taxpayer dollars have enabled the City to balance its budget for over 18 years. Our City is committed to continued strong fiscal stewardship, transparency, and accountability over taxpayer dollars. Working together, the City Council and City staff ensure our budget and financial policies reflect spending consistent with the community's priorities.

It is the policy of the City Council that a licensed certified public accountant conduct an annual audit at the end of each fiscal year and issue a complete set of audited financial statements. The audit is conducted in accordance with generally accepted auditing standards and the financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP). 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 Lance, Soll & Lunghard, 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, 2019 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, 2019 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 the MD&A and should be read in conjunction with the MD&A. 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 MD&A continues to demonstrate our commitment to providing essential quality of life services, maintaining public safety, improving the City's infrastructure including streets and roads, and growing our local economy while maintaining long-term financial stability.

The City Council establishes annual budgets for the General Fund, Proprietary Funds, and 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 98% developed, with two large commercial corridors and a well-established residential community. We attract a population of all ages, and have a higher percentage of millennials and retirees than other cities our size.

The Citrus Heights City Council consists of five members, elected to four-year overlapping terms in district-based elections. 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.

In Citrus Heights, the total labor force is approximately 44,300. Unemployment in Citrus Heights is at approximately 3.2%, which is below the current rate of unemployment for California (3.7%). The City of Citrus Heights is home to a diverse labor force, specializing in such occupations as sales, executive and managerial services, technical support, professional specialties, and other services. As the geographic center of the Greater Sacramento area, Citrus Heights offers residents and workforce member's effective access to the region. Almost 90% of Citrus Heights' workforce travels in from outside the City, creating a daytime population of over 30,000 jobs. Citrus Heights jobs are projected to grow by 6% in the next five years.

Most of Citrus Heights' commercial real estate is comprised of large retail and small office space. Citrus Heights has long been known as a retail mecca, but the current retail market is in a state of change. Consumers are relying less on brick and mortar stores now that online shopping is mainstream. Citrus Heights is home to one of the Sacramento area's first regional shopping centers, Sunrise Mall. In its prime, Sunrise Mall served as the economic engine of the City and the community's central gathering place. With the addition of other regional malls and a shift toward online shopping, Sunrise Mall has experienced immense fall off in economic impact — resulting in a decline of almost 50% since 2006. In 2019, City Council directed staff to embark on a specific plan process for Sunrise Mall. This plan will engage each of the five owners of the 100-acre mall site, stakeholders, and the community, to work together on a new vision for Sunrise Mall. Through zoning, visioning, and entitling, Sunrise Mall will move away from being a commercial center and transform into a place where people can shop, work, live, and play. Citrus Heights is a City that takes charge of its own future. By undertaking this process, we are encouraging continued growth and prosperity for our commercial business community. In addition to fostering in a new era for Sunrise Mall, the City also works hard to support our small businesses. There are 2,165 businesses

in Citrus Heights, and 67% of those have less than 10 employees. Many of our small businesses are supported by three business districts: Sunrise MarketPlace, Auburn Blvd Business Association, and Antelope Crossing Business Association.

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. Citrus Heights has a long tradition of self-reliance and local control with excellent quality of life services our residents expect and deserve. 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. Most importantly, we strive to maintain essential services reflective of our community's values and engage in continued fiscally responsible planning amid state mandates and takeaways.
2. **Fiscal Control and Accountability** – The City's financial activities should be fiscally sound and accountable to the City Council through the City Manager. It is our intent to maintain local control over local funds for our local needs in a fiscally prudent manner that addresses the community's priorities.
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. Our intent is to keep local government transparent and accountable, which includes our community's ability to engage with our financial information.
4. **Long-Term Planning** – The City of Citrus Heights has always taken charge of its own future. We became a city by intent, establishing our own police department and being fiscally responsible, and we have big plans for our future. The City's financial planning should emphasize multi-year horizons to promote long-term planning of resource uses. However, underfunded state mandates and money grabs threaten Citrus Heights' long-term financial stability. We have always engaged in long-term and comprehensive financial planning to ensure that the City can keep its budget balanced while preserving local control and essential services such as public safety and street maintenance in Citrus Heights.
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. We must maintain public safety,

economic development, and local control to adequately address our community's essential services and quality of life.

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 that is reflective of community priorities, essential services, and quality of life. 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 to fund essential services such as public safety. Several factors directly affect the City's General Fund revenue. Since the City receives approximately 47.7% of its General Fund revenue from sales and use tax, it is especially susceptible to economic downturns and the changing retail economy. In addition, the City is approximately 98% built out which results in fewer opportunities for revenue generating growth. The City is projected to maintain a balanced General Fund by utilizing the General Fund Reserves through FY 2022-2023, when the City will start to receive its Property Tax revenue. It is important to note that amid continued financial pressure caused by underfunded state mandates, future state and federal decisions, and regardless of the state or national economy, City staff will continue to identify opportunities to enhance locally controlled funding to maintain long-term fiscal stability and viability, and maintain essential services. It is a testament to the resolve and responsibility of City leadership that the City has been able to provide excellent quality of life services to its residents without property taxes for this long — much longer than originally anticipated.

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

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 public safety, which has promoted increased operational efficiency. In the midst of this analysis, we have sought to maintain focus on the following priorities: providing 911 emergency response services, maintaining school safety and security, preventing cuts to emergency response and police services, and reducing homelessness.

The City of Citrus Heights anticipates minimal revenue growth for the next ten years. While this presents us with a financial challenge, it is important for us to continue to maintain essential services that are always reflective of community priorities.

Awards and Acknowledgements

The City of Citrus Heights received an award for its submission of the FY 2017-18 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 Lance, Soll & Lunghard, 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

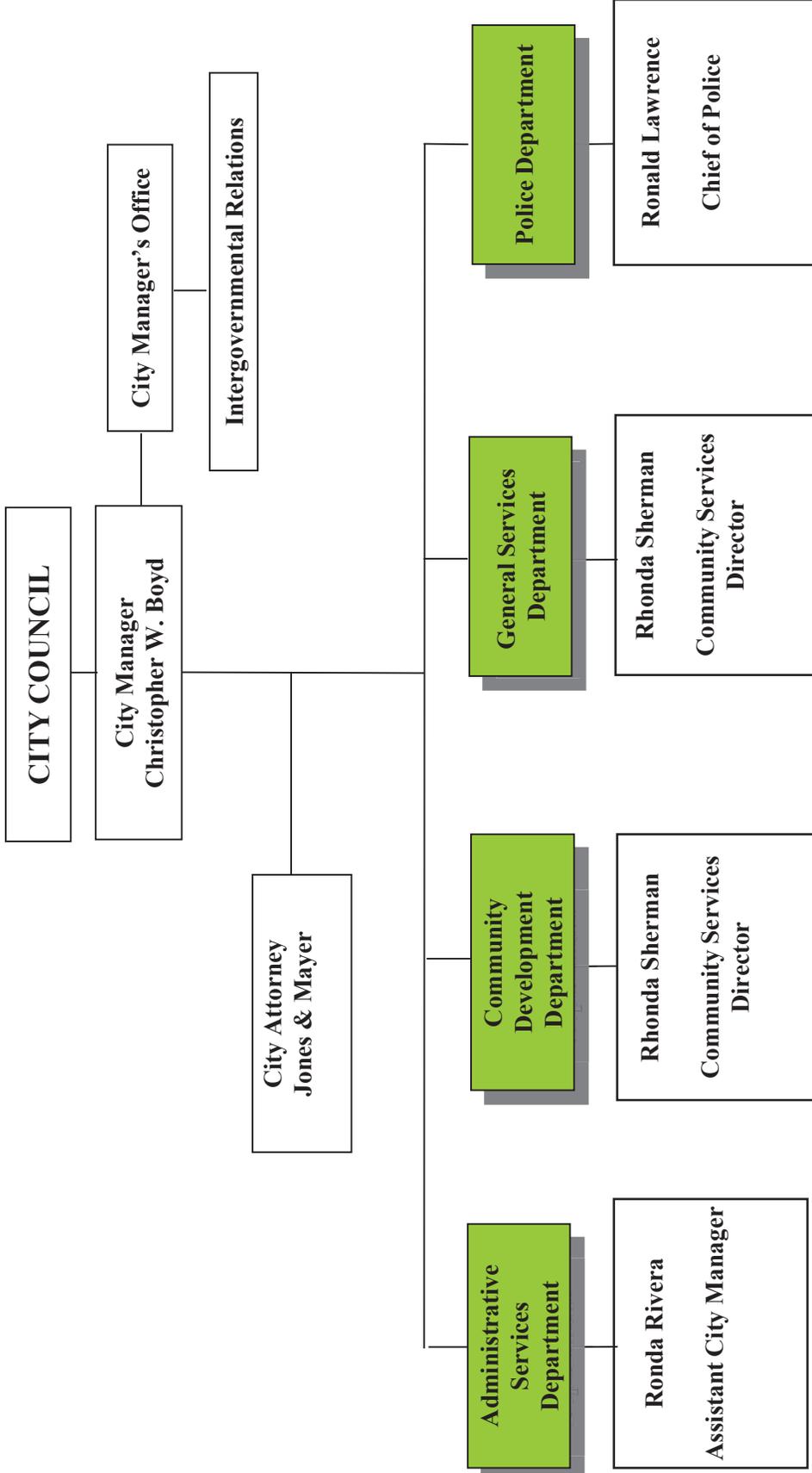
June 30, 2018

Christopher P. Morill

Executive Director/CEO

CITY OF CITRUS HEIGHTS

Organization Chart



City of Citrus Heights, California

List of Officials

- Jeannie Bruins, Mayor
 - Jeff Slowey, Vice Mayor
 - Bret Daniels, Council Member
 - Porsche Middleton, Council Member
 - Steve Miller, Council Member
-
- Christopher W. Boyd, City Manager
 - Ronda Rivera, Assistant City Manager
 - Rhonda Sherman, Community Services Director
 - Ronald A. Lawrence, Chief of Police
 - Ryan R. Jones, City Attorney

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INDEPENDENT AUDITORS' 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 City of Citrus Heights, California, (the City) as of and for the year ended June 30, 2019, 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 from 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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, HOME program grants special revenue fund, CBDG grants special revenue fund and the housing agency fund, the schedule of proportionate share of the net pension liability – cost sharing plan, the schedule of plan contributions – cost sharing plan, the schedule of changes in the net OPEB liability and related ratios, and the schedule of OPEB contributions 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 nonmajor fund financial statements, budgetary schedules, statistical section and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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.



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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.

Lance, Soll & Lughard, LLP

Sacramento, California
December 18, 2019

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2019. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- ◆ As of June 30, 2019, total assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$352,851,211 (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 \$2,189,050. The portion of net position that is restricted and may only be used for specific purposes is \$13,375,587. The remaining \$337,286,574 is invested in capital assets.
- ◆ As of June 30, 2019, the City's governmental funds reported combined ending fund balances of \$22,955,233. Of the combined fund balances, 31.2% (\$7.159 million) is available to meet the City's current and future needs (committed, assigned and unassigned balances).
- ◆ As of June 30, 2019, the committed amount in the General Fund of \$4,561,978 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 8.
- ◆ Under the revenue neutrality agreement with the County of Sacramento, \$5,593,319 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.
- ◆ Capital assets, net of depreciation, decreased to \$337,286,574 from \$344,888,713 which includes \$297,255,170 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;
- 2) **Financial section**, which includes the Management's Discussion and Analysis, 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

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 are comprised of 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 of 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 expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of 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 user 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, this service is supported by charges paid by users based on the amount of the service they use.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2019, the City's major funds include the General Fund, Home Program Grants Special Revenue Fund, Housing Agency Special Revenue Fund, Community Development Block Grant (CDBG) Special Revenue Fund, and Streets Capital Projects Fund.

For the fiscal year ended June 30, 2019, 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 an enterprise fund to account for Solid Waste activities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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 33-67 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 and required supplementary information. Combining and individual fund statements can be found on pages 79-134 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 \$352,851,211 as of June 30, 2019. Under the revenue neutrality settlement, 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, 2019, the County retained \$5,593,319 of property taxes.

The Summary of Net Position as of June 30, 2019, and 2018, follows:

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 32,421,158	\$ 32,286,485	\$ 577,069	\$ 409,404	\$ 32,998,227	\$ 32,695,889
Capital assets	336,912,872	344,507,138	373,702	381,575	337,286,574	344,888,713
Total Assets	369,334,030	376,793,623	950,771	790,979	370,284,801	377,584,602
Total Deferred Outflows	7,850,849	10,483,549	238,890	342,205	8,089,739	10,825,754
Long-term liabilities	15,550,737	15,825,288	427,989	468,705	15,978,726	16,293,993
Other liabilities	8,740,115	8,001,273	59,838	33,345	8,799,953	8,034,618
Total Liabilities	24,290,852	23,826,561	487,827	502,050	24,778,679	24,328,611
Total Deferred Inflows	722,660	922,389	21,990	30,109	744,650	952,498
Net position:						
Net investment in capital assets	336,912,872	344,507,138	373,702	381,575	337,286,574	344,888,713
Restricted	13,375,587	16,266,052	-	-	13,375,587	16,266,052
Unrestricted	1,882,908	1,755,032	306,142	219,450	2,189,050	1,974,482
Total Net Position	\$352,171,367	\$362,528,222	\$ 679,844	\$ 601,025	\$352,851,211	\$363,129,247

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Restricted net position decreased by \$2,890,465 due to a decrease in 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 \$2,189,050 of unrestricted net position as of June 30, 2019, which is an increase of \$214,568. While unrestricted net position is technically unrestricted, much of the amount is committed for a specific use as described in Note 8.

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, 2019, 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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2019, and 2018, follows:

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 9,615,941	\$ 7,946,857	\$ 839,030	\$ 798,838	\$ 10,454,971	\$ 8,745,695
Grants and contributions:						
Operating	7,165,367	6,265,040	-	-	7,165,367	6,265,040
Capital	7,101,580	1,483,643	-	-	7,101,580	1,483,643
General revenues:						
Property taxes and assessments						
	339,571	758,653	-	-	339,571	758,653
Sales and use taxes	12,542,158	15,653,986	-	-	12,542,158	15,653,986
Utility users tax	2,739,888	2,932,236	-	-	2,739,888	2,932,236
Other taxes	2,225,772	1,600,300	-	-	2,225,772	1,600,300
Shared intergovernmental - unrestricted						
	8,436,657	8,037,540	-	-	8,436,657	8,037,540
Investment earnings (Losses)	32,181	254,162	49,255	3,450	81,436	257,612
Total Revenues	50,199,115	44,932,417	888,285	802,288	51,087,400	45,734,705
Expenses:						
Governmental activities:						
General government	6,909,949	6,106,559	-	-	6,909,949	6,106,559
Public safety	24,025,017	21,698,139	-	-	24,025,017	21,698,139
Public ways and facilities	21,730,069	24,395,900	-	-	21,730,069	24,395,900
Culture and recreation	720,442	722,255	-	-	720,442	722,255
Economic development	296,233	353,608	-	-	296,233	353,608
Community enhancements	3,953,127	4,664,279	-	-	3,953,127	4,664,279
Interest on long-term debt	70,962	-	-	-	70,962	0
Business-type activities:						
Solid waste	-	-	809,466	751,275	809,466	751,275
Total Expenses	57,705,799	57,940,740	809,466	751,275	58,515,265	58,692,015
Excess of revenues over expenditures before transfers						
	(7,506,684)	(13,008,323)	78,819	51,013	(7,427,865)	(12,957,310)
Transfers	-	-	-	-	-	-
Change in Net Position	(7,506,684)	(13,008,323)	78,819	51,013	(7,427,865)	(12,957,310)
Restatement	(2,850,171)	44,635			(2,850,171)	44,635
Net position, beginning of year	362,528,222	375,491,910	601,025	550,012	363,129,247	376,041,922
NET POSITION, JUNE 30	\$ 352,171,367	\$ 362,528,222	\$ 679,844	\$ 601,025	\$ 352,851,211	\$ 363,129,247

Revenues

The City's total revenues for governmental and business-type activities were \$51,087,400 for the fiscal year ended June 30, 2019. Approximately 69% of the City's key revenues are generated from four major sources.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2019 decreased \$3,111,828 from the prior year.
2. **Shared Intergovernmental Revenues** - Annual receipts for the fiscal year ended June 30, 2019 increased by \$399,117 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 2019 for public ways and facilities as project spending increased.
4. **Grants and Contributions - Governmental Activities Capital** - The increase in capital revenues reflects several new capital projects in progress during the fiscal year ended June 30, 2019. Those projects included the Sunrise/Woodmore Streets Project, Auburn Blvd- Rusch Streets Project, Mariposa Streets Project, and the Electric Greenway Project.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Expenses

Governmental and business-type activity expenses of the City for the year totaled \$58,515,265. Governmental activity expenses totaled \$57,705,799 or 98.6% of total expenses. Business-type activities expenses totaled \$809,466 during the fiscal year. Public safety costs represented 41.6% of total governmental activities expenses and represented the largest single expense for governmental activities.

Governmental Activities

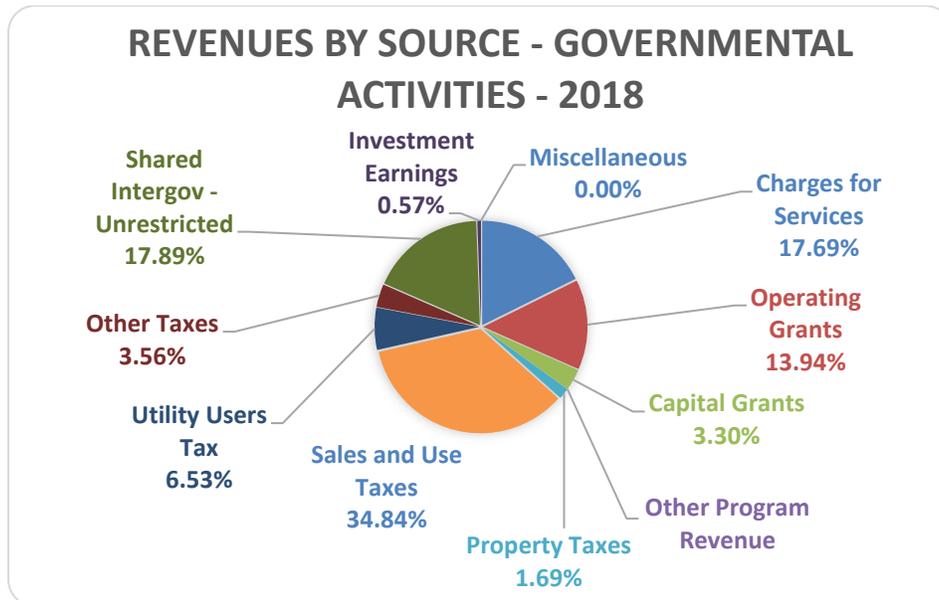
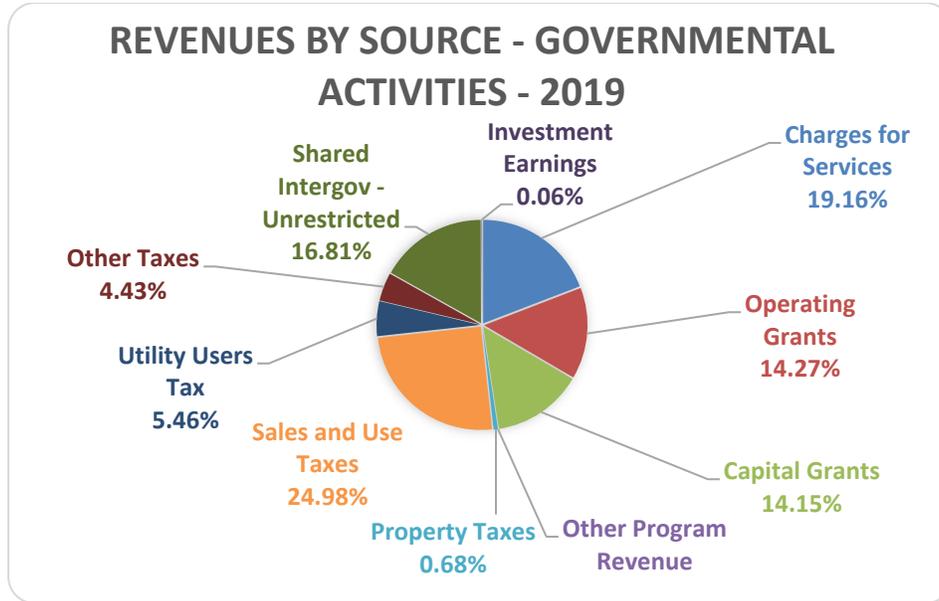
The following table shows the cost of each of the City's major programs and the net cost of the programs. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2019, and 2018, were as follows:

	2019		2018	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 6,909,949	\$ (4,687,720)	\$ 6,106,559	\$ (4,829,203)
Public safety	24,025,017	(21,523,104)	21,698,139	(19,491,514)
Public ways and facilities	21,730,069	(6,208,340)	24,395,900	(14,064,851)
Culture and recreation	720,442	(666,759)	722,255	(264,133)
Economic development	296,233	(284,800)	353,608	(353,608)
Community enhancements	3,953,127	(381,226)	4,664,279	(3,241,891)
Interest on long-term debt	70,962	(70,962)	-	-
TOTAL	\$ 57,705,799	\$ (33,822,911)	\$ 57,940,740	\$ (42,245,200)

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

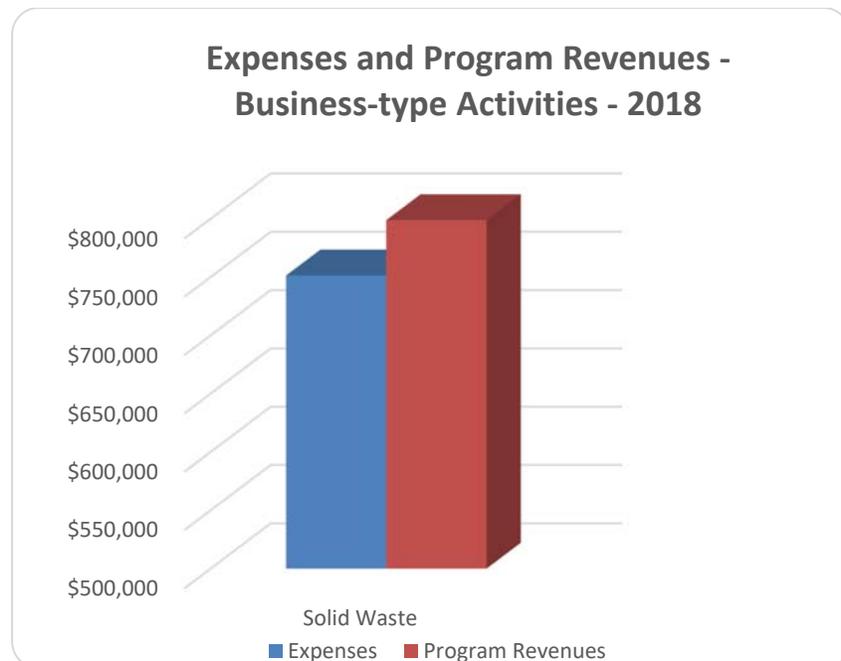
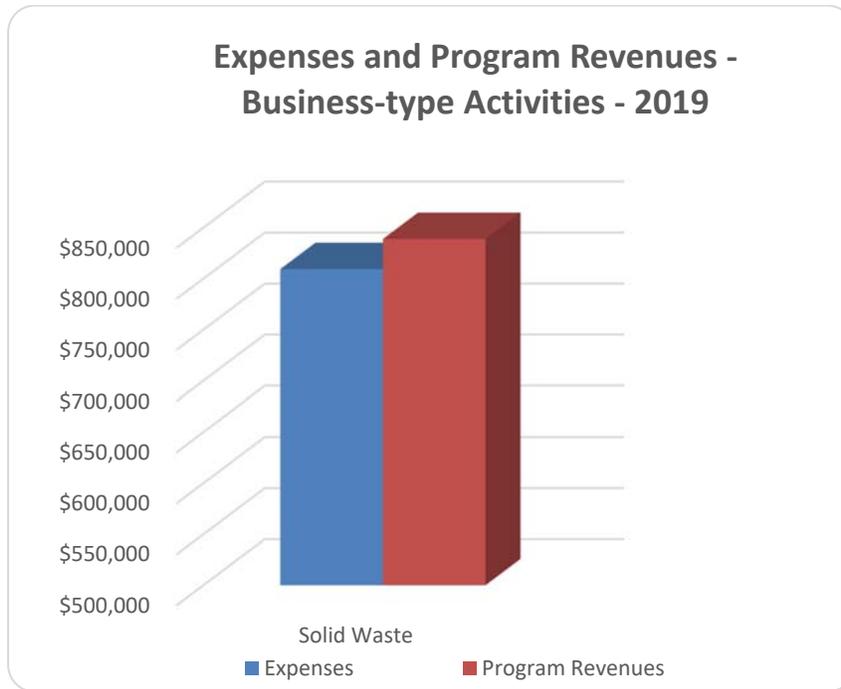
Revenues by source for the fiscal years ended June 30, 2019, and 2018, are as follows:



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

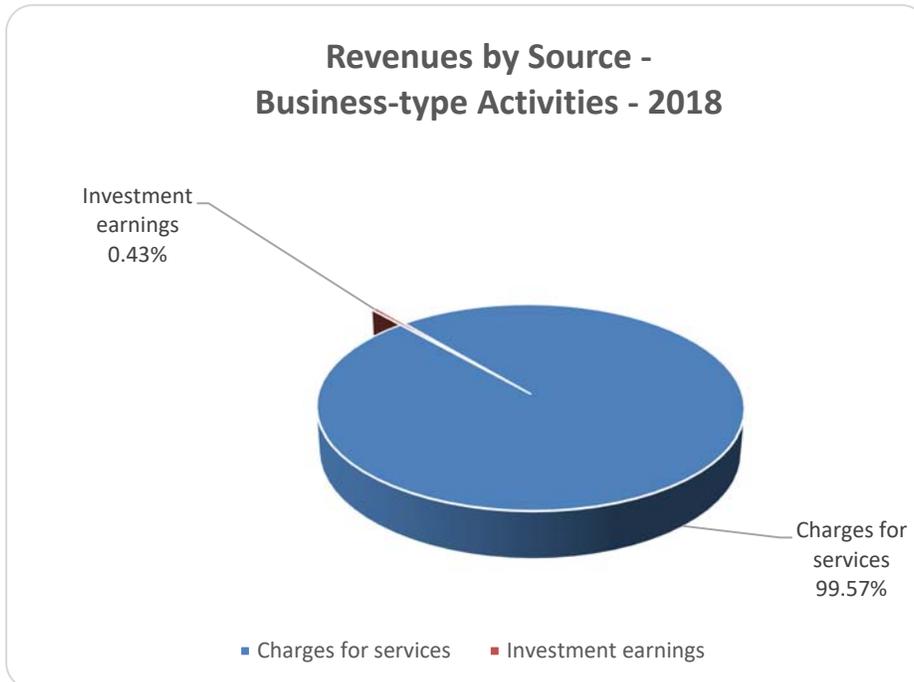
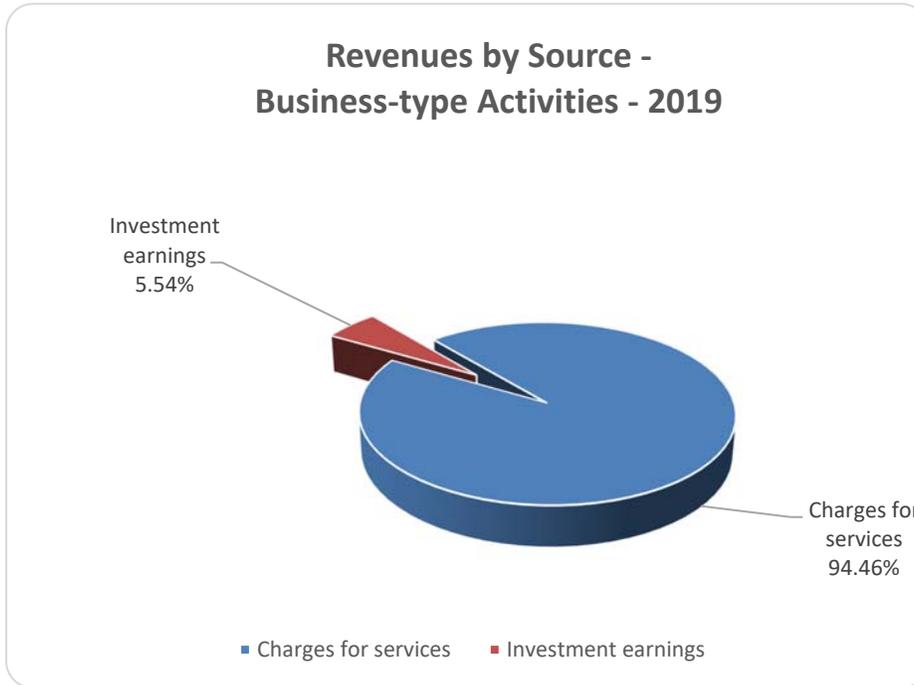
Business-type activities. The City's net position for business-type activities increased by \$78,819 for the fiscal year ended June 30, 2019. The City has one business-type activity, which is Solid Waste Operations. The expenses and program revenues for the Solid Waste Operation for the fiscal year ended June 30, 2019, and 2018, are as follows:



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The revenues by source for the solid waste business-type activity for the fiscal years ended June 30, 2019 and 2018 are as follows:



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2019, the City's governmental funds reported combined fund balances of \$22,955,233.

The General Fund is the chief operating fund of the City. At the fiscal year ended June 30, 2019, the General Fund's fund balance totaled \$6,530,528 of which \$4,561,978 was committed for council approved projects. Fund balance in the General Fund increased by \$1,356,736 largely due to the loan receivable from the Housing Agency Fund not previously recorded.

Proprietary funds. The City has one business-type activity, which is Solid Waste Operations. The Proprietary fund unrestricted net position increased \$78,819 in the fiscal year ended June 30, 2019.

General Fund Budgetary Highlights

The actual total revenues were approximately \$208,123 less than the final budgeted amount. Taxes, and fines and forfeitures came in under budget; all other revenue categories exceeded the budget estimate. The largest favorable variance compared to the budget was in miscellaneous revenues \$150,709.

The actual total expenditures were approximately \$332,786 less than the final budgeted amount due mainly to salary savings from vacant positions.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounted to \$337,286,574. 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	
	2019	2018	2019	2018	2019	2018
Land	\$ 15,218,758	\$ 14,860,489	\$ -	\$ -	\$ 15,218,758	\$ 14,860,489
Art	103,650	103,650	-	-	103,650	103,650
Construction in progress	4,276,265	1,094,336	-	-	4,276,265	1,094,336
Buildings and improvements	18,544,025	18,975,142	-	-	18,544,025	18,975,142
Infrastructure	296,881,468	307,262,031	373,702	381,575	297,255,170	307,643,606
Assets under capital lease	-	8,575	-	-	-	8,575
Machinery and equipment	1,888,706	2,202,915	-	-	1,888,706	2,202,915
Total	\$ 336,912,872	\$ 344,507,138	\$ 373,702	\$ 381,575	\$ 337,286,574	\$ 344,888,713

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/Woodmore Streets Project, Auburn Blvd/ Rusch Streets Project, Mariposa Streets Project, and the Electric Greenway Project. More detail of the capital assets and current activity can be found in the notes to the financial statements on Pages 47 and 48.

Long-term Debt

The City's long-term debt at June 30, 2019 totaled \$15,978,726 and included a net pension liability of \$14,025,594. More detail on the City's long-term debt can be found in Note 6 and 7 on page 49, and Note 11 on pages 55-61.

Economic Outlook

The City maintains a multi-year forecasting model to project anticipated revenues and expenditures. When the City incorporated in 1997, it anticipated that there would be a crossover period where expenditures would exceed revenues for the fiscal year due to the revenue neutrality settlement. The model predicts the crossover period will be 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.

The City will review the outlook for revenues and expenditures as part of the mid-year budget update.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current Assets:			
Pooled cash and investments	\$ 16,509,314	\$ 478,541	\$ 16,987,855
Receivables:			
Accounts	889,479	95,471	984,950
Interest	76,524	1,996	78,520
Prepaid items	12,697	-	12,697
Deposits	104,000	-	104,000
Due from other governments	5,775,235	1,061	5,776,296
Total Current Assets	<u>23,367,249</u>	<u>577,069</u>	<u>23,944,318</u>
Noncurrent Assets:			
Interest receivable - lease	300,586	-	300,586
Notes and loans	5,682,008	-	5,682,008
Allowance on uncollectible notes and loans	(3,377,890)	-	(3,377,890)
Direct financing lease receivable	3,664,605	-	3,664,605
Land held for resale	2,784,600	-	2,784,600
Capital assets not being depreciated	19,598,673	-	19,598,673
Capital assets, net of depreciation	317,314,199	373,702	317,687,901
Total Noncurrent Assets	<u>345,966,781</u>	<u>373,702</u>	<u>346,340,483</u>
Total Assets	<u>369,334,030</u>	<u>950,771</u>	<u>370,284,801</u>
Deferred Outflows of Resources:			
Pension related items	7,571,354	230,385	7,801,739
OPEB related items	279,495	8,505	288,000
Total Deferred Outflows of Resources	<u>7,850,849</u>	<u>238,890</u>	<u>8,089,739</u>
Liabilities:			
Current Liabilities:			
Accounts payable	2,345,768	39,568	2,385,336
Accrued liabilities	482,295	-	482,295
Accrued interest	183	-	183
Unearned revenue	2,458,775	-	2,458,775
Retentions payable	55,605	-	55,605
Deposits payable	140,011	-	140,011
Due to other governments	1,228,451	20,270	1,248,721
Compensated absences - due within one year	1,398,481	-	1,398,481
Claims payable - due within one year	630,546	-	630,546
Total Current Liabilities	<u>8,740,115</u>	<u>59,838</u>	<u>8,799,953</u>
Noncurrent liabilities:			
Compensated absences - due in more than one year	373,912	-	373,912
Claims payable - due in more than one year	1,061,454	-	1,061,454
Line of credit	50,001	-	50,001
Net pension liability	13,611,418	414,176	14,025,594
Net OPEB liability	453,952	13,813	467,765
Total Noncurrent Liabilities	<u>15,550,737</u>	<u>427,989</u>	<u>15,978,726</u>
Total Liabilities	<u>24,290,852</u>	<u>487,827</u>	<u>24,778,679</u>
Deferred Inflows of Resources:			
Pension related items	675,513	20,555	696,068
OPEB related items	47,147	1,435	48,582
Total Deferred Inflows of Resources	<u>722,660</u>	<u>21,990</u>	<u>744,650</u>
Net Position:			
Investment in capital assets	336,912,872	373,702	337,286,574
Restricted for:			
Housing projects	4,006,448	-	4,006,448
Stormwater maintenance	2,688,205	-	2,688,205
Streets, roads and park projects	1,824,597	-	1,824,597
Assessment District maintenance	1,522,826	-	1,522,826
Other	3,333,511	-	3,333,511
Unrestricted	1,882,908	306,142	2,189,050
Total Net Position	<u>\$ 352,171,367</u>	<u>\$ 679,844</u>	<u>\$ 352,851,211</u>

CITY OF CITRUS HEIGHTS

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 6,909,949	\$ 1,888,219	\$ 334,010	\$ -
Public safety	24,025,017	1,978,407	523,506	-
Economic development	296,233	-	11,433	-
Culture and recreation	720,442	32,526	21,157	-
Public ways and facilities	21,730,069	4,474,641	4,535,958	6,511,130
Community Enhancements	3,953,127	1,242,148	1,739,303	590,450
Interest on long-term debt	70,962	-	-	-
Total Governmental Activities	<u>57,705,799</u>	<u>9,615,941</u>	<u>7,165,367</u>	<u>7,101,580</u>
Business-Type Activities:				
Solid Waste	809,466	839,030	-	-
Total Business-Type Activities	<u>809,466</u>	<u>839,030</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 58,515,265</u>	<u>\$ 10,454,971</u>	<u>\$ 7,165,367</u>	<u>\$ 7,101,580</u>

General Revenues:

Taxes:

- Property taxes, levied for general purpose
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Utility users tax
- Other taxes
- Motor vehicle in lieu - unrestricted
- Use of money and property
- Other

Total General Revenues

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

**Net (Expenses) Revenues and Changes in
Net Position**

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (4,687,720)	\$ -	\$ (4,687,720)
(21,523,104)	-	(21,523,104)
(284,800)	-	(284,800)
(666,759)	-	(666,759)
(6,208,340)	-	(6,208,340)
(381,226)	-	(381,226)
(70,962)	-	(70,962)
(33,822,911)	-	(33,822,911)
-	29,564	29,564
-	29,564	29,564
(33,822,911)	29,564	(33,793,347)
339,571	-	339,571
17,504	-	17,504
12,542,158	-	12,542,158
1,160,308	-	1,160,308
2,739,888	-	2,739,888
38,400	-	38,400
8,436,657	-	8,436,657
1,009,560	41,424	1,050,984
32,181	7,831	40,012
26,316,227	49,255	26,365,482
(7,506,684)	78,819	(7,427,865)
362,528,222	601,025	363,129,247
(2,850,171)	-	(2,850,171)
\$ 352,171,367	\$ 679,844	\$ 352,851,211

CITY OF CITRUS HEIGHTS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds			
	General	HOME Program Grants Special Revenue Fund	CDBG Grants Special Revenue Fund	Housing Agency
Assets:				
Pooled cash and investments	\$ 3,004,047	\$ 587,092	\$ 295,729	\$ -
Receivables:				
Accounts	530,903	-	656	-
Notes and loans	18,788	2,762,827	1,434,238	1,466,155
Allowance on uncollectible notes and loans	-	(1,677,496)	(1,434,238)	(266,156)
Interest	19,043	2,588	1,288	-
Interest - lease	300,586	-	-	-
Direct financing lease receivable	3,664,605	-	-	-
Prepaid items	12,697	-	-	-
Deposits	104,000	-	-	-
Due from other governments	3,368,797	-	135,003	-
Due from other funds	1,994,353	-	-	-
Land held for resale	-	-	-	2,784,600
Total Assets	\$ 13,017,819	\$ 1,675,011	\$ 432,676	\$ 3,984,599
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 751,575	\$ 148	\$ 72,879	\$ -
Accrued liabilities	482,295	-	-	-
Unearned revenues	566,853	-	-	-
Retentions payable	-	-	-	-
Deposits payable	140,011	-	-	-
Due to other governments	375,251	-	8,412	-
Due to other funds	-	-	-	775,000
Total Liabilities	2,315,985	148	81,291	775,000
Deferred Inflows of Resources:				
Unavailable revenues	206,115	-	-	-
Unavailable revenues - direct financing lease	3,664,605	-	-	-
Unavailable revenues - direct financing lease interest	300,586	-	-	-
Total Deferred Inflows of Resources	4,171,306	-	-	-
Fund Balances:				
Nonspendable	135,485	1,085,331	-	1,199,999
Restricted	-	589,532	351,385	2,009,600
Committed	4,561,978	-	-	-
Assigned	-	-	-	-
Unassigned	1,833,065	-	-	-
Total Fund Balances	6,530,528	1,674,863	351,385	3,209,599
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,017,819	\$ 1,675,011	\$ 432,676	\$ 3,984,599

CITY OF CITRUS HEIGHTS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Capital Projects Funds		
	Streets	Other Governmental Funds	Total Governmental Funds
Assets:			
Pooled cash and investments	\$ -	\$ 12,622,446	\$ 16,509,314
Receivables:			
Accounts	-	357,920	889,479
Notes and loans	-	-	5,682,008
Allowance on uncollectible notes and loans	-	-	(3,377,890)
Interest	-	53,605	76,524
Interest - lease	-	-	300,586
Direct financing lease receivable	-	-	3,664,605
Prepaid items	-	-	12,697
Deposits	-	-	104,000
Due from other governments	1,474,710	796,725	5,775,235
Due from other funds	-	116,409	2,110,762
Land held for resale	-	-	2,784,600
Total Assets	\$ 1,474,710	\$ 13,947,105	\$ 34,531,920
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 315,622	\$ 1,205,544	\$ 2,345,768
Accrued liabilities	-	-	482,295
Unearned revenues	-	227,946	794,799
Retentions payable	10,329	45,276	55,605
Deposits payable	-	-	140,011
Due to other governments	-	844,788	1,228,451
Due to other funds	1,168,176	167,586	2,110,762
Total Liabilities	1,494,127	2,491,140	7,157,691
Deferred Inflows of Resources:			
Unavailable revenues	-	247,690	453,805
Unavailable revenues - direct financing lease	-	-	3,664,605
Unavailable revenues - direct financing lease interest	-	-	300,586
Total Deferred Inflows of Resources	-	247,690	4,418,996
Fund Balances:			
Nonspendable	-	-	2,420,815
Restricted	-	10,425,070	13,375,587
Committed	-	-	4,561,978
Assigned	-	945,767	945,767
Unassigned	(19,417)	(162,562)	1,651,086
Total Fund Balances	(19,417)	11,208,275	22,955,233
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,474,710	\$ 13,947,105	\$ 34,531,920

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CITY OF CITRUS HEIGHTS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Fund balances of governmental funds		\$ 22,955,233
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		336,912,872
Long-term liabilities are not due and payable in the current period and, therefore are not reported in governmental fund activity:		
Line of credit	\$ (50,001)	
Claims payable	(1,692,000)	
Compensated absences	<u>(1,772,393)</u>	(3,514,394)
Net pension liability not included in the governmental fund activity		(13,611,418)
Net OPEB liability not included in the governmental fund activity		(453,952)
Deferred outflows related to pension items are not included in the governmental fund activity		7,571,354
Deferred inflows related to pension items are not included in the governmental fund activity		(675,513)
Deferred outflows related to OPEB items are not included in the governmental fund activity		279,495
Deferred inflows related to OPEB items are not included in the governmental fund activity		(47,147)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(183)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		453,805
The City's direct financing lease receivable is reported as unearned revenue under GASB Statement No. 62 for government-wide purposes.		
Unavailable revenue associated with direct financing lease	3,965,191	
Unearned revenue associated with direct financing lease	<u>(1,663,976)</u>	<u>2,301,215</u>
Net Position of Governmental Activities		<u>\$ 352,171,367</u>

CITY OF CITRUS HEIGHTS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	General	HOME Program Grants Special Revenue Fund	CDBG Grants Special Revenue Fund	Housing Agency
Revenues:				
Taxes	\$ 16,837,829	\$ -	\$ -	\$ -
Licenses and permits	1,417,508	-	-	-
Intergovernmental	8,483,794	401,313	752,309	-
Charges for services	1,996,469	-	-	-
Use of money and property	646,682	5,422	6,252	-
Fines and forfeitures	926,658	-	-	-
Contributions	1,813	-	-	-
Miscellaneous	324,809	306,801	196,532	-
Total Revenues	30,635,562	713,536	955,093	-
Expenditures:				
Current:				
General government	6,346,759	-	-	-
Public safety	20,082,722	-	-	-
Economic development	257,861	-	-	-
Culture and recreation	505,138	-	-	-
Public ways and facilities	179	-	-	-
Community Enhancements	2,939,661	446,822	301,465	30,880
Capital outlay	15,955	-	406,405	-
Debt service:				
Interest and fiscal charges	8,747	-	-	-
Total Expenditures	30,157,022	446,822	707,870	30,880
Excess (Deficiency) of Revenues Over (Under) Expenditures	478,540	266,714	247,223	(30,880)
Other Financing Sources (Uses):				
Transfers in	108,237	-	-	323
Transfers out	(212,119)	(43,006)	(65,231)	-
Draw on line of credit	50,001	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(53,881)	(43,006)	(65,231)	323
Net Change in Fund Balances	424,659	223,708	181,992	(30,557)
Fund Balances, Beginning of Year, as previously reported	5,173,792	365,825	111,689	2,815,156
Restatements	932,077	1,085,330	57,704	425,000
Fund Balances, Beginning of Year, as restated	6,105,869	1,451,155	169,393	3,240,156
Fund Balances, End of Year	\$ 6,530,528	\$ 1,674,863	\$ 351,385	\$ 3,209,599

CITY OF CITRUS HEIGHTS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Capital Projects Funds		Total Governmental Funds
	Streets	Other Governmental Funds	
Revenues:			
Taxes	\$ -	\$ -	\$ 16,837,829
Licenses and permits	-	150,417	1,567,925
Intergovernmental	1,785,844	9,736,555	21,159,815
Charges for services	-	5,053,389	7,049,858
Use of money and property	-	286,633	944,989
Fines and forfeitures	-	200,659	1,127,317
Contributions	-	25,059	26,872
Miscellaneous	-	752,284	1,580,426
Total Revenues	1,785,844	16,204,996	50,295,031
Expenditures:			
Current:			
General government	-	18,194	6,364,953
Public safety	-	1,269,570	21,352,292
Economic development	-	31,579	289,440
Culture and recreation	-	168,115	673,253
Public ways and facilities	-	10,177,264	10,177,443
Community Enhancements	-	201,244	3,920,072
Capital outlay	1,790,216	2,890,771	5,103,347
Debt service:			
Interest and fiscal charges	-	62,215	70,962
Total Expenditures	1,790,216	14,818,952	47,951,762
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,372)	1,386,044	2,343,269
Other Financing Sources (Uses):			
Transfers in	-	211,796	320,356
Transfers out	-	-	(320,356)
Draw on line of credit	-	-	50,001
Proceeds from sale of capital asset	-	32,181	32,181
Total Other Financing Sources (Uses)	-	243,977	82,182
Net Change in Fund Balances	(4,372)	1,630,021	2,425,451
Fund Balances, Beginning of Year, as previously reported	(15,045)	9,321,434	17,772,851
Restatements	-	256,820	2,756,931
Fund Balances, Beginning of Year, as restated	(15,045)	9,578,254	20,529,782
Fund Balances, End of Year	\$ (19,417)	\$ 11,208,275	\$ 22,955,233

CITY OF CITRUS HEIGHTS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Net change in fund balances - total governmental funds \$ 2,425,451

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 5,088,747	
Depreciation	<u>(12,674,438)</u>	(7,585,691)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Drawdown on line of credit	<u>(50,001)</u>	(50,001)
----------------------------	-----------------	----------

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

(183)

Certain long-term liabilities were reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, long-term liabilities were not reported as expenditures in governmental funds. These amounts represented the changes in those long-term liabilities:

Changes in compensated absences	(13,186)	
Changes in claims payable	<u>18,000</u>	4,814

Pension expenses recognized in accordance with GASB 68 not recognized in the governmental fund activity.

(2,178,012)

OPEB expenses recognized in accordance with GASB 75 not recognized in the governmental fund activity.

38,585

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

(226,218)

Changes in differences between the direct financing lease receivable principal balance and outstanding unearned revenue amount, recognized in accordance with GASB Statement No. 62 for government-wide purposes

64,571

Change in Net Position of Governmental Activities

\$ (7,506,684)

CITY OF CITRUS HEIGHTS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2019

	<u>Solid Waste</u>
Assets:	
Current:	
Pooled cash and investments	\$ 478,541
Receivables:	
Accounts	95,471
Interest	1,996
Due from other governments	1,061
Total Current Assets	<u>577,069</u>
Noncurrent:	
Capital assets - net of accumulated depreciation	373,702
Total Noncurrent Assets	<u>373,702</u>
Total Assets	<u>950,771</u>
Deferred Outflows of Resources:	
Pension related items	230,385
OPEB related items	8,505
Total Deferred Outflows of Resources	<u>238,890</u>
Liabilities:	
Current:	
Accounts payable	39,568
Due to other governments	20,270
Total Current Liabilities	<u>59,838</u>
Noncurrent:	
Net pension liability	414,176
Net OPEB liability	13,813
Total Noncurrent Liabilities	<u>427,989</u>
Total Liabilities	<u>487,827</u>
Deferred Inflows of Resources:	
Pension related items	20,555
OPEB related items	1,435
Total Deferred Inflows of Resources	<u>21,990</u>
Net Position:	
Investment in capital assets	373,702
Unrestricted	306,142
Total Net Position	<u>\$ 679,844</u>

CITY OF CITRUS HEIGHTS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	<u>Solid Waste</u>
Operating Revenues:	
Sales and service charges	\$ 839,030
Miscellaneous	7,831
Total Operating Revenues	<u>846,861</u>
Operating Expenses:	
Salaries and benefits	396,178
Professional services	9,348
Materials and supplies	110,771
General and administrative expenses	285,296
Depreciation expense	7,873
Total Operating Expenses	<u>809,466</u>
Operating Income	37,395
Nonoperating Revenues :	
Interest revenue	41,424
Total Nonoperating Revenues	<u>41,424</u>
Changes in Net Position	78,819
Net Position:	
Beginning of Year	601,025
End of Fiscal Year	<u>\$ 679,844</u>

CITY OF CITRUS HEIGHTS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2019

	<u>Solid Waste</u>
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 875,010
Cash paid to suppliers for goods and services	(93,626)
Cash paid to employees for services	(626,994)
	<hr/>
Net Cash Provided by Operating Activities	154,390
	<hr/>
Cash Flows from Investing Activities:	
Interest received	40,490
	<hr/>
Net Cash Provided by Investing Activities	40,490
	<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	194,880
	<hr/>
Cash and Cash Equivalents at Beginning of Year	283,661
	<hr/>
Cash and Cash Equivalents at End of Year	\$ 478,541
	<hr/> <hr/>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ 37,395
Adjustments to Reconcile Operating Income (loss) Net Cash Provided (used) by Operating Activities:	
Depreciation	7,873
(Increase) decrease in accounts receivable	29,210
(Increase) decrease in due from other governments	(1,061)
Increase (decrease) in accounts payable	22,351
Increase (decrease) in due to other governments	4,142
Increase (decrease) in pension and related items	56,232
Increase (decrease) in OPEB and related items	(1,752)
	<hr/>
Total Adjustments	116,995
	<hr/>
Net Cash Provided (Used) by Operating Activities	\$ 154,390
	<hr/> <hr/>

CITY OF CITRUS HEIGHTS

STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUNDS
JUNE 30, 2019

	<u>Agency Funds</u>
Assets:	
Pooled cash and investments	\$ 41,062
Total Assets	<u>\$ 41,062</u>
Liabilities:	
Due to external parties/other agencies	\$ 41,062
Total Liabilities	<u>\$ 41,062</u>

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2019

Note 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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED JUNE 30, 2019

Note 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.
- **Housing Agency Fund** – Accounts for the housing assets of the former redevelopment agency that are used for low and moderate income housing activities.
- **Streets Capital Projects Fund** – Accounts for funds expended on various street capital improvement and paving projects, including an intersection improvements project and Old Auburn Bike Trail development.
- **Solid Waste Enterprise Fund** – Accounts for all administrative costs required for all solid waste activities.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

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.

Fiduciary Funds

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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, 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 U.S. Agency Obligations.

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

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.

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. 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 9 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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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 Statement No. 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 11 and the City's OPEB plan as described in Note 12.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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 in 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.
- 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).

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

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 8 for more information about the City's net position and fund balances.

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.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

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 9 for more information about the City's interfund transfers.

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 Post-Employment 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.

CITY OF CITRUS HEIGHTS

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Note 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.

Note 2: Cash and Investments

At June 30, 2019, the City's pooled cash and investments are classified in the accompanying financial statements as follows:

Government-Wide Statements of Net Position	
Governmental Activities	\$ 16,509,314
Business-Type Activities	478,541
Statement of Assets and Liabilities - Agency Funds	41,062
Total Cash and Investments	<u>\$ 17,028,917</u>

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

Cash on hand	\$ 4,600
Deposits with financial institutions	378,994
Total Cash and Deposits	<u>383,594</u>
Local Agency Investment Funds (LAIF)	13,806,120
U.S. Agency Obligations	2,839,203
Total Investments	<u>16,645,323</u>
Total Cash and Deposits	<u>\$ 17,028,917</u>

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 2: Cash and Investments (Continued)

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, 2019, 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.

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, 2019, the weighted average maturity of investments was 1.93 years.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 2: Cash and Investments (Continued)

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	\$ 13,806,120	\$ 13,806,120	\$ -	\$ -
U.S. Agency Obligations	2,839,203	996,884	-	1,842,319
Total	<u>\$ 16,645,323</u>	<u>\$ 14,803,004</u>	<u>\$ -</u>	<u>\$ 1,842,319</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	\$ 13,806,120	\$ -	\$ -	\$ 13,806,120
U.S. Agency Obligations	2,839,203	-	2,839,203	-
Total	<u>\$ 16,645,323</u>	<u>\$ -</u>	<u>\$ 2,839,203</u>	<u>\$ 13,806,120</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 17% or more of total District-wide investments are as follows:

Issuer	Investment Type	Amount
Federal Home Loan Mortgage Corporation	U.S. Agency Obligations	\$ 1,842,319
Federal National Mortgage Association	U.S. Agency Obligations	996,884

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

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 2: Cash and Investments (Continued)

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, 2019, the carrying amount of the City's deposits was \$383,591 and the balance in financial institutions was \$946,298. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$696,298 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, 2019, all of the City's U.S. Agency Obligations totaling \$996,884 and \$1,842,319, 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 \$13,806,120 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 185 days at June 30, 2019.

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.

The Fund has the following recurring fair value measurements as of June 30, 2019:

	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	\$ 2,839,203	\$ -	\$ 2,839,203	\$ -
Total Investments by Fair Value Level	<u>2,839,203</u>	<u>\$ -</u>	<u>\$ 2,839,203</u>	<u>\$ -</u>
Investments Not Categorized:				
LAIF	<u>13,806,120</u>			
Total Investments	<u>\$ 16,645,323</u>			

CITY OF CITRUS HEIGHTS

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Note 2: Cash and Investments (Continued)

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.

Note 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 \$329,808 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, 2019:

	Beginning June 30, 2018	Adjustment	Additions	Deletions	Ending June 30, 2019
General Fund	\$ 24,639	\$ -	\$ -	\$ 5,851	\$ 18,788
Home Program Grants Special Revenue Fund	3,476,098	(630,561)	237,914	320,624	2,762,827
CDBG Special Revenue Fund	1,550,200	54,789	11,239	181,990	1,434,238
Housing Agency Fund	266,501	1,199,654	-	-	1,466,155
Total Loans/Notes Receivable	\$ 5,317,438	623,882	\$ 249,153	\$ 508,465	\$ 5,682,008

The following is a summary of the loans and notes receivable outstanding as of June 30, 2019:

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, 2019, was \$18,788.

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 2044. The HOME notes receivable balance at June 30, 2019 was \$2,754,124.

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, 2019 were \$8,703.

Total HOME Program Grant Special Revenue Fund loans totaled \$2,762,827, of which, an allowance on uncollectible loans was set up in the amount of \$1,677,496.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 3: Loans and Notes Receivable (Continued)

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 2048. The balance of these loans outstanding at June 30, 2019 was \$1,434,238, of which, an allowance on uncollectible loans was set up for the full amount.

Housing Agency 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 2044. The balance of these loans outstanding at June 30, 2019 was \$1,466,155, of which, an allowance on uncollectible loans was set up in the amount of \$266,156.

Note 4: Capital Assets

Capital asset activity was as follows for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Deletions	Transfers/ Adjustments	Balance June 30, 2019
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 14,860,489	\$ 358,269	\$ -	\$ -	\$ 15,218,758
Art	103,650	-	-	-	103,650
Construction in Progress	1,094,336	4,403,966	-	(1,222,037)	4,276,265
Total capital assets not being depreciated	<u>16,058,475</u>	<u>4,762,235</u>	<u>-</u>	<u>(1,222,037)</u>	<u>19,598,673</u>
Capital assets being depreciated:					
Buildings and improvements	41,275,495	-	-	-	41,275,495
Infrastructure and land improvements	571,772,669	-	-	1,222,037	572,994,706
Assets under capital lease	8,575	-	-	(8,575)	-
Machinery and equipment	9,256,372	326,512	(33,360)	-	9,549,524
Total capital assets, being depreciated	<u>622,313,111</u>	<u>326,512</u>	<u>(33,360)</u>	<u>1,213,462</u>	<u>623,819,725</u>
Less accumulated depreciation for:					
Buildings and improvements	(22,300,353)	(431,117)	-	-	(22,731,470)
Infrastructure and land improvements	(264,510,638)	(11,602,600)	-	-	(276,113,238)
Machinery and equipment	(7,053,457)	(640,721)	33,360	-	(7,660,818)
Total accumulated depreciation	<u>(293,864,448)</u>	<u>(12,674,438)</u>	<u>33,360</u>	<u>-</u>	<u>(306,505,526)</u>
Total capital assets being depreciated, net	<u>328,448,663</u>	<u>(12,347,926)</u>	<u>-</u>	<u>1,213,462</u>	<u>317,314,199</u>
Total capital assets, net	<u>\$ 344,507,138</u>	<u>\$ (7,585,691)</u>	<u>\$ -</u>	<u>\$ (8,575)</u>	<u>\$ 336,912,872</u>

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, but were removed during the year ended June 30, 2019, as it was determined that it does not represent a lease as no payments are being made.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 4: Capital Assets (Continued)

	Balance June 30, 2018	Additions	Deletions	Transfers/ Adjustments	Balance June 30, 2019
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	(12,100)	(7,873)	-	-	(19,973)
Total accumulated depreciation	(12,100)	(7,873)	-	-	(19,973)
Total capital assets, net	\$ 381,575	\$ (7,873)	\$ -	\$ -	\$ 373,702

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

General government	\$ 436,233
Public safety	630,998
Public ways and facilities	11,588,192
Culture and recreation	19,015
Total Governmental Activities	<u>\$ 12,674,438</u>
Solid waste	\$ 7,873
Total Business-Type Activities	<u>\$ 7,873</u>

Note 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, 2019, was \$300,586.

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 \$1,663,976 is reported as unearned revenue in the government-wide statements under GASB Statement No. 62.

CITY OF CITRUS HEIGHTS

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**

Note 6: Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Governmental Activities:					
Line of credit	\$ -	\$ 50,001	\$ -	\$ 50,001	\$ -
	<u>\$ -</u>	<u>\$ 50,001</u>	<u>\$ -</u>	<u>\$ 50,001</u>	<u>\$ -</u>

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. The outstanding balance at June 30, 2019, is \$50,001, while the unused amount is \$11,949,999.

Note 7: Compensated Absences

The following is a summary of changes in the City's compensated absences for the fiscal year ended June 30, 2019:

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Current Portion
Governmental Activities	\$ 1,759,207	\$ 1,711,383	\$ 1,698,297	\$ 1,772,293	\$ 1,398,481
Total	<u>\$ 1,759,207</u>	<u>\$ 1,711,383</u>	<u>\$ 1,698,297</u>	<u>\$ 1,772,293</u>	<u>\$ 1,398,481</u>

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 8: Fund Balances

Nonspendable, restricted, committed and assigned fund balance consisted of the following at June 30, 2019:

Fund Balance Classifications	Major Funds					Total Nonmajor Governmental Funds	Total
	General Fund	Housing Program Grants	CDBG Grants	Housing Agency	Streets		
Nonspendable:							
Loans and notes receivable	\$ 18,788	\$ 1,085,331	\$ -	\$ 1,199,999	\$ -	\$ -	\$ 2,304,118
Prepaid items	104,000	-	-	-	-	-	104,000
Land held for sale	12,697	-	-	-	-	-	12,697
Total Nonspendable Fund Balances	135,485	1,085,331	-	1,199,999	-	-	2,420,815
Restricted for:							
Donations for projects	-	-	-	-	-	4,564	4,564
Stormwater maintenance	-	-	-	-	-	2,688,205	2,688,205
Streets, roads and park projects	-	-	-	-	-	4,594,831	4,594,831
Assessment district maintenance	-	-	-	-	-	1,522,826	1,522,826
Police activities	-	-	-	-	-	974,770	974,770
Housing projects	-	589,532	351,385	-	-	280,931	1,221,848
Land held for resale	-	-	-	2,784,600	-	-	2,784,600
Loans	-	-	-	(775,000)	-	-	(775,000)
Pedestrian and bicycle facilities	-	-	-	-	-	166,101	166,101
Business marketing	-	-	-	-	-	2,689	2,689
Transit program	-	-	-	-	-	135,670	135,670
Tree mitigation	-	-	-	-	-	54,483	54,483
Other grant programs	-	-	-	-	-	-	-
Total Restricted Fund Balances	-	589,532	351,385	2,009,600	-	10,425,070	13,375,587
Committed to:							
Insurance	375,000	-	-	-	-	-	375,000
Petty cash	2,600	-	-	-	-	-	2,600
Revenue stabilization	4,184,378	-	-	-	-	-	4,184,378
Total Committed Fund Balances	4,561,978	-	-	-	-	-	4,561,978
Assigned to:							
Capital improvements and equipment replacement	-	-	-	-	-	945,767	945,767
	-	-	-	-	-	945,767	945,767
Unassigned in:							
General Fund	1,833,065	-	-	-	-	-	1,833,065
Special Revenue Funds	-	-	-	-	-	(162,562)	(162,562)
Capital Project Funds	-	-	-	-	(19,417)	-	(19,417)
Total Unassigned Fund Balances	1,833,065	-	-	-	(19,417)	(162,562)	1,651,086
Total fund balances (deficit)	\$ 6,530,528	\$ 1,674,863	\$ 351,385	\$ 3,209,599	\$ (19,417)	\$ 11,208,275	\$ 22,955,233

Note 8: Fund Balances (Continued)

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.
- **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.
- **Housing Agency** – represents assets of the former redevelopment agency that are restricted for low and moderate-income housing.
- **Code Enforcement** – represents amounts restricted for the rental housing inspection program.
- **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.
- **Transit** – represents transit revenues restricted for transit activities.
- **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.
- **Police Grants** – represents police grants revenues restricted for police programs and activities.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED JUNE 30, 2019

Note 8: Fund Balances (Continued)

- **Property Based Improvement District** – represents special assessments on Sunrise Market Place businesses for marketing expenditures and special assessments on homeowners for lighting and landscaping and other expenses.
- **Roadway Development Fees** – represents impact fees restricted for roadway development.
- **Housing Mitigation Development Fees** – represents impact fees restricted for housing mitigation development.
- **Tree Mitigation Fees** – represents impact fees restricted for tree mitigation.
- **Park Facilities Development Fees** – represents impact fees restricted for park facilities development.
- **Transit Development Fees** – represents impact fees restricted for transit development.
- **Assessment District Funds** – represents special assessments restricted to assessment district activities.
- **Police Donations** – represents donations received restricted to police K-9 and other programs.
- **Measure A Construction** – represents funds received from the Sacramento Transportation Authority restricted for construction, upgrade and improvement of the City's roadways.

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 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. Deficit fund balances consisted of the following:

Nonmajor Special Revenue Funds:

Community Events – \$2,819 deficit resulted from project expenses exceeding contributions and transfers in from other funds. The deficit will be eliminated with future contributions and transfers in.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 8: Fund Balances (Continued)

Supplemental Law Enforcement Services (SLES) – \$828 deficit resulted from revenues received being below the amount budgeted. Deficit will be eliminated by future expenditure reductions or transfers in.

Assessment District Zone 3, Zone 4 and Lighting Assessment District – \$7,215, \$11,965 and \$139,735 deficits, respectively, were the result of expenditures and transfers out exceeding the budget. The deficits will be eliminated with future expenditure reductions.

Note 9: Interfund Transactions

a. Due to and due from other funds

Due From Other Funds	Due to Other Funds	Amount
General Fund	Housing Agency Special Revenue Fund	\$ 775,000
	Streets	1,168,176
	Non-Major Governmental Funds	51,177
Non-Major Governmental Funds	Non-Major Governmental Funds	116,409
Total Due to/from Other Funds		\$ 2,110,762

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.

b. Interfund Advances

At June 30, 2019, the City had no long-term interfund advances.

c. Interfund Transfers

Transfers Out	Transfers In	Amount
General Fund	Housing Agency	\$ 323
	Non-Major Governmental Funds	211,796
HOME Program Grants Special Revenue Fund	General Fund	43,006
CDBG Grants Special Revenue Fund	General Fund	65,231
Total Interfund Transfers		\$ 320,356

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 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, 2019.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 10: 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 - 50,000,000	CSAC - Excess Insurance Authority	Shared risk pool
50,000,001 - statutory limits	Excess insurance (purchased with CSAC-EIA)	
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)	

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, California 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, 2019 and 2018, fund balance of \$375,000 has been committed for self-insured general liability claims.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 10: Risk Management (Continued)

Changes in the liability and workers' compensation claims payable amounts during the year ended June 30, 2019, were as follows:

	Beginning June 30, 2018	Claims and Changes in Estimates	Claims Paid	Beginning June 30, 2019	Amount Due Within One Year
General Liability	\$ 483,000	\$ 44,511	\$ 46,511	\$ 481,000	\$ 194,949
Workers' Compensation	1,227,000	460,873	476,873	1,211,000	435,597
Total Claims Payable	<u>\$ 1,710,000</u>	<u>\$ 505,384</u>	<u>\$ 523,384</u>	<u>\$ 1,692,000</u>	<u>\$ 630,546</u>

Note 11: 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
- PEPRA Miscellaneous Plan
- Safety Plan
- Safety Second Tier Plan
- PEPRA Safety Police Plan

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

The rate plans' provisions and benefits in effect at June 30, 2019, 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 monthly for life	5 years service monthly for life	5 years service monthly for life
Benefit payments	50 - 55	50 - 63	52 - 67
Retirement age	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Monthly benefits, as a % of eligible compensation	8.00%	7.00%	6.25%
Required employee contribution rates	12.212%	8.892%	6.842%
Required employer contribution rates	\$406,228.00	\$1,520.00	\$383.00
Required UAL payment			
	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety 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)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service monthly for life	5 years service monthly for life	5 years service 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	20.556%	17.614%	12.141%

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

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, 2019, the contributions recognized as a reduction of the net pension liability for each risk pool were as follows:

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

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources

As of June 30, 2019, the City reported a net pension liability for its proportionate share of the net pension liability of each risk pool as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Risk Pool	\$ 7,610,202
Safety Risk Pool	<u>6,415,392</u>
Total Net Pension Liability	<u>\$ 14,025,594</u>
<u>Financial Statement Classification:</u>	
Governmental Activities	\$ 13,611,418
Business-type Activities	<u>414,176</u>
Total Net Pension Liability	<u>\$ 14,025,594</u>

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

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, 2018, 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, 2017 rolled forward to June 30, 2018 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 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, 2019 and 2018 for the measurement date as of the previous year-end were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2018	0.199725%	0.106292%	0.306017%
Proportion - June 30, 2019	0.201931%	0.109337%	0.311268%
Change - Increase (Decrease)	0.002206%	0.003045%	0.005251%

For the year ended June 30, 2019, the City recognized pension expense of \$5,237,232 for both risk pools combined. At June 30, 2019, 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	\$ 1,259,805	\$ -	\$ 1,743,186	\$ -	\$ 3,002,991	\$ -
Differences between actual and expected experience	291,990	99,362	137,845	523	429,835	99,885
Changes in assumptions	867,585	212,630	629,462	84,926	1,497,047	297,556
Differences between the employer's contributions and the employer's proportionate share of contributions	57,482	101,085	617,606	-	675,088	101,085
Change in employer's proportion	724,668	34,192	1,391,052	163,350	2,115,720	197,542
Net differences between projected and actual earnings on plan investments	37,623	-	43,435	-	81,058	-
Total	\$ 3,239,153	\$ 447,269	\$ 4,562,586	\$ 248,799	\$ 7,801,739	\$ 696,068

Financial Statement Classification:

Governmental Activities	\$ 7,571,354	\$ 675,513
Business-type Activities	230,385	20,555
Total	\$ 7,801,739	\$ 696,068

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

The \$3,002,991 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
2020	\$ 1,064,625	\$ 1,393,303	\$ 2,457,928
2021	698,888	1,097,070	1,795,958
2022	(162,984)	124,665	(38,319)
2023	(68,450)	(44,437)	(112,887)
	<u>\$ 1,532,079</u>	<u>\$ 2,570,601</u>	<u>\$ 4,102,680</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations for each risk pool was determined using the following actuarial assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
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	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS Membership Data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

¹ The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MO 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

Change of Assumptions

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

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

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 (PERF C) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ 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 for each PERF C fund. 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class	New Strategic Allocation	Real Return Years 1-10 (a)	Real Return Years 11+ (b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 11: Pension Plans (Continued)

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	\$ 13,131,858	\$ 11,895,736	\$ 25,027,594
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 7,610,202	\$ 6,415,392	\$ 14,025,594
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 3,052,165	\$ 1,925,231	\$ 4,977,396

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2019, the City reported no payables to the Plan for deficit contributions.

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. Existing employees are mandated to contribute 5% and new employees can contribute 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, 2019, the employer and employee contributions made totaled \$31,541 each.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 12: Other Post-Employment Benefits Plan

Plan Description

The City's defined benefit other post-employment 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 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 \$136.00 and \$133.00 per month and retiree contributions were \$136.00 and \$133.00 per month for the years ended June 30, 2019 and 2018, 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	14
Inactive employees entitled to but not yet receiving benefit payments	46
Active employees	144
Total	<u>204</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, 2019, the City contributed \$288,000 to the CERBT.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 12: Other Post-Employment Benefits Plan (Continued)

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2018, 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, 2018
Actuarial cost method	Entry Age Normal, Level Percentage of Payroll
Actuarial assumptions:	
Discount rate	6.75%
Inflation	2.75%
Salary increases	3.00%, aggregate
Mortality, retirement, disability and termination	Derived using CalPERS 1997-2011 Experience Study
Mortality improvement	Society of Actuaries mortality improvement Scale MP-16
Healthcare cost trend rates	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.5% for 2019, decreasing to an ultimate rate 4.0% in 2076 and later years

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.

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 12: Other Post-Employment Benefits Plan (Continued)

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 was the same 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, 2018	\$ 2,351,449	\$ 1,748,277	\$ 603,172
Changes in the year:			
Service cost	211,156	-	211,156
Interest	171,850	-	171,850
Contributions - employer	-	378,000	(378,000)
Investment income	-	143,701	(143,701)
Administrative expenses	-	(3,288)	3,288
Benefit payments	(33,358)	(33,358)	-
Net changes	349,648	485,055	(135,407)
Balance at June 30, 2019	\$ 2,701,097	\$ 2,233,332	\$ 467,765

Financial Statement Classification:

Governmental Activities	\$ 453,952
Business-type Activities	13,813
	\$ 467,765

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2019

Note 12: 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	\$ 896,612	\$ 467,765	\$ 117,608

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	\$ 25,048	\$ 467,765	\$ 1,032,518

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, 2019, the City recognized OPEB expense of \$247,663. At June 30, 2019, 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	\$ 288,000	\$ -
Net differences between projected and actual earnings on plan investments	-	48,582
Total	<u>\$ 288,000</u>	<u>\$ 48,582</u>

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 12: 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	
2020	\$ (14,865)
2021	(14,865)
2022	(14,865)
2023	<u>(3,987)</u>
	<u>\$ (48,582)</u>

Payable to the OPEB Plan. At June 30, 2019, the City did not have any payables to the Plan.

Note 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, 2019, property taxes retained by the County in accordance with the revenue neutrality agreement totaled \$5,593,319.

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.

CITY OF CITRUS HEIGHTS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 13: Commitments And Contingencies (Continued)

The City had the following significant unexpended contractual commitments as of June 30, 2019:

Highland/Rinconada Project	\$	415,537
Mariposa Phase 3		<u>1,275,225</u>
Total commitments	\$	<u><u>1,690,762</u></u>

Note 14: Fund Balance/Net Position Restatements

During the year ended June 30, 2019, the City reported the following net position and fund balance restatements:

Net position was restated in the Governmental Activities in the amount of \$2,850,171 as a result of the items mentioned below, as well as the removal of unavailable revenue that should not have previously been recorded, that was recognized as revenue on the Government-Wide Statements in previous years.

Fund balance was restated in the General Fund in the amount of \$932,077 as a result of removing the compensated absences liability at the fund level, establishing an advance to the Housing Agency Fund not previously recorded, correcting previous year unavailable revenue, and correcting CDBG drawdown amounts recorded in the incorrect fund.

Fund balance was restated in the HOME Program Grants Special Revenue Fund in the amount of \$1,085,330 as a result of the 2010 loan to the Sacramento Housing Redevelopment Agency for the Mariposa and Tiara Apartments modernization project.

Fund balance was restated in the CBDG Grants Special Revenue Fund in the amount of \$57,704 as a result of a reconciliation of the CDBG fund to the IDIS system.

Fund balance was restated in the Housing Agency Fund in the amount of \$425,000 as a result of an advance from the General Fund not previously recorded and a loan to Sacramento Housing Redevelopment Agency for the Mariposa and Tiara apartments modernization project.

Fund balance was restated in Other Non-Major Governmental Funds in the amount of \$256,820 as a result of correcting previous year unavailable revenues not properly corrected.

Note 15: Subsequent Events

On September 30, 2019, the City closed escrow on the purchase of Sylvan school property located at 7137 Auburn Blvd for \$3,405,216. To pay for the close, on September 24, 2019, the City initiated a draw in the amount of \$3,255,212 from the revolving line of credit.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 17,402,720	\$ 17,329,720	\$ 16,837,829	\$ (491,891)
Licenses and permits	1,289,360	1,289,360	1,417,508	128,148
Intergovernmental	8,447,112	8,447,112	8,483,794	36,682
Charges for services	1,898,626	1,908,626	1,996,469	87,843
Use of money and property	568,211	636,011	646,682	10,671
Fines and forfeitures	986,000	1,058,756	926,658	(132,098)
Contributions	-	-	1,813	1,813
Miscellaneous	29,100	174,100	324,809	150,709
Total Revenues	30,621,129	30,843,685	30,635,562	(208,123)
Expenditures:				
General government	5,664,854	6,391,858	6,346,759	45,099
Public safety	20,548,576	20,471,577	20,082,722	388,855
Economic development	396,160	396,160	257,861	138,299
Culture and recreation	531,307	522,609	505,138	17,471
Public ways and facilities	357	357	179	178
Community enhancements	2,668,542	2,677,247	2,939,661	(262,414)
Capital outlay	30,000	30,000	15,955	14,045
Debt service:				
Interest and fiscal charges	-	-	8,747	(8,747)
Total Expenditures	29,839,796	30,489,808	30,157,022	332,786
Excess (Deficiency) of Revenues Over (Under) Expenditures	781,333	353,877	478,540	124,663
Other Financing Sources (Uses):				
Transfers in	25,000	25,000	108,237	83,237
Other debts issued	-	50,000	50,001	1
Transfers out	(683,975)	(259,750)	(212,119)	47,631
Total Other Financing Sources (Uses)	(658,975)	(184,750)	(53,881)	130,869
Net Change in Fund Balance	122,358	169,127	424,659	255,532
Fund Balances, Beginning of Year, as restated	6,105,869	6,105,869	6,105,869	-
Fund Balances, End of Year	\$ 6,228,227	\$ 6,274,996	\$ 6,530,528	\$ 255,532

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 HOME PROGRAM GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 735,643	\$ 735,643	\$ 401,313	\$ (334,330)
Use of money and property	-	-	5,422	5,422
Miscellaneous	-	-	306,801	306,801
Total Revenues	735,643	735,643	713,536	(22,107)
Expenditures:				
Current:				
Community enhancements	700,000	700,000	446,822	253,178
Total Expenditures	700,000	700,000	446,822	253,178
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,643	35,643	266,714	231,071
Other Financing Sources(Uses):				
Transfers out	-	-	(43,006)	43,006
Total Other Financing Sources (Uses)	-	-	(43,006)	(43,006)
Net Change in Fund Balance	35,643	35,643	223,708	188,065
Fund Balances, Beginning of Year, as restated	1,451,155	1,451,155	1,451,155	-
Fund Balances, End of Year	\$ 1,486,798	\$ 1,486,798	\$ 1,674,863	\$ 188,065

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 CDBG GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 589,000	\$ 589,000	\$ 752,309	\$ 163,309
Use of money and property	-	-	6,252	6,252
Miscellaneous	-	-	196,532	196,532
Total Revenues	589,000	589,000	955,093	366,093
Expenditures:				
Current:				
Community enhancements	600,346	600,347	301,465	298,882
Capital outlay	-	-	406,405	(406,405)
Total Expenditures	600,346	600,347	707,870	(107,523)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,346)	(11,347)	247,223	258,570
Other Financing Sources(Uses):				
Transfers out	-	-	(65,231)	65,231
Total Other Financing Sources (Uses)	-	-	(65,231)	(65,231)
Net Change in Fund Balance	(11,346)	(11,347)	181,992	193,339
Fund Balances, Beginning of Year, as restated	169,393	169,393	169,393	-
Fund Balances, End of Year	\$ 158,047	\$ 158,046	\$ 351,385	\$ 193,339

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 HOUSING AGENCY
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Community enhancements	\$ 42,472	\$ 42,473	\$ 30,880	\$ 11,593
Total Expenditures	42,472	42,473	30,880	11,593
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,472)	(42,473)	(30,880)	11,593
Other Financing Sources(Uses):				
Transfers in	-	-	323	(323)
Total Other Financing Sources (Uses)	-	-	323	323
Net Change in Fund Balance	(42,472)	(42,473)	(30,557)	11,916
Fund Balances, Beginning of Year, as restated	3,240,156	3,240,156	3,240,156	-
Fund Balances, End of Year	\$ 3,197,684	\$ 3,197,683	\$ 3,209,599	\$ 11,916

CITY OF CITRUS HEIGHTS

**COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2019**

	2015	2016	2017	2018	2019
Miscellaneous Rate Plan					
Rate Plan's Proportion of the Net Pension Liability	0.06364%	0.07230%	0.07496%	0.07939%	0.07897%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ 3,959,792	\$ 4,962,609	\$ 6,486,625	\$ 7,873,259	\$ 7,610,202
Rate Plan's Covered Payroll	\$ 7,143,034	\$ 7,437,222	\$ 8,102,528	\$ 8,017,935	\$ 7,889,233
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	55.44%	66.73%	80.06%	98.20%	96.46%
Safety Rate Plan					
Rate Plan's Proportion of the Net Pension Liability	0.05785%	0.05364%	0.05852%	0.06404%	0.06658%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ 3,599,860	\$ 3,681,807	\$ 5,064,060	\$ 6,351,188	\$ 6,415,392
Rate Plan's Covered Payroll	\$ 7,239,564	\$ 7,350,834	\$ 7,921,496	\$ 8,247,151	\$ 8,354,763
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	49.72%	50.09%	63.93%	77.01%	76.79%
Total Plan					
Plan Proportion of the Net Pension Liability	0.12149%	0.12594%	0.13349%	0.14343%	0.14555%
Plan Proportionate Share of the Net Pension Liability	\$ 7,559,652	\$ 8,644,416	\$ 11,550,685	\$ 14,224,447	\$ 14,025,594
Plan Covered Payroll	\$ 14,382,598	\$ 14,788,056	\$ 16,024,024	\$ 16,265,086	\$ 16,243,996
Plan Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	52.56%	58.46%	72.08%	87.45%	86.34%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms. However, the figures above do not include any liability impact that may have resulted from plan changes which occurred after the measurement dates. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2018. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF CITRUS HEIGHTS

**COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, 2019**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Miscellaneous Rate Plan					
Actuarially Determined Contribution	\$ 1,237,660	\$ 1,052,606	\$ 1,109,977	\$ 1,127,777	\$ 1,259,805
Contribution in Relation to the Actuarially Determined Contribution	<u>(1,237,660)</u>	<u>(1,052,606)</u>	<u>(1,109,977)</u>	<u>(1,127,777)</u>	<u>(1,259,805)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>				
Covered Payroll	\$ 7,437,222	\$ 8,102,528	\$ 8,017,935	\$ 7,889,233	\$ 8,319,602
Contributions as a Percentage of Covered Payroll	16.64%	12.99%	13.84%	14.30%	15.14%
Safety Rate Plan					
Actuarially Determined Contribution	\$ 1,937,578	\$ 1,460,317	\$ 1,605,543	\$ 1,675,225	\$ 1,743,186
Contribution in Relation to the Actuarially Determined Contribution	<u>(1,937,578)</u>	<u>(1,460,317)</u>	<u>(1,605,543)</u>	<u>(1,675,225)</u>	<u>(1,743,186)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>				
Covered Payroll	\$ 7,350,834	\$ 7,921,496	\$ 8,247,151	\$ 8,354,763	\$ 7,715,475
Contributions as a Percentage of Covered Payroll	26.36%	18.43%	19.47%	20.05%	22.59%
Total Plan					
Actuarially Determined Contribution	\$ 3,175,238	\$ 2,512,923	\$ 2,715,520	\$ 2,803,002	\$ 3,002,991
Contribution in Relation to the Actuarially Determined Contribution	<u>(3,175,238)</u>	<u>(2,512,923)</u>	<u>(2,715,520)</u>	<u>(2,803,002)</u>	<u>(3,002,991)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>				
Covered Payroll	\$ 14,788,056	\$ 16,024,024	\$ 16,265,086	\$ 16,243,996	\$ 16,035,077
Contributions as a Percentage of Covered Payroll	21.47%	15.68%	16.70%	17.26%	18.73%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only five years are shown.

Note to Schedule:

Valuation Date: June 30, 2016

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Asset valuation method	Direct rate smoothing
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.375% (net of pension plan investment and administrative expenses, includes inflation)
Retirement Age	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 may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.
Mortality	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.

CITY OF CITRUS HEIGHTS

SCHEDULE OF CHANGE IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019
Total OPEB Liability		
Service cost	\$ 205,006	\$ 211,156
Interest on the total OPEB liability	149,338	171,850
Benefit payments	(20,597)	(33,358)
Net change in total OPEB liability	333,747	349,648
Total OPEB liability - beginning	2,017,702	2,351,449
Total OPEB liability - ending	\$ 2,351,449	\$ 2,701,097
Plan Fiduciary Net Position		
Contribution - employer	\$ 373,000	\$ 378,000
Net investment income	159,817	143,701
Benefit payments	(20,597)	(33,358)
Administrative expense	(837)	(3,288)
Net change in plan fiduciary net position	511,383	485,055
Plan fiduciary net position - beginning	1,236,894	1,748,277
Plan fiduciary net position - ending (b)	\$ 1,748,277	\$ 2,233,332
Net OPEB Liability	\$ 603,172	\$ 467,765
Plan fiduciary net position as a percentage of the total OPEB liability	74.35%	82.68%
Covered-employee payroll	\$ 18,696,235	\$ 18,764,996
Net OPEB liability as a percentage of covered-employee payroll	3.23%	2.49%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: None

Changes in Assumptions: None

CITY OF CITRUS HEIGHTS

**SCHEDULE OF CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018	2019
Actuarially Determined Contribution	\$ 378,000	\$ 288,000
Contribution in Relation to the Actuarially Determined Contributions	(378,000)	(288,000)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered-employee payroll	\$ 18,764,996	\$ 19,084,505
Contributions as a percentage of covered-employee payroll	2.01%	1.51%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: None.

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Amoritzation Method	Level percent of pay
Amortization Period	10.9-year average remaining fixed period for 2018/19
Asset Valuation Method	Investment gains and loss spread over 5-year rolling period
Discount Rate	6.75%
Inflation	2.75%
Medical Trend	Non-Medicare – 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare – 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years
Mortality Rate	CalPERS 1997-2011 Experience Study
Mortality Improvement	Mortality projected fully generational with Society of Actuaries Scale MP-2016

CITY OF CITRUS HEIGHTS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY ACCOUNTING AND CONTROL
YEAR ENDED JUNE 30, 2019**

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. 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, 2019. 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.

For the fiscal year ending June 30, 2019, the following funds had no adopted annual budgets:

- Housing In-lieu Fee Special Revenue Fund
- Police Donations Special Revenue Fund
- Auburn Boulevard Utilities Capital Projects Fund

Expenditures over Appropriations

For the fiscal year ended June 30, 2019, the Housing Agency Fund had excess expenditures over appropriations of \$30,880.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS

The following funds are reported in total on the Governmental Fund Financial Statements under the column Other 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 Market Place businesses reduced by related marketing expenditures.

Roadway Development Fees – Accounts for the revenues and expenditures associated with new development of infrastructure and low income housing.

Housing Mitigation Development Fees – Accounts for the revenues and expenditures associated with new development of infrastructure and low income housing.

Tree Mitigation Fees – Accounts for the revenues and expenditures associated with new development of infrastructure and low income housing.

Park Facilities Development Fees – Accounts for the revenues and expenditures associated with new development of infrastructure and low income housing.

SPECIAL REVENUE FUNDS (CONTINUED)

Transit Development Fees – Accounts for the revenues and expenditures associated with new development of infrastructure and low income housing.

Other Grants Fund – Accounts for revenues and expenditures for miscellaneous state grants and programs.

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.

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

Police Donations – Accounts for donations received for K-9 and other police activities and programs.

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.

Auburn Boulevard Utilities – Accounts for revenues and expenditures associated with the undergrounding of utilities on Auburn Boulevard from Sylvan to Antelope Road.

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds			
	Community Events	Code Enforcement	Gas Tax	Road Maintenance and Rehabilitation
Assets:				
Pooled cash and investments	\$ 3,075	\$ 440,528	\$ 162,223	\$ 1,316,892
Receivables:				
Accounts	2,500	272,859	-	-
Interest	-	1,811	-	5,315
Due from other governments	-	4,828	-	362,440
Due from other funds	-	-	116,409	-
Total Assets	\$ 5,575	\$ 720,026	\$ 278,632	\$ 1,684,647
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 8,394	\$ 1,731	\$ 117,274	\$ 160,081
Unearned revenues	-	-	-	-
Retentions payable	-	-	-	3,766
Due to other governments	-	2,953	9,450	-
Due to other funds	-	-	-	-
Total Liabilities	8,394	4,684	126,724	163,847
Deferred Inflows of Resources:				
Unavailable revenues	-	204,975	-	-
Total Deferred Inflows of Resources	-	204,975	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	510,367	151,908	1,520,800
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(2,819)	-	-	-
Total Fund Balances	(2,819)	510,367	151,908	1,520,800
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,575	\$ 720,026	\$ 278,632	\$ 1,684,647

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

(CONTINUED)

Special Revenue Funds

	Stormwater Utility Tax	Road Maintenance	Transit	Transportation Development Act
Assets:				
Pooled cash and investments	\$ 2,937,088	\$ 1,006,688	\$ 838,573	\$ 171,745
Receivables:				
Accounts	-	-	-	-
Interest	13,278	4,955	3,869	1,309
Due from other governments	266,075	-	-	-
Due from other funds	-	-	-	-
Total Assets	\$ 3,216,441	\$ 1,011,643	\$ 842,442	\$ 173,054
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 458,547	\$ 28,988	\$ 89	\$ 1,038
Unearned revenues	6,000	-	-	-
Retentions payable	35,594	-	-	5,916
Due to other governments	28,094	-	802,247	-
Due to other funds	-	-	-	-
Total Liabilities	528,235	28,988	802,336	6,954
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,688,206	982,655	40,106	166,100
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	2,688,206	982,655	40,106	166,100
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,216,441	\$ 1,011,643	\$ 842,442	\$ 173,054

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

Special Revenue Funds

	Police	Police Grants	Supplemental Law Enforcement Services (SLES)	Housing In-lieu Fee
Assets:				
Pooled cash and investments	\$ 418,746	\$ -	\$ 180,788	\$ -
Receivables:				
Accounts	2,665	-	-	-
Interest	1,744	-	961	-
Due from other governments	48,912	79,514	-	-
Due from other funds	-	-	-	-
Total Assets	\$ 472,067	\$ 79,514	\$ 181,749	\$ -
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 9,504	\$ 26,937	\$ 19,829	\$ -
Unearned revenues	-	-	162,748	-
Retentions payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	50,738	-	-
Total Liabilities	9,504	77,675	182,577	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	462,563	1,839	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(828)	-
Total Fund Balances	462,563	1,839	(828)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 472,067	\$ 79,514	\$ 181,749	\$ -

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			
	Property Based Improvement District	Roadway Development Fees	Housing Mitigation Development Fees	Tree Mitigation Fees
Assets:				
Pooled cash and investments	\$ 538	\$ 472,030	\$ 279,533	\$ 62,603
Receivables:				
Accounts	-	32,209	-	-
Interest	2	1,979	1,398	289
Due from other governments	2,149	-	-	-
Due from other funds	-	-	-	-
Total Assets	\$ 2,689	\$ 506,218	\$ 280,931	\$ 62,892
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 2,874	\$ -	\$ 8,408
Unearned revenues	-	-	-	-
Retentions payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	2,874	-	8,408
Deferred Inflows of Resources:				
Unavailable revenues	-	32,209	-	-
Total Deferred Inflows of Resources	-	32,209	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,689	471,135	280,931	54,484
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	2,689	471,135	280,931	54,484
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,689	\$ 506,218	\$ 280,931	\$ 62,892

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Special Revenue Funds			
	Park Facilities Development Fees	Transit Development Fees	Other Grants Fund	Assessment District Zone 1
Assets:				
Pooled cash and investments	\$ 126,761	\$ 103,357	\$ 80,674	\$ 35,944
Receivables:				
Accounts	-	6,908	-	-
Interest	564	230	-	152
Due from other governments	-	-	25,213	162
Due from other funds	-	-	-	-
Total Assets	\$ 127,325	\$ 110,495	\$ 105,887	\$ 36,258
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 4,967	\$ 8,023	\$ 46,689	\$ -
Unearned revenues	-	-	59,198	-
Retentions payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	4,967	8,023	105,887	-
Deferred Inflows of Resources:				
Unavailable revenues	-	6,908	-	-
Total Deferred Inflows of Resources	-	6,908	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	122,358	95,564	-	36,258
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	122,358	95,564	-	36,258
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 127,325	\$ 110,495	\$ 105,887	\$ 36,258

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

(CONTINUED)

Special Revenue Funds

	Assessment District Zone 2	Assessment District Zone 3	Assessment District Zone 4	Assessment District 98-01
Assets:				
Pooled cash and investments	\$ 78,119	\$ -	\$ -	\$ 155,354
Receivables:				
Accounts	-	-	-	-
Interest	340	-	-	679
Due from other governments	111	19	77	71
Due from other funds	-	-	-	-
Total Assets	\$ 78,570	\$ 19	\$ 77	\$ 156,104
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 446	\$ 273	\$ 375	\$ 135
Unearned revenues	-	-	-	-
Retentions payable	-	-	-	-
Due to other governments	-	239	650	232
Due to other funds	-	6,722	11,017	-
Total Liabilities	446	7,234	12,042	367
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	78,124	-	-	155,737
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(7,215)	(11,965)	-
Total Fund Balances	78,124	(7,215)	(11,965)	155,737
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 78,570	\$ 19	\$ 77	\$ 156,104

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

Special Revenue Funds

	Assessment District 98-02	Assessment District 03-01	Assessment District 98-02 Zone 2	Assessment District 03-01 Zone 2
Assets:				
Pooled cash and investments	\$ 108,884	\$ 1,033,761	\$ 28,789	\$ 100,569
Receivables:				
Accounts	-	-	-	-
Interest	471	4,524	120	438
Due from other governments	314	255	401	138
Due from other funds	-	-	-	-
Total Assets	\$ 109,669	\$ 1,038,540	\$ 29,310	\$ 101,145
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,259	\$ 15,303	\$ 562	\$ 7,904
Unearned revenues	-	-	-	-
Retentions payable	-	-	-	-
Due to other governments	-	568	-	355
Due to other funds	-	-	-	-
Total Liabilities	1,259	15,871	562	8,259
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	108,410	1,022,669	28,748	92,886
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	108,410	1,022,669	28,748	92,886
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 109,669	\$ 1,038,540	\$ 29,310	\$ 101,145

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	Lighting Assessment District	Police Donations	Measure A Construction	General Capital Improvements Capital Projects Fund
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 1,411,060	\$ 421,107
Receivables:				
Accounts	3,598	5,000	-	-
Interest	-	-	6,300	-
Due from other governments	5,721	-	-	-
Due from other funds	-	-	-	-
Total Assets	\$ 9,319	\$ 5,000	\$ 1,417,360	\$ 421,107
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 46,786	\$ -	\$ 71,388	\$ 1,533
Unearned revenues	-	-	-	-
Retentions payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	98,670	439	-	-
Total Liabilities	145,456	439	71,388	1,533
Deferred Inflows of Resources:				
Unavailable revenues	3,598	-	-	-
Total Deferred Inflows of Resources	3,598	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	4,561	1,345,972	-
Committed	-	-	-	-
Assigned	-	-	-	419,574
Unassigned	(139,735)	-	-	-
Total Fund Balances	(139,735)	4,561	1,345,972	419,574
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,319	\$ 5,000	\$ 1,417,360	\$ 421,107

CITY OF CITRUS HEIGHTS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>Capital Projects Funds</u>		
	<u>Community Capital Replacement</u>	<u>Auburn Boulevard Utilities</u>	<u>Total Other Governmental Funds</u>
Assets:			
Pooled cash and investments	\$ 647,017	\$ -	\$ 12,622,446
Receivables:			
Accounts	32,181	-	357,920
Interest	2,877	-	53,605
Due from other governments	325	-	796,725
Due from other funds	-	-	116,409
Total Assets	\$ 682,400	\$ -	\$ 13,947,105
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 156,207	\$ -	\$ 1,205,544
Unearned revenues	-	-	227,946
Retentions payable	-	-	45,276
Due to other governments	-	-	844,788
Due to other funds	-	-	167,586
Total Liabilities	156,207	-	2,491,140
Deferred Inflows of Resources:			
Unavailable revenues	-	-	247,690
Total Deferred Inflows of Resources	-	-	247,690
Fund Balances:			
Nonspendable	-	-	-
Restricted	-	-	10,425,070
Committed	-	-	-
Assigned	526,193	-	945,767
Unassigned	-	-	(162,562)
Total Fund Balances	526,193	-	11,208,275
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 682,400	\$ -	\$ 13,947,105

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CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Community Events	Code Enforcement	Gas Tax	Road Maintenance and Rehabilitation
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,721,260	1,684,139
Charges for services	75	664,939	-	-
Use of money and property	-	2,267	6,444	15,320
Fines and forfeitures	-	-	-	-
Contributions	15,498	-	-	-
Miscellaneous	-	-	98,935	-
Total Revenues	15,573	667,206	1,826,639	1,699,459
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	463,853	-	-
Economic development	-	-	-	-
Culture and recreation	144,088	-	-	-
Public ways and facilities	-	-	1,776,150	75,311
Community enhancements	-	-	-	-
Capital outlay	-	-	35,976	612,449
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	144,088	463,853	1,812,126	687,760
Excess (Deficiency) of Revenues Over (Under) Expenditures	(128,515)	203,353	14,513	1,011,699
Other Financing Sources (Uses):				
Transfers in	131,747	79,795	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	131,747	79,795	-	-
Net Change in Fund Balances	3,232	283,148	14,513	1,011,699
Fund Balances, Beginning of Year, as previously reported	(6,051)	(6,223)	137,395	509,101
Restatements	-	233,442	-	-
Fund Balances, Beginning of Year, as Restated	(6,051)	227,219	137,395	509,101
Fund Balances, End of Year	\$ (2,819)	\$ 510,367	\$ 151,908	\$ 1,520,800

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			
	Stormwater Utility Tax	Road Maintenance	Transit	Transportation Development Act
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,055,483	3,665,009	-
Charges for services	3,804,560	-	-	-
Use of money and property	74,973	27,717	11,069	6,310
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	13,665	-	-	137,662
Total Revenues	3,893,198	2,083,200	3,676,078	143,972
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Public ways and facilities	2,278,486	1,506,868	3,497,388	134,261
Community enhancements	-	-	-	-
Capital outlay	1,182,391	436,825	46,998	3,000
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,460,877	1,943,693	3,544,386	137,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	432,321	139,507	131,692	6,711
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	432,321	139,507	131,692	6,711
Fund Balances, Beginning of Year, as previously reported	2,255,885	843,148	(91,586)	159,389
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	2,255,885	843,148	(91,586)	159,389
Fund Balances, End of Year	\$ 2,688,206	\$ 982,655	\$ 40,106	\$ 166,100

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Police	Police Grants	Supplemental Law Enforcement Services (SLES)	Housing In-lieu Fee
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	314,481	168,144	-
Charges for services	-	-	-	-
Use of money and property	11,140	4	-	29
Fines and forfeitures	200,659	-	-	-
Contributions	-	-	-	-
Miscellaneous	7,820	-	-	-
Total Revenues	219,619	314,485	168,144	29
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	155,993	314,481	169,546	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Public ways and facilities	-	-	-	-
Community enhancements	-	-	-	1,726
Capital outlay	43,569	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	199,562	314,481	169,546	1,726
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,057	4	(1,402)	(1,697)
Other Financing Sources (Uses):				
Transfers in	-	-	-	67
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	67
Net Change in Fund Balances	20,057	4	(1,402)	(1,630)
Fund Balances, Beginning of Year, as previously reported	442,506	(40,480)	574	1,630
Restatements	-	42,315	-	-
Fund Balances, Beginning of Year, as Restated	442,506	1,835	574	1,630
Fund Balances, End of Year	\$ 462,563	\$ 1,839	\$ (828)	\$ -

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			
	Property Based Improvement District	Roadway Development Fees	Housing Mitigation Development Fees	Tree Mitigation Fees
Revenues:				
Licenses and permits	\$ -	\$ 96,631	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	31,700	10,728
Use of money and property	2,162	11,929	7,909	3,315
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,162	108,560	39,609	14,043
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Public ways and facilities	-	19,337	-	-
Community enhancements	-	-	-	59,005
Capital outlay	-	41,645	-	-
Debt service:				
Interest and fiscal charges	-	-	62,215	-
Total Expenditures	-	60,982	62,215	59,005
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,162	47,578	(22,606)	(44,962)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,162	47,578	(22,606)	(44,962)
Fund Balances, Beginning of Year, as previously reported	527	455,766	303,537	99,446
Restatements	-	(32,209)	-	-
Fund Balances, Beginning of Year, as Restated	527	423,557	303,537	99,446
Fund Balances, End of Year	\$ 2,689	\$ 471,135	\$ 280,931	\$ 54,484

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Park Facilities Development Fees	Transit Development Fees	Other Grants Fund	Assessment District Zone 1
Revenues:				
Licenses and permits	\$ -	\$ 21,335	\$ -	\$ -
Intergovernmental	38,654	-	89,385	-
Charges for services	-	-	-	10,523
Use of money and property	3,389	1,985	-	1,033
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	42,043	23,320	89,385	11,556
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	11,433	-
Culture and recreation	-	-	-	-
Public ways and facilities	-	-	-	14,303
Community enhancements	41,962	-	77,952	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	41,962	-	89,385	14,303
Excess (Deficiency) of Revenues Over (Under) Expenditures	81	23,320	-	(2,747)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	81	23,320	-	(2,747)
Fund Balances, Beginning of Year, as previously reported	122,277	79,153	(20,181)	39,005
Restatements	-	(6,909)	20,181	-
Fund Balances, Beginning of Year, as Restated	122,277	72,244	-	39,005
Fund Balances, End of Year	\$ 122,358	\$ 95,564	\$ -	\$ 36,258

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			
	Assessment District Zone 2	Assessment District Zone 3	Assessment District Zone 4	Assessment District 98-01
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	12,489	6,550	4,739	10,640
Use of money and property	2,005	19	14	4,139
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	14,494	6,569	4,753	14,779
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Public ways and facilities	7,792	10,228	9,480	10,494
Community enhancements	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,792	10,228	9,480	10,494
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,702	(3,659)	(4,727)	4,285
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	6,702	(3,659)	(4,727)	4,285
Fund Balances, Beginning of Year, as previously reported	71,422	(3,556)	(7,238)	151,452
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	71,422	(3,556)	(7,238)	151,452
Fund Balances, End of Year	\$ 78,124	\$ (7,215)	\$ (11,965)	\$ 155,737

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Assessment District 98-02	Assessment District 03-01	Assessment District 98-02 Zone 2	Assessment District 03-01 Zone 2
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	22,200	88,700	16,288	19,260
Use of money and property	2,705	26,501	653	2,831
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	24,905	115,201	16,941	22,091
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Public ways and facilities	17,685	45,855	14,484	27,262
Community enhancements	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	17,685	45,855	14,484	27,262
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,220	69,346	2,457	(5,171)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	7,220	69,346	2,457	(5,171)
Fund Balances, Beginning of Year, as previously reported	101,190	953,323	26,291	98,057
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	101,190	953,323	26,291	98,057
Fund Balances, End of Year	\$ 108,410	\$ 1,022,669	\$ 28,748	\$ 92,886

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	Lighting Assessment District	Police Donations	Measure A Construction	General Capital Improvements Capital Projects Fund
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	349,998	-	-	-
Use of money and property	1,000	-	37,615	-
Fines and forfeitures	-	-	-	-
Contributions	-	9,561	-	-
Miscellaneous	-	-	494,202	-
Total Revenues	350,998	9,561	531,817	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	5,000	-	-
Economic development	-	-	-	20,146
Culture and recreation	-	-	-	-
Public ways and facilities	434,861	-	297,019	-
Community enhancements	-	-	-	6,567
Capital outlay	-	-	215,722	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	434,861	5,000	512,741	26,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,863)	4,561	19,076	(26,713)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(83,863)	4,561	19,076	(26,713)
Fund Balances, Beginning of Year, as previously reported	(55,872)	-	1,326,896	446,287
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	(55,872)	-	1,326,896	446,287
Fund Balances, End of Year	\$ (139,735)	\$ 4,561	\$ 1,345,972	\$ 419,574

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Capital Projects Funds		
	Community Capital Replacement	Auburn Boulevard Utilities	Total Other Governmental Funds
Revenues:			
Licenses and permits	\$ 32,451	\$ -	\$ 150,417
Intergovernmental	-	-	9,736,555
Charges for services	-	-	5,053,389
Use of money and property	22,156	-	286,633
Fines and forfeitures	-	-	200,659
Contributions	-	-	25,059
Miscellaneous	-	-	752,284
Total Revenues	54,607	-	16,204,996
Expenditures:			
Current:			
General government	18,194	-	18,194
Public safety	160,697	-	1,269,570
Economic development	-	-	31,579
Culture and recreation	24,027	-	168,115
Public ways and facilities	-	-	10,177,264
Community enhancements	14,032	-	201,244
Capital outlay	272,196	-	2,890,771
Debt service:			
Interest and fiscal charges	-	-	62,215
Total Expenditures	489,146	-	14,818,952
Excess (Deficiency) of Revenues Over (Under) Expenditures	(434,539)	-	1,386,044
Other Financing Sources (Uses):			
Transfers in	-	187	211,796
Proceeds from sale of capital asset	32,181	-	32,181
Total Other Financing Sources (Uses)	32,181	187	243,977
Net Change in Fund Balances	(402,358)	187	1,630,021
Fund Balances, Beginning of Year, as previously reported	928,551	(187)	9,321,434
Restatements	-	-	256,820
Fund Balances, Beginning of Year, as Restated	928,551	(187)	9,578,254
Fund Balances, End of Year	\$ 526,193	\$ -	\$ 11,208,275

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 COMMUNITY EVENTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 75	\$ 75
Contributions	12,000	12,000	15,498	3,498
Total Revenues	12,000	12,000	15,573	3,573
Expenditures:				
Current:				
Culture and recreation	143,749	143,749	144,088	(339)
Total Expenditures	143,749	143,749	144,088	(339)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131,749)	(131,749)	(128,515)	3,234
Other Financing Sources(Uses):				
Transfers in	131,747	131,747	131,747	-
Total Other Financing Sources (Uses)	131,747	131,747	131,747	-
Net Change in Fund Balance	(2)	(2)	3,232	3,234
Fund Balances, Beginning of Year	(6,051)	(6,051)	(6,051)	-
Fund Balances, End of Year	\$ (6,053)	\$ (6,053)	\$ (2,819)	\$ 3,234

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 CODE ENFORCEMENT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 264,000	\$ 264,000	\$ 664,939	\$ 400,939
Use of money and property	-	-	2,267	2,267
Total Revenues	264,000	264,000	667,206	403,206
Expenditures:				
Current:				
Public safety	342,003	342,003	463,853	(121,850)
Total Expenditures	342,003	342,003	463,853	(121,850)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,003)	(78,003)	203,353	281,356
Other Financing Sources(Uses):				
Transfers out	(25,000)	(25,000)	-	(25,000)
Transfers in	103,003	103,003	79,795	23,208
Total Other Financing Sources (Uses)	78,003	78,003	79,795	1,792
Net Change in Fund Balance	-	-	283,148	283,148
Fund Balances, Beginning of Year, as restated	227,219	227,219	227,219	-
Fund Balances, End of Year	\$ 227,219	\$ 227,219	\$ 510,367	\$ 283,148

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 GAS TAX
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,133,141	\$ 2,133,141	\$ 1,721,260	\$ (411,881)
Use of money and property	-	-	6,444	6,444
Miscellaneous	98,919	98,919	98,935	16
Total Revenues	2,232,060	2,232,060	1,826,639	(405,421)
Expenditures:				
Current:				
Public ways and facilities	2,080,085	2,080,086	1,776,150	303,936
Capital outlay	-	-	35,976	(35,976)
Total Expenditures	2,080,085	2,080,086	1,812,126	267,960
Excess (Deficiency) of Revenues Over (Under) Expenditures	151,975	151,974	14,513	(137,461)
Other Financing Sources(Uses):				
Transfers out	(4,000)	(4,000)	-	(4,000)
Total Other Financing Sources (Uses)	(4,000)	(4,000)	-	4,000
Net Change in Fund Balance	147,975	147,974	14,513	(133,461)
Fund Balances, Beginning of Year	137,395	137,395	137,395	-
Fund Balances, End of Year	\$ 285,370	\$ 285,369	\$ 151,908	\$ (133,461)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ROAD MAINTENANCE AND REHABILITATION
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,444,942	\$ 1,444,942	\$ 1,684,139	\$ 239,197
Use of money and property	-	-	15,320	15,320
Total Revenues	1,444,942	1,444,942	1,699,459	254,517
Expenditures:				
Current:				
Public ways and facilities	1,444,942	1,444,942	75,311	1,369,631
Capital outlay	-	-	612,449	(612,449)
Total Expenditures	1,444,942	1,444,942	687,760	757,182
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	1,011,699	1,011,699
Net Change in Fund Balance	-	-	1,011,699	1,011,699
Fund Balances, Beginning of Year	509,101	509,101	509,101	-
Fund Balances, End of Year	\$ 509,101	\$ 509,101	\$ 1,520,800	\$ 1,011,699

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 STORMWATER UTILITY TAX
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 3,400,000	\$ 3,400,000	\$ 3,804,560	\$ 404,560
Use of money and property	12,000	12,000	74,973	62,973
Miscellaneous	-	-	13,665	13,665
Total Revenues	3,412,000	3,412,000	3,893,198	481,198
Expenditures:				
Current:				
Public ways and facilities	2,329,168	2,329,169	2,278,486	50,683
Capital outlay	2,700,000	2,700,000	1,182,391	1,517,609
Total Expenditures	5,029,168	5,029,169	3,460,877	1,568,292
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,617,168)	(1,617,169)	432,321	2,049,490
Net Change in Fund Balance	(1,617,168)	(1,617,169)	432,321	2,049,490
Fund Balances, Beginning of Year	2,255,885	2,255,885	2,255,885	-
Fund Balances, End of Year	\$ 638,717	\$ 638,716	\$ 2,688,206	\$ 2,049,490

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ROAD MAINTENANCE
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,023,330	\$ 2,023,330	\$ 2,055,483	\$ 32,153
Use of money and property	-	-	27,717	27,717
Total Revenues	2,023,330	2,023,330	2,083,200	59,870
Expenditures:				
Current:				
Public ways and facilities	1,408,860	1,408,860	1,506,868	(98,008)
Capital outlay	400,000	400,000	436,825	(36,825)
Total Expenditures	1,808,860	1,808,860	1,943,693	(134,833)
Excess (Deficiency) of Revenues Over (Under) Expenditures	214,470	214,470	139,507	(74,963)
Other Financing Sources(Uses):				
Transfers out	(75,000)	(75,000)	-	(75,000)
Total Other Financing Sources (Uses)	(75,000)	(75,000)	-	75,000
Net Change in Fund Balance	139,470	139,470	139,507	37
Fund Balances, Beginning of Year	843,148	843,148	843,148	-
Fund Balances, End of Year	\$ 982,618	\$ 982,618	\$ 982,655	\$ 37

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 TRANSIT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,035,356	\$ 4,035,356	\$ 3,665,009	\$ (370,347)
Use of money and property	-	-	11,069	11,069
Total Revenues	4,035,356	4,035,356	3,676,078	(359,278)
Expenditures:				
Current:				
Public ways and facilities	4,129,531	4,129,531	3,497,388	632,143
Capital outlay	-	-	46,998	(46,998)
Total Expenditures	4,129,531	4,129,531	3,544,386	585,145
Excess (Deficiency) of Revenues Over (Under) Expenditures	(94,175)	(94,175)	131,692	225,867
Net Change in Fund Balance	(94,175)	(94,175)	131,692	225,867
Fund Balances, Beginning of Year	(91,586)	(91,586)	(91,586)	-
Fund Balances, End of Year	\$ (185,761)	\$ (185,761)	\$ 40,106	\$ 225,867

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 TRANSPORTATION DEVELOPMENT ACT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 209,778	\$ 209,778	\$ -	\$ (209,778)
Use of money and property	500	500	6,310	5,810
Miscellaneous	-	-	137,662	137,662
Total Revenues	210,278	210,278	143,972	(66,306)
Expenditures:				
Current:				
Public ways and facilities	-	-	134,261	(134,261)
Capital outlay	378,857	378,857	3,000	375,857
Total Expenditures	378,857	378,857	137,261	241,596
Excess (Deficiency) of Revenues Over (Under) Expenditures	(168,579)	(168,579)	6,711	175,290
Net Change in Fund Balance	(168,579)	(168,579)	6,711	175,290
Fund Balances, Beginning of Year	159,389	159,389	159,389	-
Fund Balances, End of Year	\$ (9,190)	\$ (9,190)	\$ 166,100	\$ 175,290

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 POLICE
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 11,140	\$ 9,140
Fines and forfeitures	126,000	126,000	200,659	74,659
Miscellaneous	-	-	7,820	7,820
Total Revenues	128,000	128,000	219,619	91,619
Expenditures:				
Current:				
Public safety	117,081	117,081	155,993	(38,912)
Capital outlay	-	-	43,569	(43,569)
Total Expenditures	117,081	117,081	199,562	(82,481)
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,919	10,919	20,057	9,138
Net Change in Fund Balance	10,919	10,919	20,057	9,138
Fund Balances, Beginning of Year	442,506	442,506	442,506	-
Fund Balances, End of Year	\$ 453,425	\$ 453,425	\$ 462,563	\$ 9,138

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 POLICE GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 429,016	\$ 429,016	\$ 314,481	\$ (114,535)
Use of money and property	-	-	4	4
Total Revenues	429,016	429,016	314,485	(114,531)
Expenditures:				
Current:				
Public safety	163,739	163,740	314,481	(150,741)
Total Expenditures	163,739	163,740	314,481	(150,741)
Excess (Deficiency) of Revenues Over (Under) Expenditures	265,277	265,276	4	(265,272)
Net Change in Fund Balance	265,277	265,276	4	(265,272)
Fund Balances, Beginning of Year, as restated	1,835	1,835	1,835	-
Fund Balances, End of Year	\$ 267,112	\$ 267,111	\$ 1,839	\$ (265,272)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 SUPPLEMENTAL LAW ENFORCEMENT SERVICES (SLES)
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 133,000	\$ 133,000	\$ 168,144	\$ 35,144
Total Revenues	133,000	133,000	168,144	35,144
Expenditures:				
Current:				
Public safety	-	-	169,546	(169,546)
Total Expenditures	-	-	169,546	(169,546)
Excess (Deficiency) of Revenues Over (Under) Expenditures	133,000	133,000	(1,402)	(134,402)
Net Change in Fund Balance	133,000	133,000	(1,402)	(134,402)
Fund Balances, Beginning of Year	574	574	574	-
Fund Balances, End of Year	\$ 133,574	\$ 133,574	\$ (828)	\$ (134,402)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 PROPERTY BASED IMPROVEMENT DISTRICT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 753,241	\$ 753,241	\$ -	\$ (753,241)
Use of money and property	-	-	2,162	2,162
Total Revenues	753,241	753,241	2,162	(751,079)
Expenditures:				
Current:				
General government	750,373	750,373	-	750,373
Total Expenditures	750,373	750,373	-	750,373
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,868	2,868	2,162	(706)
Net Change in Fund Balance	2,868	2,868	2,162	(706)
Fund Balances, Beginning of Year	527	527	527	-
Fund Balances, End of Year	\$ 3,395	\$ 3,395	\$ 2,689	\$ (706)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ROADWAY DEVELOPMENT FEES
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ -	\$ 270,360	\$ 96,631	\$ (173,729)
Use of money and property	-	3,000	11,929	8,929
Total Revenues	-	273,360	108,560	(164,800)
Expenditures:				
Current:				
Public ways and facilities	-	249,668	19,337	230,331
Capital outlay	-	60,000	41,645	18,355
Total Expenditures	-	309,668	60,982	248,686
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(36,308)	47,578	83,886
Net Change in Fund Balance	-	(36,308)	47,578	83,886
Fund Balances, Beginning of Year, as restated	423,557	423,557	423,557	-
Fund Balances, End of Year	\$ 423,557	\$ 387,249	\$ 471,135	\$ 83,886

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 HOUSING MITIGATION DEVELOPMENT FEES
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 20,000	\$ 31,700	\$ 11,700
Use of money and property	-	1,000	7,909	6,909
Total Revenues	-	21,000	39,609	18,609
Expenditures:				
Debt service:				
Interest and fiscal charges	-	-	62,215	(62,215)
Total Expenditures	-	-	62,215	(62,215)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	21,000	(22,606)	(43,606)
Net Change in Fund Balance	-	21,000	(22,606)	(43,606)
Fund Balances, Beginning of Year	303,537	303,537	303,537	-
Fund Balances, End of Year	\$ 303,537	\$ 324,537	\$ 280,931	\$ (43,606)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 TREE MITIGATION FEES
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 10,000	\$ -	\$ (10,000)
Charges for services	-	-	10,728	10,728
Use of money and property	-	2,000	3,315	1,315
Total Revenues	-	12,000	14,043	2,043
Expenditures:				
Current:				
Community enhancements	-	45,000	59,005	(14,005)
Total Expenditures	-	45,000	59,005	(14,005)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(33,000)	(44,962)	(11,962)
Net Change in Fund Balance	-	(33,000)	(44,962)	(11,962)
Fund Balances, Beginning of Year	99,446	99,446	99,446	-
Fund Balances, End of Year	\$ 99,446	\$ 66,446	\$ 54,484	\$ (11,962)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 PARK FACILITIES DEVELOPMENT FEES
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 38,654	\$ 38,654
Charges for services	-	60,000	-	(60,000)
Use of money and property	-	750	3,389	2,639
Total Revenues	-	60,750	42,043	(18,707)
Expenditures:				
Current:				
Community enhancements	-	-	41,962	(41,962)
Total Expenditures	-	-	41,962	(41,962)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	60,750	81	(60,669)
Net Change in Fund Balance	-	60,750	81	(60,669)
Fund Balances, Beginning of Year	122,277	122,277	122,277	-
Fund Balances, End of Year	\$ 122,277	\$ 183,027	\$ 122,358	\$ (60,669)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 TRANSIT DEVELOPMENT FEES
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ -	\$ 58,677	\$ 21,335	\$ (37,342)
Use of money and property	-	3,600	1,985	(1,615)
Total Revenues	-	62,277	23,320	(38,957)
Expenditures:				
Capital outlay	-	30,000	-	30,000
Total Expenditures	-	30,000	-	30,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	32,277	23,320	(8,957)
Net Change in Fund Balance	-	32,277	23,320	(8,957)
Fund Balances, Beginning of Year, as restated	72,244	72,244	72,244	-
Fund Balances, End of Year	\$ 72,244	\$ 104,521	\$ 95,564	\$ (8,957)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 OTHER GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 44,776	\$ 44,776	\$ 89,385	\$ 44,609
Total Revenues	44,776	44,776	89,385	44,609
Expenditures:				
Current:				
Economic development	-	-	11,433	(11,433)
Community enhancements	70,311	70,311	77,952	(7,641)
Total Expenditures	70,311	70,311	89,385	(19,074)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,535)	(25,535)	-	25,535
Net Change in Fund Balance	(25,535)	(25,535)	-	25,535
Fund Balances, Beginning of Year, as restated	-	-	-	-
Fund Balances, End of Year	\$ (25,535)	\$ (25,535)	\$ -	\$ 25,535

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT ZONE 1
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 10,523	\$ 10,523	\$ -
Use of money and property	-	-	1,033	1,033
Total Revenues	-	10,523	11,556	1,033
Expenditures:				
Current:				
Public ways and facilities	-	11,373	14,303	(2,930)
Total Expenditures	-	11,373	14,303	(2,930)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(850)	(2,747)	(1,897)
Net Change in Fund Balance	-	(850)	(2,747)	(1,897)
Fund Balances, Beginning of Year	39,005	39,005	39,005	-
Fund Balances, End of Year	\$ 39,005	\$ 38,155	\$ 36,258	\$ (1,897)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT ZONE 2
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 12,413	\$ 12,489	\$ 76
Use of money and property	-	619	2,005	1,386
Total Revenues	-	13,032	14,494	1,462
Expenditures:				
Current:				
Public ways and facilities	-	15,429	7,792	7,637
Total Expenditures	-	15,429	7,792	7,637
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,397)	6,702	9,099
Net Change in Fund Balance	-	(2,397)	6,702	9,099
Fund Balances, Beginning of Year	71,422	71,422	71,422	-
Fund Balances, End of Year	\$ 71,422	\$ 69,025	\$ 78,124	\$ 9,099

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT ZONE 3
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 6,550	\$ 6,550	\$ -
Use of money and property	-	-	19	19
Total Revenues	-	6,550	6,569	19
Expenditures:				
Current:				
Public ways and facilities	-	8,688	10,228	(1,540)
Total Expenditures	-	8,688	10,228	(1,540)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,138)	(3,659)	(1,521)
Net Change in Fund Balance	-	(2,138)	(3,659)	(1,521)
Fund Balances, Beginning of Year	(3,556)	(3,556)	(3,556)	-
Fund Balances, End of Year	\$ (3,556)	\$ (5,694)	\$ (7,215)	\$ (1,521)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT ZONE 4
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 4,718	\$ 4,739	\$ 21
Use of money and property	-	-	14	14
Total Revenues	-	4,718	4,753	35
Expenditures:				
Current:				
Public ways and facilities	-	8,693	9,480	(787)
Total Expenditures	-	8,693	9,480	(787)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(3,975)	(4,727)	(752)
Other Financing Sources(Uses):				
Transfers in	-	4,000	-	4,000
Total Other Financing Sources (Uses)	-	4,000	-	(4,000)
Net Change in Fund Balance	-	25	(4,727)	(4,752)
Fund Balances, Beginning of Year	(7,238)	(7,238)	(7,238)	-
Fund Balances, End of Year	\$ (7,238)	\$ (7,213)	\$ (11,965)	\$ (4,752)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT 98-01
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 10,640	\$ 10,640	\$ -
Use of money and property	-	600	4,139	3,539
Total Revenues	-	11,240	14,779	3,539
Expenditures:				
Current:				
Public ways and facilities	-	5,796	10,494	(4,698)
Total Expenditures	-	5,796	10,494	(4,698)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	5,444	4,285	(1,159)
Net Change in Fund Balance	-	5,444	4,285	(1,159)
Fund Balances, Beginning of Year	151,452	151,452	151,452	-
Fund Balances, End of Year	\$ 151,452	\$ 156,896	\$ 155,737	\$ (1,159)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT 98-02
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 22,200	\$ 22,200	\$ -
Use of money and property	-	450	2,705	2,255
Total Revenues	-	22,650	24,905	2,255
Expenditures:				
Current:				
Public ways and facilities	-	17,289	17,685	(396)
Total Expenditures	-	17,289	17,685	(396)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	5,361	7,220	1,859
Net Change in Fund Balance	-	5,361	7,220	1,859
Fund Balances, Beginning of Year	101,190	101,190	101,190	-
Fund Balances, End of Year	\$ 101,190	\$ 106,551	\$ 108,410	\$ 1,859

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT 03-01
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 88,700	\$ 88,700	\$ -
Use of money and property	-	3,350	26,501	23,151
Total Revenues	-	92,050	115,201	23,151
Expenditures:				
Current:				
Public ways and facilities	-	49,896	45,855	4,041
Total Expenditures	-	49,896	45,855	4,041
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	42,154	69,346	27,192
Net Change in Fund Balance	-	42,154	69,346	27,192
Fund Balances, Beginning of Year	953,323	953,323	953,323	-
Fund Balances, End of Year	\$ 953,323	\$ 995,477	\$ 1,022,669	\$ 27,192

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT 98-02 ZONE 2
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 16,288	\$ 16,288	\$ -
Use of money and property	-	100	653	553
Total Revenues	-	16,388	16,941	553
Expenditures:				
Current:				
Public ways and facilities	-	17,540	14,484	3,056
Total Expenditures	-	17,540	14,484	3,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,152)	2,457	3,609
Net Change in Fund Balance	-	(1,152)	2,457	3,609
Fund Balances, Beginning of Year	26,291	26,291	26,291	-
Fund Balances, End of Year	\$ 26,291	\$ 25,139	\$ 28,748	\$ 3,609

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 ASSESSMENT DISTRICT 03-01 ZONE 2
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 20,354	\$ 19,260	\$ (1,094)
Use of money and property	-	500	2,831	2,331
Total Revenues	-	20,854	22,091	1,237
Expenditures:				
Current:				
Public ways and facilities	-	26,568	27,262	(694)
Total Expenditures	-	26,568	27,262	(694)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,714)	(5,171)	543
Net Change in Fund Balance	-	(5,714)	(5,171)	543
Fund Balances, Beginning of Year	98,057	98,057	98,057	-
Fund Balances, End of Year	\$ 98,057	\$ 92,343	\$ 92,886	\$ 543

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 LIGHTING ASSESSMENT DISTRICT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ 351,977	\$ 349,998	\$ (1,979)
Use of money and property	-	-	1,000	1,000
Total Revenues	-	351,977	350,998	(979)
Expenditures:				
Current:				
Public ways and facilities	-	432,075	434,861	(2,786)
Total Expenditures	-	432,075	434,861	(2,786)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(80,098)	(83,863)	(3,765)
Other Financing Sources(Uses):				
Transfers in	-	75,000	-	75,000
Total Other Financing Sources (Uses)	-	75,000	-	(75,000)
Net Change in Fund Balance	-	(5,098)	(83,863)	(78,765)
Fund Balances, Beginning of Year	(55,872)	(55,872)	(55,872)	-
Fund Balances, End of Year	\$ (55,872)	\$ (60,970)	\$ (139,735)	\$ (78,765)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 STREET
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,168,749	\$ 3,168,749	\$ 1,785,844	\$ (1,382,905)
Total Revenues	3,168,749	3,168,749	1,785,844	(1,382,905)
Expenditures:				
Capital outlay	3,168,799	3,168,799	1,790,216	1,378,583
Total Expenditures	3,168,799	3,168,799	1,790,216	1,378,583
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50)	(50)	(4,372)	(4,322)
Net Change in Fund Balance	(50)	(50)	(4,372)	(4,322)
Fund Balances, Beginning of Year	(15,045)	(15,045)	(15,045)	-
Fund Balances, End of Year	\$ (15,095)	\$ (15,095)	\$ (19,417)	\$ (4,322)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 MEASURE A CONSTRUCTION
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 4,500	\$ 4,500	\$ 37,615	\$ 33,115
Miscellaneous	539,400	539,400	494,202	(45,198)
Total Revenues	543,900	543,900	531,817	(12,083)
Expenditures:				
Public ways and facilities	-	-	297,019	(297,019)
Capital outlay	-	-	215,722	(215,722)
Total Expenditures	-	-	512,741	(512,741)
Excess (Deficiency) of Revenues Over (Under) Expenditures	543,900	543,900	19,076	(524,824)
Net Change in Fund Balance	543,900	543,900	19,076	(524,824)
Fund Balances, Beginning of Year	1,326,896	1,326,896	1,326,896	-
Fund Balances, End of Year	\$ 1,870,796	\$ 1,870,796	\$ 1,345,972	\$ (524,824)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL CAPITAL IMPROVEMENT CAPITAL PROJECT FUND
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Economic development	\$ -	\$ -	\$ 20,146	\$ (20,146)
Community ehancements	-	-	6,567	(6,567)
Total Expenditures	-	-	26,713	(26,713)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(26,713)	(26,713)
Other Financing Sources(Uses):				
Transfers in	25,000	25,000	-	(25,000)
Total Other Financing Sources (Uses)	25,000	25,000	-	(25,000)
Net Change in Fund Balance	25,000	25,000	(26,713)	(51,713)
Fund Balances, Beginning of Year	446,287	446,287	446,287	-
Fund Balances, End of Year	\$ 471,287	\$ 471,287	\$ 419,574	\$ (51,713)

CITY OF CITRUS HEIGHTS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 COMMUNITY CAPITAL REPLACEMENT
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 32,451	\$ 32,451
Use of money and property	2,500	2,500	22,156	19,656
Total Revenues	2,500	2,500	54,607	52,107
Expenditures:				
General government	-	-	18,194	(18,194)
Public safety	-	-	160,697	(160,697)
Culture and recreation	-	-	24,027	(24,027)
Community enhancements	-	-	14,032	(14,032)
Capital outlay	179,000	179,000	272,196	(93,196)
Total Expenditures	179,000	179,000	489,146	(310,146)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(176,500)	(176,500)	(434,539)	(258,039)
Other Financing Sources(Uses):				
Transfers in	664,225	240,000	-	(240,000)
Proceeds from sale of capital asset	-	-	32,181	32,181
Total Other Financing Sources (Uses)	664,225	240,000	32,181	(207,819)
Net Change in Fund Balance	487,725	63,500	(402,358)	(465,858)
Fund Balances, Beginning of Year	928,551	928,551	928,551	-
Fund Balances, End of Year	\$ 1,416,276	\$ 992,051	\$ 526,193	\$ (465,858)

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2019

	<u>Fire Capital Facilities Fee</u>	<u>STA Fees</u>	<u>Totals</u>
Assets:			
Pooled cash and investments	\$ 10,397	\$ 30,665	\$ 41,062
Total Assets	<u>\$ 10,397</u>	<u>\$ 30,665</u>	<u>\$ 41,062</u>
Liabilities:			
Due to external parties/other agencies	\$ 10,397	\$ 30,665	\$ 41,062
Total Liabilities	<u>\$ 10,397</u>	<u>\$ 30,665</u>	<u>\$ 41,062</u>

CITY OF CITRUS HEIGHTS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2019

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>
<u>Fire Capital Facilities Fee</u>				
Assets:				
Pooled cash and investments	\$ 1,205	\$ 9,192	\$ -	\$ 10,397
Total Assets	<u>\$ 1,205</u>	<u>\$ 9,192</u>	<u>\$ -</u>	<u>\$ 10,397</u>
Liabilities:				
Due to external parties/other agencies	\$ 1,205	\$ 9,192	\$ -	\$ 10,397
Total Liabilities	<u>\$ 1,205</u>	<u>\$ 9,192</u>	<u>\$ -</u>	<u>\$ 10,397</u>
<u>STA Fees</u>				
Assets:				
Pooled cash and investments	\$ 20,689	\$ 9,976	\$ -	\$ 30,665
Total Assets	<u>\$ 20,689</u>	<u>\$ 9,976</u>	<u>\$ -</u>	<u>\$ 30,665</u>
Liabilities:				
Due to external parties/other agencies	\$ 20,689	\$ 9,976	\$ -	\$ 30,665
Total Liabilities	<u>\$ 20,689</u>	<u>\$ 9,976</u>	<u>\$ -</u>	<u>\$ 30,665</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 21,894	\$ 19,168	\$ -	\$ 41,062
Total Assets	<u>\$ 21,894</u>	<u>\$ 19,168</u>	<u>\$ -</u>	<u>\$ 41,062</u>
Liabilities:				
Due to external parties/other agencies	\$ 21,894	\$ 19,168	\$ -	\$ 41,062
Total Liabilities	<u>\$ 21,894</u>	<u>\$ 19,168</u>	<u>\$ -</u>	<u>\$ 41,062</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.	137-141
Revenue Capacity These schedules contain information to help the reader assess the City's ability to 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.	142-147
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.	148-150
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.	151-152
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.	153-155

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

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City of Citrus Heights, California
Net Position by Component
Last Ten Fiscal Years
(Fiscal year ended June 30)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Invested in capital assets	\$388,085,031	\$380,131,270	\$370,403,423	\$369,630,853	\$366,354,751	\$362,247,604	\$351,834,754	\$355,292,096	\$344,507,138	\$336,912,872
Restricted	3,046,484	4,342,108	3,696,281	22,751,540	15,749,227	15,682,624	15,279,052	15,935,790	16,266,052	13,375,587
Unrestricted	53,063,713	57,351,701	51,220,587	25,246,205	28,626,101	12,581,607	14,663,297	4,264,024	1,755,048	1,882,908
Total governmental activities net position	\$444,195,228	\$441,825,079	\$425,320,291	\$417,628,598	\$410,730,079	\$390,511,835	\$381,777,103	\$375,491,910	\$362,528,238	\$352,171,367
Business-type activities										
Invested in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 321,123	\$ 389,449	\$ 381,575	\$ 373,702
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,848,766	716,320	759,833	655,163	614,441	406,354	265,517	160,563	219,434	306,142
Total business-type activities net position	\$ 2,848,766	\$ 716,320	\$ 759,833	\$ 655,163	\$ 814,441	\$ 606,354	\$ 586,640	\$ 550,012	\$ 601,009	\$ 679,844
Primary government										
Invested in capital assets	\$388,085,031	\$380,131,270	\$370,403,423	\$369,630,853	\$366,554,751	\$362,447,604	\$352,155,877	\$355,681,545	\$344,888,713	\$337,286,574
Restricted	3,046,484	4,342,108	3,696,281	22,751,540	15,749,227	15,682,624	15,279,052	15,935,790	16,266,052	13,375,587
Unrestricted	55,912,479	58,068,021	51,980,420	25,901,368	29,240,542	12,987,961	14,928,814	4,424,587	1,974,482	2,189,050
Total primary government net position	\$447,043,994	\$442,541,399	\$426,080,124	\$418,283,761	\$411,544,520	\$391,118,189	\$382,363,743	\$376,041,922	\$363,129,247	\$352,851,211

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 6,053,708	\$ 5,984,581	\$ 5,190,638	\$ 4,905,500	\$ 4,825,401	\$ 5,401,023	\$ 4,704,899	\$ 5,463,122	\$ 6,106,557	\$ 6,909,949
Public safety	17,694,892	18,817,306	19,522,974	18,371,871	19,595,533	18,092,747	17,355,288	18,378,242	21,698,128	24,025,017
Public ways and facilities	21,335,008	24,344,523	25,489,982	25,152,231	27,499,125	30,037,037	34,185,103	24,188,701	24,395,899	21,730,069
Culture and recreation	557,661	820,799	883,463	692,989	613,235	555,342	654,183	669,948	722,254	720,442
Economic development	80,074	62,687	64,906	114,616	172,083	159,243	214,978	402,904	353,608	296,233
Community enhancements	3,421,515	5,702,868	4,532,930	4,429,170	4,407,068	4,319,791	4,313,943	4,710,977	4,664,278	3,953,127
Interest on long-term debt	-	-	-	-	-	-	-	-	-	70,962
Total governmental activities expenses	49,142,858	55,732,764	55,684,893	53,666,377	57,112,445	58,565,183	61,428,394	53,813,894	57,940,724	57,705,799
Business-type activities:										
Transit	-	-	-	-	-	-	-	-	-	-
Storm water utility	697,400	-	-	-	-	-	-	-	-	-
Solid waste	436,658	535,094	579,195	752,084	529,464	903,522	757,028	798,694	751,291	809,466
Total business-type activities expenses	1,134,058	535,094	579,195	752,084	529,464	903,522	757,028	798,694	751,291	809,466
Total primary government expenses	50,276,916	56,267,858	56,264,088	54,418,461	57,641,909	59,468,705	62,185,422	54,612,588	58,692,015	58,515,265
Program revenues										
Governmental activities:										
Charges for services:										
General government	584,124	332,690	343,013	305,057	331,675	381,923	1,120,688	1,151,570	1,185,547	1,888,219
Public safety	1,512,882	433,535	443,227	366,726	459,073	337,199	1,547,840	1,759,927	1,488,252	1,978,407
Public ways and facilities	653,995	7,857,400	3,642,658	4,789,239	4,730,893	4,666,240	4,359,774	4,500,372	4,324,674	4,474,641
Culture and recreation	-	292,134	394,188	343,817	374,244	311,350	352,401	354,517	449,711	32,526
Economic development	-	-	-	-	-	100	50	-	-	-
Community enhancements	1,088,280	761,323	858,413	842,151	1,036,139	1,298,079	1,912,936	1,597,005	498,673	1,242,148
Operating grants and contributions	1,458,333	14,447,725	12,857,360	10,909,700	13,538,056	13,179,453	10,236,552	6,087,515	6,265,040	7,165,367
Capital grants and contributions	16,329,085	1,580,765	187,957	7,590,789	7,173,645	2,418,225	4,489,329	2,006,396	1,483,643	7,101,580
Total governmental activities program revenues	21,626,699	25,705,572	18,726,816	25,147,479	27,663,725	22,592,569	24,019,570	17,457,302	15,695,540	23,882,888
Business-type activities:										
Charges for services:										
Storm water utility	2,655,812	-	-	-	-	-	-	-	-	-
Solid waste	546,290	613,242	616,288	651,300	657,027	710,618	732,401	761,614	798,838	839,030
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	3,202,102	613,242	616,288	651,300	657,027	710,618	732,401	761,614	798,838	839,030
Total primary government program revenues	24,828,801	26,318,814	19,343,104	25,798,779	28,320,752	23,303,187	24,751,971	18,218,916	16,494,378	24,721,918
Net (Expense)/Revenue										
Governmental activities	(27,516,159)	(30,027,192)	(36,958,077)	(28,518,898)	(29,448,720)	(35,972,614)	(37,408,824)	(36,356,592)	(42,245,184)	(33,822,911)
Business-type activities	2,068,044	78,148	37,093	(100,784)	127,563	(192,904)	(24,627)	(37,080)	47,547	29,564
Total primary government net expense	(25,448,115)	(29,949,044)	(36,920,984)	(28,619,682)	(29,321,157)	(36,165,518)	(37,433,451)	(36,393,672)	(42,197,637)	(33,793,347)

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Continued from previous page:										
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Property taxes	4,259,087	3,089,382	2,117,970	270,913	139,634	138,659	946,113	991,552	758,653	339,571
Sales and use tax	9,877,654	10,636,890	10,617,617	11,261,741	11,195,869	11,230,382	15,977,575	15,412,345	15,653,986	12,542,158
Utility users tax	2,885,300	2,883,331	2,771,161	2,770,644	2,739,486	2,768,562	2,810,771	2,881,617	2,932,236	2,739,888
Other taxes	1,419,925	1,346,658	1,353,716	1,362,446	1,332,334	1,416,552	1,601,229	1,616,163	1,600,300	2,225,772
Shared intergovernmental revenues	6,985,507	7,035,404	6,418,174	6,659,357	6,652,222	7,015,174	7,260,670	7,611,171	8,037,540	8,436,657
Investment earnings	1,105,546	448,746	561,376	(299,378)	455,531	246,710	527,734	1,108,551	254,162	32,181
Gain (loss) on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	300,025	2,216,632	2,334	2,918	35,125	-	-	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	(3,389,059)	-	-	-	-	-	-	-
Total governmental activities	26,833,044	27,657,043	20,453,289	22,028,641	22,550,201	22,816,039	29,124,092	29,621,399	29,236,877	26,316,227
Business-type activities:										
Investment earnings	34,846	6,038	8,754	(968)	31,715	4,158	4,913	452	3,450	49,255
Transfers	(300,025)	(2,216,632)	(2,334)	(2,918)	-	-	-	-	-	-
Total business-type activities	(265,179)	(2,210,594)	6,420	(3,886)	31,715	4,158	4,913	452	3,450	49,255
Total primary government	26,567,865	25,446,449	20,459,709	22,024,755	22,581,916	22,820,197	29,129,005	29,621,851	29,240,327	26,365,482
Changes in Net Position										
Governmental activities	(683,115)	(2,370,149)	(16,504,788)	(6,490,257)	(6,898,519)	(13,156,575)	(8,284,732)	(6,735,193)	(13,008,307)	(10,356,855)
Business-type activities	1,802,865	(2,132,446)	43,513	(104,670)	159,278	(188,746)	(19,714)	(36,628)	50,997	78,819
Total primary government	\$ 1,119,750	\$ (4,502,595)	\$ (16,461,275)	\$ (6,594,927)	\$ (6,739,241)	\$ (13,345,321)	\$ (8,304,446)	\$ (6,771,821)	\$ (12,957,310)	\$ (10,278,036)

Source: City Administrative Services Department

City of Citrus Heights, California
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Nonspendable	\$ 8,441,469	\$ 1,293,139	\$ 1,366,759	\$ 1,233,199	\$ 1,144,639	\$ 962,457	\$ 298,407	\$ 32,159	\$ 279,210	\$ 135,485
Restricted	-	-	-	-	6,443	14,148	14,613	25,394	21,143	-
Committed	27,630,000	34,416,550	32,677,537	29,080,819	27,279,124	19,395,418	18,616,257	4,559,378	4,559,378	4,561,978
Unassigned	782,766	-	172,951	855,369	925,202	64,943	146,734	1,101,504	314,061	1,833,065
Total general fund	36,854,235	35,709,689	34,217,247	31,169,387	29,355,408	20,436,966	19,076,011	5,718,435	5,173,792	6,530,528
All Other Governmental Funds:										
Nonspendable	4,763,352	4,758,923	-	512,312	643,352	-	-	-	2,784,600	2,285,330
Restricted	4,102,253	4,414,317	3,696,281	3,454,581	9,994,202	9,479,154	9,723,591	10,067,839	8,702,340	13,375,587
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	8,090,593	15,020,966	13,451,353	9,705,971	-	1,652,198	928,925	894,318	1,374,838	945,767
Unassigned (deficit)	(727,512)	(2,236,731)	(14)	(578,904)	950,267	(570,131)	(122,707)	(132,660)	(262,719)	(181,979)
Total all other governmental funds	16,228,686	21,957,475	17,147,620	13,093,960	11,587,821	10,561,221	10,529,809	10,829,497	12,599,059	16,424,705
Total all governmental funds	\$ 53,082,921	\$ 57,667,164	\$ 51,364,867	\$ 44,263,347	\$ 40,943,229	\$ 30,998,187	\$ 29,605,820	\$ 16,547,932	\$ 17,772,851	\$ 22,955,233

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.

City of Citrus Heights, California
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Fiscal year ended June 30)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Taxes and assessments	\$ 19,184,773	\$ 26,358,981	\$ 21,031,929	\$ 20,405,852	\$ 15,419,083	\$ 15,582,175	\$ 16,984,351	\$ 16,631,964	\$ 16,522,415	\$ 16,837,829
Licenses, permits and fees	1,064,263	999,510	1,056,671	1,069,757	1,162,034	1,467,405	1,524,848	1,631,147	1,462,504	1,567,925
Fines and forfeitures	996,933	940,646	1,013,877	898,734	947,834	1,454,939	1,084,980	1,247,094	1,147,719	1,127,317
Intergovernmental	23,763,010	19,781,727	16,424,374	22,909,194	24,645,011	19,573,316	22,748,760	19,003,009	18,839,531	21,159,815
Use of money and property	1,804,746	1,951,351	1,786,652	803,392	890,087	577,893	874,978	1,398,709	515,517	944,989
Charges for services	747,240	582,141	652,637	1,080,785	6,281,132	6,197,842	6,470,344	6,598,162	6,594,424	7,049,858
Contributions	35,598	540,192	24,046	26,522	25,520	27,126	1,807,470	155,409	19,726	26,872
Other revenues	1,257,949	635,554	553,348	83,037	52,826	6,031	216,226	1,082,642	491,114	1,580,426
Total revenues	48,854,512	51,790,102	42,543,534	47,277,273	49,423,527	44,886,727	51,711,957	47,748,136	45,592,950	50,295,031
Expenditures:										
General government	5,020,192	5,498,176	4,792,560	4,472,530	4,472,814	4,732,760	4,940,481	5,547,678	5,582,583	6,364,953
Public safety	17,448,366	17,751,208	18,477,602	17,944,997	18,945,346	18,954,246	19,537,621	19,631,973	20,018,189	21,352,292
Public ways and facilities	9,544,682	13,457,880	12,658,660	18,506,469	12,507,432	14,809,940	16,288,336	12,303,244	11,251,339	10,177,443
Culture and recreation	557,661	639,813	690,509	682,528	608,931	560,376	667,099	724,750	704,866	673,253
Economic development	80,074	60,941	64,906	114,395	171,271	159,924	223,753	405,901	298,781	289,440
Community enhancements	5,130,586	6,671,921	4,531,696	4,406,960	4,348,398	4,388,846	4,425,724	4,714,654	4,306,626	3,920,072
Capital outlay	15,866,392	4,698,433	4,080,252	8,278,153	12,620,848	25,084,392	7,036,250	4,144,138	2,318,319	5,103,347
Debt service:										
Lease principal ¹	-	-	-	-	-	7,638,960	-	13,749,031	-	-
Interest and fiscal charges	699,200	646,767	49,200	-	-	-	-	-	-	70,962
Total expenditures	54,347,153	49,425,139	45,345,385	54,406,032	53,675,040	76,329,444	53,119,264	61,221,369	44,480,703	47,951,762
Reconciliation of Governmental Revenues										
Revenues over (under) expenditures	\$ (5,492,641)	\$ 2,364,963	\$ (2,801,851)	\$ (7,128,759)	\$ (4,251,513)	\$ (31,442,717)	\$ (1,407,307)	\$ (13,473,233)	\$ 1,112,247	\$ 2,343,269
Other financing sources (uses):										
Extraordinary loss on dissolution of redevelop	-	-	(3,005,604)	-	-	-	-	-	-	-
Tax sharing payments	-	-	(573,320)	-	-	21,387,991	-	-	-	-
Draw on line of credit	-	-	-	-	-	-	-	-	-	50,001
Proceeds from sale of capital assets	4,406	2,648	76,147	24,321	105,911	109,684	14,940	415,345	112,672	32,181
Transfers in	11,259,475	19,571,032	3,379,196	4,938,773	3,106,136	2,642,014	2,514,601	15,236,333	1,514,764	320,356
Transfers out	(10,959,450)	(17,354,400)	(3,376,862)	(4,935,855)	(3,106,136)	(2,642,014)	(2,514,601)	(15,236,333)	(1,514,764)	(320,356)
Total other financing sources (uses)	304,431	2,219,280	(3,500,443)	27,239	105,911	21,497,675	14,940	415,345	112,672	82,182
Net change in fund balances	\$ (5,188,210)	\$ 4,584,243	\$ (6,302,294)	\$ (7,101,520)	\$ (4,145,602)	\$ (9,945,042)	\$ (1,392,367)	\$ (13,057,888)	\$ 1,224,919	\$ 2,425,451
Debt service as a percentage of noncapital expenditures	1.82%	1.45%	0.12%	0.00%	0.00%	14.91%	0.00%	24.09%	0.00%	0.17%

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.

City of Citrus Heights, California
Assessed Value and Actual Value of Taxable Property
For the Last Ten Fiscal Years
(In thousands of dollars)

	City *									
	Residential Property	Commercial Property	Industrial Property	Other Property	Total Real Secured Property	Unsecured Property	Total Assessed	Estimated Full Market	Total Direct Tax Rate	
FY 09-10	4,454,967,884	1,064,910,993	24,880,850	55,205,760	5,599,965,487	138,126,469	5,738,091,956	5,738,091,956	0.14	
FY 10-11	4,409,260,457	1,058,849,611	23,849,229	51,946,850	5,543,906,147	142,729,495	5,686,635,642	5,686,635,642	0.14	
FY 11-12	4,229,677,730	1,021,508,691	23,950,691	42,526,006	5,317,663,118	136,830,564	5,454,493,682	5,454,493,682	0.13	
FY 12-13	4,125,843,469	987,468,004	24,340,107	40,991,950	5,178,643,530	136,454,777	5,315,098,307	5,315,098,307	0.12	
FY 13-14	4,392,797,873	948,260,199	23,975,394	41,160,931	5,406,194,397	130,148,077	5,536,342,474	5,536,342,474	0.08	
FY 14-15	4,722,373,921	946,555,612	24,549,642	36,971,515	5,730,450,690	129,655,189	5,860,105,879	5,860,105,879	0.08	
FY 15-16	4,904,511,049	959,298,396	25,096,287	51,406,049	5,940,311,781	108,308,288	6,048,620,069	6,048,620,069	0.08	
FY 16-17	5,123,458,670	995,114,927	26,777,317	48,869,328	6,194,220,242	127,456,727	6,321,676,969	6,321,676,969	0.08	
FY 17-18	5,436,063,995	1,071,328,921	27,361,771	44,407,597	6,579,162,284	125,883,733	6,705,046,017	6,705,046,017	0.08	
FY 18-19	5,759,553,171	1,096,085,126	31,158,659	47,157,562	6,933,954,518	131,198,394	7,065,152,912	7,196,351,306	0.08	

Source: Sacramento County Assessor 2009/10-2018/19 Combined Tax Rolls
Source: HDL Coren & Cone

* 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.

City of Citrus Heights, California
Direct and Overlapping Tax Rates
For the last ten fiscal years
(Rate per \$100 of taxable value)

	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Grant Joint High	0.07270	0.06330	0.05890	0.08230	0.07280	0.04850	0.03060	0.06480	0.01460	0.03320
Los Rios College Bond	0.00000	0.00000	0.01920	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Los Rios College Gob	0.01240	0.00900	0.00000	0.01930	0.01810	0.01130	0.00910	0.01410	0.01300	0.01310
North Sacramento Elementary Gob 2017	0.00000	0.00230	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
North Sacto Elementary Gob	0.00000	0.00000	0.01450	0.01670	0.02060	0.01850	0.01260	0.01680	0.00000	0.00000
Rio Linda Elementary Bond	0.00000	0.00000	0.06030	0.05760	0.05570	0.05290	0.04890	0.05210	0.00000	0.00000
Rio Linda Elementary Gob	0.00870	0.05100	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
San Juan Unified	0.06880	0.08130	0.09480	0.10030	0.16300	0.15090	0.15470	0.15220	0.21150	0.19930
Twin Rivers Unified	0.00000	0.00000	0.00000	0.01170	0.00990	0.05520	0.03890	0.04810	0.14430	0.07340
Total Direct & Overlapping² Tax Rates	1.16260	1.20690	1.24770	1.28790	1.34010	1.33730	1.29480	1.34810	1.38340	1.31900
City's Share of 1% Levy Per Prop 13 ³	0.0843	.8431	0.08431	0.08431	0.08431	0.08431	0.08431	0.08431	0.08431	0.08431
Voter Approved City Debt Rate										
Redevelopment Rate ⁴	1.00000	1.00000	1.00000							
Total Direct Rate ⁵	0.14390	0.14260	0.12715	0.12388	0.07634	0.07664	0.07735	0.07759	0.08140	0.07837

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 within. 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. The ERAF general fund tax shifts are unknown and may not be subtracted from the City's share.

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 ABXI 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. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

Source: Sacramento County Assessor 2009/10 - 2018/19 Tax Rate Table
Source: HDL Coren & Cone

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

Property Owner	2018-2019			2009-2010		
	Assessed Valuation	Rank	% of Total	Assessed Valuation	Rank	% of Total
Birdcage GRF2 LLC	71,807,452	2	1.04%			
California Tropics Investors 1992				41,639,677	5	74.00%
Grove At Sunrise LLC				28,390,066	7	51.00%
JMK Crosswood Park LLC				24,032,662	9	43.00%
Lakeview Gold 101305 LP	46,894,256	4	68.00%			
Lowe's HIW Inc.				25,835,588	8	46.00%
Marshall Field Stores Inc	25,521,209	10	37.00%	23,555,522	10	42.00%
MG Atwood Apartments Ria LLC	28,519,182	7	41.00%			
MGP XII Sunrise Village LLC	25,800,010	9	37.00%			
Mitchell Sippola LP	44,484,537	5	64.00%			
Montage Apartments Property	\$ 76,989,600	1	1.11%			
MP Birdcage Marketplace LLC				57,216,905	3	1.02%
Oakmont Properties Autumn Ridge LP	29,805,456	6	43.00%			
Ronald P. & Maureen A. Ashley				43,229,217	4	77.00%
Steadfast-BLK LLC				114,174,050	1	2.04%
Sunrise Mall Realty LLC	47,961,208	3	69.00%			
VIF Lyon Oak Creek LLC				\$ 62,002,929	2	1.11%
Wal-Mart/Sam's Club	22,510,000	8	32.00%	27,073,102	6	48.00%
Wedgewood Commons Apartments LLC						
	<u>\$ 420,292,910</u>		<u>393.14%</u>	<u>\$ 447,149,718</u>		<u>385.16%</u>

Information collected by: HDL Coren & Cone

Data Source: Sacramento County Assessor 2018/19 & 2009/10 Combined Tax Rolls and the SBE Non Unitary Tax Roll

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>
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%
2019	1.00	0.25	0.50	6.00	7.75%

Source: California State Board of Equalization

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, 2019

2019 (represents 52.53% of total sales tax)	2010 (represents 56.20% of total sales tax)
A&A Stepping Stone Manufacturing	Arco AM PM
Arco AM PM	AT&T Mobility
Arco AM PM	Barnes & Noble
AT&T Mobility	Best Buy
Best Buy	Burlington
Burlington	Carmichael Honda
Chevron	Chevron
Citrus Heights Shell	Costco
Costco	JC Penney
JC Penney	Kmart
Kohls	Kohls
Lifetouch National School Studios	Lowe's
Lowe's	Macy's
Macy's	Orchard Supply Hardware
Maita Honda	Pastor Auto Care
Marshalls	Rite Aid
McDonald's	Ross
Pastor Auto Care	Sam's Club w/ Fuel
Quik Stop	Sears
Ross	Shell
Sams Club w/ Fuel	Target
Sears	Toys R Us
Target	W W Grainger
Walgreens	Walgreens
Walmart Supercenter	Walmart Supercenter

* Firms Listed Alphabetically
 Period: July 2018 thru March 2019

Period: July 2009 thru March 2010

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: HDL & 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
For the last ten fiscal years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year* Fiscal Year*	Collected within the		Collections in Subsequent Years	Total Collections to Date		
		Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy	Amount
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	4,885,101	4,885,101	100%	-	4,885,101	100%	
2019	5,103,052	5,103,052	100%	-	5,103,052	100%	

Source: Sacramento County Auditor-Controller's Office

* 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.

City of Citrus Heights, California
Direct and Overlapping Debt
Current Year
June 30, 2019

2018-19 Assessed Valuation \$7,028,772,091

	Total Debt 6/30/2019	% Applicable ¹	City's Share of Debt 6/30/2019
DIRECT & OVERLAPPING TAX & ASSESSMENT DEBT:			
Los Rios Community College District	\$ 396,190,000	3.593%	\$ 14,235,107
San Juan Unified School District	606,880,956	19.362%	117,504,291
Twin Rivers Unified School District	62,885,000	2.330%	146,522
Twin Rivers Unified School District (former Grant Joint UHSD)	209,003,775	18.400%	384,567
City of Citrus Heights	0	100	0
TOTAL DIRECT & OVERLAPPING TAX & ASSESSMENT DEBT			132,270,487

OVERLAPPING GENERAL FUND DEBT:

Sacramento County General Fund Obligations	174,027,519	4.362%	7,591,080
Sacramento County Pension Obligation Bonds	885,670,052	4.362%	38,632,928
Sacramento Board of Education Certificates of Participation	3,975,000	4.362%	173,390
San Juan Unified School District Certificates of Participation	126,302	19.362%	24,455
Twin Rivers Unified School District Certificates of Participation	60,440,000	1.840%	111,210
Sacramento Metropolitan Fire District General Fund Obligations	8,865,000	10.536%	934,016
Sacramento Metropolitan Fire District Pension Obligations Bonds	46,958,975	10.536%	4,947,598
Sunrise Recreation and Park District Certificates of Participation	5,685,000	54.425%	3,094,061
TOTAL OVERLAPPING GENERAL FUND DEBT			55,508,738
Less: Sacramento County supported obligations		0.000%	743,613
TOTAL NET OVERLAPPING GENERAL FUND DEBT			\$ 54,765,125

TOTAL DIRECT DEBT

TOTAL GROSS OVERLAPPING DEBT	\$0
TOTAL GROSS OVERLAPPING DEBT	187,779,225
TOTAL NET OVERLAPPING DEBT	187,035,612
GROSS COMBINED TOTAL DEBT	187,779,225 ²
NET COMBINED TOTAL DEBT	187,035,612

⁽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.

Ratios to 2018-19 Assessed Valuation:

Direct Debt	0.00%
Total Direct and Overlapping Tax and Assessment Debt	1.88%
Gross Combined Total Debt	2.67%
Net Combined Total Debt	2.66%

Source: California Municipal Statistics, Inc.

City of Citrus Heights, California
Legal Debt Margin Information
Last Ten Fiscal Years
(Dollars in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed Value	\$ 5,578,901,387	\$ 5,492,388,843	\$ 5,290,587,477	\$ 5,155,662,329	\$ 5,408,064,500	\$ 5,714,275,249	\$ 5,925,147,810	\$ 6,194,220,242	\$ 6,579,162,284	\$ 6,933,954,518
Conversion Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Value	1,394,725,347	1,373,097,211	1,322,646,869	1,288,915,582	1,352,016,125	1,428,568,812	1,481,286,953	1,548,555,061	1,644,790,571	1,733,488,630
Debt Limit Percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	209,208,802	205,964,582	198,397,030	193,337,337	202,802,419	214,285,322	222,193,043	232,283,259	246,718,586	260,023,294
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 209,208,802	\$ 205,964,582	\$ 198,397,030	\$ 193,337,337	\$ 202,802,419	\$ 214,285,322	\$ 222,193,043	\$ 232,283,259	\$ 246,718,586	\$ 260,023,294
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: City Administrative Services Department

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 assessed for the State of California for local governments.

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

City of Citrus Heights, California
Ratios of Outstanding Debt by Type - Government Activities
Last Ten Calendar Years

Fiscal Year Ended June 30	Capital Lease	Percentage of Personal Income	Per Capita
2010	\$ -	-	\$ -
2011	\$ -	-	\$ -
2012	\$ -	-	\$ -
2013	\$ -	-	\$ -
2014	\$ -	-	\$ -
2015	\$ 13,749,031.00	652.44%	\$ 162.61
2016	\$ 13,749,031.00	651.70%	\$ 159.33
2017	\$ -	-	\$ -
2018	\$ -	-	\$ -
2019			

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	Median Age	% of Pop 25+ w/ High School Degree	% of Pop 25+ w/ Bachelor's Degree
2009	87,615	\$2,140,047	\$24,426.00	8.0%	35.9	89.3%	20.3%
2010	88,115	\$2,153,002	\$24,434.00	9.0%	36.6	89.2%	18.8%
2011	83,881	\$2,150,709	\$25,640.00	8.5%	36.7	89.0%	18.9%
2012	84,345	\$2,168,257	\$25,707.00	5.8%	37.1	89.2%	18.5%
2013	84,544	\$2,163,481	\$25,590.00	4.9%	37.0	89.9%	19.2%
2014	84,550	\$2,107,324	\$24,924.00	7.7%	37.0	89.2%	18.9%
2015	86,291	\$2,109,711	\$24,448.00	6.3%	37.8	89.2%	18.9%
2016	87,013	\$2,097,135	\$24,101.00	5.6%	37.3	89.9%	18.8%
2017	87,731	\$2,193,100	\$24,997.00	4.5%	37.7	89.6%	19.0%
2018	88,095	\$2,377,290	\$26,985.00	3.7%	37.6	90.2%	20.0%

Notes and Data Sources:

Information collected by: HDL Coren & Cone

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

2000-2009 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

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

Employer	2019*			2010*		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
Kaiser Permanente	11,404	3	7.34%	9,903	1	21.59%
Sutter Health Sacramento Sierra Region	8,809	6	5.67%	7,262	2	15.83%
Mercy/Catholic Healthcare West				6,976	3	15.21%
Intel Corp	6,200	9	3.99%	5,900	4	12.86%
Wells Fargo & Co				3,905	5	8.51%
Union Pacific Railroad				2,620	6	5.71%
Hewlett-Packard Co				2,500	7	5.45%
Health Net Inc				2,400	8	5.23%
Cache Creek Casino Resort				2,376	9	5.18%
Pacific Gas and Electric				2,034	10	4.43%
State of California	76,131	1	48.98%			
Sacramento County	11,330	4	7.29%			
UC Davis/US Davis Health System	12,674	2	8.15%			
U.S. Government	10,227	5	6.58%			
San Juan Unified School District	5,289	10	3.40%			
Dignity Health	7,000	7	4.50%			
Elk Grove Unified School District	6,381	8	4.10%			
Total	155,445		100.00%	45,876		100.00%

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 County. Not all responded to inquires.

Source: Sacramento Business Journal

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

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	27	27	22	22	22	22	25	28	28	23
Public safety	153	150	150	141	150	145	144	144	151	149
Public works	22	22	23	27	25	25	20	18	16	28
Community development	16	16	17	19	16	17	18	18	18	15
Community center	8	9	10	11	15	14	14	11	9	8
Total	226	224	222	220	228	223	221	219	222	223

Source: City Administrative Services Department

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

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Arrests	3,705	3,882	3,176	3,276	3,348	3,185	2,990	2730	2452	2249
Parking citations issued	1,792	1,415	803	724	539	685	520	650	908	906
Total police actions	5,497	5,297	3,979	4,000	3,887	3,870	3,510	3,380	3,360	3,155
Fire **	n/a									
Public works										
Street resurfacing (miles)	4	3	1	1	4	2	4	1	0	0
Parks and recreation **	n/a									
Water **	n/a									
Sewer **	n/a									
Building:										
Commercial/Industrial Construction	2	0	3	2	1	3	12	2	1	2
Residential Construction	18	30	6	7	10	43	28	9	17	26
Total building actions	20	30	9	9	11	46	40	11	18	28

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

Source: City Administrative Services Department

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

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire *										
Fire stations	5	5	5	5	5	5	4	4	4	4
Public works										
Streets (miles)	237	237	237	237	237	237	237	237	237	214
Streetslights	4264	4283	4289	4337	4365	4407	4497	4480	4702	4714
Parks and recreation										
Parks *	12	12	12	14	14	14	15	15	15	15
Community centers	1	1	1	3	3	3	3	3	3	3
Water *										
Water mains (miles)	225	225	225	225	225	225	225	225	225	225
Daily average consumption in MGD **	17.8	17.8	17.8	17.8	17.8	17.8	12	12	12	12
Sewer *										
Sanitary sewers (miles)	235	235	235	235	235	235	235	235	235	235
Number of pump stations	1	1	1	1	1	1	1	1	1	1
Building										
Commercial/Industrial Construction Value	\$ 3,434,750	\$ -	\$ 2,093,500	\$ 1,202,480	\$ 1,600,000	\$ 4,387,549	\$ 22,135,000	\$ 7,105,826	\$ 680,000	\$ 9,950,000
Residential Construction Value	3,689,820	5,316,613	468,007	1,275,716	1,675,004	10,993,691	6,898,647	6,306,226	2,753,290	4,495,473

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

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