

Board of Directors

Ann Bailey, Chair
 Emily Baime Michaels, Vice-Chair
 Nick Avdis, Member
 Jose Bodipo-Memba, Member
 Bob Lagomarsino, Member
 Tara Gandara, Board Secretary

CADA Administration

Danielle Foster, Executive Director
 Marc de la Vergne, Deputy Executive Director
 Noelle Mussen, Finance Director
 Todd Leon, Development Director

Legal Counsel

Jeff Mitchell
 Kronick, Moskovitz, Tiedemann & Girard

Phone: (916) 322-2114

Web: www.cadanet.org

AGENDA REGULAR MEETING

**THE CAPITOL AREA DEVELOPMENT
 AUTHORITY
 BOARD OF DIRECTORS**

FRIDAY, JANUARY 17, 2025

10:00 A.M.

**CADA ADMINISTRATIVE OFFICE
 1522 14TH STREET, SACRAMENTO, CA 95814**



**Members of the Public are invited to
 participate via ZOOM or in person.**

To join via Zoom:

Go to: <https://zoom.us/join>

Or join by phone: (669) 900-9128 (Pacific Coast)

Find your local number:

<https://us02web.zoom.us/j/kcoHLfF55h>

Meeting ID: 814 7371 4370

Request Password (prior to start of meeting):

tgandara@cadanet.org

- 1. Roll Call and Just Cause/Emergency Teleconference Information (if applicable)**
- 2. Approval of Minutes: December 13, 2024 & December 17, 2024**
- 3. Chair's Oral Report**
- 4. Executive Director/President's Oral Report**
- 5. Authorization for CADA to Receive Grant Funding from the City of Sacramento for the 805 R Street Affordable Housing Project**

Recommended Action: Adopt a resolution granting CADA staff the authority to receive grant funding of up to \$3,500,000 from the City of Sacramento for the 805 R St Affordable Housing Project (Monarch).

Contact: Danielle Foster, Executive Director
 Todd Leon, Development Director
 Jack Barnes, Development Manager

6. Audited Financial Reports – Fiscal Year 2023-2024

Recommended Action: Adopt resolutions accepting and releasing financial reports audited by Cohn Reznick LLP.

Contact: Noelle Mussen, Finance Director

7. Mid-Year Capital Improvements Program (CIP) Update

Recommended Action: Review and Comment.

Contact: Frank Czajka, Construction Manager

8. Oral Staff Reports/Updates

- A. Downtown Sacramento Partnership
- B. Downtown Sacramento Revitalization Corporation
- C. Midtown Association

- D. O Street Streetscape (7th – 17th Streets)
- E. Energy Conservation
- F. Other Neighborhood Improvements
- G. 14th & N – The Cypress
- H. 1717 S Street – ARY Place
- I. 2000 16th Street – Sakura
- J. 805 R Street – Monarch
- K. R Street Partnership

9. Transmittals

- A. Ombudsman Report: December 2024
- B. Apartment Status Report: December 2024
- C. Affordable Housing Report: December 2024
- D. Commercial Leases/Vacancies: December 2024
- E. CADA Neighborhood Incident Report: December 2024
- F. Contracts Log: December 2024 and January 2025
- G. Financial Report: None
- H. City Treasurer Monthly Investment Report: November 2024

10. Opportunity for the Public to Address the Board Regarding Matters Not on the Agenda

11. Adjournment

Approved for Transmittal:



Danielle Foster, Executive Director

NOTE: THE BOARD MAY TAKE ACTION ON ANY MATTER LISTED ON THE AGENDA. ADDITIONALLY, THE BOARD MAY TAKE ACTION ON ANY MATTER NOT LISTED ON THE AGENDA TO THE EXTENT PERMITTED BY APPLICABLE LAW. PURSUANT TO STATE AND FEDERAL LAW, IF YOU HAVE A REQUEST FOR A DISABILITY-RELATED MODIFICATION OR ACCOMMODATION IN ORDER TO ASSIST YOU IN PARTICIPATING IN THE MEETING, PLEASE CONTACT TARA GANDARA, BOARD SECRETARY AT (916) 322-2114 TO MAKE SUCH A REQUEST. IN ORDER TO ALLOW ADEQUATE TIME TO ACCOMMODATE ANY REQUESTS, CADA ASKS THAT THE REQUEST BE MADE AT LEAST 24 HOURS PRIOR TO THE MEETING.

**MINUTES
OF
REGULAR BOARD MEETING**

**BOARD OF DIRECTORS
CAPITOL AREA DEVELOPMENT AUTHORITY (CADA)
CAPITOL AREA COMMUNITY DEVELOPMENT CORPORATION (CACDC)**

December 13, 2024

ITEM 1 – ROLL CALL

Chair Bailey called the Board Meeting of the CADA Board of Directors and the CACDC to order at 10:10 a.m. at 1522 14th Street, Sacramento, CA 95814 and via public video conference.

Present: Baime Michaels, Lagomarsino, Bailey

Absent: Avdis, Bodipo-Memba

ITEM 2 – APPROVAL OF MINUTES: October 18, 2024 [CADA/CACDC]

Member Lagomarsino moved approval of the October 18, 2024 CADA Board Meeting minutes and CACDC Board Meeting minutes. Member Baime Michaels seconded the motion.

AYES: Baime Michaels, Lagomarsino, Bailey

NOES: None

ITEM 3 – CHAIR’S ORAL REPORT

Chair Bailey attended the Come to Your Senses exhibit grand opening and found it was very fun. She suggested that others bring their friends and families to check it out.

ITEM 4 –ELECTION OF VICE-CHAIR

Chair Bailey nominated Member Baime Michaels to continue as Vice-Chair. The Board concurred and supported Chair Bailey’s recommendation.

ITEM 5 – 2023 BOARD COMMITTEE APPOINTMENTS

Chair Bailey proposed that the appointments of CADA’s Committee members remain the same with Nick Avdis and Emily Baime Michaels on Development and Construction, Ann Bailey and Bob Lagomarsino on Operations, and Ann Bailey and Bob Lagomarsino on Neighborhood and Development. The Board concurred.

ITEM 6 – EXECUTIVE DIRECTOR’S ORAL REPORT/PRESIDENT’S ORAL REPORT

Danielle Foster reported the following:

- The opening of the Come to Your Senses Art Activation at 808 O Street, the North end of the old Capital Athletic Club, took place on November 21st. This art experience is being well-received by the community, who is enjoying the opportunity to interact with and create art that responds to the five senses. CADA has received good publicity for the space on Good Day Sacramento and CapRadio’s Insight program. During this season CADA is including a food, toy and instrument drive option for entry. CADA is also seeing several non-profit and public entities utilizing the space for holiday parties and team gatherings. Next, CADA is turning our attention to direct invitations to schools, additional non-profit partners, and special-focus groups. The space is open Thursdays through Sundays from 1:00 to 6:00 p.m.
- Design work continues to proceed with 525 S Street. CADA has been working with our consultants on getting all of the spaces needed in the new maintenance warehouse and increasing the amount of light into the building. Staff will plan to bring an update on the design in the next one to two months, as the project is getting closer to finalizing the layout and the interior color scheme.

- On November 19th, Ms. Foster spoke at a Lambda Alpha International (LAI) Luncheon Meeting, providing an overview of work happening at CADA, with particular emphasis on “Come to Your Senses”, Monarch and Sakura, and the Middle-Income Program. The conversation was thoughtful, engaging, and the crowd was very complimentary of CADA's work and role in the community.
- Middle-Income Housing Program- On December 4th, Ms. Foster was invited to emcee the groundbreaking for the Gateway Project on Stockton Blvd, another Middle-Income Housing project in CADA’s program. It was a great celebration by the community of a site that has been a high-priority for development for the past few decades. There are a handful of additional projects currently testing their projects within the program. In early November, Urban Capital’s Studio 30 Project opened and was already 75% occupied upon receiving its temporary certificate of occupancy. Today it is 93% occupied with only two ground floor studios remaining for rent. It is exciting to see CADA’s Middle-Income Housing Program addressing a great need in our community.
- City Council transition- This week the City also see the swearing in of new councilmembers, including our new Councilmember for District 4, Phil Pluckebaum and our new Mayor, Kevin McCarty. Ms. Foster attended the City Council meetings for the outgoing and incoming Council and congratulated our new representatives at the Downtown Sacramento Partnership (DSP) reception. Outgoing mayor, Mayor Steinberg, held a party at Fox and Goose last week and CADA staff was great in helping with dropping off and picking up the bollards for the closure of the street block.
- Internally CADA has been providing trainings for staff, including one for all staff on customer service and standard operating procedures for ensuring good, responsive service. Next week CADA has a public speaking training for managers most likely to speak to the press or present in public meetings. CADA is also excited to be holding a holiday spirit week next week, which includes crazy sock day, pajama day with a hot chocolate bar, and others, culminating with holiday accessory day at our holiday lunch on Friday. Please feel free to wear a holiday accessory like reindeer antlers, hats, etc. to our holiday lunch Friday at Urban Roots.

ITEM 7 — [CADA] FY 2024/2025 MID-YEAR BUDGET REVISIONS OF THE GENERAL OPERATIONS BUDGET AND CAPITAL INVESTMENT PROGRAM BUDGETS, INCLUDING ASSESSMENT OF FUND BALANCES

Recommended Action: Adopt a resolution approving the fiscal year 24-25 mid-year revisions to the general operations budget and capital investment program budgets, including assessment of fund balances.

Contact: Noelle Mussen, Finance Director

Ms. Foster added that, as of this week, CADA is now under 10% on our vacancy rate, even with units currently on hold for maintenance repairs. Bond proceeds were discussed, in addition to the planning for the pension fund prepayment approach.

No public comments.

Member Lagomarsino moved approval of Resolution 24-51 [CADA] attached hereto and incorporated herein. Member Baime Michaels seconded the motion.

AYES: Baime Michaels, Lagomarsino, Bailey

NOES: None

ITEM 8 [CADA/CACDC] SONRISA AFFORDABLE HOUSING PROJECT AT 1322 O STREET – LOAN EXTENSION

This item was removed from this agenda and moved to a special meeting due to quorum issues due to member Lagomarsino’s conflict of interest on this item.

[CADA]

Recommended Action: Adopt a resolution to extend the maturity date of two loans that were used to fund Sonrisa’s additional construction costs and take any and all actions on behalf of CADA to extend the maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

[CACDC]

Recommended Action: Adopt a resolution to authorize the CACDC President to accept the loan extensions of the loan maturity dates and take any and all actions on behalf of the CACDC to extend the loan maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

Contact: Todd Leon, Development Director [CADA]
Danielle Foster, Executive Director [CADA]/President [CACDC]

ITEM 9 — [CADA] THE DEAN RENOVATION PROJECT CHANGE ORDER – 1400 N STREET

Recommended Action: Adopt a resolution approving a change order authorizing the Executive Director to increase the existing construction contract for the Dean Renovation Project – 1400 N Street with Dos Amigos in the amount of \$100,000.

Contact: Danielle Foster, Executive Director [CADA]/President [CACDC]
Josh Palmer, Asset Management and Facilities Maintenance Director [CADA]

No Board Comment.

CADA resident, Cassie Mancini, commented that she feels that the language in the staff report regarding the Dean having a “discerning clientele” was disrespectful to other CADA tenants. All CADA tenants deserve a safe and well-maintained building. Chair Bailey responded that CADA always strives to provide the same service to all tenants.

Member Lagomarsino moved approval of Resolution 24-53 [CADA] attached hereto and incorporated herein. Member Baime Michaels seconded the motion.

AYES: Baime Michaels, Lagomarsino, Bailey
NOES: None

[CADA] CONSENT CALENDAR - ITEMS 10 - 11

ITEM 10 – EMPLOYEE HANDBOOK

ITEM 11 – 2025 BOARD MEETINGS AND COMMITTEE MEETINGS SCHEDULES

Chair Bailey asked if there were any Board members who desired Items 10 through 13 to be taken off the Consent Calendar. None wished to do so.

Member Baime Michaels moved approval of Resolution 24-54 (Item 10) and Resolutions 24-55 and 24-56 (Item 11) attached hereto and incorporated herein. Member Lagomarsino seconded the motion.

AYES: Baime Michaels, Lagomarsino, Bailey
NOES: None

ITEM 12 - ORAL STAFF REPORTS/UPDATES

- A. Downtown Sacramento Partnership: Danielle Foster reported that the ice rink is open downtown and that the new Department of General Services (DGS) representative, Patrick Foster, has joined the DSP Board.
- B. Downtown Sacramento Revitalization Corporation: Nothing to report.
- C. Midtown Association: Danielle Foster reported that she is very excited to be joining the Midtown Parks Board.
- D. O Street Streetscape (7th – 17th Streets): Marc de la Vergne reported that staff is working with DGS to prepare an agreement to allow CADA and our contractors to be able to complete the Eames art panel project. Once complete, CADA will work on an MOU with the Eames family. Finally, CADA will begin the process of bidding the work out. At 14th & O, staff is continuing research into creative crosswalks. Staff has discovered a new way to install them that would be more durable, but is waiting for costing.

- E. Energy Conservation: Marc de la Vergne reported that CADA is working to complete a contract with a company to carry out our native plant garden maintenance. CADA will also be changing out the irrigation controllers at all of the native plant garden locations with smart controllers. Mr. de la Vergne added that staff has been working with SMUD to create an energy-savings measurement tool. This way CADA can monitor the efficacy of the new energy conservation programs and technologies. Nearly all of CADA's buildings are enrolled in the SMUD Greenergy Program. CADA is looking into adding EV chargers at a handful of CADA buildings.
- F. Other Neighborhood Improvements: Mr. de la Vergne reported the following:
- CADA has drafted a project development agreement with the City governing the renovation of the current stormwater planters on 16th Street. It is in the process of being executed so CADA can begin the project.
- G. 14th & N – The Cypress: Todd Leon reported that there will be a large crane on the site on Tuesday for balconies, items for the pool, etc. and it will impact the garage. It will only be there for one day.
- H. 1717 S Street – ARY Place: Todd Leon reported Chu Mai is still working to get their restaurant open. They are looking at January now. Free People Movement's tenant improvement construction is underway. They are looking at April, maybe May as an opening.
- H. 2000 16th Street – Sakura: Todd Leon reported that CADA finally got the bonds and tax credits approved, the final piece of project funding. CADA is now in the 180-day clock for the bond reservation that requires start of construction. This means CADA needs to close the financing by June 9th. The project is under design, so CADA is looking at submitting for permits shortly and pulling building permits in early Spring.
- H. 805 R Street – Monarch: Todd Leon reported that CADA is busy with due diligence items for all of the parties involved in closing the financing. CADA is still looking at closing at the end of January. The partnership has submitted to The California Debt Limit Allocation Committee (CDLAC) for a 90-day extension to be cautious. There are a number of items that could delay the closing. Next month there will be a number of items coming to the Board related to the closing.
- H. R Street Partnership: Todd Leon reported that they continue to work on security improvements down the corridor. Also, Jim Cordano has taken over as the Board Chair.

ITEM 13 – TRANSMITTALS

Received as transmitted.

ITEM 14 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA

None.

ITEM 15 – ADJOURNMENT

The meeting adjourned at **10:46** a.m.

Tara Gandara
Secretary to the Board of Directors

**MINUTES
OF
SPECIAL BOARD MEETING**

**BOARD OF DIRECTORS
CAPITOL AREA DEVELOPMENT AUTHORITY (CADA)
CAPITOL AREA COMMUNITY DEVELOPMENT CORPORATION (CACDC)**

December 17, 2024

ITEM 1 – ROLL CALL

Chair Bailey called the Board Meeting of the CADA Board of Directors and the CACDC to order at 2:29 p.m. at 1522 14th Street, Sacramento, CA 95814 and via public video conference.

Present: Avdis, Bodipo-Memba, Bailey

Absent: Baime Michaels, Lagomarsino

ITEM 2 [CADA/CACDC] SONRISA AFFORDABLE HOUSING PROJECT AT 1322 O STREET – LOAN EXTENSION

[CADA]

Recommended Action: Adopt a resolution to extend the maturity date of two loans that were used to fund Sonrisa's additional construction costs and take any and all actions on behalf of CADA to extend the maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

[CACDC]

Recommended Action: Adopt a resolution to authorize the CACDC President to accept the loan extensions of the loan maturity dates and take any and all actions on behalf of the CACDC to extend the loan maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

Contact: Todd Leon, Development Director [CADA]
Danielle Foster, Executive Director [CADA]/President [CACDC]

There was Board discussion regarding the construction of 1322 O Street, Sonrisa, and the pending claim and equity payment that will address these outstanding loans from CADA to the CACDC and the project partnership.

No public comments.

Member Avdis moved approval of Resolutions 24-52 [CADA] and Resolution 24-08 [CACDC] attached hereto and incorporated herein. Member Bodipo-Memba seconded the motion.

AYES: Avdis, Bodipo-Memba, Bailey

NOES: None

ITEM 3 – OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD REGARDING MATTERS NOT ON THE AGENDA

None.

ITEM 4 – ADJOURNMENT

The meeting adjourned at **2:43** p.m.

Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 24 - 51

Adopted by the Capitol Area Development Authority

December 13, 2024

RESOLUTION ADOPTING THE FISCAL YEAR 2024 -2025 MID-YEAR REVISION TO THE GENERAL OPERATIONS BUDGET AND CAPITAL INVESTMENT PROGRAM (CIP) BUDGETS


WHEREAS, the FY 2024-2025 General Operations Budget and Capital Investment Program Budgets are prepared in accordance with the business development goals set forth in the Authority's Strategic Plan and the Annual Business Plan for FY 2024-2025 and were adopted at the June 2024 Board Meeting; and


WHEREAS, the Mid-Year Revisions recommended for adoption have been presented and reviewed at this meeting of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Capitol Area Development Authority that the Mid-Year Revisions that affect the following changes, as presented at this meeting, are hereby adopted:

- Revise the FY 24-25 General Operations Budget to affect a net increase of \$2,191,945. This net increase is the result of tax increment received but not utilized in the prior year, adjustments to revenue, drawdown on reserves, release of funding from closed CIP budgets and additional interest income on bond proceeds. This revision is proposed to fund increases for CIP budgets and general expense accounts.
- Revise Development CIP Budgets to:
 - Increase the FY 09-10 Budget by \$10,000
- Revise Major Construction CIP Budgets to:
 - Close out the FY 21-22 budget with a remaining balance of \$64,889
 - Increase the FY 24-25 Budget by \$224,000
- Revise Reserves to:
 - Increase the Development Reserve by \$608,930
 - Increase the Affordable Housing Reserve by \$69,015
 - Increase the Debt Retirement Reserve for Somerset Parkside and Biele Place Special Management properties by \$500,000
 - Increase the Acquisition Reserve by \$400,000

ATTEST:


Tara Gandara
Secretary to the Board of Directors


Ann Bailey, Chair

RESOLUTION NO. 24 - 53

Adopted by the Capitol Area Development Authority

December 13, 2024

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR
TO ENTER INTO \$100,000 CHANGE ORDER ON CONTRACT
C25-102 – DOS AMIGOS CONSTRUCTION FOR THE REMODEL OF
TWO ADDITIONAL UNITS**

WHEREAS, in October 2024 the Board authorized the Executive Director to enter into a \$229,485 construction contract with Dos Amigos Construction Inc. for the remodel of four units;

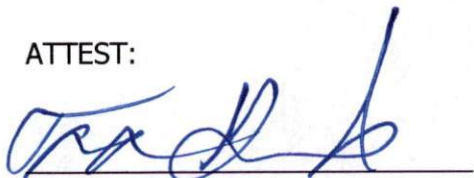
WHEREAS, staff is recommending that the Board approve a change order in the amount of \$100,000 to pay for the cost of the tenant improvements at 1400 N Street which are associated with adding two additional currently-vacant apartments to the four apartments currently being renovated by Dios Amigos Construction; and

WHEREAS, the proposed change order to the Dos Amigos contract totaling \$100,000, exceeds the limit of the Executive Director's authority to approve a change order of more than \$25,000 or twenty percent (20%) of the original contract amount.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Capitol Area Development Authority that the Executive Director, or their designee, is authorized to enter into Change Order #1 with C25-102 Dos Amigos Construction Inc. in the amount of \$100,000 to provide contracting services for the remodel of units at the Dean property, 1400 N Street.


Ann Bailey, Chair

ATTEST:


Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 24 - 54

Adopted by the Capitol Area Development Authority

December 13, 2024

RESOLUTION ADOPTING THE 2025 CADA EMPLOYEE HANDBOOK

WHEREAS, at the December 13, 2024 Board Meeting, staff presented the CADA Board of Directors ("Board") with proposed revisions to the CADA Employee Handbook ("the Handbook") for Board approval in order to remain current with employment law and labor practices and in order to address CADA's operational needs;

WHEREAS, the Board has considered staff's recommendation to adopt the revisions to the Handbook; and

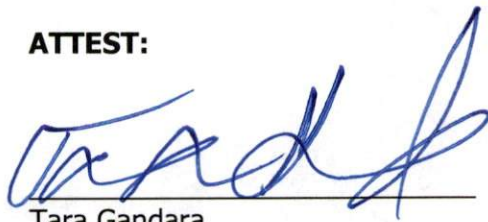
WHEREAS, on December 13, 2024, the Board adopted the new Handbook, as attached.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority as follows:

1. That the draft Handbook dated January 1, 2025, is hereby adopted as the Employee Handbook.
2. That the draft Handbook dated January 1, 2025, supersedes all previous Handbooks adopted by the Board.
3. That the draft Handbook dated January 1, 2025, shall be effective January 1, 2025.


Ann Bailey, Chair

ATTEST:


Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 24 - 55

Adopted by the Capitol Area Development Authority

December 13, 2024

RESOLUTION ADOPTING THE 2025 CADA BOARD MEETINGS SCHEDULE

WHEREAS, the Board of Directors for the Capitol Area Development Authority will hold regular Board meetings during the calendar year 2025; and

WHEREAS, the Board of Directors must establish when these meetings will occur.


NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority, that the Regular Board Meeting Schedule for 2025 is as follows:

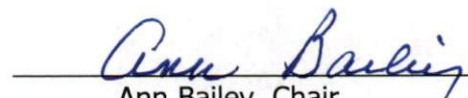
Friday, January 17th
Friday, February 14th
Friday, March 21st
Friday, April 18th
Friday, May 23rd
Friday, June 13th
July---NO MEETING
Friday, August 15th
Friday, September 19th
Friday, October 17th
November ---NO MEETING
Friday, December 12th

All meetings of the CADA Board of Directors are publicly announced and open to the public in accordance with the Ralph M. Brown Act.

The regular Board meetings will take place at the CADA Administrative Office, 1522 14th Street, Sacramento, CA beginning at 10:00 a.m. unless otherwise announced.

ATTEST:


Tara Gandara
Secretary to the Board of Directors


Ann Bailey, Chair

RESOLUTION NO. 24 – 56

Adopted by the Capitol Area Development Authority

December 13, 2024

RESOLUTION ADOPTING THE 2025 CADA BOARD COMMITTEE MEETINGS SCHEDULE

WHEREAS, the Board of Directors for the Capitol Area Development Authority will hold regular committee meetings during the calendar year 2025; and

WHEREAS, the meeting schedule has been established for the purpose of establishing when these meetings will occur.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority, that the Regular Committee Meetings Schedule for 2025 is as follows:

Operations Committee: 2:00 p.m.
Neighborhood Development Committee: 3:00 p.m.

Tuesday, January 14th
Tuesday, February 11th
Tuesday, March 18th
Tuesday, April 15th
Tuesday, May 20th
Tuesday, June 10th
July --- NO MEETING
Tuesday, August 12th
Tuesday, September 16th
Tuesday, October 14th
November --- NO MEETING
Tuesday, December 9th

Development and Construction Committee: 9:30 a.m.

Wednesday, January 15th
Wednesday, February 12th
Wednesday, March 19th
Wednesday, April 16th
Wednesday, May 21st
Wednesday, June 11th
July --- NO MEETING
Wednesday, August 13th
Wednesday, September 17th
Wednesday, October 15th
November --- NO MEETING
Wednesday, December 10th

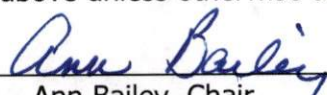
All meetings of the CADA Board of Directors Committees are publicly announced and open to the public in accordance with the Ralph M. Brown Act.

The regular committee meetings will take place at the CADA Administrative Office, 1522 14th Street, Sacramento, CA at the designated times set forth above unless otherwise announced.

ATTEST:


Tara Gandara

Secretary to the Board of Directors


Ann Bailey, Chair

CADA RESOLUTION NO. 24 – 52
CACDC RESOLUTION NO. 24 – 08

December 17, 2024

Adopted by the:

Capitol Area Development Authority (CADA) Board of Directors
Capitol Area Community Development Corporation (CACDC) Board of Directors

Joint resolution authorizing action to:

[CADA]

1. Extend the maturity date of two CADA loans to the CACDC that were used to fund Sonrisa's additional construction costs.
2. Take any and all actions on behalf of CADA to extend the loan maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

[CACDC]

1. Authorize the CACDC President to accept the extensions of the loan maturity dates.
2. Take any and all actions on behalf of the CACDC to extend the loan maturity dates, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

WHEREAS, On February 10, 2023, the CACDC (Borrower) and CADA (Lender) entered into a certain Loan Agreement for a loan in the amount not to exceed \$1,400,000 ("Bridge Loan"), evidenced by an Unsecured Promissory Note made by Borrower in favor of Lender.

WHEREAS, On February 10, 2023, Borrower and Lender entered into a certain Loan Agreement for a loan in the amount not to exceed \$425,000 ("Electrical Loan"), evidenced by an Unsecured Promissory Note made by Borrower in favor of Lender.

WHEREAS, the proceeds of the Loans were used by Borrower in the mixed-use project known as Sonrisa (the "Project"), owned by O St Investors LP, a California limited partnership, of which Borrower is the Managing Member.

WHEREAS, the outside Maturity Date of the Loan is December 31, 2024, however, due to delays in the Project, Lender and Borrower desire to extend the outside Maturity Date to December 31, 2025, and amend the terms of the Note and Loan Agreement accordingly.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Capitol Area Development Authority and the Capitol Area Community Development Corporation that:

1. The terms of the Promissory Notes and Loan Agreements for the Bridge Loan and Electrical Loan shall be extended to a new Maturity Date of June 30, 2025, as shown in the attached.
2. The Executive Director of CADA is authorized to take any and all actions on behalf of CADA to extend the loan maturity date of both loans, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

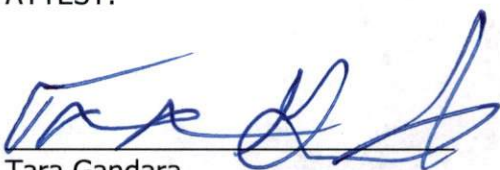
Attachment 3

3. The President of the CACDC is authorized to take any and all actions on behalf of CADA to extend the loan maturity date of both loans, including execution of all necessary documents, including an Amendment to Loan Documents for each loan.

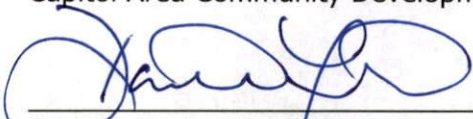
Capitol Area Development Authority


Ann Bailey, Chair


ATTEST:


Tara Gandara
Secretary to the Board of Directors

Capitol Area Community Development Corporation


Danielle Foster, President

ATTEST:


Tara Gandara
Secretary to the Board of Directors



January 10, 2025

TO: CADA Board of Directors

SUBJECT: January 17, 2025 Board Meeting

AGENDA ITEM 5

AUTHORIZATION FOR CADA TO RECEIVE GRANT FUNDING FROM THE CITY OF SACRAMENTO FOR THE 805 R STREET AFFORDABLE HOUSING PROJECT

CONTACT: Danielle Foster, Executive Director
Todd Leon, Development Director
Jack Barnes, Development Manager

RECOMMENDED ACTION

Staff recommends the CADA Board of Directors adopt the attached Resolution (Attachment 1) granting CADA staff the authority to receive grant funding of up to \$3,500,000 from the City of Sacramento for the 805 R St Affordable Housing Project (Monarch).

BACKGROUND

In October 2018, the City Council passed a resolution reducing certain development impact fee residential rates for new deed-restricted affordable dwelling units to a zero-dollar rate for building permit applications accepted on or after December 30, 2018. This impact fee reduction program is subject to funding availability at the time of building permit issuance. The City has committed to ensuring a zero-dollar impact fee for the 805 R Street Project and may provide additional funding through a secondary grant source to backfill if the primary program budget from the City's General Fund is insufficient to fully fund this project's fee requirements.

Since 2022, the Capitol Area Development Authority's (CADA) nonprofit arm, the Capitol Area Community Development Corporation (CACDC) and Mutual Housing California have been working together as partners to develop Monarch, a 241-unit mixed-use affordable housing project on state-owned land at 805 R Street, the north side of R Street between 8th and 9th Streets. Monarch is fully funded and will be closing on its construction financing in the next couple of months, beginning construction shortly thereafter.

In October 2022, the City of Sacramento committed \$3 million in American Rescue Plan Act (ARPA) dollars to Monarch to support the construction of affordable housing units and assist in further leveraging of state funding sources.

As part of the current building permit review process, the City's Department of Utilities recently inspected the sewerline conditions under Quill Alley directly north of Monarch and determined that the sewerline would need to be replaced, and that Monarch would be required to cover 40% of those replacement costs.

As part of the City commitment to ensure the zero-dollar impact fee on this project for the development impact fees, the City's Office of Innovation and Economic Development is providing State Homeless Housing, Assistance and Prevention (HHAP) funds to assist with any potential shortfalls of the General Fund funding for the zero-dollar impact fee program and to mitigate additional costs associated with the sewerline replacement requirement and increasing projected interest rate expenses on the projects. These HHAP funds will be provided with the ARPA funding as a grant to CADA for CADA to include in its funding to the project. CADA will be ensuring development of the project and monitoring of the Regulatory Agreement on behalf of the City.

ANALYSIS

Possible costs resulting from shortfalls in the fee waiver program, the precise cost of the sewerline replacement, and increased costs due to interest rate changes each represent dollar figures that are yet to be finalized and will determine the precise amount of the grant CADA will receive from the City. Current estimates put this total under \$500,000.

The City's grant will come from two sources: the \$3 million from federal ARPA funds, plus a few hundred thousand dollars of HHAP funds for the sewerline replacement, increased costs due to fluctuating interest rates, and any gaps in funding for project development impact fees. Though the ultimate amount will likely be less, granting CADA the authority to receive up to \$3,500,000 from the City will remove any legal challenges that could be present if the final calculations shift. This flexibility is important considering the tight closing timeline.

Once the City's Grant has been received, these funds will be combined with the existing \$8 million commitment of CADA funds and provided to Monarch as a residual receipts loan.

FINANCIAL IMPACT

The \$3 million from ARPA is crucial gap funding for the project and the project would be in jeopardy without it. The additional funds of up to \$500,000, will remedy recent, previously unforeseen costs to stabilize the project at this critical juncture.

The City funds transferred to CADA will immediately be packaged with CADA's committed funds and advanced to Monarch through a residual receipt loan. The City grant funding will have no significant financial impact to CADA, but CADA will be able to reuse these funds for the purpose of affordable housing development as the project repays it over time through residual receipts with the other CADA funds.

There will be monitoring reports required from the project to the City for these funds, but these reports will be required primarily during construction until one year after initial project occupancy.

ENVIRONMENTAL CONSIDERATIONS

The Department of General Services of the State of California, as the lead agency for the Project, has determined that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15332 (Class 32 – In-Fill Development Project). The actions requested here, which include establishment of a funding mechanism for local projects, are a fiscal activity and not a project pursuant to CEQA Guidelines section 15378 (b)(4) because they do not constitute the commitment to or approval of any project that could have a significant effect on the environment.

STRATEGIC PLANS

The proposed action addresses the following 2024-2029 CADA Strategic Plan goals: "Ensure Fiscal Strength and Operational Excellence" and "Deliver Community Development Leadership."

Action #8 of CADA's Strategic Goal to "Ensure Fiscal Strength and Operational Excellence" is to "seek financial partnerships with creative funding sources that further CADA's mission." The additional HHAP funds that will come on top of the \$3 million ARPA dollars is a direct result of creative problem-solving in collaboration with the City and undoubtedly advance CADA's mission to "build and maintain vibrant, sustainable, mixed-use neighborhoods that support California's capital city."

By granting CADA the authority to receive these funds the Board would also promote actions #1 and #8 of its Strategic Goal to "Deliver Community Development Leadership" to "seek opportunities for furthering ownership housing and housing serving a range of income levels to create diverse and inclusive neighborhoods" and to "identify opportunities to bring more housing online that addresses local needs and engage in a minimum of two active development projects per year," respectively. This money meaningfully brings Monarch closer to reality for the 239 low-income households it will house.

Attachments:

1. CADA Resolution 25-01

RESOLUTION NO. 25 – 01

Adopted by the Capitol Area Development Authority

January 17, 2025

RESOLUTION GRANTING CADA STAFF THE AUTHORITY TO RECEIVE GRANT FUNDING FROM THE CITY OF SACRAMENTO IN AN AMOUNT NOT TO EXCEED \$3,500,000 FOR THE PURPOSES OF PROVIDING FUNDING FOR THE AFFORDABLE HOUSING PROJECT AT 805 R STREET

WHEREAS, Monarch is a 241-unit mixed-use affordable housing project in the Capitol Area being developed by a partnership between the Capitol Area Development Authority's (CADA) non-profit development arm, the Capitol Area Community Development Corporation (CACDC) and Mutual Housing California;

WHEREAS, Monarch's development team expects to close construction financing imminently;

WHEREAS, on October 25, 2022 the City of Sacramento committed \$3 million in gap financing to Monarch in the form of a grant when it decided to include affordable housing development as part of its approach to addressing homelessness using American Rescue Plan Act (ARPA) funds;

WHEREAS, the City of Sacramento's Department of Utilities has determined the sewerline under Quill Alley to Monarch's north needs to be replaced and that the project's developer shall pay 40% of the cost of its replacement; and

WHEREAS, the City of Sacramento's Community Development Department has agreed to provide funding from its Homeless Housing, Assistance and Prevention funds to Monarch to assist with potential shortfalls in the zero-dollar impact fee program and to mitigate additional costs and increasing interest rates.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority that the Board of Directors hereby authorizes CADA to receive up to \$3,500,000 in grant funds from the City of Sacramento to be loaned to Monarch's development partnership for the project's development.

The foregoing Resolution was duly passed and adopted at a meeting of the Board of Directors of the Capitol Area Development Authority held on January 17, 2025, by the following vote:

Emily Baime Michaels, Vice Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors



January 10, 2025

TO: CADA Board of Directors

SUBJECT: **January 17, 2025, Board Meeting**
AGENDA ITEM 6
AUDITED FINANCIAL STATEMENTS – FISCAL YEAR 2023-2024

CONTACT: Noelle Mussen, Finance Director

RECOMMENDED ACTION:

Staff recommends that the Board, by separate resolutions provided as Attachment 4, accept the following four audited financial reports as prepared and released by CohnReznick:

- ♦ Capitol Area Development Authority
Independent Auditor's Reports FY 2023-2024 (**Attachment 1a**)
- ♦ Somerset Parkside Apartments (Contract Number 80-RHC-007)
Independent Auditor's Reports FY 2023-2024 (**Attachment 1b**)
- ♦ Biele Place Apartments (Contract Number 80-RHC-032)
Independent Auditor's Reports FY 2023-2024 (**Attachment 1c**)
- ♦ Seventeenth Street Commons (Contract Number 99-024-N)
Independent Auditor's Reports FY 2023-2024 (**Attachment 1d**)

BACKGROUND

The attached audited financial reports for Fiscal Year 2023-24 have been prepared in accordance with the interagency agreement between CADA and the City of Sacramento concerning accounting and audit services performed for CADA. In addition to the Independent Auditor's Reports that consolidate the results of all operating funds, including special management funds, three stand-alone reports have been prepared for the residential facilities CADA manages under agreements with the Department of Housing and Community Development (HCD) and the California Housing Finance Agency (CalHFA). The HCD properties are Somerset Parkside and Biele Place, and the remaining property, managed under a regulatory agreement with CalHFA, is 17th Street Commons. The HCD and CalHFA regulatory agreements require CADA's audits to include certain supplemental reports and schedules that are not required to be included in standard independent auditor reports. CohnReznick has issued an unqualified opinion letter that is incorporated into its report for this year.

POLICY ISSUES

Audited financial statements are reported in accordance with Generally Accepted Accounting Principles (GAAP). The monthly financial reports that are transmitted to the Board during the year and reviewed with the Operations Committee are presented in a modified "cash flow" format rather than in accordance with GAAP. Both on the revenue and expense side, there are factors that are either included in or excluded from GAAP financials but not in CADA's internal reports. Additionally,

Capital Investment Program (CIP) projects (both Major Construction and Development) are budgeted on a multi-year basis and reported separately. Consequently, direct comparison of results between the General Operations monthly financials and the consolidated audited financials requires identification of reconciling factors. The audited financial statements for CADA and the special management funds are included as Attachments 1a through 1d. Attachment 2 identifies “reconciling factors”, or differences, between GAAP and Budget Basis financial reporting. Attachment 3 reflects CADA’s General Operations budget-to-actual results for fiscal year 2023-2024, exclusive of Capital Investment Program activities. Attachments 1a, 2, and 3 are more fully discussed below. Attachments 1b through 1d are financial reports for the three individual buildings that operate under regulatory agreements with other agencies that require them to be submitted annually for their review. Attachment 4 is comprised of the resolutions accepting the audits, as provided.

It should be noted that only three of CADA’s four special management properties are currently subject to stand-alone audits (Somerset Parkside, Biele Place, and 17th Street Commons). The financial position and activities for the fourth special management property, the Fremont Wilshire Apartments, are maintained in separate special management funds but are not presently required to be independently audited on an annual basis.

STRATEGIC PLAN

The Strategic Plan value that is most directly pertinent to this action is Objective I: Ensure Fiscal Strength and Operational Excellence. The completion of Audited financial statement enables CADA to meet its Strategic Plan goals and the Business Plan objectives while continuing to maintain a strong financial position.

FINANCIAL IMPACT

Management Discussion and Analysis (Attachment 1a)

A comprehensive overview of financial highlights and the audited financial statements is included in the Management Discussion and Analysis section of the auditor’s report where the report consolidates the results of all operating funds.

Statements of Revenues, Expenses and Changes in Fund Net Position (Attachment 1a):

CADA’s audited financials reflect positive results for the year, with an increase of \$6,329,209 in its Net Position. This is a \$813,000 increase in Net Position compared to last year. Last year, CADA experienced a \$2.6 million increase in its Net Position compared to the prior year.

The \$6.3 million increase in CADA’s Net Position reflects Non-Operating Net Revenues of \$9.3 million less an operating loss of \$3 million from rental and development activities. The primary reason for the increased positive results in FY 2023-24 compared to FY 2022-23 is due to net income increases in Rental Revenue and an insurance settlement, decrease to Development project expenses, offset with increases in Employee Services, and rental expenses.

Non-Operating Revenues totaled \$9.3 million, which is a net increase of \$2 million over last year’s revenue of \$7.4 million. This reflects a net increase in Intergovernmental Revenue (including Tax Increment) of \$668,000; a \$843,000 increase gain on sale of property from the forgiveness of interest on assumed debt; and Interest Income of \$425,000.

CADA’s Operating Loss was \$3 million, which is \$1.1 million more than last year’s \$1.9 million loss. The change is primarily due to net decreases in total Operating Expense of \$552,000 and an increase in Operating Revenue of \$1.2 million. The increases in Operating Expenses were in Employee Services expenses due to the filling vacated positions, including the Asset Management Director position, with increases to general rental expenses in services, supplies, and repairs of \$615,000, along with slight

decreases in development project expenses as compared to the prior year. The increase in Operating Revenue reflects a \$633,000 net increase in Rental Revenue and an increase in insurance settlements of \$222,000.

Statements of Cash Flow (Attachment 1a):

Total Cash and Cash Equivalents increased by \$1.6 million compared to the prior year's increase of \$2.8 million.

Cash outflow from operating activities and development projects decreased and increased cash inflow from rental receipts and interest income was a large part of the positive cash flow.

There was change from the prior of a decrease in cash outflow of \$1.9 million for the issuance of notes receivable from CADA to 1717 S Street and Sonrisa for construction costs. This was offset from the prior year positive cash inflow from a smaller total for proceeds from the sale of property and the release of cash held in escrow.

Budget Basis to GAAP Basis Net Income Reconciliation (Attachment 2):

Attachment 2 identifies the reconciling factors between the "GAAP Basis of Accounting," which is the required reporting basis for audited financial statements, and CADA's "Budget Basis of Accounting," or "Modified Cash Basis of Accounting," which is the basis for staff's monthly financial reporting to the Board. This attachment is presented as a cash flow report adjusting out inter-fund activity and includes the CIP Budgets which are usually reported separately from the monthly reports. The Audit Reconciliation section shows the differences between the adjusted cash flow report and the audited change in net assets, or net income, reported on the audited financial statements.

The major adjustments between the GAAP Basis and Cash Basis include the following:

- Removal of debt service and debt-related transactions from cash flow expenses because this is a reduction of outstanding debt on the Statement of Net Position, not a yearly expense.
- The change in the net pension liability and PERS retirement expense through adjustments to Deferred Inflows/Outflows of Resources Related to Pensions.
- The change in the net OPEB liability and OPEB annual expense made through Deferred Inflows/Outflows of Resources Related to OPEB.
- Inclusion of the Allowance for Uncollectible, or bad debt expenses, which removes an asset and increases expenses to recognize cash spent or an asset not received in the current year or a prior year.
- The change in lease accounting, because government lessees are required to recognize a lease liability and an intangible asset, and government lessors recognize a lease receivable and a deferred inflow of resources while continuing to report the lease asset in the financial statements. Leased asset will be recognized as an amortization expense and lessor revenue will be recognized over the term of the lease corresponding with the reduction of the deferred inflow.

- The change in software and other subscription accounting, as these are required to be accounted for as a prepaid subscription asset and amortized over the life of the subscription.
- Reduction or capitalization of applicable major construction expenses within the Statement of Net Position, net of the related depreciation expense, allowing the recognition of the capitalized major construction expenses to be over the lifetime of the improved asset and not all in the year the cash was spent.

Budget Comparison:

As reflected in Attachment 3, CADA's General Operations for FY 2023-2024 were well within budget, ending the year with favorable (positive) variances totaling \$1.8 million.

ENVIRONMENTAL REVIEW

Not applicable. The recommended action is not a project pursuant to the California Environmental Quality Act (CEQA) guidelines and does not require environmental review.

CONTRACT CONSIDERATIONS

The audit contract with CohnReznick was approved by the Board in June 2021. The contract provides for CohnReznick to provide auditing services for the fiscal years ending 2021 through 2025. Costs of the audit are included in each year's budget.

Attachments:

1. Independent Auditor's Reports FY 2023-2024
 - a. Capitol Area Development Authority (to be sent under separate cover)
 - b. Somerset Parkside Apartments (Contract Number 80-RHC-007 & LRP)
 - c. Biele Place Apartments (Contract Number 80-RHC-032)
 - d. Seventeenth Street Commons (Contract Number 99-024-N)
2. Reconciliation – Budget Basis to GAAP Net Income
3. General Operations – FY 2023-2024, Budget to Actual
4. Resolutions 25-02 to 25-05



January 10, 2025

TO: CADA Board of Directors

SUBJECT: **January 17, 2025, Board Meeting**
AGENDA ITEM 6
AUDITED FINANCIAL STATEMENTS – FISCAL YEAR 2023-2024

CONTACT: Noelle Mussen, Finance Director

Attachment 1a - Auditor's Report for Capitol Area Development Authority

This attachment will be released under separate cover.

Attachment 1b

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2024 and 2023

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

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Independent Auditor's Report

Board of Directors
Capitol Area Development Authority
Sacramento, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Somerset Parkside Apartments (Contract Number 15-LPR-005) (the "Project"), a project of the Capitol Area Development Authority ("Authority"), which comprise the statements of net position as of June 30, 2024 and 2023, and the related statements of revenue, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Somerset Parkside Apartments as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 1, the financial statements referred to above present only the financial position, the changes in financial position and cash flows of the Project and do not purport to, and do not, present fairly, the financial position of the Authority as of June 30, 2024 and 2023 and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The financial data template as required by the California Department of Housing and Community Development (“HCD”) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data templates as required by HCD are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2024, on our consideration of the Project's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance.



Sacramento, California
October 7, 2024

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Statements of Net Position
June 30, 2024 and 2023**

	<u>Assets</u>	
	<u>2024</u>	<u>2023</u>
Current assets		
Residential accounts receivable, net	2,984	30,096
Accounts receivable - other	64,888	-
Restricted cash - tenant security deposits	8,624	6,465
Total current assets	<u>76,496</u>	<u>36,561</u>
Noncurrent assets		
Restricted cash and cash equivalents - replacement reserve	193,980	266,424
Restricted cash and cash equivalents - operating reserve	55,354	55,329
Capital assets		
Construction in progress	146,094	30,230
Building and improvements	1,829,309	1,829,309
Less accumulated depreciation	<u>(1,686,241)</u>	<u>(1,651,560)</u>
Total capital assets	<u>289,162</u>	<u>207,979</u>
Total noncurrent assets	<u>538,496</u>	<u>529,732</u>
Total assets	<u><u>\$ 614,992</u></u>	<u><u>\$ 566,293</u></u>
	<u>Liabilities</u>	
Current liabilities		
Accounts payable	\$ 15,179	\$ 4,531
HCD monitoring fees payable	85,268	81,857
Due to CADA	552,165	422,375
Unearned revenue - prepaid rent	2,148	4,126
Due to HCD - annuity payable	3,374	3,374
Tenant security deposits	8,624	6,465
Total current liabilities	<u>666,758</u>	<u>522,728</u>
Noncurrent liabilities		
Accrued interest	281,345	245,429
Note payable long term	<u>1,197,213</u>	<u>1,197,213</u>
Total noncurrent liabilities	<u>1,478,558</u>	<u>1,442,642</u>
Total liabilities	<u><u>\$ 2,145,316</u></u>	<u><u>\$ 1,965,370</u></u>
	<u>Net Position</u>	
Net investment in capital assets	\$ (908,051)	\$ (989,234)
Restricted for operating and replacement reserves	249,334	321,753
Unrestricted	<u>(871,607)</u>	<u>(731,596)</u>
Total net position	<u><u>\$ (1,530,324)</u></u>	<u><u>\$ (1,399,077)</u></u>
Total liabilities and net position	<u><u>\$ 614,992</u></u>	<u><u>\$ 566,293</u></u>

See Notes to Financial Statements.

Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority

Statements of Revenue, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenue		
Gross potential rent - residential	\$ 376,278	\$ 367,193
Less: Vacancies	(193,913)	(215,278)
Other income:		
Laundry income	742	711
Miscellaneous	2,646	1,692
Total operating revenue	<u>185,753</u>	<u>154,318</u>
Operating expenses		
Administrative	100,389	75,216
Utilities	53,247	50,199
Operating and maintenance	62,577	43,909
Taxes and insurance	26,926	18,458
Depreciation	34,681	34,681
Total operating expenses	<u>277,820</u>	<u>222,463</u>
Net operating loss	(92,067)	(68,145)
Nonoperating revenue (expenses)		
Interest expense	(35,916)	(35,917)
Interest income	147	135
HCD monitoring fee	(3,411)	(28,590)
Total nonoperating revenue (expenses)	<u>(39,180)</u>	<u>(64,372)</u>
Change in net position	(131,247)	(132,517)
Net position, beginning	<u>(1,399,077)</u>	<u>(1,266,560)</u>
Net position, end	<u><u>\$ (1,530,324)</u></u>	<u><u>\$ (1,399,077)</u></u>

Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Rental receipts	\$ 207,499	\$ 150,840
Other receipts	(61,500)	2,403
Tenant security deposits paid	2,159	(240)
Payroll and related costs	(47,084)	(46,498)
Administrative expenses	(53,305)	(27,131)
Utilities	(53,247)	(50,199)
Operating and maintenance	(64,537)	(41,405)
Insurance and taxes	(26,926)	(18,458)
	<u>(96,941)</u>	<u>(30,688)</u>
Net cash used in operating activities		
Cash flows from capital and related financing activities		
Acquisition of capital assets	(103,256)	(13,389)
	<u>(103,256)</u>	<u>(13,389)</u>
Net cash used in capital and related financing activities		
Cash flows from noncapital financing activities		
CADA advances received	129,790	73,773
	<u>129,790</u>	<u>73,773</u>
Net cash provided by noncapital financing activities		
Cash flows from investing activities		
Interest income received	147	135
	<u>147</u>	<u>135</u>
Net cash provided by investing activities		
Net increase (decrease) in cash and cash equivalents	(70,260)	29,831
Cash and cash equivalents, beginning	328,218	298,387
Cash and cash equivalents, end	<u>\$ 257,958</u>	<u>\$ 328,218</u>

Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Reconciliation to the statements of net position		
Restricted cash and cash equivalents		
Tenant security deposits	\$ 8,624	\$ 6,465
Replacement reserve	193,980	266,424
Operating reserve	<u>55,354</u>	<u>55,329</u>
Total cash and cash equivalents	<u>\$ 257,958</u>	<u>\$ 328,218</u>
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (92,067)	\$ (68,145)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	34,681	34,681
Changes in assets and liabilities		
Residential accounts receivable	27,112	(2,446)
Accounts receivable - other	(64,888)	-
Accounts payable	(1,960)	4,092
Unearned revenue - prepaid rent	(1,978)	1,370
Tenant security deposits	<u>2,159</u>	<u>(240)</u>
Net cash used in operating activities	<u>\$ (96,941)</u>	<u>\$ (30,688)</u>
Significant noncash capital and related financing activities		
Increase in accounts payable included in capital assets	<u>\$ 12,608</u>	<u>\$ -</u>

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 1 - Organization and summary of significant accounting policies

General

Somerset Parkside Apartments (the "Project") is a 26-unit apartment complex located in downtown Sacramento, California. It provides housing for eligible low-income families under the State of California Department of Housing and Community Development ("HCD") Rental Housing Construction Program ("RHCP"). This program provides long-term financing to construct the housing project and monthly annuities to fund operating deficits. Effective September 2016, the Capitol Area Development Authority ("Authority" or "CADA") and HCD terminated the old regulatory agreement (Contract No. 80-RHC-007) and entered into a 16-year term new regulatory agreement for the Project under the Loan Portfolio Restructuring Program (Contract No. 15-LPR-005).

Since April 8, 1982, the Authority manages the Project. The Authority is a joint powers agency with a Board of Directors comprised of appointees of the City of Sacramento ("City") and the State of California. The accompanying financial statements are not intended to present fairly the financial position or changes in financial position and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Basis of presentation

The Project is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows occur. The Project distinguishes operating from nonoperating revenue and expenses. Operating revenue and expenses generally result from providing services in connection with the Project's ongoing operations. The principal operating revenue of the Project is rental income from tenants of its housing units. This revenue is recognized on the financial statements net of vacancy loss, low-income subsidies, and loss to leases. Operating expenses for the Project include payroll expenses for employee services, administrative expenses, utilities expenses, operating and maintenance expenses, insurance and taxes expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. When both restricted and unrestricted resources are available for use, it is the Project's policy to use restricted resources first, then unrestricted resources as needed.

Cash, cash equivalents and restricted cash equivalents

The Project participates in the City's external investment pool. The City Treasurer pools cash and other City funds and invests to maximize income consistent with safe and prudent investment practices within the guidelines of the City's investment policy. The City, as a charter city, has adopted its own investment guidelines to guide investment of City funds by the Treasurer. These guidelines are consistent with the requirements of California Government Code Section 53601. The City Council provides regulatory oversight of the City's investment pool and reviews its investment policy on a quarterly basis. The estimated fair value of investments in the pool is based upon quoted market prices. However, the value of the pool shares in the City's investment pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Project's position in the pool. The City's investment pool is unrated and the weighted average maturity is 1.19 years and 1.78 years at June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, the Project's tenant security deposits are invested in the City's external investment pool. Detailed disclosures, including investment policies and associated risk policies, regarding the

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Project's cash and investments are included in the notes to the Authority's basic financial statements.

For purposes of the statements of cash flows, the Authority considers cash and cash equivalents to include all pooled cash and investments, including restricted account balances, as these pooled balances have the general characteristic of a demand deposit account. Restricted cash and cash equivalents includes operating and replacement reserves and tenant security deposits.

Resident accounts receivable

Resident accounts receivable are due from tenants and reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of the receivables. It is reasonably possible that management's estimate of the allowance will change. As of June 30, 2024 and 2023, the allowance for doubtful accounts was \$51,204 and \$19,417, respectively.

Capital assets

Capital assets, which are defined by the Authority as assets with an initial, individual cost of more than \$3,000 and an estimated useful life beyond one year, are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over an estimated useful life of between 5 to 30 years. Maintenance and repair costs are expensed as incurred. The Project does not own land, only the building and improvements on the land and therefore only construction in progress is included in nondepreciable capital assets.

Impairment of capital assets

The Authority reviews the capital assets of the Project for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2024, there has been no impairment of the capital assets.

Rental income

The Project's rental property is generally leased to tenants under one-year noncancelable operating leases. Rental income is recognized as rents become due. Rental payments received in advance are recorded as unearned revenue.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

Note 2 - Tenant security deposits

The Project collects security deposits from tenants at the inception of the tenant lease. These deposits, which are reported in the basic financial statements as restricted cash, are refundable to the tenants to the extent there are no unpaid rents or damages to the housing unit. Tenant security deposits held as of June 30, 2024 and 2023 amounted to \$8,624 and \$6,465 respectively.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 3 - Capital assets

Information on additions and disposals of capital assets as of June 30, 2024 and 2023 are as follows:

	<u>June 30, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2024</u>
Capital assets not being depreciated				
Construction in progress	<u>\$ 30,230</u>	<u>\$ 115,864</u>	<u>\$ -</u>	<u>\$ 146,094</u>
Capital assets being depreciated				
Buildings and improvements	1,829,309	-	-	1,829,309
Less accumulated depreciation for				
Buildings and improvements	<u>(1,651,560)</u>	<u>(34,681)</u>	<u>-</u>	<u>(1,686,241)</u>
Capital assets being depreciated, net	<u>\$ 207,979</u>	<u>\$ 81,183</u>	<u>\$ -</u>	<u>\$ 289,162</u>
	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
Capital assets not being depreciated				
Construction in progress	<u>\$ 16,841</u>	<u>\$ 13,389</u>	<u>\$ -</u>	<u>\$ 30,230</u>
Capital assets being depreciated				
Buildings and improvements	1,829,309	-	-	1,829,309
Less accumulated depreciation for				
Buildings and improvements	<u>(1,616,879)</u>	<u>(34,681)</u>	<u>-</u>	<u>(1,651,560)</u>
Capital assets being depreciated, net	<u>\$ 229,271</u>	<u>\$ (21,292)</u>	<u>\$ -</u>	<u>\$ 207,979</u>

Note 4 - Replacement reserve

The replacement reserve reported in these financial statements as restricted cash and cash equivalents is funded monthly to provide for future major additions, repairs or replacements. The replacement reserve activity is as follows at June 30:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 266,424	\$ 236,379
Interest earned	122	109
Required deposits	43,298	43,299
Withdrawals	<u>(115,864)</u>	<u>(13,363)</u>
Ending balance	<u>\$ 193,980</u>	<u>\$ 266,424</u>

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 5 - Operating reserve

The regulatory agreement executed with HCD required the Project to establish an operating reserve to be funded in the initial amount of \$54,905. The operating reserve account is reported in these financial statements as restricted cash and cash equivalents. The operating reserve activity is as follows for the years ended June 30:

	2024	2023
Beginning balance	\$ 55,329	\$ 55,303
Interest earned	25	26
Ending balance	<u>\$ 55,354</u>	<u>\$ 55,329</u>

Note 6 - Note payable

In September 2016, the Authority executed the new regulatory agreement with HCD and the Authority entered into a new promissory note in the amount of \$1,197,213 for a term of 16 years. The promissory note is secured by the Project property and bears interest at 3% per annum. No payment is required until maturity in September 2033 at which time all outstanding principal and accrued interest will be due. Payments are not to come from the Project cash flow and the Authority is to provide the funds necessary to pay off the loan at maturity. For the years ended June 30, 2024 and 2023, interest expense was \$35,916 and \$35,917, respectively. Outstanding principal and accrued interest are \$1,197,213 and \$281,345 at June 30, 2024, and \$1,197,213 and \$245,429 at June 30, 2023, respectively.

Note 7 - Program payments

As stated in Note 1, the HCD RHCP provides operating funds to the Project to cover the operating costs not covered by rental revenue for the HCD assisted units. In the case the Project operates at a surplus, the net surplus is remitted to HCD or deposited to the replacement reserve subject to HCD approval.

HCD approved the Project's operating budget with certain changes. In determining the qualifying operating costs, HCD disallows certain expenses reflected in these financial statements. Specific items disallowed include vacancy in excess of an approved percentage, interest income on the replacement reserve, depreciation expense, repairs paid out of replacement reserve and asset acquisitions exceeding the authorized budget.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

For the fiscal years ended June 30, 2024 and 2023, the Project had a net annuity income (expense) of \$0 and \$0, respectively. Net unexpended program payments are reported as due to (from) HCD on the Project's statements of net position. As of June 30, 2024 and 2023, the Authority has HCD project annuities payable of \$3,374 and \$3,374, respectively. The activity in the due to (from) HCD account for the fiscal years ended June 30, are as follows:

	<u>2024</u>	<u>2023</u>
Due to (from) HCD, beginning	\$ 3,374	\$ 3,374
Excess program payment received	-	-
Excess program payment cash flow	-	-
HCD corrections and adjustments	<u>-</u>	<u>-</u>
Due to (from) HCD, end	<u>\$ 3,374</u>	<u>\$ 3,374</u>

Under the terms of the new regulatory agreement, the Project is to pay HCD an annual monitoring fee of \$10,127, increasing annually based upon the consumer price index. The annual monitoring fee is subject to the Project generating sufficient cash flow. During the years ended June 30, 2024 and 2023, the Project incurred annual monitoring fees of \$3,411 and \$28,590, which are included in the statements of revenue, expenses and changes in net position. As of June 30, 2024 and 2023, the Project owes HCD monitoring fees payable of \$85,268 and \$81,857, respectively, which are included in the statements of net position.

Note 8 - Assistance from the Authority

The Authority ("CADA") has committed to provide funding to the Project to cover deficits and future capital improvement needs with additional annuities paid to the Project. During the year ended June 30, 2024, the Authority made no such contributions. In addition, CADA makes advances to the Project to pay for operating expenses of the Project. Such advances are not interest-bearing and are expected to be repaid one month in arrears. As of June 30, 2024 and 2023, \$522,165 and \$422,375, respectively, is due to CADA and included in the statements of net position.

Note 9 - Leased property

The land on which the Project is located is owned by the State of California. On June 12, 1981, a 60-year operating lease was entered into between the Authority and the State of California. This lease is without cost; therefore, it is not reflected in these financial statements.

The State of California or the Authority may terminate the lease at any time by giving a 60-day notice. Should this lease be terminated, the developmental ground lease will be honored by the State of California on behalf of the Authority.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 10 - Subsequent events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Project through October 7, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Supplementary Information Required by the California Department of Housing and Community Development (HCD), including Breakout of “Miscellaneous” Account Details

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023**

Schedules of Operating Revenue

<u>Account No.</u>	<u>2024</u>	<u>2023</u>
Rental revenue		
5120 Rent revenue - gross potential	\$ 376,278	\$ 367,193
5100T Total rental revenue	<u>376,278</u>	<u>367,193</u>
Vacancies		
5220 Apartments	<u>(193,913)</u>	<u>(215,278)</u>
5200T Total vacancies	<u>(193,913)</u>	<u>(215,278)</u>
5152N Net rental revenue (rent revenue less vacancies)	<u>182,365</u>	<u>151,915</u>
Financial revenue		
5440 Revenue from investments - replacement reserve	<u>147</u>	<u>135</u>
5400T Total financial revenue	<u>147</u>	<u>135</u>
Other revenue		
5910 Laundry and vending	742	711
5990 Miscellaneous revenue (if over \$1,500, detail is required)	<u>2,646</u>	<u>1,692</u>
5900T Total other revenue	<u>3,388</u>	<u>2,403</u>
5000T Total revenues	<u>\$ 185,900</u>	<u>\$ 154,453</u>

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023**

Schedules of Operating Expenses

<u>Account No.</u>	<u>2024</u>	<u>2023</u>
Administrative expenses		
6210 Advertising and marketing	1,155	1,050
6320 Management fee	21,500	20,880
6330 Manager or superintendent salaries	24,758	24,450
6331 Administrative rent free unit	15,614	15,420
6351 Bookkeeping fees/accounting services	5,500	5,200
6370 Bad debts	31,862	8,216
6263T Total administrative expenses	<u>100,389</u>	<u>75,216</u>
Utilities expense		
6450 Electricity	7,553	6,361
6451 Water	347	526
6452 Gas	36,828	36,816
6453 Sewer	8,519	6,496
6400T Total utilities expense	<u>53,247</u>	<u>50,199</u>
Operating and maintenance expenses		
6510 Payroll	6,712	6,628
6515 Supplies	13,410	12,442
6520 Contracts	23,172	5,438
6530 Security payroll/contract	4,725	4,500
6590 Miscellaneous operating and maintenance expenses (if over \$1,500, detail is required)	14,558	14,901
6500T Total operating and maintenance expenses	<u>62,577</u>	<u>43,909</u>

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023**

Schedules of Operating Expenses

<u>Account No.</u>	<u>2024</u>	<u>2023</u>
Taxes and insurance		
6710 Real estate taxes	1,879	1,935
6720 Property and liability insurance	25,047	16,523
6700T Total taxes and insurance	26,926	18,458
6000T Total cost of operations before depreciation	243,139	187,782
5060T Income (loss) before depreciation	(57,239)	(33,329)
Depreciation		
6600 Depreciation expense	34,681	34,681
Total depreciation	34,681	34,681
5060N Operating loss	(91,920)	(68,010)
Total expenses	277,820	222,463
Net entity expenses		
7141 Interest on notes payable	35,916	35,917
7190 Other (income) expenses (see detail)	3,411	28,590
7100T Net entity expenses	39,327	64,507
3250 Change in net position	\$ (131,247)	\$ (132,517)

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023**

Detail of Accounts - Schedule of Activities

	2024	2023
Miscellaneous revenue (Account No. 5990)		
Miscellaneous income - other tenant fees	\$ 2,646	\$ 1,692
	<u>\$ 2,646</u>	<u>\$ 1,692</u>
Miscellaneous operating and maintenance expenses (Account No. 6590)		
Flooring	\$ 13,813	\$ 14,901
Operating budget major repairs	695	-
Resident relations	50	-
	<u>\$ 14,558</u>	<u>\$ 14,901</u>
Other (income) expenses (Account No. 7190)		
HCD monitoring fee	\$ 3,411	\$ 28,590
	<u>\$ 3,411</u>	<u>\$ 28,590</u>

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Year Ended June 30, 2024**

Cash and cash equivalents

Cash and cash equivalents	
Unrestricted account	
Operating account	\$ -
Restricted accounts	
Operating reserve	55,354
Tenant security deposits	8,624
Reserve for replacements	193,980
Total restricted accounts	257,958
Total cash and cash equivalents	\$ 257,958

The Project follows the practice of pooling its cash with all of the Authority's projects into a central fund maintained by the Authority. All accounts are segregated on the books of the Authority. The impound and reserve accounts are maintained in interest-bearing accounts.

Reserve for replacement and operating expenses

In accordance with the provisions of the regulatory agreement, reserves are maintained in accounts to be used for replacements of property. Withdrawals are made upon approval by HCD.

	Replacement reserve	Operating reserve
Balance, June 30, 2023	\$ 266,424	\$ 55,329
Deposits	43,298	-
Interest income	122	25
Approved withdrawals	(115,864)	-
Balance, June 30, 2024	\$ 193,980	\$ 55,354

Capital assets

Following are the details of capital assets, which include building and leasehold improvements:

	Construction in progress	Building and improvements	Total
Balance, June 30, 2023	\$ 30,230	\$ 1,829,309	\$ 1,859,539
Additions	115,864	-	115,864
Balance, June 30, 2024	\$ 146,094	\$ 1,829,309	\$ 1,975,403

Accounts payable

Accounts payable in the amount of \$15,179 represents amounts due to suppliers. All accounts payable are current.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Year Ended June 30, 2024**

Gross potential rents

Qualified tenant rental income	\$ 500,790
Other tenant rental income	<u>-</u>
Total gross potential rents	500,790
Less	
Vacancy loss	(193,913)
Loss to lease	(1,680)
Low income subsidy	<u>(122,832)</u>
Rental revenues, net	<u><u>\$ 182,365</u></u>

Management fee

A property management fee of \$21,500 was incurred during the fiscal year ended June 30, 2024 for the property management services provided by the Authority.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023**

Operating cash flow/surplus cash computation

The operating cash flow/surplus cash generated by the Project during the years ended June 30, 2024 and 2023 is as follows:

	2024	2023
Operation income		
Total income	\$ 185,900	\$ 154,453
Interest earned on restricted reserve accounts	(147)	(135)
Adjusted operating income	185,753	154,318
Operating expenses less depreciation	(243,139)	(187,782)
Adjusted net loss	(57,386)	(33,464)
Other activity		
Purchases of capital assets	(115,864)	(13,389)
Withdrawals from replacement reserve account	115,864	13,363
Deposits into replacement reserve account	(43,298)	(43,299)
Total other activity	(43,298)	(43,325)
Operating cash flow/surplus cash (deficit)	\$ (100,684)	\$ (76,789)

Accumulated limited distributions

At inception, there were no allocable accumulated limited distributions unpaid. Also, there were no accumulated limited distributions paid during the fiscal years ended June 30, 2024 and 2023.

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Directors
Capitol Area Development Authority
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Governmental Auditing Standards*), the financial statements of Somerset Parkside Apartments (Contract Number 15-LPR-005) ("Project"), a project of the Capitol Area Development Authority ("Authority") which comprise the statement of net position as of June 30, 2024, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 7, 2024, which included an emphasis of matter paragraph as indicated at page 2.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Project's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Project's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Project's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.



Sacramento, California
October 7, 2024

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

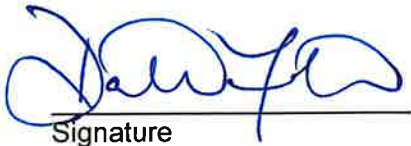
**Schedule of Findings and Responses
Years Ended June 30, 2024 and 2023**

Our audit disclosed no findings that are required to be reported.

**Somerset Parkside Apartments
(Contract Number 15-LPR-005)
A Project of the Capitol Area Development Authority**

**Certification of Officers
Years Ended June 30, 2024 and 2023**

We, as officers of Capitol Area Development Authority (Joint Powers Authority), hereby certify that we have examined the accompanying financial statements and supplementary information of Somerset Parkside Apartments as of and for the years ended June 30, 2024 and 2023, and to the best of our knowledge and belief, these financial statements and supplementary information are complete and accurate.


Signature

Executive Director
Title

10/7/24
Date


Signature

Finance Director
Title

10-7-24
Date



Independent Member of Nexia International

cohnreznick.com

Attachment 1c

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2024 and 2023

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

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Independent Auditor's Report

Board of Directors
Capitol Area Development Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Biele Place Apartments (Contract Number 17-LPR-0029) (the "Project"), a project of the Capitol Area Development Authority ("Authority"), which comprise the statements of net position as of June 30, 2024 and 2023, and the related statements of revenue, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Biele Place Apartments as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 1, the financial statements referred to above present only the financial position, the changes in financial position and cash flows of the Project and do not purport to, and do not, present fairly, the financial position of the Authority as of June 30, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of the Project as a whole. The financial data templates as required by the California Department of Housing and Community Development ("HCD") is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data templates as required by HCD are fairly stated, in all material respects, in relation to the basic statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2024 on our consideration of the Project's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance.



Sacramento, California
October 7, 2024

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Statements of Net Position
June 30, 2024 and 2023

	<u>Assets</u>	
	2024	2023
Current assets		
Residential accounts receivable, net	\$ 2,355	\$ 6,807
Restricted cash - tenant security deposits	12,277	14,157
Total current assets	14,632	20,964
Noncurrent assets		
Restricted cash and cash equivalents - replacement reserve	264,404	264,303
Restricted cash and cash equivalents - operating reserve	51,373	51,350
	315,777	315,653
Capital assets		
Construction in progress	-	62,000
Building and Improvements	1,569,892	1,456,872
Less accumulated depreciation	(1,324,252)	(1,305,839)
Total capital assets	245,640	213,033
Total noncurrent assets	561,417	528,686
Total assets	\$ 576,049	\$ 549,650
	<u>Liabilities</u>	
Current liabilities		
Accounts payable	\$ 5,101	\$ 5,802
Unearned revenue - prepaid rent	427	1,758
HCD monitoring fees payable	59,950	45,181
Due to CADA	318,372	224,371
Tenant security deposits	12,277	14,157
Total current liabilities	396,127	291,269
Noncurrent liabilities		
Mortgage note payable	1,025,653	1,025,653
Accrued interest - mortgage note payable	146,156	115,386
Total noncurrent liabilities	1,171,809	1,141,039
Total liabilities	\$ 1,567,936	\$ 1,432,308
	<u>Net Position</u>	
Net investment in capital assets	\$ (780,013)	\$ (812,620)
Restricted for replacement and operating reserves	315,777	315,653
Unrestricted	(527,651)	(385,691)
Total net position	(991,887)	(882,658)
Total liabilities and net position	\$ 576,049	\$ 549,650

See Notes to Financial Statements.

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Statements of Revenue, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenue		
Gross potential rent - residential	\$ 252,217	\$ 252,396
Less Vacancies	(39,655)	(55,107)
Other income		
Laundry income	1,866	2,287
Miscellaneous	2,692	645
	<u>217,120</u>	<u>200,221</u>
Total operating revenue		
	217,120	200,221
Operating expenses		
Administrative	108,143	87,925
Utilities	31,324	33,080
Operating and maintenance	96,421	60,494
Taxes and insurance	26,653	18,086
Depreciation	18,413	15,587
	<u>280,954</u>	<u>215,172</u>
Total operating expenses		
	280,954	215,172
Net operating loss	(63,834)	(14,951)
Nonoperating revenue (expenses)		
Interest expense	(30,770)	(30,770)
Interest income	144	138
HCD monitoring fee	(14,769)	(13,325)
	<u>(45,395)</u>	<u>(43,957)</u>
Total nonoperating revenue (expenses)		
	(45,395)	(43,957)
Change in net position	(109,229)	(58,908)
Net position, beginning	(882,658)	(823,750)
	<u>(882,658)</u>	<u>(823,750)</u>
Net position, end	<u>\$ (991,887)</u>	<u>\$ (882,658)</u>

See Notes to Financial Statements.

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Rental receipts	\$ 215,683	\$ 200,760
Other receipts	4,558	2,932
Tenant security deposits received	(1,880)	1,355
Payroll and related costs	(54,864)	(50,507)
Administrative	(53,279)	(35,894)
Utilities	(31,324)	(33,080)
Operating and maintenance	(97,122)	(57,214)
Insurance and taxes	(26,653)	(18,086)
	<u>(44,881)</u>	<u>10,266</u>
Net cash provided by (used in) operating activities		
Cash flows from capital and related financing activities		
Payment of acquisition of capital assets	(51,020)	-
	<u>(51,020)</u>	<u>-</u>
Net cash used in capital and related financing activities		
Cash flows from noncapital financing activities		
Advances received from (paid to) CADA	94,001	(19,912)
	<u>94,001</u>	<u>(19,912)</u>
Net cash provided by (used in) noncapital financing activities		
Cash flows from investing activities		
Interest receipts	144	138
	<u>144</u>	<u>138</u>
Net cash provided by investing activities		
Net decrease in cash and cash equivalents	(1,756)	(9,508)
Cash and cash equivalents, beginning	329,810	339,318
Cash and cash equivalents, end	<u>\$ 328,054</u>	<u>\$ 329,810</u>

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Reconciliation to the statements of net position		
Restricted cash and cash equivalents		
Tenant security deposits	\$ 12,277	\$ 14,157
Replacement reserve	264,404	264,303
Operating reserve	<u>51,373</u>	<u>51,350</u>
Total cash and cash equivalents	<u>\$ 328,054</u>	<u>\$ 329,810</u>
Reconciliation of operating loss to net cash (used in) provided by operating activities		
Operating loss	\$ (63,834)	\$ (14,951)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
Depreciation	18,413	15,587
Changes in assets and liabilities		
Residential accounts receivable	4,452	3,115
Accounts payable	(701)	4,804
Unearned revenue - prepaid rent	(1,331)	356
Tenant security deposits	<u>(1,880)</u>	<u>1,355</u>
Net cash provided by (used in) operating activities	<u>\$ (44,881)</u>	<u>\$ 10,266</u>

See Notes to Financial Statements.

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 1 - Organization and summary of significant accounting policies

General

Biele Place Apartments (the "Project") is a 35-unit apartment complex located in downtown Sacramento, California. It provides housing for eligible low-income families under the State of California Department of Housing and Community Development ("HCD") Rental Housing Construction Program ("RHCP"). This program provides long-term financing to construct the housing project and monthly annuities to fund operating deficits. The operating subsidy agreement with HCD expired in a prior year. Effective September 2019, the Capitol Area Development Authority ("Authority" or "CADA") and HCD terminated the old regulatory agreement (Contract No. 80-RHC-032) and entered into a 12-year term new regulatory agreement for the Project under the Loan Portfolio Restructuring Program (Contract No. 17-LPR-0029).

In accordance with a regulatory agreement dated December 30, 1982, the Authority manages the Project. The Authority is a joint powers agency with a Board of Directors comprised of appointees of the City of Sacramento ("City") and the State of California. The accompanying financial statements are not intended to present fairly the financial position or changes in financial position and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Basis of presentation

The Project is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows occur. The Project distinguishes operating from nonoperating revenue and expenses. Operating revenue and expenses generally result from providing services in connection with the Project's ongoing operations. The principal operating revenue of the Project is rental income from tenants of its housing units. This revenue is recognized on the financial statements net of vacancy loss, low-income subsidies, and loss to leases. Operating expenses for the Project include payroll expenses for employee services, administrative expenses, utilities expenses, operating and maintenance expenses, insurance and taxes expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. When both restricted and unrestricted resources are available for use, it is the Project's policy to use restricted resources first, then unrestricted resources as needed.

Cash, cash equivalents and restricted cash and cash equivalents

The Authority participates in the City's external investment pool. The City Treasurer pools cash and other City funds and invests to maximize income consistent with safe and prudent investment practices within the guidelines of the City's investment policy. The City, as a charter city, has adopted its own investment guidelines to guide investment of City funds by the Treasurer. These guidelines are consistent with the requirements of California Government Code Section 53601. The City Council provides regulatory oversight of the City's investment pool and reviews its investment policy on a quarterly basis. The estimated fair value of investments in the pool is based on quoted market prices. However, the value of the pool shares in the City's investment pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Project's position in the pool. The City's investment pool is unrated and the weighted average maturity is 1.19 years and 1.78 years as of June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, the Project's tenant security deposits are invested in the City's investment pool. Detailed

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

disclosures, including investment policies and associated risk policies, regarding the Project's cash and investments are included in the notes to the Authority's basic financial statements.

For purposes of the statements of cash flows, the Authority considers cash and cash equivalents to include all pooled cash and investments, including restricted account balances, as these pooled balances have the general characteristic of a demand deposit account. Restricted cash and cash equivalents includes the replacement reserve, operating reserve and tenant security deposits.

Resident accounts receivable

Resident accounts receivable are due from tenants and reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of the receivables. It is reasonably possible that management's estimate of the allowance will change. As of June 30, 2024 and 2023, allowance for doubtful accounts was \$8,343, and \$0, respectively.

Capital assets

Capital assets, which are defined by the Authority as assets with an initial, individual cost of more than \$3,000 and an estimated useful life beyond one year, are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over an estimated useful life of between 5 to 30 years. Maintenance and repair costs are expensed as incurred. The Project does not own the land, only the building on the land and therefore only construction in progress is included in nondepreciable capital assets.

Impairment of capital assets

The Authority reviews the capital assets of the Project for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2024, there has been no impairment of the capital assets.

Rental income

The Project's rental property is generally leased to tenants under one-year noncancelable operating leases. Rental income is recognized as rents become due. Rental payments received in advance are recorded as unearned revenue.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

Note 2 - Tenant security deposits

The Project collects security deposits from tenants at the inception of the tenant lease. These deposits, which are reported in these financial statements as restricted cash, are refundable to the tenants to the extent there are no unpaid rents or damages to the housing unit. Tenant security deposits held as of June 30, 2024 and 2023 amounted to \$12,277 and \$14,157, respectively.

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Notes to Financial Statements
June 30, 2024 and 2023

Note 3 - Capital assets

Information on additions and disposals of capital assets is presented below:

	June 30, 2023	Increases	Decreases	June 30, 2024
Capital assets not being depreciated				
Construction in progress	\$ 62,000	\$ -	\$ (62,000)	\$ -
Capital assets being depreciated				
Buildings and improvements	1,456,872	51,020	62,000	1,569,892
Less accumulated depreciation for Buildings and improvements	(1,305,839)	(18,413)	-	(1,324,252)
Capital assets being depreciated, net	151,033	32,607	62,000	245,640
Capital assets, net	<u>\$ 213,033</u>	<u>\$ 32,607</u>	<u>\$ -</u>	<u>\$ 245,640</u>
	June 30, 2022	Increases	Decreases	June 30, 2023
Capital assets not being depreciated				
Construction in progress	\$ 62,000	\$ -	\$ -	\$ 62,000
Capital assets being depreciated				
Buildings and improvements	1,456,872	-	-	1,456,872
Less accumulated depreciation for Buildings and improvements	(1,290,252)	(15,587)	-	(1,305,839)
Capital assets being depreciated, net	166,620	(15,587)	-	151,033
Capital assets, net	<u>\$ 228,620</u>	<u>\$ (15,587)</u>	<u>\$ -</u>	<u>213,033</u>

Note 4 - Replacement reserve

The replacement reserve account reported in these financial statements as restricted cash is funded monthly to provide for future major additions, repairs or replacements. The replacement reserve activity is as follows for the years ended June 30:

	2024	2023
Beginning balance	\$ 264,303	\$ 275,190
Interest earned	121	113
Required deposits	51,000	51,000
Withdraw	(51,020)	(62,000)
Ending balance	<u>\$ 264,404</u>	<u>\$ 264,303</u>

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Notes to Financial Statements
June 30, 2024 and 2023

Note 5 - Operating reserve

The new regulatory agreement executed with HCD required the Project to establish an operating reserve to be funded in the initial amount of \$51,210. The operating reserve account is reported in these financial statements as restricted cash. The operating reserve activity is as follows for the years ended June 30:

	2024	2023
Beginning balance	\$ 51,350	\$ 51,326
Interest earned	23	24
Ending balance	<u>\$ 51,373</u>	<u>\$ 51,350</u>

Note 6 - Note payable

On September 27, 2019, the Authority executed the new regulatory agreement with HCD and the Authority entered into a new promissory note in the amount of \$1,025,653 for a term of 12 years. The promissory note is secured by the Project property and bears interest at 3% per annum. Payments are to be made out of surplus cash as defined in the regulatory agreement until maturity in September 30, 2030 at which time all outstanding principal and accrued interest will be due. For the years ended June 30, 2024 and 2023, interest expense was \$30,770 and \$30,770, respectively. Outstanding principal and accrued interest are \$1,025,653 and \$146,156 at June 30, 2024, and \$1,025,653 and \$115,386 at June 30, 2023, respectively.

Note 7 - Due to HCD

As stated in Note 1, under the old regulatory agreement, HCD RHCP was to provide operating funds to the Project to cover the operating costs not covered by rental revenue. In the case the Project operates at a surplus, the net surplus is remitted to HCD or deposited to the replacement reserve subject to HCD approval. The operating subsidy ended with the new regulatory agreement. Effective with the new regulatory agreement, the project owes HCD a monitoring fee in the annual amount of \$11,233 and increasing annually by the consumer price index. The HCD monitoring fee is payable from net cash flow (surplus cash) of the Project as defined in the regulatory agreement. During the years ended June 30, 2024 and 2023, HCD monitoring fees expensed were \$14,769 and \$13,325, respectively, and as of June 30, 2024 and 2023, \$59,950 and \$45,181 are payable and are included in HCD monitoring fees payable on the statements of net position. The account activities are as follows at June 30:

	2024	2023
Due to HCD, beginning	\$ 45,181	\$ 31,856
Current year monitoring fee	14,769	13,325
Due to HCD, end	<u>\$ 59,950</u>	<u>\$ 45,181</u>

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 8 - Assistance from the Authority

The Authority makes contributions to the Project based upon the capital budget needs and receives distributions for any funds in excess of such needs. In addition, CADA makes advances to the Project to pay for operating expenses of the Project. Such advances are not interest-bearing and are expected to be repaid one month in arrears. As of June 30, 2024 and 2023, \$318,372 and \$224,371, respectively, is due to CADA and included in the statements of net position.

Note 9 - Leased property

The land on which the Project is located is owned by the State of California. On August 29, 1980, a 60-year operating lease was entered into between the Authority and the State of California. This lease is without cost; therefore, it is not reflected in these financial statements.

The State of California or the Authority may terminate the lease at any time by giving 60 days' notice. Should this lease be terminated, the developmental ground lease will be honored by the State of California on behalf of the Authority.

Note 10 - Subsequent events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Project through October 7, 2024, (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Supplementary Information Required by the California Department of Housing and Community Development (HCD), including Breakout of "Miscellaneous" Account Details

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Schedules of Operating Revenue

<u>Account No.</u>	<u>2024</u>	<u>2023</u>
Rental revenue		
5120 Rent revenue - gross potential	\$ 252,217	\$ 252,396
5100T Total rental revenue	252,217	252,396
Vacancies		
5220 Apartments	(39,655)	(55,107)
5200T Total vacancies	(39,655)	(55,107)
5152N Net rental revenue	212,562	197,289
Financial revenue		
5440 Revenue from investments - replacement reserve	144	138
5400T Total financial revenue	144	138
Other revenue		
5910 Laundry and vending	1,866	2,287
5990 Miscellaneous revenue (if over \$1,500, detail is required)	2,692	645
5900T Total other revenue	4,558	2,932
5000T Total revenues	217,264	200,359

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Schedules of Operating Expenses

Account No.	2024	2023
Administrative expenses		
6204 Management consultants	7,000	1,000
6210 Advertising and marketing	2,495	2,384
6250 Other renting expenses	938	-
6310 Office salaries	54,864	50,507
6320 Management fee	27,300	26,510
6340 Legal expense - project	1,478	800
6350 Auditing expense	5,500	5,200
6370 Bad debts	8,568	1,524
6263T Total administrative expenses	108,143	87,925
Utilities expense		
6450 Electricity	3,886	4,086
6451 Water	19,700	19,628
6452 Gas	4,193	6,667
6453 Sewer	3,545	2,699
6400T Total utilities expense	31,324	33,080
Operating and maintenance expenses		
6515 Supplies	1,264	2,464
6520 Contracts	88,082	51,971
6525 Garbage and trash removal	3,545	2,699
6530 Security payroll/contract	3,530	3,360
6500T Total operating and maintenance expenses	96,421	60,494

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Schedules of Operating Expenses

Account No.	2024	2023
Taxes and insurance		
6710 Real estate taxes	1,029	1,182
6720 Property and liability insurance	25,624	16,904
6700T Total taxes and insurance	26,653	18,086
6000T Total cost of operations before depreciation	262,541	199,585
5060T Income (loss) before depreciation	(45,277)	774
Depreciation		
6600 Depreciation expense	18,413	15,587
Total depreciation	18,413	15,587
5060N Operating loss	(63,690)	(14,813)
Net entity expenses		
7142 Interest on first mortgage payable	30,770	30,770
7190 Other (income) expenses (see detail)	14,769	13,325
7100T Net entity expenses	45,539	44,095
3250 Change in net position	\$ (109,229)	\$ (58,908)

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Detail of Accounts - Schedule of Activities

	2024	2023
Miscellaneous revenue (Account No. 5990)		
Miscellaneous income - other tenant fees	\$ 2,692	\$ 645
	<u>\$ 2,692</u>	<u>\$ 645</u>
Other (income) expenses (Account No. 7190)		
HCD monitoring fee	\$ 14,769	\$ 13,325
	<u>\$ 14,769</u>	<u>\$ 13,325</u>

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Cash and cash equivalents

Cash and cash equivalents	
Unrestricted account	
Operating account	\$ -
Restricted accounts	
Tenant security deposits	12,277
Reserve for replacements	264,404
Operating reserve	51,373
Total restricted accounts	328,054
Total cash, cash equivalents and restricted accounts	\$ 328,054

The Project follow the practice of pooling its cash with all of the Authority's projects into a central fund maintained by the Authority. All accounts are segregated on the books of the Authority. The reserve accounts are maintained in interest-bearing accounts.

Reserve for replacements and operating expenses

	Replacement reserve	Operating reserve
Balance, June 30, 2023	\$ 264,303	\$ 51,350
Required deposits	51,000	-
Drawdown on reserve	(51,020)	-
Interest income	121	23
Balance, June 30, 2024	\$ 264,404	\$ 51,373

Capital assets

Following are the details of capital assets, which include building and leasehold improvements:

	Construction in progress	Building and improvements	Total
Balance, June 30, 2023	\$ 62,000	\$ 1,456,872	\$ 1,518,872
Additions	-	113,020	113,020
Deletions	(62,000)	-	(62,000)
Balance, June 30, 2024	\$ -	\$ 1,569,892	\$ 1,569,892

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Year Ended June 30, 2024

Accounts payable

Accounts payable in the amount of \$5,101 represents amounts due to suppliers. All accounts payable are current.

Gross potential rents

Qualified tenant rental income	\$ 519,335
Other tenant rental income	<u>-</u>
Total gross potential rents	519,335
Less	
Vacancy loss	(39,655)
Gain (loss) to lease	(5,084)
Low income subsidy	<u>(262,034)</u>
Rental revenues, net	<u><u>\$ 212,562</u></u>

Management fee

A property management fee of \$27,300 was incurred during the fiscal year ended June 30, 2024 for the property management services provided by the Authority.

Insurance

Insurance premiums are current as of June 30, 2024. The annual renewal policy was paid before the due date.

Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority

Supplementary Information Required by HCD
Years Ended June 30, 2024 and 2023

Operating cash flow/surplus cash computation

The operating cash flow/surplus cash generated by the Project during the years ended June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Operation income		
Total income	\$ 217,264	\$ 200,359
Interest earned on restricted reserve accounts	<u>(144)</u>	<u>(138)</u>
Adjusted operation income	<u>217,120</u>	<u>200,221</u>
Operating expenses less depreciation	<u>(262,541)</u>	<u>(199,585)</u>
Adjusted net income (loss)	<u>(45,421)</u>	<u>636</u>
Other activity		
Purchase of capital assets	(51,020)	-
Withdrawal from replacement reserve	51,020	-
Deposits into replacement reserve account	<u>(51,000)</u>	<u>(51,000)</u>
Total other activity	<u>(51,000)</u>	<u>(51,000)</u>
Operating cash flow/surplus cash (deficit)	<u><u>\$ (96,421)</u></u>	<u><u>\$ (50,364)</u></u>

Accumulated limited distributions

At inception, there were no allowable accumulated limited distributions unpaid. Also, there were no accumulated limited distributions paid during the fiscal years ended June 30, 2024 and 2023.

Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Directors
Capitol Area Development Authority
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Governmental Auditing Standards*), the financial statements of Biele Place Apartments (Contract Number 17-LPR-0029) (the "Project"), a project of the Capitol Area Development Authority ("Authority") which comprise the statement of net position as of June 30, 2024, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2024 which included an emphasis of matter paragraph as indicated at page 2.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Project's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Project's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Project's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.



Sacramento, California
October 7, 2024

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

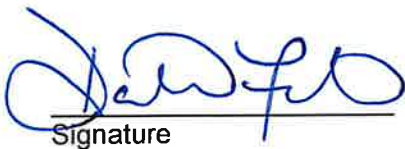
**Summary of Findings and Responses
Years Ended June 30, 2024 and 2023**

Our audit disclosed no findings that are required to be reported.

**Biele Place Apartments
(Contract Number 17-LPR-0029)
A Project of the Capitol Area Development Authority**

**Certification of Officers
Years Ended June 30, 2024 and 2023**

We, as officers of Capitol Area Development Authority (Joint Powers Authority), hereby certify that we have examined the accompanying financial statements and supplementary information of Biele Place Apartments, as of and for the years ended June 30, 2024 and 2023, and to the best of our knowledge and belief, these financial statements and supplementary information are complete and accurate.


Signature

Executive Director
Title

10/7/24
Date


Signature

Finance Director
Title

10-7-24
Date



Independent Member of Nexia International
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Attachment 1d

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2024 and 2023

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

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Independent Auditor's Report

Board of Directors
Capitol Area Development Authority
Sacramento, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Seventeenth Street Commons (Contract Number 99-024-N) (the "Project"), a project of the Capitol Area Development Authority ("Authority"), which comprise the statements of net position as of June 30, 2024 and 2023, and the related statements of revenue, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Seventeenth Street Commons as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 1, the financial statements referred to above present only the financial position, changes in financial position and cash flows of the Project and do not purport to, and do not, present fairly, the financial position of the Authority as of June 30, 2024 and 2023 and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Project's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The financial data templates as required by the California Housing Finance Agency ("CalHFA") is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data templates as required by CalHFA are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2024 on our consideration of the Project's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Project's internal control over financial reporting and compliance.



Sacramento, California
October 7, 2024

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Statements of Net Position
June 30, 2024 and 2023**

	<u>Assets</u>	
	2024	2023
Current assets		
Cash and cash equivalents	\$ 608,795	\$ 618,922
Accounts receivable, net	2,950	17,482
Prepaid expenses	-	10,892
Restricted cash and cash equivalents		
Insurance impounds	48,055	39,780
Tenant security deposits	21,169	20,434
Total restricted cash and cash equivalents	69,224	60,214
Total current assets	680,969	707,510
Noncurrent assets		
Restricted cash - replacement reserve	151,927	137,659
Capital assets		
Building and Improvements	2,650,161	2,591,546
Less accumulated depreciation	(2,027,291)	(1,943,173)
Total capital assets	622,870	648,373
Total noncurrent assets	774,797	786,032
Total assets	\$ 1,455,766	\$ 1,493,542
	<u>Liabilities</u>	
Current liabilities		
Accounts payable	\$ 2,796	\$ 7,974
Prepaid rent	884	1,572
Tenant security deposits	21,169	20,434
Notes payable, current portion	75,814	72,786
Total current liabilities	100,663	102,766
Noncurrent liabilities		
Notes payable, net of current portion	710,906	786,719
Total liabilities	811,569	889,485
	<u>Net Position</u>	
Net investment in capital assets	\$ (163,850)	\$ (211,132)
Restricted for impounds and replacement reserve	199,982	177,439
Unrestricted	608,065	637,750
Total net position	644,197	604,057
Total liabilities and net position	\$ 1,455,766	\$ 1,493,542

See Notes to Financial Statements.

Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority

Statements of Revenue, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	2024	2023
Operating revenue		
Gross potential rent - residential	\$ 503,787	\$ 474,917
Less: vacancies	(103,038)	(83,393)
Other income		
Garage and parking income	11,760	11,760
Laundry income	1,406	533
Miscellaneous	3,507	2,507
Total operating revenue	417,422	406,324
Operating expenses		
Administrative	54,339	39,477
Utilities	39,422	38,917
Operating and maintenance	138,710	111,102
Taxes and insurance	40,722	31,124
Depreciation	84,118	73,156
Total operating expenses	357,311	293,776
Operating income	60,111	112,548
Nonoperating revenue (expenses)		
Interest expense	(37,725)	(40,598)
Interest income	17,754	15,631
Total nonoperating revenue (expenses)	(19,971)	(24,967)
Change in net position	40,140	87,581
Net position, beginning	604,057	516,476
Net position, end	\$ 644,197	\$ 604,057

See Notes to Financial Statements.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Statements of Cash Flows
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Rental receipts	\$ 414,593	\$ 382,994
Other receipts	16,673	14,800
Tenant security deposits received	735	165
Payroll and related costs	(40,398)	(37,948)
Administrative expenses paid	(54,339)	(39,477)
Utilities paid	(39,422)	(46,602)
Operating and maintenance	(92,598)	(58,162)
Insurance and taxes	(40,722)	(31,124)
	<u>164,522</u>	<u>184,646</u>
Net cash provided by operating activities		
Cash flows from capital and related financing activities		
Payments for acquisition of capital assets	(58,615)	-
Principal payment on debt	(72,785)	(69,912)
Interest paid on debt	(37,725)	(40,598)
	<u>(169,125)</u>	<u>(110,510)</u>
Net cash used in capital and related financing activities		
Cash flows from investing activities		
Interest receipts	17,754	15,631
	<u>17,754</u>	<u>15,631</u>
Net cash provided by investing activities		
Net increase in cash and cash equivalents	13,151	89,767
Cash and cash equivalents, beginning	<u>816,795</u>	<u>727,028</u>
Cash and cash equivalents, end	<u><u>\$ 829,946</u></u>	<u><u>\$ 816,795</u></u>
Reconciliation to the statements of net position		
Cash and cash equivalents	\$ 608,795	\$ 618,922
Restricted cash and cash equivalents		
Insurance impounds	48,055	39,780
Tenant security deposits	21,169	20,434
Reserve for replacements	151,927	137,659
	<u>151,927</u>	<u>137,659</u>
Total cash and cash equivalents	<u><u>\$ 829,946</u></u>	<u><u>\$ 816,795</u></u>

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Statements of Cash Flows
Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 60,111	\$ 112,548
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	84,118	73,156
Changes in assets and liabilities		
Accounts receivable	14,532	(7,781)
Prepaid expense	10,892	177
Accounts payable	(5,178)	7,130
Prepaid rent	(688)	(749)
Tenant security deposits	<u>735</u>	<u>165</u>
Net cash provided by operating activities	<u><u>\$ 164,522</u></u>	<u><u>\$ 184,646</u></u>

See Notes to Financial Statements.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 1 - Organization and summary of significant accounting policies

General

Seventeenth Street Commons (the "Project") is a 28-unit apartment complex located in downtown Sacramento, California. The Project provides at least 20% of the apartments to eligible low-income families under the California Housing Finance Agency ("CalHFA") 80/20 program. Mortgage financing was provided by CalHFA.

In accordance with a regulatory agreement dated December 30, 1982, the Capitol Area Development Authority ("Authority") manages the Project. The Authority is a joint powers agency with a Board of Directors comprised of appointees of the City of Sacramento ("City") and the State of California. The accompanying financial statements are not intended to present fairly the financial position or changes in financial position and cash flows of the Authority in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Basis of presentation

The Project is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow occurs. The Project distinguishes operating from nonoperating revenue and expenses. Operating revenue and expenses generally result from providing services in connection with the Project's ongoing operations. The principal operating revenue of the Project is rental income from tenants of its housing units. This revenue is recognized on the financial statements net of vacancy loss, low-income subsidies, and loss to leases. Operating expenses for the Project include payroll expenses for employee services, administrative expenses, utilities expenses, operating and maintenance expenses, insurance and taxes expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. When both restricted and unrestricted resources are available for use, it is the Project's policy to use restricted resources first, then unrestricted resources as needed.

Cash, cash equivalents and restricted cash and cash equivalents

The Project participates in the City's external investment pool. The City Treasurer pools cash and other City funds and invests to maximize income consistent with safe and prudent investment practices within the guidelines of the City's investment policy. The City, as a charter city, has adopted its own investment guidelines to guide investment of City funds by the Treasurer. These guidelines are consistent with the requirements of California Government Code Section 53601. The City Council provides regulatory oversight of the City's investment pool and reviews its investment policy on a quarterly basis. The estimated fair value of investments in the pool is based upon the quoted market price. However, the value of the pool shares in the City's investment pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Project's position in the pool. The City's investment pool is unrated and the weighted average maturity is 1.19 years and 1.78 years as of June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023 the Project's unrestricted cash and cash equivalents and tenant security deposits, are invested in the City's investment pool. Detailed disclosures, including investment policies and associated risk policies, regarding the Project's cash and investments are included in the notes to the Authority's basic financial statements.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Cash and cash equivalents and restricted cash and cash equivalents include operating accounts, replacement reserves, insurance impounds, and tenant security deposits. Replacement reserves and insurance impound accounts are held in an interest-bearing account by CalHFA. As required by the Authority's regulatory agreement with the CalHFA, the Project remits monthly deposits to cover replacement reserve requirements, hazard insurance, and earthquake insurance expenses. All disbursements from the CalHFA accounts are subject to supervision and approval by CalHFA. All such deposits and reserves are entirely insured or collateralized with securities held by the mortgagor in the Project's name.

The Project also maintains an operating account and tenant security deposits which are held in the City's external investment pool and a financial institution. For purposes of the statements of cash flows, the Project considers cash and cash equivalents to include all pooled cash and investments, including restricted account balances, as these pooled balances have the general characteristic of a demand deposit account.

Accounts receivable

Accounts receivable are due from tenants and reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of the receivables. It is reasonably possible that management's estimate of the allowance will change. As of June 30, 2024 and 2023, the allowance for doubtful accounts was \$10,901 and \$0, respectively.

Capital assets

Capital assets, which are defined by the Authority as assets with an initial, individual cost of more than \$3,000 and an estimated useful life beyond one year, are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over an estimated useful life of 5 to 30 years. Maintenance and repair costs are expensed as incurred. The Project does not own land, only the building on the land therefore only construction in progress is included in nondepreciable capital assets. The Project's building is pledged as security for notes payable.

Impairment of capital assets

The Authority reviews the capital assets of the Project for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of June 30, 2024, there has been no impairment of the capital assets.

Rental income

The Project's rental property is generally leased to tenants under one-year noncancelable operating leases. Rental income is recognized as rents become due. Rental payments received in advance are recorded as unearned revenue.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 2 - Cash, cash equivalents, and restricted cash

The Project's cash and cash equivalents are as follows at June 30:

	<u>2024</u>	<u>2023</u>
City investment pool	\$ 629,964	\$ 639,356
Deposits with CalHFA	<u>199,982</u>	<u>177,439</u>
Total	<u><u>\$ 829,946</u></u>	<u><u>\$ 816,795</u></u>

Note 3 - Tenant security deposits

The Project collects security deposits from tenants at the inception of the tenant lease. These deposits, which are reported in these financial statements as restricted cash and cash equivalents, are refundable to the tenants to the extent there are no unpaid rents or damages to the housing unit. Tenant security deposits held as of June 30, 2024 and 2023 amounted to \$21,169 and \$20,434, respectively.

Note 4 - Capital assets

Information on additions and disposals of capital assets is presented below:

	<u>June 30, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2024</u>
Capital assets being depreciated				
Buildings and improvements	\$ 2,591,546	\$ 58,615	\$ -	\$ 2,650,161
Less accumulated depreciation for Buildings and improvements	<u>(1,943,173)</u>	<u>(84,118)</u>	<u>-</u>	<u>(2,027,291)</u>
Capital assets, net	<u><u>\$ 648,373</u></u>	<u><u>\$ (25,503)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 622,870</u></u>
	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
Capital assets not being depreciated				
Construction in progress	\$ 300,363	\$ -	\$ (300,363)	\$ -
Capital assets being depreciated				
Buildings and improvements	2,291,183	300,363	-	2,591,546
Less accumulated depreciation for Buildings and improvements	<u>(1,870,017)</u>	<u>(73,156)</u>	<u>-</u>	<u>(1,943,173)</u>
Capital assets, net	<u><u>\$ 721,529</u></u>	<u><u>\$ 227,207</u></u>	<u><u>\$ (300,363)</u></u>	<u><u>\$ 648,373</u></u>

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 5 - Notes payable

Notes payable secured by the Project consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
<u>Payable to CalFHA</u>		
Monthly installments of \$7,836, including principal and interest at 5.25% annually to maturity in September 2033 and secured by the Project.	\$ 687,821	\$ 744,125
<u>Payable to Sacramento Housing Financing Agency</u>		
Noninterest-bearing note with annual principal payments of \$16,481 beginning December 2003 and maturing in 2029 and secured by the Project.	98,899	115,380
Total	<u>\$ 786,720</u>	<u>\$ 859,505</u>

Future maturities on the notes payable are as follows:

Years ending June 30	Principal	Interest	Total
2025	\$ 75,814	\$ 34,696	\$ 110,510
2026	79,005	31,505	110,510
2027	82,368	28,143	110,511
2028	85,911	24,599	110,510
2029	89,645	20,865	110,510
2030 - 2034	373,977	42,142	416,119
	<u>\$ 786,720</u>	<u>\$ 181,951</u>	<u>\$ 968,671</u>

The following is a summary of the notes payable transactions for the years ended June 30, 2024 and 2023:

Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Amounts due within one year
<u>\$ 859,505</u>	<u>\$ -</u>	<u>\$ (72,785)</u>	<u>\$ 786,720</u>	<u>\$ 75,814</u>
Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Amounts due within one year
<u>\$ 929,417</u>	<u>\$ -</u>	<u>\$ (69,912)</u>	<u>\$ 859,505</u>	<u>\$ 72,786</u>

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Notes to Financial Statements
June 30, 2024 and 2023**

Note 6 - Assistance from the Authority

In 1999, the Authority commenced major construction rehabilitation of the Project. On August 23, 2003, subsequent to substantial completion of construction rehabilitation, CalHFA paid off the construction loan and outstanding debt financing by providing long-term financing to the Project.

During the fiscal years ended June 30, 2024 and 2023, the Project realized an excess of revenue over expenses (excluding depreciation) of \$124,258 and \$160,737, respectively. During the years ended June 30, 2024 and 2023, the Authority made no contributions to the Project. The Authority has committed to fund any future deficits with contributions, as required.

Note 7 - Leased property

The land on which the Project is located is owned by the State of California. On June 12, 1981, a 60-year operating lease was entered into between the Authority and the State of California. This lease is without cost; therefore, it is not reflected in these financial statements.

The State of California or the Authority may terminate the lease at any time by giving 60 days' notice. Should this lease be terminated, the developmental ground lease will be honored by the State of California on behalf of the Authority.

Note 8 - Subsequent events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Project through October 7, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**Supplementary Information Required by the California Housing Finance Agency (CalHFA),
Including Breakout of "Miscellaneous" Account Details**

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Schedules of Operating Revenue

<u>Account No.</u>	<u>2024</u>	<u>2023</u>
Rental revenue		
5120 Rent revenue - gross potential	\$ 503,787	\$ 474,917
5170 Rent revenue - garage and parking	11,760	11,760
	<hr/>	<hr/>
5100T Total rental revenue	515,547	486,677
	<hr/>	<hr/>
Vacancies		
5220 Apartments	103,038	83,393
	<hr/>	<hr/>
5200T Total vacancies	103,038	83,393
	<hr/>	<hr/>
5152N Net rental revenue (rent revenue less vacancies)	412,509	403,284
	<hr/>	<hr/>
Financial revenue		
5490 Revenue from investments - miscellaneous (if over \$1,500, detail is required)	17,754	15,631
	<hr/>	<hr/>
5400T Total financial revenue	17,754	15,631
	<hr/>	<hr/>
Other revenue		
5910 Laundry and vending revenue	1,406	533
5990 Miscellaneous revenue (if over \$1,500, detail is required)	3,507	2,507
	<hr/>	<hr/>
5900T Total other revenue	4,913	3,040
	<hr/>	<hr/>
5000T Total revenue	<u>\$ 435,176</u>	<u>\$ 421,955</u>

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Schedules of Operating Expenses

Account No.	2024	2023
Administrative expenses		
6204 Management consultants	\$ 1,000	\$ -
6210 Advertising and marketing	2,268	790
6320 Management fee	34,620	33,130
6351 Bookkeeping fees/accounting services	5,500	5,557
6370 Bad debts	10,951	-
6263T Total administrative expenses	54,339	39,477
Utilities expense		
6450 Electricity	6,386	4,757
6451 Water	30,828	31,182
6452 Gas	2,208	2,978
6400T Total utilities expense	39,422	38,917
Operating and maintenance expenses		
6510 Payroll	40,398	37,948
6515 Supplies	13,095	1,850
6520 Contracts	29,468	38,949
6525 Garbage and trash removal	6,777	7,685
6530 Security payroll/contract	8,065	7,680
6560 Decorating and painting	17,220	720
6590 Miscellaneous operating and maintenance expenses (if over \$1,500, detail is required)	23,687	16,270
6500T Total operating and maintenance expenses	\$ 138,710	\$ 111,102

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Detail of Accounts - Schedule of Activities

	2024	2023
Revenue from investments - miscellaneous (Account No. 5490)		
Interest income on investment with City	\$ 12,926	\$ 10,774
Interest income received	4,828	4,857
	<u>\$ 17,754</u>	<u>\$ 15,631</u>
Miscellaneous revenue (Account No. 5990)		
Miscellaneous income - other tenant fees	\$ 3,507	\$ 2,507
	<u>\$ 3,507</u>	<u>\$ 2,507</u>
Miscellaneous operating and maintenance expenses (Account No. 6590)		
Flooring	\$ 23,687	\$ 16,270
	<u>\$ 23,687</u>	<u>\$ 16,270</u>

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Cash and cash equivalents

Cash and cash equivalents	
Unrestricted account	
Operating account	\$ 608,795
Restricted accounts	
Insurance and tax impounds	48,055
Tenant security deposits	21,169
Reserve for replacements	151,927
Total restricted accounts	221,151
Total cash and cash equivalents	\$ 829,946

The Project follows the practice of pooling its cash with all of the Authority's projects into a central fund maintained by the Authority. All accounts are segregated on the books of the Authority. The impound and reserve accounts are maintained in interest-bearing accounts by CalHFA.

Reserve for replacements

In accordance with the provisions of the regulatory agreement, reserves are maintained in accounts by CalHFA to be used for replacements of property. Withdrawals are made upon approval by CalHFA. Activity during the year ended June 30, 2024 was as follows:

Balance, June 30, 2023	\$ 137,659
Deposits:	
Twelve months at \$882	10,584
Interest income	3,684
Approved withdrawals	-
Balance, June 30, 2024	\$ 151,927

Impound accounts

	Hazard insurance	Earthquake insurance	Total
Balance, June 30, 2023	\$ 34,092	\$ 5,688	\$ 39,780
Deposits	6,909	9,018	15,927
Interest earned	991	154	1,145
CalHFA adjustment	(1,277)	2,054	777
Payments applied	-	(9,574)	(9,574)
Balance, June 30, 2024	\$ 40,715	\$ 7,340	\$ 48,055

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Capital assets

Following are the details of capital assets, which include building and leasehold improvements:

<u>Capital assets</u>	<u>Building and improvements</u>
Balance, June 30, 2023	\$ 2,591,546
Additions	<u>58,615</u>
Balance, June 30, 2024	<u><u>\$ 2,650,161</u></u>

Accounts payable

Accounts payable in the amount of \$2,796 represents amounts due to suppliers. All accounts payable are current.

Gross potential rents

Qualified tenant rental income	\$ 680,784
Other tenant rental income	<u>-</u>
Total gross potential rents	680,784
Less	
Vacancy loss	(103,038)
Loss to lease	(77,887)
Low-income subsidy	<u>(99,110)</u>
Rental revenues, net	<u><u>\$ 400,749</u></u>

Management fee

A property management fee of \$34,620 was incurred during the fiscal year ended June 30, 2024 for the property management services provided by the Authority.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Supplementary Information Required by CalHFA
Years Ended June 30, 2024 and 2023**

Operating cash flow/Surplus cash computation

The operating cash flow/surplus cash generated by the Project during the years ended June 30, 2024 and 2023 is as follows:

	2024	2023
Operation income		
Total income	\$ 435,176	\$ 421,955
Interest earned on restricted reserve accounts	(4,828)	(4,857)
Adjusted operation income	430,348	417,098
Operating expenses less depreciation	(273,193)	(220,620)
Adjusted net income	157,155	196,478
Other activity		
Debt service	(110,510)	(110,510)
Deposits into replacement reserve account	(10,584)	(10,584)
Total other activity	(121,094)	(121,094)
Operating cash flow/surplus cash	\$ 36,061	\$ 75,384

Accumulated limited distributions

At inception, there were no allowable accumulated limited distributions unpaid. Also, there were no accumulated limited distributions paid during the fiscal years ended June 30, 2024 and 2023.

Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Directors
Capitol Area Development Authority
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Governmental Auditing Standards*), the financial statements of Seventeenth Street Commons (Contract Number 99-024-N) (the "Project"), a project of the Capitol Area Development Authority ("Authority") which comprise the statement of net position as of June 30, 2024, and the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 7, 2024 which included an emphasis of matter paragraph as indicated at page 2.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Project's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Project's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Project's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.



Sacramento, California
October 7, 2024

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

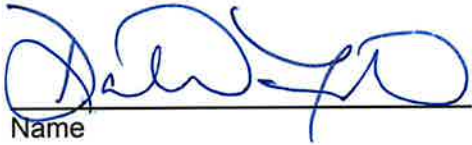
**Summary of Findings and Responses
Years Ended June 30, 2024 and 2023**

Our audit disclosed no findings that are required to be reported.

**Seventeenth Street Commons
(Contract Number 99-024-N)
A Project of the Capitol Area Development Authority**

**Certification of Officers
Years Ended June 30, 2024 and 2023**

We, as officers of Capitol Area Development Authority (Joint Powers Authority), hereby certify that we have examined the accompanying financial statements and supplemental data of Seventeenth Street Commons as of and for the years ended June 30, 2024 and 2023, and, to the best of our knowledge and belief, these financial statements and data are complete and accurate.


Name

Executive Director
Title

10/7/24
Date


Name

Finance Director
Title

10-7-24
Date



Independent Member of Nexia International

cohnreznick.com

Capitol Area Development Authority (CADA)
Summary Statement of Revenues and Expenditures
From 7/1/2023 Through 6/30/2024

Attachment 2

	Annual Budget	YTD Actual	YTD Variance
FUNDING SOURCES			
Rental Income			
Parking	312,700	343,550	30,850
Ground Lease Revenue	156,000	143,942	(12,058)
Residential Rental Revenue	11,730,500	12,280,733	550,233
Commercial Rental Revenue	515,000	634,209	119,209
Rental Vacancy Loss	(1,135,000)	(1,614,968)	(479,968)
Low Income Subsidy	(789,500)	(840,916)	(51,416)
Loss to Lease	(1,606,800)	(1,484,454)	122,346
Other	38,900	37,370	(1,530)
Total Rental Income	9,221,800	9,499,465	277,665
Tax Increment Revenue			
Tax Increment Revenue	7,670,000	8,131,930	461,930
Total Tax Increment Revenue	7,670,000	8,131,930	461,930
Financial Income			
General Operations Investment Funding			
Interest Income on Investments with City	322,000	541,686	219,686
Other	348,000	824,607	476,607
Total General Operations Investment Funding	670,000	1,366,293	696,293
Total Financial Income	670,000	1,366,293	696,293
Development Project Revenue			
D&A Grant Proceeds	100,000	100,000	-
Total Development Project Revenue	100,000	100,000	-
Drawdowns from Reserves			
Equipment Replace Reserve Drawdown	156,500	166,884	10,384
Acquisition Reserve drawdown	125,648	125,648	-
Total Drawdowns from Reserves	282,148	292,532	10,384
Miscellaneous Funding Sources			
Gain/Loss-Sale of Hard Assets	1,242,591	1,242,591	-
Other	33,100	282,731	249,631
Total Miscellaneous Funding Sources	1,275,691	1,525,322	249,631
Total FUNDING SOURCES	19,219,639	20,915,542	1,695,903
OPERATING EXPENSES			
Employee Services & Benefits			
Special Management Salaries	184,886	180,432	4,454
Cafeteria Plan	522,000	508,288	13,712
Workers Compensation	86,500	57,934	28,566
PERS Retirement	773,000	1,174,772	(401,772)
Post Retirement Health Benefit Contributions	210,000	3,370	206,630
Retiree Health Benefits	215,000	210,547	4,453
Other	3,143,960	2,813,045	330,915
Total Employee Services & Benefits	5,135,346	4,948,388	186,958
Outside Services			
Legal Services	184,919	297,684	(112,765)
Insurance	713,000	649,599	63,401
Other	1,239,160	1,144,816	94,344
Total Outside Services	2,137,079	2,092,099	44,980
Maintenance & Repair			
Service Contracts	444,650	435,970	8,680
Flooring	361,000	261,616	99,384
Landscaping	265,825	275,087	(9,262)
Other	1,450,035	1,428,311	21,724
Total Maintenance & Repair	2,521,510	2,400,985	120,525
Utilities			

Capitol Area Development Authority (CADA)
Summary Statement of Revenues and Expenditures
From 7/1/2023 Through 6/30/2024

Attachment 2

Utilities-Garbage	153,500	171,052	(17,552)
Utilities-SMUD/Electricity	152,000	176,522	(24,522)
Utilities-PG&E/Gas	418,800	292,469	126,331
Utilities-Water/Sewer	588,000	595,633	(7,633)
Other	83,000	67,602	15,398
Total Utilities	1,395,300	1,303,279	92,021
Overhead			
	703,121	579,339	123,782
Total Overhead	703,121	579,339	123,782
Building/Land Acquisition			
Building/Land Acquisition	3,418,691	3,418,662	29
Total Building/Land Acquisition	3,418,691	3,418,662	29
Debt Service			
Notes Payable Debt Service	582,562	615,834	(33,272)
Bond Debt Service	2,585,950	2,586,337	(387)
Total Debt Service	3,168,512	3,202,171	(33,659)
Contributions to Reserves			
	1,438,981	1,968,613	(529,632)
Total Contributions to Reserves	1,438,981	1,968,613	(529,632)
Total OPERATING EXPENSES	19,918,540	19,913,537	5,003
CAPITAL INVESTMENT PROGRAM			
Major Construction			
	2,347,487	1,736,081	611,406
Total Major Construction	2,347,487	1,736,081	611,406
Development			
	323,502	404,451	(80,949)
Total Development	323,502	404,451	(80,949)
Total CAPITAL INVESTMENT PROGRAM	2,670,989	2,140,532	530,457
CASH FLOW, Before Resources Utilization	(3,369,890)	(1,138,527)	2,231,363
UTILIZATION OF FINANCIAL RESOURCES			
Utilization of Available Fund Balance	2,406,452	2,406,452	-
Utilization-Released CIP Budget	964,367	957,283	(7,084)
Contribution to Available Fund Balance	(929)	-	929
Total UTILIZATION OF FINANCIAL RESOURCES	3,369,890	3,363,735	(6,155)
NET CASH FLOW	-	2,225,208	2,225,208
Audit Reconciliations			
Change in Encumbrances		(2,172,983)	
Audit Reconciliations			
Reduction in Outstanding Debt Service			
Reductions in Outstanding Debt Service			
Debt Service-Liability Reduction		219,898	
Interest Expense-Accrual Adjustment		(65,334)	
Bond Debt Svc-Liability Reduction		1,339,964	
Bond Interest-Accrual Adjustment		6,485	
Total Reduction in Outstanding Debt Service		1,501,013	
Change in Leases & Subscriptions			
Right of Use - Lease Asset		(80,813)	
Accumulated Amortization - Right of Use Lease		70,204	
Lease Liability, Current		2,789	
Lease Liability, Long Term		14,666	

Capitol Area Development Authority (CADA)
Summary Statement of Revenues and Expenditures
From 7/1/2023 Through 6/30/2024

Attachment 2

B/S Adj - Lease Revenue	(10,408)
B/S Adj - Leases Rent Exp	78,830
Amortization Lease Expense	(70,204)
Amortization Subscription Expense	<u>(11,847)</u>
Total Change in Leases & Subscriptions	(6,783)
Change in Net Pension Liability	
Net Pension Liability	424,224
Net OPEB Liability	<u>299,236</u>
Total Change in Net Pension Liability	723,460
Change in Deferred Inflows of Resources	
Deferred Inflows related to Pension	(29,939)
Deferred Inflow related to OPEB	(356,496)
Deferred Inflow related to Leases	<u>881,330</u>
Total Change in Deferred Inflows of Resources	494,895
Impact of Changes in Notes Receivable	
B/S Adj - Developer Loan Funding	100,000
Allowance for Uncollectibles	<u>(91,465)</u>
Total Impact of Changes in Notes Receivable	8,535
Impact of Net Changes in Fixed Assets	
Capitalized Acquisitions	
Software - Capitalized or Prepaid	(13,875)
Computer Hdwe - Capitalized	30,084
Admin Furn Mach & Eq-Cap'd	6,718
Acquisitions Capitalized	3,418,662
D&A - Site Impr Capitalized	21,663
Capitalized Expenses - Various	258,442
Maint Furn, Mach & Eq-Cap'd	(701)
Capitalized Major Construction	<u>1,663,873</u>
Total Capitalized Acquisitions	5,384,867
Depreciation Expense	<u>(1,089,241)</u>
Total Impact of Net Changes in Fixed Assets	4,295,626
Reduction of deferred Outflows of Resources	
Deferred Outflows Related to Pension	93,059
Deferred Outflow Related to OPEB	<u>(102,452)</u>
Total Reduction of deferred Outflows of Resources	(9,393)
Impact of Changes in Other Balance Sheet Sections	
Net Increase (Decline) in Reserves	
Reserve Drawdowns-Equity Adjustment	(292,532)
Reserve Contributions-Equity Adjustment	<u>1,968,613</u>
Total Net Increase (Decline) in Reserves	1,676,081
Net Contribution to (Utilization of) Fund Balance	
BS Adj - Fund Bal Util or Contrib	<u>(2,406,452)</u>
Total Net Contribution to (Utilization of) Fund Balance	(2,406,452)
Total Impact of Changes in Other Balance Sheet Sections	<u>(730,371)</u>
Total Audit Reconciliations	<u>4,103,999</u>
AUDITED, CHANGE IN NET ASSETS	<u>6,329,207</u>

GENERAL OPERATIONS - General Operations - Consolidated - Unposted Transactions Included In Report

From 7/1/2023 Through 6/30/2024

(In Whole Numbers)

	Budget-Annual	YTD Budget	YTD Year Actual	YTD Variance
FUNDING SOURCES of General Operations				
Rental Income				
Parking	312,700	312,700	343,550	30,850
Ground Lease Revenue	156,000	156,000	143,942	(12,058)
Residential Rental Revenue	11,730,500	11,730,500	12,280,733	550,233
Commercial Rental Revenue	515,000	515,000	634,209	119,209
Rental Vacancy Loss	(1,135,000)	(1,135,000)	(1,614,968)	(479,968)
Low Income Subsidy	(789,500)	(789,500)	(840,916)	(51,416)
Loss to Lease	(1,606,800)	(1,606,800)	(1,484,454)	122,346
Total Rental Income	9,182,900	9,182,900	9,462,095	279,195
Other Residential Income				
Coin Op Laundry Revenue	36,300	36,300	36,280	(20)
Forfeited Security Deposits	2,100	2,100	1,090	(1,010)
Bad Debt Recovery	500	500	0	(500)
Misc Current Svcs - Mgmt Fees	115,460	115,460	150,260	34,800
Misc Current Svcs - Salaries	157,490	157,490	234,491	77,001
Misc Current Svcs - Mait	0	0	2,884	2,884
Total Other Residential Income	311,850	311,850	425,005	113,155
Tax Increment Revenue				
Tax Increment Revenue	7,670,000	7,670,000	8,131,930	461,930
Total Tax Increment Revenue	7,670,000	7,670,000	8,131,930	461,930
Interest and Other Investment Income				
Interest Income on Investments with City	322,000	322,000	541,686	219,686
Interest Income Received	0	0	6,022	6,022
Interest Income-Reserve Allocation	(2,000)	(2,000)	0	2,000
Interest Income - Pool A Tax Exempt	0	0	1,049	1,049
Interest Income - Pool A Taxable Bond	350,000	350,000	761,698	411,698
Lease Interest Revenue	0	0	55,838	55,838
Total Interest and Other Investment Income	670,000	670,000	1,366,293	696,293
Miscellaneous Revenue				
Gain/Loss-Sale of Hard Assets	1,242,591	1,242,591	1,242,591	(0)
Miscellaneous Income	33,100	33,100	60,444	27,344
Insurance Settlements	0	0	222,287	222,287
D&A Grant Proceeds	100,000	100,000	100,000	0
Allowance for Uncollectibles	0	0	(91,465)	(91,465)
Total Miscellaneous Revenue	1,375,691	1,375,691	1,533,857	158,166
Drawdowns from Reserves				
Acquisition Reserve drawdown	125,648	125,648	125,648	0
Total Drawdowns from Reserves	125,648	125,648	125,648	0
Total FUNDING SOURCES of General Operations	19,336,089	19,336,089	21,044,827	1,708,738

General Operations EXPENSE

Employee Services & Benefits

Capitol Area Development Authority (CADA)
GENERAL OPERATIONS - General Operations - Consolidated - Unposted Transactions Included In Report

From 7/1/2023 Through 6/30/2024

(In Whole Numbers)

	Budget-Annual	YTD Budget	YTD Year Actual	YTD Variance
Special Management Salaries	(184,886)	(184,886)	(180,432)	4,454
Salaries	(3,157,000)	(3,157,000)	(3,075,504)	81,496
Employee Recognition	(37,000)	(37,000)	(32,256)	4,744
Social Security/Medicare	(46,900)	(46,900)	(48,051)	(1,151)
Cafeteria Plan	(522,000)	(522,000)	(508,288)	13,712
Long Term Disability	(34,000)	(34,000)	(30,647)	3,353
State Unemployment	(11,000)	(11,000)	(8,623)	2,377
Workers Compensation	(86,500)	(86,500)	(57,934)	28,566
Life & AD&D Insurance	(13,200)	(13,200)	(13,670)	(470)
PERS Retirement	(773,000)	(773,000)	(1,174,772)	(401,772)
Post Retirement Health Benefit Contributions	(210,000)	(210,000)	(3,370)	206,630
Retiree Health Benefits	(215,000)	(215,000)	(210,547)	4,453
OPEB Expense	0	0	159,712	159,712
Employee Assist Program (EAP)	(2,350)	(2,350)	(1,381)	969
Total Employee Services & Benefits	(5,292,836)	(5,292,836)	(5,185,763)	107,073
Outside Services				
Prop Mgmt Marketing - Sp Mgmt Credit	3,928	3,928	3,928	0
Marketing & Media	(25,000)	(25,000)	(36,632)	(11,632)
Property Management Marketing	(16,928)	(16,928)	(3,961)	12,967
Printing and Binding	(2,000)	(2,000)	(584)	1,416
Employment Recruitment & Notices	(5,000)	(5,000)	(4,815)	185
Legal Services	(184,919)	(184,919)	(297,684)	(112,765)
Accounting and Auditing	(55,450)	(55,450)	(64,425)	(8,975)
Community Activities	(80,000)	(80,000)	(57,701)	22,299
Community Art Projects	(36,000)	(36,000)	0	36,000
Document Storage & Destruction	(2,000)	(2,000)	(1,215)	785
Network Administration Services	(98,000)	(98,000)	(86,996)	11,004
Payroll Services	(15,000)	(15,000)	(15,244)	(244)
Banking & Investment Fees	(13,110)	(13,110)	(14,719)	(1,609)
Admin Other Professional Services	(87,500)	(87,500)	(20,050)	67,450
Prop Mgmt Other Professional Services	(131,000)	(131,000)	(184,086)	(53,086)
Asset Mgmt Other Professional Services	(114,600)	(114,600)	(75,605)	38,996
Courtesy Patrol	(142,424)	(142,424)	(171,749)	(29,325)
Courtesy Patrol-Sp Mgmt Credit	17,424	17,424	21,424	4,000
Insurance - Special Management Insurance	(141,500)	(141,500)	(152,439)	(10,939)
Self-Insured Losses	(75,000)	(75,000)	(1,446)	73,554
Project Banking & Other Fees	(21,000)	(21,000)	(14,309)	6,692
Admin Temporary Outside Svcs	(20,000)	(20,000)	(114,138)	(94,138)
Temporary Outside Services	(140,000)	(140,000)	(114,495)	25,505
Eng/Arch-Miscellaneous	(39,000)	(39,000)	(30,561)	8,439
Legal - Dev Project Related	(30,000)	(30,000)	(19,735)	10,265
D&A Other Professional Services	(14,000)	(14,000)	0	14,000
D&A Miscellaneous Expense	0	0	84	84

Capitol Area Development Authority (CADA)
GENERAL OPERATIONS - General Operations - Consolidated - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024
(In Whole Numbers)

	Budget-Annual	YTD Budget	YTD Year Actual	YTD Variance
D&A Developer Loan Funding	(350,000)	(350,000)	(100,000)	250,000
Total Outside Services	(2,531,079)	(2,531,079)	(2,206,750)	324,329
Maintenance & Repair				
Emerg Relocation-Ops Related	(20,000)	(20,000)	(32,724)	(12,724)
Operation Location Improvements	(5,000)	(5,000)	(370)	4,630
Admin Office - General Maintenance	(34,200)	(34,200)	(37,765)	(3,565)
Maint Office Janitorial	(11,000)	(11,000)	(12,077)	(1,077)
Maint Office - General Maintenance	(10,000)	(10,000)	(13,737)	(3,737)
Equipment Rental Expense	(5,000)	(5,000)	(3,512)	1,488
Construction Mitigation Expense	(8,000)	(8,000)	0	8,000
Repair & Maint - Misc	(217,000)	(217,000)	(220,815)	(3,815)
Landscape-Sp Mgmt Credit	20,415	20,415	20,415	0
Travel-Fuel on CADA Vehicles	(19,000)	(19,000)	(20,392)	(1,392)
Travel-Maint Staff Reimburse	(14,000)	(14,000)	(9,221)	4,779
Travel-RSR Reimbursement	(2,000)	(2,000)	(451)	1,549
Elevator/Bldg Phone & Monitor Service	(6,000)	(6,000)	(6,824)	(824)
Service Contracts	(444,650)	(444,650)	(435,970)	8,680
State Fire Marshal	(50,000)	(50,000)	(12,780)	37,220
Flooring	(361,000)	(361,000)	(261,616)	99,384
Plumbing	(18,800)	(18,800)	(16,519)	2,281
Countertops/Cabinets	(167,500)	(167,500)	(126,278)	41,222
Landscaping	(265,825)	(265,825)	(275,087)	(9,262)
Pest Services	(45,700)	(45,700)	(33,821)	11,879
Permits and Fees	(4,500)	(4,500)	(2,864)	1,636
Painting & Decorating	(255,200)	(255,200)	(259,436)	(4,236)
Supplies	(21,050)	(21,050)	(21,328)	(278)
Vehicle Repair and Maint	(10,000)	(10,000)	(9,444)	556
Prop Mgmt Furn & Appliances	(116,500)	(116,500)	(164,744)	(48,244)
Building Supplies - Misc	(351,500)	(351,500)	(389,329)	(37,829)
Clothing and Uniforms	(5,500)	(5,500)	(9,015)	(3,515)
Maintenance Mach & Equip	(58,000)	(58,000)	(24,707)	33,293
Operating Budget Major Repairs	(15,000)	(15,000)	(19,920)	(4,920)
Total Maintenance & Repair	(2,521,510)	(2,521,510)	(2,400,332)	121,178
Utilities				
Admin Office Utilities	(28,000)	(28,000)	(23,469)	4,531
Maint Office Utilities	(55,000)	(55,000)	(44,134)	10,866
Utilities-Garbage	(153,500)	(153,500)	(171,052)	(17,552)
Utilities-SMUD/Electricity	(152,000)	(152,000)	(176,522)	(24,522)
Utilities-PG&E/Gas	(418,800)	(418,800)	(292,469)	126,331
Utilities-Water/Sewer	(588,000)	(588,000)	(595,633)	(7,633)
Total Utilities	(1,395,300)	(1,395,300)	(1,303,279)	92,021
Overhead				
Postage and Deliveries	(5,000)	(5,000)	(1,156)	3,844
Telephone and Wireless Svcs	(25,000)	(25,000)	(17,137)	7,863
Cellular Phone Service	(45,000)	(45,000)	(44,691)	309
Internet Services	(56,000)	(56,000)	(16,719)	39,281

Capitol Area Development Authority (CADA)
GENERAL OPERATIONS - General Operations - Consolidated - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024
(In Whole Numbers)

	Budget-Annual	YTD Budget	YTD Year Actual	YTD Variance
Admin Bldg Rent	(107,000)	(107,000)	(131,790)	(24,790)
Leased Facilities Rent	(24,000)	(24,000)	(30,000)	(6,000)
Equipment Rental Expense	(2,500)	(2,500)	(1,309)	1,191
Parking Program	(1,500)	(1,500)	(78)	1,422
JPA Board Expenses	(37,000)	(37,000)	(29,911)	7,089
Professional Organizations	(15,000)	(15,000)	(13,415)	1,585
Subscriptions	(2,000)	(2,000)	(1,211)	789
Education and Training	(24,000)	(24,000)	(13,021)	10,979
Management Fee	(115,460)	(115,460)	(124,064)	(8,604)
Transportation-Admin Staff	(2,500)	(2,500)	(3,827)	(1,327)
Resident Relations	(10,021)	(10,021)	(6,525)	3,496
Sp Mgmt Prop Taxes, Taxes & Assessments	(13,000)	(13,000)	(4,747)	8,253
Property Taxes & Assessments	(122,100)	(122,100)	(120,095)	2,005
Hospitality	(1,500)	(1,500)	0	1,500
Office Supplies - General	(15,000)	(15,000)	(14,244)	756
Software	(81,500)	(81,500)	(79,939)	1,561
Computer Hardware	(50,000)	(50,000)	(35,410)	14,590
Admin Furn Mach & Equip	(16,000)	(16,000)	(10,034)	5,966
Safety - General Admin	(20,500)	(20,500)	(5,125)	15,375
Office Equipment leases	(27,000)	(27,000)	(25,150)	1,850
Total Overhead	(818,581)	(818,581)	(729,599)	88,982
Building/Land Acquisition				
Building/Land Acquisition	(3,418,691)	(3,418,691)	(3,418,662)	29
Total Building/Land Acquisition	(3,418,691)	(3,418,691)	(3,418,662)	29
Debt Service				
Debt Service Principal Paid	(220,100)	(220,100)	(219,898)	202
Debt Interest Paid	(62,462)	(62,462)	(62,284)	178
Bond Debt Svc-Principal Pd	(1,340,090)	(1,340,090)	(1,339,997)	93
Bond Interest Paid	(1,245,860)	(1,245,860)	(1,246,340)	(480)
Tax Increment Pledge	(300,000)	(300,000)	(300,000)	0
HCD Monitoring Fee	0	0	(18,180)	(18,180)
Lease Interest Expense	0	0	(15,472)	(15,472)
Total Debt Service	(3,168,512)	(3,168,512)	(3,202,171)	(33,659)
Contributions to Reserves				
Development Reserve Contribution	(997,798)	(997,798)	(1,504,059)	(506,262)
Affordable Housing Reserve Contribution	(336,300)	(336,300)	(359,671)	(23,371)
Equipment Replace Reserve Contribution	(104,883)	(104,883)	(104,883)	0
Total Contributions to Reserves	(1,438,981)	(1,438,981)	(1,968,613)	(529,632)
Total General Operations EXPENSE	(20,585,490)	(20,585,490)	(20,415,169)	170,321
Inter-Fund Operation TRANSFERS				
Inter-Fund Operating TRANSFERS IN				
Operations Transfer from F 50-CAP Tax Incr	3,619,650	3,619,650	1,848,080	(1,771,570)

Capitol Area Development Authority (CADA)
GENERAL OPERATIONS - General Operations - Consolidated - Unposted Transactions Included In Report
From 7/1/2023 Through 6/30/2024
(In Whole Numbers)

	Budget-Annual	YTD Budget	YTD Year Actual	YTD Variance
Operations Transfer from F 51-CAP Set-Aside	532,730	532,730	532,730	0
Operations Transfer from F60-RSt TI	380,000	380,000	380,000	0
Operations Transfer from F61 - R St Set-Aside	100,000	100,000	100,000	0
Operations Transfer from F67 - Bond Interest	872,242	872,242	872,242	0
Total Inter-Fund Operating TRANSFERS IN	5,504,622	5,504,622	3,733,052	(1,771,570)
Inter-Fund Operating TRANSFERS OUT				
Operations Transfer to F10-General	(5,254,622)	(5,254,622)	(3,483,052)	1,771,570
Operations Transfer Out - Other	(150,000)	(150,000)	(150,000)	0
Total Inter-Fund Operating TRANSFERS OUT	(5,404,622)	(5,404,622)	(3,633,052)	1,771,570
Total Inter-Fund Operation TRANSFERS	100,000	100,000	100,000	0
OPERATING RESULTS, before Capital Investment Program	(1,149,401)	(1,149,401)	729,658	1,879,059
CAPITAL INVESTMENT PROGRAM				
Investment in MAJOR CONSTRUCTION Program				
CIP Transfer to F10-General	(1,215,620)	(1,215,620)	(1,215,620)	0
CIP Transfer to F38 - 17th St. Commons	(11,000)	(11,000)	0	11,000
Total Investment in MAJOR CONSTRUCTION Program	(1,226,620)	(1,226,620)	(1,215,620)	11,000
Investment in DEVELOPMENT Program				
Dev Program TF to F 10 - General	(29,502)	(29,502)	(29,502)	0
Total Investment in DEVELOPMENT Program	(29,502)	(29,502)	(29,502)	0
Total CAPITAL INVESTMENT PROGRAM	(1,256,122)	(1,256,122)	(1,245,122)	11,000
UTILIZATION OF FINANCIAL RESOURCES				
Utilization of Available Fund Balance	2,406,452	2,406,452	2,406,452	0
Contribution to Available Fund Balance	(929)	(929)	0	929
Total UTILIZATION OF FINANCIAL RESOURCES	2,405,523	2,405,523	2,406,452	929
NET RESULTS OF GENERAL OPERATIONS	0	0	1,890,988	1,890,988

RESOLUTION NO. 25 – 02

Adopted by the Capitol Area Development Authority

January 17, 2025

**RESOLUTION ACCEPTING AND AUTHORIZING RELEASE OF
INDEPENDENT AUDITOR’S REPORTS – FISCAL YEAR 2023-2024**

WHEREAS, the certified public accounting firm of CohnReznick has audited the Authority’s finances and prepared its Authority’s Independent Auditor’s Reports for Fiscal Year 2022-2023; and

WHEREAS, CohnReznick has prepared an unqualified opinion letter that is incorporated into this annual report.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority, that the Authority’s Independent Auditor’s Reports for Fiscal Year 2023-2024 audited by CohnReznick are hereby accepted and authorized for release.

Emily Baime Michaels, Vice Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 25 – 03

Adopted by the Capitol Area Development Authority

January 17, 2025

**RESOLUTION ACCEPTING AND AUTHORIZING RELEASE OF
INDEPENDENT AUDITOR'S REPORTS – FISCAL YEAR 2023-2024
FOR SOMERSET PARKSIDE APARTMENTS**

WHEREAS, the certified public accounting firm of CohnReznick has completed its audit of the Authority's Independent Auditor's Reports for Fiscal Year 2023-2024 for Somerset Parkside Apartments; and

WHEREAS, CohnReznick has prepared an unqualified opinion letter which is incorporated into this annual report.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority, that the Authority's Independent Auditor's Reports for Fiscal Year 2023-2024 for Somerset Parkside Apartments audited CohnReznick is hereby accepted and authorized for release.

Emily Baime Michaels, Vice Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 25 – 04

Adopted by the Capitol Area Development Authority

January 17, 2025

**RESOLUTION ACCEPTING AND AUTHORIZING RELEASE OF
INDEPENDENT AUDITOR'S REPORTS – FISCAL YEAR 2023-2024
FOR BIELE PLACE APARTMENTS**

WHEREAS, the certified public accounting firm of CohnReznick has completed its audit of the Authority's Independent Auditor's Reports for Fiscal Year 2023-2024 for Biele Place Apartments; and

WHEREAS CohnReznick has prepared an unqualified opinion letter which is incorporated into this annual report.

NOW, THEREFORE, BE IT RESOLVED by the Capitol Area Development Authority, that the Authority's Independent Auditor's Reports for Fiscal Year 2023-2024 for Biele Place Apartments audited by CohnReznick is hereby accepted and authorized for release.

Emily Baime Michaels, Vice Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors

RESOLUTION NO. 25 – 05

Adopted by the Capitol Area Development Authority

January 17, 2025

**RESOLUTION ACCEPTING AND AUTHORIZING RELEASE OF
INDEPENDENT AUDITOR’S REPORTS – FISCAL YEAR 2023-2024
FOR SEVENTEENTH STREET COMMONS
(Contract Number 99-024-N)**

WHEREAS, the certified public accounting firm of CohnReznick has completed its audit of the Authority’s Independent Auditor’s Reports for Fiscal Year 2023-2024 for Seventeenth Street Commons (Contract Number 99-024-N); and

WHEREAS, CohnReznick has prepared an unqualified opinion letter which is incorporated into this annual report.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority, that the Authority’s Independent Auditor’s Reports for Fiscal Year 2023-2024 for Seventeenth Street Commons (Contract Number 99-024-N) audited by CohnReznick is hereby accepted and authorized for release.

Emily Baime Michaels, Vice Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors



January 10, 2025

TO: CADA Board of Directors

SUBJECT: January 17, 2025 Board Meeting
AGENDA ITEM 7

MID-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) UPDATE

CONTACT PERSON: Josh Palmer, Asset Director
Frank Czajka, Construction Manager

RECOMMENDATION: For review and information only.

CIP STATUS REPORT

Twice each year, typically around mid-year and fiscal year end, CADA staff prepares a Capital Improvement Program (CIP) Status Report and presents it to the Board. The current report is being presented in January to reduce the impacted December 2024 agenda and accommodate its time-sensitive items.

The mid-year CIP Program Status Report contains completed, current, and major maintenance, rehabilitation and construction improvements to CADA-managed properties within the Capitol Area. Work typically consists of improvements to residential, commercial, parking, landscape and infrastructure that were identified as being necessary through CADA staff's field assessments and CADA strategic planning, and is working to incorporate CADA's recently-completed Capital Needs Assessment for future years planning.

The report can be found in Attachment 1 and is summarized below.

Status of Budgeted CIP Projects

Budgeted projects are shown in the first three shaded columns of Attachment 1, labeled "Current Budget C23 2022/23, Current Budget C24 2023/24, and Current Budget C25 2024/25." CADA's multi-year capital budgeting process provides for fiscal year budgets to remain open for three years so, at any given time, the CIP Status Report and Needs Assessment includes fiscal year budgets for 3 years. The CIP Status Report is a working tool that enables staff to keep track of the status of the various projects and is presented to the Board to report on project status and to show the level of investment in individual buildings during those three fiscal years.

In the columns marked "Completed," the completed projects for each fiscal year starting in FY 22/23 are shown with the expenditures to date. The open projects remaining to be finished are shown in the "Open" columns. The report presents the following information about each budgeted project:

- Project Address
- Scope of Work
- Budget Spent ("Completed")
- Budget Remaining ("Open")

CADA's current CIP priorities include window replacement, roof replacement, repairing dry-rot, electrical service upgrades, exterior painting, and general carpentry. These repair priorities reflect the continued aging of CADA's 50 apartment buildings and 21 commercial spaces and CADA's efforts to modernize building systems and make them more energy and water efficient.

As illustrated in Table 1 below, to date CADA has completed \$2,415,475.68 in CIP projects budgeted within fiscal years 22/23 through 24/25 out of a budget of \$7,939,075.00, leaving \$5,523,599.32 in open projects.

Table 1 – Budgeted CIP Projects Status Report Summary for FY 22/23 through FY 24/25*

	FY 22/23 CIP Budget		FY 23/24 CIP Budget		FY 24/25 CIP Budget		Grand Total
	Completed	Open	Completed	Open	Completed	Open	
General Fund	\$739,834.46	\$897,665.54	\$210,598.22	\$1,498,001.78	\$1,361,306.00	\$3,191,669.00	\$7,899,075.00
Special Mgt.	-	-	-	-	\$103,737.00	\$(63,737.00)	\$40,000.00
TOTAL COMPLETED	\$739,834.46		\$210,598.22		\$1,465,043.00		\$2,415,475.68
TOTAL OPEN	-	\$897,665.54	-	\$1,498,001.78	-	\$3,127,932.00	\$5,523,599.32
GRAND TOTAL (COMPLETED AND OPEN)	\$1,637,500.00		\$1,708,600.00		\$4,592,975.00		\$7,939,075.00

**Note: Expenses are indicated as projects are initiated, rather than invoiced, and therefore the project budgets may not match the financial reports due to timing differences from the start of project to invoicing.*

CADA's Maintenance Department continues to focus on routine maintenance and time-critical CIP projects, particularly those related to health and safety. As is reflected in Attachment 1, staff continues to work to identify leaking or aging roofs and prioritize roofs that should be replaced in the next 5 years. The roof of the new Maintenance building at 525 S Street, has been completed as well as the leaking aged roofs at 1506 13th Street, 1510 O Street, and 1615 P Street.

Another significant sustainability and livability priority is CADA's continuing focus on replacing windows in many of our buildings that have single pane glass. Single pane windows are being replaced with modern dual-pane glass windows that also have UV blocking. These efforts will reduce our carbon footprint by increasing heating and cooling efficiency and improve quality of life by making apartments significantly quieter. Staff has recently completed window retrofits at 1201 P Street, 1420 O Street, 1517 12th Street, and 1521 12th Street. Staff plans to complete the windows at 1615, 1617, and 1623 P Street this spring.

CADA staff are continuing to identify boilers in our buildings which are nearing the end of their useful life and/or grossly energy inefficient. 1317 O Street has been upgraded with energy efficient ductless mini split HVAC heat pumps which will both heat and cool the apartments, eliminating the need for the inefficient boiler system, which has been idle this fall/winter. This project qualifies for an \$80,000 SMUD rebate, which will offset a portion of CADA's out-of-pocket costs. This new system is handling the heating and cooling effectively and efficiently and the conversion from steam heat to mini-splits has been very well received by residents.

CADA is also working to upgrade our portfolio of apartments by modernizing units as they are being turned. Upgrades such as Laminated Vinyl Plank (LVP) flooring, upgraded cabinetry and

countertops are being installed as units are vacated. The apartments at the Dean are getting renovated. Water and energy conservation upgrades continue to be made when apartments turn.

Many of CADA's inventory of commercial sites, such as Society Bistro, Anchor & Tree Coffee Roasting, The Silver Lining Piano Bar, and the largest, the Capitol Y, have been reopened for business with new proprietors. CADA Maintenance has been instrumental in these efforts on the tenant improvements front.

The aging, leaking pool at 1420 O Street was covered over and a new patio put in its place with all-new climate-appropriate landscaping, drip irrigation and shaded seating for tenants to enjoy. The patio area at 1421 15th Street, Biele Place, was also re-landscaped with a climate-appropriate plant palette and drip irrigation. A new 12'x20' gazebo was installed to give our senior residents a nice, safe and comfortable place to enjoy the outdoors, steps from their front doors. This project has been very well-received by Biele's residents.

POLICY

Staff presents the Five-Year CIP Needs Assessment to the Board bi-annually for information and discussion to ensure that these needs are appropriately and adequately addressed during the annual and mid-year budgeting processes. The Board approves the CIP budget for the upcoming fiscal year in June. This budget remains open for 3 years to allow sufficient time to prepare scopes of work, prepare and issue bid packages, obtain bids and complete the work.

The overarching CIP strategy is to preserve, maintain and enhance existing structures unless building obsolescence or development strategies dictate otherwise. Reinvestment decisions should be consistent with the State Capitol Area Plan and the CADA Strategic Plan. Preventative maintenance and preservation of existing structures through appropriate maintenance are also consistent with state and general public policy regarding sustainable development. To the extent possible, this type of preservation of materials and avoidance of demolition of structures reduces landfill and material waste. All CIP projects are designed and constructed in compliance with current building codes and regulations, including California energy efficiency standards and regulations.

FINANCIAL IMPACTS

Current financial impacts are shown in Table 1 above.

STRATEGIC PLAN

Preparation of the CIP Status Report and the CIP Needs Assessment advances the Strategic Plan goal to "Deliver Community Development Leadership" through the Strategy C. "Sequence Capital Improvement Projects (CIPs) and prioritize projects that are sustainable and funcaiton for CADA's residential and commercial tenants."

Attachments:

1. CIP Mid-year Report (Jan 2025) - Status Report

PROPERTY CODE	CONSTR CODE	Project Address Building Name * = Future Development Site	PROP TYPE	SCOPE OF WORK	Current Budget C23 FY 22/23		Current Budget C24 FY 23/24		Current Budget C25 FY 24/25	
GL Acct 5820					Completed	Open	Completed	Open	Completed	Open
C222-20A	002.9	1209 P St., Wing Manor	Res	Sitework-Planting/Rehab, etc.	287.54	-				
C222-22	008.5	1201 P St., Del Capri	Res	Windows	105,830.00	(81,320.00)				
C222-23	008.5	1521 12th St	Res	Windows		45,000.00				
C222-23	015.70	1521 12th St	Res	HVAC Equipment	-	61,000.00				
C222-24	008.50	1517 - 12th St.	Res	Windows		80,000.00				
C223-09B	002.1	Mud Pie Stand - 1329/1331 O St	Res	Sitework - Site remediation	77,805.51	-				
C226-08	008.3	1500 15th St-Auslander	Res	Specialty Doors	21,275.86	-				
C226-08	009.6	1500 15th St-Auslander	Res	Finishes-Flooring		10,000.00				
C226-09	010.30	1510 15th St.	Res	Stairways/Decking/Walkways		32,000.00				
C231-07	008.5	1522 N St, Judith Manor	Res	Windows		90,000.00				
C231-07	009.6	1522 N St, Judith Manor	Res	Finishes-Flooring		27,000.00				
C231-07	009.9	1522 N St, Judith Manor	Res	Finishes-Paint/Coatings		21,000.00				
C231-23B	002.1	Luna's - 1414 16th St.	Com	Sitework - Site remediation	62,018.72	-				
C231-23C	019.6	1412 16th - Urban Yoga	Com	Structural Rehabilitation	31,030.00	-				
C231-24	009.6	1500 N St., Brannan Court	Res	Finishes-Flooring	48,375.00	-				
C231-24	009.9	1500 N St., Brannan Court	Res	Finishes-Paint/Coatings	9,700.00	-				
C231-24		1500 N St., Brannan Court	Res	HVAC Equipment	34,757.99	-				
C232-16	002.9	16th Street Commerical	Com	Sitework-Planting/Rehab, etc.	3,667.50	37,332.50				
C232-16	009.5	16th Street Commerical	Com	Finishes-Ceilings		23,000.00				
C232-18B	006.3	1506 O, Johnston House	Res	Wood-Dry Rot		127,000.00				
C232-18B	009.9	1506 O, Johnston House	Res	Finishes-Paint/Coatings		56,000.00				
C233-27	002.10	Enterprise 1401 16th	Com	Sitework - Site remediation	391.46	-				
	007.3	1615 P St, Lanai	Res	Shingles, Roof Tiles, etc	72,882.61	-				
C281-07	007.3	1220 P St, Deus	Res	Shingles, Roof Tiles, etc	9,500.00	-				
C284-10	007.3	1330 P St, Palm Manor	Res	Shingles, Roof Tiles, etc		220,000.00				
C293-18	007.3	1619 Q-Rooming House	Res	Shingles, Roof Tiles, etc	61,998.78	-				
C333-11	002.1	Le Croissant - 1036 P St.	Com	Sitework - Site remediation		5,000.00				
C172-14	002.8	1325 - 15th St., Park Mansion	Res	Sitework-Improvements/Amenities			-	55,000.00		
C222-09	009.9	1228 O St, Gibson Arms	Res	Finishes-Paint/Coatings			31,232.35	28,767.65		
C222-10	008.50	1506 13th St, McCafferty	Res	Windows			-	186,000.00		
	009.6	1506 13th St, McCafferty	Res	Finishes-Flooring			-	22,500.00		
C222-22	002.9	1201 P St., Del Capri	Res	Sitework-Planting/Rehab, etc.			-	135,000.00		
	009.6	1201 P St., Del Capri	Res	Finishes-Flooring			-	23,000.00		
C222-23	013.3	1521 12th St	Res	Sp Constr - Boilers			-	160,000.00		
C223-10	008.50	1327 O St., Capri	Res	Windows			-	106,000.00		
		1327/1317 O St	Res	Finishes-Paint/Coatings			24,000.00	1,000.00		
C225-01	010.1	1400 N St, The Dean	Res	Awnings			-	12,000.00		
C226-07	002.9	1420 O St	Res	Sitework-Planting/Rehab, etc.			108,800.00	(13,800.00)		
	008.5	1420 O St	Res	Windows			8,035.00	97,965.00		
C226-08	002.1	1500 15th St-Auslander	Res	Sitework-Fences, Gates			9,700.00	3,300.00		
C226-08	008.3	1500 15th St-Auslander	Res	Specialty Doors				25,000.00		
C226-08	008.5	1500 15th St-Auslander	Res	Windows			-	117,000.00		
C226-10	010.3	1514 - 15th St.	Res	Stairways/Decking/Walkways			-	11,600.00		
C232-18C	007.3	1510 O St, Don Carlos Apts	Res	Shingles, Roof Tiles, etc			15,350.13	-		
C232-18C	010.30	1510 O St, Don Carlos Apts	Res	Stairways/Decking/Walkways			-	80,000.00		
C232-18C	019.2	1510 O St, Don Carlos Apts	Res	Accessibility				(1,800.00)		
C233-14	008.50	1625 O St	Res	Windows			-	158,000.00		
C233-27	007.0	Enterprise 1401 16th	Com	Thermal & Moisture Protection - Roof			-	25,000.00		
C281-06	002.9	1216-18 P St.	Res	Sitework-Planting/Rehab, etc.			-	27,000.00		
C360-01	002.1	701 S Street - Maintenance		Sitework - Site remediation			4,925.00	118,575.00		
C222-10	007.3	1506 13th St, McCafferty	Res	Shingles, Roof Tiles, etc					202,900.00	-
C223-12	008.5	1327/1317 O St	Res	Windows					-	190,000.00
C225-01	010.8	1400 N St, The Dean	Res	Bath, kitchen & Laundry					264,367.00	235,633.00
C226-08	019.6	1500 15th St-Auslander	Res	Structural Rehabilitation					106,071.00	23,929.00
C232-01	009.9	1501 15th, Douger	Res	Finishes-Paint/Coatings					-	75,000.00
C233-01	019.5	Simons-1413 16th	Com	Commercial Tenant Improvements					20,707.00	9,293.00
C233-02	019.5	1520-D 16th Street	Com	Commercial Tenant Improvements					-	30,000.00
C233-16	008.5	1623 P St., Lanai	Res	Windows					-	110,000.00
C234-24	008.5	1615 P St, Lanai	Res	Windows					-	190,000.00
C515-01	013.3	Capitol Athletic Club	Com	Sp Constr - Boilers					88,627.00	1,373.00
C515-01	015.7	Capitol Athletic Club	Com	HVAC Equipment					-	450,000.00

C515-01	019.5	Capitol Athletic Club	Com	Commercial Tenant Improvements							28,841.00	101,159.00
C555-01	002.8	525 S Street - Maintenance Office		Sitework-Improvmnts/Amenities							54,850.00	945,150.00
C555-01	007.3	525 S Street - Maintenance Office		Shingles, Roof Tiles, etc							205,174.00	47,144.00
C555-01	015.7	525 S Street - Maintenance Office		HVAC Equipment							43,422.00	1,760.00
Various Address Budget Line Items		C888-88		General Major Construction		Completed	Open	Completed	Open	Completed	Open	
Various	001.6	Various		Energy Reduction/Sustainability		-	-	-	15,000.00	-	-	
Various	002.7	Various		Sitework-Pavement, Bases, etc		18,638.18	0.00	-	20,000.00	-	20,000.00	
Various	006.6	Various		Plastic-Fabrications		-	-	-	-	-	-	
Various	009.6	Various		Finishes-Flooring		-	-	-	-	-	-	
Various	010.9	Various		Unit Rehabilitation		-	-	-	-	312,797.00	512,203.00	
Various	019.1	Various		Contingency		-	653.04	-	36,449.87	-	34,575.00	
Various	019.2	Various		Accessibility		-	-	-	-	-	-	
Various	019.3	Various		Fire & Safety		28,205.44	0.00	-	18,000.00	-	8,000.00	
Various	019.4	Various		Toxic Abatement		133,974.86	0.00	571.08	19,428.92	33,550.00	(13,550.00)	
Various	019.5	Various		Commercial Tenant Improvements		19,495.01	-	7,984.66	12,015.34	-	20,000.00	
Various	002.1	Various		Unit Turns		-	100,000.00	-	-	-	200,000.00	
Various	020.2	Various		Unit Turns - rewiring		-	20,000.00	-	-	-	-	
Various	020.6	Various		Mailboxes		-	24,000.00	-	-	-	-	
GRAND TOTAL MAJOR CONSTRUCTION - GENERAL FUND:						\$ 739,834.46	\$ 897,665.54	\$ 210,598.22	\$ 1,498,001.78	\$ 1,361,306.00	\$ 3,191,669.00	
						C23 GF Total	\$ 1,637,500.00	C24 GF Total	\$ 1,708,600.00	C25 GF Total	\$ 4,552,975.00	
Special Management Properties										C25 - FY 24/25		
										Completed	Open	
36 Somerset Parkside Special Management Account												
C330-00	010.8	Somerset	Res	Bath, kitchen & Laundry						53,589.00	(13,589.00)	
C888-88	010.9	Somerset	Res	Unit Rehabilitation						21,714.00	(21,714.00)	
SUBTOTAL:										75,303.00	(35,303.00)	
37 Biele Place Special Management Account												
C888-88	010.9	Biele Place	Res	Unit Rehabilitation						11,338.00	(11,338.00)	
SUBTOTAL:										11,338.00	(11,338.00)	
38 17th Street Commons Special Management Account												
C888-88	010.9	17th Street Commons	Res	Unit Rehabilitation						17,096.00	(17,096.00)	
SUBTOTAL:										17,096.00	(17,096.00)	
TOTAL SPECIAL MANAGEMENT FUNDS:										103,737.00	(63,737.00)	
GRAND TOTAL ALL FUNDS (GENERAL + SPECIAL MGMT)*:						739,834.46	897,665.54	210,598.22	1,498,001.78	1,465,043.00	3,127,932.00	

Monthly Ombudsman Report

[illegible]

APARTMENT STATUS REPORT

APARTMENT STATUS REPORT	Current Month-End	Previous Month-End	Last Year Month-End	2024	2023	2022
CURRENT MONTH STATUS - OCCUPIED UNITS	12/27/24	11/29/24	12/29/23	Monthly Average	Monthly Average	Monthly Average
Total Units	779	779	779	779	769	721
Occupied	703	692	712	693	707	668
Percentage Occupied	90%	89%	91%	89%	92%	93%
Percentage Leased*	98%	98%	95%	97%	96%	96%
* adjusted for unrentable units						
CURRENT MONTH STATUS - VACANT UNITS	12/27/24	11/29/24	12/29/23	Monthly Average	Monthly Average	Monthly Average
Vacant	76	80	67	86	62	54
Vacant: Rented Pending Move-In	12	13	9	15	8	10
Vacant: Unavailable Units	46	57	22	70	21	14
Vacant: Units Available to Rent	18	10	36	21	33	29
On-Notice: Units to Vacate Within 30 Days	5	8	3	16	6	10
CURRENT MONTH ACTIVITY - TOTAL	12/27/24	11/29/24	12/29/23	YTD	YTD	YTD
# of Move-Outs / % of Total Units	12	8	9	9%	16%	16%
# of Move-Ins / % of Total Units	9	18	9	8%	25%	16%
# of New Rentals	10	10	21	126	204	170
# of 30-Day Notices Received / % of Total Units	5	9	13	17%	17%	18%
# of Units brought to market / % of Move-Outs	10	12	8	45%	97%	94%

CADA AFFORDABLE HOUSING STATISTICS: December 27, 2024	CADA Rent- Assisted	Other / Additional Assisted Units	Total Assisted Units	Market- Rate Units	Total Units
Scattered Site Units:	37	60	80	503	583
Special Management Units:	375	0	375	40	415
17th Street Commons	12	0	12	17	29
Somerset Parkside	26	0	26	0	26
Biele Place	34	0	34	1	35
Fremont/Wilshire	12	0	12	20	32
1619 Q Rooming House	15	0	15	1	16
Sonrisa/1322 O St Investors LP	57	0	57	1	58
The Terraces	60	0	60	0	60
ARY Place	159	0	159	0	159
TOTAL CADA-OWNED UNITS:	412	60	455	543	998
MANAGED AFFORDABLE/MARKET %:			46%		
CADA-DEVELOPED RENT ASSISTED UNITS	Tax Credit	Other	Total Affordable Units	Market Units	Total Units
Stanford Park Townhomes	0	0	0	50	50
1500 Q Street	0	2	2	4	6
17th & O Streets	0	0	0	3	3
17th and N Streets	0	0	0	18	18
Delta Victorians	0	0	0	8	8
Wiese Townhomes	0	0	0	3	3
Admail Express Building	0	0	0	7	7
Governor's Terrace	0	0	0	44	44
Somerset Parkside Condominiums	0	0	0	75	75
Saratoga Townhomes	0	0	0	36	36
Fremont Building	0	11	11	58	69
Capitol Park Homes	0	9	9	55	64
Fremont Mews	49	0	49	70	119
Legado de Ravel	0	0	0	84	84
Site 9B Duplex	0	0	0	2	2
Warehouse Artist Lofts (WAL)	0	86	86	30	116
16Powerhouse	0	0	0	50	50
The Eviva	0	0	0	118	118
TOTAL CADA-DEVELOPED UNITS:	49	108	157	715	872
DEVELOPED AFFORDABLE/MARKET%			18%	82%	100%
TOTAL CADA-MANAGED & DEVELOPED AFFORDABLE HOUSING UNITS					
CADA-OWNED UNITS:	412	60	472	543	998
CADA-DEVELOPED UNITS:	49	108	157	715	872
TOTAL CADA UNITS:	461	168	629	1258	1870
TOTAL AFFORDABLE/MARKET%			33.64%	67%	101%

CAPITOL AREA DEVELOPMENT AUTHORITY

Commercial Listings (Current Vacancies)

December 2024

Address: **1413-15 16th Street**
Former Tenant: (Empty) Simon's Bar and Grill
Future Tenant: Meza California

Tenant Improvements are completed by Dos Amigos and the space will soon be cleaned and prepared for opening.

Address: **1520 16th Street, Suite D**
Current Tenant: (Empty) Former University of Beer Business Office

Staff continues to seek tenants for this space. Staff is currently completing simple improvements (replacing floor & paint) to make the space more marketable to show potential tenants.

Address: **1515 8th Street**
Current Tenant: YMCA

YMCA held its grand opening on January 7th and is fully open for use and membership. CADA exhibit "Come to Your Senses" opened November 21, 2024 and is now planned to go through the end of February 2025.

Address: **1614 N Street**
Former Tenant: Lights, Camera, Capital

CADA executed a lease with local film cooperative Lights, Camera, Capital on November 4, 2024. They are currently preparing the space for opening Winter 2024.

**Capitol Area Development Authority
CADA Neighborhood Incident Report
December 2024:**

Residential break-ins, vandalism, theft, disturbances:

- **12/01/24:** 1500 N St: Courtesy patrol found an individual sleeping in the carport. Patrol woke the individual up and requested he leave the property, which he did without incident.
- **12/01/24:** 1421 15th St: Courtesy patrol found the back door propped open with a rock.
- **12/03/24:** 1521 12th St: Courtesy patrol found the side gate unlocked and several individuals loitering and setting up a camp in the back of the building. Patrol requested they all pick up their belongings and leave the property which they did without incident.
- **12/03/24:** 1322 O St: Courtesy patrol found an individual sleeping on the property. Patrol woke the individual and requested he leave the property, which he did without incident.
- **12/10/24:** 1521 12th St: Courtesy patrol received a call regarding an individual pounding on someone's door. Patrol arrived and searched the building and surrounding area, but did not find anyone.
- **12/17/24:** 1400 O St: Courtesy patrol found an individual camping in the carport. Patrol advised the individual that he needed to leave the property, which he did without incident.
- **12/18/24:** 1500 N St: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the property, which he did without incident.
- **12/20/24:** 1420 O St: Courtesy patrol noticed two individuals loitering on the property. Both individuals left the area when they saw the guard approach them.
- **12/23/24:** 1517 12th St: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the property, which he did without incident.
- **12/24/24:** 1400 O St: Courtesy patrol found an individual setting up a camp in the carport. Patrol informed the individual he needed to leave the property, which he did without incident.
- **12/24/24:** 1506 13th St: Courtesy patrol found an individual loitering in the carport. Patrol asked the individual to leave the property, which he did without incident.
- **12/27/24:** 17th St Commons: Patrol found the gate unlocked to the back area. Patrol re-secured the lock.
- **12/29/24:** 1510 O St: Courtesy patrol noted that the mailboxes were left open.
- **12/29/24:** 1228 O St: Courtesy patrol noted that someone left the first-floor back door propped open. Patrol secured the door.
- **12/29/24:** 1317 O St: Courtesy patrol noticed an individual up on the scissor lift next to the building. Patrol informed the individual she needed to leave the property which she did without incident.
- **12/30/24:** 1500 N St: Courtesy patrol found an individual sleeping in the carport. Patrol informed the individual he needed to leave the property, which he did without incident.

Commercial break-ins, vandalism, theft, disturbances:

- **12/01/24:** 1522 14th St: CADA Administration Office: Courtesy patrol found an individual sleeping on the property. Patrol woke the individual up and requested he leave the property, which he did without incident.
- **12/10/24:** 1614 N St: Courtesy patrol noted the smoke detector going off at this vacant property. No smoke or fire found. Submitted work order to have it checked.
- **12/25/24:** 1530 16th St: Karma Brew: Courtesy patrol found an individual loitering on the property. Patrol asked the individual to leave the property, which he did without incident.
- **12/30/24:** 1522 14th St: CADA Administration Office: Courtesy patrol found an individual sleeping on the property. Patrol informed the man he needed to leave the property, which he did without incident.

Recap of Phone Calls to Lyons Security Service during the month of December 2024:

There were 41 calls during the month of December:

21 calls were to report noise.
 5 calls were to report someone loitering on a property.
 1 call was to report a broken door.
 1 call was to report a broken window.
 1 call was to report an alarm going off.
 1 call was to report a lock not working.
 1 call was to report gate being unlocked.
 1 call was to report graffiti on a driveway.
 7 calls were to report someone sleeping on a property.
 1 call was to report a resident dispute.
 1 call was to report a pipe leaking in a garage.

CAPITOL AREA DEVELOPMENT AUTHORITY
FY 2024 - 2025
Contract Log as of 1/8/2025

DATE	CONTRACT NUMBER	Type of Service	CONTRACTOR	PROJECT	LOCATION	AMOUNT	ACCOUNT	ESB
12/6/2024	C25-121	Admin-Misc	We Are Sacramento (Mario Lopez)	Immersive Art Activation Staffing (Thursdays and Fridays)	808 O Street	\$3,000.00	10-001-4255	N
12/11/2024	C25-122	Maintenance	A-1 Chimney, Inc.	Chimney Repair	1622 O Street	\$398.99	38-002-5287-R538-01	N
12/11/2024	C25-123	Maintenance	Best Built	Apartment Turn	1209 P Street #10	\$20,000.00	10-C25-5820-C888-88-010.9	N
12/12/2024	C25-124	Maintenance	Foothill Fire Protection, Inc	One Time Annual Fire Alarm Inspection	1325 15th Street	\$1,100.00	10-003-5290	N
12/12/2024	C25-125	Consulting	Halftime Spa (Nolan Marrero)	Staff Wellness Program - Chair Massages	1522 14th Street & 701 S Street	\$800.00	10-001-4102	N
12/13/2024	C25-126	Maintenance	Roo Landscape & Garden Care	Native Plant Gardens Maintenance	Various Locations	\$25,750.00	10-003-5294	N
1/6/2025	C25-101.1	Admin-Misc	Gabriel Lopez	Basketball Bench Repaint in Roosevelt Park	1615 9th Street	\$500.00	10-D15-4703-D807-00	N
1/6/2025	C25-116.1	Maintenance	Elite Service Experts, Inc.	Bathtub Replacement	1209 P Street #9	\$400.00	10-003-5287-R533-35	Y
1/7/2025	C25-105.2	Maintenance	2-Go Building Maintenance	Janitorial Services (LaSonja's Buildings)	1506-23 & 1523 17th Street, 1614 & 1616-1640 O Street, and 1615-17-23 & 1631 P Street	\$2,738.24	10-003-5287	Y



Investment Report NOVEMBER 2024



John Colville, City Treasurer

[Office of the City Treasurer - City of Sacramento](#)

City of
SACRAMENTO
Office of the City Treasurer

Historic City Hall

915 I Street, 3rd Floor

Sacramento, CA 95814

916-808-5168

Quarterly Investment Committee Meeting

Thursday, January 30, 2025

10:00AM-11:00AM

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INVESTMENT COMMITTEE MEETING

January 30, 2025
10:00 AM to 11:00 AM
City Treasurer's Office
915 I Street, HCH 3rd Floor
(916) 808-5168

Meeting called by: John Colville, City Treasurer
Stacy Hussey, Chief Investment Officer
Patrick Zalasky, Senior Investment Officer

Invitees: Peter Coletto, Finance Director
Mirthala Santizo, Budget Manager
Irene de Jong (Sacramento Housing & Redevelopment Agency- SHRA)
Tim Kerr (American River Flood Control District - ARFCD)
Noelle Mussen (Capitol Area Development Authority- CADA)
Kevin King (Reclamation District No. 1000)
Peter Coyl and Johnny Ea (Sacramento Public Library Authority- SPLA)
Kimberli S. Burns (The Natomas Basin Conservancy- TNBC)
Mike Testa, Daniel Santucci (Visit Sacramento)
City Treasurer's Office Staff

Please read: **October 31, 2024, Minutes of Meeting**

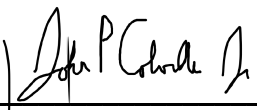
Agenda

Economic Commentary and Market Conditions	Patrick Zalasky
Monthly Yield Curve Analysis	Patrick Zalasky
Cash Flow Analysis	Patrick Zalasky
Pooled Funds Analysis - City Pool A and SHRA Investment Pool	Patrick Zalasky
Miscellaneous Topics	All

Additional Information

Special notes: If unable to attend, please feel free to call with any questions or comments.

This report has been reviewed and approved by:



City Treasurer

TO: Investment Committee Members
FROM: Patrick Zalasky
RE: Minutes of Quarterly Investment Meeting held via Zoom on October 31, 2024

Attendees Present: Stacy Hussey, John Colville, Shirley Tupaz, Katy Nguyen, Osvaldo Lopez, Peter Colletto, Jason Bader, Mirthala Santizo, Irene de Jong, Kay Worthington, and Patrick Zalasky

This meeting was held via Zoom, as will all subsequent meetings until further notice.

1) Cash Positions/Liquidity

The projected Pool A cash flow is adequate to meet expected obligations over the next six and twelve-month periods. If all non-City Pool A participants withdraw funds, the analysis shows an approximate \$374 million in excess cash for the next 6-months and an approximate \$663 million for the next 12-month period. Hence, cash availability to all pool participants is adequately addressed for the coming six and twelve months.

In compliance with the City's Investment Policy, investment staff continues to maintain a great deal of liquidity to pay the City's bills, including payroll and debt service, representing the bulk of the City's budget. Such liquidity is largely reflected in investments whose maturity dates match payroll and debt service liability due dates going 9 months into the future, plus the maintenance of substantial liquid reserves. The liability-matching strategy and liquid reserves provide a solid liquidity cushion to meet unexpected large expenditures and to provide the basis to make advantageous investments in longer term securities. As of the date of the investment committee meeting, the major payroll and debt service liabilities are funded with sufficient cash in pooled cash accounts, expected property and sales tax receipts, and cash generated by the maturity of specific investments through the end of June 2025.

The Targeted Ladder Asset strategy designed to cover the City's annual payment to CalPERS has seen its first three payment matching assets mature. As discussed in previous meetings, these investments line up maturity dates to cover significant cash needs that are outside of normal recurring expenditures, in this specific case, the City's annual payment to CalPERS. For the last few years, this payment was made in a lump sum at the end of July, which took advantage of the 3.2% discount offered by the state for paying in a single installment. Over the current fiscal year (July 2024-June 2025), these payments will be made monthly, since investment staff was confident it would be able to match maturing assets with yields in excess of the state's discount to the payment dates. When the ladder was completed, the yields on those assets saved the City in excess of \$1.8 million in comparison to making a lump sum payment and over \$5.1 million compared to monthly payments with no matching assets.

While considering the movement of interest rates over the next year, investment staff has decided to make the fiscal year 2026 CalPERS payment as a lump sum in July of 2026. The Federal Reserve is expected to cut rates numerous times, pushing yields down on the short end of the yield curve. Due to that, staff believe the 3.2% discount CalPERS offers for a single lump sum payment would exceed the average yield that could be attained through building another ladder to make payments monthly.

2) Performance of the Pools

Investment staff updated the attendees on the performance of Pool A during the first quarter of fiscal year 2025. The earned interest yield of Pool A for July, August, and September was 3.07%,

3.00% and 2.99%, respectively. Monthly Pool A yields currently trail the 4.48% yield earned by the State Treasurer's Local Agency Investment Fund (LAIF) and the 4.19% yield earned by the Medium-Term Fund managed by the Investment Trust of California (CalTRUST). This is due mainly to the fact that those funds are able to maintain a much shorter duration than Pool A, which invested large amounts of excess cash (mainly COVID stimulus funds) in assets maturing in 2025 and 2026 while market yields were at historic lows. At the time these investments were made, rates across the Yield Curve were near zero and there was some discussion that very short-term yields could go negative. Pool A yields from the middle of 2020 through early 2023 outpaced LAIF and its California municipal peers due to this strategy. Yields have only recently been lagging as the effects of the inverted Yield Curve are fully being felt.

Although revenue streams for 2024 have been slightly down compared to prior years (and expenses have been slightly up), investment staff have been able to purchase assets yielding between 4.50% and 5.00% in most cases. This has helped to nearly offset the yields of maturing and called assets that held coupons of 5.00% or greater. Once investments purchased during 2020 and 2021 with coupons below 1.00% begin to mature beginning in the spring of 2025, the yield on Pool A should steadily increase, particularly in comparison to its peers. Since these maturing assets will cover most cash obligations for the latter half of 2025 into the first half of 2026, excess cash over the next twelve months or so will be available to purchase the best yielding offers from the highest quality issuers in the market, allowing investment staff to prioritize yield for the pool.

Pool A investments in cash and other short-term liquid issues represented 34% of the pool at the end of the quarter, which is in line with traditional pool construction. The cash yield on these investments was 4.29%, which is down slightly from a year ago. This is mainly due to the anticipation of rate cuts being initiated by The Fed. As expected, they made their first rate cut since 2020 with a reduction of 50 basis points (0.50%) in September. Core Investments, which are less liquid and generally have maturities further out on the yield curve (Corporate Bonds, Municipal Bonds, Agencies, etc.), had a cash yield of 1.99%. This is an improvement over prior quarters and should continue to improve as low coupon bonds mature and bonds with higher coupons are purchased to replace them.

Even with this movement, the Yield Curve is expected to remain inverted at least through the next few months, so most opportunities to pick up value remain on the short end and in liquid investments. Investment staff, however, is seeking out issues further out on the yield curve that should provide added value to the portfolio once interest rates come in on the anticipated action of The Fed.

As usual, investment staff will work to maintain the structure of Pool A with assets that meet the liquidity needs for all pool participants, while using high quality names to add yield when opportunities present themselves.

3) Bond Market Report; Economic Considerations

Economic data spurred The Fed to cut interest rates for the first time since 2020 (Fed Chairman Jerome Powell has repeatedly stressed that any action would be data dependent). United States GDP for the quarter ending September 30 came in at 2.8%, which was below the previous quarter's 3.0% and missed estimates of 3.2%. This slowing, along with a rise in unemployment, assured Fed governors that it was the right time to start easing rates. As usual, consumption boosted the economy, although consumer spending was down from recent quarters. Government spending, therefore, was a major factor in that increase, which could lead to stickier inflation down the road.

Current inflation numbers are indeed sticky. CPI dipped below 3.0% for the first time since early 2021 in June but did not come in as far as expected in September (2.4%). It still remains above the target rate of 2.0% which makes interest rate cuts a bit of a risky proposition. Even so, indications are that rates will be cut two more times in 2024, at The Fed's meetings in November and December.

Short-term yields on Treasuries (less than 12-months until maturity) adjusted accordingly, falling below 5.0% for the first time since 2022. They will continue to be the most sensitive to changes in the Federal Funds Rate, so expectations are for further decline over the course of the next couple of years.

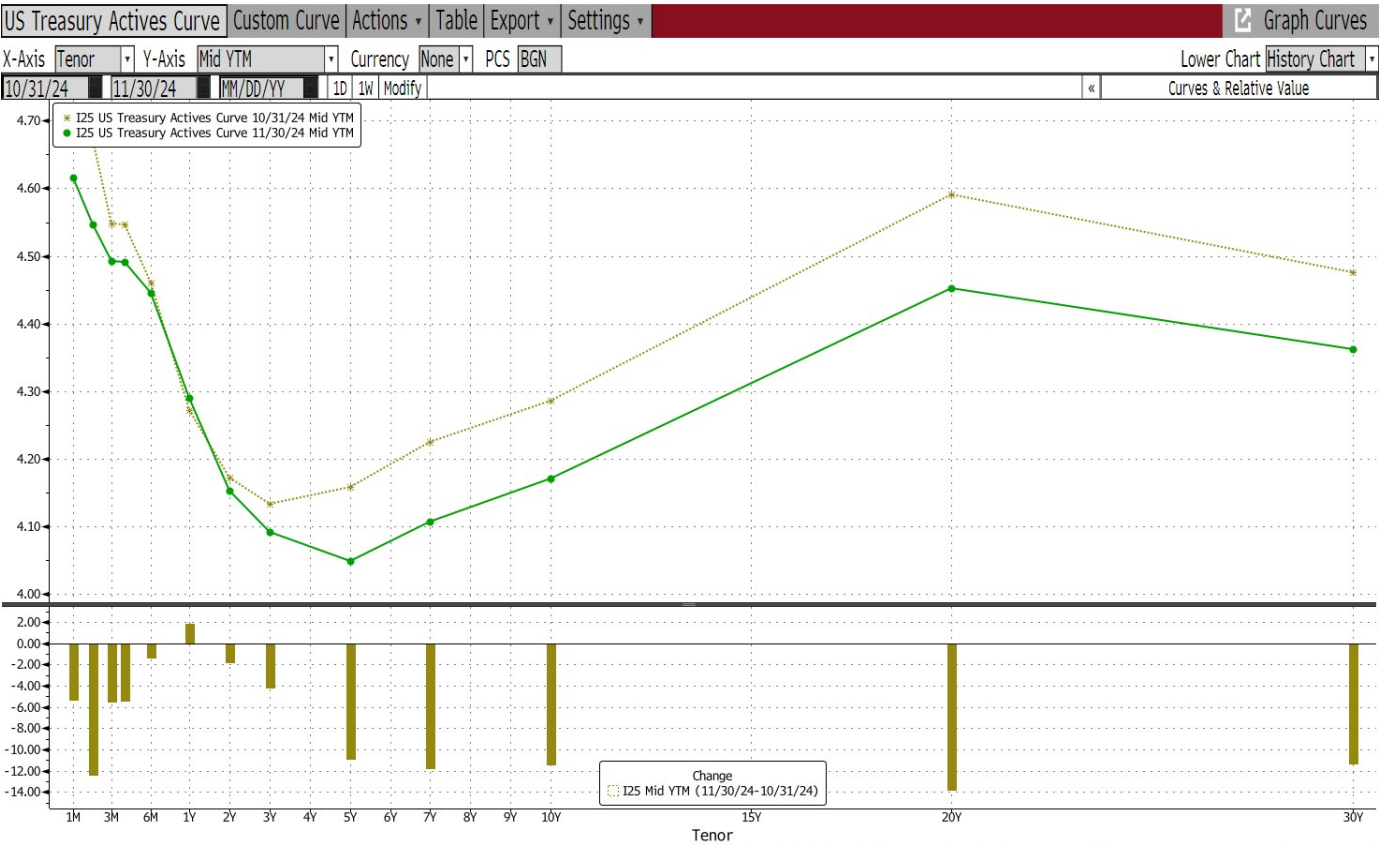
Yields further out on the curve are always much more volatile, as they are more sensitive to the news of the day and the moods of investors. The five-year Treasury decreased over the quarter, as markets anticipated a long-term plan to cut interest rates. Yields began the quarter at 4.38% and steadily decreased as it became more evident there would be a rate cut in September, ending the quarter at 3.56%.

Equity markets continue to advance, regardless of the news, be it economic or global. American equity markets have always been the best option in a world of uncertainty, and that has never been truer. Until there is a major economic shock in the United States, equity markets will maintain their strength.

Possibly the largest impact on the economy was only about five weeks away as the quarter closed. Vice President Harris and former President Trump ramped up their campaigning in preparation for the November 5th election. Polls were showing a very tight race, with neither candidate having an advantage outside of the margin of error in any of the battleground states. Should Donald Trump become only the second person in American history to win non-consecutive terms, there will certainly be a change to economic policy. How dramatic a change would hinge on whether Republicans could also maintain control of the House of Representatives and gain control of the Senate. Should Vice President Harris win, it is expected that policy will remain largely the same as it has been over the past four years. The economy has shown steady, albeit incremental, improvement since the worst effects of Covid were felt. However, inflation remains a problem for most Americans and the perception of economic conditions is near all-time lows.

4) Other business: None

Next Meeting: The next quarterly meeting is scheduled for **Thursday, January 30, 2025, at 10:00 a.m.** via Zoom.



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US Treasury Actives Curve Custom Curve Actions Chart Export Settings Graph Curves

X-Axis Tenor Y-Axis Mid YTM Currency None PCS BGN

10/31/24 11/30/24 MM/DD/YY 1D 1W Modify Curves & Relative Value

Values and Members Values Members Constituents

	I25 Mid YTM US Treasury Actives Curve 11/29/24	I25 Mid YTM US Treasury Actives Curve 10/31/24	I25 Mid YTM (Change) 11/29/24-10/31/24					
Tenor	Description	Price	Yield	Description	Price	Yield	Price	Yield
11)	1MB 0 12/31/24 Govt	4.536		4.616B 0 11/26/24 Govt	4.591	4.670	-0.055	-5.4
12)	2MB 0 01/28/25 Govt	4.453		4.546B 0 12/24/24 Govt	4.576	4.671	-0.124	-12.5
13)	3MB 0 02/27/25 Govt	4.384		4.492B 0 01/30/25 Govt	4.436	4.548	-0.053	-5.6
14)	4MB 0 04/01/25 Govt	4.366		4.492B 0 03/04/25 Govt	4.419	4.547	-0.053	-5.5
15)	6MB 0 05/29/25 Govt	4.291		4.445B 0 05/01/25 Govt	4.304	4.460	-0.013	-1.5
16)	1YB 0 11/28/25 Govt	4.100		4.290B 0 10/30/25 Govt	4.082	4.272	0.018	1.8
17)	2YT 4 1/4 11/30/26 Govt	100-05 ³ / ₈		4.153T 4 1/8 10/31/26 Govt	99-29 ¹ / ₈	4.172	0-08 ³ / ₄	-1.9
18)	3YT 4 1/8 11/15/27 Govt	100-02 ⁷ / ₈		4.092T 3 7/8 10/15/27 Govt	99-09 ¹ / ₈	4.134	0-25 ³ / ₄	-4.2
19)	5YT 4 1/8 11/30/29 Govt	100-10 ⁷ / ₈		4.049T 4 1/8 10/31/29 Govt	99-27 ¹ / ₈	4.159	0-15 ³ / ₄	-11.0
20)	7YT 4 1/8 11/30/31 Govt	100-03+		4.107T 4 1/8 10/31/31 Govt	99-12 ³ / ₄	4.225	0-22 ³ / ₄	-11.8
21)	10YT 4 1/4 11/15/34 Govt	100-20+		4.170T 3 7/8 08/15/34 Govt	96-23 ³ / ₄	4.285	3-28 ³ / ₄	-11.5
22)	20YT 4 5/8 11/15/44 Govt	102-08 ³ / ₄		4.452T 4 1/8 08/15/44 Govt	93-31+	4.591	8-09 ¹ / ₄	-13.9
23)	30YT 4 1/2 11/15/54 Govt	102-09+		4.362T 4 1/4 08/15/54 Govt	96-09+	4.476	6-00	-11.4

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CITY OF SACRAMENTO - INVESTMENT POOL A
6-MONTH CASH FLOW ANALYSIS
December 1, 2024 - May 31, 2025

In millions

Cash Balances:	
CalTRUST	128.434
Fidelity Fund	4.117
Five Star Bank Community Fund	10.037
JP Morgan Chase	1.011
LAIF	0.370
Overnight Sweep	3.425
River City Bank Community Fund	25.093
Less: Required bank balance by policy	(0.500)
Cash available at beginning of period:	171.987
Projected net cash flow:	
December-24	126.190
January-25	18.131
February-25	125.506
March-25	11.296
April-25	79.319
May-25	117.705
Net cash flow during period:	478.147
Cash in excess of policy: ₁	650.134
Cash Balances of non-City and/or Pool A Participants:	
SCERS Cash:	
Fixed Bonds	-
Large Cap Growth	-
International	(0.087)
Equity Income	-
Retirement Trust Operating Fund	(0.596)
Ann Land/Bertha Henschel Endowment Fund	(0.005)
Ethel Hart Mutual Endowment Fund	(0.250)
George H. Clark Memorial Scholarship Fund	(0.098)
Capitol Area Development Authority (CADA)	(50.861)
American River Flood Control District (ARFCD)	(9.462)
The Natomas Basin Conservancy (TNBC)	(1.381)
Sacramento Public Library Authority (SPLA)	(43.323)
Reclamation District No. 1000	(0.303)
SPLA Hurst Trust	(0.189)
Gifts to Share	(0.668)
Visit Sacramento	(4.451)
Other Misc Non-City Funds (CARES Act, ARP, CalEPA, City/County Office-Water Planning, etc)	(2.251)
Total cash balances of non-City and/or Pool A participants: ₂	(113.925)
Excess or (Shortfall) if all Pool A participants withdraw all funds within 6 months: ₃	536.209

₁ The City will be able to meet its cash flow needs for the next six months, with \$650 mm to cover on going expenditures

₂ Non-City and/or Pool A participants have \$114 mm invested in Pool A

₃ If all non-City and/or Pool A participants withdraw the entire \$114 mm within the next twelve months, the City will have \$536 mm to cover on going expenditures

CITY OF SACRAMENTO - INVESTMENT POOL A
12-MONTH CASH FLOW ANALYSIS
December 1, 2024 - November 30, 2025

In millions

Cash Balances:	
CalTRUST	128.434
Fidelity Fund	4.117
Five Star Bank Community Fund	10.037
JP Morgan Chase	1.011
LAIF	0.370
Overnight Sweep	3.425
River City Bank Community Fund	25.093
Less: Required bank balance by policy	(0.500)
<i>Cash available at beginning of period:</i>	171.987
Projected net cash flow:	
December-24	126.190
January-25	18.131
February-25	125.506
March-25	11.296
April-25	79.319
May-25	117.705
June-25	72.465
July-25	(75.451)
August-25	20.919
September-25	20.903
October-25	17.500
November-25	2.723
<i>Net cash flow during period:</i>	537.207
<i>Cash in excess of policy: ₁</i>	709.194
Cash Balances of non-City and/or Pool A Participants:	
SCERS Cash:	
Fixed Bonds	-
Large Cap Growth	-
International	(0.087)
Equity Income	-
Retirement Trust Operating Fund	(0.596)
Ann Land/Bertha Henschel Endowment Fund	(0.005)
Ethel Hart Mutual Endowment Fund	(0.250)
George H. Clark Memorial Scholarship Fund	(0.098)
Capitol Area Development Authority (CADA)	(50.861)
American River Flood Control District (ARFCD)	(9.462)
The Natomas Basin Conservancy (TNBC)	(1.381)
Sacramento Public Library Authority (SPLA)	(43.323)
Reclamation District No. 1000	(0.303)
SPLA Hurst Trust	(0.189)
Gifts to Share	(0.668)
Visit Sacramento	(4.451)
Other Misc Non-City Funds (CARES Act, ARP, CalEPA, City/County Office-Water Planning, etc)	(2.251)
<i>Total cash balances of non-City and/or Pool A participants: ₂</i>	(113.925)
<i>Excess or (Shortfall) if all Pool A participants withdraw all funds within 12 months: ₃</i>	595.269

¹ The City will be able to meet its cash flow needs for the next twelve months, with \$709 mm to cover on going expenditures

² Non-City and/or Pool A participants have \$114 mm invested in Pool A

³ If all non-City and/or Pool A participants withdraw the entire \$114 mm within the next twelve months, the City will have \$595 mm to cover on going expenditures

City of Sacramento

Investment

Pool A

CITY OF SACRAMENTO INVESTMENT POOL A

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

PORTFOLIO STATISTICS

Beginning Market Value	1,597,001,397
Month's Yield or RoR	2.84%
Weighted Average Maturity (Yrs)	1.22
Weighted Average Duration (Yrs)	1.15
Ending Book Value	1,559,856,940
Ending Market Value	1,534,808,864
Percent of Market to Book Value	98.39%
Month's Investment Earnings	3,716,117
Fiscal YTD Investment Earnings	20,666,612

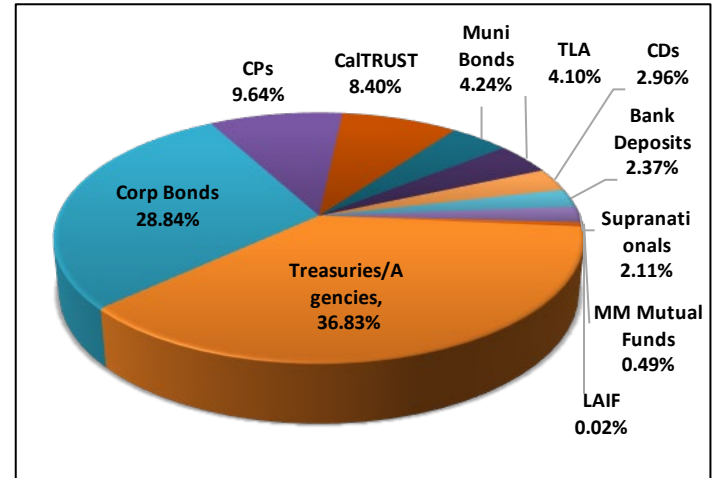
External Third-Party Investment Manager

CalTRUST	128,434,051
LAIF	369,515

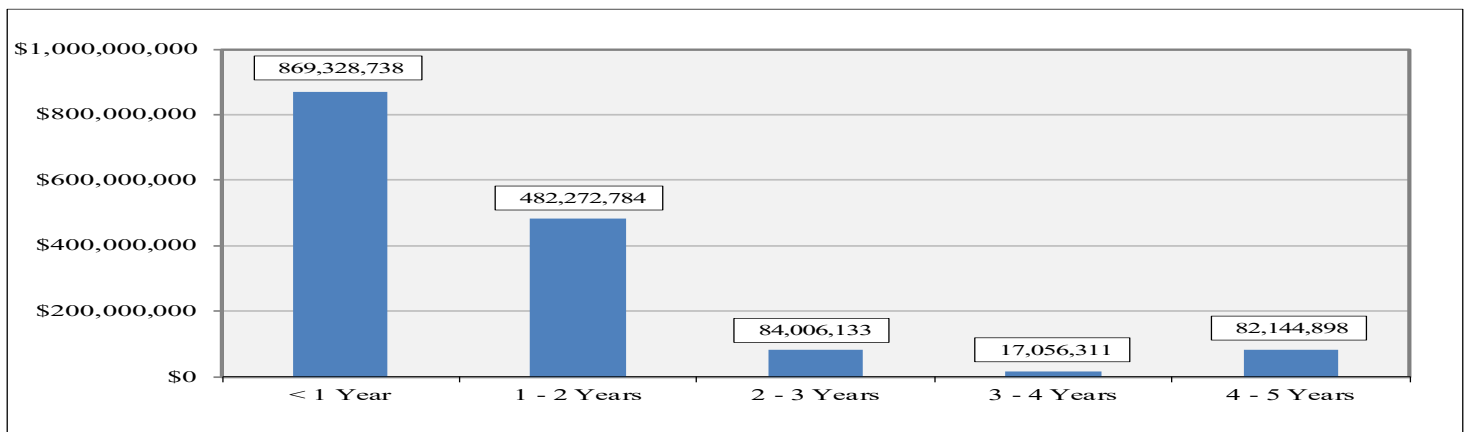
MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

PORTFOLIO COMPOSITION



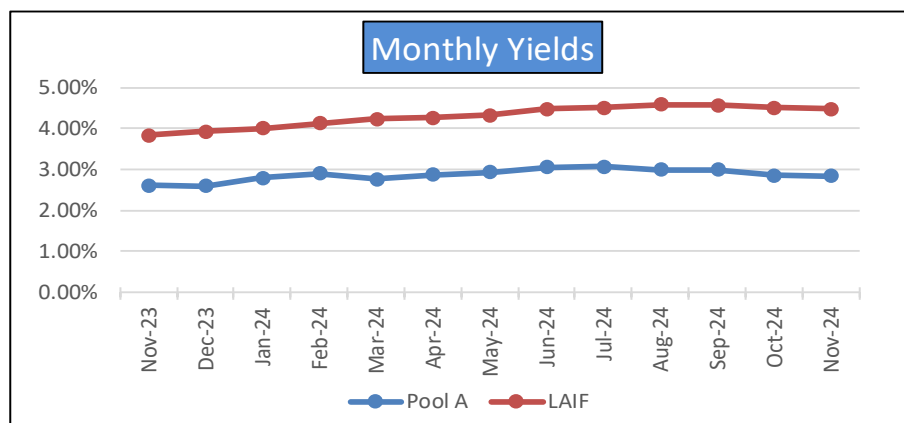
Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



INTEREST RATE ENVIRONMENT

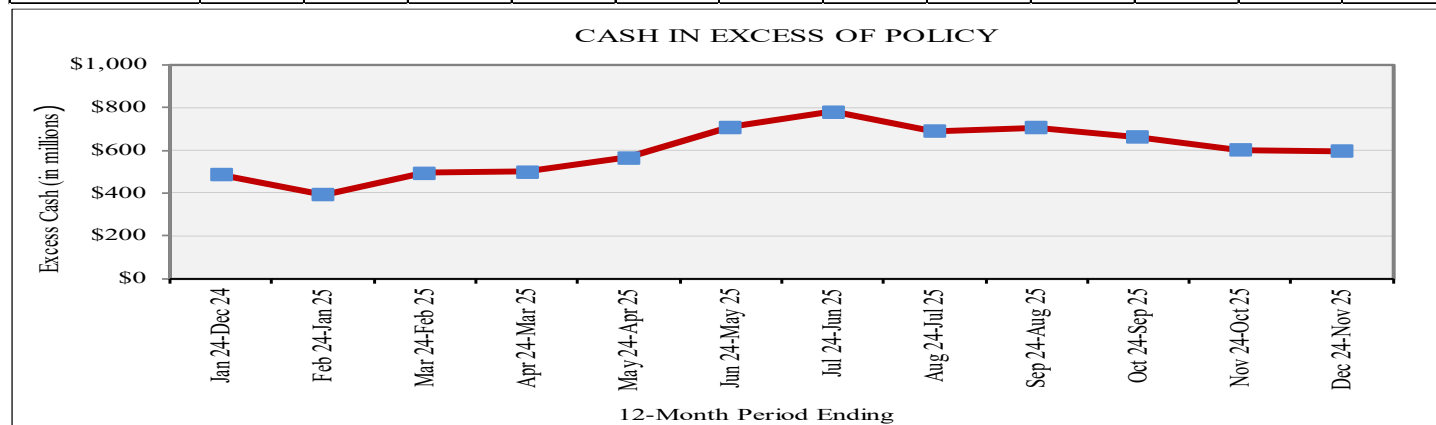
The biggest news in November was the re-election of Donald Trump, linking him with Grover Cleveland as the only presidents to serve non-consecutive terms. Trump has stated repeatedly that his first domestic economic priority would be to make permanent the tax cuts of 2017. Republicans have control of the Senate and a very narrow majority in the House of Representatives, so there is a good chance they will be able to pass a great deal of their desired policies. CPI came in at 2.7% year over year, which is higher than expected and continues a trend of inflation moving in the wrong direction. PPI, which measures inflation from the production perspective, also went up at a rate higher than expected. The labor market slowed, as only 12,000 jobs were added in November, while August and September numbers were revised downward by 112,000. Rising inflation and a slowing labor market don't typically go together, so the next few quarters will be a challenge for The Fed. They cut the Federal Funds Rate by 0.25% in November and essentially committed to a rate cut in December, but the data cited above could push additional rate cuts further into the future than anticipated. Public perception regarding the economy improved following the election. The University of Michigan Consumer Sentiment Survey improved to 71.8, with those surveyed expressing optimism as to the future state of the economy. The November rate cut had been priced into markets for a long time, so short-term yields on Treasuries moved very little, beginning the month at 4.54% and ending it at 4.49%. The 5-Year Treasury yield also held steady, beginning the month at 4.16%, briefly rising above 4.30% mid-month, then closing the month at 4.05%. The investment team will pay close attention to both the actions and messaging of the Fed, while also monitoring market reactions to the recent election, along with current global events. Investment decisions will be focused on maintaining a portfolio built with high level names that will be stable no matter what domestic and global markets do over the next couple of years. As usual, extra emphasis will be placed on investing only in the companies that have the infrastructure and leadership to navigate through even the most unstable economic environments. When the opportunity arises, value will be added by targeting high quality investments that also provide attractive yields.

Monthly Yields		
Month	Pool A	LAIF
Nov-23	2.61%	3.84%
Dec-23	2.60%	3.93%
Jan-24	2.79%	4.01%
Feb-24	2.90%	4.12%
Mar-24	2.76%	4.23%
Apr-24	2.87%	4.27%
May-24	2.93%	4.33%
Jun-24	3.05%	4.48%
Jul-24	3.07%	4.52%
Aug-24	3.00%	4.58%
Sep-24	2.99%	4.58%
Oct-24	2.85%	4.52%
Nov-24	2.84%	4.48%
FYTD	2.95%	4.53%



CASH IN EXCESS OF POLICY (IN MILLIONS)

12 Months Cash Flow	Jan 24-Dec 24	Feb 24-Jan 25	Mar 24-Feb 25	Apr 24-Mar 25	May 24-Apr 25	Jun 24-May 25	Jul 24-Jun 25	Aug 24-Jul 25	Sep 24-Aug 25	Oct 24-Sep 25	Nov 24-Oct 25	Dec 24-Nov 25
Excess Cash	\$ 485	\$ 392	\$ 493	\$ 501	\$ 565	\$ 710	\$ 781	\$ 690	\$ 706	\$ 663	\$ 602	\$ 595



City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
CASH AND EQUIVALENTS															
	caltrust-lf	Caltrust Liquidity Fund		30,832,856		30,832,856		30,832,856	2.02	4.830	1,489,227	4.83			
	caltrust-mt	Caltrust Medium-Term		61,748,404		61,748,404		61,748,404	4.04	4.230	2,611,957	4.23			
	caltrust-st	Caltrust Short-Term		35,852,791		35,852,791		35,852,791	2.34	4.560	1,634,887	4.56			
	fidfund	Fidelity Fund		4,117,390		4,117,390		4,117,390	0.27	4.310	177,460	4.31			
	fivestar	Five Star Bank Community Fund		10,037,279		10,037,279		10,037,279	0.66	4.520	453,685	4.52			
	cashjpm	JP Morgan Chase Cash		1,010,663		1,010,663		1,010,663	0.07	1.840	18,596	1.84			
	laifa	Local Agency Investment Fund, Pool A		369,515		369,515		369,515	0.02	4.480	16,554	4.48			
	miscintrec	Misc Interest Receivable		31,365		31,365		31,365	0.00	4.310	1,352	4.31			
	sweep	Overnight Sweep		3,425,352		3,425,352		3,425,352	0.22	4.220	144,550	4.22			
	rivercity	River City Bank Community Fund		25,093,283		25,093,283		25,093,283	1.64	4.650	1,166,838	4.65			
				172,518,899		172,518,899		172,518,899	11.28		7,715,106	4.47			
TARGETED LADDER ASSETS															
9,000,000	912796zv4	U. S. Treasury Bill 4.548% Due 12-26-24	95.40	8,586,102	99.70	8,972,730	0	8,972,730	0.59	4.548	409,350	4.79	AA+		
9,000,000	3133enlu2	Federal Farm Credit Bank 1.320% Due 01-21-25	96.73	8,705,610	99.54	8,958,919	42,900	9,001,819	0.59	1.320	118,800	4.85	AA+		
9,000,000	606822bn3	MUFG 2.193% Due 02-25-25	96.97	8,727,480	99.39	8,944,831	52,632	8,997,463	0.58	2.193	197,370	5.37	A-		
9,000,000	808513bb0	Schwab Charles Corp 4.200% Due 03-24-25	99.01	8,910,990	99.82	8,983,772	70,350	9,054,122	0.59	4.200	378,000	5.04	A-		02-24-25
9,000,000	02665wef4	American Honda Finance 4.600% Due 04-17-25	99.73	8,975,610	99.94	8,994,605	50,600	9,045,205	0.59	4.600	414,000	4.81	A-		
9,000,000	21688aae2	Cooperative Centrale Raiffeis 3.375% Due 05-21-25	97.97	8,816,940	99.42	8,947,738	8,437	8,956,176	0.59	3.375	303,750	5.34	A+		
9,000,000	742651dw9	Private Export Funding Corp 3.250% Due 06-15-25	98.00	8,820,000	99.34	8,940,402	134,875	9,075,277	0.58	3.250	292,500	4.83			
				61,542,732		62,742,997	359,794	63,102,791	4.10		2,113,770	5.01			
NON-NEGOTIABLE CERTIFICATES OF DEPOSIT															
30,000,000	3420042541902	Safe Credit Union CD 2.974% Due 06-24-25	100.00	30,000,000	100.00	30,000,000	73,332	30,073,332	1.96	2.974	892,200	2.99			
CERTIFICATES OF DEPOSIT															
6,000,000	90348jb66	US Bank CD 0.600% Due 01-27-26	100.00	6,000,000	95.82	5,748,960	395	5,749,355	0.38	0.600	36,000	0.60	AA-		01-27-25
5,000,000	05600xcf5	BMO Harris Bank 0.750% Due 02-26-26	100.00	5,000,000	95.73	4,786,747	9,966	4,796,713	0.31	0.750	37,500	0.75			02-26-25
5,000,000	90348jm72	UBS Bank CD 0.850% Due 06-16-26	100.00	5,000,000	94.91	4,745,535	1,747	4,747,281	0.31	0.850	42,500	0.85	AA-		12-16-24
				16,000,000		15,281,243	12,107	15,293,349	1.00		116,000	0.73			
COMMERCIAL PAPER															
8,000,000	22533tma1	Credit Agricole Corp 5.290% Due 12-10-24	96.96	7,756,660	99.86	7,988,850	0	7,988,850	0.52	5.290	423,200	5.55	A1		
10,000,000	83369bma1	Societe Generale 5.260% Due 12-10-24	96.98	9,697,550	99.86	9,986,035	0	9,986,035	0.65	5.260	526,000	5.52	A1		
10,000,000	45685qmp1	Ing US Funding LLC 5.250% Due 12-23-24	96.84	9,683,542	99.69	9,969,342	0	9,969,342	0.65	5.250	525,000	5.51	A1		
5,000,000	63873jmq0	Natixis NY 5.290% Due 12-24-24	96.84	4,842,035	99.68	4,984,023	0	4,984,023	0.33	5.290	264,500	5.55	A1		
10,000,000	89119amq8	Toronto Dominion Bank 5.250% Due 12-24-24	96.82	9,682,083	99.68	9,968,223	0	9,968,223	0.65	5.250	525,000	5.51	A1		

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
10,000,000	22533tmx1	Credit Agricole Corp 5.280% Due 12-31-24	96.74	9,674,400	99.60	9,960,101	0	9,960,101	0.65	5.280	528,000	5.57	A1		
10,000,000	19121an23	Coca Cola Company 5.040% Due 01-02-25	96.96	9,696,200	99.57	9,957,059	0	9,957,059	0.65	5.040	504,000	5.31	A1		
5,000,000	59157tn33	Metlife Short Term Fund 5.230% Due 01-03-25	96.95	4,847,458	99.56	4,977,760	0	4,977,760	0.33	5.230	261,500	5.49	A1+		
10,000,000	83369bnn2	Societe Generale 5.220% Due 01-22-25	96.46	9,646,200	99.31	9,930,976	0	9,930,976	0.65	5.220	522,000	5.50	A1		
9,000,000	83369bnx0	Societe Generale 5.310% Due 01-31-25	96.74	8,706,622	99.20	8,927,577	0	8,927,577	0.58	5.310	477,900	5.57	A1		
7,000,000	63873jp46	Natixis NY 5.210% Due 02-04-25	96.47	6,752,814	99.15	6,940,275	0	6,940,275	0.45	5.210	364,700	5.49	A1		
10,000,000	63873jpu8	Natixis NY 5.190% Due 02-28-25	96.41	9,641,025	98.84	9,884,098	0	9,884,098	0.65	5.190	519,000	5.47	A1		
5,000,000	62479lq40	MUFG Union Bank 5.140% Due 03-04-25	96.63	4,831,522	98.79	4,939,627	0	4,939,627	0.32	5.140	257,000	5.37	A1		
5,000,000	62479lqj7	MUFG Union Bank 4.670% Due 03-18-25	97.47	4,873,521	98.62	4,930,782	0	4,930,782	0.32	4.670	233,500	4.81	A1		
5,000,000	63873jtp5	Natixis NY 4.090% Due 06-23-25	96.94	4,847,193	97.44	4,871,860	0	4,871,860	0.32	4.090	204,500	4.25	A1		
5,000,000	89119atr9	Toronto Dominion Bank 4.090% Due 06-25-25	96.97	4,848,329	97.43	4,871,625	0	4,871,625	0.32	4.090	204,500	4.24	A1		
5,000,000	62479litt2	MUFG Union Bank 4.060% Due 06-27-25	96.97	4,848,314	97.39	4,869,537	0	4,869,537	0.32	4.060	203,000	4.21	A1		
10,000,000	89119au22	Toronto Dominion Bank 4.400% Due 07-02-25	97.29	9,728,667	97.35	9,734,973	0	9,734,973	0.64	4.400	440,000	4.55	A1		
10,000,000	63873ju81	Natixis NY 4.470% Due 07-08-25	97.17	9,716,900	97.26	9,725,673	0	9,725,673	0.64	4.470	447,000	4.63	A1		
				144,321,036		147,418,397	0	147,418,397	9.64		7,430,300	5.23			
U.S. GOVERNMENT BONDS															
5,000,000	91282cbh3	U.S. Treasury Note 0.375% Due 01-31-26	98.83	4,941,406	95.53	4,776,562	6,267	4,782,829	0.31	0.375	18,750	0.62	AA+		
15,000,000	91282cbq3	U.S. Treasury Note 0.500% Due 02-28-26	98.75	14,812,891	95.43	14,314,453	19,061	14,333,514	0.94	0.500	75,000	0.75	AA+		
				19,754,297		19,091,016	25,328	19,116,343	1.25		93,750	0.72			
FEDERAL HOME LOAN BANK															
5,000,000	3130b0at6	Federal Home Loan Bank 5.060% Due 02-25-25	99.82	4,991,150	100.07	5,003,697	67,467	5,071,164	0.33	5.060	253,000	5.30	AA+		
5,000,000	3130b06g9	Federal Home Loan Bank 5.000% Due 02-26-25	99.81	4,990,650	100.06	5,003,081	65,972	5,069,053	0.33	5.000	250,000	5.24	AA+		
5,000,000	3130ajla5	Federal Home Loan Bank 0.750% Due 05-19-25	100.00	5,000,000	98.31	4,915,353	1,250	4,916,603	0.32	0.750	37,500	0.75	AA+		12-07-24
5,000,000	3130asm97	Federal Home Loan Bank 4.000% Due 07-24-25	100.00	5,000,000	99.66	4,983,196	70,556	5,053,751	0.33	4.000	200,000	4.00	AA+		12-24-24
5,995,000	3130b2av7	Federal Home Loan Bank 4.250% Due 08-07-25	99.83	5,984,557	99.90	5,989,207	80,683	6,069,890	0.39	4.250	254,787	4.43	AA+		
5,000,000	3130ak6h4	Federal Home Loan Bank 0.500% Due 09-22-25	99.90	4,995,000	96.91	4,845,691	4,792	4,850,482	0.32	0.500	25,000	0.52	AA+		12-07-24
5,000,000	3130akjw7	Federal Home Loan Bank 0.600% Due 12-15-25	100.00	5,000,000	96.23	4,811,386	13,833	4,825,220	0.31	0.600	30,000	0.60	AA+		12-07-24
5,000,000	3130akje7	Federal Home Loan Bank 0.560% Due 12-30-25	99.97	4,998,750	96.16	4,807,912	11,744	4,819,656	0.31	0.560	28,000	0.57	AA+		12-07-24
5,000,000	3130akn85	Federal Home Loan Bank 0.550% Due 01-20-26	99.80	4,990,000	95.80	4,789,767	10,007	4,799,774	0.31	0.550	27,500	0.59	AA+		01-20-25

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

															Call
Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Put Date
10,000,000	3130akq74	Federal Home Loan Bank 0.625% Due 01-22-26	100.00	10,000,000	95.85	9,585,462	22,396	9,607,858	0.63	0.625	62,500	0.62	AA+		01-22-25
5,000,000	3130akng7	Federal Home Loan Bank 0.550% Due 01-28-26	100.00	5,000,000	95.71	4,785,701	9,396	4,795,097	0.31	0.550	27,500	0.55	AA+		01-28-25
5,000,000	3130akpc4	Federal Home Loan Bank 0.600% Due 01-28-26	100.00	5,000,000	95.77	4,788,500	10,250	4,798,750	0.31	0.600	30,000	0.60	AA+		01-28-25
5,000,000	3130akpq3	Federal Home Loan Bank 0.580% Due 01-28-26	100.00	5,000,000	95.75	4,787,381	9,908	4,797,289	0.31	0.580	29,000	0.58	AA+		01-28-25
5,000,000	3130akvr4	Federal Home Loan Bank 0.550% Due 02-12-26	100.00	5,000,000	95.61	4,780,454	8,326	4,788,780	0.31	0.550	27,500	0.55	AA+		02-12-25
5,000,000	3130al5x8	Federal Home Loan Bank 0.650% Due 02-24-26	100.00	5,000,000	95.56	4,778,043	8,757	4,786,800	0.31	0.650	32,500	0.65	AA+		02-24-25
5,000,000	3130al6j8	Federal Home Loan Bank 0.625% Due 02-24-26	100.00	5,000,000	95.53	4,776,559	8,420	4,784,979	0.31	0.625	31,250	0.62	AA+		02-24-25
5,000,000	3130al7m0	Federal Home Loan Bank 0.625% Due 02-24-26	100.00	5,000,000	95.50	4,774,825	8,420	4,783,245	0.31	0.625	31,250	0.62	AA+		02-24-25
5,000,000	3130alae4	Federal Home Loan Bank 0.580% Due 02-25-26	100.00	5,000,000	95.47	4,773,375	7,733	4,781,109	0.31	0.580	29,000	0.58	AA+		02-25-25
5,000,000	3130algs7	Federal Home Loan Bank 0.850% Due 03-10-26	100.00	5,000,000	95.65	4,782,481	9,562	4,792,044	0.31	0.850	42,500	0.85	AA+		12-10-24
5,000,000	3130aleh3	Federal Home Loan Bank 0.700% Due 03-16-26	100.00	5,000,000	95.41	4,770,492	7,292	4,777,784	0.31	0.700	35,000	0.70	AA+		12-16-24
5,000,000	3130almv3	Federal Home Loan Bank 1.000% Due 03-30-26	100.00	5,000,000	95.65	4,782,643	8,472	4,791,115	0.31	1.000	50,000	1.00	AA+		12-30-24
5,000,000	3130alxp4	Federal Home Loan Bank 1.200% Due 04-28-26	100.00	5,000,000	95.67	4,783,385	5,500	4,788,885	0.31	1.200	60,000	1.20	AA+		01-28-25
5,000,000	3130am2f8	Federal Home Loan Bank 1.125% Due 04-29-26	100.00	5,000,000	95.56	4,777,868	5,000	4,782,868	0.31	1.125	56,250	1.12	AA+		01-29-25
5,000,000	3130amcl4	Federal Home Loan Bank 1.020% Due 05-19-26	100.00	5,000,000	95.41	4,770,458	1,700	4,772,158	0.31	1.020	51,000	1.02	AA+		02-19-25
1,750,000	3130amcb6	Federal Home Loan Bank 1.000% Due 05-22-26	100.00	1,750,000	95.18	1,665,588	437	1,666,025	0.11	1.000	17,500	1.00	AA+		02-22-25
5,000,000	3130amjc7	Federal Home Loan Bank 1.000% Due 05-26-26	100.00	5,000,000	95.14	4,756,898	694	4,757,593	0.31	1.000	50,000	1.00	AA+		02-26-25
5,000,000	3130amjn3	Federal Home Loan Bank 1.030% Due 05-26-26	100.00	5,000,000	95.34	4,766,892	715	4,767,607	0.31	1.030	51,500	1.03	AA+		02-26-25
3,000,000	3130ampt3	Federal Home Loan Bank 1.030% Due 06-23-26	100.00	3,000,000	94.98	2,849,324	13,562	2,862,886	0.19	1.030	30,900	1.03	AA+		12-23-24
5,000,000	3130anynd	Federal Home Loan Bank 1.000% Due 09-30-26	100.00	5,000,000	94.23	4,711,352	8,472	4,719,825	0.31	1.000	50,000	1.00	AA+		12-30-24
5,000,000	3130aprp2	Federal Home Loan Bank 1.570% Due 11-23-26	100.00	5,000,000	94.82	4,741,019	1,744	4,742,764	0.31	1.570	78,500	1.57	AA+		12-23-24
5,000,000	3130ash44	Federal Home Loan Bank 4.700% Due 06-30-27	100.00	5,000,000	99.98	4,998,961	98,569	5,097,531	0.33	4.700	235,000	4.70	AA+		12-30-24
5,000,000	3130b2f75	Federal Home Loan Bank 5.250% Due 08-06-29	100.00	5,000,000	100.01	5,000,583	73,646	5,074,229	0.33	5.250	262,500	5.25	AA+		02-06-25
5,000,000	3130b3bn2	Federal Home Loan Bank 4.250% Due 10-05-29	100.00	5,000,000	99.98	4,998,876	27,153	5,026,029	0.33	4.250	212,500	4.25	AA+		10-05-26
				165,700,107		160,136,413	682,430	160,818,843	10.47		2,689,437	1.67			
FEDERAL NATIONAL MORTGAGE ASSN. (FNMA)															
5,000,000	3136g4d75	Fannie Mae 0.600% Due 07-29-25	100.00	5,000,000	97.51	4,875,749	10,167	4,885,916	0.32	0.600	30,000	0.60	AA+		01-29-25
5,000,000	3136g4g23	Fannie Mae 0.600% Due 07-29-25	100.00	5,000,000	97.41	4,870,455	10,167	4,880,622	0.32	0.600	30,000	0.60	AA+		01-29-25

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	3136g4c76	Fannie Mae 0.700% Due 08-12-25	100.00	5,000,000	97.44	4,872,098	10,597	4,882,696	0.32	0.700	35,000	0.70	AA+		02-12-25
5,000,000	3136g4c43	Fannie Mae 0.650% Due 08-14-25	100.00	5,000,000	97.29	4,864,293	9,660	4,873,953	0.32	0.650	32,500	0.65	AA+		02-14-25
5,000,000	3136g4x40	Fannie Mae 0.600% Due 08-26-25	99.96	4,998,000	97.34	4,867,073	7,917	4,874,990	0.32	0.600	30,000	0.61	AA+		02-26-25
5,000,000	3135g06v0	Fannie Mae 4.125% Due 08-28-25	100.00	5,000,000	99.75	4,987,528	53,281	5,040,809	0.33	4.125	206,250	4.13	AA+		02-28-25
3,000,000	3136g43q4	Fannie Mae 0.600% Due 09-16-25	100.00	3,000,000	97.01	2,910,382	3,750	2,914,132	0.19	0.600	18,000	0.60	AA+		12-16-24
5,000,000	3135g06a6	Fannie Mae 0.580% Due 10-20-25	100.00	5,000,000	96.77	4,838,630	3,303	4,841,932	0.32	0.580	29,000	0.58	AA+		01-20-25
4,000,000	3136g45c3	Fannie Mae 0.540% Due 10-27-25	99.81	3,992,280	96.67	3,866,991	2,040	3,869,031	0.25	0.540	21,600	0.58	AA+		
5,000,000	3136g45p4	Fannie Mae 0.550% Due 10-27-25	100.00	5,000,000	96.64	4,831,940	2,597	4,834,537	0.32	0.550	27,500	0.55	AA+		01-27-25
3,000,000	3136g46s7	Fannie Mae 0.560% Due 10-28-25	100.00	3,000,000	96.64	2,899,079	1,540	2,900,619	0.19	0.560	16,800	0.56	AA+		
5,000,000	3136g45h2	Fannie Mae 0.500% Due 10-29-25	99.90	4,995,000	96.57	4,828,659	2,222	4,830,881	0.32	0.500	25,000	0.52	AA+		
5,000,000	3135ga4v0	Fannie Mae 0.625% Due 11-25-25	100.00	5,000,000	96.43	4,821,632	521	4,822,153	0.32	0.625	31,250	0.62	AA+		02-25-25
5,000,000	3135g06n8	Fannie Mae 0.650% Due 12-17-25	100.00	5,000,000	96.27	4,813,270	14,806	4,828,076	0.31	0.650	32,500	0.65	AA+		12-17-24
5,000,000	3135g06r9	Fannie Mae 0.550% Due 01-28-26	100.00	5,000,000	95.79	4,789,702	9,396	4,799,097	0.31	0.550	27,500	0.55	AA+		01-28-25
5,000,000	3135gavu2	Fannie Mae 4.000% Due 10-07-27	99.63	4,981,500	99.25	4,962,292	30,000	4,992,292	0.32	4.000	200,000	4.13	AA+		04-07-25
5,000,000	3135gax55	Fannie Mae 4.250% Due 10-22-29	99.99	4,999,500	99.85	4,992,259	23,021	5,015,280	0.33	4.250	212,500	4.25	AA+		10-22-26
				79,966,280		77,892,033	194,983	78,087,016	5.09		1,005,400	1.28			
FEDERAL HOME LOAN MORTGAGE CORP. (FHLMC)															
5,000,000	3137eap0	Freddie Mac 1.500% Due 02-12-25	97.36	4,867,950	99.40	4,970,223	22,708	4,992,931	0.32	1.500	75,000	5.24	AA+		
5,000,000	3134gxmh4	Freddie Mac 2.050% Due 03-24-25	100.00	5,000,000	99.23	4,961,319	19,076	4,980,395	0.32	2.050	102,500	2.05	AA+		12-24-24
5,000,000	3134gxrs5	Freddie Mac 3.100% Due 04-29-25	100.00	5,000,000	99.47	4,973,602	13,778	4,987,380	0.33	3.100	155,000	3.10	AA+		01-29-25
3,000,000	3134gvr2	Freddie Mac 0.750% Due 05-27-25	100.00	3,000,000	98.24	2,947,209	250	2,947,459	0.19	0.750	22,500	0.75	AA+		02-27-25
5,000,000	3134gvb31	Freddie Mac 0.750% Due 05-28-25	99.76	4,987,900	98.14	4,906,887	312	4,907,199	0.32	0.750	37,500	0.80	AA+		02-28-25
5,000,000	3134gvz68	Freddie Mac 0.700% Due 06-23-25	99.95	4,997,500	97.95	4,897,334	15,361	4,912,695	0.32	0.700	35,000	0.71	AA+		12-23-24
5,000,000	3137eaeu9	Freddie Mac 0.375% Due 07-21-25	97.16	4,858,100	97.49	4,874,455	6,771	4,881,226	0.32	0.375	18,750	3.99	AA+		
3,000,000	3134gwkr6	Freddie Mac 0.625% Due 08-12-25	100.00	3,000,000	97.41	2,922,186	5,677	2,927,864	0.19	0.625	18,750	0.62	AA+		02-12-25
5,000,000	3134gwh82	Freddie Mac 0.625% Due 09-08-25	100.00	5,000,000	97.14	4,857,123	7,205	4,864,327	0.32	0.625	31,250	0.62	AA+		12-08-24
5,000,000	3134gwa55	Freddie Mac 0.650% Due 09-09-25	100.00	5,000,000	97.13	4,856,679	7,403	4,864,081	0.32	0.650	32,500	0.65	AA+		12-09-24
5,000,000	3134gwwt9	Freddie Mac 0.550% Due 09-30-25	100.00	5,000,000	96.82	4,840,797	4,660	4,845,456	0.32	0.550	27,500	0.55	AA+		12-30-24

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	3134gwy26	Freddie Mac 0.570% Due 10-08-25	100.00	5,000,000	96.79	4,839,435	4,196	4,843,631	0.32	0.570	28,500	0.57	AA+		01-08-25
5,000,000	3134gwys9	Freddie Mac 0.600% Due 10-15-25	100.00	5,000,000	96.88	4,843,783	3,833	4,847,616	0.32	0.600	30,000	0.60	AA+		01-15-25
10,000,000	3134gxbm5	Freddie Mac 0.600% Due 11-12-25	99.98	9,998,500	96.50	9,650,156	3,167	9,653,323	0.63	0.600	60,000	0.60	AA+		02-12-25
5,000,000	3134gxfv1	Freddie Mac 0.625% Due 12-17-25	100.00	5,000,000	96.24	4,812,009	14,236	4,826,246	0.31	0.625	31,250	0.62	AA+		12-17-24
5,000,000	3134gxlf9	Freddie Mac 0.550% Due 02-12-26	100.00	5,000,000	95.65	4,782,585	8,326	4,790,911	0.31	0.550	27,500	0.55	AA+		02-12-25
5,000,000	3134hagb3	Freddie Mac 4.250% Due 08-19-27	99.78	4,989,000	99.25	4,962,525	60,208	5,022,733	0.32	4.250	212,500	4.33	AA+		05-19-25
5,000,000	3134haqr7	Freddie Mac 4.650% Due 10-09-29	100.00	5,000,000	99.56	4,977,909	33,583	5,011,492	0.33	4.650	232,500	4.65	AA+		04-09-25
5,000,000	3134hatw3	Freddie Mac 4.860% Due 10-22-29	100.00	5,000,000	99.86	4,993,072	26,325	5,019,397	0.33	4.860	243,000	4.86	AA+		07-22-25
5,000,000	3134havr7	Freddie Mac 4.950% Due 10-30-29	100.00	5,000,000	99.98	4,999,069	21,312	5,020,381	0.33	4.950	247,500	4.95	AA+		07-30-25
5,000,000	3134haxt5	Freddie Mac 5.000% Due 11-07-29	100.00	5,000,000	100.04	5,002,136	13,194	5,015,330	0.33	5.000	250,000	5.00	AA+		08-07-25
				105,698,950		103,870,492	291,583	104,162,075	6.79		1,919,000	2.19			
FEDERAL AGRICULTURAL MORTGAGE CORP.															
Not Classified															
3,000,000	31422xbt8	Farmer Mac 0.700% Due 12-17-25	100.00	3,000,000	96.36	2,890,898	9,567	2,900,465	0.19	0.700	21,000	0.70			
3,000,000	31422xbn1	Farmer Mac 0.690% Due 02-25-26	100.00	3,000,000	95.69	2,870,575	5,520	2,876,095	0.19	0.690	20,700	0.69			02-25-25
5,000,000	31422xpe6	Farmer Mac 1.300% Due 11-23-26	100.00	5,000,000	94.41	4,720,595	1,444	4,722,040	0.31	1.300	65,000	1.30			02-23-25
5,000,000	31424wqb1	Farmer Mac 4.450% Due 10-15-29	100.00	5,000,000	99.35	4,967,263	28,431	4,995,694	0.32	4.450	222,500	4.45			10-15-26
				16,000,000		15,449,332	44,962	15,494,293	1.01		329,200	2.09			
				16,000,000		15,449,332	44,962	15,494,293	1.01		329,200	2.09			
FEDERAL FARM CREDIT BANK - FRMMT															
Not Classified															
5,000,000	3133elc28	Federal Farm Credit Bank 0.730% Due 05-27-25	100.00	5,000,000	98.23	4,911,538	406	4,911,943	0.32	0.730	36,500	0.73	AA+		12-07-24
5,000,000	3133el2s2	Federal Farm Credit Bank 0.670% Due 08-04-25	100.00	5,000,000	97.46	4,873,058	10,887	4,883,946	0.32	0.670	33,500	0.67	AA+		12-07-24
5,000,000	3133el4w1	Federal Farm Credit Bank 0.610% Due 08-25-25	99.92	4,996,250	97.30	4,865,092	8,133	4,873,225	0.32	0.610	30,500	0.63	AA+		12-07-24
10,000,000	3133errc7	Federal Farm Credit Bank 4.375% Due 08-27-25	100.03	10,003,000	99.98	9,997,772	114,236	10,112,008	0.65	4.375	437,500	4.34	AA+		
5,000,000	3133embh4	Federal Farm Credit Bank 0.530% Due 09-29-25	100.00	5,000,000	96.91	4,845,732	4,564	4,850,296	0.32	0.530	26,500	0.53	AA+		12-07-24
5,000,000	3133enuz1	Federal Farm Credit Bank 3.090% Due 10-20-25	100.00	5,000,000	98.77	4,938,298	17,596	4,955,894	0.32	3.090	154,500	3.09	AA+		12-07-24
5,000,000	3133emd22	Federal Farm Credit Bank 0.520% Due 10-21-25	99.76	4,987,950	96.59	4,829,443	2,889	4,832,332	0.32	0.520	26,000	0.57	AA+		12-07-24
5,000,000	3133emfr8	Federal Farm Credit Bank 0.540% Due 11-03-25	99.94	4,997,000	96.43	4,821,722	2,100	4,823,822	0.32	0.540	27,000	0.55	AA+		12-07-24
5,000,000	3133emqx3	Federal Farm Credit Bank 0.590% Due 02-17-26	100.00	5,000,000	95.62	4,781,203	8,522	4,789,726	0.31	0.590	29,500	0.59	AA+		12-07-24

City of Sacramento
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5,000,000	3133emsk9	Federal Farm Credit Bank 0.840% Due 03-02-26	99.92	4,996,250	95.81	4,790,530	10,383	4,800,914	0.31	0.840	42,000	0.86	AA+		12-07-24
5,000,000	3133emsh6	Federal Farm Credit Bank 0.790% Due 03-03-26	100.00	5,000,000	95.74	4,787,053	9,656	4,796,709	0.31	0.790	39,500	0.79	AA+		12-07-24
5,000,000	3133emsu7	Federal Farm Credit Bank 0.800% Due 03-09-26	100.00	5,000,000	95.70	4,784,859	9,111	4,793,970	0.31	0.800	40,000	0.80	AA+		12-07-24
5,000,000	3133emuk6	Federal Farm Credit Bank 1.050% Due 03-25-26	100.00	5,000,000	95.87	4,793,354	9,625	4,802,979	0.31	1.050	52,500	1.05	AA+		12-07-24
5,000,000	3133emh21	Federal Farm Credit Bank 0.900% Due 06-15-26	100.00	5,000,000	94.95	4,747,481	20,750	4,768,231	0.31	0.900	45,000	0.90	AA+		12-07-24
5,000,000	3133emh54	Federal Farm Credit Bank 0.960% Due 06-15-26	100.00	5,000,000	95.04	4,751,897	22,133	4,774,030	0.31	0.960	48,000	0.96	AA+		12-07-24
3,000,000	3133eml67	Federal Farm Credit Bank 0.800% Due 06-22-26	100.00	3,000,000	94.74	2,842,315	10,600	2,852,915	0.19	0.800	24,000	0.80	AA+		12-07-24
3,000,000	3133enzf0	Federal Farm Credit Bank 4.400% Due 06-22-26	100.00	3,000,000	99.92	2,997,579	58,300	3,055,879	0.20	4.400	132,000	4.40	AA+		12-07-24
5,000,000	3133emq62	Federal Farm Credit Bank 0.990% Due 07-13-26	100.00	5,000,000	94.80	4,740,189	18,975	4,759,164	0.31	0.990	49,500	0.99	AA+		12-07-24
5,000,000	3133erqz7	Federal Farm Credit Bank 4.500% Due 08-27-26	100.00	5,000,000	100.07	5,003,365	58,750	5,062,115	0.33	4.500	225,000	4.50	AA+		08-27-25
5,000,000	3133em4s8	Federal Farm Credit Bank 0.870% Due 09-08-26	99.82	4,991,250	94.02	4,700,938	10,029	4,710,967	0.31	0.870	43,500	0.91	AA+		12-07-24
5,000,000	3133em6e7	Federal Farm Credit Bank 0.940% Due 09-28-26	100.00	5,000,000	94.16	4,707,890	8,225	4,716,115	0.31	0.940	47,000	0.94	AA+		12-07-24
3,000,000	3133endc1	Federal Farm Credit Bank 1.330% Due 11-03-26	100.00	3,000,000	94.60	2,837,961	3,103	2,841,064	0.19	1.330	39,900	1.33	AA+		12-07-24
3,000,000	3133enjv3	Federal Farm Credit Bank 1.390% Due 12-29-26	100.00	3,000,000	94.33	2,829,834	17,607	2,847,441	0.19	1.390	41,700	1.39	AA+		12-07-24
5,000,000	3133envv9	Federal Farm Credit Bank 3.630% Due 05-03-27	100.00	5,000,000	98.66	4,932,950	14,117	4,947,067	0.32	3.630	181,500	3.63	AA+		12-07-24
5,000,000	3133ermh1	Federal Farm Credit Bank 5.000% Due 07-29-27	100.00	5,000,000	100.05	5,002,720	84,722	5,087,442	0.33	5.000	250,000	5.00	AA+		07-29-25
5,000,000	3133erns6	Federal Farm Credit Bank 4.620% Due 08-12-27	100.00	5,000,000	99.97	4,998,657	69,942	5,068,598	0.33	4.620	231,000	4.62	AA+		08-12-25
5,000,000	3133erra1	Federal Farm Credit Bank 4.580% Due 08-27-27	100.00	5,000,000	99.79	4,989,653	59,794	5,049,448	0.33	4.580	229,000	4.58	AA+		08-27-25
5,000,000	3133ersm4	Federal Farm Credit Bank 4.330% Due 09-10-27	100.00	5,000,000	99.44	4,971,889	48,712	5,020,601	0.33	4.330	216,500	4.33	AA+		09-10-25
5,000,000	3133ersd4	Federal Farm Credit Bank 4.930% Due 09-06-28	100.00	5,000,000	99.71	4,985,289	58,201	5,043,491	0.33	4.930	246,500	4.93	AA+		03-06-25
5,000,000	3133erty7	Federal Farm Credit Bank 4.320% Due 09-19-28	100.00	5,000,000	99.71	4,985,322	43,200	5,028,522	0.33	4.320	216,000	4.32	AA+		09-19-25
5,000,000	3133ertz1	Federal Farm Credit Bank 4.670% Due 11-07-28	100.00	5,000,000	99.95	4,997,397	15,567	5,012,964	0.33	4.670	233,500	4.67	AA+		11-07-25
5,000,000	3133erfl0	Federal Farm Credit Bank 5.520% Due 05-29-29	99.78	4,989,000	100.50	5,025,232	1,533	5,026,765	0.33	5.520	276,000	5.57	AA+		05-29-25
5,000,000	3133erre3	Federal Farm Credit Bank 4.720% Due 08-28-29	99.73	4,986,500	99.78	4,988,767	60,967	5,049,734	0.33	4.720	236,000	4.78	AA+		08-28-25
5,000,000	3133erzd6	Federal Farm Credit Bank 4.000% Due 11-01-29	99.47	4,973,350	99.30	4,964,886	16,667	4,981,552	0.32	4.000	200,000	4.12	AA+		
				<u>166,920,550</u>			<u>163,021,866</u>	<u>910,003</u>	<u>163,931,869</u>	<u>10.66</u>	<u>4,187,100</u>	<u>2.55</u>			
				166,920,550			163,021,866	910,003	163,931,869	10.66	4,187,100	2.55			

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Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
MUNICIPAL BONDS															
Not Classified															
3,000,000.00	576004gy5	Massachusetts St Spl Oblig Rev 3.660% Due 01-15-25	100.00	3,000,000	99.88	2,996,451	41,480	3,037,931	0.20	3.660	109,800	3.66			
750,000.00	13080szl1	California Statewide Cmnty De 0.732% Due 02-01-25	100.00	750,000	99.29	744,672	1,830	746,502	0.05	0.732	5,490	0.73	A+		
1,250,000.00	64990fa95	New York St Dorm Auth St Pers 1.062% Due 03-15-25	100.00	1,250,000	98.98	1,237,291	2,802	1,240,094	0.08	1.062	13,275	1.06	AA+		
1,650,000.00	64990fd43	New York St Dorm Auth St Pers 0.887% Due 03-15-25	100.00	1,650,000	98.93	1,632,417	3,090	1,635,507	0.11	0.887	14,635	0.89	AA+		
5,000,000.00	13063dgb8	California St 3.375% Due 04-01-25	98.45	4,922,300	99.63	4,981,415	28,125	5,009,540	0.33	3.375	168,750	5.16	AA-		
1,000,000.00	68607v3j2	Oregon St Dept of Admin Svcs Lottery Rev 2.915% Due 04-01-25	100.00	1,000,000	99.47	994,731	4,858	999,589	0.07	2.915	29,150	2.92	AAA		
3,000,000.00	92812vb88	Virginia Housing Development Authority 2.056% Due 04-01-25	100.00	3,000,000	99.14	2,974,099	10,280	2,984,379	0.19	2.056	61,680	2.06	AA+		
700,000.00	91412hfm0	University Calif Revenue Bonds 0.933% Due 05-15-25	100.00	700,000	98.43	689,035	290	689,325	0.05	0.933	6,531	0.93	AA		
3,500,000.00	91412hge7	University Calif Revenue Bonds 0.883% Due 05-15-25	100.88	3,530,660	98.41	3,444,400	1,374	3,445,774	0.23	0.883	30,905	0.70	AA		04-15-25
1,000,000.00	91412hjl8	University Calif Revenue Bonds 0.670% Due 05-15-25	100.00	1,000,000	98.32	983,171	298	983,469	0.06	0.670	6,700	0.67	AA		
1,250,000.00	13032uxm5	California Health Facs Fing Auth Revenue 0.952% Due 06-01-25	100.00	1,250,000	98.24	1,228,009	5,950	1,233,959	0.08	0.952	11,900	0.95	AA-		
5,000,000.00	34153qud6	Florida State Board of Education Public Education 0.550% Due 06-01-25	99.68	4,984,150	98.02	4,901,114	13,750	4,914,864	0.32	0.550	27,500	0.62	AAA		
1,000,000.00	546417dq6	Louisiana State 0.840% Due 06-01-25	100.00	1,000,000	98.26	982,627	4,200	986,827	0.06	0.840	8,400	0.84	AA		
500,000.00	546486bv2	Louisiana St Hwy Impt Rev 0.697% Due 06-15-25	100.00	500,000	97.87	489,368	1,607	490,975	0.03	0.697	3,485	0.70	AA		
5,000,000.00	341271ad6	Florida St Brd Admin Fin Corp 1.258% Due 07-01-25	101.66	5,083,250	98.06	4,903,055	26,208	4,929,264	0.32	1.258	62,900	0.90	AA		
4,000,000.00	91412gu94	University Calif Revs For Prev 3.063% Due 07-01-25	99.96	3,998,360	99.22	3,968,670	51,050	4,019,720	0.26	3.063	122,520	3.08	AA		04-01-25
940,000.00	13034al65	California Infrastructure & Ec 0.765% Due 10-01-25	100.00	940,000	96.99	911,751	1,198	912,950	0.06	0.765	7,191	0.77	AAA		
4,000,000.00	13077dqd7	California St Univ Rev 0.862% Due 11-01-25	100.00	4,000,000	96.84	3,873,499	2,873	3,876,372	0.25	0.862	34,480	0.86	AA-		
1,865,000.00	880558nu1	Tennessee St Sch Bd Auth 0.627% Due 11-01-25	100.00	1,865,000	96.68	1,803,105	974	1,804,079	0.12	0.627	11,694	0.63	AA+		
5,000,000.00	64990fb29	New York St Dorm Auth St Pers 1.262% Due 03-15-26	100.00	5,000,000	96.10	4,805,154	13,321	4,818,475	0.31	1.262	63,100	1.26	AA+		
1,000,000.00	64990fd50	New York St Dorm Auth St Pers 1.187% Due 03-15-26	100.00	1,000,000	96.01	960,104	2,506	962,610	0.06	1.187	11,870	1.19	AA+		
1,000,000.00	68607v3k9	Oregon St Dept of Admin Svcs Lottery Rev 3.131% Due 04-01-26	100.00	1,000,000	98.36	983,551	5,218	988,770	0.06	3.131	31,310	3.13	AAA		
1,000,000.00	697511fu2	Palomar Calif Cmnty College Di 1.031% Due 08-01-26	100.00	1,000,000	94.67	946,669	3,437	950,106	0.06	1.031	10,310	1.03	AA		
3,000,000.00	79770gjc1	San Francisco Calif City & Cnt 1.861% Due 08-01-26	101.35	3,040,470	95.96	2,878,846	18,610	2,897,456	0.19	1.861	55,830	1.55	AA		

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Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
1,975,000.00	798306wq5	San Juan Calif Uni Sch Dist Sa	96.06	1,897,224	94.73	1,870,837	7,907	1,878,744	0.12	1.201	23,720	2.13			
2,000,000.00	20772kqk8	1.201% Due 08-01-26 Connecticut State	99.57	1,991,480	98.42	1,968,382	33,486	2,001,868	0.13	3.631	72,620	3.73	AA-		
7,000,000.00	91412hfg3	3.631% Due 06-15-27 University Calif Revenue Bonds	95.89	6,712,440	96.08	6,725,414	97,679	6,823,094	0.44	3.349	234,430	4.33	AA		
		3.349% Due 07-01-29													
				66,065,334		64,877,840	384,402	65,262,242	4.24		1,240,176	2.10			
				66,065,334		64,877,840	384,402	65,262,242	4.24		1,240,176	2.10			
CORPORATE BONDS															
INDUSTRIALS															
4,245,000	88579ybh3	3M Company	100.58	4,269,791	99.43	4,220,814	25,234	4,246,048	0.28	2.000	84,900	1.88	BBB+		01-14-25
		2.000% Due 02-14-25													
5,013,000	244199bh7	Deere & Company	97.84	4,904,519	99.27	4,976,430	17,615	4,994,045	0.33	2.750	137,857	5.25	A		03-15-25
		2.750% Due 04-15-25													
2,567,000	438516cb0	Honeywell Intl Inc	101.90	2,615,773	98.34	2,524,457	17,327	2,541,784	0.17	1.350	34,654	0.96	A		05-01-25
		1.350% Due 06-01-25													
10,000,000	24422evk2	John Deere Capital Corp	99.06	9,905,536	95.88	9,587,918	26,444	9,614,363	0.63	0.700	70,000	0.90	A		
		0.700% Due 01-15-26													
				21,695,619		21,309,618	86,621	21,396,239	1.39		327,412	2.12			
COMMUNICATION SERVICES															
6,000,000	254687fn1	Disney Walt Co	98.80	5,928,180	99.53	5,971,606	37,408	6,009,014	0.39	3.350	201,000	5.20	A-		
		3.350% Due 03-24-25													
CONSUMER DISCRETIONARY															
5,000,000	57629weg3	Massmutual Global Funding	99.16	4,958,250	99.78	4,988,925	57,361	5,046,286	0.33	2.950	147,500	3.29	AA+		
		2.950% Due 01-11-25													
5,000,000	384802ae4	WW Grainger Inc	103.11	5,155,700	99.38	4,968,852	27,236	4,996,088	0.32	1.850	92,500	1.17	A+		01-15-25
		1.850% Due 02-15-25													
5,000,000	023135ce4	Amazon Com Inc	98.13	4,906,350	99.40	4,969,950	20,000	4,989,950	0.32	3.000	150,000	5.31	AA		
		3.000% Due 04-13-25													
6,000,000	87612eb19	Target Corp	97.49	5,849,220	99.12	5,947,322	17,250	5,964,572	0.39	2.250	135,000	5.21	A		03-15-25
		2.250% Due 04-15-25													
2,500,000	141781bu7	Cargill Inc	98.48	2,462,100	99.52	2,487,993	9,479	2,497,472	0.16	3.500	87,500	4.07	A		12-01-24
		3.500% Due 04-22-25													
5,000,000	023135bq8	Amazon Com Inc	101.16	5,057,900	98.06	4,902,963	19,778	4,922,741	0.32	0.800	40,000	0.53	AA		05-03-25
		0.800% Due 06-03-25													
7,000,000	931142ed1	Walmart Inc	98.31	6,881,840	99.45	6,961,653	106,993	7,068,646	0.46	3.550	248,500	5.18	AA		04-26-25
		3.550% Due 06-26-25													
3,000,000	751212ac5	Ralph Lauren Corp	99.68	2,990,280	99.16	2,974,944	23,750	2,998,694	0.19	3.750	112,500	3.86	A-		07-15-25
		3.750% Due 09-15-25													
1,850,000	641062ar5	Nestle Holdings Inc	99.41	1,839,122	95.81	1,772,529	4,368	1,776,897	0.12	0.625	11,562	0.75	AA-		12-15-25
		0.625% Due 01-15-26													
5,000,000	141781bn3	Cargill Inc	99.68	4,984,150	95.83	4,791,330	12,396	4,803,726	0.31	0.750	37,500	0.82	A		01-02-26
		0.750% Due 02-02-26													
5,000,000	74460waa5	Public Storage	100.27	5,013,300	95.76	4,788,206	12,882	4,801,088	0.31	0.875	43,750	0.82	A		01-15-26
		0.875% Due 02-15-26													
5,000,000	023135bx3	Amazon Com Inc	99.68	4,984,250	95.38	4,769,190	2,639	4,771,828	0.31	1.000	50,000	1.06	AA		04-12-26
		1.000% Due 05-12-26													
5,000,000	571676aj4	Mars Inc	97.32	4,865,950	94.16	4,707,962	16,406	4,724,368	0.31	0.875	43,750	1.49	A+		06-16-26
		0.875% Due 07-16-26													
4,500,000	74460dag4	Public Storage	98.14	4,416,255	94.55	4,254,646	4,125	4,258,771	0.28	1.500	67,500	1.91	A		10-09-26
		1.500% Due 11-09-26													
5,000,000	742718fv6	Procter & Gamble Co	99.53	4,976,400	95.30	4,764,956	31,667	4,796,622	0.31	1.900	95,000	2.00	AA		
		1.900% Due 02-01-27													

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2,000,000	742718fg9	Procter & Gamble Co 2.800% Due 03-25-27	97.94	1,958,740	96.93	1,938,512	10,267	1,948,779	0.13	2.800	56,000	3.26	AA-		
				71,299,807		69,989,931	376,597	70,366,528	4.58		1,418,562	2.64			
CONSUMER STAPLES															
5,000,000	37331naj0	Georgia Pacific Corp 1.750% Due 09-30-25	104.38	5,219,150	97.64	4,881,872	14,826	4,896,699	0.32	1.750	87,500	0.82	A+		08-30-25
ENERGY															
5,000,000	637432ng6	National Rural Utils Coop Fin 3.250% Due 11-01-25	99.15	4,957,600	98.80	4,939,974	13,542	4,953,515	0.32	3.250	162,500	3.51	A-		08-01-25
4,000,000	63743hew8	National Rural Utils Coop Fin 1.000% Due 06-15-26	97.79	3,911,520	94.89	3,795,778	18,444	3,814,223	0.25	1.000	40,000	1.51	A-		05-15-26
5,000,000	291011bp8	Emerson Elec Co 0.875% Due 10-15-26	96.04	4,802,200	93.86	4,692,819	5,590	4,698,409	0.31	0.875	43,750	1.74	A		09-15-26
				13,671,320		13,428,571	37,576	13,466,147	0.88		246,250	2.33			
FINANCIAL															
5,000,000	21688aav4	Cooperatieve Rabobank UA/NY 5.000% Due 01-13-25	99.82	4,990,900	100.02	5,000,892	95,833	5,096,726	0.33	5.000	250,000	5.30	A+		
2,500,000	64952wdl4	New York Life Global 2.000% Due 01-22-25	100.73	2,518,225	99.58	2,489,555	17,917	2,507,472	0.16	2.000	50,000	1.85	AA+		
5,000,000	90331hms9	US Bank Assn Cincinnati Oh Mtn 2.800% Due 01-27-25	98.34	4,917,000	99.67	4,983,408	48,222	5,031,630	0.33	2.800	140,000	5.46	A+		12-27-24
5,005,000	064159tf3	Bank Nova Scotia B C 2.200% Due 02-03-25	101.85	5,097,643	99.49	4,979,712	36,092	5,015,804	0.33	2.200	110,110	1.79	A-		
3,000,000	89236tqx7	Toyota Motor Credit Corp 3.000% Due 04-01-25	99.83	2,994,960	99.35	2,980,566	15,000	2,995,566	0.19	3.000	90,000	3.06	A+		
5,000,000	06747pkv0	Barclays Bank Plc 3.250% Due 04-08-25	100.00	5,000,000	99.21	4,960,740	23,924	4,984,664	0.32	3.250	162,500	3.25	A+		
4,000,000	06406ran7	Bank New York Mellon Corp 1.600% Due 04-24-25	102.41	4,096,520	98.80	3,952,160	6,578	3,958,738	0.26	1.600	64,000	1.10	A		03-24-25
5,000,000	78016fzy3	Royal Bank of Canada 4.950% Due 04-25-25	99.65	4,982,500	100.10	5,005,039	24,750	5,029,789	0.33	4.950	247,500	5.36	A		
5,000,000	13607lnf6	Canadian Imperial Bank 5.144% Due 04-28-25	99.77	4,988,300	100.10	5,005,087	23,577	5,028,664	0.33	5.144	257,200	5.41	A-		
5,000,000	17330fvu2	Citigroup Global Markets 4.050% Due 05-27-25	100.00	5,000,000	99.13	4,956,464	2,250	4,958,714	0.32	4.050	202,500	4.05	A		02-27-25
3,000,000	78015k7h1	Royal Bank of Canada 1.150% Due 06-10-25	100.27	3,008,130	98.23	2,946,893	16,387	2,963,281	0.19	1.150	34,500	1.09	A		
5,000,000	064159v17	Bank Nova Scotia B C 1.300% Due 06-11-25	100.96	5,048,100	98.20	4,910,010	30,694	4,940,704	0.32	1.300	65,000	1.10	A-		
3,000,000	48130uuq6	JP Morgan Chase Financial Co 1.000% Due 06-23-25	100.00	3,000,000	97.59	2,927,639	13,167	2,940,806	0.19	1.000	30,000	1.00	A		12-23-24
5,000,000	17330pfq7	Citigroup Global Markets 4.700% Due 07-21-25	100.00	5,000,000	99.10	4,955,089	84,861	5,039,950	0.32	4.700	235,000	4.70	A		01-21-25
5,000,000	00138can8	AIG Global Funding 0.900% Due 09-22-25	99.82	4,991,000	97.11	4,855,367	8,625	4,863,992	0.32	0.900	45,000	0.94	A+		
5,000,000	14913r2h9	Caterpillar Financial Services Corp 0.800% Due 11-13-25	100.27	5,013,700	96.59	4,829,322	2,000	4,831,322	0.32	0.800	40,000	0.74	A		
4,000,000	637639ae5	National Secs Clearing Corp 0.750% Due 12-07-25	100.34	4,013,460	96.26	3,850,402	14,500	3,864,902	0.25	0.750	30,000	0.68	AA+		11-07-25
5,000,000	48128gy53	JP Morgan Chase & Co 0.825% Due 12-22-25	100.00	5,000,000	95.44	4,772,208	18,219	4,790,427	0.31	0.825	41,250	0.82	A		12-22-24

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November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	064159f84	Bank Nova Scotia B C 0.800% Due 12-30-25	100.00	5,000,000	95.70	4,785,209	6,778	4,791,987	0.31	0.800	40,000	0.80	A-		12-30-24
5,000,000	14913r3b1	Caterpillar Financial Services Corp 4.800% Due 01-06-26	100.71	5,035,650	100.38	5,018,774	96,667	5,115,440	0.33	4.800	240,000	4.54	A		
3,000,000	89114qcp1	Toronto Dominion Bank 0.750% Due 01-06-26	99.85	2,995,590	95.96	2,878,880	9,062	2,887,943	0.19	0.750	22,500	0.78	A-		
5,000,000	78016ezm2	Royal Bank of Canada 0.875% Due 01-20-26	100.00	5,000,000	96.00	4,800,225	15,920	4,816,145	0.31	0.875	43,750	0.87	A		
3,000,000	22533ad53	Credit Agricole Cib Sa 0.900% Due 01-21-26	100.00	3,000,000	94.48	2,834,430	9,750	2,844,180	0.19	0.900	27,000	0.90	A+		01-21-25
5,000,000	06749nfm9	Barclays Bank Plc 5.550% Due 01-23-26	100.00	5,000,000	99.40	4,969,966	98,667	5,068,633	0.32	5.550	277,500	5.55	A+		01-23-25
5,000,000	48128g2y5	JP Morgan Chase & Co 1.000% Due 02-26-26	100.00	5,000,000	94.78	4,739,171	13,194	4,752,366	0.31	1.000	50,000	1.00	A		02-26-25
5,000,000	0641593u8	Bank Nova Scotia B C 1.050% Due 03-02-26	99.40	4,970,000	95.76	4,787,859	12,979	4,800,838	0.31	1.050	52,500	1.18	A-		
5,000,000	14913r2k2	Caterpillar Financial Services Corp 0.900% Due 03-02-26	99.00	4,950,000	95.83	4,791,304	11,125	4,802,429	0.31	0.900	45,000	1.11	A		
5,000,000	78016ezq3	Royal Bank of Canada 1.200% Due 04-27-26	100.56	5,028,000	95.52	4,776,132	5,667	4,781,798	0.31	1.200	60,000	1.08	A		
5,000,000	48128g3g3	JP Morgan Chase & Co 1.200% Due 04-30-26	100.00	5,000,000	94.64	4,732,103	5,167	4,737,270	0.31	1.200	60,000	1.20	A		04-30-25
5,000,000	06048wv56	Bank of America Corporation 4.000% Due 05-05-26	100.00	5,000,000	98.57	4,928,709	14,444	4,943,154	0.32	4.000	200,000	4.00	A-		05-05-25
5,000,000	808513br5	Charles Schwab Corp 1.150% Due 05-13-26	99.74	4,986,950	95.25	4,762,302	2,875	4,765,177	0.31	1.150	57,500	1.20	A-		04-13-26
5,000,000	40139lbd4	Guardian Life Global Funding 1.250% Due 05-13-26	99.98	4,999,050	95.37	4,768,571	3,125	4,771,696	0.31	1.250	62,500	1.25	AA+		
5,000,000	06048wl99	Bank of America Corporation 1.400% Due 05-14-26	100.00	5,000,000	94.94	4,747,133	3,306	4,750,439	0.31	1.400	70,000	1.40	A-		05-14-25
5,000,000	06048wm31	Bank of America Corporation 1.250% Due 05-28-26	100.00	5,000,000	94.76	4,738,121	521	4,738,642	0.31	1.250	62,500	1.25	A-		05-28-25
5,000,000	902674zz6	UBS Ag London Branch 1.250% Due 06-01-26	99.80	4,990,200	95.18	4,758,815	31,250	4,790,065	0.31	1.250	62,500	1.30	A+		
10,000,000	89114tzd7	Toronto Dominion Bank 1.200% Due 06-03-26	100.17	10,016,850	95.04	9,504,458	59,333	9,563,791	0.62	1.200	120,000	1.17	A-		
5,000,000	89236tjk2	Toyota Motor Credit Corp 1.125% Due 06-18-26	99.80	4,990,050	95.16	4,757,962	25,469	4,783,431	0.31	1.125	56,250	1.17	A+		
5,000,000	06051gjd2	Bank of America Corp 1.319% Due 06-19-26	100.97	5,048,400	98.11	4,905,339	29,677	4,935,016	0.32	1.319	65,950	1.12	A-		06-19-25
5,000,000	78016ezt7	Royal Bank of Canada 1.150% Due 07-14-26	99.97	4,998,550	94.87	4,743,346	21,882	4,765,228	0.31	1.150	57,500	1.16	A		
3,000,000	22550l2g5	Credit Suisse Ag New York 1.250% Due 08-07-26	97.69	2,930,670	94.58	2,837,389	11,875	2,849,264	0.19	1.250	37,500	1.77	A+		
3,000,000	06048wn63	Bank of America Corporation 1.150% Due 09-10-26	99.00	2,970,000	93.43	2,802,939	7,762	2,810,702	0.18	1.150	34,500	1.36	A-		03-10-25
5,000,000	0641598k5	Bank Nova Scotia B C 1.300% Due 09-15-26	97.99	4,899,650	94.47	4,723,679	13,722	4,737,401	0.31	1.300	65,000	1.75	A-		06-15-26
3,000,000	06368gc54	Bank Of Montreal 2.000% Due 12-22-26	100.00	3,000,000	93.56	2,806,883	26,500	2,833,383	0.18	2.000	60,000	2.00	A-		12-22-24
5,000,000	59217ger6	Metropolitan Life Global Fdg I 1.875% Due 01-11-27	98.68	4,934,000	94.60	4,729,874	36,458	4,766,332	0.31	1.875	93,750	2.16	AA-		
5,000,000	06417xad3	Bank Nova Scotia B C 1.950% Due 02-02-27	98.46	4,923,100	94.70	4,735,050	32,229	4,767,280	0.31	1.950	97,500	2.28	A-		

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,500,000	808513by0	Schwab Charles Corp 2.450% Due 03-03-27	100.00	5,500,000	95.58	5,257,061	32,939	5,290,000	0.34	2.450	134,750	2.45	A-		02-03-27
				214,827,148		207,982,241	1,120,940	209,103,180	13.60		4,350,510	2.14			
HEALTHCARE															
5,000,000	00287ycx5	Abbvie Inc 3.800% Due 03-15-25	99.08	4,954,150	99.72	4,986,019	40,111	5,026,130	0.33	3.800	190,000	5.27	A-		12-15-24
5,000,000	717081ex7	Pfizer Inc 0.800% Due 05-28-25	99.85	4,992,700	98.10	4,905,012	333	4,905,345	0.32	0.800	40,000	0.83	A		04-28-25
5,000,000	532457bh0	Eli Lilly & Co 2.750% Due 06-01-25	98.97	4,948,400	99.02	4,951,209	68,750	5,019,959	0.32	2.750	137,500	3.10	A+		03-01-25
4,000,000	478160cn2	Johnson & Johnson 0.550% Due 09-01-25	99.75	3,989,960	97.09	3,883,449	5,500	3,888,949	0.25	0.550	22,000	0.61	AAA		08-01-25
5,000,000	58933yay1	Merck & Co. Inc 0.750% Due 02-24-26	99.75	4,987,750	95.69	4,784,568	10,104	4,794,673	0.31	0.750	37,500	0.80	A+		01-24-26
2,500,000	771196bk7	Roche Holdings Inc 2.625% Due 05-15-26	97.15	2,428,875	97.50	2,437,404	2,917	2,440,321	0.16	2.625	65,625	3.40	AA		02-15-26
5,000,000	91324pec2	Unitedhealth Group Inc 1.150% Due 05-15-26	100.00	5,000,000	95.33	4,766,391	2,556	4,768,947	0.31	1.150	57,500	1.15	A+		04-15-26
2,000,000	717081et6	Pfizer Inc 3.450% Due 03-15-29	98.60	1,972,060	96.11	1,922,278	14,567	1,936,845	0.13	3.450	69,000	3.79	A		12-15-28
5,000,000	91324pez1	Unitedhealth Group Inc 4.700% Due 04-15-29	102.92	5,146,050	100.76	5,037,958	30,028	5,067,985	0.33	4.700	235,000	4.00	A+		03-15-29
				38,419,945		37,674,288	174,865	37,849,153	2.46		854,125	2.47			
INFORMATION TECHNOLOGY															
4,000,000	882508bh6	Texas Instruments Inc 1.375% Due 03-12-25	101.15	4,046,080	99.10	3,964,184	12,069	3,976,254	0.26	1.375	55,000	1.13	A+		02-12-25
5,000,000	037833dt4	Apple Inc 1.125% Due 05-11-25	101.06	5,052,940	98.48	4,923,861	3,125	4,926,986	0.32	1.125	56,250	0.90	AA+		04-11-25
8,000,000	037833bg4	Apple Inc 3.200% Due 05-13-25	98.20	7,855,920	99.40	7,952,174	12,800	7,964,974	0.52	3.200	256,000	5.18	AA+		
5,000,000	037833eb2	Apple Inc 0.700% Due 02-08-26	99.96	4,998,040	95.78	4,788,913	10,986	4,799,899	0.31	0.700	35,000	0.71	AA+		01-08-26
5,000,000	459200km2	IBM Corporation 2.200% Due 02-09-27	99.00	4,950,000	95.22	4,761,127	34,222	4,795,350	0.31	2.200	110,000	2.41	A-		01-09-27
5,000,000	747525au7	Qualcom Inc 3.250% Due 05-20-27	98.40	4,920,250	97.31	4,865,608	4,965	4,870,574	0.32	3.250	162,500	3.88	A		02-20-27
2,000,000	79466laf1	Salesforce Inc 3.700% Due 04-11-28	99.66	1,993,200	98.05	1,961,057	10,278	1,971,335	0.13	3.700	74,000	3.80	A+		01-11-28
				33,816,430		33,216,925	88,446	33,305,371	2.17		748,750	2.75			
TRANSPORTATION															
5,000,000	911312bx3	United Parcel Service Inc 3.900% Due 04-01-25	98.87	4,943,300	99.72	4,985,766	32,500	5,018,266	0.33	3.900	195,000	5.29	A		03-01-25
5,000,000	12189lay7	Burlington Northn Santa Fe 3.650% Due 09-01-25	99.85	4,992,340	99.27	4,963,397	45,625	5,009,022	0.32	3.650	182,500	3.70	AA-		06-01-25
				9,935,640		9,949,163	78,125	10,027,288	0.65		377,500	4.50			
				414,813,238		404,404,215	2,015,404	406,419,619	26.44		8,611,609	2.40			
SUPRANATIONALS															
Not Classified															
5,000,000	459058je4	International Bk Recon & Develop 0.375% Due 07-28-25	99.37	4,968,615	97.37	4,868,636	6,406	4,875,043	0.32	0.375	18,750	0.51	AAA		

City of Sacramento
PORTFOLIO APPRAISAL
City Investment Pool A
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
5,000,000	459058jl8	International Bk Recon & Develop 0.500% Due 10-28-25	99.89	4,994,350	96.55	4,827,594	2,292	4,829,886	0.32	0.500	25,000	0.52	AAA		
5,000,000	45905u5y6	International Bk Recon & Develop 0.600% Due 02-18-26	100.00	5,000,000	95.00	4,750,103	8,583	4,758,687	0.31	0.600	30,000	0.60	AAA		
5,000,000	459058lk7	International Bk Recon & Develop 4.000% Due 08-27-26	99.88	4,994,200	99.45	4,972,707	52,222	5,024,929	0.33	4.000	200,000	4.06	AAA		
8,000,000	45906m5k3	International Bk Recon & Develop 4.750% Due 07-30-29	100.58	8,046,500	100.06	8,005,182	127,722	8,132,905	0.52	4.750	380,000	4.61	AAA		07-30-26
5,000,000	45906m5q0	International Bk Recon & Develop 4.570% Due 09-04-29	100.00	5,000,000	97.86	4,892,964	55,221	4,948,185	0.32	4.570	228,500	4.57	AAA		09-04-25

City of Sacramento
PURCHASE AND SALE
City Investment Pool A
From 11-01-24 To 11-30-24

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
PURCHASES									
11-01-24	11-07-24	frus	3133erzt1	3133ERZT1	5,000,000	Federal Farm Credit Bank 4.670% Due 11-07-28	AA+	100	5,000,000
11-06-24	11-12-24	fhus	3134haxt5	3134HAXT5	5,000,000	Freddie Mac 5.000% Due 11-07-29	AA+	100	5,000,000
11-13-24	11-14-24	frus	3133erre3	3133ERRE3	5,000,000	Federal Farm Credit Bank 4.720% Due 08-28-29	AA+	100	4,986,500
11-22-24	11-22-24	cpus	89119au22	89119AU22	10,000,000	Toronto Dominion Bank 4.400% Due 07-02-25	A1	97	9,728,667
11-22-24	11-22-24	cpus	63873ju81	63873JU81	10,000,000	Natixis NY 4.470% Due 07-08-25	A1	97	9,716,900
									34,432,067
SALES									
11-01-24	11-01-24	cbus	78015k7c2	78015K7C2	5,000,000	Royal Bank of Canada 2.250% Due 11-01-24	A	100	5,000,000
11-01-24	11-01-24	mbus	605581mz7	605581MZ7	1,150,000.00	Mississippi St 0.565% Due 11-01-24	AA	100	1,150,000
11-07-24	11-07-24	fmus	3135gae7	3135GAEE7	5,000,000	Fannie Mae 5.060% Due 02-07-25	AA+	100	5,000,000
11-08-24	11-08-24	fhus	3134h1re5	3134H1RE5	5,000,000	Freddie Mac 5.375% Due 02-08-27	AA+	100	5,000,000
11-12-24	11-12-24	cpus	8010m2lc4	8010M2LC4	10,000,000	Sanofi 5.270% Due 11-12-24	A1+	97	9,711,614
11-13-24	11-13-24	cpus	47816fld1	47816FLD1	8,000,000	Johnson & Johnson 5.180% Due 11-13-24	A1+	97	7,780,138
11-15-24	11-15-24	fhus	3134h1jv6	3134H1JV6	5,000,000	Freddie Mac 5.875% Due 11-15-28	AA+	100	5,000,000
11-16-24	11-18-24	fhus	3134gysa1	3134GYSA1	5,000,000	Freddie Mac 5.200% Due 05-16-25	AA+	100	5,000,000
11-21-24	11-21-24	fhus	3134h1tg8	3134H1TG8	5,000,000	Freddie Mac 5.500% Due 02-21-29	AA+	100	5,000,000
11-22-24	11-22-24	cpus	4497w0ln6	4497W0LN6	10,000,000	Ing (US) Funding LLC 5.290% Due 11-22-24	A1	97	9,685,539
11-25-24	11-25-24	cdus	90348j3m0	90348J3M0	5,000,000	US Bank CD 3.000% Due 11-25-24	AA-	100	5,000,000
11-25-24	11-25-24	cpus	62479llr4	62479LLR4	5,000,000	MUFG Union Bank 5.310% Due 11-25-24	A1	97	4,841,437
11-25-24	11-25-24	fhus	3134gxdz4	3134GXDZ4	5,000,000	Freddie Mac 0.450% Due 11-25-24	AA+	100	5,000,000
11-26-24	11-26-24	cpus	22533tls3	22533TLS3	8,000,000	Credit Agricole Corp 5.290% Due 11-26-24	A1	97	7,764,889
11-26-24	11-26-24	cpus	53948als8	53948ALS8	10,000,000	LLoyds Bank Plc 5.320% Due 11-26-24	A1	97	9,682,278

City of Sacramento
PURCHASE AND SALE
City Investment Pool A
From 11-01-24 To 11-30-24

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
11-29-24	11-29-24	tlus	912797hp5	912797HP5	9,000,000	U. S. Treasury Bill 4.665% Due 11-29-24	AA+	96	8,653,624
									99,269,518

SHRA

Investment Pool D

SHRA INVESTMENT POOL D

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

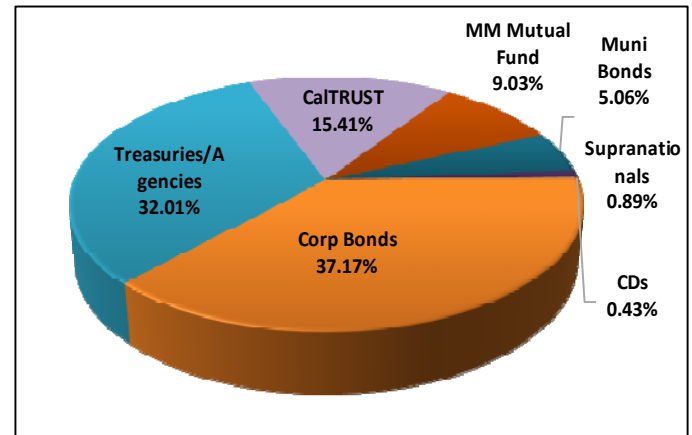
PORTFOLIO STATISTICS

Beginning Market Value	120,461,452
Month's Yield or RoR	2.63%
Weighted Average Maturity (Yrs)	1.27
Weighted Average Duration (Yrs)	1.21
Ending Book Value	113,596,492
Ending Market Value	110,906,915
Percent of Market to Book Value	97.63%
Month's Investment Earnings	247,509
Calendar YTD Investment Earnings	3,840,072

External Third-Party Investment Manager

CalTRUST	17,044,750
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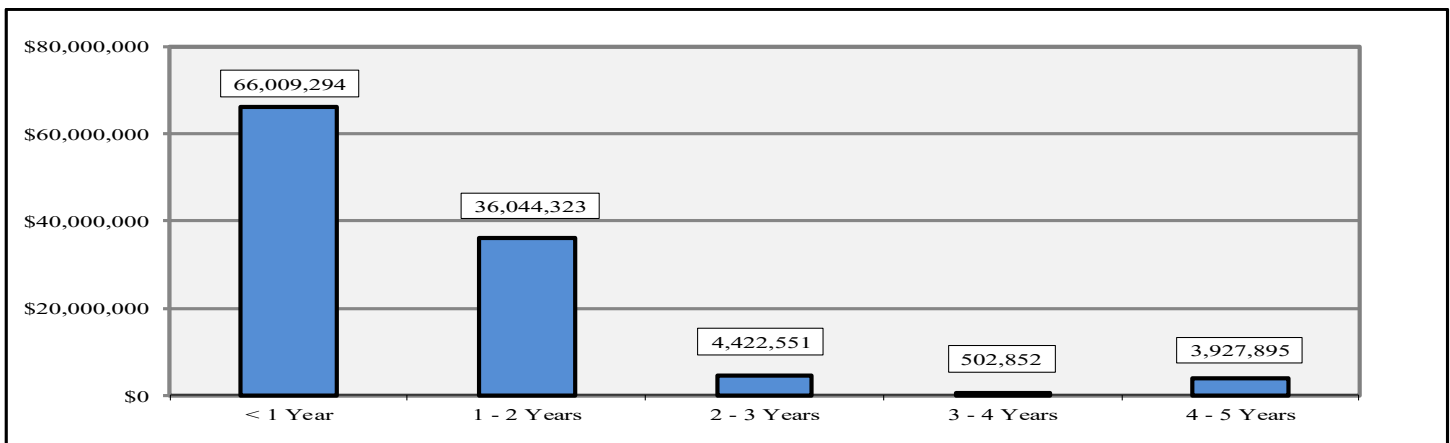
PORTFOLIO COMPOSITION



MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	66,009,294	59.52%
1 - 2 Years	36,044,323	32.50%
2 - 3 Years	4,422,551	3.99%
3 - 4 Years	502,852	0.45%
4 - 5 Years	3,927,895	3.54%
Total	110,906,915	100.00%

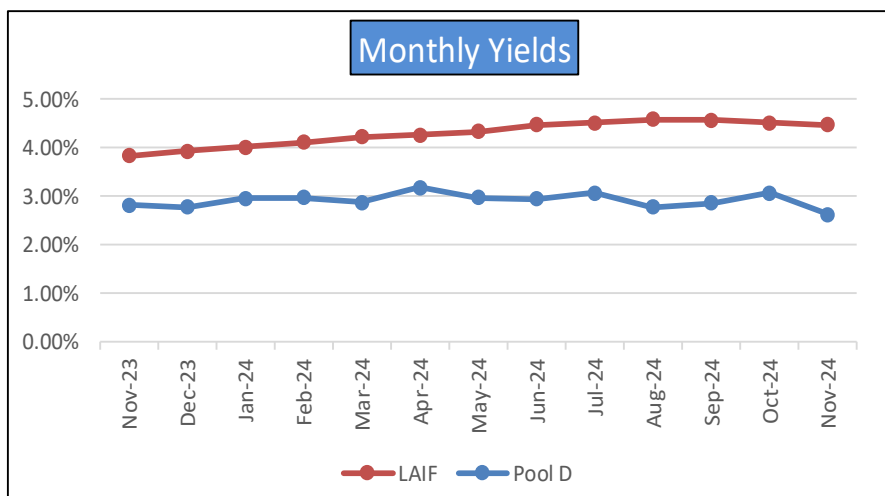
Asset Type	Pct. Assets	YTM
Corp Bonds	37.17%	1.66%
Treasuries/Agencies	32.01%	1.55%
CalTRUST	15.41%	4.58%
MM Mutual Fund	9.03%	4.31%
Muni Bonds	5.06%	2.37%
Supranationals	0.89%	2.60%
CDs	0.43%	0.75%



INTEREST RATE ENVIRONMENT

The biggest news in November was the re-election of Donald Trump, linking him with Grover Cleveland as the only presidents to serve non-consecutive terms. Trump has stated repeatedly that his first domestic economic priority would be to make permanent the tax cuts of 2017. Republicans have control of the Senate and a very narrow majority in the House of Representatives, so there is a good chance they will be able to pass a great deal of their desired policies. CPI came in at 2.7% year over year, which is higher than expected and continues a trend of inflation moving in the wrong direction. PPI, which measures inflation from the production perspective, also went up at a rate higher than expected. The labor market slowed, as only 12,000 jobs were added in November, while August and September numbers were revised downward by 112,000. Rising inflation and a slowing labor market don't typically go together, so the next few quarters will be a challenge for The Fed. They cut the Federal Funds Rate by 0.25% in November and essentially committed to a rate cut in December, but the data cited above could push additional rate cuts further into the future than anticipated. Public perception regarding the economy improved following the election. The University of Michigan Consumer Sentiment Survey improved to 71.8, with those surveyed expressing optimism as to the future state of the economy. The November rate cut had been priced into markets for a long time, so short-term yields on Treasuries moved very little, beginning the month at 4.54% and ending it at 4.49%. The 5-Year Treasury yield also held steady, beginning the month at 4.16%, briefly rising above 4.30% mid-month, then closing the month at 4.05%. The investment team will pay close attention to both the actions and messaging of the Fed, while also monitoring market reactions to the recent election, along with current global events. Investment decisions will be focused on maintaining a portfolio built with high level names that will be stable no matter what domestic and global markets do over the next couple of years. As usual, extra emphasis will be placed on investing only in the companies that have the infrastructure and leadership to navigate through even the most unstable economic environments. When the opportunity arises, value will be added by targeting high quality investments that also provide attractive yields.

Monthly Yields		
Month	Pool D	LAIF
Nov-23	2.82%	3.84%
Dec-23	2.78%	3.93%
Jan-24	2.96%	4.01%
Feb-24	2.97%	4.12%
Mar-24	2.88%	4.23%
Apr-24	3.18%	4.27%
May-24	2.97%	4.33%
Jun-24	2.94%	4.48%
Jul-24	3.07%	4.52%
Aug-24	2.78%	4.58%
Sep-24	2.87%	4.58%
Oct-24	3.07%	4.52%
Nov-24	2.63%	4.48%
CYTD	2.95%	4.37%



City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
CASH AND EQUIVALENTS															
	caltrust-lf	Caltrust Liquidity Fund		1,465,011		1,465,011		1,465,011	1.32	4.830	70,760	4.83			
	caltrust-st	Caltrust Short-Term		15,579,739		15,579,739		15,579,739	14.09	4.560	710,436	4.56			
	fidfund	Fidelity Fund		9,950,527		9,950,527		9,950,527	9.00	4.310	428,868	4.31			
	miscintrec	Misc Interest Receivable		30,079		30,079		30,079	0.03	4.310	1,296	4.31			
	nattsy	Nations Treasury Fund		0		0		0	0.00	0.000	0	0.00			
				27,025,356		27,025,356		27,025,356	24.44		1,211,360	4.48			
CERTIFICATES OF DEPOSIT															
500,000	05600xcf5	BMO Harris Bank 0.750% Due 02-26-26	100.00	500,000	95.73	478,675	997	479,671	0.43	0.750	3,750	0.75			02-26-25
FEDERAL HOME LOAN BANK															
1,000,000	3130ajtff6	Federal Home Loan Bank 0.740% Due 07-14-25	100.00	1,000,000	97.74	977,443	2,816	980,259	0.88	0.740	7,400	0.74	AA+		12-07-24
500,000	3130asm97	Federal Home Loan Bank 4.000% Due 07-24-25	100.00	500,000	99.66	498,320	7,056	505,375	0.45	4.000	20,000	4.00	AA+		12-24-24
1,000,000	3130akjw7	Federal Home Loan Bank 0.600% Due 12-15-25	100.00	1,000,000	96.23	962,277	2,767	965,044	0.87	0.600	6,000	0.60	AA+		12-07-24
1,000,000	3130akq74	Federal Home Loan Bank 0.625% Due 01-22-26	100.00	1,000,000	95.85	958,546	2,240	960,786	0.87	0.625	6,250	0.62	AA+		01-22-25
500,000	3130algs7	Federal Home Loan Bank 0.850% Due 03-10-26	100.00	500,000	95.65	478,248	956	479,204	0.43	0.850	4,250	0.85	AA+		12-10-24
500,000	3130almv3	Federal Home Loan Bank 1.000% Due 03-30-26	100.00	500,000	95.65	478,264	847	479,111	0.43	1.000	5,000	1.00	AA+		12-30-24
500,000	3130alxp4	Federal Home Loan Bank 1.200% Due 04-28-26	100.00	500,000	95.67	478,339	550	478,889	0.43	1.200	6,000	1.20	AA+		01-28-25
500,000	3130am2f8	Federal Home Loan Bank 1.125% Due 04-29-26	100.00	500,000	95.56	477,787	500	478,287	0.43	1.125	5,625	1.12	AA+		01-29-25
500,000	3130amcl4	Federal Home Loan Bank 1.020% Due 05-19-26	100.00	500,000	95.41	477,046	170	477,216	0.43	1.020	5,100	1.02	AA+		02-19-25
1,000,000	3130anynd4	Federal Home Loan Bank 1.000% Due 09-30-26	100.00	1,000,000	94.23	942,270	1,694	943,965	0.85	1.000	10,000	1.00	AA+		12-30-24
500,000	3130ash44	Federal Home Loan Bank 4.700% Due 06-30-27	100.00	500,000	99.98	499,896	9,857	509,753	0.45	4.700	23,500	4.70	AA+		12-30-24
500,000	3130b3bn2	Federal Home Loan Bank 4.250% Due 10-05-29	100.00	500,000	99.98	499,888	2,715	502,603	0.45	4.250	21,250	4.25	AA+		10-05-26
				8,000,000		7,728,324	32,168	7,760,492	6.99		120,375	1.53			
FEDERAL NATIONAL MORTGAGE ASSN. (FNMA)															
500,000	3136g4g23	Fannie Mae 0.600% Due 07-29-25	100.00	500,000	97.41	487,046	1,017	488,062	0.44	0.600	3,000	0.60	AA+		01-29-25
1,000,000	3136g4c76	Fannie Mae 0.700% Due 08-12-25	100.00	1,000,000	97.44	974,420	2,119	976,539	0.88	0.700	7,000	0.70	AA+		02-12-25
1,000,000	3136g4c43	Fannie Mae 0.650% Due 08-14-25	100.00	1,000,000	97.29	972,859	1,932	974,791	0.88	0.650	6,500	0.65	AA+		02-14-25
1,000,000	3136g4x40	Fannie Mae 0.600% Due 08-26-25	99.96	999,600	97.34	973,415	1,583	974,998	0.88	0.600	6,000	0.61	AA+		02-26-25
500,000	3136g43q4	Fannie Mae 0.600% Due 09-16-25	100.00	500,000	97.01	485,064	625	485,689	0.44	0.600	3,000	0.60	AA+		12-16-24
500,000	3136g45h2	Fannie Mae 0.500% Due 10-29-25	99.90	499,500	96.57	482,866	222	483,088	0.44	0.500	2,500	0.52	AA+		
1,000,000	3135g06n8	Fannie Mae 0.650% Due 12-17-25	100.00	1,000,000	96.27	962,654	2,961	965,615	0.87	0.650	6,500	0.65	AA+		12-17-24
500,000	3135gavu2	Fannie Mae 4.000% Due 10-07-27	99.63	498,150	99.25	496,229	3,000	499,229	0.45	4.000	20,000	4.13	AA+		04-07-25

City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
500,000	3135gax55	Fannie Mae 4.250% Due 10-22-29	99.99	499,950	99.85	499,226	2,302	501,528	0.45	4.250	21,250	4.25	AA+		10-22-26
				6,497,200		6,333,777	15,762	6,349,539	5.73		75,750	1.19			
FEDERAL HOME LOAN MORTGAGE CORP. (FHLMC)															
500,000	3134gxrs5	Freddie Mac 3.100% Due 04-29-25	100.00	500,000	99.47	497,360	1,378	498,738	0.45	3.100	15,500	3.10	AA+		01-29-25
500,000	3134gvb31	Freddie Mac 0.750% Due 05-28-25	99.76	498,790	98.14	490,689	31	490,720	0.44	0.750	3,750	0.80	AA+		02-28-25
1,000,000	3134gvz68	Freddie Mac 0.700% Due 06-23-25	99.95	999,500	97.95	979,467	3,072	982,539	0.89	0.700	7,000	0.71	AA+		12-23-24
500,000	3134gwkr6	Freddie Mac 0.625% Due 08-12-25	100.00	500,000	97.41	487,031	946	487,977	0.44	0.625	3,125	0.62	AA+		02-12-25
1,000,000	3134gwh82	Freddie Mac 0.625% Due 09-08-25	100.00	1,000,000	97.14	971,425	1,441	972,865	0.88	0.625	6,250	0.62	AA+		12-08-24
1,000,000	3134gwa55	Freddie Mac 0.650% Due 09-09-25	100.00	1,000,000	97.13	971,336	1,481	972,816	0.88	0.650	6,500	0.65	AA+		12-09-24
500,000	3134gwwt9	Freddie Mac 0.550% Due 09-30-25	100.00	500,000	96.82	484,080	466	484,546	0.44	0.550	2,750	0.55	AA+		12-30-24
1,000,000	3134gxfv1	Freddie Mac 0.625% Due 12-17-25	100.00	1,000,000	96.24	962,402	2,847	965,249	0.87	0.625	6,250	0.62	AA+		12-17-24
500,000	3134haqr7	Freddie Mac 4.650% Due 10-09-29	100.00	500,000	99.56	497,791	3,358	501,149	0.45	4.650	23,250	4.65	AA+		04-09-25
				6,498,290		6,341,579	15,020	6,356,600	5.74		74,375	1.16			
FEDERAL AGRICULTURAL MORTGAGE CORP.															
Not Classified															
500,000	31422xbn1	Farmer Mac 0.690% Due 02-25-26	100.00	500,000	95.69	478,429	920	479,349	0.43	0.690	3,450	0.69			02-25-25
500,000	31424wqb1	Farmer Mac 4.450% Due 10-15-29	100.00	500,000	99.35	496,726	2,843	499,569	0.45	4.450	22,250	4.45			10-15-26
				1,000,000		975,156	3,763	978,919	0.88		25,700	2.61			
				1,000,000		975,156	3,763	978,919	0.88		25,700	2.61			
FEDERAL FARM CREDIT BANK - FRMMT															
Not Classified															
1,000,000	3133el2s2	Federal Farm Credit Bank 0.670% Due 08-04-25	100.00	1,000,000	97.46	974,612	2,177	976,789	0.88	0.670	6,700	0.67	AA+		12-07-24
1,000,000	3133el4w1	Federal Farm Credit Bank 0.610% Due 08-25-25	99.92	999,250	97.30	973,018	1,627	974,645	0.88	0.610	6,100	0.63	AA+		12-07-24
500,000	3133embh4	Federal Farm Credit Bank 0.530% Due 09-29-25	100.00	500,000	96.91	484,573	456	485,030	0.44	0.530	2,650	0.53	AA+		12-07-24
500,000	3133enuz1	Federal Farm Credit Bank 3.090% Due 10-20-25	100.00	500,000	98.77	493,830	1,760	495,589	0.45	3.090	15,450	3.09	AA+		12-07-24
500,000	3133emfr8	Federal Farm Credit Bank 0.540% Due 11-03-25	99.94	499,700	96.43	482,172	210	482,382	0.44	0.540	2,700	0.55	AA+		12-07-24
500,000	3133emqx3	Federal Farm Credit Bank 0.590% Due 02-17-26	100.00	500,000	95.62	478,120	852	478,973	0.43	0.590	2,950	0.59	AA+		12-07-24
500,000	3133emsu7	Federal Farm Credit Bank 0.800% Due 03-09-26	100.00	500,000	95.70	478,486	911	479,397	0.43	0.800	4,000	0.80	AA+		12-07-24
500,000	3133emuk6	Federal Farm Credit Bank 1.050% Due 03-25-26	100.00	500,000	95.87	479,335	962	480,298	0.43	1.050	5,250	1.05	AA+		12-07-24
500,000	3133emh21	Federal Farm Credit Bank 0.900% Due 06-15-26	100.00	500,000	94.95	474,748	2,075	476,823	0.43	0.900	4,500	0.90	AA+		12-07-24

City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
1,000,000	3133emq62	Federal Farm Credit Bank 0.990% Due 07-13-26	100.00	1,000,000	94.80	948,038	3,795	951,833	0.86	0.990	9,900	0.99	AA+		12-07-24
1,000,000	3133em4s8	Federal Farm Credit Bank 0.870% Due 09-08-26	99.82	998,250	94.02	940,188	2,006	942,193	0.85	0.870	8,700	0.91	AA+		12-07-24
1,000,000	3133em6e7	Federal Farm Credit Bank 0.940% Due 09-28-26	100.00	1,000,000	94.16	941,578	1,645	943,223	0.85	0.940	9,400	0.94	AA+		12-07-24
1,000,000	3133endc1	Federal Farm Credit Bank 1.330% Due 11-03-26	100.00	1,000,000	94.60	945,987	1,034	947,021	0.86	1.330	13,300	1.33	AA+		12-07-24
500,000	3133envv9	Federal Farm Credit Bank 3.630% Due 05-03-27	100.00	500,000	98.66	493,295	1,412	494,707	0.45	3.630	18,150	3.63	AA+		12-07-24
1,000,000	3133ermh1	Federal Farm Credit Bank 5.000% Due 07-29-27	100.00	1,000,000	100.05	1,000,544	16,944	1,017,488	0.90	5.000	50,000	5.00	AA+		07-29-25
500,000	3133erty7	Federal Farm Credit Bank 4.320% Due 09-19-28	100.00	500,000	99.71	498,532	4,320	502,852	0.45	4.320	21,600	4.32	AA+		09-19-25
1,000,000	3133erfl0	Federal Farm Credit Bank 5.520% Due 05-29-29	99.78	997,800	100.50	1,005,046	307	1,005,353	0.91	5.520	55,200	5.57	AA+		05-29-25

City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
1,000,000	74460waa5	Public Storage 0.875% Due 02-15-26	97.97	979,670	95.76	957,641	2,576	960,218	0.87	0.875	8,750	1.38	A		01-15-26
				2,740,809		2,720,214	20,622	2,740,836	2.46		54,840	3.04			
CONSUMER STAPLES															
321,000	427866bf4	Hershey Co 0.900% Due 06-01-25	100.52	322,676	98.16	315,089	1,444	316,534	0.28	0.900	2,889	0.79	A		05-01-25
1,000,000	37331nan1	Georgia Pacific Corp 0.950% Due 05-15-26	96.87	968,710	94.82	948,179	422	948,602	0.86	0.950	9,500	1.68	A+		04-15-26
				1,291,386		1,263,269	1,867	1,265,135	1.14		12,389	1.46			
ENERGY															
187,000	637432ng6	National Rural Utils Coop Fin 3.250% Due 11-01-25	99.15	185,414	98.80	184,755	506	185,261	0.17	3.250	6,077	3.51	A-		08-01-25
500,000	291011bp8	Emerson Elec Co 0.875% Due 10-15-26	96.04	480,220	93.86	469,282	559	469,841	0.42	0.875	4,375	1.74	A		09-15-26
				665,634		654,037	1,065	655,102	0.59		10,452	2.24			
FINANCIAL															
1,000,000	21688aav4	Cooperatieve Rabobank UA/NY 5.000% Due 01-13-25	99.82	998,180	100.02	1,000,178	19,167	1,019,345	0.90	5.000	50,000	5.30	A+		
1,000,000	06747pkv0	Barclays Bank Plc 3.250% Due 04-08-25	100.00	1,000,000	99.21	992,148	4,785	996,933	0.90	3.250	32,500	3.25	A+		
1,000,000	06406ran7	Bank New York Mellon Corp 1.600% Due 04-24-25	102.41	1,024,130	98.80	988,040	1,644	989,685	0.89	1.600	16,000	1.10	A		03-24-25
1,500,000	78015k7h1	Royal Bank of Canada 1.150% Due 06-10-25	100.47	1,507,005	98.23	1,473,447	8,194	1,481,640	1.33	1.150	17,250	1.05	A		
2,000,000	064159v17	Bank Nova Scotia B C 1.300% Due 06-11-25	101.63	2,032,640	98.20	1,964,004	12,278	1,976,282	1.78	1.300	26,000	0.96	A-		
500,000	17330pfq7	Citigroup Global Markets 4.700% Due 07-21-25	100.00	500,000	99.10	495,509	8,486	503,995	0.45	4.700	23,500	4.70	A		01-21-25
1,000,000	48128gv56	JP Morgan Chase & Co 0.800% Due 08-18-25	100.00	1,000,000	96.59	965,907	2,289	968,196	0.87	0.800	8,000	0.80	A		
5,000,000	90276bhq9	UBS Ag London 0.700% Due 09-30-25	100.00	5,000,000	95.72	4,785,985	5,931	4,791,916	4.33	0.700	35,000	0.70	A+		12-30-24
500,000	14913r2h9	Caterpillar Financial Services Corp 0.800% Due 11-13-25	100.27	501,370	96.59	482,932	200	483,132	0.44	0.800	4,000	0.74	A		
500,000	637639ae5	National Secs Clearing Corp 0.750% Due 12-07-25	100.34	501,682	96.26	481,300	1,812	483,113	0.44	0.750	3,750	0.68	AA+		11-07-25
500,000	48128gy53	JP Morgan Chase & Co 0.825% Due 12-22-25	100.00	500,000	95.44	477,221	1,822	479,043	0.43	0.825	4,125	0.82	A		12-22-24
1,000,000	064159f84	Bank Nova Scotia B C 0.800% Due 12-30-25	100.00	1,000,000	95.70	957,042	1,356	958,397	0.87	0.800	8,000	0.80	A-		12-30-24
500,000	78016ezm2	Royal Bank of Canada 0.875% Due 01-20-26	100.00	500,000	96.00	480,022	1,592	481,615	0.43	0.875	4,375	0.87	A		
500,000	06749nfm9	Barclays Bank Plc 5.550% Due 01-23-26	100.00	500,000	99.40	496,997	9,867	506,863	0.45	5.550	27,750	5.55	A+		01-23-25
2,000,000	06048wk90	Bank of America Corporation 0.750% Due 01-29-26	100.00	2,000,000	94.92	1,898,462	5,083	1,903,545	1.72	0.750	15,000	0.75	A-		01-29-25
500,000	48128g2y5	JP Morgan Chase & Co 1.000% Due 02-26-26	100.00	500,000	94.78	473,917	1,319	475,237	0.43	1.000	5,000	1.00	A		02-26-25
1,000,000	0641593u8	Bank Nova Scotia B C 1.050% Due 03-02-26	99.40	994,000	95.76	957,572	2,596	960,168	0.87	1.050	10,500	1.18	A-		
1,000,000	14913r2k2	Caterpillar Financial Services Corp 0.900% Due 03-02-26	99.00	990,000	95.83	958,261	2,225	960,486	0.87	0.900	9,000	1.11	A		

City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
1,000,000	78016eqz3	Royal Bank of Canada 1.200% Due 04-27-26	100.56	1,005,600	95.52	955,226	1,133	956,360	0.86	1.200	12,000	1.08	A		
500,000	48128g3g3	JP Morgan Chase & Co 1.200% Due 04-30-26	100.00	500,000	94.64	473,210	517	473,727	0.43	1.200	6,000	1.20	A		04-30-25
500,000	40139lbd4	Guardian Life Global Funding 1.250% Due 05-13-26	99.98	499,905	95.37	476,857	312	477,170	0.43	1.250	6,250	1.25	AA+		
500,000	06048w199	Bank of America Corporation 1.400% Due 05-14-26	100.00	500,000	94.94	474,713	331	475,044	0.43	1.400	7,000	1.40	A-		05-14-25
1,000,000	06048wm31	Bank of America Corporation 1.250% Due 05-28-26	100.00	1,000,000	94.76	947,624	104	947,728	0.86	1.250	12,500	1.25	A-		05-28-25
2,000,000	89114tzd7	Toronto Dominion Bank 1.200% Due 06-03-26	100.17	2,003,370	95.04	1,900,892	11,867	1,912,758	1.72	1.200	24,000	1.17	A-		
1,000,000	78016ezt7	Royal Bank of Canada 1.150% Due 07-14-26	99.97	999,710	94.87	948,669	4,376	953,046	0.86	1.150	11,500	1.16	A		
1,000,000	0641598k5	Bank Nova Scotia B C 1.300% Due 09-15-26	97.99	979,930	94.47	944,736	2,744	947,480	0.85	1.300	13,000	1.75	A-		06-15-26
1,000,000	06368gc54	Bank Of Montreal 2.000% Due 12-22-26	100.00	1,000,000	93.56	935,628	8,833	944,461	0.85	2.000	20,000	2.00	A-		12-22-24
500,000	59217ger6	Metropolitan Life Global Fdg I 1.875% Due 01-11-27	98.68	493,400	94.60	472,987	3,646	476,633	0.43	1.875	9,375	2.16	AA-		

City of Sacramento
PORTFOLIO APPRAISAL
SHRA Investment Pool D
November 30, 2024

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Bond Status	Call Put Date
1,000,000	3130anxc9	Federal Home Loan Bank 1.000% Due 09-29-26	100.00	1,000,000	95.79	957,925	1,722	959,648	0.87	1.000	10,000	1.14	AA+		12-29-24
1,000,000	459058kb8	International Bk Recon & Develop 2.250% Due 11-06-26	99.95	999,490	95.46	954,563	1,562	956,125	0.86	2.250	22,500	1.63	AAA		
500,000	46647pbw5	JP Morgan Chase Bank Na 1.040% Due 02-04-27	95.40	476,980	95.72	478,589	1,690	480,279	0.43	1.040	5,200	1.94	A		02-04-26
				<u>4,476,220</u>		<u>4,307,923</u>	<u>6,858</u>	<u>4,314,781</u>	<u>3.90</u>		<u>58,325</u>	<u>1.23</u>			
				4,476,220		4,307,923	6,858	4,314,781	3.90		58,325	1.23			
TOTAL PORTFOLIO				113,261,765		110,572,188	334,727	110,906,915	100.00		2,555,769	2.36			

City of Sacramento
PURCHASE AND SALE
SHRA Investment Pool D
From 11-01-24 To 11-30-24

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
SALES									
11-01-24	11-01-24	mbus	13077dmk5	13077DMK5	750,000.00	California St Univ Rev 0.685% Due 11-01-24	AA-	100	750,000
11-08-24	11-08-24	fhus	3134h1re5	3134H1RE5	1,000,000	Freddie Mac 5.375% Due 02-08-27	AA+	100	1,000,000
11-15-24	11-15-24	fhus	3134h1jv6	3134H1JV6	1,000,000	Freddie Mac 5.875% Due 11-15-28	AA+	100	1,000,000
11-21-24	11-21-24	fhus	3134h1tg8	3134H1TG8	1,000,000	Freddie Mac 5.500% Due 02-21-29	AA+	100	1,000,000
									3,750,000

American River Flood Control District

AMERICAN RIVER FLOOD CONTROL DISTRICT

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The ARFCD funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

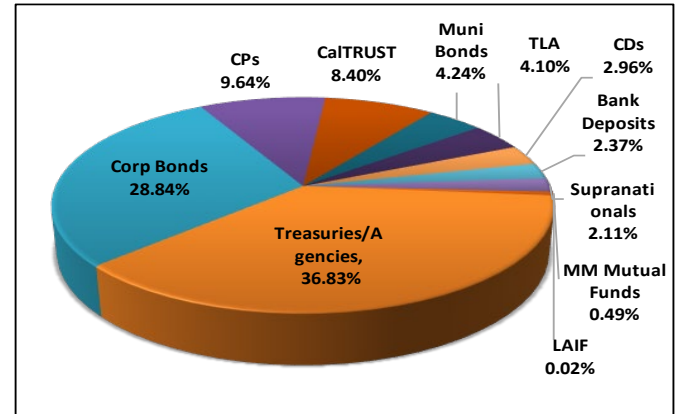
PORTFOLIO STATISTICS

Beginning Balance	9,557,406
Contributions	0
Withdrawals	0
Interest Earned	22,286
Ending Balance	9,579,692

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

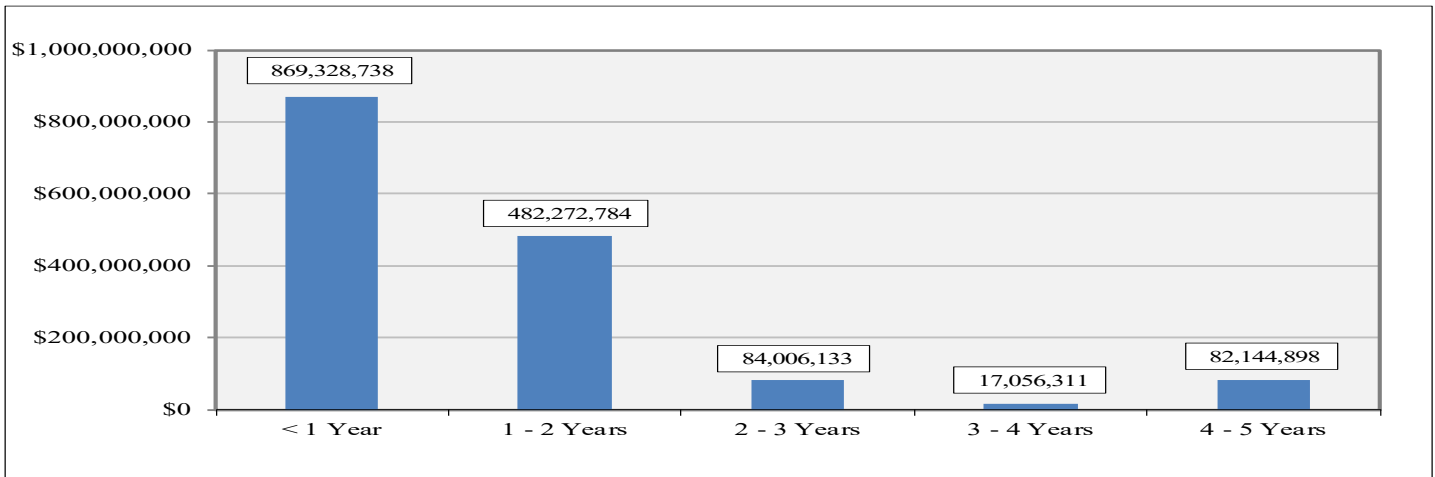
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
American River Flood Control District
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Interest Receivable						
11-01-24				Beginning Balance		95,333.75
11-30-24	11-30-24	in		Pool A Cash	22,286.45	117,620.20
				Nov 2024 estimated Pool A interest		
					<u>22,286.45</u>	
11-30-24				Ending Balance		117,620.20
Pool A Cash						
11-01-24				Beginning Balance		9,462,071.88
11-30-24				Ending Balance		9,462,071.88

Capitol Area Development Authority

CAPITOL AREA DEVELOPMENT AUTHORITY

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The CADA funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

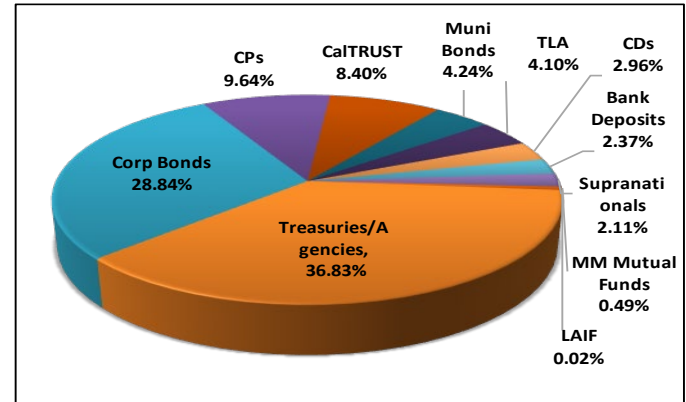
PORTFOLIO STATISTICS

Beginning Balance	21,133,500
Contributions	0
Withdrawals	(900,000)
Interest Earned	47,834
Ending Balance	20,281,334

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

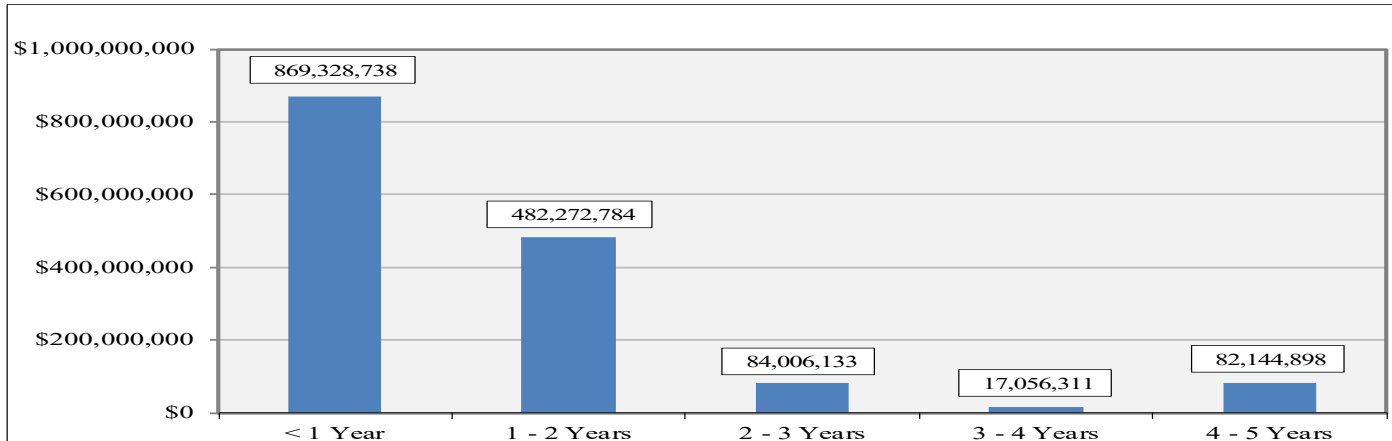
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
Capitol Area Development Authority - Banking
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Cash						
11-01-24				Beginning Balance		20,922,688.12
11-01-24	11-01-24	lo		Pool A Cash	-500,000.00	20,422,688.12
11-22-24	11-22-24	lo		Pool A Cash	-400,000.00	20,022,688.12
					-900,000.00	
11-30-24				Ending Balance		20,022,688.12
Pool A Interest Receivable						
11-01-24				Beginning Balance		210,812.25
11-30-24	11-30-24	in		Pool A Cash	47,834.43	258,646.68
				Nov 2024 estimated Pool A interest		
					47,834.43	
11-30-24				Ending Balance		258,646.68

CAPITOL AREA DEVELOPMENT AUTHORITY – TAX EXEMPT

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

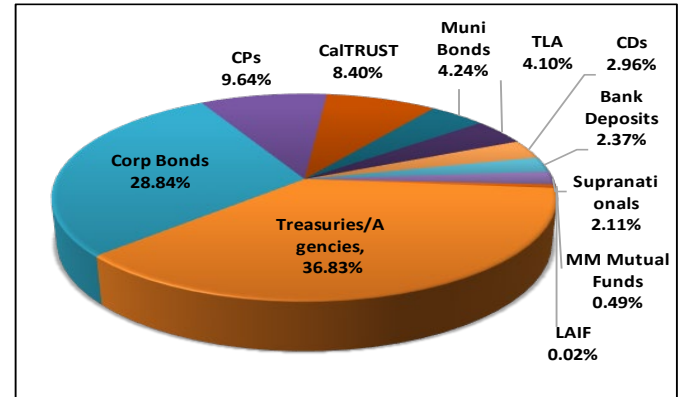
PORTFOLIO STATISTICS

Beginning Balance	41,853
Contributions	0
Withdrawals	0
Interest Earned	98
Ending Balance	41,951

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

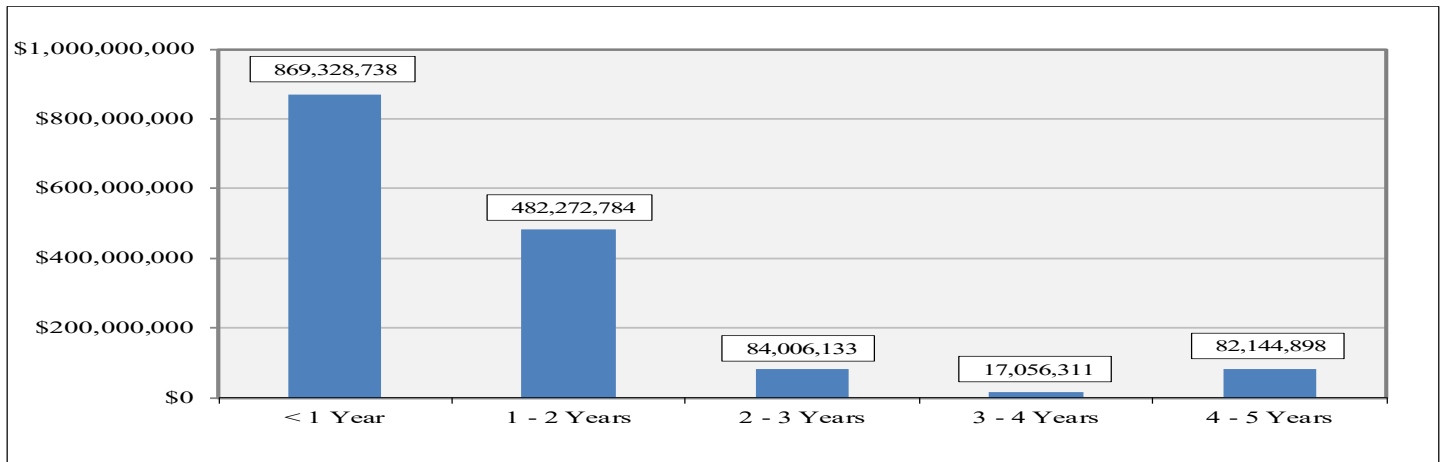
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
Capitol Area Development Authority - Tax Exempt
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Interest Receivable						
11-01-24				Beginning Balance		417.50
11-30-24	11-30-24	in		Pool A Cash	97.60	515.10
				Nov 2024 estimated Pool A interest		
					<u>97.60</u>	
11-30-24				Ending Balance		515.10
Pool A Cash						
11-01-24				Beginning Balance		41,435.70
11-30-24				Ending Balance		41,435.70

CAPITOL AREA DEVELOPMENT AUTHORITY – TAXABLE

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The CADA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

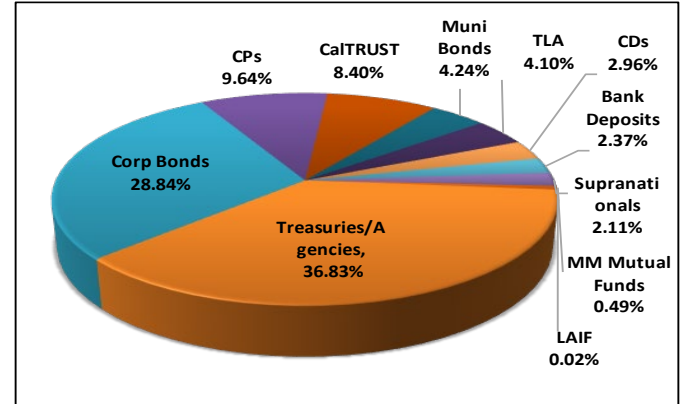
PORTFOLIO STATISTICS

Beginning Balance	285,322
Contributions	0
Withdrawals	0
Interest Earned	665
Ending Balance	285,987

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

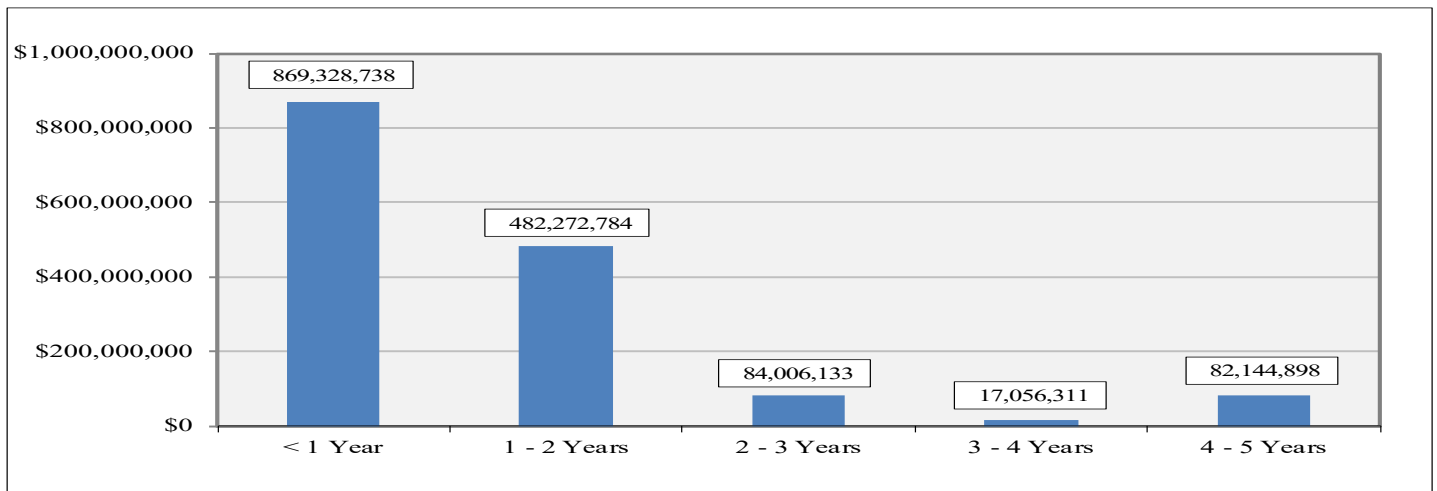
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
Capitol Area Development Authority - Taxable
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Interest Receivable						
11-01-24				Beginning Balance		2,846.16
11-30-24	11-30-24	in		Pool A Cash	665.33	3,511.49
				Nov 2024 estimated Pool A interest		
					<u>665.33</u>	
11-30-24				Ending Balance		3,511.49
Pool A Cash						
11-01-24				Beginning Balance		282,476.07
11-30-24				Ending Balance		282,476.07

CAPITOL AREA DEVELOPMENT AUTHORITY – 2020 TAXABLE BOND PROCEEDS

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The CADA funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

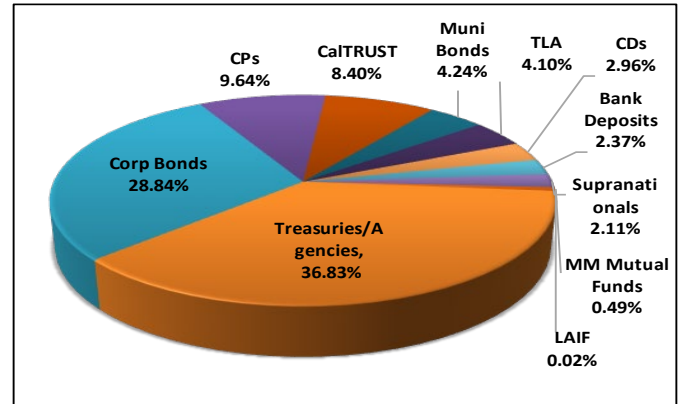
PORTFOLIO STATISTICS

Beginning Balance	30,821,777
Contributions	0
Withdrawals	0
Interest Earned	71,872
Ending Balance	30,893,649

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

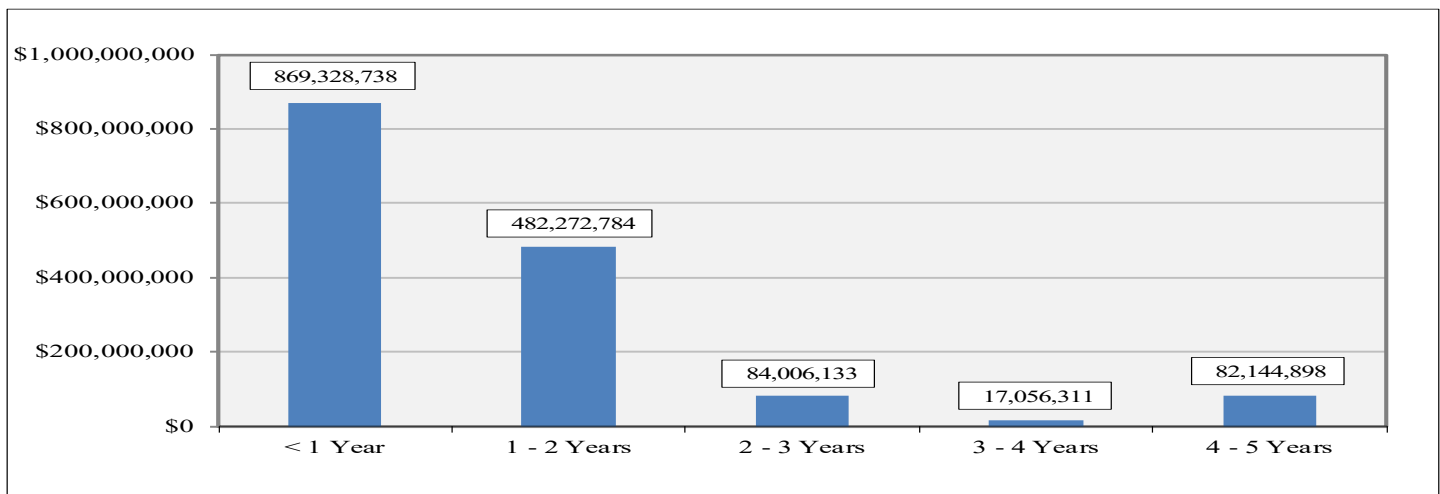
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
CADA 2020 Taxable Bond Proceeds
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Interest Receivable						
11-01-24				Beginning Balance		307,455.58
11-30-24	11-30-24	in		Pool A Cash	71,871.79	379,327.37
				Nov 2024 estimated Pool A interest		
					<u>71,871.79</u>	
11-30-24				Ending Balance		379,327.37
Pool A Cash						
11-01-24				Beginning Balance		30,514,321.20
11-30-24				Ending Balance		30,514,321.20

Reclamation District

No. 1000

RECLAMATION DISTRICT NO. 1000

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The RD funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

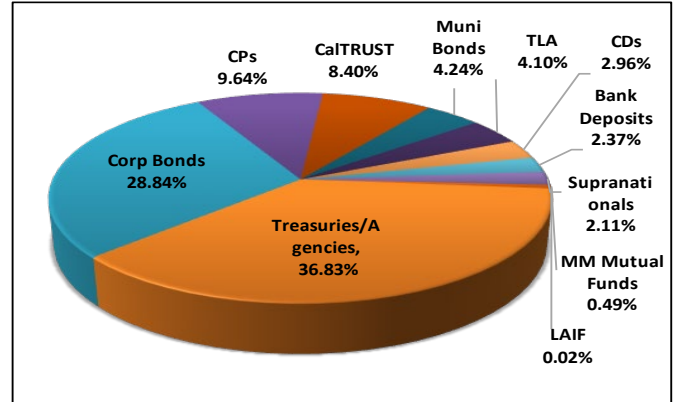
PORTFOLIO STATISTICS

Beginning Balance	305,872
Contributions	0
Withdrawals	0
Interest Earned	713
Ending Balance	306,585

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

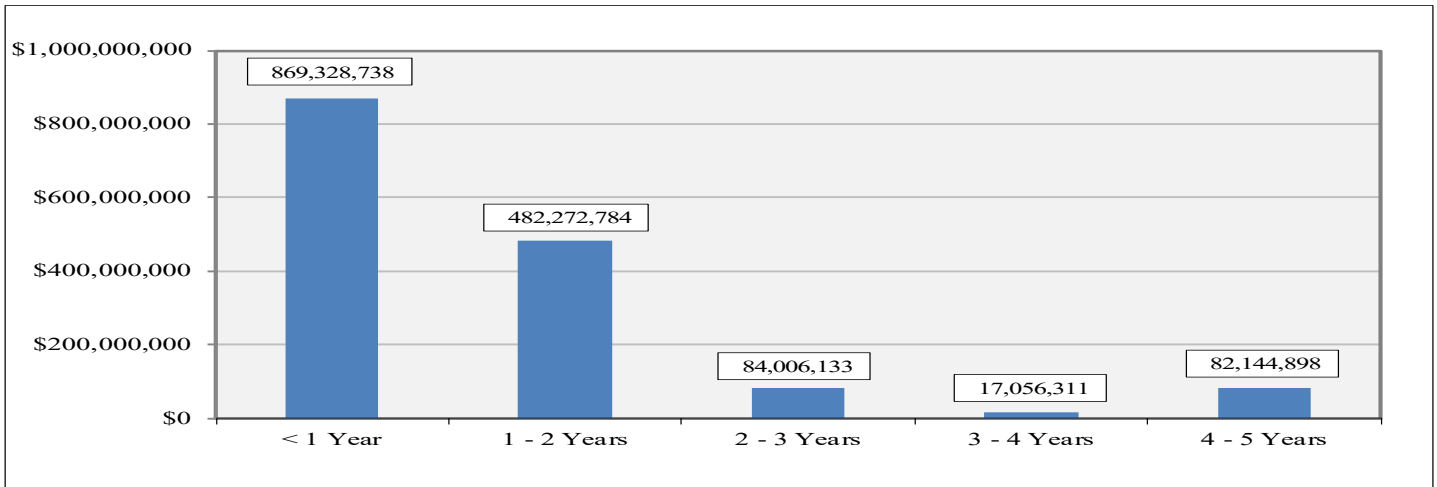
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
Reclamation District No. 1000
From 11-01-24 To 11-30-24

All Cash Accounts

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
Pool A Interest Receivable						
11-01-24				Beginning Balance		3,050.79
11-30-24	11-30-24	in		Pool A Cash	713.25	3,764.04
				Nov 2024 estimated Pool A interest		
					<u>713.25</u>	
11-30-24				Ending Balance		3,764.04
Pool A Cash						
11-01-24				Beginning Balance		302,821.35
11-30-24				Ending Balance		302,821.35

**Sacramento
Public Library
Authority**

SACRAMENTO PUBLIC LIBRARY AUTHORITY

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The SPLA funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

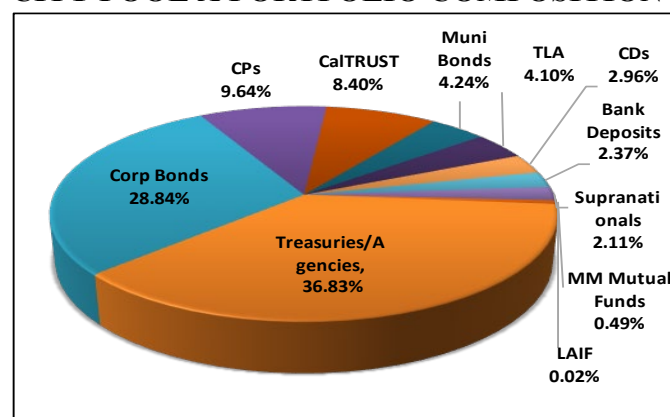
PORTFOLIO STATISTICS

Beginning Balance	47,682,096
Contributions	1,189,305
Withdrawals	(5,002,423)
Interest Earned	109,914
Ending Balance	43,978,892

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

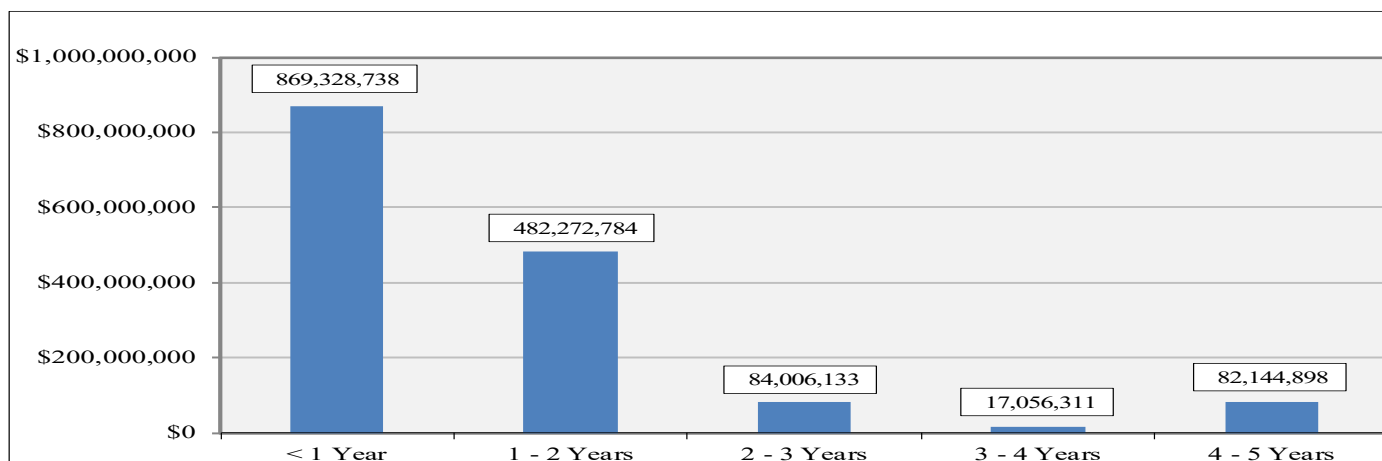
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
Sacramento Public Library Authority
From 11-01-24 To 11-30-24

All Cash Accounts

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
Pool A Cash						
11-01-24				Beginning Balance		47,136,066.31
11-01-24	11-01-24	li		Pool A Cash	1,189,305.08	48,325,371.39
				Nov 2024 Measure U Contribution to SPLA, per AJ#443215		
11-05-24	11-05-24	lo		Pool A Cash	-2,422.92	48,322,948.47
				SPLA low income rebates FY2024-25, processing year FY2022-23 AJ#443444		
11-08-24	11-08-24	lo		Pool A Cash	-2,000,000.00	46,322,948.47
11-29-24	11-29-24	lo		Pool A Cash	-3,000,000.00	43,322,948.47
					-3,813,117.84	
11-30-24				Ending Balance		43,322,948.47
Pool A Interest Receivable						
11-01-24				Beginning Balance		546,030.09
11-30-24	11-30-24	in		Pool A Cash	109,914.06	655,944.15
				Nov 2024 estimated Pool A interest		
					109,914.06	
11-30-24				Ending Balance		655,944.15

The Natomas Basin Conservancy

THE NATOMAS BASIN CONSERVANCY

MONTHLY REVIEW – NOVEMBER 2024

STRATEGY

The TNBC funds are invested in the City of Sacramento's Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City's investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City's investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

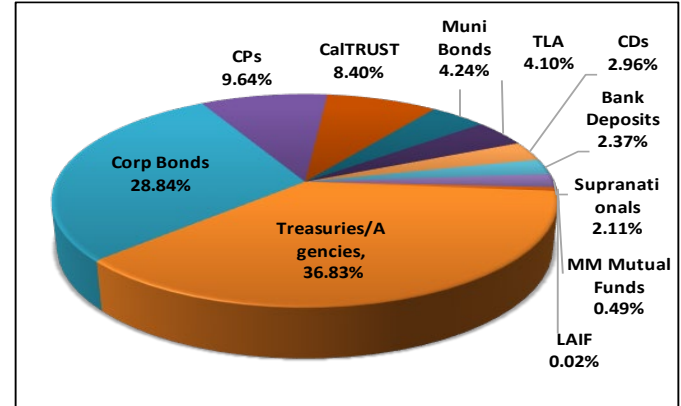
PORTFOLIO STATISTICS

Beginning Balance	1,396,862
Contributions	0
Withdrawals	0
Interest Earned	3,257
Ending Balance	1,400,119

PERFORMANCE COMPARISON

City Pool A	2.84%
LAIF	4.48%
90 Day T-Bill	4.52%
Federal Funds	4.81%

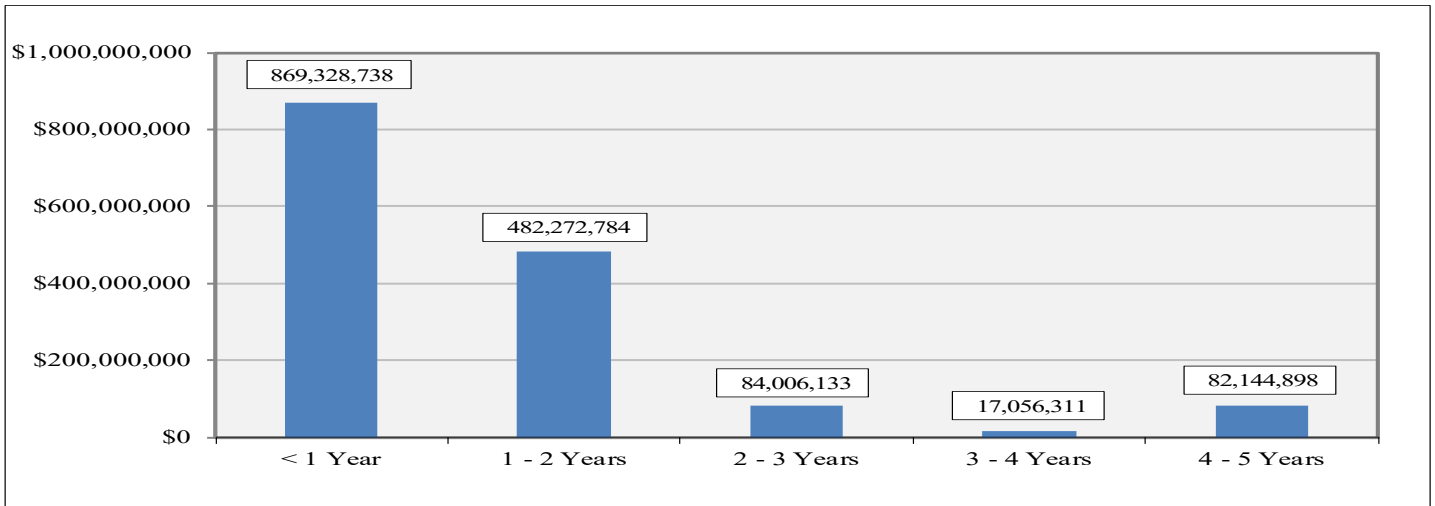
CITY POOL A PORTFOLIO COMPOSITION



CITY POOL A MATURITY SCHEDULE

Maturity	Market Value	Pct. Holdings
< 1 Year	869,328,738	56.65%
1 - 2 Years	482,272,784	31.42%
2 - 3 Years	84,006,133	5.47%
3 - 4 Years	17,056,311	1.11%
4 - 5 Years	82,144,898	5.35%
Total	1,534,808,864	100.00%

Asset Type	Pct. Assets	YTM
Treasuries/Agencies	36.83%	1.91%
Corp Bonds	28.84%	2.30%
CPs	9.64%	5.23%
CalTRUST	8.40%	4.47%
Muni Bonds	4.24%	2.10%
TLA	4.10%	5.01%
CDs	2.96%	2.23%
Bank Deposits	2.37%	4.54%
Supranationals	2.11%	2.70%
MM Mutual Funds	0.49%	4.27%
LAIF	0.02%	4.48%



City of Sacramento
CASH LEDGER
The Natomas Basin Conservancy
From 11-01-24 To 11-30-24

All Cash Accounts

<u>Trade Date</u>	<u>Settle Date</u>	<u>Tran Code</u>	<u>Quantity</u>	<u>Security</u>	<u>Amount</u>	<u>Cash Balance</u>
Pool A Interest Receivable						
11-01-24				Beginning Balance		15,847.70
11-30-24	11-30-24	in		Pool A Cash	3,257.27	19,104.97
				Nov 2024 estimated Pool A interest		
					<u>3,257.27</u>	
11-30-24				Ending Balance		19,104.97
Pool A Cash						
11-01-24				Beginning Balance		1,381,014.32
11-30-24				Ending Balance		1,381,014.32

GLOSSARY OF INVESTMENT TERMS

90-Day UST Bill Average is the average cost of money incurred by the U. S. Treasury in their weekly sales of 90-day U. S. Treasury Bills and is considered a measure of the trend of short-term interest rates.

Average Daily Funds Invested designates the average daily amount of monies invested by the City Treasurer's Office during the reporting period.

CalTRUST Investment Accounts invests in fixed income securities for local agency investment pursuant to California Government Code Sections 53601 and 53635. A Board of Trustees supervises and administers the investment programs of the JPA. Four pooled accounts are administered within the program. 1) The BLF FedFund invests at least 99.5% of its total assets in cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities, and repurchase agreements secured by such obligations or cash. 2) Short Term account has a duration of 0-2 years, 3) Medium Term account with a duration of 1.5-3.5 years and 4) Long Term account with a target duration of 5-7 years (the Trustees have elected to defer the opening of the Long-Term account until the interest rate environment is more favorable for longer term securities.)

Federal Funds Average is the average cost of Federal funds in the U. S. Banking System and is considered a measure of short-term Federal Reserve economic policy.

Five Star Bank Community Fund is a money market account that is tied directly to community investment. Within this fund, 50% of the amount invested by the city must be used to support local business development. Reports are prepared semi-annually to keep the city informed on where this money is being invested. Returns on this account are tied directly to the month end rates published by LAIF.

Investment Cost Recovery Fee is a charge by the City Treasurer's Office to various funds managed which is intended to recover the direct investment costs incurred by the City's General Fund in permitting the City Treasurer's Office to manage those investment funds.

Investment Earnings represent, on an accrual basis of accounting method, all interest earned and any realized gains and losses during the reporting period. Investment earnings are apportioned to the various City Pool A internal and external participants.

Local Agency Investment Fund (LAIF) is an optional investment pool managed by the State Treasurers for local governments and special districts in California to participate in. The enabling legislation for the LAIF is Section 16429.1 et seq. of the California Government Code. The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee.

Rate of Return (RoR) is the actual annualized rate of investment earnings on original cost, which takes into account the amortization of any premium or the accretion of any discount over a specified time period.

River City Bank Community Fund is a money market account that is tied directly to community investment. Within this fund, 50% of the amount invested by the city must be used to support local business development. Reports are prepared semi-annually to keep the city informed on where this money is being invested. Returns on this account are tied directly to the month end rates published by LAIF.

Safe Credit Union Community Fund is a money market account that is tied directly to community investment. Within this fund, 50% of the amount invested by the city must be used to support local business development. Reports are prepared semi-annually to keep the city informed on where this money is being invested.

Targeted Ladder Assets (TLA) are Assets with targeted maturity dates to meet specific needs that are outside of normal recurring expenditures.

Trust Funds - additional investment activity is conducted by the City Treasurer's Office for the Sacramento City Employees' Retirement System and certain of the separately invested Trust Funds of the City and third parties. Additionally, the City Treasurer's Office manages short-term investment for the Sacramento Housing and Redevelopment Agency (SHRA).

Weighted Average Duration measures the sensitivity of a bond's price to changes in interest rates. It is an elasticity measure and represents the percentage change in price divided by the percentage change in interest rates. A high duration measure indicates that for a given level of movement in interest rates, prices of securities will vary considerably.

Weighted Average Maturity calculates an average time to maturity of all the securities held in the portfolio, weighted by each security's percentage of net assets. The calculation takes into account the final maturity for a fixed income security and the interest rate reset date for floating rate securities held in the portfolio. This is a way to measure a fund's sensitivity to potential interest rate changes.

Yield to Maturity (YTM) is the total return anticipated on a bond if the bond is held until it matures, expressed as an annual rate.