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# CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

BUDGET DIVISION

February 19, 1986  
FA: 86085:JRC:KMF

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Midyear Economic Forecast

**SUMMARY**

The attached economic forecast for the Sacramento Metropolitan Area was prepared for the City by Patterson Research Associates. The overall national outlook is for continued growth. The Sacramento Metropolitan outlook indicates an even healthier growth rate.

**RECOMMENDATION**

This report is for Committee information only.

Respectfully submitted,

BETTY MASUOKA  
Budget Officer

APPROVED FOR COMMITTEE INFORMATION:

SOLON WISHAM, JR.  
Assistant City Manager

All Districts  
February 25, 1986

Attachment

**PATTERSON RESEARCH ASSOCIATES**

**SACRAMENTO METROPOLITAN AREA  
ECONOMIC FORECAST**

**First Quarter  
1986**

**Prepared for  
City of Sacramento**

**February 18, 1986**

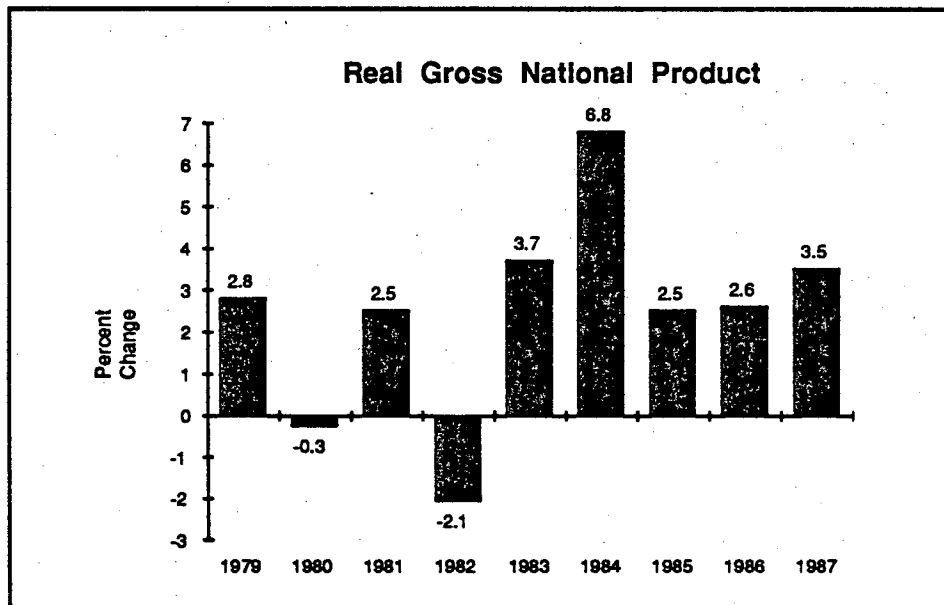
## EXECUTIVE SUMMARY

### THE NATIONAL OUTLOOK

Wharton Econometrics latest U.S. forecast assumes the current economic expansion will continue to roll along, reflecting the plunging price of oil, the Gramm-Rudman-Hollings deficit reduction law, the dollar's renewed its downward progression, and low inventory levels. While each of these factors potentially has a dark side, there is no question that there will be some checking of the key imbalances that have been threatening the economy for the past few years—soaring federal budget and trade deficits and persistently high real interest rates. Indeed, the decline in oil prices alone should give the economy a real shot in the arm, assuming that dislocations in the energy sector and the financial system that supports it can be kept under control.

Largely for these reasons, a formal recession is not included in the outlook over the next three years. Even including the contractionary effects of Gramm-Rudman, the likely easing by the Fed would preclude a national recession.

There is no question that 1985 ended on an upbeat. December brought strong gains in employment, income, consumption, and retail sales. But it is important to bear in mind that these comparisons were with the two previous months—both of which were very weak. In fact, there is good reason to think that 1986 may not be starting off as well as 1985 ended. The economy seems definitely to have shaken off the mantle of indifference it has been wearing since late 1984. But the most likely profile for growth over 1986 is for a moderate beginning, with a sharp breakout possible by mid-year as a confluence of factors—lower inflation, lower interest rates, and a net export turnaround—provide a lift.



### SACRAMENTO METROPOLITAN AREA

The overall pattern of the baseline regional outlook is similar to the national outlook in the near term—continued expansion through 1987 as an improved inflation outlook and lower interest rates continue to stimulate Sacramento's construction, trade and service sectors. The local economy, however, should perform significantly better than the nation as a whole during 1986 and 1987.

Despite the generally favorable regional outlook, slowing rates of growth in the construction sector—primarily reflecting the region's overbuilt office market—are expected to temper economic growth in the Sacramento area over the two-year forecast period.

The major near-term risk to the regional outlook, in fact, is that office and apartment construction will be much weaker than assumed in the current baseline forecast. According to our model simulations, a much more pessimistic regional construction outlook than we are currently forecasting could result in 6,600 fewer jobs in the four-county Sacramento MSA by the end of 1987.

### Employment

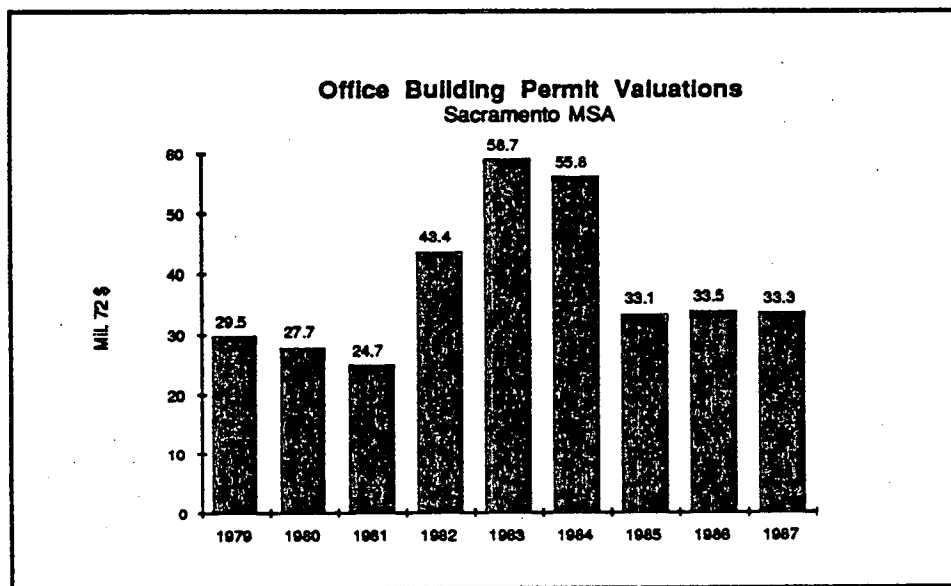
Total nonagricultural employment growth in the four-county Sacramento MSA is projected to fall from over 4.3% last year to 3.1% in 1986, as the effects of reduced construction activity in 1985 filter through the economy. Employment should accelerate again in 1987 as local construction levels pick up and the durable manufacturing sector responds to a more favorable competitive climate abroad as a result of the weaker U.S. dollar.

### Taxable Sales

Taxable sales growth in the region is expected to fall off significantly over the near-term—from an unsustainably strong 11.5% last year to 7.8% in 1986, and rising again to 8.7% in 1987. After adjusting for inflation, real taxable sales growth rates are projected to fall from a strong 10% last year to 5.3% in 1986 and 4.9% in 1987, which will be more in line with real income growth. The strongest increases in 1986 should come from service stations, as real gasoline prices fall, and building materials, reflecting lower mortgage rates and the continued effects of a very strong apartment building sector. In 1987, lower levels of building activity will begin to constrain construction-related sales, but this will be offset to some extent by the stimulative impact of increased business investment on nonretail sales.

### Construction

Residential construction activity in the Sacramento area has been strong but mixed over the past three years. The current forecast calls for high levels of construction activity in this sector, but significantly slower growth rates during at least the next couple of years. Nonresidential construction activity will pick up this year compared to a sluggish overall growth rate in 1985, but growth in this sector will remain well below the levels reached in 1983 and 1984 as office construction continues to be dampened by high vacancy rates. Although high absorption rates are steadily eroding the large inventory of unleased office space, new office construction is expected to remain fairly flat over at least the next two years until vacancy rates fall to a more sustainable level. Projected growth in other nonresidential construction—particularly retail stores, shopping centers and other nonoffice construction—should more than offset the decline in office building, reflecting recent and projected improvements in the area's trade and manufacturing outlook.



## UNITED STATES ECONOMIC OUTLOOK

Wharton Econometrics latest U.S. forecast assumes the current economic expansion will continue to roll along. Four key factors now seem ready to keep the three and a half year old expansion going.

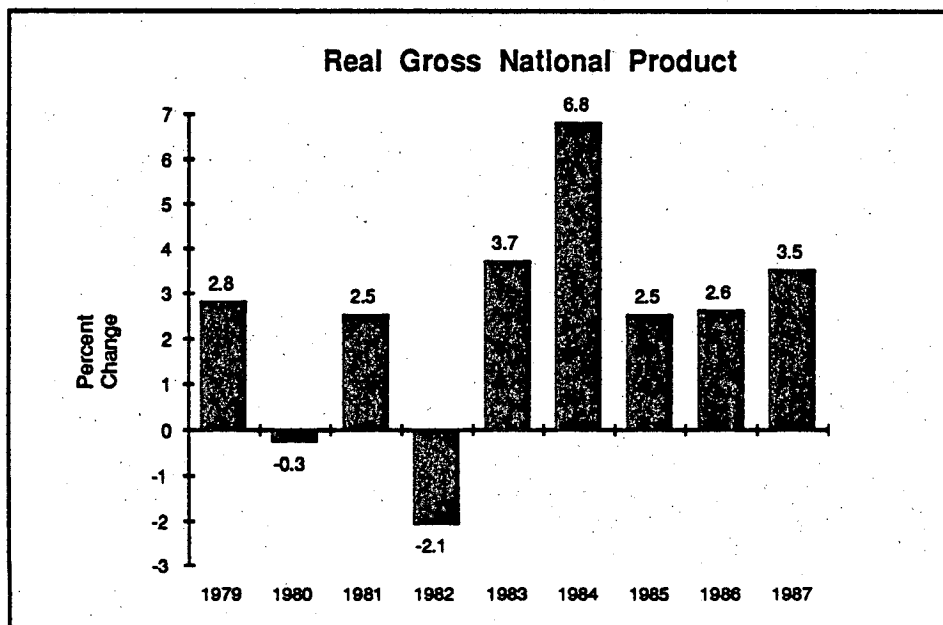
- The plunging price of oil gives real disposable income a boost and also gives the Federal Reserve some elbow room to stoke the economy's fires by easing monetary policy should a contraction threaten.
- The Gramm-Rudman-Hollings deficit reduction law is being treated cautiously due to constitutional challenges but has nonetheless had a strong effect in pulling long-term interest rates down and will very likely result in additional Fed easing.
- The dollar has renewed its downward progression from its dizzying early-1985 heights.
- Inventories remain extremely lean and display none of the overhang that typically kicks off a recession.

While each of these factors potentially has a dark side, there is no question that there will some checking of the key imbalances that have been threatening the economy for the past few years—soaring federal budget and trade deficits and persistently high real interest rates. Indeed, the decline in oil prices alone should give the economy a real shot in the arm, assuming that dislocations in the energy sector and the financial system that supports it can be kept under control.

Wharton has used its economic model to compare a U.S. economy with \$18 per barrel oil to one with \$26 oil. The results indicate that:

- Cheaper oil could add roughly 0.9 percentage point to real GNP growth this year and 0.6 percentage point next year;
- Inflation, as measured by the consumer price index, would be trimmed by one percentage point in each year; and
- The producer price index for industrial commodities would be cut by over 3 percentage points.

Largely for these reasons, a formal recession is not included in the outlook over the next three years. Even including the contractionary effects of Gramm-Rudman, the likely easing by the Fed would preclude a national recession.



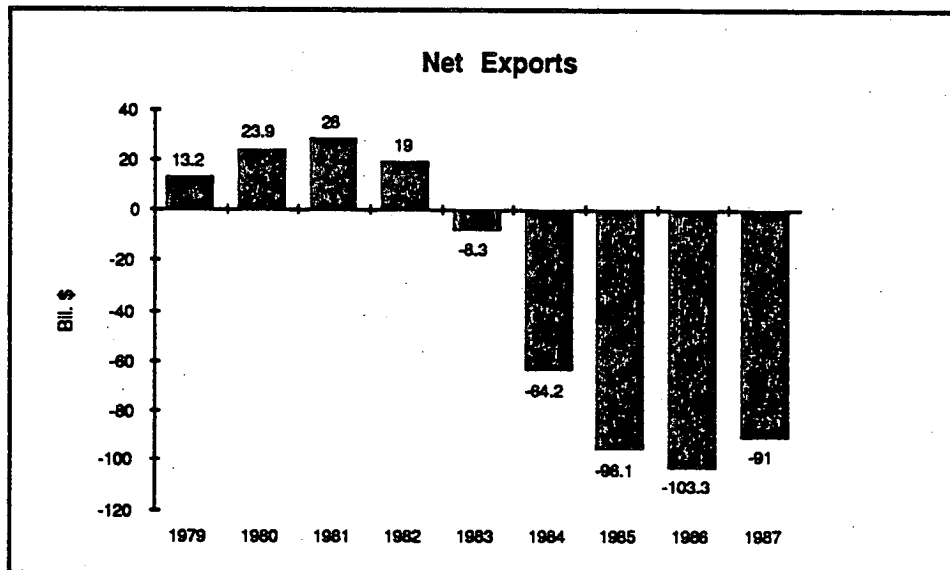
## The Outlook for 1986

There is no question that 1985 ended on an upbeat. December brought strong gains in employment, income, consumption, and retail sales. But it is important to bear in mind that these comparisons were with the two previous months—both of which were very weak. In fact, there is good reason to think that 1986 may not be starting off as well as 1985 ended.

A key concern is that consumer spending continues to outpace income growth, despite a respite in October and November, and family budget concerns will close the damper on consumption at least a notch over the first part of 1986.

- Even though automobile financing incentives will keep car sales rolling over the first quarter of the year, the chances of sharp monthly jumps in total spending over December's levels are unlikely.
- Lower oil prices will take at least a quarter or two to filter down, so it will be summer before consumers have significantly more income to spend on other goods and services.

A second area where not much improvement is likely before mid-year is net exports. The long lag between a substantial decline in the value of the dollar and a noticeable turnaround in trade performance, estimated to be roughly six quarters, is due to contractual rigidities, normal purchasing lead times, and other institutional factors (applying for permits, for example). Further deterioration is expected in early 1986.



Business investment in equipment was a sector of the economy that exhibited strength in the last quarter of 1985, but here again, there may not be a lot of thrust carrying into the first part of this year. Much of the boom last quarter was due to heavy shipments by International Business Machines of its new Sierra line of computers, and the outlook is for those shipments to moderate this quarter. Consequently, a much smaller increase in real investment is expected.

One sector that should be hot in early 1986 is housing. Declines in mortgage rates have been so dramatic that activity is sure to be stimulated. Demographic factors and recent energy price shifts suggest that, after a fall from popularity, single-family homes may start to stage a comeback at the expense of multifamily units.

The economy seems definitely to have shaken off the mantle of indifference it has been wearing since late 1984. But the most likely profile for growth over 1986 is for a moderate beginning, with a sharp breakout possible by mid-year as a confluence of factors—lower inflation, lower interest rates, and a net export turnaround—provide a lift.

## Risks to the Outlook

While lower oil prices have improved the outlook considerably, there are sizable risks associated with the dramatic drop in the cost of oil, the future course of the dollar, and fiscal and financial strains on the U.S. economy.

**Lower oil prices.** The down side of lower oil prices is that strains on the world financial system will develop as oil producers both in the United States and abroad see their earnings dwindle:

- Loan defaults in this country will rise.
- The precarious financial position of Mexico and other less developed oil-exporting countries will worsen.
- Banks with portfolios dominated by oil and energy related loans will soon feel the pressure.

Bank stocks have already taken a beating and scenarios mirroring the Penn Square and Continental Illinois episodes cannot be ruled out. Whether or not such a scenario would develop into a full-scale financial crisis depends on how fast the Fed, other U.S. institutions, foreign central banks, and international organizations like the IMF react. Given the experiences of 1982 and 1984, the best bet is that they will do whatever is necessary to limit the damage.

**The Dollar.** The dollar could become stuck in a holding pattern. This could spell trouble for the trade deficit if the U.S. and its major trading partners are not able to agree on concrete steps that would bring the dollar down further. With Gramm-Rudman facing an uncertain future in the courts and the reluctance of trading partner countries to stimulate their economies, the dollar declines in the baseline forecast may not materialize. This would lead to only modest improvements in trade and, in time, would exacerbate the pressures for protectionism.

**Fiscal Policy.** Fiscal policy remains one of the bigger storms on the horizon. This year will likely come to be known as the year of the budget as Congress and the president grapple with large spending cuts and tax reform (again) in an election year. The greatest turmoil will be over the 1987 budget which could cut 15% to 20% from defense and 20% to 25% from nondefense spending. This could bring many government activities to a grinding halt and in the process have an adverse affect on state and local economies that depend on federal dollars—including defense spending. The riskiest scenario here is full implementation of Gramm-Rudman that is not fully offset, at least in its early phases, by easier monetary policy. If the Fed waits too long to ease up on monetary policy in response to Gramm-Rudman then the risks of a recession in 1987 will be quite high.

## SACRAMENTO METROPOLITAN AREA ECONOMIC OUTLOOK

The overall pattern of the baseline regional outlook is similar to the national outlook in the near term—continued expansion through 1987 as an improved inflation outlook and lower interest rates continue to stimulate Sacramento's construction, trade and service sectors. The local economy, however, should perform **significantly better** than the nation as a whole during 1986 and 1987 reflecting:

- Faster growth in the region's small but expanding durable manufacturing sector,
- Lesser reliance on manufacturing affected by the nation's adverse trade balance,
- Continued, albeit cyclical, increases in housing demand fueled by lower interest rates, stable home prices and rising population, and
- Moderate expansion of the area's large state government workforce.

Despite the generally favorable regional outlook, slowing rates of growth in the construction sector—primarily reflecting the region's overbuilt office market—are expected to temper economic growth in the Sacramento area over the two-year forecast period. The major near-term risk to the regional outlook, in fact, is that office and apartment construction will be much weaker than assumed in the current baseline forecast. According to our model simulations, a much more pessimistic regional construction outlook than we are currently forecasting could result in 6,600 fewer jobs in the four-county Sacramento MSA by the end of 1987.

### SACRAMENTO MSA FORECAST SUMMARY (Annual Percent Change)

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Personal Income	10.6	6.7	7.1	9.3
Real Personal Income	7.2	3.6	3.8	5.2
Nonag. Employment	6.6	4.3	3.1	3.7
Unemployment Rate (level)	8.4	7.4	7.2	6.7
Population	2.2	2.2	2.5	2.5
Residential Construction	31.8	79.7	18.3	3.9
Nonresidential Const.	21.3	-1.8	13.3	7.8
Home Sales	9.1	-1	15.5	5.2
Assessed Value	10.0	10.9	12.3	12.3
Taxable Sales	15.3	11.5	7.8	8.7
Real Taxable Sales	14.0	10.0	5.3	4.9
Taxable Prices	1.2	1.4	2.3	3.6

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.

### Employment Outlook

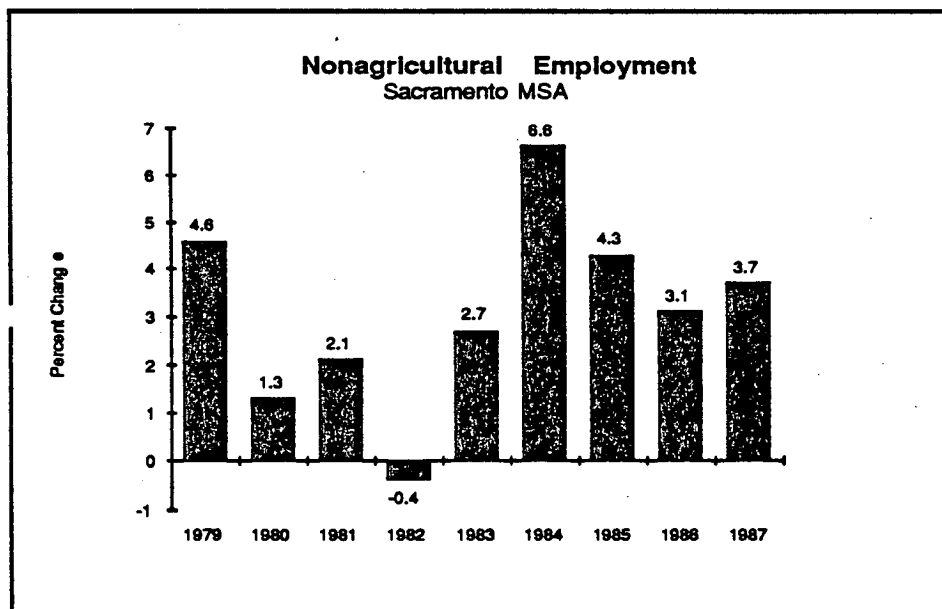
Total nonagricultural employment growth in the four-county Sacramento MSA is projected to fall from over 4.3% last year to 3.1% in 1986, as the effects of reduced construction activity in 1985 filter through the economy. Employment should accelerate again in 1987 as local construction levels pick up and the durable manufacturing sector responds to a more favorable competitive climate abroad as a result of the weaker U.S. dollar.

**SACRAMENTO MSA EMPLOYMENT FORECAST**  
(Annual Percent Change)

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Total Nonagricultural	6.6	4.3	3.1	3.7
Construction	28.9	17.4	13.2	7.0
Manufacturing	12.0	1.1	4.7	3.7
Total Nonmanufacturing	6.2	4.5	3.0	3.7
Trade	8.1	4.1	1.3	2.5
Wholesale	10.4	7.3	1.5	1.7
Retail	7.5	3.3	1.2	2.7
Services	8.3	4.8	4.6	5.7
Government	1.4	3.5	1.7	2.4
Unemployment Rate (Level)	8.4	7.4	7.2	6.7

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.

- The number of construction jobs will continue to grow, but at a much slower rate, as construction activity tapers off from peak 1983 and 1984 levels. Total construction employment gains over the two-year forecast period are projected at nearly 5,800 jobs, compared to a gain of 9,200 jobs between 1983 and 1985.
- The manufacturing sector will add an estimated 2,800 jobs in the next two years, reflecting increased demand for durable goods as a result of lower interest rates and some improvement in the nation's trade balance due to declines in the foreign exchange value of the U.S. dollar.
- Services employment will continue on its strong post-recession growth path over the forecast period, fueled by rising population growth and higher real incomes. This sector will contribute the largest number of new jobs during the next two years—over 10,400.
- Wholesale and retail trade will grow at a significantly slower pace in 1986—1.3%, compared to a 4.1% growth rate last year—reflecting the slower rate of construction growth and its impact on construction-related sales activities. The trade sector as a whole is expected to add approximately 4,600 new jobs between 1985 and 1987.



- Government employment should continue its stable, albeit moderate, expansion rate, as the generally upward trend in the local, statewide and national economies contribute to the continued growth in state and local tax revenues. The state government by itself is expected to add nearly 4,800 new jobs to its 110,000 regional employment base over the two-year forecast period, an average annual gain of over two percent.

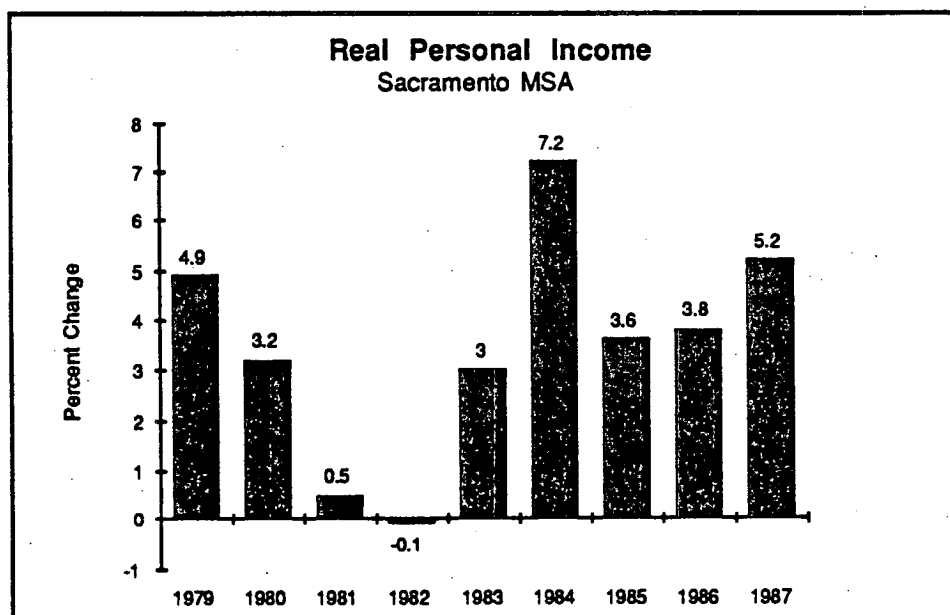
## Personal Income

### SACRAMENTO MSA PERSONAL INCOME FORECAST (Annual Percent Change)

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Total Personal Income	10.6	6.7	7.1	9.3
Wages & Salaries	10.4	7.3	7.6	10.0
Other Labor Income	8.9	7.8	8.4	10.4
Proprietors' Income	28.9	2.3	4.1	8.6
Property Income	15.3	5.9	6.2	7.8
Transfer Income	6.3	7.3	8.3	9.7
Less Social Insurance	22.0	11.4	13.0	14.1
Residence Adjustment	9.3	6.6	6.9	9.1
Real Personal Income	7.2	3.6	3.8	5.2
Real Disposable Income	7.6	2.9	3.5	4.8
Real Per Capita Income	4.9	1.4	1.3	2.6

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.

Total personal income in the Sacramento MSA is projected to grow by 7.1% this year and then rise to a growth rate of 9.3% by 1987. This accelerating growth pattern reflects both marginally higher inflationary trends and real income growth. Wages and salary income is expected to represent the single most significant source of regional income growth in the next couple of years. Real disposable income is projected to grow by 3.8% this year, and then accelerate to 5.2% in 1987.



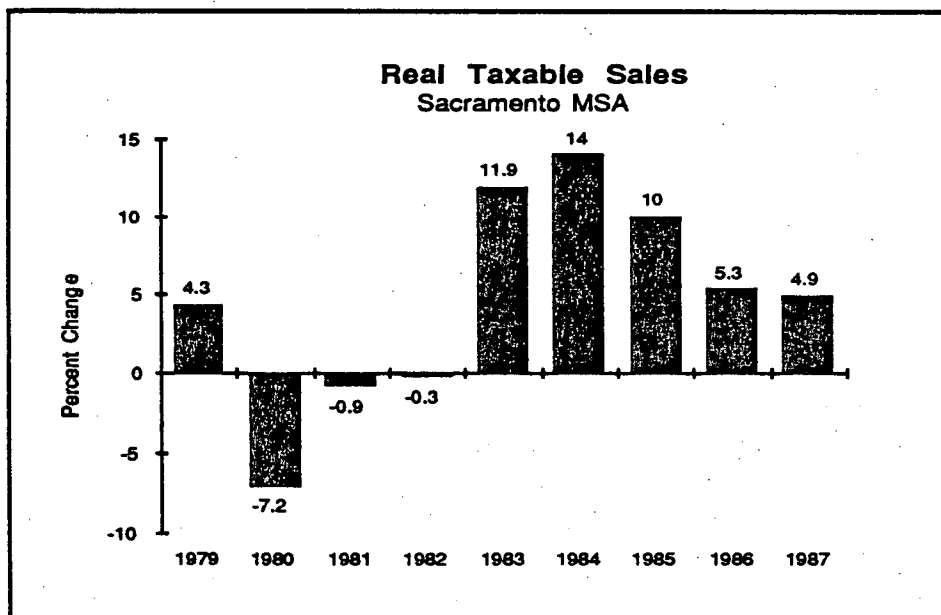
## Taxable Sales

Taxable sales growth in the region is expected to fall off significantly over the near-term—from an unsustainably strong 11.5% last year to 7.8% in 1986—and then rise again to 8.7% in 1987. After adjusting for inflation, real taxable sales growth rates are projected to fall from a strong 10% last year to 5.3% in 1986 and 4.9% in 1987, which will be more in line with real income growth. The strongest increases in 1986 should come from service stations, as real gasoline prices fall, and building materials, reflecting lower mortgage rates and the continued effects of a very strong apartment building sector. In 1987, a slower rate of expansion in the construction sector will begin to constrain construction-related sales, but this will be offset to some extent by the stimulative impact of increased business investment on nonretail sales.

### SACRAMENTO MSA TAXABLE SALES FORECAST (Annual Percent Change)

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Total Taxable Sales (Cur. \$)	15.3	11.5	7.8	8.7
Real Taxable Sales (1972 \$)	14.0	10.0	5.3	4.9
Real Disposable Income	7.6	2.9	3.5	4.8
Real Retail Sales (1972 \$)	11.1	9.9	6.3	4.4
Apparel Stores	12.0	12.8	.4	3.0
Drug Stores	4.0	4.2	3.5	4.8
Food Stores	4.7	5.9	4.7	4.3
Packaged Liquor Stores	-6.5	-2.3	2.9	1.5
General Merchandise	10.2	13.0	5.1	2.8
Eating & Drinking Place	7.9	5.3	3.8	5.0
Building Materials	12.1	11.6	11.2	3.5
Furniture & Appliances	11.4	7.8	8.6	6.3
Motor Vehicles & Parts	16.2	13.3	7.8	4.1
Service Stations	6.5	8.4	9.1	7.2
Other Retail Stores	16.9	9.5	5.1	5.1
Business/pers. Services	10.1	23.0	-3	4.2
All Other Outlets	24.0	11.7	6.9	10.9

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.



## Residential Construction

Residential construction activity in the Sacramento area has been strong but mixed over the past three years. The current forecast calls for high levels of construction activity in this sector, but significantly slower growth rates during at least the next couple of years.

### SACRAMENTO MSA RESIDENTIAL CONSTRUCTION FORECAST

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Residential Permits (000)	15.63	28.08	33.22	34.52
Single-family	8.74	9.25	10.26	10.98
Multiple-family	6.89	18.83	22.96	23.54
Annual Percent Change	31.8	79.7	18.3	3.9
Single-family	-1.2	5.9	10.9	7.0
Multiple-family	129.0	173.4	21.9	2.5

#### Related Indicators (Annual Percent Change)

Population	2.2	2.2	2.5	2.5
Housing Stock	2.0	2.7	4.9	5.4
Single-family	2.3	2.3	2.5	2.7
Multiple-family	1.5	3.4	9.0	9.8
Occupied Housing Units	2.2	2.2	2.5	2.7
Vacancy Rate (level)	10.2	10.6	12.7	15.0
Home Sales (Sac. County)	9.1	-.1	15.5	5.2
Average Home Price	.7	.7	2.4	4.2
Affordability Index	6.1	10.2	24.3	1.1
Mortgage Rate (level)	12.5	11.7	9.8	9.8

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.

Single-family construction declined slightly in 1984 after climbing from a severely depressed 5,000 unit authorizations in 1982 to nearly 9,000 units in 1983. The 1984 slowdown in single-family home building was due largely to a temporary increase in mortgage rates, a lull in the economic expansion and some saturation of the pent-up demands for single-family housing which had accumulated between 1979 and 1983. The current forecast assumes that lower mortgage rates and stable housing prices will lead to a significant pick up in home sales and construction in 1986 and 1987, with single-family building permits issued expected to increase from 9,250 in 1985 to over 10,000 during the next two years.

Multiple-family construction has been booming in the four-county Sacramento MSA during the past two years, climbing from only 1,240 unit authorizations in 1982 to over 18,000 in 1985. This phenomenal growth can be attributed to higher rents, low apartment vacancy rates, and probably some accelerated building activity in anticipation of Federal tax changes extending depreciation write-off periods. The current forecast assumes that multiple-family construction will continue to expand in 1986 and 1987, but at a much slower pace than during the past few years, as units currently under construction become available and push vacancy rates higher.

## Nonresidential Construction

Nonresidential construction activity will pick up this year compared to a sluggish overall growth rate in 1985, but growth in this sector will remain well below the levels reached in 1983 and 1984 as office construction continues to be dampened by high vacancy rates.

### SACRAMENTO MSA NONRESIDENTIAL CONSTRUCTION FORECAST

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Real Nonresidential				
Permit Valuations (72 \$)	\$216.6	\$212.7	\$240.9	\$259.7
Office Building	55.8	33.1	33.5	33.3
Other Commercial Bldg.	37.3	45.4	60.5	70.0
Industrial Bldg.	31.6	41.6	42.6	47.6
Other Nonres. Bldg.	44.8	33.0	45.8	47.8
Adds. & Alterations	47.2	59.6	58.6	61.0

#### Annual Percent Change

Total Nonres. Valuations	21.3%	-1.8%	13.3%	7.8%
Office Building	-4.9	-40.7	1.1	-4
Other Commercial Bldg.	143.1	21.7	33.3	15.7
Industrial Bldg.	30.3	31.5	2.6	11.6
Other Nonres. Bldg.	14.0	-26.2	38.7	4.4
Adds. & Alterations	15.1	26.5	-1.8	4.2

Source: Patterson Research Associates First Quarter 1986 Regional Forecast.

The inflation-adjusted value of office building authorizations in the Sacramento metropolitan area declined by 41% in 1985 after increasing by 75% and 35%, respectively, in 1983 and 1984. This falloff in office construction activity was not unexpected. Similar to other metropolitan areas across the nation, a mini-boom in speculative office building has pushed vacancy rates in the region to record highs. Although high absorption rates are steadily eroding the large inventory of unleased office space, new office construction is expected to remain fairly flat over at least the next two years until vacancy rates fall to a more sustainable level. Projected growth in other nonresidential construction—particularly retail stores, shopping centers and other nonoffice construction—should more than offset the decline in office building, reflecting recent and projected improvements in the area's trade and manufacturing outlook.

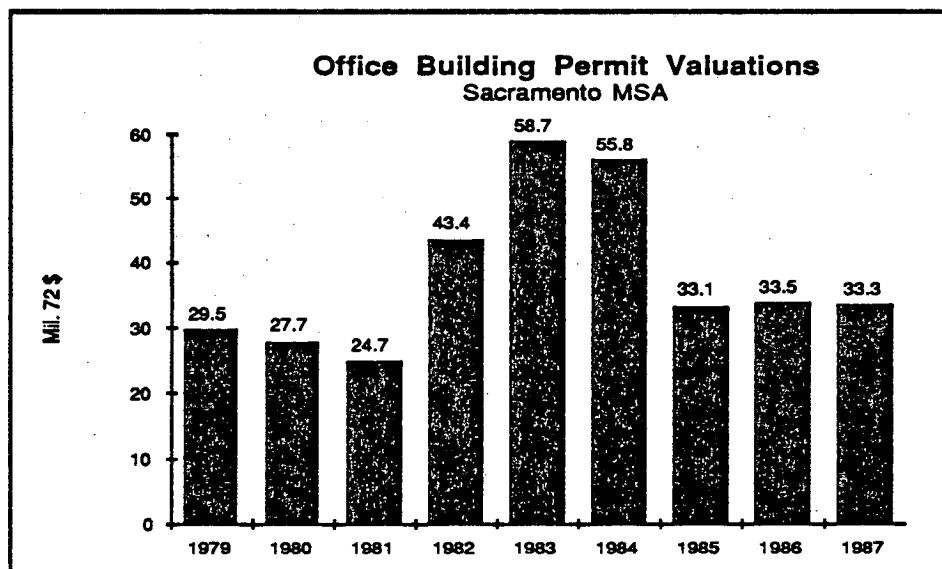


Table A-1 -- United States Forecast Summary

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Real GNP (B\$)	1479.4	1475.0	1512.2	1480.0	1534.7	1639.3	1680.3	1724.7	1784.4
% Chg.	2.8	-.3	2.5	-2.1	3.7	6.8	2.5	2.6	3.5
Personal Income (B\$)	1951.2	2165.3	2429.4	2584.6	2744.3	3012.1	3191.2	3383.6	3636.8
% Chg.	12.6	11.0	12.2	6.4	6.2	9.8	5.9	6.0	7.5
Real Pers. Income (B72\$)	1201.1	1209.7	1248.9	1254.4	1284.9	1366.8	1406.6	1446.3	1495.8
% Chg.	3.3	.7	3.2	.4	2.4	6.4	2.9	2.8	3.4
Personal Saving Rate	5.9	6.0	6.7	6.2	5.1	6.1	3.9	3.8	4.2
Nonag. Employment (Mil.)	89.8	90.4	91.2	89.6	90.2	94.4	97.6	99.3	100.8
% Chg.	3.6	.7	.8	-1.7	.7	4.7	3.4	1.8	1.5
Indust. Prod. (% Chg.)	3.9	-1.9	2.2	-7.2	5.9	11.5	2.2	1.5	3.5
New Car Sales (Mil.)	10.6	9.0	8.5	8.0	9.2	10.4	10.9	10.3	10.5
% Chg.	-5.4	-14.9	-5.0	-6.5	15.0	13.2	5.3	-5.6	1.5
Housing Starts (Mil.)	1.7	1.3	1.1	1.1	1.7	1.8	1.8	1.8	1.9
% Chg.	-14.1	-24.3	-15.4	-3.8	61.0	3.8	-.5	4.2	1.5
Pre-tax Corp. Prof. (B\$)	252.7	234.6	221.1	165.5	203.2	235.7	228.9	241.4	268.7
% Chg.	10.3	-7.1	-5.7	-25.2	22.8	16.0	-2.9	5.4	11.3
Consumer Prices (% Chg.)	11.3	13.5	10.4	6.2	3.2	4.3	3.4	3.3	4.0
Prime Interest Rate	12.7	15.3	18.9	14.9	10.8	12.0	9.9	8.8	9.8
Mortgage Interest Rate	10.9	12.9	15.1	15.4	12.8	12.5	11.7	9.8	9.8
Unemployment Rate	5.9	7.2	7.6	9.7	9.6	7.5	7.2	7.3	6.8
Fed. Budget Deficit (B\$)	-28.2	-62.9	-73.0	-130.7	-190.4	-184.5	-203.7	-187.3	-177.7
Net Exports (B\$)	13.2	23.9	28.0	19.0	-8.3	-64.2	-96.1	-103.3	-91.0

Source: Wharton Econometrics December 27, 1985 Baseline U.S. Forecast

Table A-2 -- Sacramento MSA Forecast Summary

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Personal Income (M\$)	9954.3	11319.8	12363.3	13087.1	13978.0	15464.8	16494.9	17662.8	19300.9
% Chg.	14.3	13.7	9.2	5.9	6.8	10.6	6.7	7.1	9.3
Real Pers. Income (M\$)	6125.9	6323.3	6355.7	6351.1	6544.3	7016.6	7270.4	7548.4	7937.5
% Chg.	4.9	3.2	.5	-.1	3.0	7.2	3.6	3.8	5.2
Nonag. Employment (000)	412.5	417.9	426.6	424.9	436.4	465.3	485.3	500.6	519.3
% Chg.	4.6	1.3	2.1	-.4	2.7	6.6	4.3	3.1	3.7
Unemployment Rate	7.3	8.1	9.0	11.5	10.3	8.4	7.4	7.2	6.7
Population (000)	1054.5	1089.6	1119.8	1151.6	1181.9	1207.7	1234.7	1265.2	1296.8
% Chg.	3.4	3.3	2.8	2.8	2.6	2.2	2.2	2.5	2.5
Res. Bldg. Permits (000)	19.70	10.78	7.25	6.32	11.85	15.63	28.08	33.22	34.52
% Chg.	4.2	-45.3	-32.7	-12.9	87.6	31.8	79.7	18.3	3.9
Nonres. Const. (M72\$)	142.9	142.2	143.8	128.8	178.5	216.6	212.7	240.9	259.7
% Chg.	1.6	-.5	1.1	-10.4	38.6	21.3	-1.8	13.3	7.8
Home Sales (000)	10.97	9.06	7.36	5.18	6.61	7.21	7.20	8.32	8.75
% Chg.	12.3	-17.5	-18.8	-29.5	27.4	9.1	-.1	15.5	5.2
Avg. Home Price (000)	63.0	73.1	82.5	86.0	85.6	86.3	86.9	89.0	92.7
% Chg.	18.4	16.0	12.9	4.3	-.5	.7	.7	2.4	4.2
Assessed Value (B\$)	19.7	21.8	24.7	27.5	29.6	32.6	36.1	40.6	45.6
% Chg.	17.1	10.8	13.4	11.3	7.6	10.0	10.9	12.3	12.3
Utility Revenue (Mil. \$)	224.1	284.9	311.7	369.5	403.4	437.1	501.2	588.4	649.5
% Chg.	17.9	27.2	9.4	18.6	9.2	8.4	14.7	17.4	10.4
Taxable Sales (M\$)	5895.0	6126.2	6578.8	6749.3	7559.8	8718.6	9719.0	10473.2	11383.8
% Chg.	15.4	3.9	7.4	2.6	12.0	15.3	11.5	7.8	8.7
Real Taxable Sales (M72\$)	3404.4	3160.3	3132.5	3123.7	3495.2	3984.0	4381.8	4615.5	4843.0
% Chg.	4.3	-7.2	-.9	-.3	11.9	14.0	10.0	5.3	4.9
Taxable Prices (% Chg.)	10.7	11.9	8.3	2.9	.1	1.2	1.4	2.3	3.6

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-3 -- Forecast Comparison -- U.S. and Sacramento MSA (SAC)

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Personal Income (% Chg.)									
U.S.	12.6	11.0	12.2	6.4	6.2	9.8	5.9	6.0	7.5
SAC MSA	14.3	13.7	9.2	5.9	6.8	10.6	6.7	7.1	9.3
Real Personal Income (% Chg.)									
U.S.	3.3	.7	3.2	.4	2.4	6.4	2.9	2.8	3.4
SAC MSA	4.9	3.2	.5	-.1	3.0	7.2	3.6	3.8	5.2
Nonagricultural Employment (% Chg.)									
U.S.	3.6	.7	.8	-1.7	.7	4.7	3.4	1.8	1.5
SAC MSA	4.6	1.3	2.1	-.4	2.7	6.6	4.3	3.1	3.7
Unemployment Rate									
U.S.	5.9	7.2	7.6	9.7	9.6	7.5	7.2	7.3	6.8
SAC MSA	7.3	8.1	9.0	11.5	10.3	8.4	7.4	7.2	6.7
Residential Housing Construction (% Chg.)									
U.S. (Starts)	-14.1	-24.3	-15.4	-3.8	61.0	3.8	-.5	4.2	1.5
SAC MSA (Permits)	4.2	-45.3	-32.7	-12.9	87.6	31.8	79.7	18.3	3.9
Nonresidential Construction (% Chg.)									
U.S. (Real Invest.)	10.0	-.7	9.1	.3	-7.8	15.5	8.3	3.0	5.1
SAC (Real Perm. Val.)	1.6	-.5	1.1	-10.4	38.6	21.3	-1.8	13.3	7.8
Population (% Chg.)									
U.S.	1.1	1.1	1.1	1.0	.9	.9	.9	.9	.9
SAC MSA	3.4	3.3	2.8	2.8	2.6	2.2	2.2	2.5	2.5
Inflation (% Chg.)									
U.S. (CPI)	11.3	13.5	10.4	6.2	3.2	4.3	3.4	3.3	4.0
SAC (Taxable Prices)	10.7	11.9	8.3	2.9	.1	1.2	1.4	2.3	3.6

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-4 -- Sacramento MSA Nonagricultural Employment

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Employment by Place of Work, Thousands									
Total Nonag. Employment	412.5	417.9	426.6	424.9	436.4	465.3	485.3	500.6	519.3
Mining	.4	.6	.8	.9	.8	.8	.8	.8	.8
Construction	25.2	20.9	18.7	16.2	18.0	23.2	27.2	30.8	33.0
Manufacturing	29.1	28.5	28.7	27.9	29.3	32.8	33.2	34.7	36.0
Nondurable	13.8	13.5	13.5	12.9	13.1	14.8	15.3	15.7	16.1
Food & Kindred	7.2	6.9	7.0	6.3	6.0	7.0	7.2	7.2	7.3
Print. & Publish.	3.3	3.4	3.5	3.8	4.1	4.4	4.5	4.8	5.0
Other Nondurable	3.3	3.2	3.0	2.9	3.1	3.5	3.6	3.7	3.9
Durable	15.3	15.1	15.2	14.9	16.2	18.0	17.9	19.0	19.9
Lumber & Wood	4.4	3.7	3.5	2.6	3.2	3.8	4.0	4.4	4.5
Stone, Clay, Glass	1.6	1.6	1.5	1.5	1.6	1.7	1.6	1.7	1.8
Machinery, Ex. Elec.	1.5	1.8	2.2	2.6	2.6	3.3	3.4	3.7	3.9
Other Durable	7.9	8.0	8.0	8.2	8.7	9.2	8.8	9.2	9.7
Nonmanufacturing	383.4	389.4	397.9	397.0	407.1	432.5	452.1	465.9	483.3
Trans. & Pub. Util.	22.6	22.7	23.6	23.5	22.5	23.3	23.3	23.6	24.4
Transportation	11.0	10.9	11.1	11.4	10.9	12.1	12.3	12.7	13.3
Public Util.	11.6	11.7	12.5	12.1	11.6	11.2	11.0	10.9	11.1
Trade	96.6	98.3	100.3	100.1	105.4	113.9	118.6	120.1	123.2
Wholesale	17.3	18.0	19.1	19.0	20.5	22.7	24.3	24.7	25.1
Retail	79.3	80.3	81.2	81.1	84.9	91.3	94.3	95.5	98.0
Fin., insur., R/E	22.0	23.2	23.9	23.9	24.8	26.4	27.3	28.5	30.3
Finance	9.3	9.7	10.3	10.3	10.8	11.5	11.7	12.3	13.2
Insurance, R/E	12.8	13.5	13.5	13.7	14.0	14.9	15.6	16.2	17.1
Services	74.3	77.9	82.2	83.6	86.8	94.0	98.6	103.1	109.0
Government	142.2	145.8	148.4	148.9	148.8	150.9	156.2	158.8	162.6
Federal	25.8	26.4	26.3	27.5	27.8	28.5	29.6	30.0	30.3
City & County	15.7	16.4	16.1	15.9	15.9	16.4	17.1	17.6	18.1
State & other	100.6	103.1	106.0	105.5	105.2	106.0	109.5	111.1	114.3
-----									
Employment by Place of Residence, Thousands									
Civilian Labor Force	497.6	513.7	532.3	554.7	558.0	572.2	585.2	603.6	621.1
Civilian Employment	461.4	472.2	484.4	491.0	500.5	524.4	541.9	560.3	579.8
Unemployment	36.2	41.5	47.8	63.7	57.5	47.8	43.2	43.3	41.3
Unemployment Rate (%)	7.3	8.1	9.0	11.5	10.3	8.4	7.4	7.2	6.7

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-5 -- Sacramento MSA Nonagricultural Employment (Contd.)

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Employment by Place of Work, Annual Percent Change									
Total Nonag. Employment	4.6	1.3	2.1	-4	2.7	6.6	4.3	3.1	3.7
Mining	10.4	35.0	25.2	21.4	-13.3	-3.2	9.6	-2.2	-1.2
Construction	12.0	-17.2	-10.3	-13.6	11.1	28.9	17.4	13.2	7.0
Manufacturing	4.5	-1.8	.5	-2.7	5.0	12.0	1.1	4.7	3.7
Nondurable	2.8	-2.2	.2	-4.1	1.5	12.8	3.4	2.8	2.5
Food & Kindred	2.2	-3.9	1.1	-10.3	-4.5	16.5	3.0	.5	1.2
Print. & Publish.	4.9	3.5	3.6	6.7	8.7	7.2	4.0	5.7	3.7
Other Nondurable	2.3	-4.2	-5.4	-2.3	5.1	13.2	3.5	3.9	3.2
Durable	6.1	-1.5	.7	-1.5	8.1	11.3	-.7	6.2	4.7
Lumber & Wood	-2.3	-16.7	-5.4	-23.5	21.7	17.2	7.2	9.3	1.4
Stone, Clay, Glass	18.4	2.2	-6.9	-1.7	13.0	5.1	-7.9	4.8	10.0
Machinery, Ex. Elec.	12.8	21.5	23.3	18.8	.0	25.6	3.6	7.5	5.4
Other Durable	7.7	1.9	.0	2.4	5.5	6.0	-4.2	4.6	5.0
Nonmanufacturing	4.7	1.6	2.2	-.2	2.6	6.2	4.5	3.0	3.7
Trans. & Pub. Util.	8.0	.4	4.1	-.6	-4.1	3.7	-.2	1.5	3.2
Transportation	6.5	-.8	1.7	2.0	-3.7	11.1	1.3	3.1	4.7
Public Util.	9.4	1.5	6.2	-2.9	-4.5	-3.3	-1.8	-.2	1.4
Trade	6.0	1.7	2.0	-.2	5.3	8.1	4.1	1.3	2.5
Wholesale	4.6	3.8	6.1	-.6	8.3	10.4	7.3	1.5	1.7
Retail	6.3	1.3	1.1	-.1	4.6	7.5	3.3	1.2	2.7
Fin., insur., R/E	11.4	5.1	3.0	.2	3.8	6.2	3.8	4.3	6.3
Finance	11.8	4.2	6.7	-.7	5.7	5.8	2.4	5.2	7.2
Insurance, R/E	11.1	5.8	.4	.8	2.4	6.5	4.8	3.6	5.6
Services	7.0	4.9	5.5	1.7	3.9	8.3	4.8	4.6	5.7
Government	.1	2.6	1.8	.3	.0	1.4	3.5	1.7	2.4
Federal	.8	2.1	-.2	4.3	1.1	2.6	4.0	1.4	.7
City & County	-3.4	4.1	-1.9	-1.3	.0	3.2	4.5	3.1	2.6
State & other	.5	2.4	2.9	-.5	-.3	.8	3.3	1.5	2.8
-----									
Employment by Place of Residence, Annual Percent Change									
Civilian Labor Force	3.0	3.2	3.6	4.2	.6	2.6	2.3	3.1	2.9
Civilian Employment	3.6	2.3	2.6	1.4	1.9	4.8	3.3	3.4	3.5
Unemployment	-4.2	14.5	15.3	33.2	-9.7	-16.9	-9.5	.2	-4.7
Unemployment Rate (%)	7.3	8.1	9.0	11.5	10.3	8.4	7.4	7.2	6.7

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-6 -- Sacramento MSA Personal Income

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Personal Income, Mil. \$									
Total Personal Income	9954.3	11319.8	12363.3	13087.1	13978.0	15464.8	16494.9	17662.8	19300.9
Wages & Salaries	6127.6	6856.0	7231.6	7648.8	8163.0	9011.8	9672.9	10409.7	11448.2
Other Labor Income	413.6	458.1	516.7	601.9	687.9	749.1	807.8	875.9	967.3
Proprietors' Income	666.6	653.1	561.8	440.4	532.7	686.8	702.9	731.4	794.0
Property Income	1488.1	1779.7	2215.5	2406.5	2498.1	2879.7	3048.8	3237.5	3490.9
Transfer Income	1580.3	1889.1	2206.6	2419.9	2591.5	2755.9	2957.9	3202.0	3513.8
Less Social Insurance	-421.7	-426.5	-507.0	-557.9	-610.1	-744.2	-829.3	-936.9	-1069.4
Residence Adjustment	99.8	110.3	138.1	127.4	115.0	125.6	133.9	143.2	156.2
Real Personal Income, Mil. 72 \$									
Real Personal Income	6125.9	6323.3	6355.7	6351.1	6544.3	7016.6	7270.4	7548.4	7937.5
Real Disposable Income	5181.1	5341.1	5341.4	5357.9	5580.1	6002.7	6174.5	6391.7	6700.8
Real Per Cap. Inc. (72\$)	5809.2	5803.3	5675.7	5515.0	5537.1	5809.9	5888.4	5966.3	6121.1
Annual Percent Change									
Total Personal Income	14.3	13.7	9.2	5.9	6.8	10.6	6.7	7.1	9.3
Wages & Salaries	13.0	11.9	5.5	5.8	6.7	10.4	7.3	7.6	10.0
Other Labor Income	12.9	10.8	12.8	16.5	14.3	8.9	7.8	8.4	10.4
Proprietors' Income	9.4	-2.0	-14.0	-21.6	21.0	28.9	2.3	4.1	8.6
Property Income	24.4	19.6	24.5	8.6	3.8	15.3	5.9	6.2	7.8
Transfer Income	14.2	19.5	16.8	9.7	7.1	6.3	7.3	8.3	9.7
Less Social Insurance	15.5	1.1	18.9	10.0	9.4	22.0	11.4	13.0	14.1
Residence Adjustment	5.8	10.6	25.2	-7.7	-9.8	9.3	6.6	6.9	9.1
Real Personal Income	4.9	3.2	.5	-.1	3.0	7.2	3.6	3.8	5.2
Real Disposable Income	4.3	3.1	.0	.3	4.1	7.6	2.9	3.5	4.8
Real Per Capita Income	1.5	-.1	-2.2	-2.8	.4	4.9	1.4	1.3	2.6

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-7 -- Sacramento MSA Construction and Real Estate

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Residential Building Permits Issued									
Number of Permits (000)	19.70	10.78	7.25	6.32	11.85	15.63	28.08	33.22	34.52
Single Family	14.65	8.24	5.63	5.08	8.85	8.74	9.25	10.26	10.98
Multiple Family	5.05	2.54	1.63	1.24	3.01	6.89	18.83	22.96	23.54
Permit Valuations (Mil.\$)	627.9	530.8	411.0	398.2	600.8	922.1	1331.1	1515.2	1630.0
Single Family	494.1	401.8	309.8	307.2	527.9	616.3	695.8	731.8	793.4
Multiple Family	133.7	129.0	101.2	90.9	153.0	305.8	635.3	783.4	836.5
Population, Housing Stock and Vacancy Rates									
Population (000)	1054.5	1089.6	1119.8	1151.6	1181.9	1207.7	1234.7	1265.2	1296.8
Housing Stock (000)	439.6	459.3	477.8	488.7	494.9	504.8	518.5	544.0	573.5
Single Family	267.5	282.1	300.7	307.9	312.3	319.7	327.0	335.2	344.4
Multiple Family	172.1	177.2	177.2	180.9	182.5	185.2	191.5	208.8	229.1
Occupied Housing (000)	393.5	413.7	427.3	438.2	443.9	453.5	463.5	475.1	487.4
Vacancy Rate (%)	10.5	9.9	10.6	10.3	10.3	10.2	10.6	12.7	15.0
Home Sales and Prices (Sacramento County)									
Home Sales (000)	10.97	9.06	7.36	5.18	6.61	7.21	7.20	8.32	8.75
Average Price (000)	63.0	73.1	82.5	86.0	85.6	86.3	86.9	89.0	92.7
Afford. Index (72=100)	42.1	33.1	25.8	25.7	32.5	34.4	38.0	47.2	47.7
Nonresidential Construction Activity, Mil. 1972 \$									
Nonres. Permit Values	142.9	142.2	143.8	128.8	178.5	216.6	212.7	240.9	259.7
Office Building	29.5	27.7	24.7	43.4	58.7	55.8	33.1	33.5	33.3
Other Commercial Bldg.	31.1	25.7	20.4	14.6	15.3	37.3	45.4	60.5	70.0
Industrial Bldg.	29.9	34.0	37.3	19.4	24.3	31.6	41.6	42.6	47.6
Other Nonres. Bldg.	25.0	25.3	26.4	18.0	39.3	44.8	33.0	45.8	47.8
Addds. & Alterations	27.4	29.4	34.9	33.5	41.0	47.2	59.6	58.6	61.0
Gross Assessed Values, Bil. \$									
Total Assessed Value	19.68	21.81	24.73	27.52	29.63	32.60	36.14	40.59	45.57
County Roll	18.55	20.63	23.43	25.99	27.91	30.74	34.13	38.21	42.80
State Roll	1.13	1.18	1.30	1.53	1.72	1.86	2.01	2.38	2.77

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-8 -- Sacramento MSA Construction and Real Estate (Contd.)

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Residential Building Permits Issued, Annual Percent Change									
Number of Permits	4.2	-45.3	-32.7	-12.9	87.6	31.8	79.7	18.3	3.9
Single Family	4.0	-43.8	-31.7	-9.7	74.1	-1.2	5.9	10.9	7.0
Multiple Family	4.7	-49.6	-36.1	-24.0	143.5	129.0	173.4	21.9	2.5
Permit Valuations (Mil.\$)	13.4	-15.5	-22.6	-3.1	71.0	35.4	44.4	13.8	7.6
Single Family	12.0	-18.7	-22.9	-.8	71.8	16.8	12.9	5.2	8.4
Multiple Family	18.7	-3.6	-21.5	-10.2	68.3	99.9	107.8	23.3	6.8
Population and Housing Stock, Annual Percent Change									
Population	3.4	3.3	2.8	2.8	2.6	2.2	2.2	2.5	2.5
Housing Stock	4.5	4.5	4.0	2.3	1.3	2.0	2.7	4.9	5.4
Single Family	5.5	5.5	6.6	2.4	1.5	2.3	2.3	2.5	2.7
Multiple Family	2.9	3.0	.0	2.1	.9	1.5	3.4	9.0	9.8
Occupied Housing Units	5.2	5.2	3.3	2.5	1.3	2.2	2.2	2.5	2.6
Vacancy Rate (level)	10.5	9.9	10.6	10.3	10.3	10.2	10.6	12.7	15.0
Home Sales and Prices (Sacramento County), Annual Percent Change									
Home Sales	12.3	-17.5	-18.8	-29.5	27.4	9.1	-.1	15.5	5.2
Average Price	18.4	16.0	12.9	4.3	-.5	.7	.7	2.4	4.2
Affordability Index	-21.5	-21.3	-22.2	-.2	26.3	6.1	10.2	24.3	1.1
Nonresidential Construction Activity, Mil. 1972 \$, Annual Percent Change									
Nonres. Permit Values	1.6	-.5	1.1	-10.4	38.6	21.3	-1.8	13.3	7.8
Office Building	47.2	-6.1	-10.8	75.4	35.2	-4.9	-40.7	1.1	-.4
Other Commercial Bldg.	-2.6	-17.3	-20.7	-28.5	5.2	143.1	21.7	33.3	15.7
Industrial Bldg.	43.7	13.8	9.7	-48.0	24.9	30.3	31.5	2.6	11.6
Other Nonres. Bldg.	-16.4	1.4	4.3	-31.9	118.7	14.0	-26.2	38.7	4.4
Adds. & Alterations	-27.9	7.3	18.7	-4.0	22.3	15.1	26.5	-1.8	4.2
Gross Assessed Values, Bil. \$, Annual Percent Change									
Total Assessed Value	17.1	10.8	13.4	11.3	7.6	10.0	10.9	12.3	12.3
County Roll	17.5	11.2	13.6	11.0	7.4	10.1	11.0	11.9	12.0
State Roll	11.5	4.6	10.2	17.6	12.3	8.6	7.7	18.7	16.2
Related National Indicators									
Housing Starts (% Chg.)	-14.1	-24.3	-15.4	-3.8	61.0	3.8	-.5	4.2	1.5
Mortgage Interest Rate	10.9	12.9	15.1	15.4	12.8	12.5	11.7	9.8	9.8

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-9 -- Sacramento MSA Utility Sales, Prices & Revenues

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Electricity -- Sacramento Municipal Utility District (SMUD)									
Sales (Mil. KWH)	5422.8	5300.9	5642.3	5620.8	5901.9	6308.4	6884.6	7044.4	7399.9
Residential	2678.8	2587.2	2794.4	2781.4	2909.7	3086.4	3313.6	3446.6	3601.1
Comm. & Indust.	2744.0	2713.7	2847.9	2839.4	2992.2	3221.9	3571.1	3597.7	3798.8
Average Rate (Cents/KWH)	2.1	2.4	2.7	3.2	3.6	3.8	4.3	5.0	5.4
Residential	2.3	2.6	3.0	3.5	4.0	4.2	4.8	5.7	6.1
Comm. & Indust.	1.9	2.2	2.5	2.9	3.2	3.3	3.7	4.4	4.7
Natural Gas -- Pacific Gas & Electric Co. (P.G. & E.)									
Sales (Mil. Therms)	456.8	420.7	389.5	410.4	385.6	368.0	380.1	415.1	429.6
Residential	267.5	250.1	223.9	247.3	231.5	217.5	218.0	238.3	246.2
Comm. & Indust.	189.4	170.6	165.6	163.1	154.1	150.6	162.0	176.8	183.5
Average Rate (Cents/THM)	24.2	37.3	40.8	46.0	49.3	54.1	54.5	56.5	58.4
Residential	22.8	34.5	37.8	42.2	46.7	52.1	52.6	54.8	56.6
Comm. & Indust.	26.4	41.4	44.9	51.8	53.4	57.0	57.1	58.8	60.9
Utility Revenues, Mil. \$									
Electricity	113.5	128.0	152.7	180.9	213.2	237.9	294.1	353.7	398.5
Residential	60.8	68.4	82.8	97.7	116.5	130.6	161.0	197.1	221.5
Comm. & Indust.	52.6	59.5	69.9	83.2	96.7	107.2	133.1	156.6	177.1
Natural Gas	110.6	157.0	159.0	188.7	190.1	199.2	207.2	234.6	251.0
Residential	60.8	86.4	84.6	104.3	107.8	113.5	114.7	130.6	139.2
Comm. & Indust.	49.8	70.6	74.5	84.4	82.3	85.7	92.5	104.0	111.8
Electricity & Gas	224.1	284.9	311.7	369.5	403.4	437.1	501.2	588.4	649.5
Residential	121.6	154.8	167.4	201.9	224.3	244.1	275.6	327.7	360.7
Comm. & Indust.	102.5	130.1	144.3	167.6	179.0	192.9	225.6	260.6	288.8

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-10 -- Sacramento MSA Utility Sales, Prices &amp; Revenues (Contd.)

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Electricity (SMUD), Annual Percent Change									
Sales (Mil. KWH)	6.2	-2.2	6.4	-.4	5.0	6.9	9.1	2.3	5.0
Residential	8.9	-3.4	8.0	-.5	4.6	6.1	7.4	4.0	4.5
Comm. & Indust.	3.7	-1.1	4.9	-.3	5.4	7.7	10.8	.7	5.6
Average Rate (Cents/KWH)	4.3	15.4	12.1	18.9	12.3	4.4	13.3	17.6	7.2
Residential	3.7	16.6	11.7	19.2	13.8	5.4	13.7	18.8	7.5
Comm. & Indust.	4.9	14.4	11.8	19.6	10.2	3.0	12.1	16.7	7.1
Natural Gas (P.G. & E.), Annual Percent Change									
Sales (Mil. Therms)	7.3	-7.9	-7.4	5.4	-6.0	-4.6	3.3	9.2	3.5
Residential	5.4	-6.5	-10.5	10.5	-6.4	-6.1	.3	9.3	3.3
Comm. & Indust.	10.2	-9.9	-2.9	-1.5	-5.5	-2.3	7.6	9.1	3.8
Average Rate (Cents/THM)	17.7	54.1	9.4	12.6	7.2	9.8	.7	3.7	3.4
Residential	22.0	51.3	9.5	11.6	10.7	11.6	.9	4.2	3.2
Comm. & Indust.	14.1	56.8	8.5	15.2	3.2	6.6	.2	3.0	3.6
Utility Revenues, Annual Percent Change									
Electricity	10.8	12.8	19.3	18.5	17.9	11.5	23.6	20.3	12.7
Residential	12.8	12.5	21.0	18.0	19.3	12.1	23.2	22.4	12.4
Comm. & Indust.	8.7	13.1	17.4	19.1	16.3	10.9	24.1	17.7	13.0
Natural Gas	26.3	41.9	1.3	18.6	.8	4.8	4.0	13.2	7.0
Residential	27.3	42.2	-2.1	23.3	3.4	5.3	1.0	13.9	6.6
Comm. & Indust.	25.1	41.6	5.5	13.3	-2.5	4.1	8.0	12.4	7.5
Electricity & Gas	17.9	27.2	9.4	18.6	9.2	8.4	14.7	17.4	10.4
Residential	19.6	27.3	8.1	20.7	11.1	8.8	12.9	18.9	10.1
Comm. & Indust.	16.1	27.0	10.9	16.1	6.8	7.8	16.9	15.5	10.8
Related Indicators -- Sacramento MSA									
Occupied Units (% Chg.)	5.2	5.2	3.3	2.5	1.3	2.2	2.2	2.5	2.6
Res. Bldg. Permits (000)	19.7	10.8	7.3	6.3	11.9	15.6	28.1	33.2	34.5
Nonres. Bldg. Val. (M72\$)	142.9	142.2	143.8	128.8	178.5	216.6	212.7	240.9	259.7

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-11 -- Sacramento MSA Taxable Sales -- Current Dollars

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Taxable Sales, Millions of Current \$									
Total Taxable Sales	5895.0	6126.2	6578.8	6749.3	7559.8	8718.6	9719.0	10473.2	11383.8
Retail Stores	4207.0	4364.1	4734.8	4918.7	5541.4	6238.0	6893.6	7463.9	8056.7
Apparel Stores	154.8	164.2	190.9	194.7	191.0	218.6	250.6	256.5	273.8
Drug Stores	84.7	96.5	138.1	153.9	166.6	177.0	187.4	197.7	214.8
Food Stores	430.5	456.5	555.9	568.2	597.9	639.5	687.9	734.0	793.5
Packaged Liquor Stores	53.8	57.7	70.4	84.7	73.1	69.9	69.4	72.7	76.5
General Merchandise	552.7	588.5	595.2	615.9	712.6	797.4	907.8	970.5	1032.5
Eating & Drinking Place	490.3	531.5	585.7	628.2	677.5	747.1	799.5	846.2	920.9
Building Materials	490.6	449.3	429.8	405.1	489.4	568.9	646.6	738.9	798.5
Furniture & Appliances	240.6	232.6	252.3	256.5	303.2	336.7	358.6	398.0	437.5
Motor Vehicles & Parts	867.8	766.8	806.4	900.0	1190.0	1408.4	1612.0	1760.0	1884.9
Service Stations	495.7	632.6	671.3	619.3	612.9	644.9	673.5	739.5	806.8
Other Retail Stores	345.4	387.9	438.8	492.4	527.1	629.5	700.5	750.1	816.8
Business/pers. Services	195.6	210.8	229.5	236.3	267.5	309.6	400.0	415.8	452.1
All Other Outlets	1492.5	1551.3	1614.4	1594.3	1750.9	2171.0	2425.4	2593.5	2875.0
Annual Percent Change									
Total Taxable Sales	15.4	3.9	7.4	2.6	12.0	15.3	11.5	7.8	8.7
Retail Stores	13.0	3.7	8.5	3.9	12.7	12.6	10.5	8.3	7.9
Apparel Stores	10.5	6.1	16.3	2.0	-1.9	14.4	14.7	2.3	6.8
Drug Stores	8.8	13.9	43.0	11.5	8.2	6.3	5.9	5.5	8.6
Food Stores	11.9	6.0	21.8	2.2	5.2	7.0	7.6	6.7	8.1
Packaged Liquor Stores	8.7	7.4	22.0	20.2	-13.6	-4.4	-.8	4.9	5.2
General Merchandise	10.0	6.5	1.1	3.5	15.7	11.9	13.8	6.9	6.4
Eating & Drinking Place	12.2	8.4	10.2	7.3	7.8	10.3	7.0	5.8	8.8
Building Materials	19.1	-8.4	-4.3	-5.7	20.8	16.3	13.7	14.3	8.1
Furniture & Appliances	17.5	-3.3	8.5	1.7	18.2	11.0	6.5	11.0	9.9
Motor Vehicles & Parts	2.6	-11.6	5.2	11.6	32.2	18.4	14.5	9.2	7.1
Service Stations	30.8	27.6	6.1	-7.7	-1.0	5.2	4.4	9.8	9.1
Other Retail Stores	18.6	12.3	13.1	12.2	7.0	19.4	11.3	7.1	8.9
Business/pers. Services	15.5	7.8	8.9	2.9	13.2	15.7	29.2	4.0	8.7
All Other Outlets	23.1	3.9	4.1	-1.2	9.8	24.0	11.7	6.9	10.9

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-12 -- Sacramento MSA Taxable Sales -- Constant Dollars

	1979	1980	1981	1982	1983	1984	1985	1986	1987
Real Taxable Sales (Mil. 72 \$), Annual Percent Change									
Total Real Taxable Sales	4.3	-7.2	-9	-3	11.9	14.0	10.0	5.3	4.9
Retail Stores	1.3	-8.3	.3	1.6	12.3	11.1	9.9	6.3	4.4
Apparel Stores	-3	-4.3	7.9	-1.0	-3.9	12.0	12.8	.4	3.0
Drug Stores	-1.6	2.7	32.9	8.3	6.0	4.0	4.2	3.5	4.8
Food Stores	.9	-4.0	13.0	-9	3.1	4.7	5.9	4.7	4.3
Packaged Liquor Stores	-1.9	-3.0	13.5	16.6	-15.5	-6.5	-2.3	2.9	1.5
General Merchandise	1.3	-2.6	-5.8	-3	13.5	10.2	13.0	5.1	2.8
Eating & Drinking Place	1.4	-2.1	2.4	4.1	5.6	7.9	5.3	3.8	5.0
Building Materials	6.1	-15.9	-10.8	-8.6	18.3	12.1	11.6	11.2	3.5
Furniture & Appliances	11.2	-10.6	2.7	-1.8	16.6	11.4	7.8	8.6	6.3
Motor Vehicles & Parts	-4.8	-18.3	-3.2	5.9	30.0	16.2	13.3	7.8	4.1
Service Stations	3.6	-9.2	-12.4	-7.7	3.2	6.5	8.4	9.1	7.2
Other Retail Stores	7.1	1.5	5.0	8.9	4.8	16.9	9.5	5.1	5.1
Business/pers. Services	6.8	-2.1	-1.0	-5.2	6.9	10.1	23.0	-.3	4.2
All Other Outlets	23.1	3.9	4.1	-1.2	9.8	24.0	11.7	6.9	10.9
Related Indicators -- Sacramento MSA									
Real Disp. Inc. (% Chg.)	4.3	3.1	.0	.3	4.1	7.6	2.9	3.5	4.8
Sales Elasticity	1.0	-2.3	-133.4	-.9	2.9	1.8	3.5	1.5	1.0
Res. Bldg. Permits (000)	19.7	10.8	7.3	6.3	11.9	15.6	28.1	33.2	34.5
Nonres. Bldg. Val. (M72\$)	142.9	142.2	143.8	128.8	178.5	216.6	212.7	240.9	259.7
Unemployment Rate	7.3	8.1	9.0	11.5	10.3	8.4	7.4	7.2	6.7
Taxable Prices (% Chg.)	10.7	11.9	8.3	2.9	.1	1.2	1.4	2.3	3.6
Related Indicators -- United States									
Real GNP (% Chg.)	2.8	-.3	2.5	-2.1	3.7	6.8	2.5	2.6	3.5
Prime Interest Rate	12.7	15.3	18.9	14.9	10.8	12.0	9.9	8.8	9.8
Personal Saving Rate	5.9	6.0	6.7	6.2	5.1	6.1	3.9	3.8	4.2
Consumer Confid. Index	66.0	64.4	70.7	68.0	87.5	97.5	93.7	88.1	89.5
New Car Sales (Mil.)	10.56	8.98	8.53	7.98	9.18	10.39	10.94	10.33	10.49
Consumer Prices (% Chg.)	11.3	13.5	10.4	6.2	3.2	4.3	3.4	3.3	4.0
Energy Prices (% Chg.)	26.5	40.7	21.0	-.2	-4.1	-1.2	-3.6	.6	1.7

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-13 -- Sacramento City Taxable Sales -- Current Dollars

	1979	1980	1981	1982	1983	1984	1985	1986	1987
----- Taxable Sales, Millions of Current \$ -----									
Total Taxable Sales	1686.8	1676.7	1789.6	1809.5	2029.6	2304.4	2509.6	2690.8	2896.3
Retail Stores	1093.2	1121.8	1203.4	1250.4	1385.4	1588.0	1705.7	1850.9	1989.2
Apparel Stores	34.3	34.0	40.1	44.0	43.4	48.8	57.8	59.9	63.6
Drug Stores	14.7	16.8	28.7	32.6	34.1	36.9	38.1	41.0	44.6
Food Stores	101.7	107.6	136.2	141.1	148.0	161.9	173.3	186.5	200.9
Packaged Liquor Stores	13.8	14.2	14.0	16.2	18.9	17.7	18.3	18.8	19.2
General Merchandise	133.5	146.0	151.4	161.3	182.3	202.6	213.6	240.3	258.4
Eating & Drinking Place	146.0	156.7	167.8	180.0	190.7	205.2	222.1	233.4	251.9
Building Materials	117.1	113.0	112.9	103.6	123.3	142.5	169.4	191.1	205.3
Furniture & Appliances	56.8	51.4	56.0	56.6	64.3	72.2	70.0	79.0	86.1
Motor Vehicles & Parts	212.0	172.9	164.9	183.5	258.6	297.6	326.1	351.7	374.0
Service Stations	118.2	149.6	159.9	146.1	139.8	153.5	162.3	176.1	190.6
Other Retail Stores	145.0	159.6	171.5	185.4	181.9	249.1	254.8	273.2	294.4
All Other Outlets	593.6	554.9	586.2	559.1	644.1	716.3	803.9	839.9	907.1
Annual Percent Change									
Total Taxable Sales	13.4	- .6	6.7	1.1	12.2	13.5	8.9	7.2	7.6
Retail Stores	11.1	2.6	7.3	3.9	10.8	14.6	7.4	8.5	7.5
Apparel Stores	12.2	- .9	18.1	9.8	-1.4	12.3	18.5	3.6	6.3
Drug Stores	-7.0	14.5	70.2	13.8	4.4	8.4	3.2	7.5	8.8
Food Stores	9.6	5.8	26.6	3.5	4.9	9.4	7.1	7.6	7.8
Packaged Liquor Stores	-2.7	3.3	-1.4	16.0	16.4	-6.3	3.5	2.7	2.2
General Merchandise	12.8	9.4	3.7	6.5	13.1	11.1	5.4	12.5	7.5
Eating & Drinking Place	12.3	7.3	7.1	7.3	6.0	7.6	8.2	5.1	7.9
Building Materials	19.5	-3.5	- .1	-8.3	19.0	15.6	18.9	12.8	7.4
Furniture & Appliances	11.4	-9.6	8.9	1.1	13.7	12.2	-3.1	12.8	9.1
Motor Vehicles & Parts	- .7	-18.4	-4.7	11.3	41.0	15.1	9.6	7.9	6.3
Service Stations	28.4	26.5	6.9	-8.6	-4.3	9.8	5.7	8.5	8.2
Other Retail Stores	13.8	10.0	7.5	8.1	-1.9	36.9	2.3	7.2	7.8
All Other Outlets	17.8	-6.5	5.6	-4.6	15.2	11.2	12.2	4.5	8.0

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-14 -- Sacramento City Assessed Values and Related Indicators

	1979	1980	1981	1982	1983	1984	1985	1986	1987
-----									
Sacramento City Assessed Values (Mil. \$)									
Total Assessed Values	4565.8	4827.5	5429.9	6104.7	6542.0	7195.5	8113.3	9179.9	10310.7
% Chg.	NA	5.7	12.5	12.4	7.2	10.0	12.8	13.1	12.3
Current Secured	3997.5	4529.0	5068.2	5697.4	6122.1	6727.4	7591.4	8585.3	9656.4
Local Roll	3753.2	4289.1	4806.9	5377.7	5757.8	6363.0	7215.1	8124.6	9105.5
State Roll	244.3	239.9	261.3	319.7	364.3	364.4	376.3	460.7	550.8
Current Unsecured	568.2	298.5	361.7	407.3	419.9	468.0	521.9	594.5	654.3
Supplemental AV	NA	NA	NA	NA	NA	254.8	280.4	324.9	352.4
-----									
Sacramento City Building Permit Valuations (Mil. \$)									
Total Valuations	244.3	134.8	102.3	114.3	235.8	313.1	340.8	402.5	436.2
Residential	157.9	70.2	40.3	45.2	104.8	177.2	236.1	252.4	265.8
Single-family	117.8	55.4	27.2	31.3	69.6	101.2	129.2	124.8	129.9
Multiple-family	40.0	14.8	13.1	14.0	35.3	76.0	106.9	127.6	135.9
Nonresidential	86.4	64.6	61.9	69.0	131.0	135.9	104.8	150.1	170.4
Office	33.6	32.9	20.1	50.3	70.6	29.3	29.2	29.9	31.5
Industrial	21.0	9.3	17.7	3.7	6.5	15.4	14.4	18.2	21.6
Commercial	9.3	15.6	19.1	10.7	12.2	15.3	23.6	31.5	38.2
Other	22.5	6.9	5.0	4.3	41.7	75.9	37.5	70.5	79.1
-----									
Related Sacramento MSA Indicators									
Housing Permits (000)	19.70	10.78	7.25	6.32	11.85	15.63	28.08	33.22	34.52
Nonres. Const. (Mil. 72\$)	142.9	142.2	143.8	128.8	178.5	216.6	212.7	240.9	259.7
New Home Price (% Chg.)	18.4	16.0	12.9	4.3	-5	.7	.7	2.4	4.2
Home Sales (000)	10.97	9.06	7.36	5.18	6.61	7.21	7.20	8.32	8.75
Afford. Index (% Chg.)	-21.5	-21.3	-22.2	-.2	26.3	6.1	10.2	24.3	1.1
-----									
Related United States Indicators									
Housing Starts (Mil.)	1.72	1.30	1.10	1.06	1.70	1.77	1.76	1.83	1.86
Mortgage Rate	10.9	12.9	15.1	15.4	12.8	12.5	11.7	9.8	9.8

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-15 -- Sacramento City: Summary of Revenue Projections  
(Amounts in Thousands)

REVENUES =====	1980-81 =====	1981-82 =====	1982-83 =====	1983-84 =====	1984-85 =====	1985-86 =====	1986-87 =====	1987-88 =====
Property Taxes: *								
Current Roll	\$16,317	\$17,665	\$20,017	\$21,530	\$24,689	\$27,789	\$31,457	\$35,398
Supplemental					234	960	1,035	1,174
Prior-yr./other	880	1,165	1,591	1,618	894	1,312	1,899	2,307
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Total	\$17,197	\$18,830	\$21,608	\$23,148	\$25,817	\$30,061	\$34,391	\$38,879
Percent Chg.		9.5	14.8	7.1	11.5	16.4	14.4	13.0
Sales and Use Taxes	\$18,755	\$20,465	\$20,436	\$24,122	\$27,147	\$29,498	\$31,652	\$33,799
Percent Change		9.1	-0.1	18.0	12.5	8.7	7.3	6.8
Utility Users' Fees	\$6,716	\$8,119	\$8,981	\$15,932	\$19,819	\$22,932	\$25,974	\$28,836
Percent Change		20.9	10.6	77.4	24.4	15.7	13.7	11.0
Business Oper. Fees	\$1,796	\$1,853	\$2,041	\$2,361	\$2,380	\$2,430	\$2,725	\$2,944
Percent Change		3.2	10.1	15.7	.8	2.1	12.2	8.0
Property Trans. Tax	\$1,885	\$1,448	\$1,650	\$2,676	\$2,501	\$3,123	\$3,341	\$3,556
Percent Change		-23.2	14.0	62.2	-6.5	24.9	7.0	6.4
Total, Major Revenues	\$46,349	\$50,714	\$54,716	\$68,238	\$77,664	\$88,043	\$98,083	\$108,015
Percent Change		9.4	7.9	24.7	13.8	13.4	11.4	10.1

\* Current-roll and supplemental property taxes do not include accrual adjustments.

Source: Patterson Research Associates First Quarter 1986 Baseline Regional Forecast.

Table A-16 -- Sacramento City: Assessed Values & Current Property Taxes

ASSESSED VALUES (Millions)	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88
Current secured:									
Local Roll	3,753	4,289	4,807	5,378	5,758	6,363	7,190	8,100	9,081
State Roll	244	240	261	320	364	364	376	461	551
Subtotal	3,998	4,529	5,068	5,697	6,122	6,727	7,566	8,560	9,631
Current unsecured	568	299	362	407	420	468	522	595	654
Total, assessed value	4,566	4,828	5,430	6,105	6,542	7,195	8,088	9,155	10,286
Supplemental AV (SB 813)						255	280	325	352
PROPERTY TAXES (000)									
Current secured:									
Nonredevelopment	13,364	15,802	17,039	19,254	20,725	23,707	26,664	30,167	33,941
Redevelopment	890	890	890	890	890	890	890	890	890
Subtotal	14,254	16,692	17,929	20,144	21,615	24,597	27,554	31,057	34,831
Less HOE	-1,692	-1,338	-1,301	-1,367	-1,362	-1,339	-1,376	-1,386	-1,386
Net secured	12,562	15,355	16,628	18,777	20,253	23,258	26,178	29,671	33,445
Current unsecured:									
Nonredevelopment	1,732	842	917	1,119	1,156	1,311	1,462	1,666	1,833
Redevelopment	120	120	120	120	120	120	120	120	120
Subtotal	1,852	962	1,037	1,239	1,276	1,431	1,582	1,786	1,953
Less BIX	-440								
Net unsec.	1,412	962	1,037	1,239	1,276	1,431	1,582	1,786	1,953
Total, current taxes	13,974	16,317	17,665	20,016	21,530	24,689	27,760	31,457	35,398
Percent growth	N/A	16.8	8.3	13.3	7.6	14.7	12.4	13.3	12.5
Supplemental Taxes (SB 813)						234	960	1,035	1,174

\* Excludes assessed value in redevelopment tax rate areas.

Table A-17 -- Sacramento City: Property Tax Collections  
(Amounts in Thousands)

CURRENT MONTHLY	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.
1981-82												
Current sec.						7,000	2,031			6,000	1,597	
Current unsec.				892						145		
TOTAL				892		7,000	2,031			6,145	1,597	
1982-83												
Current sec.						7,500	2,730			7,236	962	350
Current unsec.			900		35	110				194		
TOTAL			900		35	7,610	2,730			7,430	962	350
1983-84												
Current sec.						8,000	3,091			8,000	772	391
Current unsec.					1,123					154		
TOTAL					1,123	8,000	3,091			8,154	772	391
1984-85												
Current sec.						11,229	815		96	8,149	2,485	484
Current unsec.					1,228							203
TOTAL					1,228	11,229	815			8,149	2,485	687
-----FORECAST-----												
1985-86												
Current sec.						10,500	3,927			10,209	1,047	524
Current unsec.					1,361					222		
TOTAL					1,361	10,500	3,927			10,431	1,047	524
1986-87												
Current sec.						11,868	4,451			11,572	1,187	593
Current unsec.					1,536					250		
TOTAL					1,536	11,868	4,451			11,822	1,187	593
-----CURRENT ROLL-----												
ANNUAL	SECURED	UNSEC.	TOTAL	GROWTH	SUPPLEMENTAL			ADJUSTMENTS				
					SUPP.	TOTAL	GROWTH	PRIOR	INT/PEN	TOTAL	GROWTH	
1980-81	15,356	961	16,317	N/A	N/A	16,317	N/A	830	51	17,197	N/A	
1981-82	16,628	1,037	17,665	8.3	N/A	17,665	8.3	1,144	21	18,830	9.5	
1982-83	18,778	1,239	20,017	13.3	N/A	20,017	13.3	1,352	239	21,608	14.8	
1983-84	20,254	1,277	21,530	7.6	N/A	21,530	7.6	1,570	48	23,148	7.1	
1984-85	23,258	1,431	24,689	14.7	234	24,923	15.8	775	119	25,817	11.5	
-----FORECAST-----												
1985-86	26,207	1,582	27,789	12.6	960	28,749	15.4	1,265	47	30,061	16.4	
1986-87	29,671	1,786	31,457	13.2	1,035	32,492	13.0	1,831	68	34,390	14.4	
1987-88	33,445	1,953	35,398	12.5	1,174	36,572	12.6	2,225	82	38,880	13.1	

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Table A-18 -- Sacramento City: Sales Tax Revenues  
(Amounts in Thousands)

MONTHLY	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.
1976-77	1,262	619	1,238	1,184	669	1,338	1,163	650	1,300	1,280	631	1,263
1977-78	1,346	1,375	1,517	744	1,488	1,629	763	1,525	1,461	738	1,475	1,441
1978-79	825	1,650	1,771	888	1,775	1,596	881	1,763	1,499	830	1,660	1,966
1979-80	970	1,940	1,864	994	1,988	1,899	975	1,950	1,930	1,013	2,025	1,541
1980-81	1,100	2,200	1,355	1,138	2,275	1,185	1,100	2,200	1,488	1,019	2,038	1,708
1981-82	1,050	2,100	1,902	1,056	2,114	2,027	1,111	2,220	1,489	1,075	2,150	1,627
1982-83	1,593	1,822	1,687	1,425	1,663	2,135	1,305	1,740	2,171	1,260	1,680	2,228
1983-84	1,320	1,760	2,642	1,426	1,901	2,798	1,465	1,953	2,439	1,441	1,921	2,815
1984-85	1,561	2,081	2,889	1,711	2,281	2,787	1,681	2,241	3,100	1,740	2,321	2,424
----- FORECAST -----												
1985-86	1,890	2,520	3,112	1,980	2,640	2,789	1,757	2,417	3,149	1,747	2,402	3,130
1986-87	1,856	2,552	3,325	1,915	2,634	3,432	1,901	2,614	3,406	1,890	2,599	3,387
-----ACCRUAL ADJUST.-----												
ANNUAL	CASH	JUL (-)	JUL (+)	NET ADJ	REVENUE	GROWTH						
1976-77	12,595	-1,262	1,346	84	12,679	N/A						
1977-78	15,499	-1,346	825	-521	14,978	18.1						
1978-79	17,103	-825	970	145	17,248	15.2						
1979-80	19,087	-970	1,100	130	19,217	11.4						
1980-81	18,805	-1,100	1,050	-50	18,755	-2.4						
1981-82	19,923	-1,050	1,593	543	20,465	9.1						
1982-83	20,709	-1,593	1,320	-273	20,436	-1						
1983-84	23,881	-1,320	1,561	241	24,122	18.0						
1984-85	26,818	-1,561	1,890	329	27,147	12.5						
----- FORECAST -----												
1985-86	29,532	-1,890	1,856	-34	29,498	8.7						
1986-87	31,512	-1,856	1,996	140	31,652	7.3						
1987-88	33,649			150	33,799	6.8						

Table A-19 -- Sacramento City Utility Users' Fee Revenues  
(Amounts in Thousands)

MONTHLY	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY.	JUN.
1981-82												
SMUD	192.0	240.9	252.6	242.4	232.9	218.0	202.6	195.8	214.7	205.3	205.5	238.8
PG&E	99.6	102.6	120.5	118.7	142.6	176.6	242.2	372.8	341.7	231.1	237.0	143.0
TEL.	212.5	210.3	218.9	250.5	257.7	260.8	267.0	260.7	269.8	257.4	276.9	270.7
TOTAL	504.1	553.8	592.1	611.6	633.2	655.5	711.8	829.3	826.2	693.7	719.4	652.5
1982-83												
SMUD	237.0	265.2	260.4	283.3	292.9	241.2	247.5	246.8	270.9	247.2	250.0	262.1
PG&E	135.9	114.4	103.6	130.0	139.1	245.7	368.8	447.3	334.0	255.0	214.3	199.2
TEL.	266.9	265.0	273.1	270.3	270.1	270.6	261.2	244.2	246.3	251.0	271.5	269.8
TOTAL	639.8	644.5	637.2	683.6	702.0	757.6	877.6	938.4	851.2	753.2	735.8	731.1
1983-84												
SMUD	300.8	298.8	322.4	406.3	586.4	567.8	510.1	499.0	568.0	513.0	468.0	509.0
PG&E	110.6	106.0	110.2	231.6	207.3	330.9	617.4	739.0	604.0	474.0	345.0	306.0
TEL.	258.0	271.3	277.5	516.1	509.9	531.7	510.7	487.0	541.0	511.0	544.0	546.0
TOTAL	669.4	676.1	710.1	1,154.1	1,303.6	1,430.4	1,638.1	1,725.0	1,713.0	1,498.0	1,357.0	1,361.0
1984-85												
SMUD	572.0	592.8	673.6	675.5	684.6	616.5	582.3	543.5	638.4	584.7	635.0	666.3
PG&E	218.4	215.0	220.2	224.1	272.7	465.4	692.9	903.5	777.1	394.2	195.7	243.7
TEL.	574.8	571.0	565.9	703.8	493.4	590.7	589.8	626.1	670.4	617.8	616.7	669.4
TOTAL	1,365.3	1,378.7	1,459.7	1,603.3	1,450.7	1,672.6	1,865.0	2,073.1	2,086.0	1,596.8	1,447.4	1,579.4
1985-86												
SMUD	707.0	823.9	815.4	727.9	685.1	758.7	738.3	738.3	830.6	771.6	748.2	818.4
PG&E	200.1	200.5	228.2	250.0	415.5	496.6	590.6	723.9	590.6	493.6	397.3	313.0
TEL.	699.4	720.2	719.5	702.9	735.4	665.9	703.5	682.1	746.1	706.8	773.0	728.9
TOTAL	1,606.5	1,744.6	1,763.1	1,680.8	1,836.0	1,921.2	2,032.3	2,144.4	2,167.3	1,972.0	1,918.6	1,860.3
1986-87												
SMUD	805.2	883.1	909.1	890.7	974.2	918.5	835.0	835.0	939.3	874.5	848.0	927.5
PG&E	333.7	314.1	333.7	330.9	381.8	560.0	619.1	758.9	619.1	531.1	427.4	336.8
TEL.	752.4	752.4	775.2	823.0	752.5	776.0	801.1	776.9	849.7	800.5	875.6	825.5
TOTAL	1,891.3	1,949.6	2,018.0	2,044.6	2,108.5	2,254.5	2,255.2	2,370.8	2,408.2	2,206.1	2,151.0	2,089.8
-----ACCRUAL ADJUST.-----												
ANNUAL	CASH	JUL (-)	JUL (+)	NET ADJ	REVENUE	GROWTH	BASE	DIFF				
1981-82	7,983	-504	640	136	8,119	N/A	8,119	N/A				
1982-83	8,952	-640	669	30	8,981	10.6	8,981	N/A				
1983-84	15,236	-669	1,365	696	15,932	77.4	15,932	N/A				
1984-85	19,578	-1,365	1,606	241	19,819	24.4	19,819	0				
-----FORECAST-----												
1985-86	22,647	-1,606	1,891	285	22,932	15.7	22,716	216				
1986-87	25,748	-1,891	2,118	227	25,974	13.3	25,821	153				
1987-88	28,584			252	28,836	11.0	28,901	-65				