



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



May 16, 1988

CITY MANAGER'S OFFICE
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Housing Authority and Redevelopment Agency
of the City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Sacramento Housing and Redevelopment Agency
Annual Financial Report and Single Audit for
Year Ended December 31, 1986

SUMMARY BACKGROUND

The audit firm of Touche Ross and Company has completed their examination of the combined financial statements of the Sacramento Housing and Redevelopment Agency for the year ended December 31, 1986. In addition, Touche Ross and Company has completed the Single Audit report regarding compliance with Federal grant requirements as required by the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions issued by the U. S. General Accounting Office, as they pertain to financial and compliance audits; the Single Audit Act of 1984; financial and compliance standards identified OMB Circular A-128, Audits of State and Local Governments. The reports are attached for your review and information. The reason that the combined agency financial statements and compliance report is being submitted so late is due primarily to the fact that the agency in 1986 and 1987 implemented a new integrated financial system. This required the creation of new master files for general ledger, payroll, accounts payable, and budget computer applications.

FINANCIAL REPORT

The Agency has received an unqualified opinion from the audit firm of Touche Ross and Company. An unqualified opinion means that the Agency's staff has placed no limitations on the scope of the examination which the auditor has performed and the auditor has found materially that everything is in order so the financial statements present fairly the financial position and results of operations in conformity with generally accepted accounting principles applied on a consistent basis.

FILED
MAY 24 1988
SACRAMENTO HOUSING AUTHORITY
CITY OF SACRAMENTO

5-24-88
All Districts

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency
of the City of Sacramento
May 16, 1988
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The Finance Director's letter of transmittal outlines the significant changes during the year. General governmental revenues for 1986 totalled \$54.2 million, an increase of 9% over the prior year. General governmental expenditures totalled \$67.9 million, an increase of 4.9% over the prior year. The deficit of governmental revenues, \$54.2 million compared to governmental expenditures, \$67.9 million was financed by use of fund balances totalling 5.7 million and proceeds of debt of 8.0 million. The use of fund balances primarily involved the expenditure of tax allocation bond proceeds received in late 1985. The proceeds of debt were from Housing and Urban Development issued notes for our housing modernization and development programs.

Enterprise funds losses for the year totalled \$242,000. These losses will be funded in the future by rent increases. Enterprise funds are operated like a private company, where user charges should fund costs of operations. The Agency has eight enterprise funds which are used to account for housing operations.

SINGLE AUDIT

The Single Audit results indicate that for the items tested, the Agency complied with the material terms and conditions of the federal assistance agreements.

In addition, included in the report under Schedule of Findings and Questioned Costs, are audit findings addressing programs. Agency staff's responses to these findings are on pages fifteen and sixteen. As indicated in the staff responses, appropriate action has been implemented to correct the findings.

FINANCIAL DATA

The proposed action has no financial impact.

ENVIRONMENTAL REVIEW

Environmental review is not applicable for action at this time.

POLICY IMPLICATIONS

The action proposed in this staff report is consistent with previously approved policy and there is no policy change being recommended.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency
of the City of Sacramento
May 16, 1988
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VOTE AND RECOMMENDATION OF COMMISSION

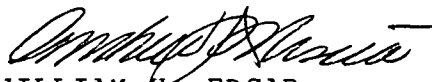
At its meeting of May 16, 1988, the Sacramento Housing and Redevelopment Commission adopted a motion recommending acceptance of the audits. The votes were as follows:

- AYES: Amundson, Sheldon, Simon, Simpson, Wooley, Moose, Yew
- NOES: None
- NOT PRESENT TO VOTE: Wiggins
- ABSENT: Pettit


RECOMMENDATION

The staff recommends acceptance of the Annual Financial Report, Single Audit and Management Letter.

Respectfully submitted,


 WILLIAM H. EDGAR
 Executive Director

TRANSMITTAL TO COUNCIL:


 For: WALTER J. SLIPE
 City Manager

Contact Person: Terry Wolford



**Sacramento Housing and
Redevelopment Agency**

Annual Financial Report



**for the year ended
December 31, 1986**

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Introductory Section

Annual Financial Report

Issued by the
Department of Administration
Finance Division
Terry L. Wolford
Finance Director



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



April 14, 1988

Honorable Members of the
Sacramento Housing and
Redevelopment Commission

The Annual Financial Report of the Sacramento Housing and Redevelopment Agency for the fiscal year ended December 31, 1986, is submitted herewith. This report was prepared by the Agency's Finance Division. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Agency. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Agency as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Agency's financial affairs have been included.

Accounting System and Budget Control

In developing and evaluating the Agency's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

All internal control evaluations occur within the above framework. We believe that the Agency's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the fund, organization and sub-function level.

The Reporting Entity

This report includes all of the funds and account groups of the following legal entities:

- Housing Authority of the City of Sacramento
- Housing authority of the County of Sacramento
- Redevelopment Agency of the City of Sacramento
- Redevelopment Agency of the County of Sacramento

The Agency's financial statements are included in the Comprehensive Finance Report of the City of Sacramento in accordance with the National Council on Governmental Accounting Statement 3, entitled "Defining the Governmental Reporting Entity." This statement requires that the accounts of certain separate but related legal entities be included in a government's financial statements when significant control or dependence exists.

The Agency provides a wide range of services to the community. Low income and elderly housing is provided by the Agency operating over 3,000 conventional housing units. Housing assistance, through the Housing and Urban Development Section 8 program, provides an additional 4,000 units to the low income or elderly. Redevelopment is undertaken in seven project areas in the City and one in the County. Community services are provided through the operation of elderly nutrition feeding programs and various senior citizen volunteer programs as well as child care centers.

General Governmental Functions

REVENUES:

Revenues from various sources and the increase (decrease) compared to the prior year are shown in the following tabulation:

Governmental Revenues
(000's omitted)

Source	Amount	Percent of Total	Increase (Decrease) Over Prior year	
			Amount	Percent
Intergovernmental	\$32,784	60.45%	\$ 2,849	9.52%
Property Taxes	9,711	17.90%	121	1.26%
Rental Income	5,222	9.63%	410	8.52%
Interest Income	3,483	6.42%	1,088	45.43%
Other	3,037	5.60%	438	16.85%
Total	\$54,237	100.00%	\$ 4,906	9.05%

The increase in intergovernmental revenue is due to increased funding received for the new units added to the housing stock during 1986, as well as growth in the Section 8 and Housing Voucher programs.

Receipt of property tax revenues do not reflect the actual growth of 9.30% since \$771,000 was received in 1985 as an adjustment for prior years levies for debt service.

Rental income increased due to the new units added to the housing stock.

Interest income increased as a result of the issuance of debt in 1985. The increase represents the interest earned on the proceeds until they were spent on construction.

Other income increased primarily due to receiving more mortgage revenue bond fees.

EXPENDITURES:

Expenditures for general governmental purposes and the increase (decrease) compared to the prior year are shown in the following tabulation:

Governmental Expenditures
(000's omitted)

Function	Amount	Percent of Total	Increase (Decrease) Over Prior year	
			Amount	Percent
Operating:				
Housing	\$11,623	17.11%	\$ 1,597	15.92%
Community Development	3,984	5.86%	1,251	45.77%
Policy & Planning	159	.23%	(1,458)	(90.16%)
Total Operating	15,766	23.20%	1,390	9.67%
Non-Departmental:				
Housing Assistance	10,568	15.56%	433	4.27%
Rehab Loans/Grants	2,352	3.46%	(731)	(23.71%)
Community Based Organizations	2,257	3.32%	66	3.01%
Total Non-Departmental	15,177	22.34%	(232)	(1.51%)

Governmental Expenditures (Continued)

Function	Amount	Total	Amount		Percent
			Amount	Percent	
Debt Service:					
Principal retirement	5,366	7.90%	1,559	40.95%	
Interest/Fiscal Charges	6,963	10.25%	3,191	84.60%	
Total Debt Service	12,329	18.15%	4,750	62.67%	
Capital	24,659	36.31%	(2,727)	(9.96%)	
Total Expenditures	\$67,931	100.00%	3,181	\$ 4.91%	

The increase in total operating is primarily the result of increased redevelopment activity due to the 1985 issuance of debt. Housing costs have increased due to new units added to the housing stock. Policy and planning costs have shifted to each department.

Non-departmental costs dropped due to rehabilitation loans being made for lesser amounts.

Debt service has increased due to the payments made on the debt issued during 1985.

GOVERNMENTAL FUND BALANCES:

The decrease in fund balances as described in the following tabulation results from spending the debt issued in 1985 for construction:

Governmental Fund Balance (000's omitted)				
	Amount	Percent of Total	Increase (Decrease) Over Prior year Amount	Percent
Reserves:				
Encumbrances	\$10,482	23.63%	\$10,474	*
Debt retirement	12,081	27.23%	2,112	21.19%
Non-current assets	2,394	5.39%	410	20.67%
Housing Operations	339	.76%	339	*
Insurance	500	1.13%	500	*
Total Reserves	\$25,796	58.14%	\$13,835	115.67%
Unreserved:				
Designated for Capital	18,357	41.38%	(17,793)	(9.22%)
Undesignated	214	.48%	(1,697)	(88.80%)
Total Unreserved	18,571	41.86%	(19,490)	(51.21%)
Total Fund Balances	\$44,367	100.00%	\$(5,655)	(11.31%)

* The reserve for encumbrances includes encumbrances for construction contracts in process which were included in the Contractual Obligations Note in previous years. The reserves for housing operations and insurance are new this year.

Enterprise Funds

Enterprise Funds are used to finance and account for the acquisition, operation, and maintenance of Agency facilities and services which are predominantly self supporting from use charges. The operations are accounted for in such a manner as to show a profit or loss as in comparable private enterprises. At January 1, 1987, the Agency operated eight public housing enterprise funds. The 1986 net loss from operations was \$242,000. These losses will be funded in the future through rent increases.

Debt Administration

General long-term obligations at December 31, 1986 totaled \$177,041,000. Subsequent to the date of this report, on September 28, 1987, \$33,925,000 in tax allocation bonds were issued for the construction of the Library Plaza project.

Cash Management

Cash and investments at December 31, 1986 totaled \$36,742,000. Cash temporarily idle during the year was invested by the City of Sacramento's Treasurer.

Independent Audit

In accordance with policy established by the Agency's governing boards, an annual audit of the books of accounts, financial records and transactions of all administrative functions or the Agency have been completed by independent certified public accountants.

Acknowledgements

I express my appreciation to all members of the Finance Division who assisted and contributed to the preparation of this report. I would also like to thank the Agency's Commission for their interest and support in planning and conducting the financial operations of the Agency in a responsive and progressive manner.

Sincerely,


 TERRY L. WOLFORD, C.P.A. - C.I.A.
 Finance Director

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Financial Section

Annual Financial Report

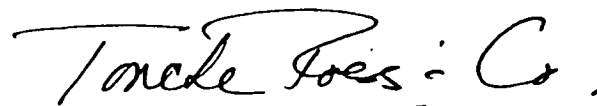
April 15, 1988

Governing Bodies
Sacramento Housing and Redevelopment Agency
Sacramento, California

We have examined the combined financial statements of Sacramento Housing and Redevelopment Agency as of and for the year ended December 31, 1986, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of Sacramento Housing and Redevelopment Agency at December 31, 1986, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund, and individual account group financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of Sacramento Housing and Redevelopment Agency. Such information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.



Certified Public Accountants

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Combined Financial Statements

Annual Financial Report

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL FUND TYPES AND ACCOUNT GROUPS
COMBINED BALANCE SHEET
DECEMBER 31, 1986
(000's OMITTED)

	Governmental Fund Types		Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Total (Memorandum only)
	Special Revenue	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
ASSETS								
Cash and investments	\$31,423	\$229	\$42	\$1,434	\$3,614			\$36,742
Accounts receivable	366		20	206	134			726
Notes receivable	903	989			10,835			12,727
Due from other funds	2,103		14		46			2,163
Due from other governments	9,821		51		10			9,882
Advances to other funds	897							897
Inventory	247							247
Deferred charges and prepaid expense	407		61	33				501
Restricted cash and investments	11,073		423					11,496
Land, building and improvements			6,779	473		\$141,693		148,945
Amount to be provided for general long-term debt							\$177,041	177,041
Total assets	\$57,240	\$1,218	\$7,390	\$2,146	\$14,639	\$141,693	\$177,041	\$401,367
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts payable	\$2,744		\$311	\$52	\$19			\$3,126
Accrued liabilities	161		30	879				1,070
Contracts payable	1,021				1,940			2,961
Due to other funds	2,006		69	91	5			2,171
Due to other governments	938				11,047			11,985
Advances from other funds	307		540		50			897
Interest payable	5,893							5,893
Deferred revenue	307		1					308
Current portion of long-term debt			25					25
Deposit and trust liability	702	\$12			1,260			1,974
Notes payable							\$52,482	52,482
Mortgage notes payable			2,776					2,776
Bonds payable							48,305	48,305
Long-term repayment contracts							76,254	76,254
Total liabilities	14,079	12	3,752	1,022	14,321		177,041	210,227
Fund equity:								
Contributed capital			4,746	241				4,987
Investment in general fixed assets						\$141,693		141,693
Retained earnings (deficit):								
Reserve for restricted assets			397					397
Unreserved			(1,505)	883				(622)
Fund balances:								
Reserved	24,838	958			318			26,114
Unreserved:								
Designated	18,109	248						18,357
Undesignated	214							214
Total fund equity	43,161	1,206	3,638	1,124	318	141,693		191,140
Total liabilities and fund equity	\$57,240	\$1,218	\$7,390	\$2,146	\$14,639	\$141,693	\$177,041	\$401,367

See notes to combined financial statements

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Governmental Fund Types		Fiduciary Fund Type	Total (Memorandum Only)
	Special Revenue	Capital Projects	Expendable Trust	
REVENUES:				
Intergovernmental	\$32,784		\$671	\$33,455
Property taxes	9,711			9,711
Rental income	5,222			5,222
Interest income	3,447	\$36	281	3,764
Miscellaneous	3,037		18	3,055
Total revenue	54,201	36	970	55,207
EXPENDITURES:				
Operating:				
Housing operations	11,623			11,623
Community development	3,951	33		3,984
Policy and planning	159			159
Capital expenditures	24,659			24,659
Non-departmental:				
Housing assistance payments	10,568			10,568
Rehabilitation loans and grants	2,352		673	3,025
Community based organizations	2,257			2,257
Debt service:				
Principal retirement	5,366			5,366
Interest & fiscal charges	6,963		20	6,983
Total expenditures	67,898	33	693	68,624
Excess of revenues over (under) expenditures	(13,697)	3	277	(13,417)
Other financing sources (uses):				
Proceeds of long-term debt	7,433			7,433
Operating transfers in (out)	(86)		41	(45)
In kind contributions	697			697
Payable to other governments	(5)			(5)
Total other financing sources (uses)	8,039		41	8,080
Excess of revenues and other financial sources over (under) expenditures and other uses	(5,658)	3	318	(5,337)
Fund balance at January 1, 1986	48,819	1,203		50,022
Fund balance at December 31, 1986	\$43,161	\$1,206	\$318	\$44,685

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 AMENDED BUDGET AND ACTUAL - SPECIAL REVENUE AND CAPITAL PROJECT FUND TYPES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Special Revenue			Capital Project			Total (Memorandum only)		
	Amended Budget	Actual	Variance Favorable (Unfavorable)	Amended Budget	Actual	Variance Favorable (Unfavorable)	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:									
Intergovernmental	\$46,013	\$32,784	(\$13,229)				\$46,013	\$32,784	(\$13,229)
Property taxes	9,575	9,711	136				9,575	9,711	136
Rental income	5,150	5,222	72				5,150	5,222	72
Interest income	2,169	3,447	1,278	\$15	\$36	\$21	2,184	3,483	1,299
Miscellaneous	770	3,037	2,267				770	3,037	2,267
Total revenue	63,677	54,201	(9,476)	15	36	21	63,692	54,237	(9,455)
EXPENDITURES:									
Operating:									
Housing operations	10,725	11,623	(898)				10,725	11,623	(898)
Community development	4,188	3,951	237		33	(33)	4,188	3,984	204
Policy and planning	135	159	(24)				135	159	(24)
Capital expenditures	61,897	24,659	37,238	129		129	62,026	24,659	37,367
Non-departmental:									
Housing assistance payments	10,063	10,568	(505)				10,063	10,568	(505)
Rehabilitation loans and grants	3,730	2,352	1,378				3,730	2,352	1,378
Community based organizations	3,996	2,257	1,739				3,996	2,257	1,739
Debt service:									
Principal Retirement	5,325	5,366	(41)				5,325	5,366	(41)
Interest & Fiscal Charges	9,516	6,963	2,553				9,516	6,963	2,553
Total expenditures	109,575	67,898	41,677	129	33	96	109,704	67,931	41,773
Excess of revenues over (under) expenditures	(45,898)	(13,697)	32,201	(114)	3	117	(46,012)	(13,694)	32,318
Other financing sources (uses):									
Proceeds of long-term debt	13,247	7,433	(5,814)				13,247	7,433	(5,814)
Operating transfers in (out)	(5,612)	(86)	5,526				(5,612)	(86)	5,526
In kind contributions	655	697	42				655	697	42
Payable to other governments		(5)	(5)					(5)	(5)
Total other financing sources (uses)	8,290	8,039	(251)				8,290	8,039	(251)
Excess of revenues and other financing sources over (under) expenditures and other uses	(37,608)	(5,658)	31,950	(114)	3	117	(37,722)	(5,655)	32,067
Fund balance at January 1, 1986	48,172	48,819	647	1,203	1,203		49,375	50,022	647
Fund balance at December 31, 1986	\$10,564	\$43,161	\$32,597	\$1,089	\$1,206	\$117	\$11,653	\$44,367	\$32,714

See notes to combined financial statements

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Enterprise Funds	Internal Service Funds	Total (Memorandum only)
Operating Revenue:			
Service fees		\$7,117	\$7,117
Rental income	\$1,047		1,047
Intergovernmental	68		68
Total operating revenue	1,115	7,117	8,232
OPERATING EXPENSES:			
Employee services	321	5,207	5,528
Administrative services	235		235
Services and supplies	308	1,234	1,542
Utilities	99		99
Depreciation	188	73	261
Total operating expenses	1,151	6,514	7,665
Operating income (loss)	(36)	603	567
Nonoperating revenues (expenses):			
Interest income	10	9	19
Interest expense	(233)		(233)
Other income	17	78	95
Total nonoperating revenues (expense)	(206)	87	(119)
Net income (loss)	(242)	690	448
Retained earnings (deficit)			
January 1, 1986	(866)	193	(673)
Retained earnings (deficit)			
December 31, 1986	(\$1,108)	\$883	(\$225)

See notes to combined financial statements 4

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Enterprise Funds	Internal Service Funds	Total (Memorandum only)
SOURCES OF WORKING CAPITAL:			
Operations:			
Net income (loss)	(\$242)	\$690	\$448
Add expense not requiring working capital-depreciation	188	73	261
Working capital provided by (used in) operations	(54)	763	709
Decrease in restricted cash and investments	8	17	25
Increase in contributed capital	81		81
Total sources of working capital	35	780	815
USES OF WORKING CAPITAL:			
Increase in restricted cash and investments	88		88
Decrease in contributed capital	56		56
Decrease in long-term liabilities	53		53
Acquisition of land, building and improvements	80	349	429
Total uses of working capital	277	349	626
Net increase (decrease) in working capital	(\$242)	\$431	\$189
INCREASE (DECREASE) IN ELEMENTS OF WORKING CAPITAL:			
Cash and investments	\$109	\$288	\$397
Accounts receivable	(62)	(18)	(80)
Due from other funds	(86)	(261)	(327)
Due from other governments	29		29
Deferred charges and prepaid expenses	30	30	60
Accounts payable	(201)	157	(44)
Accrued liabilities	(30)	(71)	(101)
Due to other funds	(5)	227	222
Due to other governments	(28)	59	31
Deferred revenue	6		6
Current portion of long-term debt	(4)		(4)
Net increase (decrease) in working capital	(\$242)	\$431	\$189

See notes to combined financial statements

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

NOTES TO COMBINED FINANCIAL STATEMENTS

Year ended December 31, 1986

NOTE A - Summary of Significant Accounting Policies

Reporting Entity

The Sacramento Housing and Redevelopment Agency (Agency) is responsible for the development and implementation of housing and redevelopment programs and activities for the City and County of Sacramento.

The Agency is fiscal agent/administrator for the following legal entities:

Housing Authority of the City of Sacramento (formed July 1939)
Housing Authority of the County of Sacramento (formed June 1940)
Redevelopment Agency of the City of Sacramento (formed September 1950)
Redevelopment Agency of the County of Sacramento (formed September 1974)

Currently, there are eight redevelopment project areas in the City (Alkali Flat, Del Paso Heights, Oak Park and the four Downtown Project areas) and one in the County (Walnut Grove).

The Agency's governing commission is comprised of four appointed representatives each, from the Board of Supervisors of the County of Sacramento, the City Council of Sacramento, and the Community Development Revenue Sharing Commission. A thirteenth member is appointed by the eight County and City representatives.

Basis of Presentation

Governmental fund types account for the acquisition, use and balances of the Agency's expendable financial resources (excluding proprietary fund resources). Special Revenue Funds account for revenue derived from designated revenue sources. These funds are restricted by statute or ordinance to finance specific functions of government. The Capital Projects Fund accounts for resources used to acquire capital facilities, other than those financed by proprietary fund types.

Proprietary Funds account for those activities of the Agency which are similar to those found in the private sector, or for which the governing commission has determined that a periodic determination of net income is appropriate in order to assess capital maintenance and management accountability and control. Enterprise Funds are used to account for activities provided to the general public which are primarily supported by charges to users of the activities. The Internal Service Fund accounts for all central support activities of the Agency and reimbursements received from other funds receiving services from central support divisions of the Agency.

Fiduciary Funds are trust and/or agency funds used to account for assets held by the Agency in a trustee capacity or as an agent for others. In addition, Fiduciary Funds can be further classified as expendable, wherein the trust corpus can be expended; and nonexpendable, wherein the trust corpus cannot be expended.

Account groups are used to establish accountability for the Agency's general fixed assets and general long-term obligations. These account groups do not represent financial resources available for expenditure nor do they require current appropriation and expenditure of government fund financial resources. The General Fixed Asset Account Group is used to account for those fixed assets which are not accounted for in a proprietary fund. The General Long-Term Obligation Account Group includes the amount of unmatured long-term liabilities which are not related to a proprietary fund.

Basis of Accounting:

Accounting Methods

The accrual basis of accounting is followed for all proprietary funds. All other funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when received in cash except for material revenues susceptible to accrual. Revenues susceptible to accrual are recognized in the accounting period in which they become available and measurable. Available is defined as collectible within the current period or soon enough thereafter to be used to pay obligations of the current period. The following are individual governmental fund revenue sources considered susceptible to accrual and therefore accrued:

Property taxes - tax increments
Interest on investments
Community development block grants (CDBG)
Community services project grant revenues

Expenditures, other than interest on long-term debt, are recorded when the liability is incurred.

Fund Accounting

The accounts of the Agency are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the combined financial statements in this report, into five generic fund types and three broad categories and two account groups as mentioned in Basis of Presentation.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE A - Summary of Significant Accounting Policies (Continued)

Interfund Transactions

Following is a description of the four basic types of interfund transactions made during the year and the related accounting policies:

(1) Quasi-External (Charges for Current Services)

Transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and as expenditures in the disbursing fund.

(2) Reimbursements (Expenditure Transfers)

Transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and as a reduction of expenditures in the receiving fund.

(3) Equity Transfers

Transactions recording equity contributions between funds. The receiving fund records such transactions as transfers in and an addition to fund balances or, in the case of an Enterprise Fund, to a contribution account. The disbursing fund records the transaction as a transfer out and reduction of fund balance, or in the case of an Enterprise Fund, as a reduction of equity.

(4) Operating Transfers

Transactions to allocate resources from one fund to another fund not contingent on the occurrence of specific expenditures in the receiving fund. These transactions are recorded as transfers in and out.

Budgetary Accounting

Budget information is presented for governmental funds. This budgetary data is prepared on the modified accrual basis consistent with the comparative actual amounts. The Agency uses the following procedures in establishing its budget.

1. Prior to November 1, the Executive Director submits to the governing bodies a proposed operating budget for the year commencing the following January 1.
2. Prior to January 1, the budget is legally enacted through passage of a resolution.
3. Operating appropriations are enacted and controlled by organization and major expenditure categories, for example: employee services, services and supplies, and equipment.

4. All increases and/or transfers in appropriations for an organization and major expenditure category under \$20,000 require the Executive Director's approval. Increases in excess of \$20,000 require approval by the governing bodies.

5. Increases and transfers of personnel require approval by the governing bodies.

Encumbrances outstanding at year-end are reported as reservations of fund equity since they do not constitute current expenditures or liabilities. The Agency does honor the contract represented by year-end encumbrances and the subsequent year's appropriations provide authority to complete these transactions. Unencumbered operating budget appropriations lapse at the end of the fiscal year.

Investments

Investments are stated at cost or amortized cost which approximates market.

Inventories

Inventories are stated at weighted average cost.

Land, Buildings and Improvements

Land, buildings and improvements are stated at cost. Assets used by proprietary funds are recorded in these funds. Housing Enterprise Funds' assets are depreciated on a straight-line basis over their estimated useful lives, which range from five to forty years. Assets used in governmental fund type operations are recorded in the general fixed asset account group. No depreciation is recorded on these assets.

Interest costs incurred relating to construction in progress are capitalized during the construction period. Costs of assets sold or retired (and the related amount of accumulated depreciation for Enterprise Fund and Internal Service Fund assets) are eliminated from the accounts in the year of sale or retirement. Any resulting gain or loss is included in the operating statement of the affected fund.

Property Taxes

The Agency receives property tax revenue in the form of tax increments. Tax increments are the difference in assessed value of tax code areas from the date first established as a redevelopment area to the current date multiplied by the area tax rate. The property tax rate pursuant to the State Constitution is 1% of market value plus any amount necessary to provide coverage of debt established prior to 1977. Taxes are levied by the Sacramento County Assessor on March 1 and are payable in two installments on December 10 and April 10. The County bills and collects property taxes and apportions them to the relevant public entities periodically during the year. Taxes receivable represent property taxes collected by the County but unremitted at year-end.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE A - Summary of Significant Accounting Policies (Continued)

Grants

The Agency is granted certain loans in the form of project notes to finance construction and improvements of City and County conventional housing. The Agency recognizes as an other financing source only that portion of the note proceeds expended in the current year. Unexpended funds are recorded as deferred revenue until the related capital outlay is incurred. In addition, H.U.D., as part of its annual contribution, defrays interest on certain project notes and bonds. These contributions are included in intergovernmental revenue.

Vacation and Sick Pay Obligations

Vacation and sick pay is recorded in the Internal Service Fund as an expense and related liability in the year earned. Accrued but unpaid liabilities at December 31, 1986, are included in accrued liabilities in the accompanying combined balance sheet.

Combined Financial Statements Presentation

The total columns on the combined financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles because individual fund types included in the total are prepared on different bases of accounting. Such data are not comparable to a consolidation since interfund eliminations have not been made in the aggregation of this data. Certain community service funds included in Special Revenue Funds have fiscal years ended February 28, 1986, June 30, 1986, or September 30, 1986, to correspond to the reporting periods required by the funding sources of these funds. (For this reason, a reconciliation of interfund receivables and payables is not presented.) The effect on the financial statements of these differing year-ends is not material.

NOTE B - Cash and Investments

The Agency's deposits at year-end were entirely covered by Federal depository insurance or by collateral held by the Agency's custodial banks in the Agency's name. Investments of the Agency are managed by the City of Sacramento Treasurer, using two investment pools, one consisting of the Agency's local monies and the other consisting of the Agency's federal monies. The two pools were established in consideration of the differences in investment authority; federal monies may only be invested in government securities, authorized federal agency securities and public fund deposits, whereas local monies may also be invested in the Local Agency Investment Fund and other types of money market instruments. The share of each fund's cash and investments in the two pooled accounts is separately maintained and interest thereon apportioned monthly to each fund based on its daily balance.

The Agency's investments at year-end are shown below. Investments in the City's pooled cash accounts at December 31, 1986 were entirely covered by federal depository insurance or by collateral held by the City's custodial bank in a single financial institution collateral pool.

	<u>Carrying Amount</u>	<u>Market Value</u>
Investments in City of Sacramento Pooled Cash Accounts	\$37,213,226	\$37,213,226
Investment in Local Agency Investment Fund	<u>1,260,489</u>	<u>1,260,489</u>
	<u>\$38,473,715</u>	<u>\$38,473,715</u>

NOTE C - Budget Information

Major unfavorable variances between actual and budgeted amounts were as follows:

Revenues

Intergovernmental revenues were less than budget by \$13,229,000 primarily due to the Agency's practice of budgeting intergovernmental revenue equal to the Community Development Block Grant's current and prior year entitlements. This variance is \$8,346,000 of the \$13,229,000. The remaining variance arises as a result of the Federal government varying the timing on payments to retire debt.

Expenditures

Housing operations appears to be over budget by \$898,000; however, this unfavorable variance is compensated for by the favorable variances in transfers in. Housing assistance exceeded budget by \$505,000. This resulted from the Agency receiving augmentations to the City Section 8, City Housing voucher, and County Housing voucher programs without amending the budget.

Other Financing Sources

The \$5,814,000 proceeds of long-term debt variance is due to budgeting the debt to be issued for all housing capital projects as if they would be completed during the year. In actuality, financing was only required for expenditures actually made on the projects during the year. The remaining financing and expenditures will carry over into the next year.

Deficit Fund Balance

Included in the combined fund balances are immaterial fund deficits for the Golden Era and Ping Yuen Funds. The County Conventional Fund deficit of \$144,000 was covered by a transfer of \$325,000 from the Mortgage Revenue Bond Fund subsequent to December 31, 1986. The \$114,000 deficit in the County Local Tax will be reversed as 1987 revenues are received.

NOTE E - Long-term Debt

Notes, mortgage and bonds payable at December 31, 1986 comprise: (000's omitted)

Enterprise Funds:

Mortgage Notes Payable:

Local Section 8 - Ping Yuen Center, 8.5% note payable to the Secretary of Housing and Urban Development in monthly installments of \$6,329 including interest, from future rents, collateralized by land and building costing \$863,000, due June 30, 2016	\$ 820
Local Section 8 - Ralph Kennedy Estates, 8.5% note payable to Westland Mortgage Company in monthly installments of \$6,231 including interest, from future rents, collateralized by land and building costing \$1,103,307, due May 31, 2017	813
Local Section 8 - San Jose/Broadway, 8.375% note payable to California Housing Finance Agency in monthly installments of \$5,783 including interest, from future rents, collateralized by land and building costing \$1,206,282, due February 1, 2020	776
Local Section 8 - Larchmont Wildflower, 7.75% note payable to Westland Mortgage Company in monthly installments of \$3,066 including interest, from future rents, collateralized by land and building costing \$453,827, due April 30, 2009	<u>390</u>
	2,799
Less current portion	<u>24</u>
	<u>\$2,775</u>

General Long-term Debt Obligations:

Notes Payable:	
City Community Development Block Grant - Section 108 (B-85-MC-06-003), note to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, specific terms and interest rate not yet specified	\$ 1,000
County Community Development Block Grant - Section 108 (B-85-UC-06-005), 6.9% note to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, payable each February 15 in annual installments ranging from \$112,730 to \$157,910 plus interest through 1993	805

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE D - Land, Buildings and Improvements

A summary of changes in land, buildings and improvements is as follows (000's omitted):

	<u>January 1, 1986</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 1986</u>
Proprietary Funds	\$ 8,167	\$ 430	\$ (3)	\$ 8,594
Accumulated Depreciation	<u>(1,083)</u>	<u>(262)</u>	<u>3</u>	<u>(1,342)</u>
	7,084	168		7,252
General Fixed Asset Account Group	<u>123,949</u>	<u>17,986</u>	<u>(242)</u>	<u>141,693</u>
	<u>\$131,033</u>	<u>\$18,154</u>	<u>\$(242)</u>	<u>\$148,945</u>

The components of land, buildings and improvements by fund type and account group at December 31, 1986 are as follows (000's omitted):

	<u>General Fixed Assets</u>	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>	<u>Total</u>
Land	\$ 28,556	\$ 790		\$ 29,346
Buildings and Improvements	64,954	7,101		72,055
Equipment	2,540	142	\$561	3,243
Construction in Progress	<u>45,643</u>			<u>45,643</u>
	141,693	8,033	561	150,287
Less Accumulated Depreciation		<u>(1,254)</u>	<u>(88)</u>	<u>(1,342)</u>
	<u>\$141,693</u>	<u>\$6,779</u>	<u>\$473</u>	<u>\$148,945</u>

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE E - Long-term Debt (Continued)

(000's omitted)

County Community Development Block Grant - Section 108 (B-82-UC-06-0005), 11.6% note due to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, payable each February 15, in annual installments of \$250,000 plus interest from 1984 through 1989	750
City Community Development Block Grant - Section 108 (B-85-MC-06-003A), 6.9% note to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, payable each February 16, in annual installments ranging from \$104,989 to \$147,066 plus interest through 1993	750
County Community Development Block Grant - Section 108 (B-83-UC-06-0005), 11.2% note to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, payable each February 1 in annual installments ranging from \$62,991 to \$106,813 plus interest through 1992	500
Note payable to the City of Sacramento for the purchase of the north half of the 11, 12, J, K block of the City, payable in annual installments of \$88,000, including interest at 5%, to 1989	219
County Community Development Block Grant - Section 108 (B-79-UC-06-0005), 12.2% note due to the Secretary of Housing and Urban Development, collateralized by and payable from future Community Development Block Grant entitlements, final installment payable September 1, 1987 for \$97,945 plus interest	98
	4,122

The following represent notes payable to HUD, with an average interest rate of 6%. Historically, these notes have been repaid by an annual contribution from HUD. At HUD's direction, principal repayment during 1986 was limited to certain projects. HUD has not indicated the schedule for future principal reductions for project notes which were due April 5, 1986.

	<u>Project Number</u>	<u>Due Date</u>	
Project notes:	SF 391 (City)	4/05/86	21,093
		11/01/14	851
		11/01/98	127
			22,071
	SF 175 (County)	4/05/86	26,289
Total project notes			48,360
Total notes payable			\$52,482
Bonds payable:			
Tax Increment Fund - Project 4			
	Redevelopment Agency of the City of Sacramento Lease Revenue Bonds: Interest varies from 5% to 6.5% payable on October 1 and April 1; principal payable in amounts ranging from \$60,000 to \$205,000 through April 1, 2005; collateralized by lease with the City of Sacramento		\$ 2,295
	Redevelopment Agency of the City of Sacramento Tax Allocation Bonds, interest rate 8 to 10% payable May 1 and November 1, principal payable annually on May 1, through May 1, 2011, in amounts ranging from \$70,000 to \$640,000		6,500
Tax Increment Fund - Project 5			
	Redevelopment Agency of the City of Sacramento Tax Allocation Bonds, interest rate 8 to 9% payable May 1 and November 1, principal payable annually on May 1, through May 1, 2000, in amounts ranging from \$95,000 to \$320,000.		2,630
Tax Increment Fund - Project 6			
	Redevelopment Agency of the City of Sacramento Tax Allocation Bonds, interest rate 8 to 9.1%, payable February 1 and August 1, principal payable annually on February 1, through February 1, 2002, in amounts ranging from \$75,000 to \$295,000.		2,585

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE E - Long-term Debt (Continued)

(000's omitted)

Tax Increment Fund - Project 7

Redevelopment Agency of the City of Sacramento Tax Allocation Bonds, interest rate 8 to 9.1%, payable May 1 and November 1, principal payable annually on May 1, through May 1, 2003, in amounts ranging from \$140,000 to \$610,000. 5,450

Tax Increment Fund - Project 8

Redevelopment Agency of the City of Sacramento Tax Allocation Bonds, interest rate 8 to 10%, payable May 1 and November 1, principal payable annually on May 1, through May 1, 2011, in amounts ranging from \$155,000 to \$1,425,000 14,450

County-Owned Conventional Housing - SF 175:

1961 new housing authority bonds; interest of 3.5% payable on June and December 1; principal maturities payable December 1, in annual redemptions from \$35,000 to \$60,000; final payment due December 1, 2001, collateralized by housing project 685

City-Owned Conventional Housing - SF 391:

First issue new housing authority bonds; principal and interest at 2.125% payable each December 1 in annual redemptions from \$139,000 to \$141,000; final payment due December 1, 1991, collateralized by housing project 665

Second issue new housing authority bonds; interest of 5% payable on June 1 and December 1, principal maturities payable in annual redemptions from \$130,000 to \$420,000; final payment due December 1, 2011, collateralized by housing project 6,145

Third issue new housing authority bonds; interest of 5.25% payable on June 1 and December 1, principal maturities payable December 1, in annual redemptions from \$50,000 to \$180,000; final payment due December 1, 2012, collateralized by housing project 2,595

Fourth issue new housing authority bonds; interest of 6% payable on June 1 and December 1, principal maturities payable December 1, in annual redemptions from \$80,000 to \$320,000; final payment due December 1, 2011, collateralized by housing project 4,305

Total bonds payable \$48,305

Repayment Contract

In 1985, the City of Sacramento issued Certificates of Participation in the amount of \$29,365,000. Proceeds of the Certificates will be used to finance the acquisition, construction and installation of certain public transit facilities for the Sacramento Light Rail Transit project. In addition, the City entered into a Repayment Contract, dated June 1, 1985, with the Agency pursuant to which the City will receive repayments from the Agency for the expenditures on the light rail system due to the benefits received by the project areas of the Agency from construction and operation of the light rail system. Such repayments will be derived from tax increment funds received by the Agency.

The following is a summary of changes in the general long-term obligations account group for the year ended December 31, 1986 (000's omitted):

	January 1, 1986	Additions	Reductions	December 31, 1986
Mortgage Note Payable	\$ 19		\$ (19)	
Notes payable	48,937	\$6,855	(3,310)	\$ 52,482
Bonds payable	48,755		(450)	48,305
Repayment contract	79,154		(2,900)	76,254
	<u>\$176,865</u>	<u>\$6,855</u>	<u>\$(6,679)</u>	<u>\$177,041</u>

Annual principal maturities of long-term debt, including amounts recorded in enterprise funds, are summarized as follows (000's omitted):

Year ending December 31,	Notes	Mortgage Notes	Bonds	Repayment Contract	Total (Memorandum Only)
1987	\$ 507	\$ 24	\$ 1,029	\$ 2,980	\$ 4,540
1988	791	26	1,091	2,933	4,841
1989	806	28	1,156	2,933	4,923
1990	533	30	1,245	2,933	4,737
1991	574	33	1,334	2,929	4,874
Later years	<u>49,271</u>	<u>2,658</u>	<u>42,450</u>	<u>61,546</u>	<u>155,925</u>
	<u>\$52,482</u>	<u>\$2,799</u>	<u>\$48,305</u>	<u>\$76,254</u>	<u>\$179,840</u>

NOTE F - Advances To/From Other Funds

Ping Yuen Center and Ralph Kennedy Estates have outstanding long-term borrowings from local tax funds of \$120,000 and \$420,000. The Parking Facility Fund has advanced \$161,312 and \$146,000 to the Tax Increment Project Area 3 and Energy Conservation funds. Repayment of advances is dependent upon the sufficiency of future net income.

NOTE G - Fund Balance Reservations and Designations

Fund balances are reserved and designated as follows (000's omitted):

Funds by Fund Type	Reserved For:						Unreserved:		Total Fund Balance
	Encumbrances	Debt Reduction	Non-Current Assets	Housing Operations	Insurance	Total Reserved	Designated For Capital Projects	Undesignated	
Special Revenue									
Housing Funds									
City Conventional				\$ 326	\$ 400	\$ 726			\$ 726
County Conventional					100	100		\$ (244)	(144)
County Leasing				13		13			13
Section 23									
Revenue Bond Program	\$ 243					243	\$ 184	155	582
Energy Conservation Program	17					17		331	348
Total Housing Funds	260			339	500	1,099	184	242	1,525
Community Services Funds									
Area 4 Agency Aging	1					1			1
Golden Era								(6)	(6)
Total Community Service Funds	1					1		(6)	(5)
Tax Increment Funds									
Project Area 2A	48	430				478	869		1,347
Project Area 3	104	554				658	485		1,143
Project Area 4	880	2,426				3,306			3,306
Project Area 5	813	676	345			1,834	2,458		4,292
Project Area 6	391	641	36			1,068	3,030		4,098
Project Area 7	2,770	1,252	207			4,229	4,702		8,931
Project Area 8	5,012	6,102	221			11,335	5,165		16,500
Emergency Reserve Fund	52		87			139			139
Parking Facility Fund	151					151	1,134		1,285
Walnut Grove State Grant O.S. Historic Park							72	2	74
Total Tax Increment Funds	10,221	12,081	896			23,198	17,925	2	41,125
Local Tax Funds									
City Local Tax			540			540		90	630
County Local Tax								(114)	(114)
Total Local Tax Funds			540			540		(24)	516
Total Special Revenue	\$10,482	\$12,081	\$ 1,436	\$ 339	\$ 500	\$24,838	\$18,109	\$ 214	\$43,161
Capital Projects Fund			\$ 958			\$ 958	\$ 248		\$ 1,206
Trust and Agency Funds:									
City CDGB Loan Funds			\$ 147			\$ 147			\$ 147
County CDGB Loan Funds									
Total Trust and Agency Funds			171			171			171
			\$ 318			\$ 318			\$ 318
GRAND TOTAL	\$10,482	\$12,081	\$2,712	\$339	\$500	\$26,114	\$18,357	\$214	\$44,685

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE H - Retirement Plans, Commitments, and Contingencies

Retirement Plans

The Agency participates in two employee benefit plans. Most employees are covered within the State of California's Public Employees' Retirement System (PERS). The Agency's total contributions from various funds to PERS for the year were \$786,833. Employee and employer contributions are determined by the PERS actuary.

At June 30, 1986, the Agency's share of net assets available for benefits was \$9,680,000 and actuarial present value of accumulated plan benefits was \$17,068,000. The assumed rate of return used in determining the actuarial present value of plan benefits was 8.5%. Due to a change in valuation assumption which increased the carrying amount value of assets by 4.2%, the Agency's contribution rate of 6.548% at July 1, 1986 was temporarily reduced to 0 effective July 1, 1987. The unfunded actuarial present value of accumulated plan benefits is being amortized through the year 2000.

Deferred Compensation Plan

The Agency has a deferred compensation plan whereby any permanent employee may voluntarily elect to defer and invest a part of his or her current income, thereby deferring state and federal income taxes on income earned in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Deposits made by the Agency are determined under the terms of deferred compensation employment agreements between the Agency and participating employees. At December 31, 1986, the Agency had 107 employees participating in the plan. Assets held related to the deferred compensation plan totaled \$1,260,000.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Agency (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Agency's general creditors. Participants' rights under the plan are equal to those of general creditors of the Agency in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Agency's legal counsel that the Agency has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Agency believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Contractual Obligations

The Agency had outstanding contractual obligations, primarily for housing project site improvements and structural rehabilitation, at December 31, 1986, as follows:

	(000's omitted)
City Conventional	\$ 387
County Conventional	929
City CDBG	2,453
County CDBG	1,883
Project 4 Tax Increment	1,120
EDA Grant	38
CHPA	7,317
HODAG	2,000
Emergency Reserve Fund	7
	<u>\$16,134</u>

Contingent Liabilities

The Agency received funding from a number of federal, state, and local assisted programs, principal of which are Community Development Block Grants, Housing and Urban Development Housing Programs and State Department on Aging. These programs are subject to financial and compliance review by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Agency does not expect such disallowed amounts to materially affect the financial statements. Receipt of these federal, state, and local grant revenues is not assured in the future.

Mortgage Insured Bonds

The City and the County of Sacramento between 1980 and 1986, issued single family and multifamily mortgage bonds totaling \$532,310,000. The bonds were issued to provide funds for the purchase of home mortgages in the Sacramento County area. Sacramento Housing and Redevelopment Agency was appointed by the City and the County of Sacramento to administer the mortgage program. The mortgages do not constitute a liability of the Agency.

Litigation

The Agency is a defendant in various matters of litigation. Management and the Agency's legal counsel anticipate there will be no material effect on the financial statements as a result of this litigation.

NOTE I - Self-Funded Insurance Program

The Self-Funded Insurance Program was approved in 1986 to establish reserve accounts and the Self Insurance Fund for property damage reserve and comprehensive general liability. The minimum initial Self Insurance Fund and reserve balances of \$350,000 for property reserve and \$1,000,000 for comprehensive general liability were funded by the insured funds based on the proration of the 1985 insurance premiums with additional funding from the City and County conventional housing reserved fund balance.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

NOTE I - Self-Funded Insurance Program (Continued)

The self-insurance accounts will ultimately have a maximum amount of \$1,500,000 for property damage reserve and \$2,500,000 for comprehensive general liability.

Self Insurance Fund revenues are primarily premium charges to other funds at yearly increments of \$350,000 for property reserve and \$500,000 for comprehensive general liability until the reserve accounts reach the maximum level. Monies in the reserve accounts are to be used to pay claims and related legal defense costs, court costs, and out-of-pocket claim expenses involved in settling claims and claim administrative costs.

NOTE J - Subsequent Events

Near the end of 1986, Downtown Tax Increment Project Areas 2A, 3, 4 and 8 were merged. This report presents the financial statements for these projects separately as in prior years. In 1987, they will be presented as one fund.

Subsequent to December 31, 1986 the Agency issued 1987 Tax Allocation Bonds (TABS) for the merged Downtown Project Area in the amount of \$33,925,000. Annual principal payments which begin in 1988 due are as follows (000's omitted):

Year Ending December 31	Total
1988	\$ 570
1989	595
1990	625
1991	660
Later Years	31,475
	<u>\$33,925</u>

The TABS were issued primarily to finance the rehabilitation and expansion of the downtown Public Library. During the construction period the City of Sacramento has agreed to reduce the annual Repayment Contract amounts for Light Rail by \$1,600,000. When construction is complete the City of Sacramento has agreed to reduce the annual payments by \$1,000,000.

During 1987, the Department of Housing and Urban Development required the Agency to solicit bids for insurance coverage from insurance companies. The Agency has maintained a self-funded insurance program since July 1, 1986. Management believes the self-funded insurance program to be adequate. However, to comply with the Department of Housing and Urban Development's request, insurance bids are being solicited.

In addition, the Internal Revenue Service has penalized the Agency \$100,000 for filing 1099 information on paper instead of magnetic media for 1986. The Agency is strenuously contesting this penalty.

*Combining & Individual Fund
& Account Group Statements*

Annual Financial Report

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (\$000's OMITTED)

	Housing Funds	Community Services Funds	Federal Grant Funds	Tax Increment Funds	Local Tax Funds	Total Special Revenue Funds
ASSETS						
Cash and investments	\$2,776	(924)	(9728)	\$29,546	(6147)	\$31,423
Accounts receivable	143	60	1	162		366
Notes receivable				903		903
Due from other funds	1,840	22	108	10	123	2,103
Due from other governments	6,506	52	1,849	1,414		9,821
Advances to other funds				357	540	897
Inventory	217	30				247
Deferred charges and prepaid expense	330	7		70		407
Restricted cash and investments	96			10,977		11,073
Land, building and improvements						
Amount to be provided for general long-term debt						
Total assets	\$11,908	\$147	\$1,230	\$43,439	\$516	\$57,240
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable	\$156	\$145	\$1,136	\$1,307		\$2,744
Accrued liabilities	102	3	27	29		161
Contracts payable	683			338		1,021
Due to other funds	1,931	4	8	63		2,006
Due to other governments	879		59			938
Advances from other funds	146			161		307
Interest payable	5,882			11		5,893
Deferred revenue	307					307
Current portion of long-term debt						
Deposit and trust liability	297			405		702
Notes payable						
Mortgage notes payable						
Bonds payable						
Total liabilities	10,383	152	1,230	2,314		14,079
Fund equity:						
Fund balances:						
Reserved	1,099	1		23,198	\$540	24,838
Unreserved:						
Designated	184			17,925		18,109
Undesignated	242	(6)		2	(24)	214
Total fund equity	1,525	(5)		41,125	516	43,161
Total liabilities and fund equity	\$11,908	\$147	\$1,230	\$43,439	\$516	\$57,240

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (DOLLARS OMITTED)

	Housing Funds	Community Services Funds	Federal Grant Funds	Tax Increment Funds	Local Tax Funds	Total Special Revenue Funds
REVENUES:						
Intergovernmental	816,641	92,414	813,163	9216	9350	932,784
Property taxes				9,711		9,711
Rental income	4,102			1,120		5,222
Interest income	433		5	3,001	8	3,447
Miscellaneous	1,976	202	490	369		3,037
Total revenue	23,152	2,616	13,658	14,417	358	54,201
EXPENDITURES:						
Operating:						
Housing operations	7,664	3,728	53	94	84	11,623
Community development	274		1,550	2,127		3,951
Policy and planning				159		159
Capital expenditures:	10,567		3,406	10,686		24,659
Non-departmental:						
Housing assistance payments	10,568					10,568
Rehabilitation loans and grants			2,344	8		2,352
Community based organizations	35		2,172	50		2,257
Debt service:						
Principal retirement	1,381		337	3,648		5,366
Interest and fiscal charges	1,500		197	5,266		6,963
Total expenditures	31,989	3,728	10,059	22,038	84	67,898
Excess of revenues over (under) expenditures	(8,837)	(1,112)	3,599	(7,621)	274	(13,697)
Other financing sources (uses):						
Proceeds of long-term debt	7,433					7,433
Operating transfers in (out)	1,160	407	(3,594)	2,352	(411)	(86)
In kind contributions		697				697
Payable to other governments			(5)			(5)
Total other financing sources (uses)	8,593	1,104	(3,599)	2,352	(411)	8,039
Excess of revenues and other financing sources over (under) expenditures and other uses	(244)	(8)		(5,269)	(137)	(5,658)
Fund balance at January 1, 1986	1,769	3		46,394	853	48,819
Fund balance at December 31, 1986	\$1,525	(85)		\$41,125	916	\$43,161

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL HOUSING SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (000's OMITTED)

	City Conventional	County Conventional	City Leasing Sec 23	County Leasing Sec 23	City Existing Sec 8	County Existing Sec 8	State Aftercare Sec 8	City MOD Rehab Sec 8 5-001	City MOD Rehab Sec 8 5-002	County MOD Rehab Sec 8 7-002	County MOD Rehab Sec 8 7-003	City Housing Voucher	County Housing Voucher	General Housing Reserve	Revenue Bond Program	Energy Conservation Program	Total Housing Funds
ASSETS																	
Cash and investments	9557	(941)	9531	9237	(92)	9267	98	91	(926)	98	(923)	(999)	(979)		9926	9501	92,776
Accounts receivable	44	22													77		143
Notes receivable																	
Due from other funds	557	609							10		19			9645			1,840
Due from other governments	2,732	3,150			335		64	3	17	9	4	102	90				6,506
Advances to other funds																	
Inventory	217																217
Deferred charges and prepaid expense	248	82															330
Restricted cash and investments															96		96
Land, building and improvements																	
Amount to be provided for general long-term debt																	
Total assets	94,355	93,822	9531	9237	9333	9267	972	94	91	917		912	912	9645	91,099	9501	911,906
LIABILITIES AND FUND EQUITY																	
Liabilities:																	
Accounts payable	951	967			913	910			91			93	96		97		9154
Accrued liabilities	60	19			9	9						1	1		3		102
Contracts payable	309	367														97	683
Due to other funds	92	173			311	248		94		917		8	7	9599	472		1,931
Due to other governments	6		9531	9237			959							46			979
Advances from other funds																146	146
Interest payable	2,732	3,150															5,882
Deferred revenue	209	98															307
Current portion of long-term debt																	
Deposit and trust liability	170	92													35		297
Notes payable																	
Mortgage notes payable																	
Bonds payable																	
Total liabilities	3,629	3,966	9531	237	333	267	959	94	91	917		912	912	9645	917	953	10,383
Fund equity:																	
Fund balances:																	
Reserved	726	100					13								243	17	1,095
Unreserved:																	
Designated															184		184
Undesignated		(244)													155	331	247
Total fund equity	726	(144)					13								982	348	1,525
Total liabilities and fund equity	94,355	93,822	9531	9237	9333	9267	972	94	91	917		912	912	9645	91,099	9501	911,906

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL HOUSING SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (DOLLARS OMITTED)

	City Conventional	County Conventional	City Leasing Sec 23	County Leasing Sec 23	City Existing Sec 8	County Existing Sec 8	State Aftercare Sec 8	City MOO Rehab Sec 8 5-001	City MOO Rehab Sec 8 5-002	County MOO Rehab Sec 8 7-002	County MOO Rehab Sec 8 7-003	City Housing Voucher	County Housing Voucher	Revenue Bond Program	Energy Conservation Program	Total Housing Funds
REVENUES:																
Intergovernmental	92,663	91,501			95,725	95,596	9238	958	9138	9137	944	9102	990	99	9340	916,641
Property taxes																4,102
Rental income	2,921	1,181			23	21	1							39	23	433
Interest income	137	129	930	930										1,125	218	1,976
Miscellaneous	268	360	1	1	2	1										
Total revenue	97,989	94,171	931	931	97,750	97,618	9239	958	9138	9137	944	9102	990	91,173	9581	923,152
EXPENDITURES:																
Operating:																
Housing operations	4,834	1,698	31	31	423	436	42	7	28	1	22	35	32	7	37	7,664
Community development	14	28												232		274
Policy and planning																
Capital expenditures	4,196	6,024												18	329	10,567
Non-departmental:																
Housing assistance payments					5,006	4,932	209	51	110	119	22	64	55			10,568
Rehabilitation loans and grants														35		35
Community based organizations																
Debt service:																
Principal retirement	768	613														1,381
Interest and fiscal charges	913	587														1,500
Total expenditures	10,725	8,950	31	31	5,429	5,368	251	58	138	120	44	99	87	292	366	31,989
Excess of revenues over (under) expenditures	(4,736)	(5,779)			321	250	(121)			17		3	3	881	215	(8,837)
Other financing sources (uses):																
Proceeds of long-term debt	3,764	3,669														7,433
Operating transfers in (out)	871	1,821			(321)	(250)				(17)		(3)	(3)	(938)		1,160
In kind contributions																
Payable to other governments																
Total other financing sources (uses)	4,635	5,490			(321)	(250)				(17)		(3)	(3)	(938)		8,593
Excess of revenues and other financing sources over (under) expenditures and other uses	(101)	(289)					(121)							(57)	215	(244)
Fund balance at January 1, 1986	827	145					25							639	133	1,769
Residual equity transfer in (out)																
Fund balance at December 31, 1986	976	(914)					913							9582	9348	915,225

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY CONVENTIONAL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental:	\$5,437					\$2,663	(92,774)
Property taxes							(54)
Rental income	2,975					2,921	93
Interest income	44					137	209
Miscellaneous	59					268	
Total revenue	8,515					5,989	(2,526)
EXPENDITURES:							
Operating:							
Housing operations	4,545	\$2,055	\$2,613	\$152	\$14	4,834	(289)
Community development		14				14	(14)
Policy and planning							
Capital expenditures	5,783				4,196	4,196	1,587
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service							
Principal retirement	1,991		768			768	1,223
Interest and fiscal charges	2,465		913			913	1,552
Total expenditures	14,784	\$2,069	\$4,294	\$152	\$4,210	10,725	4,059
Excess of revenues over (under) expenditures	(6,269)					(4,736)	1,533
Other financing sources (uses):							
Proceeds of long-term debt	5,783					3,764	(2,019)
Operating transfers in (out)	394					871	477
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	6,177					4,635	(1,542)
Excess of revenues and other financing sources over (under) expenditures and other uses	(92)					(101)	(9)
Fund balance at January 1, 1986	607					827	220
Fund balance at December 31, 1986	\$515					\$726	\$211

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COUNTY CONVENTIONAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Asended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$3,607					\$1,501	(\$2,106)
Property taxes						1,181	146
Rental income	1,035					129	126
Interest income	3					360	347
Miscellaneous	13						
Total revenue	4,658					3,171	(1,487)
EXPENDITURES:							
Operating:							
Housing operations	1,385	\$781	\$892	\$25		1,698	(313)
Community development		28				28	(28)
Policy and planning							
Capital expenditures	7,464				\$6,024	6,024	1,440
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement	1,179		613			613	566
Interest and fiscal charges	2,127		587			587	1,540
Total expenditures	12,155	\$809	\$2,092	\$25	\$6,024	8,950	3,225
Excess of revenues over (under) expenditures	(7,497)					(5,779)	1,718
Other financing sources (uses):							
Proceeds of long-term debt	7,464					3,669	(3,795)
Operating transfers in (out)	113					1,621	1,708
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	7,577					5,490	(2,087)
Excess of revenues (financing sources over (under) expenditures and other uses	80					(289)	(369)
Fund balance at January 1, 1986	145					145	
Fund balance at December 31, 1986	\$225					(\$144)	(\$369)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY LEASING SECTION 23
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes							
Rental income							
Interest income					\$30	\$30	
Miscellaneous					1	1	
Total revenue					31	31	
EXPENDITURES:							
Operating:							
Housing operations		\$30	\$1			31	(31)
Community development							
Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures		\$30	\$1			31	(31)
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COUNTY LEASING SECTION 23
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	ACTUAL					Total Actual	Variance Favorable (Unfavorable)
	Amended Budget	Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental:							
Property taxes							
Rental income							
Interest income						\$30	\$30
Miscellaneous						1	1
Total revenue						31	31
EXPENDITURES:							
Operating:							
Housing operations		\$30	\$1			31	(31)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures		\$30	\$1			31	(31)
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
CITY EXISTING SECTION 8
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$5,549					\$5,725	\$176
Property taxes							
Rental income						23	23
Interest income						2	2
Miscellaneous							
Total revenue	5,549					5,750	201
EXPENDITURES:							
Operating:							
Housing operations	388	\$380	\$42	\$1		423	(35)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	4,644		5,006			5,006	(362)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	5,032	\$380	\$5,048	\$1		5,429	(397)
Excess of revenues over (under) expenditures	517					321	(196)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(10)					(321)	(311)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(10)					(321)	(311)
Excess of revenues and other financing sources over (under) expenditures and other uses	507						(507)
Fund balance at January 1, 1986							
Fund balance at December 31, 1986	\$507						(\$507)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COUNTY EXISTING SECTION 8
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$5,751					\$5,596	(155)
Property taxes							
Rental income						21	21
Interest income						1	1
Miscellaneous							
Total revenue	5,751					5,618	(133)
EXPENDITURES:							
Operating:							
Housing operations	408	\$403	\$30	\$3		436	(28)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	4,897		4,932			4,932	(35)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	5,305	\$403	\$4,962	\$3		5,368	(63)
Excess of revenues over (under) expenditures	446					250	(196)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(10)					(250)	(240)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(10)					(250)	(240)
Excess of revenues and other financing sources over (under) expenditures and other uses	436						(436)
Fund balance at January 1, 1986							
Fund balance at December 31, 1986	\$436						(\$436)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 STATE AFTERCARE SECTION B
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$224					\$238	\$14
Property taxes							
Rental income						1	1
Interest income							
Total revenue	224					239	15
EXPENDITURES:							
Operating:							
Housing operations	37	\$40	\$1	\$1		42	(5)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	192		209			209	(17)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	229	\$40	\$210	1		251	(22)
Excess of revenues over (under) expenditures	(5)					(12)	(7)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	(5)					(12)	(7)
Fund balance at January 1, 1986						25	25
Fund balance at December 31, 1986	(\$5)					\$13	\$18

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY MOD REHAB SECTION 8 5-001
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$61					\$58	(3)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	61					58	(3)
EXPENDITURES:							
Operating:							
Housing operations	13	\$3	\$4			7	6
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	46		51			51	(3)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	61	\$3	\$55			58	3
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY MOD REHAB SEC B 5-002
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$119					\$138	\$19
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	119					138	19
EXPENDITURES:							
Operating:							
Housing operations	23	\$28				28	(5)
Community development							
Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments	96		\$110			110	(14)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	119	\$28	\$110			138	(19)
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COUNTY HOUSING SEC 8 7-002
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$123					\$137	\$14
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	123					137	14
EXPENDITURES:							
Operating:							
Housing operations	22	\$1				1	21
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	101		\$119			119	(18)
Rehabilitation loans and grants							
Community based organizations							
Debt service							
Principal retirement							
Interest and fiscal charges							
Total expenditures	123	\$1	\$119			120	3
Excess of revenues over (under) expenditures						17	17
Other financing sources (uses):							
Proceeds of long-term debt						(17)	(17)
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)						(17)	(17)
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COUNTY MOD REHAB SEC 8 7-003
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	954					644	(910)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	54					44	(10)
EXPENDITURES:							
Operating:							
Housing operations	4	922				22	(18)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	50		922			22	28
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	54	922	922			44	10
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY HOUSING VOUCHER
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$14					\$102	\$88
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	14					102	88
EXPENDITURES:							
Operating:							
Housing operations		\$23	\$12			35	(35)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	\$14		64			64	(50)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	14	\$23	\$76			99	(85)
Excess of revenues over (under) expenditures						3	3
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)						(3)	(3)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)						(3)	(3)
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COUNTY HOUSING VOUCHER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$21					\$90	\$69
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	21					90	69
EXPENDITURES:							
Operating:							
Housing operations		\$18	\$12	\$2		32	(32)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments	\$21		55			55	(34)
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	21	\$18	\$67	\$2		97	(66)
Excess of revenues over (under) expenditures						3	3
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)						(3)	(3)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)						(3)	(3)
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 REVENUE BOND PROGRAM
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Adopted Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental						69	\$9
Property taxes							
Rental income							
Interest income	440					39	(11)
Miscellaneous	650					1,125	675
Total revenue	490					1,173	683
EXPENDITURES:							
Operating:							
Housing operations		97				7	(7)
Community development	246	216	916			232	14
Policy and planning							
Capital expenditures:	95				918	18	77
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations	44		35			35	9
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	395	923	951		18	292	93
Excess of revenues over (under) expenditures	105					881	776
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(263)					(938)	(675)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(263)					(938)	(675)
Excess of revenues and other financing sources over (under) expenditures and other uses	(158)					(57)	101
Fund balance at January 1, 1986	235					639	404
Fund balance at December 31, 1986	77					582	505

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ENERGY CONSERVATION PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Asended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	462					4340	(4122)
Property taxes							
Rental income						23	23
Interest income						218	218
Miscellaneous							
Total revenue	462					581	119
EXPENDITURES:							
Operating:							
Housing operations	51	436	491			37	14
Community development							
Policy and planning							
Capital expenditures	321				4329	329	(8)
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	372	436	491		4329	366	6
Excess of revenues							
over (under) expenditures	90					215	125
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	90					215	125
Fund balance at January 1, 1986	133					133	
Fund balance at December 31, 1986	4223					4348	4125

ALL COMMUNITY SERVICES SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (000's OMITTED)

	Area 4 Agency on Aging (1)	Child Development Centers (1)	R.S.V.P. S.C.P. F.G.P. Action Federal (2)	S.C.P. F.G.P. Action State (1)	S.E.T.A.	County Health Department (1)	Other Federal State and Local Grants	Golden Era	Total Community Services Funds
ASSETS									
Cash and investments	(92)		\$13	98	(63)	(117)	(20)	(93)	(924)
Accounts receivable	58		2						60
Notes receivable									
Due from other funds		98			2		12		22
Due from other governments		5	1		9	25	12		52
Advances to other funds									
Inventory	30								30
Deferred charges and prepaid expense	5		1					1	7
Restricted cash and investments									
Land, building and improvements									
Amount to be provided for general long-term debt									
Total assets	\$91	\$13	\$17	\$98	98	98	94	(92)	\$147
LIABILITIES AND FUND EQUITY									
Liabilities:									
Accounts payable	\$90	\$13	\$10	98	98	98	94	94	\$145
Accrued liabilities			3						3
Contracts payable									
Due to other funds			4						4
Due to other governments									
Advances from other funds									
Interest payable									
Deferred revenue									
Current portion of long-term debt									
Deposit and trust liability									
Notes payable									
Mortgage notes payable									
Bonds payable									
Total liabilities	90	13	17	98	98	98	94	94	152
Fund equity:									
Fund balances:									
Reserved	1								1
Unreserved:									
Designated									
Undesignated								(6)	(6)
Total fund equity	1							(6)	(5)
Total liabilities and fund equity	\$91	\$13	\$17	\$98	98	98	94	(92)	\$147

(1) -Balance sheet at June 30, 1986

(2) -Balance sheet at February 28, 1986 for RSVP,
 at September 30, 1986 for SCP, & FGP.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL COMMUNITY SERVICES SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Area 4 Agency on Aging (1)	Child Development Centers (1)	R.S.V.P. S.C.P. F.G.P. Action Federal (2)	S.C.P. F.G.P. Action State (1)	S.E.T.A.	County Health Department (1)	Other Federal State and Local Grants	Golden Era	Total Community Services Funds
REVENUES:									
Intergovernmental	\$1,305	\$278	\$227	\$91	\$46	\$113	\$354		\$2,414
Property taxes									
Rental income									
Interest income									
Miscellaneous	165	12	14					\$11	202
Total revenue	1,470	290	241	91	46	113	354	11	2,616
EXPENDITURES:									
Operating:									
Housing operations	2,235	317	514	92	63	119	366	22	3,728
Community development									
Policy and planning									
Capital expenditures									
Non-departmental:									
Housing assistance payments									
Rehabilitation loans and grants									
Community based organizations									
Debt service:									
Principal retirement									
Interest and fiscal charges									
Total expenditures	2,235	317	514	92	63	119	366	22	3,728
Excess of revenues over (under) expenditures	(765)	(27)	(273)	(1)	(17)	(6)	(12)	(11)	(1,112)
Other financing sources (uses):									
Proceeds of long-term debt									
Operating transfers in (out)	302	27	49	1		6	11	11	407
In kind contributions	461		219		17				697
Payable to other governments									
Total other financing sources (uses)	763	27	268	1	17	6	11	11	1,104
Excess of revenues and other financing sources over (under) expenditures and other uses									
	(2)		(5)				(1)		(8)
Fund balance at January 1, 1986	3		5				1	(6)	3
Fund balance at December 31, 1986	\$1							(\$6)	(\$5)

(1) -Revenues expenditures and changes in fund balance for the year ended June 30, 1986
 (2) -Revenues expenditures and changes in fund balance for the year ended February 28, 1986
 for RSVF, and September 30, 1986 for SCP, & FGP.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 AREA 4 AGENCY ON AGING (1)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Asended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$1,300					\$1,305	65
Property taxes							
Rental income							
Interest income							
Miscellaneous	208					165	(43)
Total revenue	1,508					1,470	(38)
EXPENDITURES:							
Operating:							
Housing operations	2,199	\$1,278	\$927	\$30		2,235	(36)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	2,199	\$1,278	\$927	\$30		2,235	(36)
Excess of revenues over (under) expenditures	(691)					(765)	(74)
Other financing sources (uses):							
Proceeds of long term debt							
Operating transfers in (out)	252					302	50
In kind contributions	439					461	22
Payable to other governments							
Total other financing sources (uses)	691					763	72
Excess of revenues and other financing sources over (under) expenditures and other uses						(2)	(2)
Fund balance at January 1, 1986						3	3
Fund balance at December 31, 1986						\$1	\$1

(1) -Revenues expenditures and changes in fund balance for the year ended June 30, 1986

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CHILD DEVELOPMENT CENTERS (1)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$276					\$278	\$2
Property taxes							
Rental income							
Interest income							
Miscellaneous	10					12	2
Total revenue	286					290	4
EXPENDITURES:							
Operating:							
Housing operations	329	\$211	\$105	\$1		317	11
Community development Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	329	\$211	\$105	\$1		317	11
Excess of revenues over (under) expenditures	(42)					(27)	15
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	42					27	(15)
In kind contributions							
Favorable to other governments							
Total other financing sources (uses)	42					27	(15)
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

(1) Revenues expenditures and changes in fund balance for the year ended June 30, 1986

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 RETIRED SENIORS VOLUNTEER PROGRAM, SENIOR COMPANION PROGRAM,
 FOSTER GRANDPARENT PROGRAM, ACTION FEDERAL (2)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Asended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$231					\$227	(34)
Property taxes							
Rental income							
Interest income							
Miscellaneous	17					16	(3)
Total revenue	248					241	(7)
EXPENDITURES:							
Operating:							
Housing operations	555	\$107	\$402	\$5		514	41
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	555	\$107	\$402	\$5		514	41
Excess of revenues over (under) expenditures	(307)					(273)	34
Other financing sources (uses):							
Proceeds of long-term debt						49	(41)
Operating transfers in (out)	90					219	7
In kind contributions	212						
Payable to other governments							
Total other financing sources (uses)	302					268	(34)
Excess of revenues and other financing sources over (under) expenditures and other uses	(5)					(5)	
Fund balance at January 1, 1986	5					5	
Fund balance at December 31, 1986							

(2) -Revenues expenditures and changes in fund
 balance for the year ended February 28, 1986
 for RSVP, ended september 30, 1986 for SCP and FGP.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 SENIOR COMPANION PROGRAM, FOSTER GRANDPARENT PROGRAM, ACTION STATE (1)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$91					\$91	
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	91					91	
EXPENDITURES:							
Operating:							
Housing operations	92	\$6	\$86			92	
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	92	\$6	\$86			92	
Excess (deficiency) of revenues over expenditures	(1)					(1)	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	3					1	(\$2)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	3					1	(2)
Excess of revenues and other financing sources over (under) expenditures and other uses	2						(2)
Fund balance at January 1, 1986							
Fund balance at December 31, 1986	\$2						(\$2)

(1) -Revenues expenditures and changes in fund
balance for the year ended June 30, 1986

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
S.E.T.A.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	948					946	(92)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	48					46	(2)
EXPENDITURES:							
Operating:							
Housing operations	59	922	941			63	(4)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	59	922	941			63	(4)
Excess of revenues over (under) expenditures	(11)					(17)	(6)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	7						(7)
In kind contributions	4					17	13
Payable to other governments							
Total other financing sources (uses)	11					17	6
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COUNTY HEALTH DEPARTMENT (1)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	914					913	(91)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	114					113	(1)
EXPENDITURES:							
Operating:							
Housing operations	114	928	991			119	(5)
Community development							
Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	114	928	991			119	(5)
Excess of revenues over (under) expenditures						(6)	(6)
Other financing sources (uses):							
Proceeds of long-term debt						6	6
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)						6	6
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

(1) -Revenues expenditures and changes in fund balance for the year ended June 30, 1986

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 OTHER FEDERAL, STATE AND LOCAL GRANTS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$386					\$354	(32)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	386					354	(32)
EXPENDITURES:							
Operating:							
Housing operations	386	\$83	\$281	\$2		366	20
Community development							
Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	386	\$83	\$281	\$2		366	20
Excess of revenues over (under) expenditures						(12)	(12)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	18					11	(7)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	18					11	(7)
Excess of revenues and other financing sources over (under) expenditures and other uses	18					(1)	(19)
Fund balance at January 1, 1986						1	1
Fund balance at December 31, 1986	\$18						(\$18)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 GOLDEN ERA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes							
Rental income							
Interest income							
Miscellaneous	13					11	(2)
Total revenue	13					11	(2)
EXPENDITURES:							
Operating:							
Housing operations	19	17	95			22	(3)
Community development							
Policy and planning							
Capital expenditures:							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	19	17	95			22	(3)
Excess of revenues over (under) expenditures	(6)					(11)	(5)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	6					11	5
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	6					11	5
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986						(6)	(6)
Fund balance at December 31, 1986						(16)	(16)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL FEDERAL GRANT SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (000's OMITTED)

	City COBG	County COBG	UDAG Revolving	Economic Development Admin.	Total Federal Grant Funds
ASSETS					
Cash and investments	(\$343)	(\$404)	\$59	(\$40)	(\$728)
Accounts receivable	1				1
Notes receivable					
Due from other funds	98	10			108
Due from other governments	755	1,054		40	1,849
Advances to other funds					
Inventory					
Deferred charges and prepaid expense					
Restricted cash and investments					
Land, building and improvements					
Amount to be provided for general long-term debt					
Total assets	\$511	\$660	\$59		\$1,230
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$498	\$638			\$1,136
Accrued liabilities	13	14			27
Contracts payable					
Due to other funds		8			8
Due to other governments			\$59		59
Advances from other funds					
Interest payable					
Deferred revenue					
Current portion of long-term debt					
Deposit and trust liability					
Notes payable					
Mortgage notes payable					
Bonds payable					
Total liabilities	\$511	\$660	\$59		1,230
Fund equity:					
Fund balances:					
Reserved					
Unreserved:					
Designated					
Undesignated					
Total fund equity					
Total liabilities and fund equity	\$511	\$660	\$59		\$1,230

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL FEDERAL GRANT SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	City COBG	County COBG	UDAG Revolving	Economic Development Admin.	Total Federal Grant Funds
REVENUES:					
Intergovernmental	\$7,650	\$5,476		\$37	\$13,163
Property taxes					
Rental income					
Interest income			\$5		5
Miscellaneous	96	394			490
Total revenue	7,746	5,870	5	37	13,658
EXPENDITURES:					
Operating:					
Housing operations	47	6			53
Community development	756	794			1,550
Policy and planning					
Capital expenditures					
Capital expenditures	1,964	1,405		37	3,406
Non-departmental:					
Housing assistance payments					
Rehabilitation loans and grants	1,274	1,070			2,344
Community based organizations	1,010	1,162			2,172
Debt service:					
Principal retirement		337			337
Interest and fiscal charges		197			197
Total expenditures	5,051	4,971		37	10,059
Excess of revenues over (under) expenditures	2,695	899	5		3,599
Other financing sources (uses):					
Proceeds of long-term debt					
Operating transfers in (out)	(2,695)	(899)			(3,594)
In kind contributions					
Payable to other governments			(5)		(5)
Total other financing sources (uses)	(2,695)	(899)	(5)		(3,599)
Excess of revenues and other financing sources over (under) expenditures and other uses					
Fund balance at January 1, 1986					
Fund balance at December 31, 1986					

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
CITY COSG
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$12,134					\$7,650	(\$4,484)
Property taxes							
Rental income							
Interest income							
Miscellaneous						96	96
Total revenue	12,134					7,746	(4,388)
EXPENDITURES:							
Operating:							
Housing operations	49	\$44	\$3			47	2
Community development	787	684	72			756	31
Policy and planning							
Capital expenditures:	5,057				\$1,964	1,964	3,093
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants	1,860		1,274			1,274	586
Community based organizations	1,686		1,010			1,010	676
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	9,439	\$728	\$2,359		\$1,964	5,051	4,388
Excess of revenues over (under) expenditures	2,695					2,695	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(2,695)					(2,695)	
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(2,695)					(2,695)	
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 COUNTY COBG
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$9,338					\$5,476	(\$3,862)
Property taxes							
Rental income							
Interest income							
Miscellaneous						394	394
Total revenue	9,338					5,870	(3,468)
EXPENDITURES:							
Operating:							
Housing operations		\$6				6	(6)
Community development	791	717	\$77			794	(3)
Policy and planning							
Capital expenditures	2,981				\$1,405	1,405	1,576
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants	1,070		1,070			1,070	800
Community based organizations	2,146		1,162			1,162	984
Debt service:							
Principal retirement	403		337			337	66
Interest and fiscal charges	259		197			197	62
Total expenditures	8,450	\$723	\$2,843		\$1,405	4,971	3,479
Excess of revenues over (under) expenditures	888					899	11
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(888)					(899)	(11)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(888)					(899)	(11)
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 UDAG REVOLVING
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000'S OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes							
Rental income							
Interest income					85	85	
Miscellaneous							
Total revenue					5	5	
EXPENDITURES:							
Operating:							
Housing operations							
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures							
Excess (deficiency) of revenues over expenditures					5	5	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments					(5)	(5)	
Total other financing sources (uses)					(5)	(5)	
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1986							
Fund balance at December 31, 1986							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ECONOMIC DEVELOPMENT ADMINISTRATION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$54					\$37	(\$17)
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	54					37	(17)
EXPENDITURES:							
Operating:							
Housing operations							
Community development							
Policy and planning							
Capital expenditures	54				\$37	37	17
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	54				\$37	37	17
Excess of revenues over (under) expenditures							
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Pavable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses							
Fund balance at January 1, 1985							
Fund balance at December 31, 1985							

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL TAX INCREMENT SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1986
(ODD'S OMITTED)

	Project Area 2A	Project Area 3	Project Area 4	Project Area 5	Project Area 6	Project Area 7	Project Area 8	Emergency Reserve Fund	Parking Facility Fund	Walnut Grove	State Grant O.S.Historic Park	Total Tax Increment Funds
ASSETS												
Cash and investments	\$1,261	\$992	\$1,925	\$3,617	\$2,765	\$7,901	\$11,107	(\$78)	\$196	\$6	\$74	\$29,546
Accounts receivable			5	4		4	1	45	103			162
Notes receivable				348	89	207	221	38				903
Due from other funds			10									10
Due from other governments	120	144	115	61	65	95	327		483	4		1,414
Advances to other funds								50	307			357
Inventory												
Deferred charges and prepaid expense			8			1			61			70
Restricted cash and investments		188	1,857	666	1,235	1,158	5,569	94	210			10,977
Land, building and improvements												
Amount to be provided for general long-term debt												
Total assets	\$1,361	\$1,324	\$3,920	\$4,496	\$4,154	\$9,366	\$17,225	\$149	\$1,360	\$10	\$74	\$43,439
LIABILITIES AND FUND EQUITY												
Liabilities:												
Accounts payable	\$1		\$329	\$185	\$5	\$420	\$310	\$8	\$49			\$1,307
Accrued liabilities	3		4	1	4	3		2	12			29
Contracts payable			273	10				55				338
Due to other funds					41		10		12			63
Due to other governments												
Advances from other funds		\$161										161
Interest payable		3	8									11
Deferred revenue												
Current portion of long-term debt:												
Deposit and trust liability	10	17		8	6	12	350		2			405
Notes payable												
Mortgage notes payable												
Bonds payable												
Total liabilities	14	181	614	204	56	435	725	10	75			2,314
Fund equity:												
Fund balances:												
Reserved	478	658	3,306	1,834	1,068	4,229	11,335	139	151			23,198
Unreserved:												
Designated	869	485		2,458	3,030	4,702	5,165		1,134	\$10	\$72	17,925
Undesignated											2	2
Total fund equity	1,347	1,143	3,306	4,292	4,098	8,931	16,500	139	1,285	10	74	41,125
Total liabilities and fund equity	\$1,361	\$1,324	\$3,920	\$4,496	\$4,154	\$9,366	\$17,225	\$149	\$1,360	\$10	\$74	\$43,439

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL TAX INCREMENT SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Project Area 2A	Project Area 3	Project Area 4	Project Area 5	Project Area 6	Project Area 7	Project Area 8	Emergency Reserve Fund	Parking Facility Fund	Walnut Grove	State Grant O.S. Historic Park	Total Tax Increment Funds
REVENUES:												
Inter-governmental			939								\$177	\$216
Property taxes	\$1,095	\$1,342	1,126	\$609	\$608	\$897	\$4,027			\$7		9,711
Rental income	1		4				84	\$23	\$1,008			1,120
Interest income	39	(2)	378	317	283	720	1,164	46	56			3,001
Miscellaneous	(43)	(38)	234		258	1	(64)	21				369
Total revenue	1,092	1,302	1,781	926	1,149	1,618	5,211	90	1,064	7	177	14,417
EXPENDITURES:												
Operating:												
Housing operations				10				77	7			94
Community development	466	10	353	122	284	250	178	3	444		17	2,127
Policy and planning								14	145			159
Capital expenditures	2	7	3,610	719	1,186	834	4,112	27	103		86	10,686
Non-departmental:												
Housing assistance payments												
Rehabilitation loans and grants						8						9
Community based organizations	46							4				50
Debt service:												
Principal retirement	1,780	1,500	60				73	315				3,648
Interest and fiscal charges	(110)	(91)	739	236	169	486	3,800	17	20			5,266
Total expenditures	2,104	1,426	4,762	1,087	1,639	1,578	8,163	457	719		103	22,038
Excess of revenues over (under) expenditures	(1,012)	(124)	(2,981)	(161)	(490)	40	(2,952)	(367)	345	7	74	(7,621)
Other financing sources (uses):												
Proceeds of long-term debt												
Operating transfers in (out)			158		709		1,957	(107)	(365)			2,352
In kind contributions												
Payable to other governments												
Total other financing sources (uses)			158		709		1,957	(107)	(365)			2,352
Excess of revenues and other financing sources over (under) expenditures and other uses	(1,012)	(124)	(2,823)	(161)	219	40	(995)	(474)	(20)	7	74	(5,269)
Fund balance at January 1, 1986	2,359	1,267	6,129	4,453	3,879	8,891	17,495	613	1,305	3		46,394
Fund balance at December 31, 1986	\$1,347	\$1,143	\$3,306	\$4,292	\$4,098	\$8,931	\$16,500	\$139	\$1,285	\$10	\$74	\$41,125

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 2A
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget:	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Inter-governmental							
Property taxes	\$1,212				\$1,095	(\$117)	
Rental income					1	1	
Interest income	20				39	19	
Miscellaneous					(43)	(43)	
Total revenue	1,232				1,092	(140)	
EXPENDITURES:							
Operating:							
Housing operations							
Community development	383	\$422	\$31	\$13	466	(83)	
Policy and planning							
Capital expenditures	567				\$2	565	
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations	50		46		46	4	
Debt service:							
Principal retirement	850		1,700		1,700	(850)	
Interest and fiscal charges			(110)		(110)	110	
Total expenditures	1,850	\$422	\$1,667	13	\$2	(254)	
Excess of revenues over (under) expenditures	(618)				(1,012)	(394)	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(3,000)					3,000	
In kind contributions							
Payable to other governments							
Total other financing sources (uses) (3,000)						3,000	
Excess of revenues and other financing sources over (under) expenditures and other uses	(3,618)				(1,012)	2,606	
Fund balance at January 1, 1986	2,359				2,359		
Fund balance at December 31, 1986	(\$1,259)				\$1,347	\$2,606	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 3
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000'S OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental						\$1,342	(109)
Property taxes	\$1,451						
Rental income						(2)	(39)
Interest income	37					(38)	(38)
Miscellaneous							
Total revenue	1,488					1,302	(186)
EXPENDITURES:							
Operating:							
Housing operations							
Community development	216	\$4	\$6			10	206
Policy and planning							
Capital expenditures	704				\$7	7	697
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement	750		1,500			1,500	(750)
Interest and fiscal charges			(91)			(91)	91
Total expenditures	1,670	\$4	\$1,415		\$7	1,426	244
Excess of revenues over (under) expenditures	(182)					(124)	58
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	(182)					(124)	58
Fund balance at January 1, 1986	1,267					1,267	
Fund balance at December 31, 1986	\$1,085					\$1,143	\$58

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 4
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	936					939	93
Property taxes	1,289					1,126	(163)
Rental income						4	4
Interest income	258					378	120
Miscellaneous						234	234
Total revenue	1,583					1,781	198
EXPENDITURES:							
Operating:							
Housing operations							
Community development	240	\$118	\$235			353	(113)
Policy and planning							
Capital expenditures	6,561				\$3,610	3,610	2,951
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement	60					60	
Interest and fiscal charges	720					739	(19)
Total expenditures	7,581	\$118	\$235			\$4,409	2,819
Excess of revenues							
over (under) expenditures	(5,998)					(2,981)	3,017
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)						158	158
In kind contributions							
Payable to other governments							
Total other financing sources (uses)						158	158
Excess of revenues and other financing sources over (under) expenditures and other uses	(5,998)					(2,823)	3,175
Fund balance at January 1, 1986	6,129					6,129	
Fund balance at December 31, 1986	\$131					\$3,306	\$3,175

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 5
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget:	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes	\$473					\$609	\$136
Rental income						317	136
Interest income	181						
Miscellaneous							
Total revenue	654					926	272
EXPENDITURES:							
Operating:							
Housing operations	7	\$10				10	(3)
Community development	180	90	\$32			122	58
Policy and planning							
Capital expenditures	3,660				\$719	719	2,941
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges	230		236			236	(6)
Total expenditures	4,077	\$100	\$268		\$719	1,087	2,990
Excess of revenues							
over (under) expenditures	(3,423)					(161)	3,262
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	(3,423)					(161)	3,262
Fund balance at January 1, 1986	4,453					4,453	
Fund balance at December 31, 1986	\$1,030					\$4,292	\$3,262

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 6
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	A C T U A L				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes	9443				9608	9165	
Rental income							
Interest income	151				283	132	
Miscellaneous					258	258	
Total revenue	994				1,149	555	
EXPENDITURES:							
Operating:							
Housing operations	11						11
Community development	348	\$255	\$29		284	64	
Policy and planning							
Capital expenditures	3,348				\$1,186	2,162	
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges	186		169		169	17	
Total expenditures	3,893	\$255	\$198		\$1,186	1,639	2,254
Excess of revenues		*****	*****	*****	*****		
over (under) expenditures	(3,299)				(490)	2,809	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	750				709	(41)	
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	750				709	(41)	
Excess of revenues and other financing sources over (under) expenditures and other uses	(2,549)				219	2,768	
Fund balance at January 1, 1986	3,879				3,879		
Fund balance at December 31, 1986	\$1,330				\$4,098	\$2,768	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 7
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes	977				977		9100
Rental income							
Interest income	455				720		265
Miscellaneous					1		1
Total revenue	1,252				1,618		366
EXPENDITURES:							
Operating:							
Housing operations		9209	941			250	70
Community development	320						
Policy and planning							
Capital expenditures	8,924				9834	834	7,190
Non-Departmental:							
Housing assistance payments							
Rehabilitation loans and grants			9			9	(8)
Community-based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges	511		486			495	25
Total expenditures	8,855	9209	9535		9834	1,579	7,277
Excess of revenues over (under) expenditures	(7,603)					40	7,643
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	(7,603)					40	7,643
Fund balance at January 1, 1986	9,891					9,891	
Fund balance at December 31, 1986	91,298					98,931	97,643

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PROJECT AREA 8
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Inter-governmental							
Property taxes	\$3,910					94,027	9117
Rental income						94	84
Interest income	930					1,164	234
Miscellaneous						(64)	(64)
Total revenue	4,840					5,211	371
EXPENDITURES:							
Operating:							
Housing operations	17						17
Community development	309	\$158	\$20			178	131
Policy and planning							
Capital expenditures	15,620				\$4,112	4,112	11,508
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement	73		73			73	
Interest and fiscal charges	3,017		3,800			3,800	(783)
Total expenditures	19,036	\$158	\$3,893		\$4,112	8,163	10,873
Excess of revenues over (under) expenditures	(14,196)					(2,952)	11,244
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(33)					1,957	1,990
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(33)					1,957	1,990
Excess of revenues and other financing sources over (under) expenditures and other uses	(14,229)					(995)	13,234
Fund balance at January 1, 1986	17,495					17,495	
Fund balance at December 31, 1986	93,266					\$16,500	\$13,234

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 EMERGENCY RESERVE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes							
Rental income	\$40				\$23	(17)	
Interest income	10				46	36	
Miscellaneous					21	21	
Total revenue	50				90	40	
EXPENDITURES:							
Operating:							
Housing operations		\$77			77	(77)	
Community development	6	2	\$1		3	3	
Policy and planning	1	9	5		14	(13)	
Capital expenditures	161				\$27	134	
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants			4		4	(4)	
Community based organizations							
Debt service:							
Principal retirement	19		315		315	(296)	
Interest and fiscal charges	1		17		17	(16)	
Total expenditures	198	\$88	\$342		\$27	(269)	
Excess of revenues over (under) expenditures	(138)				(367)	(229)	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)					(107)	(107)	
In kind contributions							
Payable to other governments							
Total other financing sources (uses)					(107)	(107)	
Excess of revenues and other financing sources over (under) expenditures and other uses	(138)				(474)	(336)	
Fund balance at January 1, 1986	613				613		
Fund balance at December 31, 1986	\$475				\$139	(\$336)	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 PARKING FACILITY FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (\$000'S OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes							
Rental income	\$1,100				\$1,008	(92)	
Interest income	30				56	26	
Miscellaneous							
Total revenue	1,130				1,064	(66)	
EXPENDITURES:							
Operating:							
Housing operations	13	96	91		7	6	
Community development	343	289	155		444	(101)	
Policy and planning	134	126	18	91	145	(11)	
Capital expenditures	1,332				9103	1,229	
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges			20		20	(20)	
Total expenditures	1,822	9421	9194	91	9103	1,103	
Excess of revenues over (under) expenditures	(692)				345	1,037	
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)					(365)	(365)	
In kind contributions							
Payable to other governments							
Total other financing sources (uses)					(365)	(365)	
Excess of revenues and other financing sources over (under) expenditures and other uses	(692)				(20)	672	
Fund balance at January 1, 1986	1,305				1,305		
Fund balance at December 31, 1986	9613				91,285	9672	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 WALNUT GROVE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Asended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental							
Property taxes					\$7	\$7	
Rental income							
Interest income							
Miscellaneous							
Total revenue					7	7	
EXPENDITURES:							
Operating:							
Housing operations							
Community development							
Policy and planning							
Capital expenditures	\$7						7
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	7					7	
Excess of revenues over (under) expenditures	(7)				7		14
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses	(7)				7		14
Fund balance at January 1, 1986	3				3		
Fund balance at December 31, 1986	(\$4)				\$10		\$14

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 STATE GRANT - O.S. HISTORIC PARK
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	ACTUAL					Total Actual	Variance Favorable (Unfavorable)
	Amended Budget	Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental:	\$177					\$177	
Property taxes							
Rental income							
Interest income							
Miscellaneous							
Total revenue	177					177	
EXPENDITURES:							
Operating:							
Housing operations							
Community development	19	\$17				17	\$2
Policy and planning							
Capital expenditures	159				\$86	86	72
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	177	\$17			\$86	103	74
Excess of revenues over (under) expenditures						74	74
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)							
In kind contributions							
Payable to other governments							
Total other financing sources (uses)							
Excess of revenues and other financing sources over (under) expenditures and other uses						74	74
Fund balance at January 1, 1986							
Fund balance at December 31, 1986						\$74	\$74

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL LOCAL TAX SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (000's OMITTED)

	City Local Tax	County Local Tax	All Local Tax Funds
	-----	-----	-----
ASSETS			
Cash and investments	(92)	(145)	(147)
Accounts receivable			
Notes receivable			
Due from other funds	92	31	123
Due from other governments			
Advances to other funds	540		540
Inventory			
Deferred charges and prepaid expense			
Restricted cash and investments			
Land, building and improvements			
Amount to be provided for general long-term debt			
Total assets	----- \$630	----- (114)	----- \$516
	-----	-----	-----
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable			
Accrued liabilities			
Contracts payable			
Due to other funds			
Due to other governments			
Advances from other funds			
Interest payable			
Deferred revenue			
Current portion of long-term debt			
Deposit and trust liability			
Notes payable			
Mortgage notes payable			
Bonds payable			
Total liabilities	-----	-----	-----
	-----	-----	-----
Fund equity:			
Fund balances:			
Reserved	\$540		\$540
Unreserved:			
Designated			
Undesignated	90	(114)	(24)
Total fund equity	----- 630	----- (114)	----- 516
	-----	-----	-----
Total liabilities and fund equity	----- \$630	----- (114)	----- \$516
	-----	-----	-----

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL LOCAL TAX SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 1986
 (000'S OMITTED)

	City Local Tax	County Local Tax	Total Local Tax Funds
REVENUES:			
Intergovernmental	\$264	\$86	\$350
Property taxes			
Rental income			
Interest income	5	3	8
Miscellaneous			
Total revenue	269	89	358
EXPENDITURES:			
Operating:			
Housing operations	42	42	84
Community development			
Policy and planning			
Capital expenditures			
Non-departmental:			
Housing assistance payments			
Rehabilitation loans and grants			
Community based organizations			
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total expenditures	42	42	84
Excess of revenues over (under) expenditures	227	47	274
Other financing sources (uses):			
Proceeds of long-term debt			
Operating transfers in (out)	(204)	(207)	(411)
In kind contributions			
Payable to other governments			
Total other financing sources (uses)	(204)	(207)	(411)
Excess of revenues and other financing sources over (under) expenditures and other uses.	23	(160)	(137)
Fund balance at January 1, 1986	607	46	653
Fund balance at December 31, 1986	\$630	(\$114)	\$516

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 CITY LOCAL TAX
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	9284					9264	(20)
Property taxes							
Rental income						5	5
Interest income							
Miscellaneous							
Total revenue	284					269	(15)
EXPENDITURES:							
Operating:							
Housing operations		642				642	(42)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations	70						70
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	70	642				642	28
Excess of revenues over (under) expenditures	214					227	13
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(194)					(204)	(10)
In kind contributions							
Payable to other governments							
Total other financing sources (uses) (194)						(204)	(10)
Excess of revenues and other financing sources over (under) expenditures and other uses	20					23	3
Fund balance at January 1, 1986	607					607	
Fund balance at December 31, 1986	627					630	3

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COUNTY LOCAL TAX
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Amended Budget	ACTUAL				Total Actual	Variance Favorable (Unfavorable)
		Employee Services	Services and Supplies	Equipment	Capital Improvement Projects		
REVENUES:							
Intergovernmental	\$122					\$86	(86)
Property taxes							
Rental income							
Interest income	10					3	(7)
Miscellaneous							
Total revenue	132					89	(43)
EXPENDITURES:							
Operating:							
Housing operations			\$42			42	(42)
Community development							
Policy and planning							
Capital expenditures							
Non-departmental:							
Housing assistance payments							
Rehabilitation loans and grants							
Community based organizations							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures			\$42			42	(42)
Excess of revenues over (under) expenditures	132					47	(85)
Other financing sources (uses):							
Proceeds of long-term debt							
Operating transfers in (out)	(194)					(207)	(13)
In kind contributions							
Payable to other governments							
Total other financing sources (uses)	(194)					(207)	(13)
Excess of revenues and other financing sources over (under) expenditures and other uses	(62)					(160)	(98)
Fund balance at January 1, 1986	66					66	
Fund balance at December 31, 1986	(\$16)					(\$114)	(\$98)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1986
(000's OMITTED)

	Ping Yuen Center	Ralph Kennedy Estates	San Jose/ Broadway	Scattered Sites	Larchmont Wildflower	Locally Funded Projects	Total Enterprise Funds
ASSETS							
Current assets:							
Cash and investments				\$3		\$39	\$42
Accounts receivables		\$6	\$6	6		2	20
Due from other funds						14	14
Due from other governments	\$28	23					51
Deferred charges and prepaid expense	24	15	7	2	\$2	11	61
Total current assets	52	44	13	11	2	56	188
Restricted cash and investments:							
Cash and investments for replacement	118	76	56		24		284
Cash and investments for painting	30	37					67
Tenant security deposits	5	15	4		2		26
Insurance in hand		19	25		2		46
Total restricted cash and investments	153	147	95		28		423
Land building and improvements:							
Land	227	70	68	44	116	265	790
Buildings and improvements	684	1,453	1,118	170	344	3,332	7,101
Machinery and equipment	15	51	21	2	6	47	142
Construction in progress							
Less accumulated depreciation	(189)	(290)	(221)	(44)	(68)	(642)	(1,254)
Total land building and improvements	737	1,294	986	172	398	3,282	6,779
Total assets	\$942	\$1,475	\$1,094	\$183	\$428	\$3,268	\$7,390
LIABILITIES AND FUND EQUITY							
Liabilities:							
Current liabilities:							
Accounts payable	\$31	\$191	\$61	\$2	\$18	\$8	\$311
Accrued liabilities	6	17	5		2		30
Due to other funds				9		60	69
Due to other governments							
Deferred revenue	1						1
Current portion of long-term debt	7	6	5		7		25
Total current liabilities	45	214	71	11	27	68	436
Long-term liabilities:							
Mortgage notes payable	814	807	772		383		2,776
Advance from other funds	120	420					540
Deposit and trust liability							
Total long term liabilities	934	1,227	772		383		3,316
Total liabilities	979	1,441	843	11	410	68	3,752
Fund equity:							
Contributed capital		920	397	48	36	3,345	4,746
Retained earnings (deficit):							
Reserve for restricted assets	148	133	90		26		397
Unreserved	(185)	(1,019)	(236)	124	(44)	(145)	(1,505)
Total fund equity (deficit)	(37)	34	251	172	19	3,200	3,638
Total liabilities and fund equity	\$942	\$1,475	\$1,094	\$183	\$428	\$3,268	\$7,390

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Ping Yuen Center	Ralph Kennedy Estates	San Jose/ Broadway	Scattered Sites	Larchmont Wildflower	Locally Funded Projects	Total Enterprise Funds
OPERATING REVENUE:							
Service fees							
Rental income	\$316	\$354	\$139	\$26	\$19	\$193	\$1,047
Intergovernmental			20		48		68
Total operating revenue	316	354	159	26	67	193	1,115
OPERATING EXPENSES:							
Employee services	83	107	46	8	13	64	321
Administrative services	39	71	18	7	8	92	235
Services and supplies	85	127	65	2	17	12	308
Utilities	39	49	5	4	2		99
Depreciation	17	41	30	4	9	87	188
Total operating expenses	263	395	164	25	49	255	1,151
Operating income (loss)	53	(41)	(5)	1	18	(62)	(36)
Nonoperating revenues (expenses):							
Interest income			6		1	3	10
Interest expense	(67)	(69)	(66)		(31)		(233)
Other income	4	9	3		1		17
Total nonoperating revenues (expense)	(63)	(60)	(57)		(29)	3	(206)
Net income (loss)	(10)	(101)	(62)	1	(11)	(59)	(242)
Retained earnings (deficit) January 1, 1986	(27)	(785)	(84)	123	(7)	(86)	(866)
Retained earnings (deficit) December 31, 1986	(\$37)	(\$886)	(\$146)	\$124	(\$18)	(\$145)	(\$1,108)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	Ping Yuen Center	Ralph Kennedy Estates	San Jose/ Broadway	Scattered Sites	Larchmont Wildflower	Locally Funded Projects	Total Enterprise Funds
SOURCES OF WORKING CAPITAL:							
Operations:							
Net income (loss)	(10)	(101)	(62)	1	(11)	(59)	(242)
Add expense not requiring working capital-depreciation	17	41	30	4	9	87	188
Working capital provided by (used in) operations	7	(60)	(32)	5	(2)	28	(54)
Decrease in restricted cash and investments				2		6	8
Increase in contributed capital		81					81
Total sources of working capital	7	21	(32)	7	(2)	34	35
USES OF WORKING CAPITAL:							
Increase in restricted cash and investments	25	34	26		3		88
Decrease in contributed capital				9		47	56
Decrease in long-term liabilities	10	20	7	1	10	5	53
Acquisition of land, building and improvements		78	2				80
Total uses of working capital	35	132	35	10	13	52	277
Net increase (decrease) in working capital	(28)	(111)	(67)	(3)	(15)	(18)	(242)
INCREASE (DECREASE) IN ELEMENTS OF WORKING CAPITAL:							
Cash and Investments	(22)	108	(95)	(13)	17	24	109
Accounts receivable	(1)	(71)	5	6		(1)	(62)
Due from other funds	(10)	(58)	(3)	(1)	(1)	(13)	(86)
Due from other governments	23	14	(6)	(1)	(1)		29
Deferred charges and prepaid expenses	13	7	3	1	1	5	30
Accounts payable	(25)	(95)	(56)	(2)	(18)	(5)	(201)
Accrued liabilities	(6)	(17)	(5)		(2)		(30)
Due to other funds				(5)			(5)
Due to other governments						(28)	(28)
Deferred revenue	1	2	1	2			6
Current portion of long-term debt	(1)	(1)	(1)		(1)		(4)
Net increase (decrease) in working capital	(28)	(111)	(67)	(3)	(15)	(18)	(242)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL INTERNAL SERVICE FUNDS
 COMBINING BALANCE SHEET
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	General Fund	Self Insurance	Total Internal Service Fund
ASSETS			
Cash and investments	6609	9825	16,434
Accounts receivable	206		206
Notes receivable			
Due from other funds			
Due from other governments			
Advances to other funds			
Inventory			
Deferred charges and prepaid expense	33		33
Restricted cash and investments			
Land, building and improvements	473		473
Amount to be provided for general long-term debt			
Total assets	61,321	9825	71,146
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	452		452
Accrued liabilities	879		879
Contracts payable			
Due to other funds	91		91
Due to other governments			
Advances from other funds			
Interest payable			
Deferred revenue			
Current portion of long-term debt			
Deposit and trust liability			
Notes payable			
Mortgage notes payable			
Bonds payable			
Total liabilities	1,022		1,022
Fund equity:			
Contributed capital	241		241
Retained earnings (deficit):			
Reserve for restricted assets			
Unreserved	58	9825	9883
Total fund equity (deficit)	299	9825	10,124
Total liabilities and fund equity	61,321	9825	71,146

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES EXPENSES AND CHANGES IN RETAINED EARNINGS
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	General Fund	Self Insurance	Total Internal Service Fund
OPERATING REVENUE:			
Service fees	\$6,267	\$850	\$7,117
Rental income			
Intergovernmental			
Total operating revenue	6,267	850	7,117
OPERATING EXPENSES:			
Employee services	5,207		5,207
Administrative services			
Services and supplies	1,209	75	1,234
Utilities			
Depreciation	73		73
Total operating expenses	6,489	75	6,514
Operating income (loss)	(222)	825	603
Nonoperating revenues (expenses):			
Interest income	9		9
Interest expense			
Other income	78		78
Total nonoperating revenues (expense)	87		87
Net income (loss)	(135)	825	690
Retained earnings (deficit) January 1, 1986	193		193
Retained earnings (deficit) December 31, 1986	\$58	\$825	\$883

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 YEAR ENDED DECEMBER 31, 1986
 (000's OMITTED)

	General Fund	Self Insurance	Total Internal Service Fund
SOURCES OF WORKING CAPITAL:			
Operations:			
Net income	(135)	825	690
Add expense not requiring working capital-depreciation	73		73
Working capital provided by (used in) operations	(62)	825	763
Decrease in restricted cash and investments	17		17
Increase in contributed capital			
Total sources of working capital	(45)	825	780
USES OF WORKING CAPITAL:			
Increase in restricted cash and investments			
Decrease in contributed capital			
Decrease in long-term liabilities			
Acquisition of land, building and improvements	349		349
Total uses of working capital	349		349
Net increase (decrease) in working capital	(394)	825	431
	*****	*****	*****
ELEMENTS OF NET INCREASE (DECREASE) IN NET WORKING CAPITAL:			
Cash and investments	(537)	825	288
Accounts receivable	(18)		(18)
Due from other funds	(241)		(241)
Due from other governments			
Deferred charges and prepaid expenses	30		30
Accounts payable	157		157
Accrued liabilities	(71)		(71)
Due to other funds	227		227
Due to other governments	59		59
Deferred revenue			
Current portion of long term debt			
Net increase (decrease) in working capital	(394)	825	431
	*****	*****	*****

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
ALL TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1986
(ODD'S OMITTED)

	Rehab Escrow	City COBG Loan Funds	County COBG Loan Funds	City SB 966 Loan Funds	County SB 966 Loan Funds	City Sec. 312 Loan Funds	County Sec. 312 Loan Funds	City CHFA Loan Funds	City Rental Rehab Loan Funds	County Rental Rehab Loan Funds	Deferred Compensation	Total Trust & Agency Funds
ASSETS												
Cash and investments	\$1,943	\$127	\$277	(91)		92			96		\$1,260	\$3,614
Accounts receivable		70	43			5			16			134
Notes receivable		5,329	4,190	331	\$227				425	\$333		10,835
Due from other funds	5	41										46
Due from other governments				10								10
Advances to other funds												
Inventory												
Deferred charges and prepaid expense												
Restricted cash and investments												
Land, building and improvements												
Amount to be provided for general long-term debt												
Total assets	\$1,948	\$5,567	\$4,510	\$340	\$227	\$7			\$447	\$333	\$1,260	\$14,639
LIABILITIES AND FUND EQUITY												
Liabilities:												
Accounts payable						95			94			919
Accrued liabilities												
Contracts payable	\$1,898	\$36	\$4			2						1,940
Due to other funds			5									5
Due to other governments		5,384	4,330	\$340	\$227				433	\$333		11,047
Advances from other funds	50											50
Interest payable												
Deferred revenue												
Current portion of long-term debt												
Deposit and trust liability											\$1,260	1,260
Notes payable												
Mortgage notes payable												
Bonds payable												
Total liabilities	1,948	5,420	4,339	340	227	7			447	333	1,260	14,321
Fund equity:												
Fund balances:												
Reserved		147	171									318
Unreserved:												
Designated												
Undesignated												
Total fund equity (deficit)		147	171									318
Total liabilities and fund equity	\$1,948	\$5,567	\$4,510	\$340	\$227	\$7			\$447	\$333	\$1,260	\$14,639

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 1986
(000's OMITTED)

	City CDBG Loan Funds	County CDBG Loan Funds	City SB 966 Loan Funds	County SB 966 Loan Funds	City Sec. 312 Loan Funds	County Sec. 312 Loan Funds	City CHFA Loan Funds	City Rental Rehab Loan Funds	County Rental Rehab Loan Funds	Total Expendable Trust Funds
REVENUES:										
Intergovernmental			\$18		\$122	\$29		\$196	\$307	\$671
Property taxes										
Rental income				\$1				2		281
Interest income	\$128	\$170								18
Miscellaneous	9	9								
Total revenue	117	179	18	1	122	29		198	307	976
EXPENDITURES:										
Operating:										
Housing operations										
Community development										
Policy and planning										
Capital expenditures:										
Non-departmental:										
Housing assistance payments										
Rehabilitation loans and grants					122	29		198	307	673
Community based organizations										
Debt service:										
Principal retirement										
Interest and fiscal charges	11	9		1						20
Total expenditures	11	9	18	1	122	29		198	307	693
Excess of revenues										
over (under) expenditures	106	171								277
Other financing sources (uses):										
Proceeds from long-term debt										
Operating transfers in (out)	41									41
In kind contributions										
Total other financing sources (uses)	41									41
Excess of revenues and other financing sources over (under) expenditures and other uses	147	171								318
Fund balance at January 1, 1986										
Fund balance at December 31, 1986	\$147	\$171								\$318

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 GENERAL FIXED ASSET GROUP OF ACCOUNTS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (000's OMITTED)

	Housing Funds	Community Services Funds	Federal Grant Funds	Tax Increment Funds	Total General Fixed Asset Group of Accounts
ASSETS					
Land, building and improvements	\$87,270	\$299	\$319	\$53,805	\$141,693
	*****	*****	*****	*****	*****
FUND EQUITY					
Investment in general fixed assets	\$87,270	\$299	\$319	\$53,805	\$141,693
	*****	*****	*****	*****	*****

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
 GENERAL LONG TERM OBLIGATIONS GROUP OF ACCOUNTS
 COMBINING BALANCE SHEET
 DECEMBER 31, 1986
 (DOLLARS OMITTED)

	Housing Funds	Federal Grant Funds	Tax Increment Funds	Total Long-Term Obligations Group of Accounts
ASSETS				
Amounts to be provided for general long-term debt	\$62,755	\$3,903	\$110,383	\$177,041
LIABILITIES				
Notes payable	\$48,360	\$3,903	\$219	\$52,482
Mortgage notes payable				
Bonds payable	14,395		33,910	48,305
Long-term repayment contracts			76,254	76,254
Total general long-term debt	\$62,755	\$3,903	\$110,383	\$177,041



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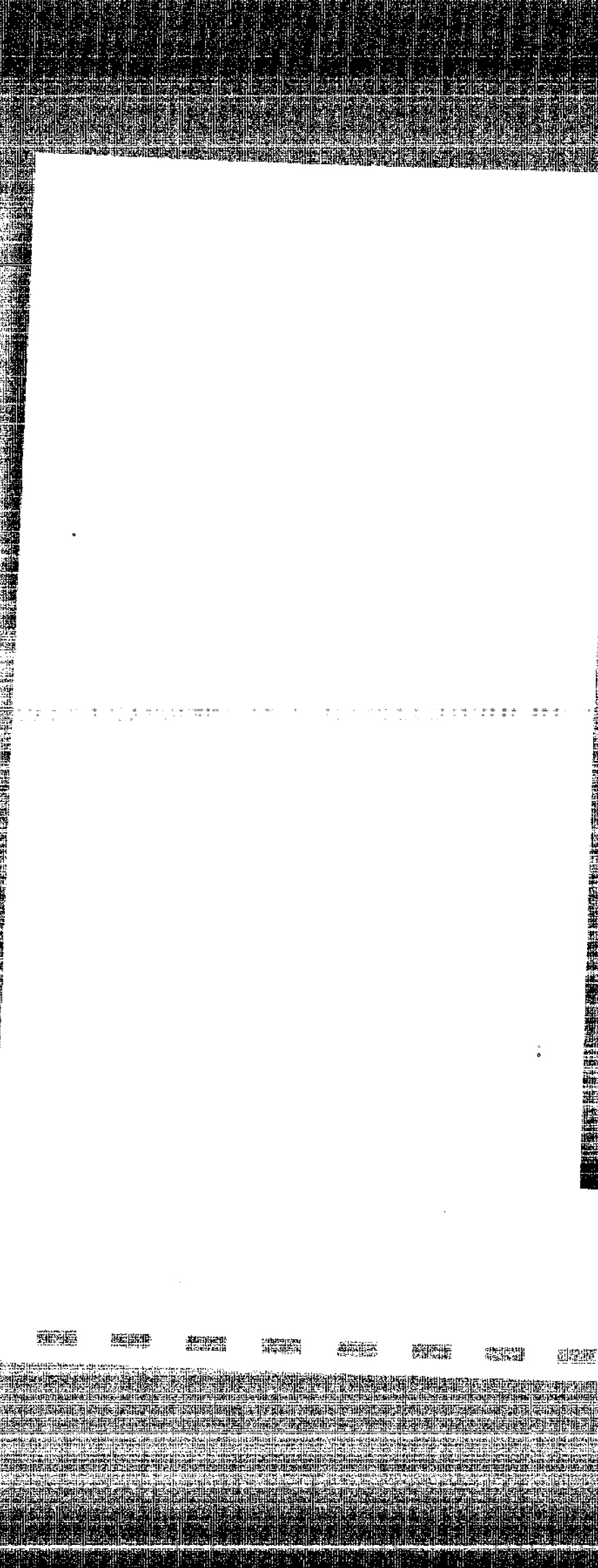
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SACRAMENTO HOUSING AND REDEVELOPMENT
AGENCY

REPORTS ON SUPPLEMENTARY INFORMATION,
COMPLIANCE, AND INTERNAL CONTROLS

(Office of Management Budget Circular A-128)

Year ended December 31, 1986

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SINGLE AUDIT REPORT

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April 15, 1988

To the Governing Bodies
Sacramento Housing and Redevelopment Agency
Sacramento, California

We have examined the combined financial statements of Sacramento Housing and Redevelopment Agency (SHRA) for the year ended December 31, 1986, and have issued our report thereon dated April 15, 1988. Our examination of such combined financial statements was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the combined financial statements. The information in this schedule has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Touche Ross & Co.

Certified Public Accountants

April 15, 1988

To the Governing Bodies
Sacramento Housing and Redevelopment Agency
Sacramento, California


We have examined the combined financial statements of the Sacramento Housing and Redevelopment Agency (Agency) for the year ended December 31, 1986, and have issued our report thereon dated April 15, 1988. Our examination was made in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office, the Single Audit Act of 1984, and the provisions of OMB A-128, Audits of State and Local Governments and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The management of the Agency, is responsible for the Agency's compliance with laws and regulations. In connection with the examination referred to above, we selected and tested transactions and records from each major federal financial assistance program and certain nonmajor federal financial assistance programs. The purpose of our testing of transactions and records from those federal financial assistance programs was to obtain reasonable assurance that the Agency had, in all material respects, administered major programs, and executed the tested nonmajor program transactions, in compliance with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, noncompliance with which we believe could have a material effect on the allowability of program expenditures.

Our testing of transactions and records selected from major federal financial assistance programs disclosed instances of noncompliance with those laws and regulations. All instances of noncompliance that we found and the programs to which they relate are identified in the accompanying schedule of findings and questioned costs. However, such instances of noncompliance were not considered to have a material effect on the allowability of expenditures of the identified programs.

In our opinion, for the year ended December 31, 1986, the Agency administered each of its major federal financial assistance programs in compliance, in all material respects, with laws and regulations, including those pertaining to financial reports and claims for advances and reimbursements, noncompliance with which we believe could have a material effect on the allowability of program expenditures.

The results of our testing of transactions and records selected from nonmajor federal financial assistance programs indicate that for the transactions and records tested, the Agency complied with the laws and regulations referred to in the second paragraph of our report, except as noted in the accompanying schedule of findings and questioned costs. Our testing was more limited than would be necessary to express an opinion on whether the Agency administered those programs in compliance in all material respects with those laws and regulations, noncompliance with which we believe could have a material effect on the allowability of program expenditures; however, with respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the Agency had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.



Certified Public Accountants

April 15, 1988

To the Governing Bodies
Sacramento Housing and Redevelopment Agency
Sacramento, California

We have examined the combined financial statements of the Sacramento Housing and Redevelopment Agency (Agency) for the year ended December 31, 1986, and have issued our report thereon dated April 15, 1988. As part of our examination, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office, the Single Audit Act of 1984, and the provisions of OMB A-128, Audits of State and Local Governments. For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs in the following categories:

- | | | |
|--------------------------------|-----------------------------|---|
| . Billings | . Rental revenue systems | . Relocation assistance and real property acquisition |
| . Cash receipts | . Fixed assets | . Types of services allowed or disallowed |
| . Cash disbursements | . Political activity | . Eligibility |
| . Payroll | . Davis-Bacon Act | . Special tests and provisions |
| . General ledger | . Civil rights | |
| . Overhead | . Cash management | |
| . Section 8 cash disbursements | . Federal financial reports | |

The management of the Agency is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute, assurance that, with respect to federal financial assistance

programs, resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data are obtained, maintained, and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study included all of the applicable control categories listed above except for fixed asset controls. Fixed asset amounts were tested substantively without significant reliance on internal accounting controls. During the year ended December 31, 1986, the Agency expended 93 percent of its total federal financial assistance under major federal financial assistance programs. With respect to internal control systems used in administering major federal financial assistance programs, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control systems used solely in administering the nonmajor federal financial assistance programs of the Agency, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering the nonmajor federal financial assistance programs of the Agency did not extend beyond this preliminary review phase.

Our study and evaluation was more limited than would be necessary to express an opinion on the internal control systems used in administering the federal financial assistance programs of the Agency. Accordingly, we do not express an opinion on the internal control systems used in administering the federal financial assistance programs of the Agency. Further, we do not express an opinion on the internal control systems used in administering the major federal financial assistance programs of the Agency.

Also, our examination, made in accordance with the standards mentioned above, would not necessarily disclose material weaknesses in the internal control systems used solely in administering nonmajor federal financial assistance programs.

However, our study and evaluation and our examination disclosed no condition that we believe to be a material weakness in relation to a federal financial assistance program of the Agency.

This report is intended solely for the use of the governing bodies of the Agency and the United States Department of Housing and Urban Development, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.

Touche Ross Co.

Certified Public Accountants

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

For the year ended December 31, 1986

<u>Federal Grantor</u>	<u>Catalog of Federal Domestic Assistance (CFDA) Number</u>	<u>Program or Award Amount</u>
<u>United States Department of Housing and Urban Development</u>		
Conventional Housing Subsidy Program	14:146	\$ 1,281,615
Housing Development Program	14:146	21,533,675
Substantial Rehabilitation Program	14:146	12,074,458
Section 8 - Existing Housing, Mod Rehabilitation, and Housing Voucher Program	14:156	13,019,510
Public Housing - Comprehensive Improvement Assistance Program	14:158	7,641,966
Community Development Block Grant	14:218	10,596,302
Emergency Jobs Bill	14:218	
Urban Development Action Grant	14:221	
<u>Other Federal Assistance (1)</u>		
Housing Development Assistance Grant		2,000,000
Section 312 Rehab Loans		12,250
Area 4 Agency on Aging		1,084,349 (2)
Action - SCP - FGP		173,248 (3)
Action - RSVP		57,811 (4)
SETA		19,140
SETA - Homeless		105,827
Child Development Center		248,433 (2)
Economic Development Grant		

(1) For programs or grants that have not been assigned a CFDA number.

(2) Program or award amounts are for fiscal years beginning July 1, 1985 and ending June 30, 1986.

(3) Program or grant award amounts are for fiscal years beginning October 1, 1985 and ending September 30, 1986.

(4) Program or grant award amounts are for fiscal years beginning March 1, 1985 and ending February 28, 1986.

<u>Cash Beginning Balance at 1/1/86</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Ending Balance at 12/31/86</u>
\$ 265,146	\$ 6,612,837	\$ 6,949,249	\$ (71,266)
341,816	2,227,225	2,784,744	(215,703)
3,305,048	2,912,604	5,885,089	332,563
687,633	11,451,340	12,082,336	56,637
726,171	1,841,025	2,118,995	448,201
1,435,223	14,268,369	14,102,262	1,601,330
(7,320)	7,320		
54,219	4,886	53	59,052
(682)	195,719	193,070	1,967
(49,019)	2,228,959	2,182,612	(2,672)
54,477	365,943	411,701	8,719
4,938	106,924	107,883	3,979
(3,315)	22,554	24,935	(5,696)
	35,328	32,228	3,100
1,201	321,047	313,978	8,270
(23,205)	20,583	37,419	(40,041)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 1986

Program	Finding/Noncompliance	Questioned Costs
Section 8 Housing	<p>Consistent with a prior year finding, of 40 Housing Assistance Payments tested, three computations were found to include incorrect utility allowances resulting in an underpayment of Housing Assistance Payments of \$4 per month.</p> <p>One file was noted to contain a clerical error in the Housing Assistance Payment calculation that resulted in an underpayment of Housing Assistance Payment of \$12 per month.</p> <p>Several files reviewed contained missing or incomplete documentation. However, other documentation was included in the file which supported compliance with applicable requirements.</p> <p>For each finding identified above, we recommend supervisory review procedures be established with respect to tenant file documentation. This system should include a checklist of specific items to be included in each tenant file, which list is checked for accuracy and completeness and initialed by the supervisor when completed. We understand that the Agency has implemented a system whereby 5% of files processed each month will be reviewed by supervisors.</p>	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the year ended December 31, 1986

Program	Finding/Noncompliance	Questioned Costs
Low Income Housing	<p>The following reports filed with HUD, for the period ended December 31, 1986, do not include all of the Agency's year-end adjustments: HUD form 52595, 52596 and 52599 for project numbers Cal 5-1,2,3,5 through 24 and Cal 7-1,2a & b, 4,5,7,8,9, 12 through 17. We recommend that these reports be amended to include year-end adjustments and be resubmitted to HUD.</p>	
Comprehensive Improvement Assistance Program	<p>The June 30, 1986 "Schedule/Report of Modernization Expenditures", for project CA 005 - 905 was not filed timely. We recommend that future reports be filed within the required time frame or that the Agency request an extension from HUD.</p>	

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

RESPONSE TO SINGLE AUDIT REPORT

For the year ended December 31, 1986

Agency management regards with serious resolve its responsibility for compliance with laws and regulations, as well as for establishing and maintaining internal control systems. We appreciate the recommendations in regard to the single audit findings and questioned costs. We are pleased that the examination disclosed no material weaknesses in the internal control systems used solely in administering federal financial assistance programs.

The Agency administered fifteen (15) federal financial assistance programs during 1986. The total of program/award amounts exceeded \$70 million. The following is the response to each finding:

Section 8 Housing

Housing Quality Control procedures have been stepped up and refined. Every twentieth file is scrutinized by a supervisor for clerical accuracy and completeness against preset standards on a checklist. This review process was started in 1986. Errors will be brought to the attention of the staff involved and additional follow-up performed to ensure future compliance by the specific staff identified as responsible for the error.

Low Income Housing

Amended year-end reports will be prepared and forwarded to HUD by August 15, 1988. This allows for the majority of the 1987 audit preparation work to be done on a more timely basis.

Comprehensive Improvement
Assistance Program

This report represents one of the thirty-two reports filed with HUD during the month of July. The Agency is currently revising the listing of reports due HUD to aid in filing all reports on time.