



# Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020

# City of Roseville, California

Comprehensive Annual Financial Report

For the Year Ended June 30, 2020

Prepared by

Finance Department



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December 30, 2020

Honorable Mayor and Members of the City Council:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Roseville (City) for the fiscal year ended June 30, 2020. Article VII of the City Charter and federal and state law requires that the City issue an annual report on its financial position and activity, and that the report be audited by an independent firm of certified public accountants. The format and content of this CAFR complies with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB) and contains all information needed for readers to gain a reasonable understanding of the City's financial activities.

Management takes sole responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City's financial statements have been audited by Eide Bailly, LLP, Certified Public Accountants. The goal of the audit is to obtain reasonable assurance that the financial statements are free of material misstatements and are fairly presented in conformity with generally accepted accounting principles (GAAP). The City's auditors have issued an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended June 30, 2020. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

#### THE REPORTING ENTITY AND ITS SERVICES

Roseville is a charter law city in the State of California. The City was incorporated on April 10, 1909 and operates under a Council-Manager form of government. The City's political and legislative body is the City Council and is empowered by the City's charter to formulate citywide policy, including a fiscal program, City services, and appointment of the City Manager and City Attorney. There are five City Council members who are elected by district, starting in 2020, for staggered four-year terms, and the Mayor and Vice-Mayor will be determined by rotation in sequential order of the five districts after the two-year term of the current at-large Mayor.

Residents of the City may assist the City Council in formulating government policy by serving on a City commission, committee, or board. The commissions, committees, and boards act in an advisory capacity to the City Council. They are Hearing Examiners/Appeals Board, Charter Review Commission, Design Committee, Economic Development Advisory Committee, Library Board, Local Sales Tax Citizens'

Oversight Committee, Parks and Recreation Commission, Personnel Board, Placer Mosquito & Vector Control District, Planning Commission, Public Utilities Commission, Roseville Grants Advisory Commission, Senior Citizen Commission, Transportation Commission, and Youth Sports Coalition.

Roseville is a full-service City providing a full range of municipal utilities and services. These services include: police; fire; parks, recreation and libraries; economic development and housing; planning; building and public facility inspection; engineering; streets; electric; water, wastewater and solid waste utilities; and general administrative services.

The CAFR presents the financial status of the City and its six component units:

- Roseville Finance Authority (Finance Authority)
- Roseville Natural Gas Financing Authority (RNGFA)
- Roseville Community Development Corporation (RCDC)
- City of Roseville Housing Authority (Housing Authority)
- Successor Agency to the City of Roseville Redevelopment Agency (Successor Agency)
- City of Roseville Other Post-Employment Benefits Trust (OPEB Trust)

Component units are separate legal entities included in this report due to significant operational or financial relationships with the City. The Finance Authority, Housing Authority, RNGFA, and OPEB Trust are separate legal entities from the City, but have the same governing board. RCDC has a separate governing board, however, the board members are appointed by the City Council. The Successor Agency has a governing board determined by State law that does not report to the City Council. RNGFA, RCDC, and the OPEB Trust issue separate component unit financial statements. Separate financial statements are not issued for the Finance Authority, the Housing Authority, or the Successor Agency.

## LOCAL ECONOMY

The City of Roseville is the largest city in Placer County with a population of 145,163. There are nearly 12,000 business within the City that sustained 91,253 jobs this past year. These jobs contributed to an overall local unemployment rate of 3%, prior to the pandemic, and a median household income of \$84,900. The largest industry sector is health care and social assistance at approximately 18 percent. Retail businesses are second at approximately 17 percent. Rounding out the remaining top business sectors are food service, government, and construction.

The housing market in Roseville is very healthy, with consistent growth year over year. Currently, there are 55,806 housing units with a 65% home ownership rate. The median home sale price in the City of Roseville is \$493,306; an increase of 7% over the prior year.

## BUDGET INITIATIVES

Roseville's fiscal outlook saw a significant improvement in fiscal year 2019-20 due to a half-cent sales tax increase (Measure B) approved by voters in November 2018. This increase became effective on April 1, 2019, and contributed \$19.66 million in sales tax revenue to the General Fund in fiscal year 2019-20. Measure B revenue mitigated some of the financial impacts of COVID-19 on the City's General Fund and is expected to help the City maintain essential services in the future.

## LONG-TERM FINANCIAL PLANNING

The City has consistently planned its budgets with a focus on its long-term needs. This is accomplished through financial policies and the establishment of several funds that serve to direct City revenues to long-term financial needs. This ensures that funding is available for needs as they arise. These funds include:

**Operating Reserves:** The City maintains an emergency reserve in its General Fund of 10 percent of operating expenditures. The Council adopted a policy on July 11, 2018, and revised it on November 7, 2018, to establish a General Fund stabilization reserve of 15 percent of operating expenditures, bringing the total operating reserve target up to 25 percent of operating expenditures.

**Rate Stabilization Funds:** The Electric Department maintains a rate stabilization fund targeted at a minimum policy level of 40 percent of operating expenses. This allows the City time to react to major changes to the cost of electricity without having to impose an emergency rate increase. The City also uses this fund as a reserve for the electric utility. Rate stabilization funds are also used in the Environmental Utilities Department funds, Water, Wastewater, and Waste Services, to help ease the impacts of rate increases over a period of years.

**Fleet Replacement Fund:** The City funds the cost of replacement vehicles over the useful life of the vehicle. This ensures that money is available to keep the City's vehicle fleet operating properly and safely.

**Strategic Improvement Fund:** The City developed a fund that provides Council with resources that can be used for periodic, strategic investments on behalf of the City. This fund has been used to acquire land and construct improvements, primarily in redevelopment areas. This fund is included in the City's General Fund for financial reporting.

**OPEB Trust:** In fiscal year 2011, the City established an irrevocable trust to address the City's long-term liability for post-retirement health benefits and transferred \$34 million of accumulated resources into the OPEB Trust. The investments in the trust have performed well, achieving a return of 7.46% since inception. In fiscal year 2020, the OPEB plan assets grew to \$108.83 million. In fiscal year 2014, the City negotiated with labor groups to cap future liabilities by creating a Tier III benefit for new hires. Tier III employees are required to set aside a portion of their salary into a Retirement Health Savings account. With the City's OPEB funding policy, the OPEB unfunded liability is decreasing with increased contributions and investment returns.

## MAJOR ACTIVITIES IN THE CITY

Many of the major activities undertaken in fiscal year 2020 are consistent with the City Council's direction to focus on projects and funding that provide economic stability and enhance the City's long-term financial condition while maintaining high levels of service to the older parts of the community. Major projects included:

- **Public Works:** The City has completed the following projects: Hillcrest Drainage Improvements Project; 2018 Curb, Gutter, Sidewalk and Ramp Project; Phase 1 of the Maidu Park Bike Trail Project; a new traffic signal at the intersection of Vallejo Ave with Junction Boulevard; and both the 2018 and 2020 Residential Resurfacing Projects. The City has also begun or continued design of the following projects: Roseville Parkway Extension; Washington Boulevard Bikeway and Pedestrian Pathways (Phase 1 of the Washington "Andora" Underpass Widening); All America City Roundabout Project; Phase 1 of the Dry Creek Greenway East Trail Project; Sun City Curb Ramps and Resurfacing Project; and Phase 2 of the Maidu Park Bike Trail Project. The City continues construction on the following projects: Oak Ridge Drive Bridge Replacement; a new traffic signal at the intersection of Westbrook & Payson/Octave; Pleasant Grove Changeable



Message Sign, and the 2018 Arterial Resurfacing. Design is anticipated to begin soon on the following projects: Pleasant Grove Widening; Roseville Parkway Widening & Triple Lefts; Fire Station No. 8, and Vernon & Atlantic Street Roundabout.

- Water: The City executed an indefinite term water repayment contract on February 28, 2020 with the U.S. Bureau of Reclamation to ensuring that 32,000 acre-feet per year of Central Valley Project water from the federally managed Folsom Reservoir is available for the Roseville community and economy in perpetuity.

The City also began developing six additional aquifer storage and recovery (ASR) wells by test drilling at up to eight groundwater monitoring wells within the City and, if determined feasible, will provide data needed to determine if sites are ideal for ASR Production Wells within Roseville. Ultimately, the goal is to double the City's ASR wells and greatly increase Roseville's water supply reliability which is fundamental to Roseville's thriving economy and great standard of living.

Also in 2020, Roseville began construction on the West Side Tanks and Pump Station Project which will increase both water storage capacity and water system pressure for buildout conditions in west Roseville. The project will be completed in 2022.

Additionally, Roseville completed the design of water system rehabilitation in the Hillcrest neighborhood, a core neighborhood, with construction beginning in early 2021. Future neighborhood rehabilitation projects in the coming years have also been defined.

Finally, an organizational restructuring of the Water Utility Division to optimize service delivery and increase capacity and capabilities was completed in 2020.

- Wastewater: The City has continued construction for the Pleasant Grove Wastewater Treatment Plant Expansion Project and the Pleasant Grove Energy Recovery Project. This will increase the treatment capacity by 2.5 million gallons per day to accommodate growth within the South Placer Wastewater Authority service area through 2035, and will utilize gas from the Pleasant Grove Wastewater Treatment Plant to create compressed natural gas to fuel the City's solid waste fleet.

The City also completed construction of improvements at the Dry Creek Wastewater Treatment Plant necessary to improve Nitrate removal and improve digester gas utilization to improve energy recovery.

- Electric: The City continued ongoing expansion of its electric distribution system to serve new customers and rehabilitation of existing electric assets to maintain reliable service. Most notably, the City energized the Sierra Vista substation in November 2019.
- Parks, Recreation & Libraries: The City completed construction of Pauline and Richard Roccucci Park and R.G. Phillips Park. Construction is near complete for three (3) city-wide parks: Pistachio Regional Park, Central Park, Harry Crabb Park; two (2) neighborhood or pocket parks: John L. Sullivan Park and Jim Grey Park; and several rehabilitation projects, including the Maidu Soccer Field Turf Conversion, Crestmont Play Structure Replacement and Maidu Soccer Arena Renovations. Design has begun, with construction to occur once designs are approved, for several school-parks, neighborhood and pocket parks including WB-50, F-51, F-94, F-101, JMC-50, W50C and W50D park sites.

The City issued a total of 6,374 permits of various nature. Single-family residential permit issuance increased slightly to 976 compared to 864 last fiscal year. Multifamily residential permit issuance also increased to 16 compared to 1 in fiscal year 2019. The City has brought approximately 1,700 finished lots online in calendar year 2020, suggesting a sustained increase in single-family permit issuance over the next few years. The number of commercial permits also increased, rising from 20 to 22 compared to the prior year. Total commercial square footage issued in 2020 was 896,533 square feet, compared to 735,398 square feet in the prior year. Significant commercial permits included Living Spaces (110,604 square feet), Oakmont Senior Living (88,446 square feet), Campus Oaks shell buildings (48,911 square feet), and Roseville 80 Bldg. 3 (144,760 square feet).

The City has continued to grow toward the west, within the City's adopted specific plan areas. Most of this growth has occurred within the City's West Roseville and Sierra Vista Specific Plan areas, with the West Roseville Specific Plan area nearing buildout. Significant development has also occurred within the City's Campus Oaks Master Plan area, beginning with the construction of the commercial retail complex and the completion of most of the multi-family housing. The extension of Blue Oaks Boulevard to Westbrook Boulevard was completed, which will facilitate development within the Creekview and Amoruso Ranch Specific Plans, both of which depended on this roadway extension. Construction within the Amoruso Ranch Specific Plan also depends on the extension of infrastructure through the Creekview Specific Plan area.

#### AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2019. The organization of the City's CAFR follows the guidelines set forth by GFOA. This marks the sixteenth consecutive year the City has been recognized with this award.

In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements. We believe this CAFR also meets the requirements of the program and we will be submitting it to GFOA to determine its eligibility for the certificate.

The City of Roseville also received the Government Finance Officers Association's (GFOA) Distinguished Budget Award and the California Society of Municipal Finance Officer's (CSMFO) Operating Budget Excellence Award for the budget for the fiscal year 2019-20.

The Finance Department, in particular the Accounting Division, takes great pride in the preparation of the CAFR. The professionalism, commitment and effort of each employee of the Accounting Division have made this report possible. We also want to thank the other employees of the Finance Department as well as those in other City departments who contributed to the preparation of this report. Finally, we thank the Mayor and City Council for their support, interest, and integrity in directing the financial affairs of the City in a responsible, professional, and progressive manner.

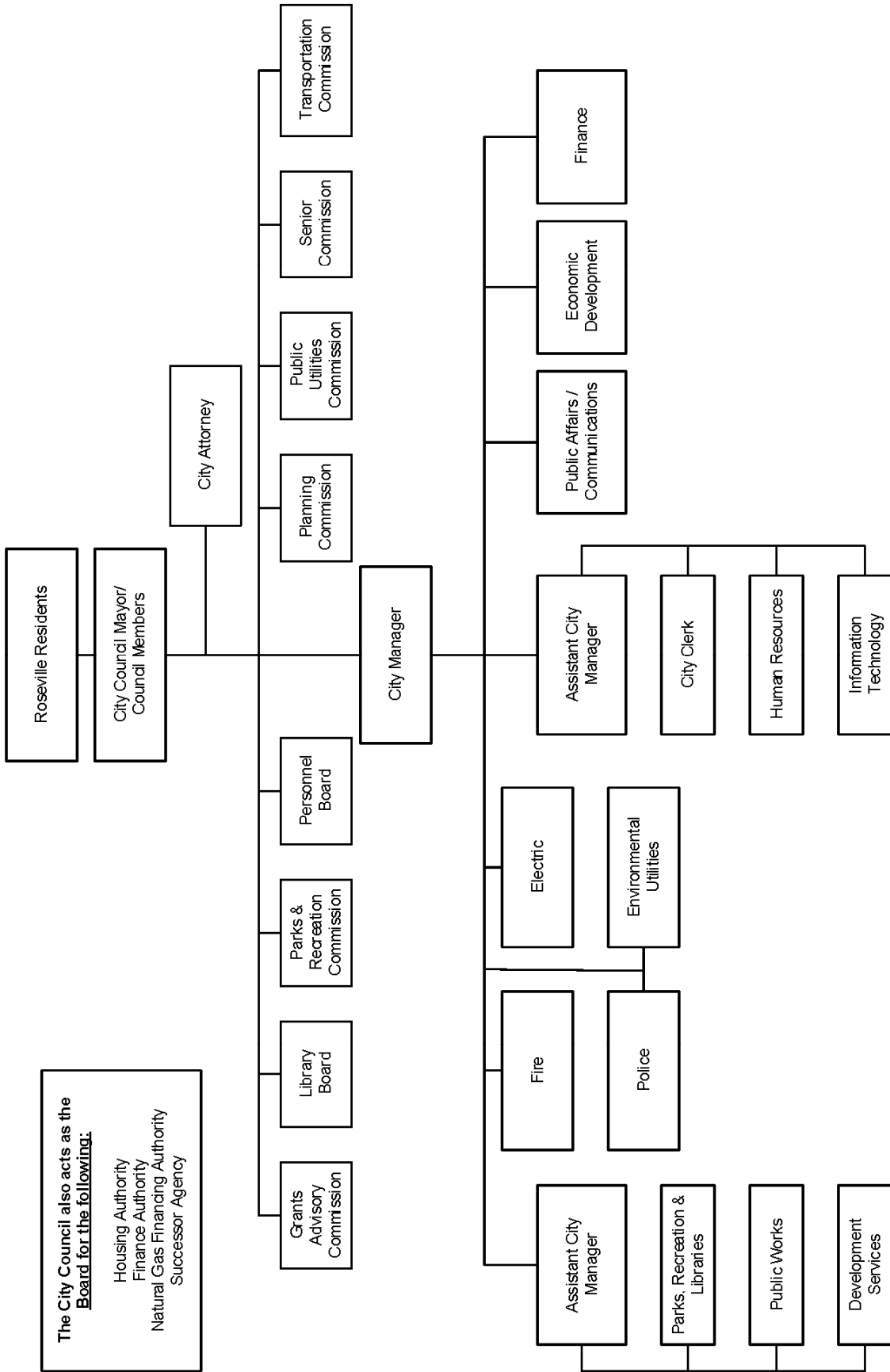
Respectfully submitted,



Dennis Kauffman, CPA  
Assistant City Manager/Chief Financial Officer



Nick Rosas, CPA  
Accounting Supervisor



The City Council also acts as the Board for the following:  
 Housing Authority  
 Finance Authority  
 Natural Gas Financing Authority  
 Successor Agency

City Wide Organization (1,190.73 FTE)

CITY OF ROSEVILLE  
ELECTED OFFICIALS  
JUNE 30, 2020

Mayor  
Vice Mayor  
Council Member  
Council Member  
Council Member

John B. Allard II  
Krista Bernasconi  
Scott Alvord  
Bruce Houdesheldt  
Pauline Rocucci



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Roseville  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO



## Independent Auditor's Report

To the City Council  
City of Roseville, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Roseville, California (City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules, and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Sacramento, California  
December 30, 2020



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CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

The following discussion provides readers of the City of Roseville's (City) financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. This document should be read in conjunction with the accompanying Letter of Transmittal and Basic Financial Statements.

**FISCAL YEAR 2020 FINANCIAL HIGHLIGHTS**

Financial highlights of the City's fiscal year 2020 include the following:

- The City's voter-approved Measure B local sales tax generated General Fund revenue totaling \$19.6 million in the City's first full fiscal year of the new revenue source. The additional revenue allowed the City to maintain essential services and build its new General Fund Stabilization Reserve to address economic downturns like the one this year brought on by the Coronavirus Disease 2019 (COVID-19) pandemic.
- The City's General Fund revenue and other financing sources (uses) exceeded expenditures by \$12.9 million in fiscal year 2020. This was primarily attributable to Measure B sales tax revenue transferred to the Stabilization Reserve, as well as Measure B and property tax revenue exceeding budgeted amounts, expenditure savings from hiring controls and other spending reductions.
- The City's electric utility paid down \$36 million of its outstanding bonds and terminated the associated interest rate swap to employ available cash to reduce outstanding debt, reduce borrowing costs, and reduce the risks associated with the outstanding debt and associated interest rate swaps.
- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, as of June 30, 2020, by \$2.8 billion, an increase of \$174.3 million or 6.7 percent over the prior year, primarily related to infrastructure investments associated with new development in the City.

**OVERVIEW OF THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL STATEMENT**

The City's Comprehensive Annual Financial Report (CAFR) is divided into four sections:

- Introductory section, including the letter of transmittal, list of City elected officials, and the City's organization chart.
- Financial section, including the independent auditors' report, management's discussion and analysis, the basic financial statements, and the footnotes to the basic financial statements.
- Supplemental Information section, including the required supplementary information and supplemental information.
- Statistical section, comprised of unaudited data organized to present financial trends, revenue capacity, debt capacity and demographic and economic information.

The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

The notes to the basic financial statements provide additional information essential to understanding the data contained in the government-wide and fund financial statements. The statements and notes are followed by the required supplementary information: Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions for the City's pension plans, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions for the City's OPEB plan, and the Budgetary

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

Comparison Schedule for the General Fund. In addition to these required elements, we have included combining statements and schedules that provide details about the City's non-major governmental funds, non-major enterprise funds, internal service funds, private purpose trust funds, and agency funds, each of which is presented in a column in the basic financial statements.

**Government-wide Financial Statements**

The government-wide statements report information about the City using accounting methods like those used by private-sector companies. The statement of net position includes all the City's assets and liabilities, as well as any deferred outflows or inflows of resources. The statement of activities includes all current year revenues and expenses regardless of when cash is received or paid. These government-wide statements report the City's net position and how the City's net position has changed during the fiscal year.

The government-wide financial statements of the City present information about the following:

- *Governmental Activities:* Most of the City's basic services are considered to be governmental activities. These services are supported by general City revenues such as taxes, and by specific program revenues such as user fees and charges.
- *Business-type Activities:* Certain services provided by the City are funded by customer fees. Among these are the City's utility services, local transportation, and school-age child care.

**Fund Financial Statements**

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's largest funds, not the City as a whole.

The City has three types of fund financial statements:

- Governmental fund statements provide information about how the general government services such as police, fire and public works were financed in the short-term as well as what remains for future spending. Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow the governmental fund statements.
- Proprietary fund statements provide information about the services for which customer fees are intended to finance the costs of operations are generally reported in proprietary funds. Proprietary fund statements, like the government-wide statements, provide short-term and long-term financial information about the activities the City operates like businesses, such as utility services.
- Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The City is the trustee or fiduciary for assets, reported in a private-purpose trust fund, which because of trust agreements, can be used only for the trust beneficiaries. The City elected to serve as the successor agency for its former redevelopment agency which was dissolved by state law. The successor agency activity is accounted for in a private-purpose trust fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these resources to finance its operations.

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS**

This analysis focuses on the City's net position and changes of its governmental and business-type activities for the fiscal year ending June 30, 2020.

**Statement of Net Position - Primary Government**  
**As of June 30, 2020 and 2019**  
**(in millions)**

	Governmental Activities		Business-type Activities		Government-wide Activities	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets</b>						
Cash and investments	\$ 299.7	\$ 305.0	\$ 425.8	\$ 429.4	\$ 725.5	\$ 734.4
Other assets	103.2	97.5	374.6	380.1	477.8	477.6
Capital assets	<u>1,013.8</u>	<u>953.1</u>	<u>1,645.4</u>	<u>1,574.7</u>	<u>2,659.2</u>	<u>2,527.8</u>
<b>Total Assets</b>	<b><u>1,416.7</u></b>	<b><u>1,355.6</u></b>	<b><u>2,445.8</u></b>	<b><u>2,384.2</u></b>	<b><u>3,862.5</u></b>	<b><u>3,739.8</u></b>
<b>Deferred Outflows of Resources</b>	<b><u>62.1</u></b>	<b><u>52.1</u></b>	<b><u>63.6</u></b>	<b><u>58.0</u></b>	<b><u>125.7</u></b>	<b><u>110.1</u></b>
<b>Liabilities</b>						
Long-term debt outstanding	25.1	27.2	416.7	477.1	441.8	504.3
Other liabilities	<u>352.9</u>	<u>356.4</u>	<u>234.5</u>	<u>238.5</u>	<u>587.4</u>	<u>594.9</u>
<b>Total Liabilities</b>	<b><u>378.0</u></b>	<b><u>383.6</u></b>	<b><u>651.2</u></b>	<b><u>715.6</u></b>	<b><u>1,029.2</u></b>	<b><u>1,099.2</u></b>
<b>Deferred Inflows of Resources</b>	<b><u>52.8</u></b>	<b><u>32.0</u></b>	<b><u>121.0</u></b>	<b><u>103.7</u></b>	<b><u>173.8</u></b>	<b><u>135.7</u></b>
<b>Net Position</b>						
Net investment in capital assets	1,013.8	938.6	1,350.0	1,230.9	2,363.8	2,169.5
Restricted	166.3	155.3	53.7	45.2	220.0	200.5
Unrestricted	<u>(132.1)</u>	<u>(101.8)</u>	<u>333.5</u>	<u>346.8</u>	<u>201.4</u>	<u>245.0</u>
<b>Total Net Position</b>	<b><u>\$ 1,048.0</u></b>	<b><u>\$ 992.1</u></b>	<b><u>\$ 1,737.2</u></b>	<b><u>\$ 1,622.9</u></b>	<b><u>\$ 2,785.2</u></b>	<b><u>\$ 2,615.0</u></b>

The largest portion of the City's net position is recorded in the net investment in capital assets category of \$2,363.8 million. This category reports capital assets less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide services to its residents and businesses.

The restricted portion of the City's net position of \$220.0 million represents resources that are restricted for use by external sources. The remaining net position of \$201.4 million is unrestricted and can be used to meet the ongoing obligations of the City.

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Governmental Activities**

**Government Activities – Net Position**

This analysis focuses on the net position and changes in net position of the City's governmental activities, presented in the Government-wide Statement of Net Position and Statement of Activities.

**Statement of Net Position - Governmental Activities**

**As of June 30, 2020 and 2019**

**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Assets</b>			
Cash and investments	\$ 299.7	\$ 305.0	\$ (5.3)
Other assets	103.2	97.5	5.7
Capital assets	<u>1,013.8</u>	<u>953.1</u>	<u>60.7</u>
<b>Total Assets</b>	<b><u>1,416.7</u></b>	<b><u>1,355.6</u></b>	<b><u>61.1</u></b>
<b>Deferred Outflows of Resources</b>			
	<b><u>62.1</u></b>	<b><u>52.1</u></b>	<b><u>10.0</u></b>
<b>Liabilities</b>			
Long-term debt outstanding	25.1	27.2	(2.1)
Other liabilities	<u>352.9</u>	<u>356.4</u>	<u>(3.5)</u>
<b>Total Liabilities</b>	<b><u>378.0</u></b>	<b><u>383.6</u></b>	<b><u>(5.6)</u></b>
<b>Deferred Inflows of Resources</b>			
	<b><u>52.8</u></b>	<b><u>32.0</u></b>	<b><u>20.8</u></b>
<b>Net Position</b>			
Net investment in capital assets	1,013.8	938.6	75.2
Restricted	166.3	155.3	11.0
Unrestricted	<u>(132.1)</u>	<u>(101.8)</u>	<u>(30.3)</u>
<b>Total Net Position</b>	<b><u>\$ 1,048.0</u></b>	<b><u>\$ 992.1</u></b>	<b><u>\$ 55.9</u></b>

The City's governmental activities net position increased by \$55.9 million to \$1,048.0 million as of June 30, 2020, primarily due to an increase in construction in progress related to the construction of city parks and infrastructure improvements in the Fiddymment Ranch and Westbrook Community Facilities Districts.

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Changes in Net Position - Governmental Activities**  
**For the Years Ended June 30, 2020 and 2019**  
**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Revenues</b>			
<b>Program Revenues</b>			
Charges for services	\$ 30.5	\$ 39.7	\$ (9.2)
Operating grants and contributions	18.7	16.9	1.8
Capital grants and contributions	69.3	40.7	28.6
Franchise Fees	2.0	2.3	(0.3)
<b>Total Program Revenues</b>	<b>120.5</b>	<b>99.6</b>	<b>20.9</b>
<b>General Revenues</b>			
Taxes	143.7	117.6	26.1
Use of money and property	5.7	10.8	(5.1)
Miscellaneous	1.0	4.3	(3.3)
<b>Total General Revenues</b>	<b>150.4</b>	<b>132.7</b>	<b>17.7</b>
<b>Total Revenues</b>	<b>270.9</b>	<b>232.3</b>	<b>38.6</b>
<b>Expenses</b>			
General government	20.1	16.0	4.1
Development and operations	58.0	29.0	29.0
Public works	17.4	10.7	6.7
Police	47.3	51.7	(4.4)
Fire	36.9	42.9	(6.0)
Library	4.8	6.1	(1.3)
Parks and recreation	31.8	29.5	2.3
Housing assistance payments	7.4	4.7	2.7
Interest on long-term debt	1.5	1.3	0.2
<b>Total Expenses</b>	<b>225.2</b>	<b>191.9</b>	<b>33.3</b>
<b>Changes in Net Position before Transfers</b>	<b>45.7</b>	<b>40.4</b>	<b>5.3</b>
Transfers	10.2	16.1	(5.9)
<b>Changes in Net Position after Transfers</b>	<b>55.9</b>	<b>56.5</b>	<b>(0.6)</b>
<b>Net Position-Beginning</b>	<b>992.1</b>	<b>935.6</b>	<b>56.5</b>
<b>Net Position-Ending</b>	<b>\$ 1,048.0</b>	<b>\$ 992.1</b>	<b>\$ 55.9</b>

Program revenues are comprised of charges for services of \$30.5 million that include permit revenues, fees, and charges used to fund expenses incurred in providing services; \$18.7 million of operating grants and contributions which include housing, and police grants; and capital grants and contributions of \$69.3 million that consist mainly of street project grants and developer impact fees restricted for capital outlay.

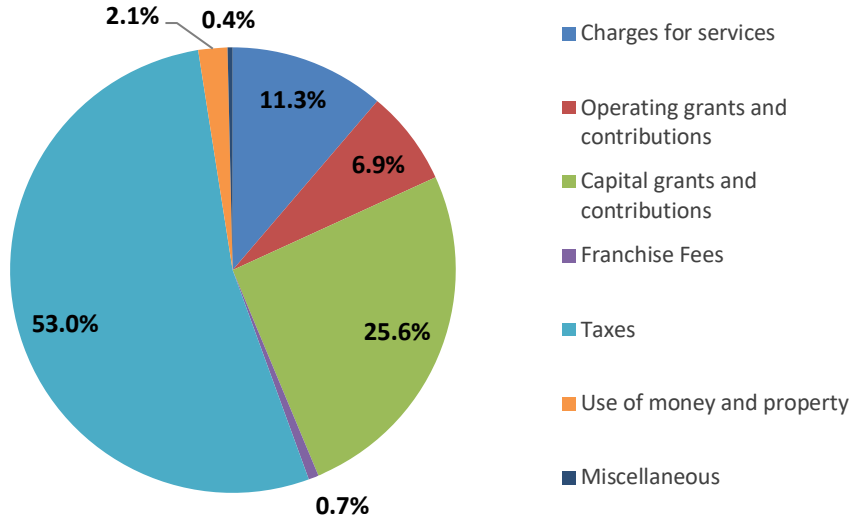
General revenues were mainly comprised of property and sales taxes totaling \$143.7 million. General revenues are not allocable to programs and are used to pay the net cost of governmental programs.

Total expenses for governmental activities increased by \$33.3 million compared to the prior year. While labor and other costs to provide City services continue to rise, the most significant increase is attributable to disbursements of bond proceeds from community facilities districts to finance infrastructure in the City's new growth areas. The decreases reflected for Police, Fire, and Library are due to allocated changes in the net pension liability.

CITY OF ROSEVILLE  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2020

**Governmental Activities – Revenues by Source**

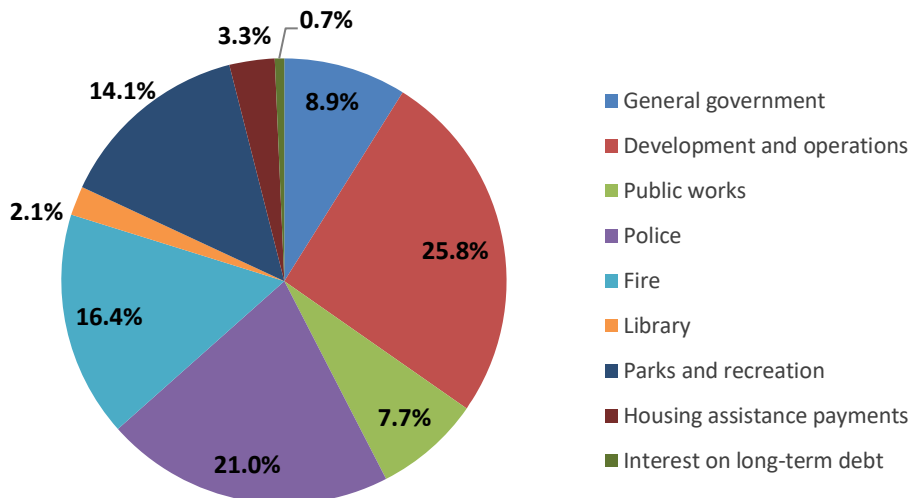
The chart below describes the revenues by source for Governmental Activities.



As the revenues chart reflects, 44.5% (\$120.5 million) of the City's fiscal year 2020 governmental activities revenue came from program revenues and 55.5% (\$150.4 million) came from general revenues such as taxes, interest, and miscellaneous revenues.

**Governmental Activities – Functional Expenses**

The functional expenses chart below includes only current year expenses for governmental activities.



Capital outlay is excluded from functional expenses as those expenses are added to the City's capital assets. As the chart reflects, police was 21.0% (\$47.3 million) of total governmental activities expenses; fire was 16.4% (\$36.9 million); parks and recreation was 14.1% (\$31.8 million); development and operations was 25.8% (\$58.0 million); public works was 7.7% (\$17.4 million); general government was 8.9% (\$20.1 million); and the remainder was for other governmental programs and functions, as shown above.

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Business-type Activities**

The Statement of Net Position and Statement of Activities present a summary of the City's business-type activities that are composed of the City's enterprise funds.

**Statement of Net Position - Business-type Activities**  
**As of June 30, 2020 and 2019**  
**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Assets</b>			
Cash and investments	\$ 425.8	\$ 429.4	\$ (3.6)
Other assets	374.6	380.1	(5.5)
Capital assets	<u>1,645.4</u>	<u>1,574.7</u>	<u>70.7</u>
<b>Total Assets</b>	<b><u>2,445.8</u></b>	<b><u>2,384.2</u></b>	<b><u>61.6</u></b>
<b>Deferred Outflows of Resources</b>			
	<b><u>63.6</u></b>	<b><u>58.0</u></b>	<b><u>5.6</u></b>
<b>Liabilities</b>			
Long-term debt outstanding	416.7	477.1	(60.4)
Other liabilities	<u>234.5</u>	<u>238.5</u>	<u>(4.0)</u>
<b>Total Liabilities</b>	<b><u>651.2</u></b>	<b><u>715.6</u></b>	<b><u>(64.4)</u></b>
<b>Deferred Inflows of Resources</b>			
	<b><u>121.0</u></b>	<b><u>103.7</u></b>	<b><u>17.3</u></b>
<b>Net Position</b>			
Net investment in capital assets	1,350.0	1,230.9	119.1
Restricted	53.7	45.2	8.5
Unrestricted	<u>333.5</u>	<u>346.8</u>	<u>(13.3)</u>
<b>Total Net Position</b>	<b><u>\$ 1,737.2</u></b>	<b><u>\$ 1,622.9</u></b>	<b><u>\$ 114.3</u></b>

The net position of business-type activities amounted to \$1,737.2 million in fiscal year 2020, an increase of \$114.3 million from fiscal year 2019. The City's business-type activities net position increased due to the following:

- Capital assets increased by \$70.7 million primarily due to the addition of assets to the infrastructure systems of the electric, water and wastewater systems, and the purchase of a building by the Electric Department for approximately \$10.0 million, which it will use to house its utility billing and other customer-facing programs.
- Long-term debt outstanding decreased by \$60.4 million. In addition to scheduled debt repayment, the electric department used available cash to pay off \$36.0 million in long-term debt and also paid to terminate an interest rate swap associated with that debt.



CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Changes in Net Position - Business-type Activities**  
**For the Years Ended June 30, 2020 and 2019**  
**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Revenues</b>			
<b>Program Revenues</b>			
Charges for services	\$ 289.2	\$ 294.2	\$ (5.0)
Operating grants and contributions	11.4	24.3	(12.9)
Capital grants and contributions	97.4	74.9	22.5
<b>Total Program Revenues</b>	<b>398.0</b>	<b>393.4</b>	<b>4.6</b>
<b>General Revenues</b>			
Use of property and money	19.7	22.2	(2.5)
Miscellaneous	-	0.1	(0.1)
<b>Total General Revenues</b>	<b>19.7</b>	<b>22.3</b>	<b>(2.6)</b>
<b>Total Revenues</b>	<b>417.7</b>	<b>415.7</b>	<b>2.0</b>
<b>Expenses</b>			
Electric	139.6	140.0	(0.4)
Water	37.5	31.5	6.0
Wastewater	45.8	57.7	(11.9)
Solid waste	26.5	24.1	2.4
Natural gas	23.2	23.7	(0.5)
Local transportation	10.8	10.5	0.3
School-age child care	9.7	7.0	2.7
<b>Total Expenses</b>	<b>293.1</b>	<b>294.5</b>	<b>(1.4)</b>
<b>Change in Net Position before Transfers</b>	<b>124.6</b>	<b>121.2</b>	<b>3.4</b>
Transfers	(10.2)	(16.1)	5.9
<b>Changes in Net Position after Transfers</b>	<b>114.4</b>	<b>105.1</b>	<b>9.3</b>
<b>Net Position-Beginning, as Restated</b>	<b>1,622.9</b>	<b>1,517.8</b>	<b>105.1</b>
<b>Net Position-Ending</b>	<b>\$ 1,737.3</b>	<b>\$ 1,622.9</b>	<b>\$ 114.4</b>

Business-type program revenues and general revenues totaled \$417.7 million while business-type expenses and transfers out were \$303.3 million in 2020. Major enterprise fund activity is discussed in the Proprietary Funds section below.

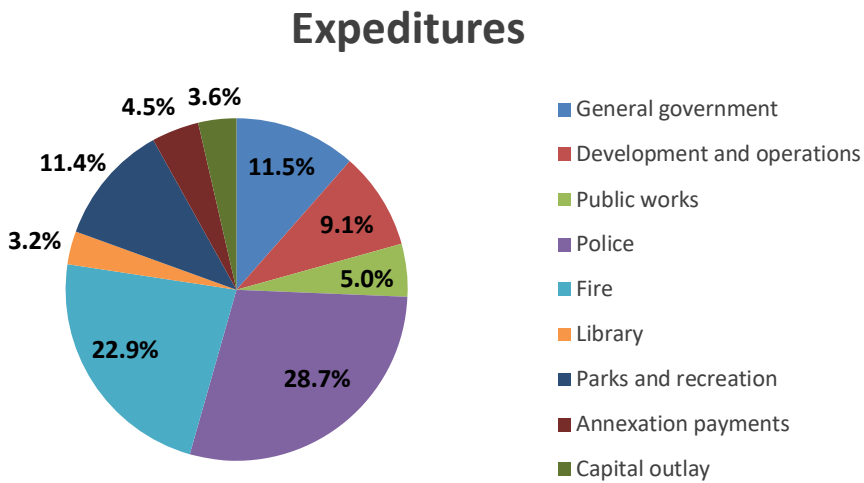
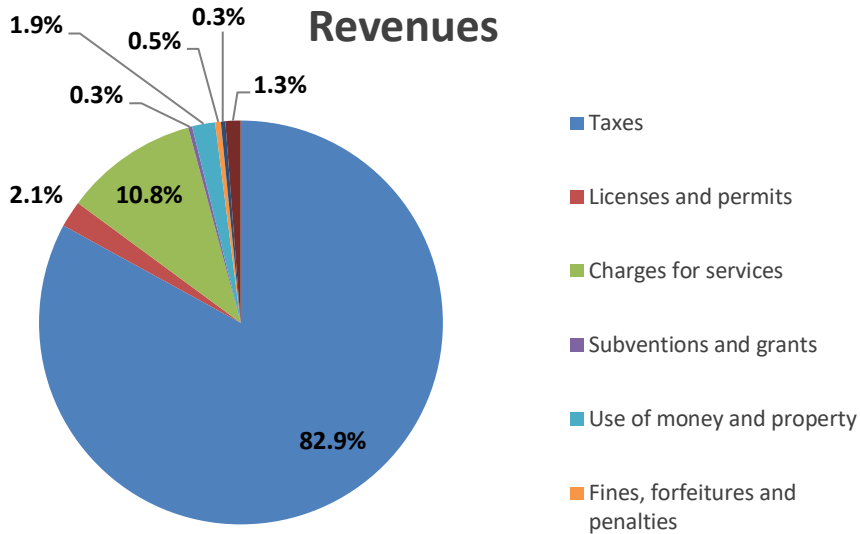
CITY OF ROSEVILLE  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 FOR THE YEAR ENDED JUNE 30, 2020

**FINANCIAL ANALYSIS OF THE FUND STATEMENTS**

**Governmental Funds**

The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources.

*General Fund*



General Fund revenues increased by \$13.6 million from the prior year, primarily due to increases in taxes of \$15.9 million which includes revenue from the new Measure B sales tax. Total actual revenues were higher than the final budget by \$0.9 million, with the following major breakdown:

- Taxes were more than budget by \$4.1 million, primarily due to:
  - Measure B revenue was \$3.6 million above the budgeted amount, which was conservatively established for the first full fiscal year of the new local sales tax

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

- Property tax revenue was \$2.7 million higher than budget due to continued growth in the City exceeding projections and increasing property tax values.
- Bradley-Burns sales tax and transient occupancy tax ended the year \$2.5 million and \$400 thousand below budget, respectively, due to the COVID-19 pandemic-related economic downturn.
  
- Charges for services were less than budget by \$3.6 million, primarily in the Parks, Recreation and Libraries Department due to the impacts of the pandemic on its programs and activities.
- Licenses and permits were more than budget by \$0.5 million.
- Use of money and property revenue was higher than budget by \$0.6 million.

General Fund expenditures increased by \$23.3 million from the prior year, primarily caused by an increase in spending in general government by \$12.2 million, police by \$4.0 million, fire by \$2.1 million, parks and recreation by \$0.9 million, and annexation payments by \$0.9 million. The increase in general government expenditures was primarily attributable to labor costs for staff associated with the City's Enterprise Resource Planning software implementation project and a change in reporting method for retiree medical payments, which are reported as general government expenses this year, but were reported as transfers out to a retiree medical internal service fund in prior years.

As of June 30, 2020, the General Fund's fund balance totaled \$85.4 million, including \$11.9 million nonspendable fund balance, primarily for notes receivable; \$31.8 committed for emergency and economic stabilization reserves; \$1.9 million assigned to various contracts; and the balance of \$35.8 million considered unassigned. Only the unassigned portion of fund balance represents available resources, since the nonspendable and assigned portions of the fund balance is represented by non-cash assets, contracts, or open purchase orders. The unassigned fund balance includes the strategic improvement funds, long-term loans receivable from other City funds, and the litigation reserve.

#### *Non-Major Governmental Funds*

These funds are presented in the basic financial statements as non-major governmental funds. They are individually presented as supplemental information.

### **Proprietary Funds**

#### *Electric Fund*

Net position of the Electric Fund increased \$43.4 million in fiscal year 2020 primarily due to an increase in capital assets of \$31.6 million funded by developers for infrastructure in new growth areas and by ratepayers for infrastructure improvements. The fund also experienced a decrease in cash and investments of \$30.0 million and a decrease in long-term debt of \$44.3 million as a result of the \$36 million partial retirement of a direct placement of debt and other scheduled debt payments. As of June 30, 2020, the fund's net position was \$438.7 million, of which \$300.3 million was invested in capital assets; \$16.1 million was restricted for debt service; \$19.2 million was restricted for the sustainable energy program; and \$103.1 million was unrestricted as to use.

#### *Water Fund*

Net position of the Water Fund increased \$36.0 million in fiscal year 2020 primarily due to an increase in cash and investments of \$20.4 million and capital assets of \$16.8 million. As of June 30, 2020, the fund's net position was \$599.2 million, of which \$484.6 million was invested in capital assets; \$4.1 million was restricted for debt service; \$9.1 million was restricted for capital projects; and \$101.4 million was unrestricted as to use.

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

*Wastewater Fund*

Net position of the Wastewater Fund increased \$36.8 million in fiscal year 2020, primarily due to an increase in capital assets of \$27.1 million, a decrease of net OPEB liability of \$3.3 million, and a decrease in long-term debt of \$1.6 million. Expenses decreased by 11.9 million in the current year primarily due to a decrease in the allocated percentage of the City's net pension liability and net OPEB liability, and a decrease in depreciation expense. As of June 30, 2020, the fund's net position was \$660.8 million of which \$526.9 million was invested in capital assets; \$4.7 million was restricted for debt service; and \$129.2 million was unrestricted as to use.

*Solid Waste Fund*

Net Position of the Solid Waste Fund increased by \$1.2 million in fiscal year 2020, primarily due an increase in charges for services of \$1.7 million. As of June 30, 2020, the fund's net position was \$14.8 million, of which \$3.3 million was invested in capital assets and \$11.5 million was unrestricted as to use.

*Roseville Natural Gas Financing Authority*

This fund was created as the financing mechanism to purchase prepaid natural gas for the Roseville Energy Park, an electric power plant, through the issuance of revenue bonds. Bonds payable totaling \$113.8 million remains due, while the balance of prepaid natural gas at June 30, 2020 was \$115.4 million. Net position of the Roseville Natural Gas Financing Authority Fund in fiscal year 2020 was \$3.8 million which is unrestricted as to use.

*Non-Major Enterprise Funds*

These funds are presented in the basic financial statements as non-major enterprise funds. They are individually presented as supplemental information.

**CAPITAL ASSETS**

As of June 30, 2020, the City had invested \$2.7 billion in a broad range of capital assets, including land, buildings, vehicles, parks and park improvements, roads, bridges, and water, wastewater and storm drainage transmission and distribution systems. Current year capital asset additions of \$196.1 million were offset by current year depreciation expense of \$62.0 million and retirements of \$2.7 million, for a net increase in capital assets of \$131.4 million. The table below presents a summary of the City's capital assets for governmental and business-type activities:

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Capital Assets**  
**As of June 30, 2020 and 2019**  
**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Governmental Activities</b>			
Land	\$ 133.8	\$ 128.8	\$ 5.0
Streets (modified approach)	359.0	345.3	13.7
Construction in progress	66.6	24.8	41.8
Buildings	185.2	191.6	(6.4)
Improvements	44.4	21.7	22.7
Equipment	80.5	71.9	8.6
Parks	89.9	87.8	2.1
Landscaping	56.4	56.0	0.4
Bike paths	10.0	10.0	0.0
Bridges	75.0	75.0	0.0
Culverts	21.0	21.1	(0.1)
Curb, gutter, sidewalk, and median curbs	181.4	178.3	3.1
Drain inlets	21.9	22.0	(0.1)
Flood control improvements	0.0	20.6	(20.6)
Soundwall	42.2	41.5	0.7
Storm drains	111.9	103.5	8.4
Traffic Signals	1.4	0.3	1.1
Less: accumulated depreciation	<u>(466.8)</u>	<u>(447.2)</u>	<u>(19.6)</u>
<b>Governmental Activity Capital Assets, Net</b>	<b><u>\$ 1,013.8</u></b>	<b><u>\$ 953.1</u></b>	<b><u>\$ 60.7</u></b>
	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b>Business-Type Activities</b>			
Land	\$ 17.7	\$ 12.1	\$ 5.6
Streets (Modified)	2.3	2.3	0.0
Construction in progress	48.2	54.3	(6.1)
Buildings	33.2	23.3	9.9
Improvements	43.3	10.1	33.2
Vehicles and equipment	49.1	44.1	5.0
Landscaping	1.7	1.6	0.1
Bike paths	6.5	6.5	0.0
Bridges	12.0	11.1	0.9
Culverts	0.3	0.4	(0.1)
Curb, gutter, sidewalk, and median curbs	0.8	0.8	0.0
Drain Inlets	0.1	0.1	0.0
Flood control improvements	0.0	8.9	(8.9)
Storm Drains	0.2	0.2	0.0
Traffic signals	72.6	72.1	0.5
Plant and substations	379.0	378.8	0.2
Distribution	1,515.0	1,456.3	58.7
Generation	204.4	203.7	0.7
Less: accumulated depreciation	<u>(741.0)</u>	<u>(712.0)</u>	<u>(29.0)</u>
<b>Business-Type Activity Capital Assets, Net</b>	<b><u>\$ 1,645.4</u></b>	<b><u>\$ 1,574.7</u></b>	<b><u>\$ 70.7</u></b>

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

Detail on capital assets, current year additions, construction in progress and depreciable lives can be found in Note 8 to the financial statements.

The City depreciates all its capital assets over their estimated useful lives, except for streets which are reported using the modified approach. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. The modified approach requires the City to employ an asset management system that maintains a current inventory of these assets, estimates annual costs to maintain them, and assesses the condition of the assets in a replicable way.

The City uses a computerized pavement management system to track the condition levels of each of the street sections. The City's policy based on current funding is to maintain arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 65. This policy allows for minor cracking and revealing of the pavement along with minor roughness that could be noticeable to drivers traveling at posted speed.

At June 30, 2020, the City's streets averaged 70 PQI for arterial and collector roadways and 66 PQI for residential roadways. The City expended \$10.9 million on preservation of its streets in fiscal year 2020, compared to the budgeted amount of \$5.3 million.

#### **DEBT ADMINISTRATION**

The City made all scheduled repayments of existing debt. In addition to the \$36 million debt repayment and associated swap termination by the electric utility, the variable-rate 2013 refunding wastewater revenue bonds were refunded by the fixed-rate 2020 wastewater revenue refunding bonds. Each of the City's debt issues is discussed in detail in Note 9 to the financial statements. As of June 30, 2020 the City's debt portfolio comprised:

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**Outstanding Debt**  
**As of June 30, 2020 and 2019**  
**(in millions)**

	<u>2020</u>	<u>2019</u>	<u>Increase/ Decrease</u>
<b><u>Governmental Activity Debt</u></b>			
<b>Lease</b>			
2013 Public Facilities Refunding, 2.15%, due 8/1/25	\$ 7.5	\$ 8.8	\$ (1.3)
<b>Loans</b>			
Successor Agency	3.5	4.0	(0.5)
<b>Certificates of Participation</b>			
2015 316 Vernon Street Project, 2.00%-5.00%, due 2/1/34	13.4	13.7	(0.3)
Add: deferred debt premium	0.7	0.7	-
<b>Total Governmental Activity Debt</b>	<b><u>\$ 25.1</u></b>	<b><u>\$ 27.2</u></b>	<b><u>\$ (2.1)</u></b>
<b><u>Business-type Activity Debt</u></b>			
<b>Direct Placement Certificates of Participation</b>			
2012 Electric System Revenue Refunding, variable rate, due 2/1/35	54.0	90.0	\$ (36.0)
2013 Refunding Wastewater Revenue Bonds variable rate, due 11/1/35	-	38.3	\$ (38.3)
<b>Total direct placement debt</b>	<b><u>54.0</u></b>	<b><u>128.3</u></b>	<b><u>\$ (74.3)</u></b>
<b>Certificates of Participation</b>			
2009 Electric System Revenue Refunding, 2.00%-5.25%, due 2/1/24	\$ -	\$ 1.2	\$ (1.2)
2015 Water Utility Revenue Refunding, 2.00%-5.00%, due 12/1/29	30.3	32.9	(2.6)
Add deferred bond premium	4.6	5.1	\$ (0.5)
<b>Total certificates of participation</b>	<b><u>34.9</u></b>	<b><u>39.2</u></b>	<b><u>\$ (4.3)</u></b>
<b>Revenue Bonds</b>			
2007 Gas Revenue Bonds 4.00%-5.00%, due 2/15/28	108.7	119.5	(10.8)
Add: deferred bond premium	5.1	5.9	(0.8)
2010 Electric System Revenue Refunding 2.00%-5.00%, due 2/1/37	-	0.5	(0.5)
2013 Electric System Revenue Refunding 2.00%-5.00%, due 2/1/29	25.3	30.2	(4.9)
Add: deferred bond premium	3.3	3.7	(0.4)
2011 Refunding Wastewater Revenue Bonds, Series C 1.00%-5.25%, due 11/1/25	3.4	6.6	(3.2)
Add: deferred bond premium	0.1	0.3	(0.2)
2014 Refunding Electric System Revenue Bonds 5.00%, due 2/1/34	16.5	16.5	
Add: deferred bond premium	1.5	1.6	(0.1)
2017A Electric System Revenue Refunding 3.0%-5.00%, due 2/1/37	56.2	56.2	
Add: deferred bond premium	4.1	4.3	(0.2)
2017B Taxable Electric System Revenue Refunding 1.03%-2.41%, due 2/1/22	5.2	5.9	(0.7)
2017 Wastewater Revenue Bonds 5.00%, due 11/1/37	48.3	48.3	-
Add: deferred bond premium	9.4	10.1	(0.7)
2020 Wastewater Revenue Refunding Bonds 5.00%, due 11/1/35	30.3	-	30.3
Add: deferred bond premium	10.4	-	10.4
<b>Total Revenue Bonds</b>	<b><u>327.8</u></b>	<b><u>309.6</u></b>	<b><u>18.2</u></b>
<b>Total Business-type Activity Debt</b>	<b><u>\$ 416.7</u></b>	<b><u>\$ 477.1</u></b>	<b><u>\$ (60.4)</u></b>

CITY OF ROSEVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Economic Factors

Development activity remains strong in most sectors in the City despite the disruption resulting from COVID-19. In fiscal year 2020, Roseville issued 976 single-family residential building permits, a 13 percent increase over the prior year. Projections for fiscal year 2021 indicate a similar trend as new subdivisions in the Sierra Vista, Fiddymont Ranch, and Creekview plan areas come online. Completion of the Blue Oaks and Westbrook Boulevards extension projects will further facilitate sustained growth in these areas. Unemployment in Roseville had fallen to 3 percent prior to the pandemic. While the pandemic has brought a great amount of uncertainty to predicting General Fund tax revenues, commitments for labor contracts, increases in retirement contributions, and rising costs for utilities continue to add costs to the City's General Fund budget.

Next Year's Budget

General Fund budget appropriations for fiscal year 2021 are \$166.3 million, a decrease of 1.1 percent compared to the fiscal year 2020 approved budget. The approved fiscal year 2021 General Fund budget, adopted during the COVID-19 pandemic, maintained essential services, included only critical augmentations, and reflected reductions in capital and other multi-year project spending.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is intended to provide residents, businesses, customers, investors and creditors with a general overview of the City's finances. Questions about this report should be directed to the Finance Department of the City of Roseville at 311 Vernon Street, Roseville, California, 95678.



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# Basic Financial Statements

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The purpose of the Statement of Net Position and the Statement of Activities is to summarize the entire City's financial activities and financial position.

The Statement of Net Position reports the difference between the City's total assets and deferred outflows of resources and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the City's net position, by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources and summarizes the financial position of all the City's governmental activities in a single column, and the financial position of all the City's business-type activities in a single column; these columns are followed by a total column that presents the financial position of the entire City.

The City's governmental activities include the activities of its General Fund, along with the special revenue, capital projects, debt service, and permanent funds. Since the City's internal service funds predominately service these funds, their activities are consolidated with governmental activities, after eliminating inter-fund transactions and balances. The City's business-type activities include activities of the enterprise funds. Fiduciary activities are excluded.

The Statement of Activities reports increases and decreases in the City's net position. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the modified accrual basis used in the governmental fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities and the Statement of Net Position include the financial activities of the City, the Roseville Finance Authority, the Roseville Natural Gas Financing Authority, the Roseville Community Development Corporation and the City of Roseville Housing Authority, which are legally separate, but are component units of the City because they are controlled by the City which is financially accountable for the activities of these entities.

City of Roseville, California  
Statement of Net Position  
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments in City Treasury	\$ 294,511,708	\$ 390,637,187	\$ 685,148,895
Restricted cash and investments with fiscal agents	5,159,347	35,184,675	40,344,022
Receivables	33,492,115	40,243,022	73,735,137
Internal balances	1,067,732	(1,067,732)	-
Prepaid items and other assets	648,025	4,922,424	5,570,449
Developer permit fees receivable	5,424,985	5,870,478	11,295,463
Notes receivable	61,454,779	56,900	61,511,679
Inventories	1,150,285	16,022,748	17,173,033
Prepaid purchased gas	-	115,401,841	115,401,841
Investment in NCPA reserves	-	5,175,920	5,175,920
Investment in SPWA reserves	-	94,570,144	94,570,144
Derivative at fair value	-	93,437,073	93,437,073
Capital assets:			
Capital assets not being depreciated	559,443,417	68,216,184	627,659,601
Capital assets being depreciated, net	454,379,245	1,577,176,521	2,031,555,766
Total assets	<u>1,416,731,638</u>	<u>2,445,847,385</u>	<u>3,862,579,023</u>
<b>Deferred Outflows of Resources</b>			
Deferred amount on refunding	-	7,527,151	7,527,151
Accumulated decrease in fair value of hedging derivative	-	13,691,174	13,691,174
Deferred outflows related to OPEB	9,953,000	8,943,000	18,896,000
Deferred outflows related to pensions	52,252,995	33,462,965	85,715,960
Total deferred outflows of resources	<u>62,205,995</u>	<u>63,624,290</u>	<u>125,830,285</u>
<b>Liabilities</b>			
Accounts payable	10,932,989	14,855,906	25,788,895
Accrued liabilities	5,704,491	6,018,916	11,723,407
Due to other governments	387,760	18,035	405,795
Deposits	8,893,420	11,276,161	20,169,581
Unearned revenues	294,730	2,177,168	2,471,898
Derivative at fair value	-	13,691,174	13,691,174
Compensated absences:			
Due within one year	6,833,122	4,690,258	11,523,380
Due in more than one year	10,428,511	5,348,507	15,777,018
Self-insurance claims payable and litigation settlement:			
Due within one year	2,056,494	-	2,056,494
Due in more than one year	7,766,440	-	7,766,440
Other long-term liabilities:			
Due within one year	1,613,400	25,292,525	26,905,925
Due in more than one year	23,500,998	391,435,765	414,936,763
Long-term liabilities due in more than one year:			
Landfill closure and post closure liability	-	1,084,633	1,084,633
Net OPEB liability	74,654,790	41,418,000	116,072,790
Net pension liability	224,964,391	133,879,899	358,844,290
Total liabilities	<u>378,031,536</u>	<u>651,186,947</u>	<u>1,029,218,483</u>
<b>Deferred Inflows of Resources</b>			
Accumulated increase in fair value of hedging derivatives	-	93,437,073	93,437,073
Deferred inflows related to OPEB	33,801,000	16,847,000	50,648,000
Deferred inflows related to pensions	19,019,239	10,715,509	29,734,748
Total deferred inflows of resources	<u>52,820,239</u>	<u>120,999,582</u>	<u>173,819,821</u>

City of Roseville, California  
Statement of Net Position  
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
Net Position			
Net investment in capital assets	\$ 1,013,822,662	\$ 1,350,017,938	\$ 2,363,840,600
Restricted for:			
Capital projects	125,624,036	9,058,848	134,682,884
Community development	22,849,072	-	22,849,072
Nonspendable endowments	17,797,906	-	17,797,906
Debt service	-	24,953,949	24,953,949
Global warming prevention (AB 32)	-	19,164,405	19,164,405
Restricted for local transportation	-	481,585	481,585
Total restricted	166,271,014	53,658,787	219,929,801
Unrestricted	(132,007,818)	333,608,421	201,600,603
Total net position	\$ 1,048,085,858	\$ 1,737,285,146	\$ 2,785,371,004

City of Roseville, California  
Statement of Activities  
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities:</b>							
General government	\$ 20,144,744	\$ 4,405,118	\$ 342,852	\$ 1,811,743	\$ (13,585,031)	\$ -	\$ (13,585,031)
Development and operations	57,985,840	15,847,685	8,785,976	11,040,507	(22,311,672)	-	(22,311,672)
Public works	17,390,714	1,459,973	41,448	47,180,360	31,291,067	-	31,291,067
Police	47,310,738	1,020,556	1,859,477	-	(44,430,705)	-	(44,430,705)
Fire	36,861,715	1,271,615	793,501	1,322,623	(33,473,976)	-	(33,473,976)
Library	4,756,588	94,298	-	-	(4,662,290)	-	(4,662,290)
Parks and recreation	31,791,977	6,445,595	1,119,387	7,970,086	(16,256,909)	-	(16,256,909)
Housing assistance payments	7,386,919	-	5,709,989	-	(1,676,930)	-	(1,676,930)
Interest on long-term debt	1,484,120	-	-	-	(1,484,120)	-	(1,484,120)
<b>Total governmental activities</b>	<b>225,113,355</b>	<b>30,544,840</b>	<b>18,652,630</b>	<b>69,325,319</b>	<b>(106,590,566)</b>	<b>-</b>	<b>(106,590,566)</b>
<b>Business-type Activities:</b>							
Electric	139,578,420	162,547,979	29,236	21,709,286	-	44,708,081	44,708,081
Water	37,477,974	34,797,988	22,549	34,679,415	-	32,021,978	32,021,978
Wastewater	45,807,920	42,065,481	340,643	40,190,364	-	36,788,568	36,788,568
Waste services	26,489,550	26,859,636	38,097	667,543	-	1,075,726	1,075,726
Natural Gas	23,226,521	16,563,725	-	-	-	(6,662,796)	(6,662,796)
Local Transportation	10,790,475	923,491	10,757,205	92,357	-	982,578	982,578
School-Age Child Care	9,732,622	5,431,246	290,402	11,238	-	(3,999,736)	(3,999,736)
<b>Total business-type activities</b>	<b>293,103,482</b>	<b>289,189,546</b>	<b>11,478,132</b>	<b>97,350,203</b>	<b>-</b>	<b>104,914,399</b>	<b>104,914,399</b>
<b>Total</b>	<b>\$ 518,216,837</b>	<b>\$ 319,734,386</b>	<b>\$ 30,130,762</b>	<b>\$ 166,675,522</b>	<b>(106,590,566)</b>	<b>104,914,399</b>	<b>(1,676,167)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Sales taxes					72,369,119	-	72,369,119
Property taxes					52,375,495	-	52,375,495
Transient occupancy taxes					3,528,221	-	3,528,221
Other taxes					15,357,338	-	15,357,338
Franchise fees					2,023,411	-	2,023,411
Use of money and property					5,667,846	19,716,829	25,384,675
Miscellaneous revenues					128,480	-	128,480
Gain on sale of capital assets					899,851	-	899,851
Transfers					10,223,786	(10,223,786)	-
<b>Total general revenues and transfers</b>					<b>162,573,547</b>	<b>9,493,043</b>	<b>172,066,590</b>
<b>Change in Net Position</b>					<b>55,982,981</b>	<b>114,407,442</b>	<b>170,390,423</b>
<b>Net Position - Beginning</b>					<b>992,102,877</b>	<b>1,622,877,704</b>	<b>2,614,980,581</b>
<b>Net Position - Ending</b>					<b>\$ 1,048,085,858</b>	<b>\$ 1,737,285,146</b>	<b>\$ 2,785,371,004</b>

Major funds are defined generally as having significant activities or balances in the current year.

The funds described below were determined to be major funds by the City in fiscal year 2020. Individual non-major funds may be found in the supplemental information section.

**General Fund**

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

**Community Facilities Districts Capital Projects Fund**

This fund is used to account for the construction of infrastructure improvements, or reimbursement to developers for such improvements, funded by special taxes levied against benefited properties.



City of Roseville, California  
Balance Sheet – Governmental Funds  
June 30, 2020

	General	Capital Projects Fund		Total Governmental Funds
		Community Facilities District	Nonmajor Governmental Funds	
<b>Assets</b>				
Cash and investments in City Treasury	\$ 56,023,456	\$ 7,072,107	\$171,828,858	\$234,924,421
Restricted cash and investments with fiscal agents	-	5,098,794	60,553	5,159,347
Receivables	17,990,386	29,057	12,753,592	30,773,035
Due from other funds	1,025,750	-	-	1,025,750
Advances to other funds	7,836,209	-	-	7,836,209
Prepays	307,390	-	-	307,390
Developer permit fees receivable	1,162,241	-	4,262,744	5,424,985
Notes receivable	11,360,122	-	49,431,296	60,791,418
Inventories	216,374	-	-	216,374
<b>Total assets</b>	<b>\$ 95,921,928</b>	<b>\$ 12,199,958</b>	<b>\$238,337,043</b>	<b>\$346,458,929</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,757,408	\$ 564,418	\$ 6,873,324	\$ 9,195,150
Accrued liabilities	2,817,417	-	2,436,677	5,254,094
Due to other funds	-	-	1,469,804	1,469,804
Due to other government agencies	10,785	-	376,975	387,760
Advances from other funds	-	-	12,814,603	12,814,603
Unearned revenue	141,652	-	153,078	294,730
Deposits	8,293,420	-	600,000	8,893,420
<b>Total liabilities</b>	<b>13,020,682</b>	<b>564,418</b>	<b>24,724,461</b>	<b>38,309,561</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	1,518,611	-	52,240,739	53,759,350
<b>Fund Balances</b>				
Nonspendable	11,883,886	-	17,797,906	29,681,792
Restricted	-	11,635,540	136,837,568	148,473,108
Committed	31,781,588	-	-	31,781,588
Assigned	1,876,105	-	11,161,681	13,037,786
Unassigned	35,841,056	-	(4,425,312)	31,415,744
<b>Total fund balances</b>	<b>81,382,635</b>	<b>11,635,540</b>	<b>161,371,843</b>	<b>254,390,018</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 95,921,928</b>	<b>\$ 12,199,958</b>	<b>\$238,337,043</b>	<b>\$346,458,929</b>

City of Roseville, California  
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
 June 30, 2020

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Total Fund Balances - Total Governmental Funds	\$ 254,390,018
<p>Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the governmental funds above because of the following:</p>	
<p>Capital Assets</p>	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds	884,624,905
<p>Allocation of Internal Service Fund Net Position</p>	
Internal service funds are used to charge the costs of certain activities such as insurance, post employment benefits, facility maintenance, and information technology. The net position of the internal service funds are therefore included in governmental activities in the statement of net position.	168,284,986
<p>Long-Term Liabilities</p>	
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Direct placement debt and certificates of participation	(25,114,398)
Interest payable	(306,183)
Compensated absences	(15,728,863)
Net OPEB liability	(67,785,790)
Net pension liability	(203,199,757)
<p>Deferred Outflows/Inflows of Resources</p>	
Deferred outflows related to pensions	44,415,239
Deferred inflows related to pensions	(17,328,649)
Deferred outflows related to OPEB	3,629,000
Deferred inflows related to OPEB	(31,554,000)
Unavailable revenue in the governmental funds is revenue in the governmental activities	53,759,350
Net Position of Governmental Activities	\$ 1,048,085,858

City of Roseville, California  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2020

	General	Capital Projects Fund		Total Governmental Funds
		Community Facilities District	Nonmajor Governmental Funds	
<b>Revenues</b>				
Taxes	\$ 131,611,843	\$ -	\$ 10,773,248	\$ 142,385,091
Licenses and permits	3,325,365	-	-	3,325,365
Charges for services	17,059,293	-	23,297,289	40,356,582
Subventions and grants	487,234	-	9,531,297	10,018,531
Use of money and property	2,985,800	518,007	5,477,792	8,981,599
Fines, forfeitures and penalties	725,014	-	235,386	960,400
Contributions from developers and others	486,570	38,164	38,200	562,934
Miscellaneous revenues	1,987,522	-	2,751,286	4,738,808
Revenues from other agencies	-	38,986,341	3,806,075	42,792,416
<b>Total revenues</b>	<b>158,668,641</b>	<b>39,542,512</b>	<b>55,910,573</b>	<b>254,121,726</b>
<b>Expenditures</b>				
Current:				
General government	18,207,442	-	1,049,729	19,257,171
Development and operations	14,452,760	32,908,588	3,428,919	50,790,267
Public works	7,971,550	-	5,692,000	13,663,550
Public safety:				
Police	45,441,651	-	792,297	46,233,948
Fire	36,188,881	-	4,095	36,192,976
Library	5,017,004	-	-	5,017,004
Parks and recreation	18,036,618	-	9,689,739	27,726,357
Housing assistance payments	-	-	5,155,267	5,155,267
Annexation payments	7,083,307	-	-	7,083,307
Capital outlay	5,683,056	26,089,067	34,020,043	65,792,166
Debt service:				
Principal retirement	-	-	2,072,817	2,072,817
Interest and fiscal charges	26,650	423,030	1,074,498	1,524,178
<b>Total expenditures</b>	<b>158,108,919</b>	<b>59,420,685</b>	<b>62,979,404</b>	<b>280,509,008</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>559,722</b>	<b>(19,878,173)</b>	<b>(7,068,831)</b>	<b>(26,387,282)</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from disposition of assets	-	-	880,994	880,994
Transfers in	16,010,646	-	12,254,775	28,265,421
Transfers out	(3,640,682)	-	(13,992,071)	(17,632,753)
<b>Total other financing sources (uses)</b>	<b>12,369,964</b>	<b>-</b>	<b>(856,302)</b>	<b>11,513,662</b>
<b>Net Changes in Fund Balances</b>	<b>12,929,686</b>	<b>(19,878,173)</b>	<b>(7,925,133)</b>	<b>(14,873,620)</b>
<b>Fund Balances - Beginning of Year</b>	<b>68,452,949</b>	<b>31,513,713</b>	<b>169,296,976</b>	<b>269,263,638</b>
<b>Fund Balances - End of Year</b>	<b>\$ 81,382,635</b>	<b>\$ 11,635,540</b>	<b>\$161,371,843</b>	<b>\$ 254,390,018</b>

City of Roseville, California

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Total Governmental Funds to the Statement of Activities  
Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds	\$ (14,873,620)
Amounts reported for governmental activities in the statement of activities are different from those reported in the governmental funds because of the following:	
Capital Assets Transactions	
Governmental funds report capital outlays as expenditures.	65,792,166
Non-capitalized capital outlay expenditures are reclassified to various governmental activities.	(15,359,849)
In the statement of activities the cost of capital assets is allocated over their estimated useful lives as depreciation expense (net of depreciation on internal service fund capital assets of \$13,769,141).	11,445,984
Long Term Debt Transactions	
Issuance of debt and repayment of principal is an other financing source and expenditure, respectively, in the governmental funds but in the statement of net position the transactions increase and reduce long term liabilities.	
Payment of debt principal	2,072,817
Amortization of premium	27,808
Pension Related Items	
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts.	(7,914,848)
OPEB Related Items	
Governmental funds report OPEB contributions as expenditures. However, in the Statement of Activities, OPEB expense is measured as the change in net OPEB liability and the amortization of deferred outflows and inflows related to OPEB. This amount represent the net change in OPEB related amounts.	9,010,804
Accrual of Non-Current Items	
Certain amounts included in the Statement of Activities do not require the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Compensated absences	(1,381,688)
Interest payable	12,250
Unavailable Revenues	
Revenue and other resources not fund available to liabilities of the current period are not recognized in governmental funds. Revenue in the statement of activities is not limited by availability, so certain 'revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment is the change between prior year's unavailable revenues and the current year unavailable revenues.	7,761,820
Allocation of Internal Service Fund Activity	
Internal Service Funds are used by management to charge the costs of certain activities, 'such as equipment acquisition, maintenance, and insurance to individual funds. 'The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with Governmental Funds is reported with governmental activities, because they service those activities.	(610,663)
Change in net position of governmental activities	<u>\$ 55,982,981</u>

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Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City has identified the funds below as major enterprise funds in fiscal year 2020.

**Electric Fund**

This fund accounts for all financial transactions relating to the City's electric services. Services are on a user charge basis to residents and business owners located in the City.

**Water Fund**

This fund accounts for all financial transactions relating to the City's water services. Services are on a user charge basis to residents and business owners located in the City.

**Wastewater Fund**

This fund accounts for all financial transactions relating to the City's wastewater collection and treatment services. Services are on a user charge basis to residents and business owners located in the City.

**Solid Waste Fund**

This fund accounts for all financial transactions relating to the City's solid waste service. Services are on a user charge basis to residents and business owners located in the City.

**Roseville Natural Gas Financing Authority**

This fund accounts for financing and purchasing pre-paid natural gas for the generation of power for the Roseville Energy Park.

**Internal Service Funds**

These funds account for activities and services performed by a designated department for other departments in the City.

City of Roseville, California  
Statement of Net Position – Proprietary Funds  
June 30, 2020

	Business-Type Activities - Enterprise Funds				Roseville Natural Gas Financing Authority
	Electric	Water	Wastewater	Waste Services	
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and investments in City Treasury	\$ 160,395,454	\$ 123,752,074	\$ 63,487,978	\$ 34,197,769	\$ -
Restricted cash and investments with fiscal agents	17,135,059	9,058,848	-	-	8,990,768
Receivables	23,669,020	7,678,510	9,389,557	3,068,323	-
Prepays	4,922,424	-	-	-	-
Notes receivable	-	56,900	-	-	-
Due from other funds	-	-	-	-	-
Inventories	12,650,432	3,118,722	106,747	146,847	-
Total current assets	<u>218,772,389</u>	<u>143,665,054</u>	<u>72,984,282</u>	<u>37,412,939</u>	<u>8,990,768</u>
<b>Non-Current Assets:</b>					
Prepaid purchased gas	-	-	-	-	115,401,841
Investment in NCPA reserves	5,175,920	-	-	-	-
Investment in SPWA reserves	-	-	94,570,144	-	-
Advances to other funds	-	-	-	-	-
Derivative at fair value	-	-	-	-	93,437,073
<b>Capital assets (Note 8):</b>					
Land and construction in progress	25,237,987	8,223,078	28,959,937	362,876	-
Capital assets being depreciated, net	435,495,159	509,624,774	599,683,568	2,933,024	-
Total non-current assets	<u>465,909,066</u>	<u>517,847,852</u>	<u>723,213,649</u>	<u>3,295,900</u>	<u>208,838,914</u>
Total assets	<u>684,681,455</u>	<u>661,512,906</u>	<u>796,197,931</u>	<u>40,708,839</u>	<u>217,829,682</u>
<b>Deferred Outflows of Resources:</b>					
Deferred charge on refunding	5,679,081	1,704,101	143,969	-	-
Accumulated decrease in fair value of hedging derivatives	13,691,174	-	-	-	-
Deferred outflows related to OPEB	3,656,000	2,556,000	1,981,000	353,000	-
Deferred outflows related to pensions	15,214,896	4,205,577	6,604,331	4,647,993	-
Total deferred outflows of resources	<u>38,241,151</u>	<u>8,465,678</u>	<u>8,729,300</u>	<u>5,000,993</u>	<u>-</u>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	8,872,843	1,598,110	2,160,951	1,451,185	211
Accrued liabilities	2,882,659	361,388	372,258	216,300	2,037,656
Due to other government agencies	18,035	-	-	-	-
Due to other funds	-	-	-	-	67,732
Current portion of compensated absences	2,239,588	640,367	994,703	469,615	-
Current portion of long-term liabilities	7,800,000	2,695,000	3,412,525	-	11,385,000
Deposits	2,618,862	26,668	64,138	50,955	4,641,575
Unearned revenue	-	-	-	-	-
Current portion of self-insurance claims payable	-	-	-	-	-
Total current liabilities	<u>24,431,987</u>	<u>5,321,533</u>	<u>7,004,575</u>	<u>2,188,055</u>	<u>18,132,174</u>
<b>Non-Current Liabilities</b>					
Advances from other funds	-	-	-	-	-
Long-term liabilities, non-current portion	158,248,168	32,259,644	98,486,581	-	102,441,372
Landfill closure and post closure liability	-	-	-	1,084,633	-
Compensated absences	2,502,644	798,500	1,162,587	599,633	-
Self-insurance claims payable	-	-	-	-	-
Derivative at fair value	13,691,174	-	-	-	-
Net OPEB liability	14,134,000	7,549,000	7,948,000	6,579,000	-
Net pension liability	63,291,847	17,367,370	26,055,583	15,587,114	-
Total non-current liabilities	<u>251,867,833</u>	<u>57,974,514</u>	<u>133,652,751</u>	<u>23,850,380</u>	<u>102,441,372</u>
Total liabilities	<u>276,299,820</u>	<u>63,296,047</u>	<u>140,657,326</u>	<u>26,038,435</u>	<u>120,573,546</u>
<b>Deferred Inflows of Resources:</b>					
Accumulated increase in fair value of hedging derivatives	-	-	-	-	93,437,073
Deferred inflows related to OPEB	4,623,000	2,470,000	2,599,000	4,372,000	-
Deferred inflows related to pensions	3,264,848	4,974,613	824,656	512,150	-
Total deferred inflows of resources	<u>7,887,848</u>	<u>7,444,613</u>	<u>3,423,656</u>	<u>4,884,150</u>	<u>93,437,073</u>
<b>Net Position:</b>					
Net investment in capital assets	300,364,059	484,597,309	526,888,368	3,295,900	-
Restricted for debt service	16,099,600	4,134,075	4,720,274	-	-
Restricted for capital projects	-	9,058,848	-	-	-
Restricted for local transportation	-	-	-	-	-
Restricted for sustainable energy programs (AB 32)	19,164,405	-	-	-	-
Unrestricted	103,106,874	101,447,692	129,237,607	11,491,347	3,819,063
Total net position	<u>\$ 438,734,938</u>	<u>\$ 599,237,924</u>	<u>\$ 660,846,249</u>	<u>\$ 14,787,247</u>	<u>\$ 3,819,063</u>

City of Roseville, California  
Statement of Net Position – Proprietary Funds  
June 30, 2020

Business-Type Activities Enterprise Funds Non-Major Enterprise Funds Total	Totals	Governmental Activities Internal Service Funds
\$ 8,803,912	\$ 390,637,187	\$ 59,587,287
-	35,184,675	-
2,308,090	46,113,500	2,719,080
-	4,922,424	340,635
-	56,900	663,361
-	-	566,786
-	16,022,748	933,911
<u>11,112,002</u>	<u>492,937,434</u>	<u>64,811,060</u>
-	115,401,841	-
-	5,175,920	-
-	94,570,144	-
-	-	5,923,394
-	93,437,073	-
5,432,306	68,216,184	1,551,323
<u>29,439,996</u>	<u>1,577,176,521</u>	<u>127,646,434</u>
<u>34,872,302</u>	<u>1,953,977,683</u>	<u>135,121,151</u>
<u>45,984,304</u>	<u>2,446,915,117</u>	<u>199,932,211</u>
-	7,527,151	-
-	13,691,174	-
397,000	8,943,000	6,324,000
<u>2,790,168</u>	<u>33,462,965</u>	<u>7,837,756</u>
<u>3,187,168</u>	<u>63,624,290</u>	<u>14,161,756</u>
772,606	14,855,906	1,737,839
148,655	6,018,916	144,214
-	18,035	-
55,000	122,732	-
345,985	4,690,258	677,308
-	25,292,525	-
3,873,963	11,276,161	-
2,177,168	2,177,168	-
-	-	2,056,494
<u>7,373,377</u>	<u>64,451,701</u>	<u>4,615,855</u>
945,000	945,000	-
-	391,435,765	-
-	1,084,633	-
285,143	5,348,507	855,462
-	-	7,766,440
-	13,691,174	-
5,208,000	41,418,000	6,869,000
<u>11,577,985</u>	<u>133,879,899</u>	<u>21,764,634</u>
<u>18,016,128</u>	<u>587,802,978</u>	<u>37,255,536</u>
<u>25,389,505</u>	<u>652,254,679</u>	<u>41,871,391</u>
-	93,437,073	-
2,783,000	16,847,000	2,247,000
1,139,242	10,715,509	1,690,590
<u>3,922,242</u>	<u>120,999,582</u>	<u>3,937,590</u>
34,872,302	1,350,017,938	129,197,757
-	24,953,949	-
-	9,058,848	-
481,585	481,585	-
-	19,164,405	-
<u>(15,494,162)</u>	<u>333,608,421</u>	<u>39,087,229</u>
<u>\$ 19,859,725</u>	<u>\$ 1,737,285,146</u>	<u>\$ 168,284,986</u>

See Notes to Financial Statements



City of Roseville, California  
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds  
Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Roseville Natural Gas Financing Authority
	Electric	Water	Wastewater	Waste Services	
Operating Revenues					
Charges for services	\$ 157,695,982	\$ 34,643,228	\$ 41,874,295	\$ 26,808,954	\$ 16,563,725
Other	4,851,997	154,760	191,186	50,682	-
Total operating revenues	<u>162,547,979</u>	<u>34,797,988</u>	<u>42,065,481</u>	<u>26,859,636</u>	<u>16,563,725</u>
Operating Expenses					
Power supply	61,283,483	-	-	-	18,172,022
Operations	44,443,212	20,623,204	24,223,146	23,996,745	-
Administration	11,225,224	3,488,973	2,752,411	2,116,126	6,040
Depreciation and amortization	7,571,254	11,558,488	10,025,206	375,727	(735,910)
Claims expense	-	-	-	-	-
Total operating expenses	<u>124,523,173</u>	<u>35,670,665</u>	<u>37,000,763</u>	<u>26,488,598</u>	<u>17,442,152</u>
Operating income (loss)	<u>38,024,806</u>	<u>(872,677)</u>	<u>5,064,718</u>	<u>371,038</u>	<u>(878,427)</u>
Non-Operating Revenues (Expenses):					
Interest and rents revenue	5,699,117	4,253,802	1,953,828	1,029,744	6,593,869
Interest and fiscal charges (expenses)	(14,659,807)	(1,792,377)	(1,795,125)	-	(5,784,369)
Subventions and grants	29,236	22,549	340,643	38,097	-
Gain (loss) from sale of property	(352,751)	(14,932)	(29,710)	(952)	-
Increase (decrease) in JPA reserves	(42,689)	-	(6,982,322)	-	-
Total nonoperating revenues (expenses)	<u>(9,326,894)</u>	<u>2,469,042</u>	<u>(6,512,686)</u>	<u>1,066,889</u>	<u>809,500</u>
Income (loss) before contributions and Transfers	28,697,912	1,596,365	(1,447,968)	1,437,927	(68,927)
Contributions					
Capital contributions - connection/impact fees	1,380,941	10,490,685	12,670,235	646,565	-
Contributions in aid of construction	9,386,648	-	-	-	-
Capital contributions from developers and other agencies	10,941,697	24,188,730	27,520,129	20,978	-
Transfers in	-	1,173,748	46,011	-	-
Transfers out	(7,037,982)	(1,424,306)	(1,982,303)	(893,202)	-
Change in Net Position	43,369,216	36,025,222	36,806,104	1,212,268	(68,927)
Total Net Position - Beginning	<u>395,365,722</u>	<u>563,212,702</u>	<u>624,040,145</u>	<u>13,574,979</u>	<u>3,887,990</u>
Total Net Position - Ending	<u>\$ 438,734,938</u>	<u>\$ 599,237,924</u>	<u>\$ 660,846,249</u>	<u>\$ 14,787,247</u>	<u>\$ 3,819,063</u>

City of Roseville, California  
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds  
Year Ended June 30, 2020

Business-Type Activities Enterprise Funds Non-Major Enterprise Funds Total	Totals	Governmental Activities- Internal Service Funds
\$ 5,930,528	\$ 283,516,712	\$ 40,680,195
424,209	5,672,834	581,562
<u>6,354,737</u>	<u>289,189,546</u>	<u>41,261,757</u>
-	79,455,505	-
11,149,327	124,435,634	30,199,581
7,518,523	27,107,297	-
1,726,727	30,521,492	13,769,141
-	-	7,420,279
<u>20,394,577</u>	<u>261,519,928</u>	<u>51,389,001</u>
<u>(14,039,840)</u>	<u>27,669,618</u>	<u>(10,127,244)</u>
186,469	19,716,829	1,847,973
(19,749)	(24,051,427)	-
11,047,607	11,478,132	-
(108,771)	(507,116)	(30,520)
-	(7,025,011)	-
<u>11,105,556</u>	<u>(388,593)</u>	<u>1,817,453</u>
(2,934,284)	27,281,025	(8,309,791)
-	-	8,108,010
-	25,188,426	-
-	9,386,648	-
103,595	62,775,129	-
90,801	1,310,560	276,936
(196,553)	(11,534,346)	(685,818)
<u>(2,936,441)</u>	<u>114,407,442</u>	<u>(610,663)</u>
<u>22,796,166</u>	<u>1,622,877,704</u>	<u>168,895,649</u>
<u>\$ 19,859,725</u>	<u>\$ 1,737,285,146</u>	<u>\$ 168,284,986</u>

City of Roseville, California  
Statement of Cash Flows – Proprietary Funds  
Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Roseville Natural Gas Financing Authority
	Electric	Water	Wastewater	Waste Services	
Operating Activities					
Receipts from customers	\$ 155,099,223	\$ 32,333,233	\$ 41,184,750	\$ 26,715,143	\$ 16,583,725
Payments to suppliers	(71,717,955)	(10,109,448)	(16,443,032)	(14,937,945)	(6,496,506)
Payments to employees	(40,856,708)	(11,279,658)	(14,488,503)	(8,423,293)	-
Claims paid	-	-	-	-	-
Other receipts	4,851,997	154,760	191,186	50,682	-
Net Cash provided by/(used for) Operating Activities	<u>47,376,557</u>	<u>11,098,887</u>	<u>10,444,401</u>	<u>3,404,587</u>	<u>10,087,219</u>
Non-Capital Financing Activities					
Subventions and grants	29,236	22,549	340,643	38,097	-
Increase/decrease in due from other funds	-	-	(2,655,246)	-	49,100
Increase/decrease in due to other funds	-	-	-	-	-
Changes in deposits	-	-	-	-	-
Increase/decrease in advance to other funds	-	-	-	-	-
Increase/decrease in advances from other funds	-	-	-	-	-
Transfers in	-	1,173,748	46,011	-	-
Transfers out	(7,037,982)	(1,424,306)	(1,982,303)	(893,202)	-
Net cash provided by/(used for) Noncapital Financing Activities	<u>(7,008,746)</u>	<u>(228,009)</u>	<u>(4,250,895)</u>	<u>(855,105)</u>	<u>49,100</u>
Capital and Related Financing Activities					
Capital contributions	9,386,648	10,490,685	12,670,235	646,565	-
Acquisition and construction of capital assets	(28,753,593)	(1,388,243)	(7,112,870)	-	-
Change in restricted assets	(204,838)	534,647	-	-	(161,453)
Proceeds from sale of capital assets	259,779	64,934	-	307,897	-
Principal payments on capital debt	(43,459,998)	(2,560,000)	(1,618,503)	-	(10,799,998)
Interest paid on capital debt	(14,981,396)	(2,083,930)	(1,363,216)	-	(5,784,371)
Payments on loans receivables	-	8,754	-	-	-
Connection/impact fees	1,380,941	-	-	-	-
Net cash provided by/(used for) Capital and Related Financing Activities	<u>(76,372,457)</u>	<u>5,066,847</u>	<u>2,575,646</u>	<u>954,462</u>	<u>(16,745,822)</u>
Investing Activities					
Interest and rents received	6,021,919	4,414,570	2,052,710	1,076,283	6,609,499
Investment in JPA Reserves	-	-	(9,523,834)	-	-
Net cash provided by/(used for) Investing Activities	<u>6,021,919</u>	<u>4,414,570</u>	<u>(7,471,124)</u>	<u>1,076,283</u>	<u>6,609,499</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(29,982,727)	20,352,295	1,298,028	4,580,227	(4)
Cash and investments at beginning of period	<u>190,378,181</u>	<u>103,399,779</u>	<u>62,189,950</u>	<u>29,617,542</u>	<u>4</u>
Cash and investments at end of period	<u>\$ 160,395,454</u>	<u>\$ 123,752,074</u>	<u>\$ 63,487,978</u>	<u>\$ 34,197,769</u>	<u>\$ -</u>

City of Roseville, California  
Statement of Cash Flows – Proprietary Funds  
Year Ended June 30, 2020

Business-Type Enterprise Funds		Governmental Activities- Internal Service Funds
Non-Major Enterprise Funds Total	Totals	
\$ 6,020,528	\$ 277,936,602	\$ 40,758,682
(10,488,339)	(130,193,225)	(14,422,472)
(5,404,972)	(80,453,134)	(14,431,677)
-	-	(3,911,776)
424,209	5,672,834	454,144
<u>(9,448,574)</u>	<u>72,963,077</u>	<u>8,446,901</u>
8,720,682	9,151,207	1,269
-	(2,606,146)	282,877
(55,000)	(55,000)	-
3,783,733	3,783,733	-
-	-	(2,648,214)
340,000	340,000	-
90,801	1,310,560	276,936
<u>(196,553)</u>	<u>(11,534,346)</u>	<u>(685,818)</u>
<u>12,683,663</u>	<u>390,008</u>	<u>(2,772,950)</u>
-	33,194,133	-
(2,971,614)	(40,226,320)	(4,387,816)
-	168,356	-
(108,771)	523,839	-
-	(58,438,499)	-
(19,749)	(24,232,662)	-
-	8,754	-
<u>-</u>	<u>1,380,941</u>	<u>-</u>
<u>(3,100,134)</u>	<u>(87,621,458)</u>	<u>(4,387,816)</u>
188,559	20,363,540	1,823,476
-	(9,523,834)	-
<u>188,559</u>	<u>10,839,706</u>	<u>1,823,476</u>
323,514	(3,428,667)	3,109,611
<u>8,480,398</u>	<u>394,065,854</u>	<u>56,477,676</u>
<u>\$ 8,803,912</u>	<u>\$ 390,637,187</u>	<u>\$ 59,587,287</u>

City of Roseville, California  
Statement of Cash Flows – Proprietary Funds  
Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds				Roseville Natural Gas Financing Authority
	Electric	Water	Wastewater	Solid Waste	
Reconciliation of Operating Income (Loss) to Net Cash provided by/(used for) Operating Activities:					
Operating Income (Loss)	\$ 38,024,806	\$ (872,677)	\$ 5,064,718	\$ 371,038	\$ (878,427)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation and amortization	7,571,254	11,558,488	10,025,206	375,727	(735,910)
OPEB expense	(2,604,000)	(667,000)	(1,725,000)	4,141,000	-
Pension expense	6,759,168	2,608,007	(118,816)	987,353	-
Change in Assets and Liabilities:					
Receivables, net	(2,427,592)	(1,624,342)	(729,362)	(117,296)	-
Inventories	(930,372)	44,663	(1,209)	31,077	-
Prepays	(231,592)	-	-	-	-
Prepaid purchased gas	-	-	-	-	11,889,739
Accounts payable and other liabilities	1,262,754	679,069	(2,071,136)	(2,356,842)	(188,183)
Unearned revenue	(47,869)	(627,321)	-	(27,470)	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ 47,376,557</u>	<u>\$ 11,098,887</u>	<u>\$ 10,444,401</u>	<u>\$ 3,404,587</u>	<u>\$ 10,087,219</u>
Schedule of Non-Cash Capital and Related Financing Transactions					
Capital assets transferred from governmental activities					
Contributions of capital assets from developers	<u>\$ 10,739,635</u>	<u>\$ 23,497,527</u>	<u>\$ 1,827,454</u>		
Amortization of bond premium	<u>\$ 749,317</u>	<u>\$ 461,964</u>	<u>\$ 798,052</u>		<u>\$ 735,910</u>
Amortization of deferred amount on refunding	<u>\$ (427,731)</u>	<u>\$ (170,411)</u>			

City of Roseville, California  
Statement of Cash Flows – Proprietary Funds  
Year Ended June 30, 2020

Business-Type Activities - Enterprise Funds Non-Major Enterprise Funds Total	Totals	Governmental Activities- Internal Service Funds
\$ (14,039,840)	\$ 27,669,618	\$ (10,127,244)
1,726,727	30,521,492	13,769,141
1,718,000	863,000	2,792,000
1,751,216	11,986,928	2,653,607
850,799	(4,047,793)	(23,969)
-	(855,841)	(75,744)
-	(231,592)	115,696
-	11,889,739	-
(1,455,476)	(4,129,814)	(656,586)
-	(702,660)	-
<u>\$ (9,448,574)</u>	<u>\$ 72,963,077</u>	<u>\$ 8,446,901</u>
<u>\$ 3,121</u>	<u>\$ 3,121</u>	<u>\$ 8,108,000</u>
<u>\$ 89,236</u>	<u>\$ 36,153,852</u>	
	<u>\$ 2,745,243</u>	
	<u>\$ (598,142)</u>	

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Fiduciary funds are presented separately from the government-wide and fund financial statements. The City had the following types of fiduciary funds in fiscal year 2020:

*Other Post-Employment Benefits Trust Fund* is used to account for assets held by the City as a trustee agent for the members and beneficiaries of other post-employment benefit plan.

*Private-Purpose Trust Funds* are used to account for trust arrangements under which principal and income benefit private organizations or other governments.

*Agency Funds* are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.



City of Roseville, California  
Statement of Fiduciary Net Position – Fiduciary Funds  
June 30, 2020

	Other Post Employment Benefits Trust Fund	Private-Purpose Trust Funds	Agency Funds
<b>Assets:</b>			
Cash and investments in City Treasury	\$ 492,210	\$ 6,566,343	\$ 157,728,922
Restricted cash and investments with fiscal agents	-	251,946	77,321,093
<b>OPEB Plan Assets:</b>			
Domestic equity funds	61,127,158	-	-
Fixed income securities	45,201,192	-	-
Real estate partnership	2,366,910	-	-
Receivables	508,510	723,267	19,012,247
Due from other government agencies	-	-	-
Notes receivable	-	3,472,944	-
<b>Capital Assets:</b>			
Land	-	74,369	-
<b>Total assets</b>	<b>109,695,980</b>	<b>11,088,869</b>	<b>\$ 254,062,262</b>
<b>Liabilities:</b>			
Accounts payable	14,770	16,086	\$ 5,018,052
Accrued liabilities	-	775,360	5,099,779
Due to other government agencies	-	-	132,815
Due to member agencies	-	-	170,718,208
Due to bondholders	-	-	61,195,790
Due to others	-	-	11,897,618
<b>Long-term liabilities:</b>			
Due in one year	-	2,598,699	-
Due in more than one year	-	43,940,877	-
<b>Total liabilities</b>	<b>14,770</b>	<b>47,331,022</b>	<b>\$ 254,062,262</b>
<b>Net Position (Deficit):</b>			
Restricted for OPEB	<b>\$ 109,681,210</b>		
Held in trust for private purposes or for other governments		<b>\$ (36,242,153)</b>	

City of Roseville, California  
Statement of Changes in Fiduciary Net Position  
Year Ended June 30, 2020

	Other Post Employment Benefits Trust Fund	Private-Purpose Trust Funds
Additions		
Property taxes, net of pass through payments	\$ -	\$ 3,751,088
Contributions from the City	16,533,867	-
Investment income	5,318,871	259,288
Total additions	21,852,738	4,010,376
Deductions		
General government	-	12,366
Community services	-	1,275,445
Retiree health plan benefits	9,988,000	-
Administrative expense	142,934	-
Interest and fiscal charges	-	333,191
Total deductions	10,130,934	1,621,002
Change in Net Position	11,721,804	2,389,374
Net Position		
Net Position (Deficit) - Beginning	97,959,406	(38,631,527)
Net Position (Deficit) - Ending	\$ 109,681,210	\$ (36,242,153)

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## **Note 1 - Summary of Significant Accounting Policies**

The City of Roseville (City) was incorporated on April 10, 1909 under provisions of Act 279, P.A. 1909, as amended (Home Rule City). The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), streets, water, wastewater, waste services, electric, local transportation, school-age child care, golf course, parks and recreation, public improvements, planning and zoning, libraries, general administration services, economic development, and housing.

The financial statements and accounting policies of the City conform with generally accepted accounting principles in the United States of America applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

### **A. Reporting Entity**

The accompanying basic financial statements present the financial activity of the City, which is the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, blended component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. The City's component units which are described below are all blended.

The **Roseville Finance Authority** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Roseville Finance Authority Debt Service Fund and Capital Projects Fund.

The **City of Roseville Housing Authority** is a separate government entity whose purpose is to assist with the housing for the City's extremely low and very low-income residents. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Housing Authority Housing Choice Voucher Special Revenue Fund.

The **Roseville Natural Gas Financing Authority** is a Joint Exercise Powers Agency created on December 6, 2006, for the purpose of acquiring, financing and supplying natural gas to the City of Roseville. The members of the Authority are the City of Roseville and the former City of Roseville Redevelopment Agency. The Roseville Natural Gas Financing Authority is governed by a five-member Board. City Council serves as the governing body of the Authority and officers of the Authority are employees of the City. The financial activities of the Authority have been included in these financial statements in the Roseville Natural Gas Financing Authority Enterprise Fund.

The **Roseville Community Development Corporation** is a California 501(c)(3) nonprofit public benefit corporation formed in November 2010 by the City and the former Redevelopment Agency under the California Nonprofit Corporation Laws of the State of California. The Corporation was formed for the purpose of implementing the revitalization and economic goals of the City by securing private and public capital through development of both residential and commercial properties as well as developing affordable housing, redeveloping properties to create mixed-use, commercial and office projects, business recruitment and retention, commercial loans, and ongoing property management. As a separate legal entity and non-profit corporation, the corporation can secure funding that is not legally available to the former Redevelopment Agency and its activities can extend outside of the Redevelopment Plan areas.

The Corporation is governed by a volunteer five-member board appointed by the City Council. The members, all from the community, have development, financing and business operations related experience. The board has operations, management, budget approval and strategy implementation authority that are separate from the City Council.

The Corporation has established a service agreement with the City to utilize existing City staff to accomplish its initial goals. The financial activities of the Corporation are included in the Roseville Community Development Corporation Special Revenue Fund.

The **City of Roseville Other Post-Employment Benefits Trust** is governed by the City's Resolution 10-275 and is used to account for contributions and investment income restricted to pay medical benefits. Benefit and contribution provisions are established by the City Council. Eligibility, actuarial interest rates, administration and certain other tasks are the responsibility of the Council established by the above Resolution. The financial activities of the Plan have been included in these financial statements in the Other Post-Employment Benefits Trust Fund.

The **Successor Agency to the Redevelopment Agency of the City of Roseville (Successor Agency)** is a separate government entity which was created after the dissolution of the City of Roseville Redevelopment Agency (RDA) to serve as a custodian for assets and to wind down the affairs of the RDA. The City was designated to serve as the Successor Agency subject to control of an Oversight Board. The Oversight Board is comprised of seven members of the local agencies that serve the RDA project area: two appointed by the mayor, two by the County of Placer, one by the Placer County Superintendent of Schools, one by the Chancellor of Sierra Community College and one by the Cities of Rocklin and Newcastle and the Hold Hill Cemetery District. The financial activities of the Successor Agency are included in the Successor Agency to the Redevelopment Agency Private Purpose Trust Fund.

Financial statements for the Roseville Natural Gas Financing Authority and the Roseville Community Development Corporation, and the City of Roseville Other Post-Employment Benefits Trust may be obtained from the City of Roseville at 311 Vernon Street, Roseville, California, 95678. Separate financial statements for the Roseville Finance Authority, Roseville Housing Authority, and the Successor Agency are not issued.

The California Joint Powers Risk Management Authority, the Local Agency Workers' Compensation Excess Joint Powers Authority, the Highway 65 Joint Powers Authority, and the South Placer Wastewater Authority are not included in the accompanying basic financial statements because they do not meet the above financial accountability criteria as these entities are administered by governing boards separate from and wholly independent of the City.

## B. Basis of Presentation

**Government-wide Statements:** The Statement of Net Position and the Statement of Activities display information about the primary government, the City and its component units. These statements include the financial activities of the overall City government, excluding fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. However, the interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Certain indirect costs are included in the program expense reported for individual functions and activities. Indirect cost charges appear on the fund summaries that are paying for the services and reduce the expenditures of the departments providing the services on the fund summary for the General Fund. The purpose is to ensure that the General Fund is reimbursed for the services that it is providing throughout the City.

**Fund Financial Statements:** The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in the supplemental section.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

## C. Major Funds

Major funds are defined as funds that have either assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

**General Fund** – This is used as the main operating governmental fund of the City to account for the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

**Community Facilities Districts Capital Projects Fund** - This fund is used to account for specific public improvements such as streets, sewers, storm drains, sidewalks or other amenities funded by special taxes levied against benefited properties.

The City reported the following enterprise funds as major funds in the accompanying financial statements:

**Electric Fund** – This fund accounts for all financial transactions relating to the City’s electric service. Services are on a user charge basis to residents and business owners located in the City.

**Water Fund** – This fund accounts for all financial transactions relating to the City’s water service. Services are on a user charge basis to residents and business owners located in the City.

**Wastewater Fund** – This fund accounts for all financial transactions relating to the City’s wastewater collection and treatment. Services are on a user charge basis to residents and business owners located in the City.

**Waste Services Fund** – This fund accounts for all financial transactions relating to the City’s waste services. Services are on a user charge basis to residents and business owners located in the City.

**Roseville Natural Gas Financing Authority** – This fund accounts for financing and purchasing pre-paid natural gas for the generation of power for the Roseville Energy Park.

The City also reports the following funds:

**Internal Service Funds** – The funds account for automotive, facilities services, information technology, general equipment replacement, workers’ compensation, general liability, unemployment reserve, and general benefits such as vision, dental, and section 125 benefits; all of which are provided to other departments on a cost reimbursement basis.

**Fiduciary Funds** – These funds account for assets held by the City as an agent for various functions. The Endowment Private-Purpose Trust Fund is used to account for assets held by the City as an agent for various endowment funds for the benefits of certain private-purpose trust funds. The Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future. The Other Post-Employment Benefits Trust Fund accounts for the accumulation of resources to be used for retiree medical benefit payments at appropriate amounts and times in the future. The Agency Funds are used to account for assets held by the City as an agency for certain special assessment districts in the City, North Roseville-Rocklin Sewer Refunding District, Foothills Boulevard Extension Assessments, various joint powers authorities, Dry Creek Drainage Basin, County Capital Facilities Fee, South Placer Wastewater Authority, Special Sewer Benefit Areas, South Placer County Tourism

Business Improvement District (SPCTBID), South Placer County Safe Kids Coalition, and other programs for the benefits of parties outside of the City. The financial activities of these funds are excluded from the government-wide financial statement but are presented in separate Fiduciary Fund financial statements.

#### **D. Basis of Accounting**

The government-wide, proprietary, and fiduciary fund financial statements are reported 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 take place. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Governmental funds are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when *measurable and available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within one hundred twenty (120) days after year-end with the exception of property and sales taxes which is considered available if collected within sixty (60) days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues subject to accrual are property, sales tax, transient occupancy tax, franchise fees, certain other intergovernmental revenues, certain charges for services and interest revenue. Fines, licenses and permits, and charges for services are not subject to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The City may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

#### **E. Cash, Cash Equivalents, and Investments**

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized costs. All other investments are stated at fair value. For purposes of reporting cash flows, the City considers each fund's share in the cash and investments pool to be cash and cash equivalents.



**F. Revenue Recognition for Electric, Water, Wastewater, and Waste Services Funds**

Revenues are recognized based on services rendered to customers. All residential and commercial utility customers are billed once per month. There are twenty-three billing cycles per month which include all types of customers, based on their location within the City. Revenues for services provided but not billed at the end of a fiscal year are accrued. Contributions of cash or assets to proprietary funds from state and federal agencies, developers and others are recorded as revenue at acquisition value.

**G. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category on the government-wide and proprietary fund statements of net position. They are the deferred amounts on refunding, accumulated decrease in fair value of hedging derivatives, deferred outflows related to other postemployment benefits (OPEB), and deferred outflows related to pensions. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The accumulated decrease in fair value of hedging derivatives represents the change in fair value for the City's derivative liabilities that have been determined to be not effective. The deferred outflows related to pensions and OPEB are described in Note 12 and Note 13 respectively.

In addition to liabilities, the statement of net position and balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of these items reported in the government-wide and proprietary fund statements of net position and the governmental funds balance sheet. They are the accumulated increase in fair value of hedging derivatives, deferred inflows related to pensions, the deferred inflows related to OPEB, and unavailable revenues. The accumulated increase in fair value of hedging derivatives represents the change in fair value for the City's derivative assets that have been determined to be effective. The deferred inflows related to pensions and OPEB are described in Note 12 and 13 respectively. Unavailable revenue represents revenues which has been earned but will not be collected within the City's period of availability as defined in note 1D.

In the governmental funds balance sheet, the unavailable revenue category arises only under a modified accrual basis of accounting. When amounts have been earned, but have not been received within the availability period, these amounts are deferred and recognized as revenue in the period that the amounts become available.

**H. Property Tax**

Placer County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on July 1st of the preceding fiscal year.

Secured property tax is due in two installments, on November 1st and February 1st, and becomes a lien on those dates. It becomes delinquent on December 10th and April 10th, respectively. Unsecured property tax is due on July 1st and becomes delinquent on August 31st. Collection of delinquent accounts is the responsibility of the County, which retains all penalties.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

**I. Compensated Absences**

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which are accrued as earned. The City’s liability for compensated absences is recorded in various governmental funds or proprietary funds as appropriate. The liability for compensated absences is determined annually. For all governmental funds, a liability of these amounts is reported only if they have matured, for example, as a result of employee resignations and retirements. The remaining portion is recorded as a liability in the statement of net position. Proprietary funds’ liability for compensated absences is recorded in each proprietary fund.

The changes in compensated absence balances were as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 16,111,675	\$ 9,066,169	\$ 25,177,844
Additions	7,983,080	3,897,439	11,880,519
Payments	(6,833,122)	(2,924,843)	(9,757,965)
Ending Balance	\$ 17,261,633	\$ 10,038,765	\$ 27,300,398
Current Portion	\$ 6,833,122	\$ 4,690,258	\$ 9,757,966

Compensated absences are liquidated by the fund that has recorded the liability. Governmental activities compensated absences are liquidated primarily by the General Fund.

**J. Inventories**

Inventories are valued at cost, using the weighted-average method. Inventories of the governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure in the governmental funds at the time individual inventory items are consumed. Inventories reported in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets. Inventories of the proprietary funds consist primarily of merchandise held for internal consumption.

**K. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. In governmental funds, prepaid items are not in spendable form and are therefore included in nonspendable fund balance and recorded on the consumption method.

**L. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees Retirement System (CalPERS) plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**N. Other post-employment benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City of Roseville Retiree Healthcare Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**O. Fair Value Measurement**

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

**P. Net Position**

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three categories. These categories apply only to Net Position, which is determined only for proprietary funds and at the Government-wide level, and are described below:

*Net investment* in capital assets describes the portion of net position which is represented by the current net book value of the capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects (expended) or contributions received in permanent funds (unexpended), debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

*Unrestricted* describes the portion of net position which is not restricted to use.

The City applies restricted resources when an expense is incurred for purposes which both restricted and unrestricted net position are available.

#### **Q. Fund Balance**

In the Fund financial statements, fund balances represent the net current assets of each fund. Net current assets generally represent a fund's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources.

The City's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: restricted, committed, assigned, and unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendable* represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as permanent endowments, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

*Committed* fund balances have constraints imposed by formal action of the City Council, such as an Ordinance, which may be altered only by the same formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

*Assigned* fund balances are amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assignments may be made by the City Council or its designee, the Assistant City Manager/Chief Financial Officer. Unlike commitments, assignments generally only exist temporarily. Thus, additional action does not normally have to be taken for the removal of an assignment.

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### **R. Capital Assets**

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. The City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Capital assets with limited useful lives are depreciated over their estimated useful lives. Alternatively, the modified approach is used for certain capital assets. Depreciation is not provided under this approach, but all expenditures on these assets are expensed, unless they are additions or improvements.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

	<u>Useful Lives</u>	<u>Capitalization Thresholds</u>
Buildings	40 years	\$ 20,000
Improvements	20-75 years	no threshold
Equipment	6-20 years	5,000
Computer Equipment	6 years	5,000
Vehicles	6-8 years	5,000
Parks	25 years	5,000
Landscaping	12 years	20,000
Bike Paths	20 years	20,000
Bridges	90 years	20,000
Culverts	75 years	20,000
Drain Inlets	50 years	20,000
Roadway Minor Concrete	20 years	20,000
Sound Walls	35 years	20,000
Storm Drains	75 years	20,000
Traffic Signals	20 years	no threshold
Electric Distributions Systems	15-60 years	no threshold
Sewer and Water Distributions Systems	75 years	no threshold
Electric Generation	15-30 years	5,000
Electric Power Plants and Substations	40 years	5,000
Sewer and Water Treatment Plants	50 years	5,000

Major outlays for capital assets and improvements are capitalized as projects are constructed.

## S. New Accounting Pronouncements

### Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

**GASB Statement No. 95** – In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of this Statement are effective immediately as they delayed the effective dates of several GASB statements. The effective dates listed in the Future Governmental Accounting Standards Board (GASB) Pronouncements section have been updated to reflect the postponed effective dates.

Future Governmental Accounting Standards Board (GASB) Pronouncements

**GASB Statement No. 84** – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for reporting periods beginning after December 15, 2019. The City has not determined its effect on the financial statements.

**GASB Statement No. 87** – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021. The City has not determined its effect on the financial statements.

**GASB Statement No. 89** – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement is effective for reporting periods beginning after December 15, 2020. The City has not determined its effect on the financial statements.

**GASB Statement No. 90** – In September 2018, the GASB issued Statement No. 90, *Majority Equity Interests*, an amendment of GASB Statements No. 14 and No. 61. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2019. The City has not determined its effect on the financial statements.

**GASB Statement No. 91** – In May 2019, the GASB issued Statement No. 90, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method for reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Statement is effective for reporting periods beginning after December 15, 2021. The City has not determined its effect on the financial statements.

**GASB Statement No. 92** – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021. The City has not determined the effect on the financial statements.

**GASB Statement No. 93** – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The Statement is effective for reporting periods beginning after June 15, 2021. The City has not determined the effect on the financial statements.

**GASB Statement No. 94**— In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The Statement is effective for reporting periods beginning after June 15, 2022. The City has not determined the effect on the financial statements.

**GASB Statement No. 96**— In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Statement is effective for reporting periods beginning after June 15, 2022. The City has not determined the effect on the financial statements.

**GASB Statement No. 97**— In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No.14 and No.84 and A Supersession of GASB Statement No.32*. The objective of this Statement is (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021. The City has not determined the effect on the financial statements.

## **Note 2 - Cash and Investments**

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as the custodian of all City managed investments, regardless of their form.



The City's investments are reported at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

**A. Classification**

Cash and investments are classified in the financial statements as shown below:

Primary Government:	
Cash and investments in City Treasury	\$ 685,148,895
Restricted cash and investments with fiscal agents	<u>40,344,022</u>
Total city cash and investments with primary government	725,492,917
Fiduciary Funds (separate statement):	
Cash and investments in City Treasury	164,787,475
Restricted cash and investments with fiscal agents	<u>77,573,039</u>
Total cash and investments	<u><u>\$ 967,853,431</u></u>

Cash and investments as of June 30, 2020, consist of the following:

Cash in bank and on hand	\$ 21,665,293
Investments	<u>946,188,138</u>
Total cash and investments	<u><u>\$ 967,853,431</u></u>

Cash and investments with original maturities of three months or less are treated as cash and equivalents for purpose of preparing Proprietary Fund statements of cash flows. Also, each Proprietary Fund's portion of the City's overall cash and investment pool is treated as cash and equivalents since these amounts are in substance demand deposits.

**B. Investments Authorized by the California Government Code and the City’s Investment Policy**

The City’s Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City’s Investment Policy where it is more restrictive:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations (A)	5 Years	None	None	None
U.S. Agency Securities (A)	5 Years	None	None	None
Forward Delivery Agreements	N/A	A	None	None
Local Agency Bonds	5 Years	None	None	None
Repurchase Agreements	1 Year	None	None	None
Bankers' Acceptances	180 days	None	40%	30%
Commercial Paper	270 days	A-1	25%	10% (B)
Medium-Term Notes	5 Years	A	30%	None
Collateralized Time Deposits	5 Years	None	30%	None
Negotiable Certificates of Deposit	5 Years	A	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	None	LAIF Limit
Insured Saving Accounts	N/A	None	None	None
Money Market Mutual Funds	N/A	None	20%	10%
Shares in a California Common Law Trust	N/A	None	None	None
Interest Rate Swaps (C)	N/A	None	None	None
Supranationals	5 Years	AA	30%	None
Mortgage Pass-Through Securities	5 Years	AA	20%	None

(A) In specified fund accounts where liquidity is not the primary investment objective, the maximum maturity can be up to ten years with granted express authority by the City Council. Such investments cannot be made less than three months following the approval of extended investment terms. All longer-term investments must be Federal Treasury or Agency securities. The specified fund accounts are:

- City Pool, subject to 25%
- Citizens Benefit Permanent Fund
- Roseville Aquatics Complex Maintenance Permanent Fund
- Endowment Private-Purpose Trust Fund
- OPEB Trust Fund
- All future trust and/or endowment funds established by the City with no anticipated use of principal

(B) Eligible commercial paper may not represent more than 10% of the outstanding paper of an issuing corporation.

(C) Interest rate swaps may only be used in conjunction with enterprise fund debt or investments, not the General Fund. Pursuant to its function as custodian and investment manager of the South Placer Wastewater Authority (Authority), the City invested certain Authority funds in Forward Delivery Agreements which are investments with fixed maturities, and which bear interest at a variable rate. To hedge against changes in short-term interest rates, the Authority entered into a swap agreement to create a synthetic fixed interest rate on one of the Forward Delivery Agreements. Risks associated with the Forward Delivery Agreement and associated swap agreement are those of the Authority and not those of the City. Details of the swap agreement and associated risks may be found in the Basic Financial Statements of the Authority which may be obtained by contacting the City Finance Department at 311 Vernon Street, Roseville, California 95678.

**C. Investments Authorized by Debt Agreements**

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Treasury Obligations	N/A	None
U.S. Agency Securities	N/A	None
Certificates of Deposit	N/A - 30 days	None to A-1
Time Deposits	N/A - 30 days	None to A-1
Repurchase Agreements	N/A - 30 days	None to A
Bankers' Acceptances	N/A - 270 days	None to A-1
Money Market Funds	N/A	None to Aam-G
Taxable Governmental Money Market Portfolio	N/A	None
Commercial Paper	180-270 days	A-1 to AA
Special Revenue Bonds	N/A	AA
Pre-refunded Municipal Obligations	N/A	AAA
Municipal Obligations	N/A	AAA
Common Law Trust	N/A	None
California Asset Management Pool (CAMP)	N/A	None
Lawful Investments	N/A	None
Investment Agreements	N/A	A+ to AA
Local Agency Investment Fund (LAIF)	N/A	None
Placer County Investment Pool	N/A	None
Supranationals	N/A	None
Mortgage Pass-Through Securities	N/A	None

**D. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City also manages its interest rate risk by holding most investments to maturity.

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity or earliest call date:

	Remaining Maturity (in Months)				Total
	12 months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months	
Federal Agency Securities	\$ 304,795,214	\$ 59,748,915	\$ 75,485,152	\$ 31,155,010	\$ 471,184,291
Forward Purchase Agreement	4,070,634	-	-	-	4,070,634
Local Agency Bonds	1,020,260	-	3,833,399	1,025,546	5,879,205
Corporate Notes	40,202,239	92,329,498	80,092,877	-	212,624,614
Money Market Mutual Funds	122,523,630	-	-	-	122,523,630
Roseville Advantage Banks	10,198,815	-	-	-	10,198,815
Commercial Paper	1,013,179	-	-	-	1,013,179
Guaranteed Investment Contracts (GIC)	-	-	-	6,068,862	6,068,862
Local Agency Investment Fund	111,784,182	-	-	-	111,784,182
California Asset Management Pool	840,726	-	-	-	840,726
<b>Total</b>	<b>\$ 596,448,879</b>	<b>\$ 152,078,413</b>	<b>\$ 159,411,428</b>	<b>\$ 38,249,418</b>	<b>\$ 946,188,138</b>

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. At June 30, 2020, the fair value was \$366,092 greater than the City’s cost. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF’s investment portfolio are collateralized mortgage obligations, mortgage backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2020, these investments matured in an average of 191 days. LAIF is not registered with the Securities and Exchange Commission and is not rated.

The City is a participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the “Act”) for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. The Pool’s investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The City reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. At June 30, 2020, the fair value approximated is the City’s cost, and these investments had an average maturity of 53 days. CAMP is not registered with the Securities and Exchange Commission and is not rated.

Money market mutual funds were available for withdrawal on demand and at June 30, 2020 and had an average maturity of 39 days for the Dreyfus U.S. Treasury Money Market Fund and 43 days for the First American Money Market Fund.

#### E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2020, for each investment type as provided by Standard and Poor's investment rating system:

	<u>AAA / AAAm</u>	<u>AA+ / AA / AA-</u>	<u>A+ / A / A-</u>	<u>Total</u>
Investments:				
Federal agency securities	\$ -	\$ 317,890,411	\$ -	\$ 317,890,411
Forward purchase agreement	-	4,070,634	-	4,070,634
Local Agency Bonds	-	2,572,709	-	2,572,709
Corporate notes	12,809,650	39,702,738	160,112,226	212,624,614
California Asset Management Program	840,726	-	-	840,726
	<u>\$ 13,650,376</u>	<u>\$ 364,236,492</u>	<u>\$ 160,112,226</u>	<u>537,999,094</u>
<b>Not Rated:</b>				
Local Agency Investment Fund				111,784,182
FAMC & FHLB Discount Notes				153,293,880
Local Agency Bonds				3,306,496
Money Market Mutual Funds				122,523,630
Commercial Paper				1,013,179
Roseville Advantage Banks				10,198,815
Guaranteed Investment Contracts				6,068,862
				<u>\$ 946,188,138</u>

#### F. Concentration of Credit Risk

Investments in any one issuer, other than U. S. Treasury securities, money market mutual funds, and investment pools that represent 5 percent or more of total entity-wide investments are as follows at June 30, 2020:

<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>	<u>% of Portfolio</u>
Federal Farm Credit Bank	Federal agency securities	\$ 92,645,861	9.79%
Federal Home Loan Bank	Federal agency securities	111,781,083	11.81%
Federal Home Loan Mortgage Corporation	Federal agency securities	118,658,566	12.54%
Federal Agricultural Mortgage Corporation (FAMC)	Federal agency securities	125,299,780	13.24%

Investments in any one issuer that represent 5 percent or more of total investments by individual funds were as follows at June 30, 2020:

Fund	Issuer	Investment Type	Amount
<b>Major Enterprise Funds:</b>			
Roseville Natural Gas Financing Authority	Wachovia Bank	Forward Purchase Agreement	\$ 4,062,407
Water	FSA Security Assurance	Guaranteed Investment Contract	3,918,125

**G. Fair Value Measurements**

The City's Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted for identical assets in active markets;
- Level 2: Investments reflect prices that are based on a similar observable inputs;
- Level 3: Investments reflect prices based on unobservable inputs.

The Pool has the following recurring fair value measurements as of June 30, 2020:

Investments at fair value	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal Agency Securities	\$ 166,389,077	\$ -	\$ 166,389,077	\$ -
Federal Agency Securities Short Term	304,795,214	-	304,795,214	-
Commercial Paper	1,013,179	-	1,013,179	-
Corporate Medium Term Notes (MTN) Securities	212,624,614	-	212,624,614	-
Municipal Securities	5,879,205	-	5,879,205	-
Forward Purchase Agreements	4,070,634	-	-	4,070,634
Money Market Mutual Funds	122,523,630	122,523,630	-	-
Total investments at fair value	817,295,553	\$ 122,523,630	\$ 690,701,289	\$ 4,070,634
Investments measured at amortized cost				
Guaranteed Investment Contracts (GICs)	6,068,862			
Investments with uncategorized inputs				
Local Agency Investment Fund	111,784,182			
California Asset Management Program	840,726			
Roseville Advantage Bank	10,198,815			
Total investments measured with uncategorized inputs	122,823,723			
Total investments	\$ 946,188,138			

The City has a forward purchase agreement that is measured using level 3 inputs. This item is valued using the discounted cash flows approach. Deposits and withdrawals in governmental investment pools, such as LAIF and CAMP Investment Pools, are made on the basis of \$1 and not fair value. Accordingly, the City's measured fair value of its proportionate share in these types of investments is based on uncategorized inputs not defined as a Level 1, Level 2, or Level 3 input.

### Note 3 - Interfund Transactions

#### A. Transfers Among Funds

With City Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2020, were as follows:

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred	
General Fund	Low/Mod Income Housing Asset Fund	\$ 4,023,000	(F)
	Landscaping and Lighting Services Districts Fund	4,317,180	(A)
	Grants Fund	135,000	(A)
	Citizens Benefit Fund	1,633	(A)
	Roadway Fund	1,223,096	(B), (C)
	Electric Fund	6,310,737	(B), (C)
	Total General Fund	<u>16,010,646</u>	
Open Space Fund	Landscaping and Lighting Services Districts Fund	620,895	(A)
Golf Fund	General Fund	774,369	(A)
RFA Debt Service Fund	General Fund	565,183	(B)
	Golf Fund	481,610	(B)
	Development Impact Fund	400,000	(B)
	Electric Fund	393,087	(B)
	Water Fund	359,549	(B)
	Wastewater Fund	38,997	(B)
	Waste Services Fund	144,287	(B)
	Total RFA Debt Service Fund	<u>2,382,713</u>	
Development Impact Fund	Landscaping and Lighting Services Districts Fund	124,650	(A)
	State Gasoline Tax Fund	1,427,324	(B)
	RFA Capital Fund	1,200,000	(B)
	Total Development Impact Fund	<u>2,751,974</u>	
Roadway Fund	Water Fund	754,503	(C)
	Wastewater Fund	686,545	(C)
	Waste Services Fund	301,453	(C)
	Total Roadway Fund	<u>1,742,501</u>	

City of Roseville, California  
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June 30, 2020

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred	
General Fund Capital Projects Fund	General Fund	2,211,318	(A),(B)
	State Gasoline Tax Fund	9,184	(B)
	Open Space Fund	7,184	(B)
	Golf Fund	18,360	(B)
	Development Impact Fund	1,573	(B)
	Citizen's Benefit Fund	393	(B)
	Fleet Fund	83,103	(B)
	Facilities Maintenance Fund	84,974	(B)
	Information Technology Fund	221,417	(B)
	Worker's Compensation Fund	9,694	(B)
	General Liability Fund	9,694	(B)
	Electric Fund	334,158	(B)
	Water Fund	304,868	(B)
	Wastewater Fund	296,422	(B)
	Waste Services Fund	193,428	(B)
	Local Transportation Fund	92,928	(B)
	Youth Development Fund	103,625	(B)
	Total General Fund Capital Projects Fund	<u>3,982,323</u>	
Water Fund	Waste Services Fund	213,409	(B)
	Wastewater Fund	960,339	(B), (E)
	Total Water Fund	<u>1,173,748</u>	
Wastewater Fund	Waste Services Fund	40,625	(E)
	Water Fund	5,386	(A), (B), (E)
	Total Wastewater Fund	<u>46,011</u>	
Local Transportation Fund	General Fund	89,812	(A)
	Citizen's Benefit Fund	989	(B)
	Total Local Transportation Fund	<u>90,801</u>	
Information Technology Fund	Facilities and Maintenance Fund	64,451	(D)
	Fleet Fund	134,283	(D)
	General Liability Fund	33,083	(D)
	Worker's Compensation Fund	45,119	(D)
	Total Information Technology Fund	<u>276,936</u>	
	Total interfund transfers	<u>\$ 29,852,917</u>	

- (A) Transfers to fund operations
- (B) Transfers to fund various projects and/or pay debt service
- (C) Transfers to fund in-lieu franchise fees
- (D) Transfers to fund internal service funds for services provided
- (E) Transfers of capital assets between enterprise funds
- (F) Transfer of land held for resale to the General Fund



**C. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2020, interfund balances comprised the following:

Due to Other Funds	Due From Other Funds	Amount	
<b>Governmental Funds</b>			
Special revenue fund:			
Golf fund	Fleet fund	\$ 127,000	(A)
Golf fund	General fund	479,724	(B)
	Total golf fund	606,724	
Debt service fund:			
Roseville Financing Authority	General fund	69,252	(B)
Capital projects fund:			
Development impact fund	General fund	409,042	(A)
Development impact fund	Fleet fund	384,786	(A)
	Total development impact fund	793,828	
<b>Enterprise Funds</b>			
Roseville Natural Gas Financing Authority	General fund	67,732	(B)
Youth development fund	Fleet fund	55,000	(A)
		\$ 1,592,536	

(A) Current portion of the advances mentioned in 3D below.

(B) To cover negative cash balances as of June 30.

**D. Long-Term Interfund Advances**

At June 30, 2020, the funds below had made advances which were not expected to be repaid within the next year.

Fund Receiving Advance	Fund Making Advance	Amount of Advance
<b>Governmental Funds</b>		
Special revenue funds:		
Roseville Community Development Corporation	General fund	\$ 1,475,951
Golf course fund	Fleet fund	1,988,000
Capital project fund:		
Development impact fund	General fund	6,360,258
Development impact fund	Fleet fund	2,990,394
	Total development impact fund	<u>9,350,652</u>
<b>Enterprise Funds</b>		
School-age child care fund	Fleet fund	<u>945,000</u>
	Total	<u><u>\$ 13,759,603</u></u>

**Roseville Community Development Corporation** advance from the General Fund bears interest at the average interest rate of the City's pooled investments plus one percent, adjusted every 5 years. Principal is deferred for the first ten years from the date of disbursement and is then payable in equal annual installments over ten years in the amount of \$147,595 beginning in fiscal year 2023 and ending in fiscal year 2032. Simple interest is deferred for the life of the loan and a lump-sum deferred interest payoff is due in fiscal year 2032. As of June 30, 2020, the accrued deferred interest not included in the advance amount in the table above is \$256,812.

**Golf Course** advance from the Fleet Fund bears interest at the prior fiscal year's average interest rate of the City's pooled investments. Principal is paid annually in the amount of \$127,000 with the final principal payment in fiscal year 2037. Simple interest is deferred for the life of the loan and a lump-sum deferred interest payoff is due in fiscal year 2037. As of June 30, 2020, the accrued deferred interest payable not included in the advance amount in the table above is \$2,280,688.

**Development Impact** has two advances from the General Fund that bears interest at the prior fiscal year's average interest rate of the City's pooled investments. The first advance has principal payments of \$409,042 and interest are being paid over the period beginning in fiscal year 2018 and ending in fiscal year 2028. The second advance has principal and interest that are deferred until fiscal year 2022. Deferred interest is added to the principal balance annually as incurred. Beginning in fiscal year 2022, principal of \$571,393 and interest are payable over seven years with final payment in fiscal year 2028.

**Development Impact** has two advances from the Fleet Fund. The first advance bears interest at the prior fiscal year's average interest rate of the City's pooled investments plus one-half percent. Interest only payments were made the first three years of the advance beginning in fiscal year 2015. Principal payments of \$33,345 plus interest are being paid over an 18-year term beginning in fiscal year 2018 and ending in fiscal year 2035. The second advance bears interest at the prior fiscal year's interest rate of the City's pooled investments. Principal and interest will be paid annually over six years starting in fiscal year 2021 with the final payment in fiscal year 2026.

**School-Age Child Care** advance from the Fleet Fund bears interest at the prior fiscal year's average interest rate of the City's pooled investments. In fiscal year 2018 two prior advances and one new \$300,000 advance were consolidated into one total advance. Principal and interest payments are being paid over a 15-year term beginning in fiscal year 2018 and ends in fiscal year 2037. In fiscal year 2020, \$340,000 was added. Principal amount repayments are \$55,000 annually.

**E. Internal Balances**

Internal balances are presented in the City-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

**Note 4 - Receivables**

The City nets its Accounts, Interest, and Due From Other Agency receivables together and presents this amount as Receivables in the financial statements. These separate receivables are classified below for the Governmental and Proprietary funds:

	General	Community Facilities District Capital Projects	Non-Major Governmental Funds	Total Governmental Funds	Governmental Activities Internal Service Funds	Total Governmental Activities
Accounts receivables	\$ 17,301,047	\$ 2,658	\$ 2,674,928	\$ 19,978,633	\$ 105,836	\$ 20,084,469
Interest receivable	689,339	26,399	2,954,043	3,669,781	2,613,244	6,283,025
Due from other agencies	-	-	7,124,621	7,124,621	-	7,124,621
<b>Total</b>	<b>\$ 17,990,386</b>	<b>\$ 29,057</b>	<b>\$ 12,753,592</b>	<b>\$ 30,773,035</b>	<b>\$ 2,719,080</b>	<b>\$ 33,492,115</b>
<b>Business-Type Activities - Enterprise Funds</b>						
	Electric	Water	Wastewater	Solid Waste	Non-Major Enterprise Funds Total	Totals
Accounts receivables	\$ 22,773,457	\$ 4,369,863	\$ 6,510,426	\$ 2,831,289	\$ 2,284,598	\$ 38,769,633
Interest receivable	736,995	391,495	223,885	106,654	14,360	1,473,389
Permits receivables	158,568	2,917,152	2,655,246	130,380	9,132	5,870,478
<b>Total</b>	<b>\$ 23,669,020</b>	<b>\$ 7,678,510</b>	<b>\$ 9,389,557</b>	<b>\$ 3,068,323</b>	<b>\$ 2,308,090</b>	<b>\$ 46,113,500</b>

**Note 5 - Notes Receivable**

The City engages in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms. Although these notes are expected to be repaid in full, their balances have been offset in the fund financial statements by unavailable revenue, due to other government agencies or fund balance. Notes receivable were comprised of the following at June 30, 2020:

Flood Loan Notes	\$ 6,633
Housing Elevation Notes	10,000
Water Meter Notes Receivable	56,900
Tenant Improvement Notes Receivable	94,321
Flood Control Loan	601,397
First Time Home-Buyer Notes	10,315,602
Due From Successor Agency	17,288,826
Housing Rehabilitation and Affordable Housing Notes	32,088,160
Small Business Stabilization Program (SBSP)	<u>1,049,840</u>
 Total	 <u><u>\$ 61,511,679</u></u>

**A. Flood Loan Notes Receivable**

The City has provided notes to various homeowners and businesses for rehabilitation due to flood damage. The maximum note amount is \$5,000 carrying various interest rates and payment dates. The balance of these notes receivable at June 30, 2020 was \$6,633.

**B. Housing Elevation Notes Receivable**

In fiscal year 1997, the Federal Emergency Management Agency (FEMA) approved Hazard Mitigation Grant Program funds to be used for residential home elevation projects in the City at a maximum of \$5,000 per household, with the total federal share not to exceed \$1,493,096. The City provided matching funds to each eligible household at a maximum of \$5,000 in the form of a zero percent, deferred loan payable upon sale, change of title or change of use. As of June 30, 2020, two notes funded through the FEMA Hazard Mitigation Grant Program were outstanding with a total balance of \$10,000.

**C. Water Meter Notes Receivable**

The City entered into an agreement with Stonesfair Management for Water Meter Installations at Windscape Apartments. The original note amount is payable in 120 monthly installments. The balance of note at June 30, 2020 was \$56,900.

**D. Tenant Improvement Notes Receivable**

The City entered into a tenant improvement notes receivable with the Sierra Joint Community College District for overages in their Tenant Improvement allowance for the 316 Vernon Street Office Building Project. The original note amount was for \$128,141 payable in 120 monthly installments. The balance of note at June 30, 2020 was \$94,321.

**E. Flood Control Loan**

On May 10, 2017, the City entered into an agreement with the Placer County Flood Control and Water Conservation District to fund the Antelope Creek Flood Control project with a loan to be paid back with future development fees. The loan bears simple interest based on the Construction Cost Index. As of June 30, 2020, the balance of the loan was \$601,397.

**F. First Time Home-Buyer Notes Receivable**

The City engages in a first-time home-buyer program designed to encourage home ownership among low-income residents. Under this program, grants are provided at no interest and are due upon sale or transfer of the property. Although these notes are expected to be repaid in full, their balance has been offset with the with a deferred inflow of resources, as they are not expected to be repaid during the next fiscal year and any repayments will be used to reduce future grant draw-downs by the City. The balance of the notes receivable arising from this program at June 30, 2020, was \$10,315,602.

**G. Successor Agency Loans**

Prior to July 1, 2011, the former Redevelopment Agency had received various advances from various City funds. These advances bore interest at the average interest rate of the City's pooled investments. Principal and accrued interest on the advances totaled \$32,768,517 at July 1, 2011. During fiscal year 2012, the City and Redevelopment Agency determined that certain advances should have instead been funded by bond proceeds of the Agency. Therefore, the Redevelopment Agency repaid advances from the City in the amount of \$7,309,447 prior to the dissolution of the Agency on January 31, 2012.

With the dissolution of the Agency effective February 1, 2012, the Successor Agency assumed the balance of the obligation to repay the advances in the amount of \$25,603,129 for principal and accrued interest and recorded a notes payable to the Low and Moderate Income Housing Asset Fund equal to twenty percent of the balance of the notes. During fiscal year 2013, the State Department of Finance denied the prepaid advance and required the return of \$7,309,447 to the Successor Agency. The General Fund returned the cash to the Successor Agency during fiscal year 2013. The Successor Agency received its Finding of Completion in August 2013 determining that notes are enforceable obligations.

During fiscal year 2014, the Successor Agency completed its Long-Range Property Management Plan which was approved by the Department of Finance in May 2014 and as a result, the Successor Agency transferred land that was designated for governmental use to the City in the amount of \$7,107,581. As a result of the transfer, the City cancelled the notes that had been made to the former Redevelopment Agency for the purchase of those properties, including accrued interest, in the amount of \$5,902,331.

During fiscal year 2014, the Department of Finance clarified how the interest is to be calculated on each note to the Successor Agency. The City recalculated the interest due on the notes using the revised guidance and as a result the interest receivable was reduced by \$3,030,067. The principal balance of the notes as of June 30, 2020 is \$17,288,826.

#### **H. Housing Rehabilitation and Affordable Housing Notes Receivable**

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or notes are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's or Agency's terms. Although these notes are expected to be repaid in full, their balance has been offset with a deferred inflow of resources as they are not expected to be repaid during the next fiscal year and any repayments will be used to reduce future grant draw-downs by the City. With the dissolution of the Agency effective February 1, 2012, the assets of the Low and Moderate Income Housing Fund, including affordable housing notes receivable, were assumed by the Low and Moderate Income Housing Asset Fund. The balance of the notes receivable arising from these programs at June 30, 2020, was \$32,088,160.

#### **I. Small Business Stabilization Program Loans**

In fiscal year 2020, the City established the Small Business Stabilization Program to help small businesses with the economic impacts of COVID-19. This program was funded by the proceeds generated through the Citizen's Benefit Trust fund and provided 111 local businesses with zero-interest secured loans to help cover day-to-day operating expenses such as payroll, lease or mortgage payments, materials, supplies, and services. The principal balance of these notes as of June 30, 2020 is \$1,049,840.

#### **Note 6 - Developer Permit Fees Receivable**

The City has entered into a number of agreements with developers to defer permit fees for various projects within the City. Although these fees are expected to be repaid in full, their balance has been offset by unavailable revenue in governmental funds, as they are not expected to be repaid early enough to be reported as a current asset. The receivable was valued at \$11,295,463 at June 30, 2020.

#### **Note 7 - Development Agreements**

##### **A. Development Agreements**

The City may enter into development agreements in an effort to provide incentives to develop new businesses and new tax revenues. The substance of these agreements is that developers or other public agencies will be paid a portion of future sales tax or traffic mitigation fee revenues produced by their developments. These payments are conditioned on the generation of sales tax revenues or traffic mitigation fee revenues by these developments and the City is not required to use any other resources to pay these amounts.

## Note 8 - Capital Assets

### A. Capital Asset Additions, Retirements and Transfers

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance at June 30, 2019	Adjustment	Additions	Retirements	Transfers	Balance at June 30, 2020
Governmental activities						
Capital assets, not being depreciated:						
Land	\$ 128,821,494	\$ -	\$ 4,023,000	\$ (245,332)	\$ 1,232,161	\$ 133,831,323
Streets (modified)	345,267,260	-	6,617,724	(40,659)	7,155,665	358,999,990
Construction in progress	24,765,227	-	70,679,961	-	(28,833,084)	66,612,104
Total capital assets not being depreciated	<u>498,853,981</u>	<u>-</u>	<u>81,320,685</u>	<u>(285,991)</u>	<u>(20,445,258)</u>	<u>559,443,417</u>
Capital assets, being depreciated:						
Buildings	191,585,528	-	-	(5,645,504)	(757,167)	185,182,857
Improvements	42,305,555	-	216,508	-	1,884,408	44,406,471
Vehicles & equipment	71,861,500	-	1,795,062	(5,119,791)	11,988,122	80,524,893
Parks	87,851,398	-	-	(9,070)	2,037,056	89,879,384
Landscaping	55,927,372	-	388,535	(479,220)	569,354	56,406,041
Bike paths	10,005,083	-	-	(43,408)	-	9,961,675
Bridges	74,993,592	-	-	(17,685)	30,591	75,006,498
Culverts	21,077,367	-	-	(48,071)	-	21,029,296
Curb, gutter, sidewalk, and median curbs	178,281,009	-	3,158,542	(204,953)	140,480	181,375,078
Drain inlets	22,027,154	-	-	(131,004)	-	21,896,150
Soundwall	41,557,120	-	615,560	(6,650)	-	42,166,030
Storm drains	103,576,326	-	4,309,319	(28,111)	4,035,900	111,893,434
Traffic signals	375,318	-	419,500	-	631,378	1,426,196
Total capital assets being depreciated	<u>901,424,322</u>	<u>-</u>	<u>10,903,026</u>	<u>(11,733,467)</u>	<u>20,560,122</u>	<u>921,154,003</u>
Less accumulated depreciation for:						
Buildings	(73,054,522)	(221,568)	(4,608,915)	4,246,642	307,753	(73,330,610)
Improvements	(15,822,011)	1,478,298	(824,743)	-	(347,933)	(15,516,389)
Vehicles & equipment	(50,792,025)	(2,790,087)	(8,092,186)	5,079,168	(74,684)	(56,669,814)
Parks	(50,280,139)	(205,121)	(2,650,203)	6,049	-	(53,129,414)
Landscaping	(45,481,309)	(111,950)	(1,558,782)	459,173	-	(46,692,868)
Bike paths	(7,858,067)	(19,426)	(247,183)	34,491	-	(8,090,185)
Bridges	(14,340,131)	(67,430)	(833,545)	2,751	-	(15,238,355)
Culverts	(6,937,227)	(23,415)	(280,658)	7,082	-	(7,234,218)
Curb, gutter, sidewalk, and median curbs	(134,189,662)	(333,068)	(4,678,076)	98,497	-	(139,102,309)
Drain inlets	(10,788,052)	(36,203)	(439,015)	24,695	-	(11,238,575)
Soundwall	(16,044,100)	(98,236)	(1,188,606)	1,710	-	(17,329,232)
Storm drains	(21,608,783)	(113,901)	(1,421,450)	5,637	-	(23,138,497)
Traffic signals	(12,125)	(1,521)	(50,646)	-	-	(64,292)
Total accumulated depreciation	<u>(447,208,153)</u>	<u>(2,543,628)</u>	<u>(26,874,008)</u>	<u>9,965,895</u>	<u>(114,864)</u>	<u>(466,774,758)</u>
Net capital assets being depreciated	<u>454,216,169</u>	<u>(2,543,628)</u>	<u>(15,970,982)</u>	<u>(1,767,572)</u>	<u>20,445,258</u>	<u>454,379,245</u>
Governmental activities capital assets, net	<u>\$ 953,070,150</u>	<u>\$ (2,543,628)</u>	<u>\$ 65,349,703</u>	<u>\$ (2,053,563)</u>	<u>\$ -</u>	<u>\$ 1,013,822,662</u>

City of Roseville, California  
Notes to Financial Statements  
June 30, 2020

	Balance at June 30, 2019	Adjustments	Additions	Retirements	Transfers	Balance at June 30, 2020
<b>Business-type activities</b>						
Capital assets, not being depreciated:						
Land	\$ 12,079,688	\$ -	\$ 716,571	\$ -	\$ 4,893,649	\$ 17,689,908
Streets (modified)	2,304,491	-	-	-	-	2,304,491
Construction in progress	54,306,468	-	39,236,712	-	(45,321,395)	48,221,785
<b>Total capital assets not being depreciated</b>	<b>68,690,647</b>	<b>-</b>	<b>39,953,283</b>	<b>-</b>	<b>(40,427,746)</b>	<b>68,216,184</b>
Capital assets, being depreciated:						
Buildings	23,300,890	-	10,034,407	(84,888)	(22,170)	33,228,239
Improvements	18,898,144	-	-	-	24,361,707	43,259,851
Vehicles & equipment	44,070,397	-	419,549	(1,571,376)	6,209,653	49,128,223
Landscaping	1,584,588	-	-	-	155,533	1,740,121
Bike paths	6,531,682	-	-	-	-	6,531,682
Bridges	11,120,546	-	-	-	897,552	12,018,098
Culverts	356,961	-	-	(8,713)	-	348,248
Curb, gutter, sidewalk, and median curbs	818,809	-	-	(63,217)	-	755,592
Drain inlets	113,851	-	-	(38,152)	-	75,699
Storm drains	178,910	-	-	(14,548)	-	164,362
Traffic signals	72,140,339	-	7,160	(1,592,829)	2,006,339	72,561,009
Plants and substations	378,771,989	-	-	(83,908)	340,001	379,028,082
Distribution	1,456,340,054	-	53,456,180	(514,220)	5,705,069	1,514,987,083
Generation	203,721,530	-	-	-	659,198	204,380,728
<b>Total capital assets being depreciated</b>	<b>2,217,948,690</b>	<b>-</b>	<b>63,917,296</b>	<b>(3,971,851)</b>	<b>40,312,882</b>	<b>2,318,207,017</b>
Less accumulated depreciation for:						
Buildings	(8,497,653)	114,824	(706,505)	37,812	11,956	(9,039,566)
Improvements	(3,216,175)	(128,417)	(492,022)	-	(11,956)	(3,848,570)
Vehicles & equipment	(26,126,425)	(1,237,594)	(5,198,638)	1,535,553	115,413	(30,911,691)
Landscaping	(612,066)	(7,184)	(87,296)	-	-	(706,546)
Bike paths	(2,705,047)	(7,372)	(326,584)	-	-	(3,039,003)
Bridges	(198,614)	(10,296)	(134,366)	-	-	(343,276)
Culverts	(49,450)	(397)	(4,692)	930	-	(53,609)
Curb, gutter, sidewalk, and median curbs	(127,046)	(2,268)	(36,868)	21,732	-	(144,450)
Drain inlets	(8,043)	(176)	(1,763)	7,603	-	(2,379)
Storm drains	(9,334)	(198)	(2,272)	926	-	(10,878)
Traffic signals	(39,813,139)	(4,460,776)	(2,606,614)	1,427,129	-	(45,453,400)
Plants and substations	(143,373,708)	(3,525,642)	(8,666,839)	55,489	-	(155,510,700)
Distribution	(365,459,854)	(9,062,679)	(22,795,784)	283,561	-	(397,034,756)
Generation	(121,763,170)	34,594,584	(7,762,537)	-	(549)	(94,931,672)
<b>Total accumulated depreciation</b>	<b>(711,959,724)</b>	<b>16,266,409</b>	<b>(48,822,780)</b>	<b>3,370,735</b>	<b>114,864</b>	<b>(741,030,496)</b>
<b>Net capital assets being depreciated</b>	<b>1,505,988,966</b>	<b>16,266,409</b>	<b>15,094,516</b>	<b>(601,116)</b>	<b>40,427,746</b>	<b>1,577,176,521</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 1,574,679,613</b>	<b>\$ 16,266,409</b>	<b>\$ 55,047,799</b>	<b>\$ (601,116)</b>	<b>\$ -</b>	<b>\$ 1,645,392,705</b>



**B. Depreciation Allocation**

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program is as follows:

Governmental Activities	
General government	\$ 1,283,867
Development & operations	361,405
Public works	11,489,677
Police	1,748,638
Fire	2,004,549
Library	470,935
Parks and recreation	6,952,895
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	5,105,670
Total governmental activities	\$ 29,417,636
Business-Type Activities	
Electric	\$ 7,892,840
Water	11,850,042
Wastewater	10,391,345
Solid waste	695,417
Local transportation	1,615,462
School-age child care	111,265
Total business-type activities	\$ 32,556,371

During the fiscal year, the City updated system to standardize the number of years of depreciation by asset class. The City updated accumulated depreciation to reflect the standardized years for certain assets.

**C. Streets Covered By the Modified Approach**

The City has elected to use the modified approach with respect to its streets. The City's policy based on current funding is to maintain the arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 65, instead of providing depreciation. During fiscal year 2020, the City expended \$10,948,940 to preserve its streets. The City estimates that it will be required to expend approximately \$20,696,490 in fiscal year 2021 to maintain its roads at this condition level.

**Note 9 - Long-Term Debt**

The City generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources gross of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types included, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Any differences between proprietary and government-wide refunded debt and the debt issued to refund it, is amortized over the remaining life of either the refunded debt or the refunding debt, whichever is shorter.

City of Roseville, California  
Notes to Financial Statements  
June 30, 2020

**A. Current Year Transactions and Balances**

	Original Issue Amount	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	'' Portion
<b>Governmental Activities Debt:</b>						
Direct Placement Debt:						
Lease:						
2013 Public Facilities Refunding 2.15%, due 8/1/25	\$ 16,324,609	\$ 8,795,122	\$ -	\$ (1,312,787)	\$ 7,482,335	\$ 1,338,400
Loans:						
Successor Agency	4,072,574	3,964,079	-	(495,030)	3,469,049	-
Total direct placement	<u>20,397,183</u>	<u>12,759,201</u>	<u>-</u>	<u>(1,807,817)</u>	<u>10,951,384</u>	<u>1,338,400</u>
Certificates of Participation						
2015 316 Vernon Street Project 2.00%-5.25%, due 8/1/45 Add: debt premium	14,425,000	13,705,000	-	(265,000)	13,440,000	275,000
	-	750,822	-	(27,808)	723,014	-
<b>Total Governmental Activities Debt</b>	<u>\$ 34,822,183</u>	<u>\$ 27,215,023</u>	<u>\$ -</u>	<u>\$ (2,100,625)</u>	<u>\$ 25,114,398</u>	<u>\$ 1,613,400</u>
<b>Business-Type Activities Debt:</b>						
Direct Placement Debt:						
Certificates of Participation						
2012 Electric System Revenue Refunding variable rate, due 2/1/35	\$ 90,000,000	\$ 90,000,000	\$ -	\$ (36,000,000)	\$ 54,000,000	\$ -
2013 Refunding Wastewater Revenue Bonds variable rate, due 11/1/35	36,582,878	38,309,381	-	(38,309,381)	-	-
Total direct placement debt	<u>126,582,878</u>	<u>128,309,381</u>	<u>-</u>	<u>(74,309,381)</u>	<u>54,000,000</u>	<u>-</u>
Certificates of Participation						
2004 Electric System Revenue, 3.00%-5.25%, due 2/1/34	39,940,000	5,000	-	-	5,000	-
Less: bond discount	(728,254)	-	-	-	-	-
2009 Electric System Revenue Refunding 2.00%-5.25%, due 2/1/20 Add: bond premium	27,010,000	1,215,000	-	(1,215,000)	-	-
	396,611	17,478	-	(17,478)	-	-
2015 Water Utility Revenue Refunding 2.00%-5.00%, due 12/1/30 Add: bond premium	42,565,000	32,895,000	-	(2,560,000)	30,335,000	2,695,000
	6,899,891	5,081,608	-	(461,964)	4,619,644	-
Total certificates of participation	<u>116,083,248</u>	<u>39,214,086</u>	<u>-</u>	<u>(4,254,442)</u>	<u>34,959,644</u>	<u>2,695,000</u>
Revenue Bonds						
2007 Gas Revenue Bonds 4.00%-5.00%, due 2/15/28 Add: bond premium	209,350,000	119,475,000	-	(10,800,000)	108,675,000	11,385,000
	15,454,116	5,887,282	-	(735,910)	5,151,372	-
2010 Electric System Revenue Refunding 2.0%-5.00%, due 2/1/20 Add: bond premium	55,845,000	545,000	-	(545,000)	-	-
	2,764,207	15,232	-	(15,232)	-	-
2013 Electric System Revenue Refunding 2.0%-5.00%, due 2/1/29 Add: bond premium	48,780,000	30,195,000	-	(4,920,000)	25,275,000	5,165,000
	5,899,513	3,687,196	-	(368,720)	3,318,476	-
2011 Refunding Wastewater Revenue Bonds, Series C 1.00%-5.25%, due 11/1/25 Add: bond premium	36,315,568	6,592,597	-	(3,180,072)	3,412,525	3,412,525
	2,839,017	322,782	-	(242,087)	80,695	-
2014 Refunding Electric System Revenue Bonds 5%, due 2/1/34 Add: bond premium	16,485,000	16,485,000	-	-	16,485,000	-
	2,129,224	1,596,918	-	(106,461)	1,490,457	-
2017A Electric System Revenue Refunding 3.0%-5.00%, due 2/1/37 Add: bond premium	56,210,000	56,210,000	-	-	56,210,000	-
	5,069,937	4,345,661	-	(241,426)	4,104,235	-
2017B Taxable Electric System Revenue Refunding 1.03%-2.41%, due 2/1/22	6,265,000	5,940,000	-	(780,000)	5,160,000	2,635,000
2017 Wastewater Revenue Bonds 5.00%, due 11/1/37 Add: bond premium	46,109,348	48,285,446	-	-	48,285,446	-
	10,618,219	10,007,404	-	(555,967)	9,451,437	-
2020 Wastewater Revenue Refunding Bonds 5.00%, due 11/1/35 Add: bond premium	30,296,244	-	30,296,244	-	30,296,244	-
	10,372,759	-	10,372,759	-	10,372,759	-
Total revenue bonds	<u>560,803,152</u>	<u>309,590,518</u>	<u>40,669,003</u>	<u>(22,490,875)</u>	<u>327,768,646</u>	<u>22,597,525</u>
<b>Total Business-Type Activities Debt:</b>	<u>\$ 803,469,278</u>	<u>\$ 477,113,985</u>	<u>\$ 40,669,003</u>	<u>\$ (101,054,698)</u>	<u>\$ 416,728,290</u>	<u>\$ 25,292,525</u>

**B. Direct Placement Debt**

*2013 Public Facilities Refunding Lease*

On June 1, 2013, the City entered into a Lease and Sublease Agreement in the amount of \$16,324,609 to refund the outstanding 2003A Public Facilities Refunding Certificates of Participation (2003A COPs) and the 2003B Golf Course Refunding Certificates of Participation (2003B COPs). The 2003A and 2003B COPs were called on August 1, 2013. The Lease is repayable from any source of available funds of the City which includes the General Fund; however, the Golf Course Special Revenue Fund is expected to repay the portion of the lease related to the refunding of the 2003B Certificates of Participation. Principal and interest payments are payable semi-annually on February 1 and August 1 through 2025. The amount outstanding as of June 30, 2020 was \$7,482,335 in governmental activities.

*Loans from the Successor Agency*

The former Redevelopment Agency made a loan in the amount of \$3,469,049 in May 2011 to the Roseville Community Development Corporation, a component unit of the City. The Agency had entered into the agreement with the Corporation under which the Agency agreed to provide funding to the Corporation in the form of a start-up loan not to exceed five million dollars (\$5,000,000). The loan is a 20-year loan deferred for 10 years with accrued interest and principal due beginning January 1, 2021. A State Supreme Court decision on August 11, 2011 suspended all redevelopment activity effective June 28, 2011. However, the Successor Agency of the Redevelopment Agency continued to make disbursements related to the loan agreement after that date, because it had been approved by the Redevelopment Agency Board prior to the Court decision.

Under the provisions of Health and Safety Code Section 34171(d)(2), agreements between the City or any of its component units and the former Redevelopment Agency that were executed after December 31, 2010 are no longer enforceable obligations and Health and Safety Code Section 34167.5 requires that if the City or component unit is not contractually committed to a third party for the expenditure or encumbrance of those funds that they be returned to the Successor Agency.

The City continues to contend that the loan agreement was lawfully entered into at the time of its execution and therefore transactions executed with the Corporation prior to the dissolution of the redevelopment agency were not reversed in the current fiscal year and remain in the Corporation as of June 30, 2020.

Upon dissolution of the redevelopment agency, the note was transferred to the Successor Agency. The note accrues interest at a rate equal to the City's average interest earnings plus 1 percent, adjusted every five years. Principal and interest payments commence on June 30, 2021 and will be due annually with the final payment scheduled on June 30, 2030. As of June 30, 2020, the note bears interest of 2.288 percent with interest accrued of \$603,631. The principal amount outstanding as of June 30, 2020 was \$3,469,049.

During fiscal year 2014, the Roseville Community Development Corporation assumed a loan made by the former Redevelopment Agency of the City of Roseville to a developer in connection with the acquisition of 238 Vernon Street. The developer had been current on payments on the loan through June 2013, but defaulted on the loan when it had an outstanding balance of \$602,334. The loan bears interest of 4.00 percent and is repayable in monthly payments of \$3,103 from July 1, 2014 through August 1, 2024, with a final balloon payment of \$421,227 due on September 1, 2024. 238 Vernon Street was sold in February 2020 and the remaining balance of the loan was paid off.

#### *2012 Electric System Revenue Refunding Certificates of Participation*

On November 7, 2012, the City entered into a direct placement agreement with U. S. Bank for the purchase of the 2012 bonds. The COPSs were issued to refund and retire the outstanding balance of the 2008A Electric System Revenue COPS. As of June 30, 2020, the City's outstanding debt from direct borrowing of \$54,000,000 are subject to special redemption prior to their respective stated date of maturity by the City upon written notice. There is no provision for early redemption by U.S. Bank (Purchaser).

The bonds are secured by a pledge of the net revenue of the Electric Department. The revenue may not be used for any other purpose while any of the bonds remain outstanding.

The continuing covenant agreement for the bonds includes a provision that in an event of default, the repayment of the outstanding principal plus any accrued interest becomes immediately due. The City is responsible for cost increases caused by the adoption of a law or rule applicable to the bonds, changes in the taxes or tax basis of the Purchaser or Credit Protection Provider.

The terms of this agreement were renewed on April 20, 2016 and expired on November 1, 2019. The City originally entered into a 27-year interest rate swap agreement for the entire amount of the 2008A COPS, and the interest rate swap agreement remains outstanding after the refunding, but the notional amount of the swap is based on the notional amount of the 2008A COPS. The combination of the variable rate COPS and a floating rate swap creates synthetic fixed-rate debt for the City. The synthetic fixed rate for the COPS was 4.191 percent for the year ended June 30, 2020. On November 1, 2019, the 2012 Electric COPS were paid down by \$36,000,000 leaving a balance of \$54,000,000. In addition, the Bank of America Merrill Lynch swap was terminated as of this date. As a result, the City paid \$7,176,500 to terminate the interest rate swap agreement. The U.S. Bank direct placement was renewed with new interest rate terms of 80% of one-month LIBOR plus 60 basis points with direct placement expiring May 1, 2023. The COPS are subject to mandatory prepayment annually beginning February 1, 2023 through 2035. The balance outstanding as of June 30, 2020 is \$54,000,000.

#### *2013 South Placer Wastewater Authority Refunding Revenue Bonds*

On April 1, 2013 the South Placer Wastewater Authority entered into a direct placement agreement with U.S. Bank for the purchase of the 2013 Bonds.

The bonds are secured by a pledge of a portion revenue from the Authority's connection and impact fees paid by each of the Authority participants as a result of real estate development that is sufficient to pay the principal and interest on the debt. The Revenue may not be used for any other purpose while any of the bonds remain outstanding.

The continuing covenant agreement for the bonds includes a provision that in an event of default, the repayment of the outstanding principal plus any accrued interest becomes immediately due.

The terms of this agreement expired on April 1, 2020, at which time, the Authority refinanced the debt. On April 28, 2020, the South Placer Wastewater Authority Revenue Refunding Bonds, Series 2013 was fully refunded by the South Placer Wastewater Authority Wastewater Revenue Refunding Bonds, Series 2020. The swap between the Authority and Morgan Stanley Capital Services LLC was also terminated. As a result, the Authority paid \$1,267,000 to terminate the swap. The City share of the termination fee was \$818,102.

### **C. Certificates of Participation**

#### *2015 316 Vernon Street Project Certificates of Participation*

On July 14, 2015, the Roseville Finance Authority issued the Certificates of Participation, Series 2015 (316 Vernon Street Project), in the principal amount of \$14,425,000 to fund a portion of the acquisition and construction of an office building located at 316 Vernon Street. The Lease bears interest at 2.00 percent to 5.25 percent and are due semi-annually at February 1 and August 1 of each year. The Lease is repayable from any source of legally available funds of the City, including (but not limited to) amounts held by the City in its General Fund according to the Lease Agreement in the official statement. Principal payments are due annually on August 1 through 2045. The amount outstanding as of June 30, 2020 is \$13,440,000.

#### *2004 Electric System Revenue Certificates of Participation*

On July 1, 2004, the City issued \$39,940,000 of Certificates of Participation to finance capital improvements to the City's Electric System. The COPs are repayable from net revenue of the Electric Utility System. The COPs bear interest at 3.00 percent to 5.25 percent and are due semi-annually on February 1 and August 1 of each year beginning February 1, 2005. Principal payments are due annually on February 1 through February 2034. The COPs were partially refunded by the 2013 Electric System Revenue Refunding Bonds as discussed below. In August 2014, the 2004 Electric System Revenue Certificates of Participation were partially refunded by the 2014 Electric System Revenue Refunding Bonds leaving a par amount of \$5,000.

#### *2009 Electric System Revenue Refunding Certificates of Participation*

On November 24, 2009, the City issued Certificates of Participation in the original principal amount of \$27,010,000. The COPs were issued to refinance the remaining outstanding balance of the 2002 Electric System Revenue Certificates of Participation. The COPs bear interest at 2.00 percent to 5.25 percent and are due semi-annually on February 1 and August 1 of each year. In February 2017, the 2009 Electric System Revenue Refunding Certificates of Participation were partially refunded by the 2017 A and 2017 B Electric System Revenue Refunding Bonds as discussed in Note 9D. Principal payments are due annually through fiscal year 2020. The bonds were paid off during the fiscal year.

*2015 Water Utility Revenue Refunding Certificates of Participation*

On August 20, 2015, the Roseville Finance Authority issued the Water Revenue Certificates of Participation, Series 2015, in the principal amount of \$42,565,000 to refund the 2007 Water Utility Certificates of Participation. The Bonds bear interest at 2.00 percent to 5.00 percent and are due semi-annually on December 1 and June 1 of each year. The Bonds are repayable by a pledge of net revenue from the Water Utility System. Principal payments are due annually on December 1 through 2030.

As of June 30, 2020, the total principal and interest remaining to be paid on the bonds was \$37,684,775. As disclosed in the official statement, all net revenues of the Water Utility System are expected to provide coverage over debt service of 120 percent over the life of the Bonds. For fiscal year 2020, net revenues amounted to \$28,101,331 which represented coverage of 682 percent over the \$4,119,783 in debt service. The balance outstanding as of June 30, 2020 is \$30,335,000.

**D. Revenue Bonds**

*2007 Roseville Natural Gas Financing Authority Gas Revenue Bonds*

On January 24, 2007, the Authority issued \$209,350,000 of Gas Revenue Bonds, Series 2007 (the Bonds), to finance a lump sum prepayment to a Gas Supplier (See Note 20A) in order to acquire a supply of natural gas to be delivered over a period of twenty-years. The gas purchased by the Authority will be sold to the City pursuant to a Natural Gas Supply Agreement (See Note 20C) to produce revenues to be used for debt service on the Bonds.

Principal payments are due annually on February 15 through 2028 and interest is payable semiannually on February 15 and August 15. The balance outstanding as of June 30, 2020 is \$108,675,000. As of June 30, 2020, the total principal and interest to be paid on the bonds was \$134,527,250. For fiscal year 2020, net revenues amounted to \$23,150,776, which represented coverage of 140 percent over the \$16,571,250 in debt service.

*2010 Electric System Revenue Refunding Bonds*

On October 21, 2010, the City issued Revenue Bonds in the original principal amount of \$55,845,000. The Bonds were issued to refinance the remaining outstanding balance of the 2008 Electric System Revenue Refunding Certificates of Participation Series B. The Revenue Bonds bear interest at 2.00 percent to 5.00 percent and are due semi-annually on February 1 and August 1 of each year. In February 2017, the 2010 Electric System Revenue Refunding Bonds were partially refunded by the 2017 A and 2017 B Electric System Revenue Refunding Bonds. Principal payments are due annually on February 1 through 2020. There is no outstanding balance as of June 30, 2020.

#### *2013 Electric System Revenue Refunding Bonds*

On November 14, 2013, the Roseville Finance Authority issued the Electric System Revenue Refunding Bonds, Series 2013, in the principal amount of \$48,780,000 to refund a portion of each of the 2004 Electric System Revenue and 2005 Electric System Revenue, Series A, Certificates of Participation. The Bonds bear interest at 2.00 percent to 5.00 percent and are due semi-annually on February 1 and August 1 of each year. The Bonds are repayable by a pledge of net revenue from the Electric System. Principal payments are due annually on February 1 through 2029. The balance outstanding as of June 30, 2020 is \$25,275,000.

#### *2014 Electric System Revenue Refunding Bonds*

On July 24, 2014, the Roseville Finance Authority issued Electric System Revenue Refunding Bonds, Series 2014, in the amount of \$16,485,000 to refund the 2004 Electric System Revenue Certificates of Participation. The Bonds bear interest of 5 percent. Principal payments are due annually on February 1 beginning in 2030. Interest payments are due semi-annually on each August 1 and February 1, commencing on February 1, 2015 through February 1, 2034. The balance outstanding as of June 30, 2020 is \$16,485,000.

#### *2017A Electric System Revenue Refunding Bonds*

On February 8, 2017, the City issued Revenue Bonds in the original principal amount of \$56,210,000. The Bonds were issued to refund a portion of the 2009 Electric System Revenue Refunding Certificates of Participation and the 2010 Electric System Revenue Refunding Bonds. The Revenue Bonds bear interest at 3.00 percent to 5.00 percent and are due semi-annually on February 1 and August 1 of each year. Principal payments are due annually on February 1 through 2037. The balance outstanding as of June 30, 2020 is \$56,210,000.

#### *2017B Taxable Electric System Revenue Refunding Bonds*

On February 8, 2017, the City issued Taxable Revenue Bonds in the original principal amount of \$6,265,000. The Bonds were issued to refund a portion of the 2009 Electric System Revenue Refunding Certificates of Participation and the 2010 Electric System Revenue Refunding Bonds. The Revenue Bonds bear interest at 1.03 percent to 2.41 percent and are due semi-annually on February 1 and August 1 of each year. Principal payments are due annually on February 1 through 2022. The balance outstanding as of June 30, 2020 is \$5,160,000.

#### *Electric Bonds Net Revenue Summary*

As of June 30, 2020, the total principal and interest remaining to be paid on the 2004 Electric System Revenue COPs, 2012 Electric System Revenue Refunding COPs, the 2013 Electric System Revenue Refunding Bonds, the 2014 Electric System Revenue Refunding bonds, the 2017A Electric System Revenue Refunding bonds and the 2017B Electric System Revenue Refunding bonds was \$207,061,044. As disclosed in the official statements, all net revenues of the Electric System are expected to provide coverage over debt service of 110% over the lives of the Bonds. For fiscal year 2020, net revenues amount to \$68,519,237 which represents coverage of 135% over the \$50,843,637 in debt service.



*2011 South Placer Wastewater Authority Refunding Revenue Bonds, Series A, B, C, and D*

On April 7, 2011, the South Placer Wastewater Authority (Authority) issued Variable Rate Demand Refunding Wastewater Revenue Bonds Series 2011A and 2011B in the original principal amounts of \$30,165,000 and \$30,160,000, respectively, and Revenue Refunding Bonds Series 2011C and 2011D (SIFMA Index Bonds) in the original principal amount of \$67,040,000 and \$30,000,000, respectively. The City's share of this obligation was determined to be 54.17 percent when the Bonds were issued. The Authority amended the Funding Agreement and the members entered into a Reallocation and Repayment Agreement during fiscal year 2012 which changed the proportionate share of the member obligations prospectively effective October 1, 2012. As a result, the City's share of the obligation increased to 61.66 percent and the liabilities for the 2011C and 2011D Bonds were increased \$4,819,815 and \$2,247,000, respectively.

The Series 2011ABCD Bonds were issued to refund the remaining outstanding balance of the 2008 South Placer Wastewater Authority Refunding Wastewater Revenue Bonds Series A and Series B. During fiscal year 2013, the 2011A and 2011B Bonds were refunded by the 2013 South Placer Wastewater Authority Refunding Wastewater Bonds. During fiscal year 2015, the 2011D Bonds were refunded by the Wastewater Revenue Refunding Bonds, Series 2014. During fiscal year 2017, the 2011C Bonds were partially refunded by the South Placer Wastewater Authority Revenue Bonds, Series 2017.

As described in more detail in Note 17, effective January 31, 2019 the City's proportionate share of the obligation increased to 64.57 percent. As a result, the City's share of the 2011C obligation increased by \$430,680. The remaining Series 2011C Bonds bear interest at 5.00 percent and are due semi-annually on May 1 and November 1 of each year. The Bonds are repayable solely from the Authority Revenues. Principal payments are due annually November 1 through 2020. The City's share of the balance outstanding as of June 30, 2020 is \$3,412,525.

*South Placer Wastewater Authority Revenue Bonds, Series 2017*

On September 28, 2017, the South Placer Wastewater Authority issued Revenue Bonds, Series 2017 in the amount of \$74,780,000 to partially refund the Authority's Wastewater Revenue Refunding Bonds, Series 2011C, fully refund the Authority's Wastewater Revenue Refunding Bonds, Series 2014 and partially finance the 2017 Project, Pleasant Grove Plant improvements. The City's share of this obligation was determined to be 61.66%, or \$46,109,348 when the bonds were issued. As described in more detail in Note 17, effective January 31, 2019 the City's proportionate share of the obligation increased to 64.57%. As a result, the City's share of the 2017 obligation increased by \$2,176,098. The Revenue Bonds bear interest at 5.00% and are due semi-annually on May 1 and November 1 of each year. Principal payments are due annually on November 1 beginning 2021 through 2037. The City's share of the balance outstanding as of June 30, 2020 is \$48,285,446.

*South Placer Wastewater Authority Revenue Bonds, Series 2020*

On April 28, 2020, the South Placer Wastewater Authority issued Revenue Bonds, Series 2020 in the amount of \$46,920,000 to fully refund the Authority's Wastewater Revenue Refunding Bonds, Series 2013. The City's share of this obligation was determined to be 64.57%, or \$30,296,244. The Revenue Bonds bear interest at 5.00% and are due semi-annually on May 1 and November 1 of each year. Principal payments are due annually on November 1 beginning 2029 through 2035. The City's share of the balance outstanding as of June 30, 2020 is \$30,296,244. The refunding resulted in an economic loss of \$981,489.

*Wastewater Bonds Net Revenue Summary*

As of June 30, 2020, the total principal and interest remaining to be paid on the 2011 Series C, the 2017 Bonds and the 2020 Bonds was \$127,970,508. As disclosed in the Indenture, net revenues of the respective systems of the members are expected to provide coverage over debt service of 110% over the lives of the Bonds, however the Funding Agreement established a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. As discussed in Note 17, the members' monthly contributions of regional connection fees are deposited into the Rate Stabilization Account, and the Authority pays the debt service and other costs from the Account, based on each member's proportionate share. For fiscal year 2020, \$7,485,879 in debt service was paid from the Rate Stabilization Account.

**E. Interest Rate Swap Agreements**

The City entered into interest rate swap agreements in connection with the 2008 Electric Revenue Certificates of Participation (COPs), Series A. Additionally, the South Placer Wastewater Authority (Authority), in which the City has a 64.57 interest, entered into an interest rate swap agreement in connection with the 2008 Refunding Wastewater Revenue Bonds, Series B. The Authority amended the swap with the issuance of the 2017 Bonds, including reducing the notional amount of the swap by \$29.12 million.

These transactions allow the City to create synthetic fixed rates on the COPs and Revenue Bonds, protecting it against increases in short-term interest rates. The terms, fair value and credit risk of the swap agreements are disclosed below.

The Bank of America Merrill Lynch swap related to Electric System Revenue COP was terminated on November 1, 2019, and the Authority's swap was terminated in April 2020.

*Terms.* The terms, including the counterparty credit ratings of the outstanding swaps, as of June 30, 2020, are included below. The swap agreements contain scheduled reductions to the outstanding notional amount that are expected to follow scheduled reductions in the associated bond issues.

Related Bond Issue	Notional Amount	Effective Date	Counterparty	Credit Rating (A)	Fixed Rate Paid	Variable Rate Received	Termination Date
2012 Electric System Revenue Refunding COP	\$ 54,000,000	5/13/2008	Morgan Stanley Capital Services, Inc.	A+	3.321%	80% of 1m LIBOR plus 60 basis points	5/1/2023
	<u>\$ 54,000,000</u>						

(A) Credit rating by Standard & Poor's Agency.

Based on the swap agreement, the City owes interest calculated at a fixed rate to the counterparty of the swap. In return, the counterparty owes the City interest based on the variable rate that approximates the rate required by the associated COPs. Debt principal is not exchanged; it is only the basis on which the swap receipts and payments are calculated.

*Fair value.* Fair value of the swaps takes into consideration the prevailing interest rate environment, the specific terms and conditions of each transaction and any upfront payments that may have been received. Hedging derivative instruments are classified as Level 2 and are valued using a discounted cash flow technique, which calculates the future net settlement payments, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates (LIBOR or SIFMA). The payments are then discounted using the spot rates (LIBOR or SIFMA) implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. As of June 30, 2020, the fair value of the swap was not in favor of the City as follows:

Related Bond Issue	Fair Value	
	2020	2019
2012 Electric System Revenue Refunding COP (based on notional amount of 2008 Electric System Revenue COP, Series A) Bank of America N.A. Morgan Stanley Capital Services Inc.	\$ - (13,691,174) <u>(13,691,174)</u>	\$ (6,538,818) (9,600,344) <u>(16,139,162)</u>
2013 SPWA Refunding Wastewater Revenue Bonds	<u>-</u>	<u>(872,530)</u>
	<u>\$ (13,691,174)</u>	<u>\$ (17,011,692)</u>

*Credit Risk.* Since the fair values of the swap is negative, the City is not currently exposed to credit risk. The fair value may increase if interest rates increase in the future. Should interest rates increase to the point where the fair values become positive, the City would be exposed to credit risk on the outstanding swaps. The City will be exposed to interest rate risk only if a counterparty to a swap defaults or if the swap is terminated.

*Basis Risk.* Basis risk is the risk that the interest rate paid by the City on the underlying variable rate bonds to the bondholders temporarily differs from the variable swap rates received from the applicable counterparty. The City bears basis risk on the swaps. The swaps have basis risk since the City receives a percentage of the LIBOR Index to offset the actual variable bond rates the City pays on the underlying COPs and Bonds. The City is exposed to basis risk should the floating rate that it receives on a swap be less than the actual variable rate the City pays on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the expected cost of the basis risk may vary.

*Termination Risk.* The City may terminate if the other party fails to perform under the terms of the contract. The City will be exposed to variable rates if the counterparty to the swap contract defaults or if the swap contract is terminated. A termination of the swap contract may also result in the City's making or receiving a termination payment based on market interest rates at the time of the termination. If at the time of termination, the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

*Rollover Risk.* Rollover risk is the risk that the swap associated with a debt issue matures or may be terminated prior to the maturity of the associated debt. When the swap terminates or a termination option is exercised by the counterparty, the City will be re-exposed to the risks being hedged by the swap. The would be exposed to rollover risk if the swap terminates before the maturity date.

*Swap payments and associated debt.* Using rates as of June 30, 2020, debt service requirements of the City's outstanding swap-related variable-rate and fixed rate debt and net swap payments are as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary. These payments below are included in the Debt Service Requirements at June 30, 2020:

Year Ending June 30,	Variable-Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest		
2021	\$ -	\$ 394,092	\$ 1,731,571	\$ 2,125,663
2022	-	394,092	1,731,571	2,125,663
2023	2,925,000	385,198	1,692,491	5,002,689
2024	3,420,000	362,346	1,592,084	5,374,430
2025	3,555,000	336,976	6,199,346	10,091,322
2026-2030	19,950,000	1,268,520	2,817,251	24,035,771
2031-2035	24,150,000	468,769	97,361	24,716,130
Totals	<u>\$ 54,000,000</u>	<u>\$ 3,609,993</u>	<u>\$ 15,861,675</u>	<u>\$ 73,471,668</u>

#### F. Debt Service Requirements

Debt service requirements are shown below for the remaining long-term debt:

Year Ending June 30,	Governmental Activities					
			Private Placement Lease and Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 275,000	\$ 610,713	\$ 1,338,399	\$ 233,048	\$ 1,613,399	\$ 843,761
2022	290,000	596,588	1,365,945	204,124	1,655,945	800,712
2023	305,000	581,713	1,742,128	174,599	2,047,128	756,312
2024	320,000	566,088	1,770,577	133,963	2,090,577	700,051
2025	335,000	549,713	1,313,822	100,421	1,648,822	650,134
2026-2030	1,955,000	2,471,813	2,726,699	209,095	4,681,699	2,680,908
2031-2035	2,445,000	1,967,456	693,814	20,504	3,138,814	1,987,960
2036-2040	2,980,000	1,421,306	-	-	2,980,000	1,421,306
2041-2045	3,685,000	687,694	-	-	3,685,000	687,694
2046	850,000	21,250	-	-	850,000	21,250
Totals	13,440,000	<u>\$ 9,474,334</u>	10,951,384	<u>\$ 1,075,754</u>	24,391,384	<u>\$ 10,550,088</u>
Reconciliation of long-term debt						
Add deferred bond premium	<u>723,014</u>			<u>-</u>	<u>723,014</u>	
Net long-term debt	<u>\$ 14,163,014</u>		<u>\$ 10,951,384</u>		<u>\$ 25,114,398</u>	

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Year Ending June 30,	Business-type Activities					
			Private Placement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 25,292,525	\$ 15,468,983	\$ -	\$ 394,092	\$ 25,292,525	\$ 15,863,075
2022	26,346,780	14,261,461	-	394,092	26,346,780	14,655,553
2023	22,873,603	12,999,474	2,925,000	385,198	25,798,603	13,384,672
2024	23,885,112	11,863,006	3,420,000	362,346	27,305,112	12,225,352
2025	25,109,220	10,657,523	3,555,000	336,976	28,664,220	10,994,499
2026-2030	104,569,301	34,119,804	19,950,000	1,268,520	124,519,301	35,388,324
2034-2035	47,356,567	17,013,118	24,150,000	468,769	71,506,567	17,481,887
2036-2039	48,706,107	3,266,528	-	-	48,706,107	3,266,528
Totals	324,139,215	<u>\$ 119,649,897</u>	54,000,000	<u>\$ 3,609,993</u>	378,139,215	<u>\$ 123,259,890</u>
Reconciliation of long-term debt						
Add deferred bond premium	38,589,075		-		38,589,075	
Net long-term debt	<u>\$ 362,728,290</u>		<u>\$ 54,000,000</u>		<u>\$ 416,728,290</u>	

**G. Special Assessment Districts**

Special Assessment Districts, including Mello Roos Districts, in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not recorded as long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2020, is as follows:

	Maturity Date	Outstanding Balance
Roseville Fiddymment Ranch Community Facilities District No. 1, Series 2017	9/1/2036	\$ 43,870,000
Roseville Fiddymment Ranch Community Facilities District No. 5, Series 2017	9/1/2047	23,770,000
Highland Reserve North Community Facilities District No. 1, Series 2006	9/1/2027	13,971,000
Woodcreek East Community Facilities District No. 1, Series 2006	9/1/2027	3,049,000
Crocker Ranch Community Facilities District No. 1, Series 2007	9/1/2033	13,725,000
Stoneridge East Community Facilities District No. 1, Series 2007	9/1/2031	10,630,000
Stoneridge West Community Facilities District No. 1, Series 2007	9/1/2031	8,305,000
Stoneridge Parcel 1 Community Facilities District No. 1, Series 2007	9/1/2030	1,200,000
Fountains Community Facilities District No. 1, Series 2016	9/1/2038	10,235,000
Northwest Community Facilities District No. 1, Series 2012	9/1/2020	2,120,000
Northeast Community Facilities District No. 2, Series 2012	9/1/2021	1,560,000
Longmeadow Parkside Community Facilities District No. 1, Series 2013	9/1/2036	6,625,000
Westbrook Community Facilities District No. 1, Series 2014	9/1/2044	14,045,000
Woodcreek West Community Facilities District No. 1 Refunding Bonds, Series 2015	9/1/2030	10,670,000
North Roseville Community Facilities District No. 1 Refunding Bonds, Series 2015	9/1/2023	5,470,000
Westpark Community Facilities District No. 1, Series 2015	9/1/2037	64,665,000
HP Campus Oaks Community Facilities District No. 1, Series 2016	9/1/2046	22,450,000
Stone Point Community Facilities District No. 1, Series 2017	9/1/2028	4,765,000
Stone Point Community Facilities District No. 5, Series 2017	9/1/2036	4,405,000
Placer Valley Sports Complex and Tourism Marketing District, Series 2017	8/5/2037	33,223,000
Westbrook Community Facilities District No. 1, Series 2018	9/1/2048	11,615,000
Westbrook Community Facilities District No. 1, Series 2019	9/1/2049	14,010,000
Diamond Creek Community Facilities District No. 1, Series 2019	9/1/2037	5,030,000
Villages at Sierra Vista Community Facilities District No. 1, Series 2019	9/1/2049	12,540,000
Roseville Fiddymment Ranch Community Facilities District No. 5, Series 2019	9/1/2049	16,630,000
SVSP Westpark-Federico Community Facilities District No. 1, Series 2019	9/1/2049	7,745,000
	Total	<u>\$ 366,323,000</u>

**Note 10 - Derivative Instruments**

**A. Summary of Notional Amounts and Fair Values**

The City enters into contracts to hedge its price exposures to power and natural gas, and to procure energy supplies. These contracts are evaluated pursuant to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, to determine whether they meet the definition of derivative instruments, and, if so, whether they effectively hedge the expected cash flows associated with interest rate and energy exposures.

The City applies hedge accounting for derivatives that are deemed effective hedges. Under hedge accounting, the increase (decrease) in the fair value of a hedge is reported as a deferred inflow or outflow of resources on the statement of net position. For the reporting period, all of the City's derivatives are considered effective hedges.

For energy derivatives, fair values are estimated by comparing contract prices to forward market prices quoted by third party market participants or provided in relevant industry publications.

The following is a summary of the fair values and notional amounts of derivative instruments outstanding as of June 30, 2020.

	2020 Change in Fair Value		Fair Value, End of Fiscal Year 2020		Notional	Level
	Classification	Amount	Classification	Amount		
<b>Effective Cash Flow Hedges</b>						
<b>Electric Fund</b>						
Pay Fixed SWAP, Natural Gas	Deferred Outflow	\$ 6,538,818	Derivative	\$ -	2,282,500 mmBtu	2
Pay Fixed SWAP, Natural Gas	Deferred Outflow	(4,090,830)	Derivative	(13,691,174)	342,000 MWh	2
				<u>\$ (13,691,174)</u>		
<b>Roseville Natural Gas Financing Authority</b>						
Pay Fixed SWAP, Natural Gas	Deferred Inflow	\$ 875,365	Derivative	\$ 13,458,856	34,513,500 mmBtu	2
Receive Fixed SWAP, Natural Gas	Deferred Inflow	(1,175,653)	Derivative	79,978,217	76,000-372,000 monthly mmBtu	2
				<u>\$ 93,437,073</u>		

## B. Objective and Terms of Hedging Derivative Instruments

The objectives and terms of the City's hedging derivative instruments that were outstanding at June 30, 2020, are summarized in the next table. The table is aggregated by the credit ratings of the City's counterparties. For counterparties having multiple ratings, the rating indicating the greatest degree of risk is used.

Objectives and terms of the City's hedging derivative instruments that were outstanding at June 30, 2020 are summarized in the table below:

Type and Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty	Rating
Forward Contracts, Gas:						
Hedge Cash Flows on PG&E citygate Gas	155,000 mmBtu	7/1/2020	1/31/2021	Pay \$2.97; Receive NGI PG&E citygate price	BP Energy	A2
Hedge Cash Flows on PG&E citygate Gas	612,500 mmBtu	8/1/2020	9/30/2022	Pay \$3.01; Receive NGI PG&E citygate price	EDF Trading North America	Baa2
Hedge Cash Flows on PG&E citygate Gas	3,722,500 mmBtu	8/1/2020	3/31/2022	Pay \$3.04; Receive NGI PG&E citygate price	J Aron & Company	A3
Hedge Cash Flows on PG&E citygate Gas	3,195,000 mmBtu	1/1/2021	3/31/2023	Pay \$3.05; Receive NGI PG&E citygate price	Macquarie Energy	A2
Hedge Cash Flows on PG&E citygate Gas	382,500 mmBtu	8/1/2020	12/31/2020	Pay \$3.13; Receive NGI PG&E citygate price	Shell Trading Risk Management	A2
Forward Contracts, Power:						
Hedge Cash Flows on NP15 Power	145,025 MWh	7/1/2020	12/31/2021	Average Cost/Unit at \$35.68	Conoco Phillips	A3
Hedge Cash Flows on NP15 Power	184,400 MWh	7/1/2020	12/31/2021	Average Cost/Unit at \$40.07	EDF Trading North America	Baa2
Hedge Cash Flows on NP15 Power	61,600 MWh	7/1/2020	12/31/2020	Average Cost/Unit at \$38.25	Macquarie Energy	A2
Commodity Swaps, Gas:						
Prepayment 20-year supply of Natural Gas	20,426,500 mmBtu	1/1/2008	12/31/2027	Pay index minus 0.68; Receive NGI	Merrill Lynch	Aa3
Hedge on Cash Flows on prepayment of 20-year supply of Natural Gas	From 75,000 to 372,000 mmBtu per month	1/24/2007	1/25/2028	Pay NGI PG&E citygate price; Receive \$7.7224 per MMBtu	JPMorgan Chase Bank, NA	Aa2

## C. Risks of Derivative Instruments

**Credit risk** – Credit risk is the risk of loss due to a counterparty defaulting on its obligations. The City seeks to minimize credit risk by transacting with creditworthy counterparties. Interest rate swap counterparties are evaluated at the time of transaction execution. The procedure prohibits the City from executing energy hedge transactions with counterparties rated lower than BBB by Standard & Poor's or Fitch rating services, or Baa2 by Moody's. Subsequent to entering into transactions, the credit ratings of one or more counterparties may deteriorate. If so, the City's credit risk management policies increase the amount of collateral that the counterparty must post with the City when the counterparty owes the City, thereby reducing credit risk associated with the decline in the counterparty's credit worthiness.

**Termination risk** – Termination risk is the risk that a derivative will terminate prior to its scheduled maturity due to a contractual event. Contractual events include bankruptcy, illegality, default, and mergers in which the successor entity does not meet credit criteria. One aspect of termination risk is that the City would lose the hedging benefit of a derivative that becomes subject to a termination event. Another aspect of termination risk is that, if at the time of termination, the mark-to-market value of the derivative was a liability to the City, the City could be required to pay that amount to the counterparty. Termination risk is associated with all of the City's derivatives up to the fair value amounts.

**Note 11 - Net Position and Fund Balances**

**A. Fund Balance and Net Position Deficits**

The City reported the following deficit net position and fund balances:

The School-Age Child Care Fund had a deficit net position of at June 30, 2020 of \$12,368,293. The City is evaluating the operations of this fund to ensure that service rates are sufficient to cover operations.

The Golf Fund had a deficit fund balance as of June 30, 2020 of \$4,366,026. The City is expecting to eliminate this deficit with future program revenues and transfers from the general fund.

The Roseville Finance Authority debt service fund had a deficit fund balance as of June 30, 2020 of \$59,286. The City is expecting to eliminate this deficit with future transfers from other funds.

The Information Technology Fund had deficit net position at June 30, 2020 of \$824,649. The City is expecting to eliminate this deficit through future internal service rates.



**B. Classifications**

Detailed classifications of the City's Fund Balances, as of June 30, 2020, are below:

Fund Balance Classifications	General Fund	Capital Projects Fund Community Facilities Districts	Nonmajor Governmental Funds	Total
Nonspendable:				
Items not in spendable form:				
Prepays	\$ 307,390	\$ -	\$ -	\$ 307,390
Notes receivable	11,360,122	-	-	11,360,122
Inventories	216,374	-	-	216,374
Subtotal	<u>11,883,886</u>	<u>-</u>	<u>-</u>	<u>11,883,886</u>
Amounts required to be maintained intact:				
Permanent funds	-	-	17,797,906	17,797,906
Total nonspendable fund balances	<u>11,883,886</u>	<u>-</u>	<u>17,797,906</u>	<u>29,681,792</u>
Restricted for:				
Community facilities districts	-	11,635,540	-	11,635,540
Landscape and lighting	-	-	13,944,468	13,944,468
Street projects	-	-	13,458,244	13,458,244
Affordable housing	-	-	12,095,513	12,095,513
Technology replacement	-	-	1,707,001	1,707,001
Local access television	-	-	1,805,376	1,805,376
Public safety services and projects	-	-	1,129,086	1,129,086
Open space maintenance	-	-	886,915	886,915
Traffic projects	-	-	25,745,749	25,745,749
Federal grant programs	-	-	2,189,008	2,189,008
Wildlife preservation	-	-	1,234,529	1,234,529
Community development	-	-	1,223,582	1,223,582
Tree propagation	-	-	2,254,694	2,254,694
Aquatics complex maintenance	-	-	30,369	30,369
Other capital projects	-	-	59,133,034	59,133,034
Total restricted fund balances	<u>-</u>	<u>11,635,540</u>	<u>136,837,568</u>	<u>148,473,108</u>
Committed to:				
Emergency reserve	15,811,342	-	-	15,811,342
Economic Stabilization Reserve	15,970,246	-	-	15,970,246
Total committed fund balances	<u>31,781,588</u>	<u>-</u>	<u>-</u>	<u>15,970,246</u>
Assigned to:				
Annual parks and recreation facility maintenance	799,134	-	-	799,134
Police operations and supplies	586,777	-	-	586,777
Fire operations and supplies	146,224	-	-	146,224
Development services	142,402	-	-	142,402
Public works projects	45,918	-	-	45,918
Storm water	55,114	-	-	55,114
Various contracts	3,030	-	-	3,030
Building and general rehabilitation projects	97,506	-	11,161,681	11,259,187
Total assigned fund balances	<u>1,876,105</u>	<u>-</u>	<u>11,161,681</u>	<u>13,037,786</u>
Unassigned:				
General fund	35,841,056	-	-	35,841,056
Other governmental fund deficit residuals	-	-	(4,425,312)	(4,425,312)
Total unassigned fund balances	<u>35,841,056</u>	<u>-</u>	<u>(4,425,312)</u>	<u>31,415,744</u>
Total fund balances	<u>\$ 81,382,635</u>	<u>\$ 11,635,540</u>	<u>\$ 161,371,843</u>	<u>\$ 238,578,676</u>

**C. Emergency Reserve**

The city maintains an Emergency Reserve Committed Fund Balance that is set at a minimum of 10% of budgeted General Fund operating expenditures. Appropriations from the Emergency Reserve may only be made by a vote of the City Council to meet a critical, unpredictable financial need such as a declared emergency.

**D. Stabilization Reserve**

The City also maintains a Stabilization Reserve reported as part of the committed fund balance. The stabilization reserve is equal to 15% of budgeted General Fund operating expenditures as the target reserve level. Appropriations may only be made by a vote of the City Council in the event of temporary revenue shortfalls caused by an economic downturn.

**Note 12 - Pension Plans**

*Plan Descriptions* – Substantially all full-time City employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent-multiple employer defined benefit pension plans administered by the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

*Benefits Provided* – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Safety	
	Prior to January 1, 2013	After January 1, 2013
Hire date	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 - 55	50 - 57
Retirement age	3.000%	2.0% - 2.7%
Monthly benefits, as a % of annual salary	9.000%	12.250%
Required employee contribution rates	24.061% + \$6,862,594	12.250%
Required employer contribution rates		
	Miscellaneous	
	Prior to January 1, 2013	After January 1, 2013
Hire date	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 - 55	52 - 67
Retirement age	2.0% - 2.7%	1.0% - 2.5%
Monthly benefits, as a % of annual salary	8.000%	6.250%
Required employee contribution rates	10.847% + \$15,938,108	6.250%
Required employer contribution rates		

Employees Covered – At June 30, 2020, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	961	223
Inactive employees entitled to but not yet receiving benefits	809	82
Active employees	1,016	234
Total	2,786	539

*Contributions* – Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. The City made contributions of \$23,027,541 to the miscellaneous plan and \$15,077,558 to the safety plan during the year ended June 30, 2020.

**Net Pension Liability**

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

*Actuarial Assumptions* – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
<b>Actuarial Assumptions:</b>	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.15% (2)
Mortality	Derived using CalPERS membership data

(1) Depending on age, service and type of employment

(2) Net of pension plan investment and administrative expenses, includes inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a December 2017 actuarial experience study for the period of 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

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

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

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

Asset Class	Target Allocation	Real Return Years 1 - 10 <sup>1</sup>	Real Return Years 11+ <sup>2</sup>
Global equity	50%	4.80%	5.98%
Fixed income	28%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8%	6.30%	7.23%
Real assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
Total	<u>100%</u>		

1 An expected inflation of 2.0% used for this period

2 An expected inflation of 2.92% used for this period

*Discount rate* – The discount rate used to measure the total pension liability was 7.15 percent for each plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the district’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability

The changes in the net pension liability for each Plan as of the measurement date of June 30, 2019 follows:

*Miscellaneous Plan:*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2019	\$ 667,324,796	\$ 435,184,425	\$ 232,140,371
Changes in the year:			
Service cost	14,927,042	-	14,927,042
Interest on the total pension liability	47,819,167	-	47,819,167
Differences between expected and actual experience	9,146,285	-	9,146,285
Contribution - employer	-	21,557,305	(21,557,305)
Contribution - employee	-	6,237,988	(6,237,988)
Net investment income	-	29,023,516	(29,023,516)
Benefit payments, including refunds of employee contributions	(30,270,138)	(30,270,138)	-
Administrative expenses	-	(310,557)	310,557
Other miscellaneous income/(expense)	-	1,010	(1,010)
Net changes	<u>41,622,356</u>	<u>26,239,124</u>	<u>15,383,232</u>
Balance at June 30, 2020	<u>708,947,152</u>	<u>461,423,549</u>	<u>247,523,603</u>

*Safety Plan:*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2019	336,418,601	228,349,772	108,068,829
Changes in the year:			
Service cost	9,116,368	-	9,116,368
Interest on the total pension liability	23,857,020	-	23,857,020
Differences between expected and actual experience	(140,829)	-	(140,829)
Contribution - employer	-	11,972,740	(11,972,740)
Contribution - employee	-	2,593,796	(2,593,796)
Net investment income	-	15,176,590	(15,176,590)
Benefit payments, including refunds of employee contributions	(14,342,692)	(14,342,692)	-
Administrative expenses	-	(162,955)	162,955
Other miscellaneous income/(expense)	-	530	(530)
Net changes	<u>18,489,867</u>	<u>15,238,009</u>	<u>3,251,858</u>
Balance at June 30, 2020	<u>354,908,468</u>	<u>243,587,781</u>	<u>111,320,687</u>
Totals of both miscellaneous and safety plans	<u>\$ 1,063,855,620</u>	<u>\$ 705,011,330</u>	<u>\$ 358,844,290</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 344,785,169	\$ 165,080,764	\$ 509,865,933
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 247,523,603	\$ 111,320,687	\$ 358,844,290
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 167,210,584	\$ 67,769,340	\$ 234,979,924

*Pension Plan Fiduciary Net Position* – Detailed information about each pension plans’ fiduciary net position is available in the separately issued CalPERS financial reports.

#### Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense of \$42,259,905 in the Miscellaneous Plan and \$18,511,127 in the Safety Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 23,130,931	\$ -
Changes of assumptions	8,414,343	2,922,314
Differences between expected and actual experience	10,990,621	818,205
Changes in proportion	14,597,670	14,597,670
Net difference between projected and actual earnings on plan investments	-	2,915,099
Total	<u>\$ 57,133,565</u>	<u>\$ 21,253,288</u>
	<u>Safety</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 15,077,558	\$ -
Changes of assumptions	9,212,420	4,489,689
Differences between expected and actual experience	4,292,417	2,765,318
Net difference between projected and actual earnings on plan investments	-	1,226,453
Total	<u>\$ 28,582,395</u>	<u>\$ 8,481,460</u>
Total primary government	<u>\$ 85,715,960</u>	<u>\$ 29,734,748</u>

The amount of \$23,130,931 in the miscellaneous plan and \$15,077,558 in the safety plan reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30	Miscellaneous	Safety
2020	\$ 11,758,624	\$ 2,652,637
2021	(927,013)	1,095,166
2022	1,530,109	1,113,674
2023	387,626	172,334
2024	-	(10,434)
	\$ 12,749,346	\$ 5,023,377

### Note 13 - Other Post-Employment Benefits

#### Plan Description

The City provides medical benefits to substantially all retirees under the City of Roseville Retiree Healthcare Plan (Plan), a sole employer defined benefit healthcare plan administered by the Trust Investment Review Committee. The City is responsible for establishing and amending the funding policy of the Plan. The Plan financial statements can be obtained at [www.roseville.ca.us](http://www.roseville.ca.us) or by contacting the City of Roseville Accounting Division at 311 Vernon Street, Roseville, California 95678.

*Benefits Provided* –The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council.

*Employees Covered By Benefit Terms* – As of June 30, 2020, the following employees were covered by the benefit terms:

	Number of Covered Participants
Inactive employees currently receiving benefits	802
Inactive employees entitled to but not yet receiving benefits	47
Active employees	1,314
Total	2,163

*Contributions* – The contribution requirements of plan members and the City are established and may be amended by the City Council. The City Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2020, the City contributed \$16,425,867 to the Plan.



**Net OPEB Liability**

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

*Actuarial Assumptions* – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Contribution Policy	Pre-Funded with pay-go plus a percent of pay which varies by employee group
Discount Rate	6.25%
Expected Long-Term Rate of Return	Same as discount rate - expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.75% per annum
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019
Salary Increases	Aggregate 3%
	Merit - CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Healthcare participation	Tier 1: 100% Tier 2 & Tier 3 RFF: 80% at 50% of cap to 100% at 100% of cap Tier 3 Non-RFF & Tier 4: 60%

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

<u>Asset Class Component</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return <sup>(1)</sup></u>
Domestic Equity	39%	4.80%
Fixed Income	40%	1.50%
International Equity	21%	4.00%
	<u>100%</u>	

<sup>(1)</sup> Assumed long-term rate of inflation: 2.75%

*Discount rate.* The discount rate used to measure the total OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

### Changes In Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2019	\$ 238,670,000	\$ 97,959,406	\$ 140,710,594
Service Cost	5,701,000	-	5,701,000
Interest	14,961,000	-	14,961,000
Differences between actual and expected experience	(17,999,000)	-	(17,999,000)
Changes in assumptions	(5,591,000)	-	(5,591,000)
Contributions - employer*	-	16,425,867	(16,425,867)
Net investment income	-	5,318,871	(5,318,871)
Benefit payments	(9,988,000)	(9,988,000)	-
Administrative expenses	-	(34,934)	34,934
Net changes	<u>(12,916,000)</u>	<u>11,721,804</u>	<u>(24,637,804)</u>
Balance at June 30, 2020	<u>\$ 225,754,000</u>	<u>\$ 109,681,210</u>	<u>\$ 116,072,790</u>

\* Contributions to the trust of \$6,437,867 plus \$8,090,000 cash benefit payments and \$1,898,000 implied subsidy benefit payments by the City.

*Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates* – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25 percent) or 1 percentage point higher (7.25 percent) than the current discount rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Decrease (7.25%)
Net OPEB Liability	\$ 148,734,000	\$ 116,072,790	\$ 89,577,000

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates* – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6 percent decreasing to 4 percent) or 1 percentage point higher (8 percent decreasing to 6 percent) than the current healthcare cost trend rates:

	1% Decrease (6.5% decreasing to 3%)	Current Rate (7.5% decreasing to 4%)	1% Increase (8.5% decreasing to 5%)
Net OPEB Liability	\$ 92,686,000	\$ 116,072,790	\$ 139,188,000

*OPEB plan fiduciary net position* – Detailed information about the Plan’s fiduciary net position is available in the separately issued City of Roseville Other Post-Employment Benefits Trust financial report.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized OPEB expense of \$8,332,000. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 32,371,000
Changes in assumptions	6,215,000	4,855,000
Changes in proportion	12,681,000	12,681,000
Net difference between projected and actual earnings on plan investments	-	741,000
Total	\$ 18,896,000	\$ 50,648,000

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Deferred Outflows/(Inflows) of Resources
2021	\$ (6,246,000)
2022	(6,244,000)
2023	(6,044,000)
2024	(5,148,000)
2025	(3,104,000)
Thereafter	(4,966,000)
	\$ (31,752,000)

**Note 14 - Post-Employment Benefits Trust**

**Plan Description**

*Plan administration* –The City of Roseville Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan that is used to provide postemployment benefits other than pensions (OPEB), including medical, dental and vision insurance benefits to eligible retirees. Management of the plan is vested with the Trust Investment Review Committee (Committee). The Committee consists of nine members appointed by the City Manager. It includes one member from each of the City’s employee labor bargaining groups (5), one retiree, one investment professional, the City Human Resource Director, and the City Treasurer (Assistant City Manager/Chief Financial Officer).

The City has delegated authority of the OPEB trust to PFM Asset Management LLC (PFM), per the trust agreement. Upon signing the agreement, PFM has been deemed to have executed the Trust and during the term of this Agreement, PFM further agreed to serve as a discretionary trustee, with fiduciary oversight and authority over the operations and management of the Trust.

*Plan membership* – At June 30, 2020, the Plan membership consisted of the following:

	Number of Covered Participants
Inactive employees currently receiving benefits	802
Inactive employees entitled to but not yet receiving benefits	47
Active employees	1,314
Total	2,163

*Benefits Provided* – The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. Benefit provisions are established and may be amended by City labor agreements, which are approved by the City Council.

*Contributions* – The contribution requirements of plan members and the City are established and may be amended by the City Council. The Council establishes rates based on an actuarially determined rate. For the year ended June 30, 2019, the City made contributions of \$16,425,867 plus \$9,988,000 cash benefit payments and \$6,37,867 implied subsidy benefit payments by the City. Plan members receiving benefits contributed \$0.

**Investments Authorized for the Other Post-Employment Benefits Trust Fund**

The authorized investments for the Other Post-Employment Benefits Trust (Trust) were established pursuant to the Trust Agreement. The City, as trustee, has elected to invest the Trust assets in up to six months of cash, cash equivalent and/or money market funds for near term Trust benefits and expenses. All remaining assets will be invested in longer-term securities and shall be diversified with the intent to minimize the risk of long-term investment losses. Consequently, the total portfolio will be constructed and maintained to provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments or industries. To achieve the Trust’s investment objectives and the best balance between risk and return for optimal diversification, assets will be invested in accordance with the targets for each asset class as follows to attempt to achieve a long-term average total annual rate of return that is equal to or greater than the Trust’s actuarial discount rate as described above.

Asset Class Component	Target Allocation	Expected Real Rate of Return <sup>(1)</sup>
Domestic Equity	39%	4.80%
Fixed Income	40%	1.50%
International Equity	21%	4.00%
	100%	
Assumed Long-term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return, Rounded		6.25%

*Rate of return* – For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 5.75 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of The City**

The components of the net OPEB liability of the City at June 30, 2019, were as follows:

Total OPEB Liability	\$ 225,754,000
Plan Fiduciary Net Position	(109,681,210)
City's Net OPEB Liability	\$ 116,072,790
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	48.58%

*Actuarial assumptions* – The total OPEB liability was determined by an actuarial valuations as of June 30, 2020, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Contribution Policy	Pre-Funded with pay-go plus a percent of pay which varies by employee group
Discount Rate	6.25%
Expected Long-Term Rate of Return	Same as discount rate - expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.75% per annum
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019
Salary Increases	Aggregate 3% Merit - CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Healthcare Participation	Tier 1: 100% Tier 2 & Tier 3 RFF: 80% at 50% of cap to 100% at 100% of cap Tier 3 Non-RFF & Tier 4: 60%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020 (see the discussion of the Plan’s investment policy).

*Sensitivity of the net OPEB liability to changes in the discount rate* – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current discount rate:

	1% Decrease (5.25%)	Current Rate (6.25%)	1% Decrease (7.25%)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net OPEB Liability	\$ 92,686,000	\$ 116,072,790	\$ 139,188,000

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates* – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.00 percent decreasing to 4.00 percent) or 1-percentage-point higher (8.00 percent decreasing to 6.00 percent) than the current healthcare cost trend rates:

	1% Decrease (6% decreasing to 4%)	Current Rate (7% decreasing to 5%)	1% Increase (8% decreasing to 6%)
Net OPEB Liability	\$ 92,686,000	\$ 116,072,790	\$ 139,188,000

**Note 15 - Risk Management**

The City manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member agencies. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on that board. Obligations and liabilities of these risk pools are not the City’s responsibility.

The contributions made to the risk pools below equal the ratio of the respective member payrolls to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

**A. Risk Coverage**

**General Liability, Property and Boiler and Machinery**

The City is a member of the California Joint Powers Risk Management Authority (CJPRMA) which covers general liability claims, property, and boiler and machinery losses. Once the City’s SIR is met, CJPRMA becomes responsible for payment of all claims up to the limit. Financial statements for the risk pool and more information may be obtained from CJPRMA, 3201 Doolan Road, Suite 285, Livermore, California 94551.

**General Liability Coverage**

The City has a self-insured retention (SIR) of \$500,000 per claim up to a \$40,000,000 limit. The City’s premium was \$1,008,371.

### Property Coverage

CJPRMA has purchased commercial insurance against property damage, boiler and machinery claims. The City has a SIR of \$25,000 per claim up to a \$400,000,000 limit. The City's premium for coverage is \$528,646.

### Roseville Energy Park Property Coverage

The City purchased commercial property insurance specifically to cover the Roseville Energy Park. The City has a SIR of \$250,000 per claim up to a \$200,000,000 limit. The City's premium for coverage is \$658,399.

### Fiduciary Coverage

The City purchased fiduciary insurance specifically to cover the OPEB Trust. The SIR is \$25,000 per claim up to a \$3,000,000 limit. The City's premium for coverage is \$35,419.

### Workers' Compensation

The City is also a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX), which covers workers' compensation claims up to \$5,000,000 and has excess coverage through CSAC-EIA up to the statutory limit. The City has a SIR of \$500,000 per claim. The total premium charged to the City was \$1,220,000.

Financial statements for the risk pool and more information may be obtained from LAWCX, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

## B. Insurance Internal Service Funds

The Governmental Accounting Standards Board (GASB) requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expense in their financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

The change in the Workers' Compensation Internal Service Fund's claims liability, including claims incurred but not reported is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Claims liability, beginning of year	\$ 8,605,040	\$ 8,184,626
Current year claims	3,257,000	2,793,000
Change in prior year claims	(827,098)	1,538,644
Claims paid, current year claims	(356,462)	(492,996)
Claims paid, prior year claims	<u>(2,584,060)</u>	<u>(3,418,234)</u>
Claims liability, end of year	<u>\$ 8,094,420</u>	<u>\$ 8,605,040</u>
Current claims liabilities	<u>\$ 1,537,940</u>	<u>\$ 1,548,907</u>



The City's liability for uninsured general liability claims, including claims incurred but not reported is reported in the General Liability Internal Service Fund. The liability is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2020	2019
Claims liability, beginning of year	\$ 1,601,748	\$ 2,455,961
Current year claims	607,000	713,000
Change in prior year claims	103,821	(438,432)
Claims paid, current year claims	(54,741)	(83,885)
Claims paid, prior year claims	(529,314)	(1,044,896)
Claims liability, end of year	\$ 1,728,514	\$ 1,601,748
Current claims liabilities	\$ 518,554	\$ 320,349

Claims have not exceeded coverage during the last three years.

**Note 16 - Northern California Power Agency (NCPA)**

**A. General**

The City participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these JPAs exercise full powers and authorities within the scope of the related Joint Powers Agreement, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Obligations and liabilities of the JPAs are not those of the City.

Each JPA is governed by a board consisting of representatives from each member agency. Each board controls the operations of its respective JPA, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the Board.

The City is a member of NCPA, a joint powers agency which operates under a joint powers agreement among fifteen public agencies. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, and to optimize the use of those facilities and the member's position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

The City receives no income from NCPA, and does not participate in all of its projects. Further, NCPA does not measure or determine the City's equity in NCPA as a whole. NCPA reports only the City's share of its General Operating Reserve, comprised of cash and investments, and the City's share of those Projects in which the City is a participant. These amounts are reflected in the financial statements as Investment in NCPA Reserve.

During the year ended June 30, 2020, the City incurred expenses totaling \$7,638,898 for purchased power, regulatory and legislature assessments, association dues and prepaid assets paid to NCPA.

The City's interest in certain NCPA Projects and Reserve, as computed by NCPA using unaudited information, is set forth below:

	June 30, 2020
General operating reserve (including advances)	\$ 3,457,819
Associated member services (including advances)	82,649
Purchased power and transmission	
Undivided equity interest, at cost, in certain NCPA power projects:	
Geothermal projects	652,117
Calveras hydroelectric project	837,089
Combustion turbine project no. 2	146,246
	\$ 5,175,920

The General Operating Reserve (GOR) is an additional operating reserve for non-budgeted items that are contingent or non-specific. Deposits to the GOR include items such as the City's portion of funds which resulted from the settlement with third parties of issues with financial consequences and reconciliations of prior years' budgets for programs. It is recognized that all the funds credited to the City are linked to the collection of revenue from the City's ratepayers, or to the settlement of disputes relating to electric power supply and that the money was collected from the City's ratepayers to pay power bills. Additionally, the NCPA Commission identified and approved the funding of specific reserves for working capital, accumulated employees post-retirement medical benefits, and billed property taxes for the geothermal project. The Commission also identified a number of contingent liabilities that may or may not be realized, the cost of which in most cases is difficult to estimate at this time. One such contingent liability is the steam field depletion which will require funding to cover debt service and operational costs in excess of the expected value of the electric power. The General Operating Reserve is intended to minimize the number and amount of individual reserves needed for each project, protect NCPA's financial condition and maintain its credit worthiness. These funds are available on demand, but the City maintains funds with NCPA as a reserve against these contingencies identified by NCPA.

Members of NCPA may participate in an individual project of NCPA without obligation for any other project. Member assessments collected for one project may not be used to finance other projects of NCPA without the member's permission.

## B. Projects

### *Geothermal Projects*

NCPA's Geothermal Project has experienced a greater than originally anticipated decline in steam production from geothermal wells on its leasehold property. NCPA will continue to monitor the wells while pursuing alternatives for improving and extending reservoir performance, including supplemental water reinjection, plant equipment modifications, and changes in operating methodology. NCPA, along with other steam field operators, has observed a substantial increase in steam production in the vicinity of reinjection wells and is attempting to increase water reinjection at strategic locations. NCPA, together with other steam developers and the Lake County Sanitation District, has completed the construction of a wastewater pipeline project that greatly increased the amount of water available for reinjection.

Based on an internal assessment of the melded costs of power from the Geothermal Project and all other resources available to the members, NCPA believes its members will continue to be able to operate their electric utilities on a competitive basis, when compared to local investor-owned utility rates, while meeting all electric system obligations including those to NCPA. In March 2009, NCPA issued \$35,610,000 Geothermal Project Number 3 Revenue Bonds (2009 Series A). The proceeds were used to finance and operate the two NCPA 110 MW geothermal steam powered generating plants, Plant Number 1 and Plant Number 2. In 2012, NCPA issued \$12,910,000 in bonds for Plant Number 1 turbine upgrades. The City is obligated to pay its contractual share of 7.883 percent of the operating costs and debt service until it is fully satisfied, regardless of resulting cost or availability of energy. At June 30, 2020, the book value of this Project's plant, equipment and other assets was \$135,960,830 while its long-term debt totaled \$20,100,000 and other liabilities totaled \$107,592,397. The City's share of the Project's long-term debt amounted to \$1,584,483 at that date.

On October 28, 2004, NCPA approved a resolution to finance the expansion and remodeling of the NCPA main office building located in Roseville. The expansion is included as part of the Geothermal Projects funded by the bonds mentioned above. The City will recover its 7.883 percent share of the cost of the expansion which was \$204,958, with a 5 percent return on the investment over a ten year period. The City has fully recovered its costs associated with this project.

### *Calaveras Hydroelectric Project*

In July 1981, NCPA agreed with Calaveras County Water District to purchase the output of the North Fork Stanislaus River Hydroelectric Development Project and to finance its construction. Debt service payments to NCPA began in February 1990 when the project was declared substantially complete and power was delivered to the participants. Under its power purchase agreement with NCPA, the City is obligated to pay 12% of this Project's debt service and operating costs. In March 2018, NCPA refunded a portion of the outstanding Revenue Bonds with the \$70,215,000 2018 Hydroelectric Project Number One Revenue Bonds. The City's share of the 2018 bonds is 4.586%. In April 2019, NCPA refunded a portion of the outstanding Revenue Bonds with the \$39,250,000 2019 Hydroelectric Project Number One Revenue Bonds. At June 30, 2020, the book value of this Project's plant, equipment and other assets was \$333,196,518 while its long-term debt totaled \$279,438,459 and other liabilities totaled \$46,732,319. The City's share of the Project's long-term debt amounted to \$27,457,243 at that date.

*Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project)*

The City is a participant in a 49.8 megawatt Steam Injected Gas Turbine project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In October 1992, NCPA issued \$152,320,000 of Multiple Capital Facilities Revenue Bonds to finance this project. In January 2010, NCPA refinanced the outstanding Capital Facilities Revenue Bonds by the issuance of the \$55,120,000 Capital Facilities Revenue Bonds Series A (2010 Refunding Series A). Under the NCPA power purchase agreement, the City is obligated to pay 36.50 percent of the debt service and operating costs for the Lodi unit.

The City's participation in procurement of natural gas for fuel for existing and new combustion turbine units was approved in 1993. Although there is currently no additional debt financing, the City and NCPA have committed to long-term payments for gas transmission pipeline capacity, and entered a purchase contract for natural gas. The City is obligated to pay 17.9218 percent of the natural gas purchase contract.

At June 30, 2020, the book value of this Project's plant, equipment and other assets was \$25,397,853, while its long-term debt totaled \$22,457,231 and other liabilities totaled \$2,539,948. The City's share of the Project's long-term debt amounted to \$8,196,889 at that date.

**C. NCPA Financial Information**

NCPA's financial statements can be obtained from NCPA, 651 Commerce Drive, Roseville, California 95678.

**Note 17 - South Placer Wastewater Authority**

The City is a member of the South Placer Wastewater Authority (SPWA), a joint powers agency which operates under a joint powers agreement among three public agencies, the City of Roseville, South Placer Municipal Utility District and Placer County. The purpose of SPWA is to provide for the planning, financing, acquisition, construction and operation of the Regional Wastewater Facilities. Under the terms of the amended and restated funding agreement, effective October 1, 2012, the City will own and operate the Regional Wastewater Facilities and the member agencies will share the operating costs of the Facilities after construction is complete. The Regional Wastewater Facilities include the Dry Creek Plant and the Pleasant Grove Plant.

Under the terms of the Reallocation and Repayment Agreement, effective October 1, 2012, the three agencies are responsible for the repayment of all the revenue bonds. The City's share of this obligation was 61.66 percent but with the second amendment to the funding agreement discussed below, the City's obligation is now 64.57 percent. This portion of the debt was recorded on the City's financial statements, as discussed in Note 9.

During the year ended June 30, 2020, the City paid \$12,137,511 to SPWA based on connection fees collected during the fiscal year.

The City records its share of income and expenses from SPWA in the Wastewater Enterprise Fund and these changes are reflected in the Statement of Revenues, Expenses and Changes in Fund Net Position. The City's investment in SPWA Reserves at June 30, 2020, was \$94,570,144, which includes the City's rate stabilization fund balance of \$67,285,326.

SPWA's financial statements can be obtained from the City of Roseville, 311 Vernon Street, Roseville, California, 95678.

**Note 18 - Municipal Solid Waste Landfill Closure and Post Closure Care Costs**

State and federal laws and regulations require that the City perform certain maintenance and monitoring functions at the Roseville sanitary landfill site, which is closed, through the year 2024. Accordingly, the City has recorded a liability and expense in the Solid Waste Enterprise Fund for the estimated postclosure care cost. The recorded amount is based on applicable state and local laws and regulations concerning closure and postclosure care. If additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may result in increased charges to future landfill users or the usage of future tax revenues. During fiscal year 2020, the changes of landfill closure liabilities were as follows:

Beginning Balance	\$ 1,404,323
Deductions	<u>(319,690)</u>
Ending Balance	<u>\$ 1,084,633</u>

**Note 19 - Commitments and Contingent Liabilities**

**A. NCPA, Transmission Agency of Northern California, and Western Area Power Administration**

Under the terms of its NCPA joint venture agreement, the City is contingently liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Note 16. The City's estimated share of such debt outstanding at June 30, 2020, was \$36,488,086. Under certain circumstances, the City may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, the City may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants.

The City is a member of the Transmission Agency of Northern California (TANC), a joint powers agency. The City is entitled to 2.1119 percent of TANC's share of transfer capability in the California-Oregon Transmission Project (approximately 29.35MW). The City is responsible for a share of debt service on debt issued by TANC under a take-or-pay agreement, approximately \$400,000 annually through 2039. The City's estimated share of debt outstanding at June 30, 2020, was \$3,924,958.

In addition, the City has a long-term obligation to the United States Department of Energy, Western Area Power Administration, for 4.58533 percent of the output of the Central Valley Project, California. This contract, also known as the Western Base Resource, obligates the City to make payments on a take-or-pay basis through December 31, 2024. The City expects to pay approximately \$4 million annually for the term of this contract. The City receives approximately 155,000 MWh of energy per year under average hydro and storage conditions.

**B. Federal and State Grant Programs**

The City participates in Federal and State grant programs. These programs have been audited by the City’s independent accountants in accordance with the provisions of the federal Single Audit Act as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

**C. Litigation**

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation, other than disclosed above, which is likely to have a material adverse effect on the financial position of the City.

**D. Encumbrances**

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end may be re-appropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding as of June 30, 2020, by individual major funds and non-major funds in total were as follows:

Major Governmental Funds:	
General Fund	\$ 1,876,106
Non-Major Governmental Funds	<u>4,103,087</u>
 Total Encumbrances	 <u><u>\$ 5,979,193</u></u>

**E. Other Commitments**

The City had the following outstanding significant commitments at June 30, 2020:

Projects	(in millions)
Roseville Energy Park Long-Term Service Agreement	\$ 37.9
Net Power Purchase Contracts	13.4
Natural Gas Forward Obligations	42.7
Renewable Power Purchase Obligations	44.4
West Side Tank and Pump Station	27.5
Pleasant Grove Wastewater Treatment Plan Expansion	87.3
Advanced Metering Infrastructure	9.8

**Note 20 - Gas Supply Acquisitions and Resale**

The City operates certain electrical generating plants which provide power for sale to the public and needs reliable, economic supplies of natural gas to generate the needed electricity. In pursuit of that objective the City and its component unit, the former City of Roseville Redevelopment Agency formed the Roseville Natural Gas Financing Authority (Authority) for the purpose of acquiring, financing and supplying natural gas to the City. Summarized below are various agreements entered into by the Authority to achieve its purpose.

**A. Prepaid Gas Agreement**

Pursuant to an Agreement for the Purchase and Sale of Natural Gas dated January 24, 2007, the Authority used a portion of the proceeds of its \$209,350,000 of Gas Revenue Bonds, Series 2007 (the Bonds) to prepay Merrill Lynch Commodities, Inc. (Gas Supplier) for a twenty year supply of natural gas. Commencing January 1, 2008, and continuing through December 31, 2027, the Gas Supplier is obligated to deliver daily contract quantities of natural gas on a firm basis to the designated delivery point. Daily contract quantities vary from month to month but not from year to year. This commitment totals 2,352,000 MMBtus (millions of British thermal units) per year or 47,040,000 MMBtus for the twenty year contract period. The Authority has recorded a Prepaid Natural Gas asset which is to be amortized as daily contract quantities are delivered.

The agreement provides for payments to be made by the Gas Supplier if it fails to deliver the daily contract quantities and may be terminated by the Authority in the event of non-performance by the Supplier. The Agreement will automatically terminate if there is a termination of the Commodity Swap (See Note 20 D) which is not due to default by the Authority or if there is an event of default under the swap agreement entered into by the Gas Supplier and a third party. Upon early termination, whether due to the above or due to any other optional termination event as defined in the agreement, the Gas Supplier is required to make a termination payment to the Authority that is expected to be sufficient, together with other available funds, to redeem the Bonds. The Gas Supplier's commitments under this agreement are guaranteed by its parent company, Merrill Lynch & Co. Inc. under a guarantee agreement with the Authority.

As of June 30, 2020, the book value of prepaid gas under this agreement amounted to \$115,401,841.

**B. Funding Agreement**

Under certain conditions specified in a Funding and Assignment Agreement dated January 24, 2007 between the Authority and Gas Supplier, the Gas Supplier has agreed to advance funds to the Trustee to pay debt service when due or to redeem bonds in the event of early termination. Advances are required under covered swap deficiencies and covered termination deficiencies and optional advances may also be made. Advances are repayable from by the responsible party causing the deficiency requiring an advance under this agreement. This agreement is coterminous with the Bonds. The Gas Supplier's commitment under this agreement is guaranteed by its parent company, Merrill Lynch & Co. Inc. under a guarantee agreement with the Authority.

There were no advances outstanding as of June 30, 2020.

**C. Supply Agreement**

Pursuant to a Natural Gas Supply Agreement dated February 1, 2007, the Authority has agreed to sell to the City a twenty-year supply of natural gas. This Supply Agreement is coterminous with and provides for the delivery of natural gas in quantities which are matched to the Prepaid Gas Agreement, discussed above. For each MMBtu delivered (sold) to the City, the Authority will receive a variable revenue stream based on a first of the month index for the delivery location. The Agreement terminates upon termination of the Prepaid Gas Agreement or upon the City's failure to make any required payment within two business days of the due date.

**D. Commodity Swap Agreement**

In order to have its gas price exposure consistent with prevailing market rates, the Authority entered into a natural gas Commodity Swap Agreement with JPMorgan Chase Bank (Counterparty). For the term of deliveries under the Prepaid Gas Agreement and the Supply Agreement, the Authority will pay an index price per MMBtu to the Counterparty, and the Counterparty will pay a fixed price to the Authority. The index price paid by the Authority is expected to approximate the price paid by the City under the Supply Agreement.

The monthly quantity and term of the Commodity Swap Agreement are matched to those of the Supply Agreement.

Detail of the commodity swap agreement is discussed in Note 10.



## **Note 21 - Redevelopment Agency Dissolution and Successor Agency Activities**

### **A. Redevelopment Dissolution**

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

Effective January 31, 2012, the Redevelopment Agency was dissolved. Certain housing assets of the Redevelopment Agency were distributed to a Housing Successor; and all remaining Redevelopment Agency assets and liabilities were distributed to a Successor Agency.

Under the provisions of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, the housing assets were transferred to the City's Low and Moderate Income Housing Asset Special Revenue Fund. The activities of the Housing Successor are reported in the Low and Moderate Income Housing Assets Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

The City also elected to become the Successor Agency and on February 1, 2012 the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established in March 2012. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including one member of City Council and one former Redevelopment Agency employee appointed by the Mayor.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. With the dissolution of the Redevelopment Agency, pass-through payments to affected taxing entities become the responsibility of the County.

### **B. Cash and Investments**

Cash and investments of the Successor Agency as of June 30, 2020, are included in the pooled cash and investments discussed in Note 2.

**C. Notes Receivable**

The Successor Agency assumed the non-housing loans receivable of the Redevelopment Agency as of February 1, 2012. The Redevelopment Agency engaged in programs designed to encourage construction of or improvement to low-to-moderate income housing. Under these programs, grants or loans were provided under favorable terms to homeowners, developers or others who agreed to expend these funds in accordance with the Agency's terms. The balances of the notes receivable were \$3,472,944 at June 30, 2020.

Included in the notes receivable above, is a loan to the Roseville Community Development Corporation in the amount of \$3,469,049. The Agency had entered into an agreement with the Corporation, a component unit of the City, under which the Agency agreed to provide funding to the Corporation in the form of a start-up loan not to exceed five million dollars (\$5,000,000). The loan is a 20-year loan deferred for 10 years with accrued interest and principal due beginning January 1, 2021. The Agency Board approved the execution of the loan agreement in May 2011. A State Supreme Court decision on August 11, 2011 suspended all redevelopment activity effective June 28, 2011. However, the Successor Agency continued to make disbursements related to the loan agreement after that date, because it had been approved by the Agency Board prior to the Court decision.

Under the provisions of Health and Safety Code Section 34171(d)(2), agreements between the City or any of its component units and the Agency that were executed after December 31, 2010 are no longer enforceable obligations and Health and Safety Code Section 34167.5 requires that if the City or component unit is not contractually committed to a third party for the expenditure or encumbrance of those funds that they be returned to the Successor Agency.

The State Controller's Office, but not the State Department of Finance, has denied that this loan agreement is an enforceable obligation of the Successor Agency. The City continues to contend that the loan agreement was lawfully entered into at the time of its execution and therefore transactions executed with the Corporation prior to the dissolution were not reversed in the current fiscal year and remain as payable from the Corporation as of June 30, 2020.

Also included in the notes receivable above are two loans to one owner of two commercial businesses on Vernon Street for tenant improvements. These loans were made in 2011 by the former Redevelopment Agency and were assumed by the Successor Agency. The balance of the two loans as of June 30, 2020 was \$3,895.

**D. Capital Assets**

The Successor Agency assumed the capital assets of the Redevelopment Agency as of February 1, 2012. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. The Successor Agency's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years. Capital assets as of June 30, 2020 were comprised of land in the amount of \$74,369.

**E. Long-Term Obligations**

The Successor Agency assumed the long-term debt and loans of the Redevelopment Agency as of February 1, 2012. All of the long-term debt of the Successor Agency is comprised of Tax Allocation Bonds and loans issued by the Redevelopment Agency. The Bonds and Loans are special obligations of the Agency and are secured only by the Agency's tax increment revenues. Tax Allocation Bond and loan transactions were as follows:

	Balance June 30, 2019	Reductions	Balance June 30, 2020	Current Portion
Tax Allocation Bonds:				
2014 Redevelopment Project Taxable Tax Allocation				
2.00%-5.00%, due 9/1/33	\$ 8,960,000	\$ (485,000)	\$ 8,475,000	\$ 505,000
Add: bond premium	429,375	(28,625)	400,750	-
2016-T Redevelopment Project Taxable Tax Allocation				
1.02%-4.066%, due 9/1/40	20,785,000	(410,000)	20,375,000	415,000
Total Tax Allocation Bonds	30,174,375	(923,625)	29,250,750	920,000
Loans from the City	18,302,724	(1,013,898)	17,288,826	1,678,699
 Total	 \$ 48,477,099	 \$ (1,937,523)	 \$ 46,539,576	 \$ 2,598,699

**1. Debt Service Requirements**

Debt service requirements are shown below for all long-term debt except the advance made to the Successor Agency, because the ultimate repayment terms cannot be determined at this time as discussed in the Loans from the City section below.

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 920,000	\$ 1,031,246
2022	940,000	1,003,447
2023	975,000	973,811
2024	1,000,000	947,729
2025	1,025,000	914,176
2026-2030	5,790,000	3,980,639
2031-2035	7,185,000	2,875,253
2036-2040	8,995,000	1,342,713
2041	2,020,000	41,067
 Total	 \$ 28,850,000	 \$ 13,110,081

**2. 2014 Roseville Redevelopment Project Tax Allocation Refunding Bonds**

On September 9, 2014, the Roseville Successor Agency issued the Series 2014 Refunding Bonds, in the amount of \$10,740,000 for the purpose of refunding the 2002 Tax Allocation Bonds. The Bonds bear interest at rates ranging from 2.00 percent to 5.00 percent. Principal payments are due annually on September 1. Interest payments are due semi-annually on each September 1 and March 1, commencing on September 1, 2015 through September 1, 2033.

### **3. 2016-T Roseville Redevelopment Project Tax Allocation Bonds**

On July 19, 2016, the Roseville Successor Agency issued the Series 2016-T Refunding Bonds, in the amount of \$21,520,000 for the purpose of refunding the 2006 Series A, 2006 Series A-T and 2006 Series H-T Tax Allocation Bonds. The Bonds bear interest at rates ranging from 1.021 percent to 4.066 percent. Principal payments are due annually on September 1. Interest payments are due semi-annually on each September 1 and March 1, commencing on September 1, 2017 through September 1, 2040.

### **4. Loans from the City**

Prior to July 1, 2011, the former Redevelopment Agency had received various advances from various City funds. These advances bore interest at the average interest rate of the City's pooled investments. Principal and accrued interest on the advances totaled \$32,768,517 at July 1, 2011. During fiscal year 2012, the City and Redevelopment Agency determined that certain advances should have instead been funded by bond proceeds of the Agency. Therefore, the Redevelopment Agency repaid advances from the City in the amount of \$7,309,447 prior to the dissolution of the Agency on January 31, 2012.

With the dissolution of the Agency effective February 1, 2012, the Successor Agency assumed the balance of the obligation to repay the advances in the amount of \$25,603,129 for principal and accrued interest and recorded a notes payable to the Low and Moderate Income Housing Asset Fund equal to twenty percent of the balance of the notes. During fiscal year 2013, the State Department of Finance denied the prepaid advance and required the return of \$7,309,447 to the Successor Agency. The General Fund returned the cash to the Successor Agency during fiscal year 2013. The Successor Agency received its Finding of Completion in August 2013 determining that notes are enforceable obligations.

During fiscal year 2014, the Successor Agency completed its Long-Range Property Management Plan which was approved by the Department of Finance in May 2014 and as a result, the Successor Agency transferred land that was designated for governmental use to the City in the amount of \$7,107,581. As a result of the transfer, the City cancelled the notes that had been made to the former Redevelopment Agency for the purchase of those properties, including accrued interest, in the amount of \$5,902,331.

During fiscal year 2014, the Department of Finance clarified how the interest is to be calculated on each note to the Successor Agency. The City recalculated the interest due on the notes using the revised guidance and as a result the interest receivable was reduced by \$3,030,067. The principal balance of the notes as of June 30, 2020 is \$17,288,826.

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Required Supplementary Information  
June 30, 2020

# City of Roseville, California

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City of Roseville, California  
 Budgetary Comparison Schedule – General Fund  
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 127,141,810	\$ 127,561,810	\$ 131,611,843	\$ 4,050,033
Licenses and permits	2,834,062	2,834,062	3,325,365	491,303
Charges for services	21,758,419	21,321,531	17,059,293	(4,262,238)
Subventions and grants	64,012	1,173,309	487,234	(686,075)
Use of money and property	1,729,498	1,729,498	2,985,800	1,256,302
Fines, forfeitures and penalties	103,850	103,850	725,014	621,164
Contribution from developers	500,000	500,000	486,570	(13,430)
Miscellaneous revenues	1,919,372	2,551,172	1,987,522	(563,650)
Total revenues	<u>156,051,023</u>	<u>157,775,232</u>	<u>158,668,641</u>	<u>893,409</u>
Expenditures:				
Current:				
General Government:				
City council	307,730	315,167	314,510	657
City manager	1,151,458	1,326,320	1,292,604	33,716
Public affairs / communications	743,526	765,708	596,736	168,972
City attorney	2,036,148	2,153,148	1,899,980	253,168
Human resources	1,548,247	1,573,493	1,557,087	16,406
City clerk	1,500,925	1,515,615	1,244,552	271,063
Finance	4,845,743	4,997,673	4,715,038	282,635
Development & Operations:				
Economic development	806,414	964,841	964,666	175
Development services	19,217,948	23,285,949	13,699,169	9,586,780
Public Works	8,609,981	9,627,487	7,870,444	1,757,043
Public Safety:				
Police	44,695,714	46,224,668	45,433,282	791,386
Fire	34,178,936	37,340,555	36,183,223	1,157,332
Library	5,345,625	5,403,810	5,011,641	392,169
Parks, recreation, and libraries	19,332,214	19,520,943	17,983,143	1,537,800
Annexation payments	6,680,000	7,100,000	7,083,307	16,693
Retiree medical benefits	4,993,239	4,993,239	5,190,071	(196,832)
Other expenditures	4,725,432	1,903,479	1,311,826	591,653
Debt Service:				
Principal retirement	1,142,694	-	47,140	(47,140)
Interest and fiscal charges	756,898	6,250	27,444	(21,194)
Total expenditures	<u>162,618,872</u>	<u>169,018,345</u>	<u>152,425,863</u>	<u>16,592,482</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(6,567,849)</u>	<u>(11,243,113)</u>	<u>6,242,778</u>	<u>17,485,891</u>
Other Financing Sources (Uses)				
Transfers In	21,655,118	31,110,937	16,010,646	(15,100,291)
Transfers (Out)	<u>(11,109,003)</u>	<u>(21,443,246)</u>	<u>(3,640,682)</u>	<u>17,802,564</u>
Total other financing sources (uses)	<u>10,546,115</u>	<u>9,667,691</u>	<u>12,369,964</u>	<u>2,702,273</u>
Net Change in Fund Balance	<u>\$ 3,978,266</u>	<u>\$ (1,575,422)</u>	18,612,742	<u>\$ 20,188,164</u>
Adjustment to budgetary basis:				
Capital outlay			5,683,056	
Fund Balance - Beginning			<u>68,452,949</u>	
Fund Balance - Ending			<u>\$ 81,382,635</u>	



City of Roseville, California  
Schedule of Changes in the City's Net Pension Liability and Related Ratios  
Last Ten Years\*

	2015		2016		2017	
	Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
Total Pension Liability						
Service cost	\$ 12,410,363	\$ 7,979,496	\$ 12,377,311	\$ 7,650,925	\$ 12,872,902	\$ 7,764,644
Interest on total pension liability	35,999,301	17,970,776	38,106,634	18,851,867	40,468,522	20,340,470
Differences between expected and actual experience	-	-	(1,796,891)	(4,348,535)	316,698	3,415,651
Changes in assumptions	-	-	(9,697,397)	(5,162,388)	-	-
Benefit payments, including refunds of employee contributions	(18,188,166)	(9,003,224)	(19,339,004)	(9,908,333)	(21,009,168)	(11,124,582)
Net Change in Total Pension Liability	30,221,498	16,947,048	19,650,653	7,083,536	32,648,954	20,396,183
Total Pension Liability -- Beginning	482,879,572	240,122,220	513,101,070	257,069,269	532,751,723	264,152,805
Total Pension Liability -- Ending (A)	<u>\$ 513,101,070</u>	<u>\$ 257,069,268</u>	<u>\$ 532,751,723</u>	<u>\$ 264,152,805</u>	<u>\$ 565,400,677</u>	<u>\$ 284,548,988</u>
Plan Fiduciary Net Position						
Plan to plan resource movement	\$ -	\$ -	\$ 3,810	\$ (26,514)	\$ (386)	\$ -
Contributions - employer	14,691,280	8,482,557	15,901,790	9,010,440	17,491,938	9,590,596
Contributions - employee	5,879,856	2,321,899	5,785,312	2,299,042	6,323,610	2,418,065
Net investment income	51,318,939	26,953,304	7,885,768	4,110,266	1,875,529	906,270
Benefit payments	(18,188,166)	(9,003,224)	(19,339,004)	(9,908,333)	(21,009,168)	(11,124,582)
Administrative expenses	-	-	(401,772)	(210,832)	(217,443)	(114,150)
Net Change in Fiduciary Net Position	53,701,909	28,754,536	9,835,904	5,274,069	4,464,080	1,676,199
Plan Fiduciary Net Position -- Beginning	293,249,174	153,271,540	346,951,083	182,026,076	356,786,987	187,300,145
Plan Fiduciary Net Position -- Ending (B)	<u>\$ 346,951,083</u>	<u>\$ 182,026,076</u>	<u>\$ 356,786,987</u>	<u>\$ 187,300,145</u>	<u>\$ 361,251,067</u>	<u>\$ 188,976,344</u>
Net Pension Liability -- Ending (A) - (B)	<u>\$ 166,149,987</u>	<u>\$ 75,043,192</u>	<u>\$ 175,964,736</u>	<u>\$ 76,852,660</u>	<u>\$ 204,149,610</u>	<u>\$ 95,572,644</u>
Plan Fiduciary Net Position as A Percentage of the Total Pension Liability	67.62%	70.81%	66.97%	70.91%	63.89%	66.41%
Covered Payroll	\$ 67,642,462	\$ 25,304,421	\$ 70,574,246	\$ 25,172,485	\$ 74,134,013	\$ 26,276,305
Net Pension Liability as A Percentage of Covered Payroll	245.63%	296.56%	249.33%	305.30%	275.38%	363.72%
Measurement Date	June 30, 2014	June 30, 2014	June 30, 2015	June 30, 2015	June 30, 2016	June 30, 2016

\* Fiscal Year 2015 was the first year of implementation.

City of Roseville, California  
Schedule of Changes in the City's Net Pension Liability and Related Ratios  
Last Ten Years\*

	2018		2019		2020	
	Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
Total Pension Liability						
Service cost	\$ 14,861,538	\$ 9,405,915	\$ 15,197,311	\$ 8,932,221	\$ 14,927,042	\$ 9,116,368
Interest on total pension liability	42,476,046	21,361,661	44,939,359	22,591,319	47,819,167	23,857,020
Differences between expected and actual experience	(3,545,559)	(4,417,042)	8,065,105	5,319,784	9,146,285	(140,829)
Changes in assumptions	36,462,156	19,842,134	(5,705,470)	(6,138,658)	-	-
Benefit payments, including refunds of employee contributions	(23,354,942)	(11,825,080)	(27,471,425)	(13,202,641)	(30,270,138)	(14,342,692)
Net Change in Total Pension Liability	66,899,239	34,367,588	35,024,880	17,502,025	41,622,356	18,489,867
Total Pension Liability -- Beginning	565,400,677	284,548,988	632,299,916	318,916,576	667,324,796	336,418,601
Total Pension Liability -- Ending (A)	<u>\$ 632,299,916</u>	<u>\$ 318,916,576</u>	<u>\$ 667,324,796</u>	<u>\$ 336,418,601</u>	<u>\$ 708,947,152</u>	<u>\$ 354,908,468</u>
Plan Fiduciary Net Position						
Plan to plan resource movement	\$ 7,316	\$ -	\$ (1,010)	\$ (530)	\$ -	\$ -
Contributions - employer	19,450,887	10,566,516	19,671,137	10,743,429	21,557,305	11,972,740
Contributions - employee	6,168,110	2,577,887	6,408,266	2,505,197	6,237,988	2,593,796
Net investment income	40,706,669	21,245,779	34,705,395	17,996,253	29,023,516	15,176,590
Benefit payments	(23,354,942)	(11,825,080)	(27,471,425)	(13,202,641)	(30,270,138)	(14,342,692)
Administrative expenses	(533,363)	(279,011)	(629,069)	(329,205)	(310,557)	(162,955)
Other miscellaneous income/(expense)	-	-	(1,194,613)	(625,166)	1,010	530
Net Change in Fiduciary Net Position	42,444,677	22,286,091	31,488,681	17,087,337	26,239,124	15,238,009
Plan Fiduciary Net Position -- Beginning	361,251,067	188,976,344	403,695,744	211,262,435	435,184,425	228,349,772
Plan Fiduciary Net Position -- Ending (B)	<u>\$ 403,695,744</u>	<u>\$ 211,262,435</u>	<u>\$ 435,184,425</u>	<u>\$ 228,349,772</u>	<u>\$ 461,423,549</u>	<u>\$ 243,587,781</u>
Net Pension Liability -- Ending (A) - (B)	<u>\$ 228,604,172</u>	<u>\$ 107,654,141</u>	<u>\$ 232,140,371</u>	<u>\$ 108,068,829</u>	<u>\$ 247,523,603</u>	<u>\$ 111,320,687</u>
Plan Fiduciary Net Position as A Percentage of the Total Pension Liability	63.85%	66.24%	65.21%	67.88%	65.09%	68.63%
Covered Payroll	\$ 74,820,705	\$ 25,815,804	\$ 77,213,278	\$ 27,411,760	\$ 79,529,676	\$ 28,234,113
Net Pension Liability as A Percentage of Covered Payroll	305.54%	417.01%	300.65%	394.24%	311.23%	394.28%
Measurement Date	June 30, 2017	June 30, 2017	June 30, 2018	June 30, 2018	June 30, 2019	June 30, 2019

\* Fiscal Year 2015 was the first year of implementation.

City of Roseville, California  
Schedule of Contributions - Pensions  
Last Ten Years\*

	2015		2016		2017	
	Miscellaneous	Safety	Miscellaneous	Safety	Miscellaneous	Safety
Actuarially determined contributions	\$ 15,872,491	\$ 9,015,161	\$ 17,564,085	\$ 9,409,229	\$ 19,896,723	\$ 11,655,656
Contributions in relation to the actuarially determined contribution	<u>15,872,491</u>	<u>9,015,161</u>	<u>17,564,085</u>	<u>9,409,229</u>	<u>19,896,723</u>	<u>11,655,656</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 67,642,462	\$ 25,304,421	\$ 70,574,246	\$ 25,172,485	\$ 74,820,705	\$ 25,815,804
Contributions as a percentage of covered-employee payroll	23.47%	35.63%	24.89%	37.38%	26.59%	45.15%

Notes to Schedule

Valuation date:                      6/30/2013              6/30/2013              6/30/2014              6/30/2014              6/30/2015              6/30/2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary Increase	3.3% to 14.2% depending on age, service, and type of employment
Discount rate	7.50%
Retirement age	50-57 for Safety; 50-67 for Miscellaneous
Mortality	Derived using CalPERS membership data

\* Fiscal year 2015 was the first year of implementation.



City of Roseville, California  
Schedule of Changes in the City's Net OPEB Liability and Related Ratios - OPEB  
Last Ten Years\*

	2018	2019	2020
Total OPEB Liability			
Service cost	\$ 6,665,000	\$ 6,021,000	\$ 5,701,000
Interest on total OPEB liability	15,256,000	14,291,000	14,961,000
Differences between expected and actual experience	(29,958,000)	-	(17,999,000)
Changes in assumptions	11,123,000	-	(5,591,000)
Benefit payments, including refunds of employee contributions	(8,449,000)	(8,550,000)	(9,988,000)
Net Change in Total OPEB Liability	(5,363,000)	11,762,000	(12,916,000)
Total Opeb Liability -- Beginning	232,271,000	226,908,000	238,670,000
Total Opeb Liability -- Ending (A)	<u>\$ 226,908,000</u>	<u>\$ 238,670,000</u>	<u>\$ 225,754,000</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 14,213,477	\$ 15,342,178	\$ 16,425,867
Miscellaneous revenue	-	69,429	-
Net investment income	5,902,312	7,122,750	5,318,871
Benefit payments	(8,449,000)	(8,550,000)	(9,988,000)
Administrative expenses	(210,775)	(144,591)	(34,934)
Net Change in Fiduciary Net Position	11,456,014	13,839,766	11,721,804
Plan Fiduciary Net Position -- Beginning	72,663,626	84,119,640	97,959,406
Plan Fiduciary Net Position -- Ending (B)	<u>\$ 84,119,640</u>	<u>\$ 97,959,406</u>	<u>\$ 109,681,210</u>
Net OPEB Liability -- Ending (A) - (B)	<u>\$ 142,788,360</u>	<u>\$ 140,710,594</u>	<u>\$ 116,072,790</u>
Plan Fiduciary Net Position as A Percentage of the Total OPEB Liability	37.07%	41.04%	48.58%
Covered Payroll	\$ 106,770,729	\$ 108,508,739	\$ 107,995,767
Net OPEB Liability as A Percentage of Covered Payroll	133.73%	129.68%	107.48%
Measurement Date	June 30, 2018	June 30, 2019	June 30, 2020

\* Fiscal Year 2018 was the first year of implementation.

City of Roseville, California  
Schedule of Contributions – OPEB  
Last Ten Years\*

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially determined contributions	\$ 15,132,000	\$ 15,342,000	\$ 13,739,000
Contributions in relation to the actuarially determined contribution	<u>14,213,000</u>	<u>15,226,000</u>	<u>16,485,000</u>
Contribution deficiency (excess)	<u>\$ 919,000</u>	<u>\$ 116,000</u>	<u>\$ (2,746,000)</u>
Covered-employee payroll	\$ 106,770,729	\$ 108,508,739	\$ 107,995,767
Contributions as a percentage of covered-employee payroll	13.31%	14.03%	15.26%

**Notes to Schedule**

Valuation date:	6/30/2017	6/30/2017	6/30/2019
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Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary Increase	Aggregate of 3.00%
Discount rate	6.25%
Mortality	Derived using CalPERS membership data

\* Fiscal year 2018 was the first year of implementation.

GASB Statement No. 34 allows the City to use the Modified Approach with respect to infrastructure assets instead of depreciating these assets. The Modified Approach may be used if two requirements are met:

- 1) The City must have an asset management system (AMS) with certain features:
  - It must maintain an up-to-date inventory of the infrastructure assets.
  - It must estimate the annual costs to maintain and preserve those assets at the condition level the City has established and disclosed through administrative or executive policy or legislative action.
  - The AMS must be used to assess the condition of the assets periodically, using a measurement scale.
  - The condition assessments must be replicable as those that are based on sufficiently understandable and complete measurement methods such that different measurers using the same methods would reach substantially similar results.
  
- 2) The City must document that the roads are being preserved approximately at or above the condition level the City has established and disclosed. This documentation must include the results of the three most recent complete condition assessments and must provide reasonable assurance that the assets are being preserved approximately at or above the intended condition level.

**Street Pavement**

The City has elected to use the Modified Approach to report street pavement costs. The City uses a computerized Pavement Management System to track the condition levels of each of the street sections.

The condition of the pavement is based on a weighted average of seven distress factors found in pavement surfaces. The pavement management system uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for pavement with perfect condition. The condition index is used to classify pavement in good or better condition (70-100), fair condition (55–69), and substandard condition (less than 55).

The City’s maintenance costs are budgeted to be \$20,696,490 in fiscal year 2021. The Pavement Quality Index (PQI) for the City’s street pavement for the last five years is as follows:

Fiscal Year	PQI		Maintenance Budget	Actual Maintenance
	Arterial/ Collector	Residential		
2016	71	70	\$ 15,242,792	\$ 6,220,458
2017	72	69	14,379,921	11,893,473
2018	72	70	3,491,657	5,154,352
2019	74	69	3,136,162	12,387,602
2020	70	66	5,265,978	10,948,940

The City’s policy based on current funding is to maintain arterial and collector roadways at an average Pavement Quality Index (PQI) of 72 and residential roadways at an average PQI of 65. This rating allows for minor cracking and leveling of the pavement along with minor roughness that could be noticeable to drivers traveling at posted speed. The City expended \$10,948,940 for street preservation in fiscal year 2020.

**A. Budgeting Procedures**

The City follows these procedures in establishing the budgetary data:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of minute order and ordinance.
4. The City Manager or designee is authorized to apply prudent monitoring procedures to assure that actual expenditures/expenses of the City do not exceed the appropriations at the department level within each fund in conformance with the adopted policies set by the City Council. Capital Improvement Projects, including annual projects, may not exceed budget at the total project level. Additional appropriations or interfund transfers not included in the original budget ordinance require approval by the City Council.
5. Expenditures may not legally exceed budgeted appropriations at the department by fund.
6. A formal budgetary process is employed as a management control device during the year.
7. Budgets are adopted for all governmental funds. In addition, the capital projects funds are budgeted on a project length basis and therefore are not comparable on an annual basis.

**B. Adjustments to GAAP Basis from Budgetary Basis**

City budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that capital projects expenditures are budgeted on a project length basis rather than a fiscal year. The effects of these differences are shown as capital outlay in the budget and actual statements.

**C. Encumbrances**

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Encumbrances outstanding at year end are reported as restricted, committed or assigned fund balances, as applicable, since they do not constitute expenditures or liabilities and are reappropriated in the following year. Unexpended appropriations lapse at year end and must be carried forward to be reappropriated in the following year.



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## Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Landscape and Lighting and Service Districts Fund. To account for the collection of assessment revenue from property owners for the maintenance of surrounding park and landscaping improvements within the boundaries of each district.

State Gasoline Tax Fund. To account for revenue apportioned to the City from the State-collected gas tax revenues and spent for construction and maintenance of City streets.

Traffic Safety Fund. To account for the City's share of fines generated from violations of the State Motor Vehicle Code.

Trench Cut Recovery Fund. To account for the collection of fees charged by the City for cutting trenches in paved roadway and spent for maintaining the street if useful life is decreased.

Technology Replacement Fund. To account for the activities related to the City's permit system funded by a 3 percent technology fee on permits.

Open Space Fund. To account for the accumulation of funding for the maintenance of the City's bike trails and open spaces.

Tree Propagation Fund. To account for fees assessed on oak tree removal and expended on the continuation and preservation of tree planting within the City.

Grants Fund. To account for monies various housing and police grants received from federal, state, and local grantors.

Housing Authority Housing Choice Voucher Fund. To account for monies received from the U.S. Department of Housing and Urban Development and expended for rental assistance to low income households within the Roseville and Rocklin areas.

Affordable Housing Fund. To account for monies received from property whose land use was changed from residential to commercial and from affordable housing agreements. These monies are then used to fund other affordable housing projects.

Low/Mod Income Housing Asset Fund. To account for the activities related to the assets assumed by the City as Housing Successor to the housing activities of the former Redevelopment Agency of the City of Roseville.

Cable TV PEG Fund. To account for activity related to Public, Educational, and Governmental Access TV Channels.

Police Evidence Fund. To account for confiscated property and evidence funds for the Police department.

Roseville Community Development Corporation Fund. To account for revenues and expenditures of the Corporation for economic development, affordable housing and other community programs.

Golf Fund. This fund accounts for all financial transactions associated relating to the development, operations, and maintenance of the City's public golf courses.

Roseville Aquatics Complex Maintenance Fund. A permanent fund established to account for contribution from the High School District. Only the interest earnings can be spent on helping maintain the Aquatics Complex.

### **Debt Service Fund**

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Roseville Finance Authority Fund. To account for the accumulation of resources from lease payments and the payment of long-term debt incurred by the Finance Authority.

### **Capital Projects Funds**

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Traffic Mitigation Fund. To account for revenues and expenditures related to major roadways and related structures such as bridges or interchanges.

Al Johnson Wildlife Area Fund. To account for activity related to the maintenance of the AL Johnson Wildlife area.

Roadway Fund. To account for non-Gas Tax grants and other restricted revenues to construct and or maintain City streets.

General Fund Capital Projects Rehabilitation Fund. To account for the approved rehabilitation of existing City property funded by the General Fund.

RFA Capital Projects Fund. To account for specific public improvements such as streets, sewers, storm drains, sidewalks or other amenities funded by special assessments against benefited properties.

Development Impact Fee Fund. To account for fees applied to new construction and expended for the development of public facilities for which it creates a need.

**Permanent Fund**

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the government or its citizenry.

Citizens Benefit Fund. A permanent fund established to account for the proceeds from the sale of any municipally owned Hospital and interest earnings expended for improving the quality of life for the citizens of the City of Roseville.

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2020

	Special Revenue Funds			
	Landscape and Lighting and Service Districts	State Gasoline Tax	Traffic Safety	Trench Cut Recovery Fund
<b>Assets:</b>				
Cash and investments	\$ 13,802,122	\$ 8,985,384	\$ 873,199	\$ 160,970
Cash with fiscal agents	-	-	-	-
Receivables	292,770	418,252	24,035	656
Due from other government agencies	-	-	-	-
Developer permit fees receivable	-	-	-	-
Notes receivable	-	1,951,126	-	-
<b>Total assets</b>	<b>\$ 14,094,892</b>	<b>\$ 11,354,762</b>	<b>\$ 897,234</b>	<b>\$ 161,626</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 112,770	\$ 341,064	\$ 16,509	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other government agencies	-	-	-	-
Advances from other funds	-	-	-	-
Deposits	-	-	-	-
Unearned revenue	37,654	-	-	-
<b>Total liabilities</b>	<b>150,424</b>	<b>341,064</b>	<b>16,509</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	-	-	-	-
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	13,944,468	11,013,698	880,725	161,626
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>13,944,468</b>	<b>11,013,698</b>	<b>880,725</b>	<b>161,626</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 14,094,892</b>	<b>\$ 11,354,762</b>	<b>\$ 897,234</b>	<b>\$ 161,626</b>

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2020

Special Revenue Funds						
Technology Replacement	Open Space	Tree Propagation	Grants	Housing Authority Housing Choice Voucher	Affordable Housing	Low/Mod Income Housing Asset
\$ 1,705,933	\$ 954,266	\$ 2,245,853	\$ 2,019,336	\$ 585,047	\$ 5,975,537	\$ 1,270,219
-	-	-	-	60,552	-	-
6,274	2,548	9,063	1,169,362	58,500	511,655	968,090
-	-	-	-	58,500	-	-
-	-	-	-	-	-	-
-	-	-	12,557,677	-	18,707,715	14,563,180
<u>\$ 1,712,207</u>	<u>\$ 956,814</u>	<u>\$ 2,254,916</u>	<u>\$ 15,746,375</u>	<u>\$ 704,099</u>	<u>\$ 25,194,907</u>	<u>\$ 16,801,489</u>
\$ 5,206	\$ 69,899	\$ 222	\$ 24,573	\$ 12,234	\$ 109	\$ 409
-	-	-	5,611	80,129	15,429	1,063
-	-	-	-	-	-	-
-	-	-	-	60,552	316,423	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	115,424	-	-
<u>5,206</u>	<u>69,899</u>	<u>222</u>	<u>30,184</u>	<u>268,339</u>	<u>331,961</u>	<u>1,472</u>
-	-	-	13,527,183	-	18,842,715	11,160,495
-	-	-	-	-	-	-
1,707,001	886,915	2,254,694	2,189,008	435,760	6,020,231	5,639,522
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,707,001</u>	<u>886,915</u>	<u>2,254,694</u>	<u>2,189,008</u>	<u>435,760</u>	<u>6,020,231</u>	<u>5,639,522</u>
<u>\$ 1,712,207</u>	<u>\$ 956,814</u>	<u>\$ 2,254,916</u>	<u>\$ 15,746,375</u>	<u>\$ 704,099</u>	<u>\$ 25,194,907</u>	<u>\$ 16,801,489</u>

(Continued)

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2020

	Special Revenue Funds			
	Cable TV PEG	Police Evidence	Roseville Community Development Corporation	Golf
<b>Assets:</b>				
Cash and investments	\$ 1,708,390	\$ 252,898	\$ 2,699,533	\$ -
Cash with fiscal agents	-	-	-	-
Receivables	98,662	1,012	-	543,605
Due from other government agencies	-	-	-	-
Developer permit fees receivable	-	-	-	-
Notes receivable	-	-	-	-
<b>Total assets</b>	<b>\$ 1,807,052</b>	<b>\$ 253,910</b>	<b>\$ 2,699,533</b>	<b>\$ 543,605</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,676	\$ 5,549	\$ -	\$ 34,221
Accrued liabilities	-	-	-	2,280,686
Due to other funds	-	-	-	606,724
Due to other government agencies	-	-	-	-
Advances from other funds	-	-	1,475,951	1,988,000
Deposits	-	-	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>1,676</b>	<b>5,549</b>	<b>1,475,951</b>	<b>4,909,631</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	-	-	-	-
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	1,805,376	248,361	1,223,582	-
Assigned	-	-	-	-
Unassigned	-	-	-	(4,366,026)
<b>Total fund balances (deficit)</b>	<b>1,805,376</b>	<b>248,361</b>	<b>1,223,582</b>	<b>(4,366,026)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,807,052</b>	<b>\$ 253,910</b>	<b>\$ 2,699,533</b>	<b>\$ 543,605</b>

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2020

Roseville Aquatics Complex Maintenance	Debt Service Fund	Capital Projects Funds					General Fund Capital Projects
	Roseville Finance Authority	Development Impact	Traffic Mitigation	Al Johnson Wildlife Area	Roadway		
\$ 629,670	\$ -	\$ 67,393,677	\$ 26,610,740	\$ 1,245,915	\$ 2,460,197	\$ 11,365,477	
-	-	-	-	-	-	-	
699	11,121	1,306,735	7,181,469	4,721	12,594	52,089	
-	-	-	7,066,121	-	-	-	
-	-	2,942,322	1,320,422	-	-	-	
-	-	601,397	361	-	-	-	
<u>\$ 630,369</u>	<u>\$ 11,121</u>	<u>\$ 72,244,131</u>	<u>\$ 35,112,992</u>	<u>\$ 1,250,636</u>	<u>\$ 2,472,791</u>	<u>\$ 11,417,566</u>	
\$ -	\$ 1,155	\$ 3,642,660	\$ 2,301,122	\$ 16,107	\$ 28,245	\$ 255,885	
-	-	53,759	-	-	-	-	
-	69,252	793,828	-	-	-	-	
-	-	-	-	-	-	-	
-	-	9,350,652	-	-	-	-	
600,000	-	-	-	-	-	-	
-	-	-	-	-	-	-	
<u>600,000</u>	<u>70,407</u>	<u>13,840,899</u>	<u>2,301,122</u>	<u>16,107</u>	<u>28,245</u>	<u>255,885</u>	
-	-	1,644,225	7,066,121	-	-	-	
-	-	-	-	-	-	-	
30,369	-	56,759,007	25,745,749	1,234,529	2,444,546	-	
-	-	-	-	-	-	11,161,681	
-	(59,286)	-	-	-	-	-	
<u>30,369</u>	<u>(59,286)</u>	<u>56,759,007</u>	<u>25,745,749</u>	<u>1,234,529</u>	<u>2,444,546</u>	<u>11,161,681</u>	
<u>\$ 630,369</u>	<u>\$ 11,121</u>	<u>\$ 72,244,131</u>	<u>\$ 35,112,992</u>	<u>\$ 1,250,636</u>	<u>\$ 2,472,791</u>	<u>\$ 11,417,566</u>	

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City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2020

	Capital Projects Fund	Permanent Funds	Total Non-Major Governmental Funds
	RFA Capital Projects	Citizens Benefit	
<b>Assets:</b>			
Cash and investments	\$ 2,215,264	\$ 16,669,231	\$ 171,828,858
Cash with fiscal agents	1	-	60,553
Receivables	845	78,835	12,753,592
Due from other government agencies	-	-	7,124,621
Developer permit fees receivable	-	-	4,262,744
Notes receivable	-	1,049,840	49,431,296
	<u>\$ 2,216,110</u>	<u>\$ 17,797,906</u>	<u>\$ 238,337,043</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 3,709	\$ -	\$ 6,873,324
Accrued liabilities	-	-	2,436,677
Due to other funds	-	-	1,469,804
Due to other government agencies	-	-	376,975
Advances from other funds	-	-	12,814,603
Deposits	-	-	600,000
Unearned revenue	-	-	153,078
	<u>3,709</u>	<u>-</u>	<u>24,724,461</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	-	-	52,240,739
<b>Fund Balances:</b>			
Nonspendable	-	17,797,906	17,797,906
Restricted	2,212,401	-	136,837,568
Assigned	-	-	11,161,681
Unassigned	-	-	(4,425,312)
	<u>2,212,401</u>	<u>17,797,906</u>	<u>161,371,843</u>
Total fund balances (deficit)	<u>2,212,401</u>	<u>17,797,906</u>	<u>161,371,843</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,216,110</u>	<u>\$ 17,797,906</u>	<u>\$ 238,337,043</u>

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended June 30, 2020

	Special Revenue Funds			
	Landscape and Lighting and Service Districts	State Gasoline Tax	Traffic Safety	Trench Cut Recovery Fund
Revenues:				
Taxes	\$ 10,773,248	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Subventions and grants	-	3,204,414	450	-
Use of money and property	266,889	353,141	33,101	4,933
Fines, forfeitures and penalties	-	-	235,386	-
Contributions from developers and others	-	-	-	-
Miscellaneous revenues	82,196	-	-	-
Revenue from others	-	2,418,599	-	-
Total revenues	<u>11,122,333</u>	<u>5,976,154</u>	<u>268,937</u>	<u>4,933</u>
Expenditures:				
Current:				
General government	-	-	-	172
Development and operations	-	-	-	-
Public works	-	4,597,221	276,082	-
Police	-	-	106,665	-
Parks and recreation	6,070,632	-	-	-
Housing assistance payments	-	-	-	-
Capital outlay	-	4,976,454	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>6,070,632</u>	<u>9,573,675</u>	<u>382,747</u>	<u>172</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,051,701</u>	<u>(3,597,521)</u>	<u>(113,810)</u>	<u>4,761</u>
Other Financing Sources (Uses):				
Proceeds from disposition of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(5,062,725)	(1,436,508)	-	-
Total other financing sources (uses)	<u>(5,062,725)</u>	<u>(1,436,508)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(11,024)	(5,034,029)	(113,810)	4,761
Fund Balances (Deficit) - Beginning	<u>13,955,492</u>	<u>16,047,727</u>	<u>994,535</u>	<u>156,865</u>
Fund Balances - Ending	<u>\$ 13,944,468</u>	<u>\$ 11,013,698</u>	<u>\$ 880,725</u>	<u>\$ 161,626</u>

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended June 30, 2020

Special Revenue Funds						
Technology Replacement	Open Space	Tree Propagation	Grants	Housing Authority Housing Choice Voucher	Affordable Housing	Low/Mod Income Housing Asset
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
577,604	4,186	110,743	-	-	46,829	34,842
-	-	-	446,437	5,709,989	-	-
51,584	28,381	71,742	80,760	35	257,584	90,891
-	-	-	-	-	-	-
-	-	-	-	-	38,200	-
-	12,366	-	1,003,131	102,011	311,625	260,318
-	-	-	1,972	-	-	-
<u>629,188</u>	<u>44,933</u>	<u>182,485</u>	<u>1,532,300</u>	<u>5,812,035</u>	<u>654,238</u>	<u>386,051</u>
-	-	-	-	-	-	-
406,801	-	-	-	750,249	209,128	302,326
-	-	-	-	-	-	-
-	-	-	635,713	-	-	-
-	542,736	226,177	-	-	-	-
-	-	-	-	5,155,267	-	-
-	-	-	20,000	-	18,189	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>406,801</u>	<u>542,736</u>	<u>226,177</u>	<u>655,713</u>	<u>5,905,516</u>	<u>227,317</u>	<u>302,326</u>
<u>222,387</u>	<u>(497,803)</u>	<u>(43,692)</u>	<u>876,587</u>	<u>(93,481)</u>	<u>426,921</u>	<u>83,725</u>
-	-	-	-	-	-	-
-	620,895	-	-	-	-	-
-	(7,184)	-	(135,000)	-	-	(4,023,000)
-	613,711	-	(135,000)	-	-	(4,023,000)
222,387	115,908	(43,692)	741,587	(93,481)	426,921	(3,939,275)
1,484,614	771,007	2,298,386	1,447,421	529,241	5,593,310	9,578,797
<u>\$ 1,707,001</u>	<u>\$ 886,915</u>	<u>\$ 2,254,694</u>	<u>\$ 2,189,008</u>	<u>\$ 435,760</u>	<u>\$ 6,020,231</u>	<u>\$ 5,639,522</u>

(Continued)

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended June 30, 2020

	Special Revenue Funds			
	Cable TV PEG	Police Evidence	Roseville Community Development Corporation	Golf
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	373,772	-	-	1,950,766
Subventions and grants	-	-	-	-
Use of money and property	58,059	7,749	9,742	1,040
Fines, forfeitures and penalties	-	-	-	-
Contributions from developers and others	-	-	-	-
Miscellaneous revenues	-	37,104	-	6,000
Revenue from others	-	-	-	-
Total revenues	<u>431,831</u>	<u>44,853</u>	<u>9,742</u>	<u>1,957,806</u>
Expenditures:				
Current:				
General government	65,996	-	-	-
Development and operations	-	-	299,647	-
Public works	-	-	-	-
Police	-	49,919	-	-
Parks and recreation	-	-	-	2,245,375
Housing assistance payments	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	495,030	-
Interest and fiscal charges	-	-	11,672	45,647
Total expenditures	<u>65,996</u>	<u>49,919</u>	<u>806,349</u>	<u>2,291,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>365,835</u>	<u>(5,066)</u>	<u>(796,607)</u>	<u>(333,216)</u>
Other Financing Sources (Uses):				
Proceeds from disposition of assets	-	-	880,994	-
Transfers in	-	-	-	774,369
Transfers out	-	-	-	(499,970)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>880,994</u>	<u>274,399</u>
Net change in fund balance	365,835	(5,066)	84,387	(58,817)
Fund Balances (Deficit) - Beginning	<u>1,439,541</u>	<u>253,427</u>	<u>1,139,195</u>	<u>(4,307,209)</u>
Fund Balances - Ending	<u>\$ 1,805,376</u>	<u>\$ 248,361</u>	<u>\$ 1,223,582</u>	<u>\$ (4,366,026)</u>

City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended June 30, 2020

Roseville Aquatics Complex Maintenance	Debt Service Fund	Capital Projects Funds					General Fund Capital Projects
	Roseville Finance Authority	Development Impact	Traffic Mitigation	Al Johnson Wildlife Area	Roadway		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	13,509,367	6,629,587	-	-	-	59,593
-	-	-	-	-	-	170,007	-
10,167	(69,835)	2,095,377	791,659	83,518	65,470	-	316,683
-	-	-	-	-	-	-	-
-	-	111,017	710,365	-	-	-	100,539
-	-	-	-	-	-	-	-
<u>10,167</u>	<u>(69,835)</u>	<u>15,715,761</u>	<u>8,131,611</u>	<u>83,518</u>	<u>235,477</u>		<u>476,815</u>
-	-	921,829	61,732	-	-	-	-
-	-	12,628	653,237	-	-	-	-
-	-	85,341	105,463	-	323,026	-	304,867
-	-	-	-	-	-	-	-
-	-	390,281	-	544	-	-	213,994
-	-	-	-	-	-	-	-
-	-	19,299,081	7,248,907	-	423,554	-	2,033,858
-	1,577,787	-	-	-	-	-	-
-	805,427	211,752	-	-	-	-	-
-	<u>2,383,214</u>	<u>20,925,007</u>	<u>8,069,339</u>	<u>544</u>	<u>746,580</u>		<u>2,552,719</u>
<u>10,167</u>	<u>(2,453,049)</u>	<u>(5,209,246)</u>	<u>62,272</u>	<u>82,974</u>	<u>(511,103)</u>		<u>(2,075,904)</u>
-	-	-	-	-	-	-	-
-	2,382,713	2,751,974	-	-	1,742,501	-	3,982,323
-	-	(401,573)	-	-	(1,223,096)	-	-
-	<u>2,382,713</u>	<u>2,350,401</u>	<u>-</u>	<u>-</u>	<u>519,405</u>		<u>3,982,323</u>
10,167	(70,336)	(2,858,845)	62,272	82,974	8,302		1,906,419
20,202	11,050	59,617,852	25,683,477	1,151,555	2,436,244		9,255,262
<u>\$ 30,369</u>	<u>\$ (59,286)</u>	<u>\$ 56,759,007</u>	<u>\$ 25,745,749</u>	<u>\$ 1,234,529</u>	<u>\$ 2,444,546</u>		<u>\$ 11,161,681</u>

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City of Roseville, California  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Year Ended June 30, 2020

	Capital Projects Fund	Permanent Funds	
	RFA Capital Projects	Citizens Benefit	Total Non-Major Governmental Funds
Revenues:			
Taxes	\$ -	\$ -	\$ 10,773,248
Charges for services	-	-	23,297,289
Subventions and grants	-	-	9,531,297
Use of money and property	70,312	798,810	5,477,792
Fines, forfeitures and penalties	-	-	235,386
Contributions from developers and others	-	-	38,200
Miscellaneous revenues	-	14,614	2,751,286
Revenue from others	1,385,504	-	3,806,075
Total revenues	<u>1,455,816</u>	<u>813,424</u>	<u>55,910,573</u>
Expenditures:			
Current:			
General government	-	-	1,049,729
Development and operations	-	794,903	3,428,919
Public works	-	-	5,692,000
Police	-	-	792,297
Parks and recreation	-	-	9,689,739
Housing assistance payments	-	-	5,155,267
Capital outlay	-	-	34,020,043
Debt service:			
Principal retirement	-	-	2,072,817
Interest and fiscal charges	-	-	1,074,498
Total expenditures	<u>-</u>	<u>794,903</u>	<u>62,979,404</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,455,816</u>	<u>18,521</u>	<u>(7,068,831)</u>
Other Financing Sources (Uses):			
Proceeds from disposition of assets	-	-	880,994
Transfers in	-	-	12,254,775
Transfers out	(1,200,000)	(3,015)	(13,992,071)
Total other financing sources (uses)	<u>(1,200,000)</u>	<u>(3,015)</u>	<u>(856,302)</u>
Net change in fund balance	255,816	15,506	(7,925,133)
Fund Balances (Deficit) - Beginning	<u>1,956,585</u>	<u>17,782,400</u>	<u>169,296,976</u>
Fund Balances - Ending	<u>\$ 2,212,401</u>	<u>\$ 17,797,906</u>	<u>\$ 161,371,843</u>



City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

	Landscape and Lighting Service Districts			State Gasoline Tax		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ 11,002,030	\$ 10,773,248	\$ (228,782)	\$ -	\$ -	\$ -
Subventions and grants	-	-	-	3,453,379	3,204,414	(248,965)
Use of money and property	214,684	266,889	52,205	226,254	353,141	126,887
Fines, forfeitures and penalties	-	-	-	72,000	-	(72,000)
Contributions from developers and others	-	-	-	5,124,811	2,418,599	(2,706,212)
Miscellaneous revenues	-	82,196	82,196	-	-	-
Total revenues	<u>11,216,714</u>	<u>11,122,333</u>	<u>(94,381)</u>	<u>8,876,444</u>	<u>5,976,154</u>	<u>(2,900,290)</u>
Expenditures:						
Current:						
Operating services and supplies						
General government	-	-	-	-	-	-
Public works:						
Highway Users Tax Operations	-	-	-	13,945,576	4,597,221	9,348,355
Police	-	-	-	-	-	-
Parks and recreation:						
Olympus Pointe Ild Zone A	6,618,938	6,070,632	548,306	-	-	-
Total expenditures	<u>6,618,938</u>	<u>6,070,632</u>	<u>548,306</u>	<u>13,945,576</u>	<u>4,597,221</u>	<u>9,348,355</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>4,597,776</u>	<u>5,051,701</u>	<u>453,925</u>	<u>(5,069,132)</u>	<u>1,378,933</u>	<u>6,448,065</u>
Other Financing Sources (Uses):						
Proceeds from the sale of property	-	-	-	80,000	-	(80,000)
Transfers in	-	-	-	-	-	-
Transfers out	(5,062,744)	(5,062,725)	19	(1,436,508)	(1,436,508)	-
Total other financing sources (uses)	<u>(5,062,744)</u>	<u>(5,062,725)</u>	<u>19</u>	<u>(1,356,508)</u>	<u>(1,436,508)</u>	<u>(80,000)</u>
Net Change in Fund Balance	<u>\$ (464,968)</u>	<u>(11,024)</u>	<u>\$ 453,944</u>	<u>\$ (6,425,640)</u>	<u>(57,575)</u>	<u>\$ 6,368,065</u>
Adjustment to Budgetary Basis:						
Capital Outlay					(4,976,454)	
Fund Balance (Deficit) - Beginning		<u>13,955,492</u>			<u>16,047,727</u>	
Fund Balance - Ending		<u>\$ 13,944,468</u>			<u>\$ 11,013,698</u>	

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

Traffic Safety			Trench Cut Recovery Fund		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	450	450	-	-	-
-	33,101	33,101	2,923	4,933	2,010
240,000	235,386	(4,614)	5,000	-	(5,000)
-	-	-	-	-	-
-	-	-	-	-	-
<u>240,000</u>	<u>268,937</u>	<u>28,937</u>	<u>7,923</u>	<u>4,933</u>	<u>(2,990)</u>
-	-	-	172	172	-
328,836	276,082	52,754	-	-	-
105,643	106,665	(1,022)	-	-	-
-	-	-	-	-	-
<u>434,479</u>	<u>382,747</u>	<u>51,732</u>	<u>172</u>	<u>172</u>	<u>-</u>
(194,479)	(113,810)	80,669	7,751	4,761	(2,990)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ (194,479)</u>	<u>(113,810)</u>	<u>\$ 80,669</u>	<u>\$ 7,751</u>	<u>4,761</u>	<u>\$ (2,990)</u>
	<u>994,535</u>			<u>156,865</u>	
	<u>\$ 880,725</u>			<u>\$ 161,626</u>	

(Continued)

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

	TECHNOLOGY REPLACEMENT			OPEN SPACE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	952,000	577,604	(374,396)	-	4,186	4,186
Subventions and grants	-	-	-	-	-	-
Use of money and property	26,139	51,584	25,445	11,618	28,381	16,763
Revenues from others	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	12,366	12,366	-
Total revenues	<u>978,139</u>	<u>629,188</u>	<u>(348,951)</u>	<u>23,984</u>	<u>44,933</u>	<u>20,949</u>
Expenditures:						
Current:						
Operating services and supplies:						
Development and operations	745,250	406,801	338,449	-	-	-
Parks and recreation:						
Bike trail maintenance	-	-	-	676,531	542,736	133,795
Public safety:						
Police:						
Forfeited property	-	-	-	-	-	-
Total expenditures	<u>745,250</u>	<u>406,801</u>	<u>338,449</u>	<u>676,531</u>	<u>542,736</u>	<u>133,795</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>232,889</u>	<u>222,387</u>	<u>(10,502)</u>	<u>(652,547)</u>	<u>(497,803)</u>	<u>154,744</u>
Other Financing Sources (Uses):						
Transfers in	-	-	-	620,895	620,895	-
Transfers out	-	-	-	-	(7,184)	(7,184)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>620,895</u>	<u>613,711</u>	<u>(7,184)</u>
Net Change in Fund Balance	<u>\$ 232,889</u>	<u>222,387</u>	<u>\$ (10,502)</u>	<u>\$ (31,652)</u>	<u>115,908</u>	<u>\$ 147,560</u>
Adjustment to Budgetary Basis:						
Capital Outlay		-			-	
Fund Balance (Deficit) - Beginning		<u>1,484,614</u>			<u>771,007</u>	
Fund Balance - Ending		<u>\$ 1,707,001</u>			<u>\$ 886,915</u>	

(Continued)

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

TREE PROPOGATION			GRANTS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 225,000	\$ -	\$ (225,000)
35,000	110,743	75,743	-	-	-
-	-	-	1,230,170	446,437	(783,733)
40,992	71,742	30,750	32,750	80,760	48,010
-	-	-	-	1,972	1,972
-	-	-	547,562	1,003,131	455,569
<u>75,992</u>	<u>182,485</u>	<u>106,493</u>	<u>2,035,482</u>	<u>1,532,300</u>	<u>(503,182)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	237,715	635,713	(397,998)
<u>456,407</u>	<u>226,177</u>	<u>230,230</u>	<u>2,413,843</u>	<u>635,713</u>	<u>1,778,130</u>
<u>(380,415)</u>	<u>(43,692)</u>	<u>336,723</u>	<u>(378,361)</u>	<u>896,587</u>	<u>1,274,948</u>
-	-	-	-	-	-
-	-	-	-	(135,000)	(135,000)
-	-	-	-	(135,000)	(135,000)
<u>\$ (380,415)</u>	<u>(43,692)</u>	<u>\$ 336,723</u>	<u>\$ (378,361)</u>	761,587	<u>\$ 1,139,948</u>
	-			(20,000)	
	<u>2,298,386</u>			<u>1,447,421</u>	
	<u>\$ 2,254,694</u>			<u>\$ 2,189,008</u>	

(Continued)

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

	Housing Authority Housing Choice Vouchers			AFFORDABLE HOUSING		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 46,829	\$ 46,829
Subventions and grants	-	5,709,989	5,709,989	-	-	-
Use of money and property	-	35	35	125,000	257,584	132,584
Contributions from developers	-	-	-	131,566	38,200	(93,366)
Miscellaneous revenues	-	102,011	102,011	285,000	311,625	26,625
<b>Total revenues</b>	<b>-</b>	<b>5,812,035</b>	<b>5,812,035</b>	<b>541,566</b>	<b>654,238</b>	<b>112,672</b>
Expenditures:						
Current:						
Salaries and benefits:						
Planning:						
Housing Authority	-	750,249	(750,249)	-	-	-
Operating services and supplies:						
General government	-	-	-	-	-	-
Development and operations	-	-	-	470,005	209,128	260,877
Housing assistance payments	-	5,155,267	(5,155,267)	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>5,905,516</b>	<b>(5,905,516)</b>	<b>470,005</b>	<b>209,128</b>	<b>260,877</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(93,481)	(93,481)	71,561	445,110	373,549
Other Financing Sources (Uses):						
Proceeds from the sale of property	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>(93,481)</b>	<b>\$ (93,481)</b>	<b>\$ 71,561</b>	<b>445,110</b>	<b>\$ 373,549</b>
Adjustment to Budgetary Basis:						
Capital Outlay		-			(18,189)	
<b>Fund Balance (Deficit) - Beginning</b>		<b>529,241</b>			<b>5,593,310</b>	
<b>Fund Balance - Ending</b>		<b>\$ 435,760</b>			<b>\$ 6,020,231</b>	

(Continued)

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

LOW/MOD INCOME HOUSING ASSET FUND			CABLE TV PEG		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ 34,842	\$ 34,842	\$ 239,500	\$ 373,772	\$ 134,272
-	-	-	-	-	-
-	90,891	90,891	21,615	58,059	36,444
-	-	-	-	-	-
-	260,318	260,318	-	-	-
-	386,051	386,051	261,115	431,831	170,716
-	-	-	-	-	-
-	-	-	163,890	65,996	97,894
299,009	302,326	(3,317)	-	-	-
-	-	-	-	-	-
299,009	302,326	(3,317)	163,890	65,996	97,894
(299,009)	83,725	382,734	97,225	365,835	268,610
200,000	-	(200,000)	-	-	-
-	(4,023,000)	(4,023,000)	-	-	-
200,000	(4,023,000)	(4,223,000)	-	-	-
\$ (99,009)	(3,939,275)	\$ (3,840,266)	\$ 97,225	365,835	\$ 268,610
-	-	-	-	-	-
-	9,578,797	-	-	1,439,541	-
-	\$ 5,639,522	-	-	\$ 1,805,376	-

(Continued)

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

	Police Evidence			Roseville Community Development Corporation		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subventions and grants	-	-	-	-	-	-
Use of money and property	4,525	7,749	3,224	-	9,742	9,742
Miscellaneous revenues	40,000	37,104	(2,896)	-	-	-
<b>Total revenues</b>	<b>44,525</b>	<b>44,853</b>	<b>328</b>	<b>-</b>	<b>9,742</b>	<b>9,742</b>
<b>Expenditures:</b>						
<b>Current:</b>						
Operating services and supplies:						
Planning:						
Roseville Community Development Corporation	-	-	-	-	299,647	(299,647)
Public Safety	-	-	-	-	-	-
Police	48,000	49,919	(1,919)	-	-	-
Parks Parks and recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	495,030	(495,030)
Interest	-	-	-	-	11,672	(11,672)
<b>Total expenditures</b>	<b>48,000</b>	<b>49,919</b>	<b>(1,919)</b>	<b>-</b>	<b>806,349</b>	<b>(806,349)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,475)	(5,066)	(1,591)	-	(796,607)	(796,607)
<b>Other Financing Sources (Uses):</b>						
Proceeds from sale of capital assets	-	-	-	-	880,994	880,994
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>880,994</b>	<b>880,994</b>
<b>Net Change in Fund Balance</b>	<b>\$ (3,475)</b>	<b>(5,066)</b>	<b>\$ (1,591)</b>	<b>\$ -</b>	<b>84,387</b>	<b>\$ 84,387</b>
<b>Adjustment to Budgetary Basis:</b>						
Capital Outlay		-			-	
<b>Fund Balance (Deficit) - Beginning</b>		<b>253,427</b>			<b>1,139,195</b>	
<b>Fund Balance - Ending</b>		<b>\$ 248,361</b>			<b>\$ 1,223,582</b>	

City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

Golf Course		
Budget	Actual	Variance Positive (Negative)
\$ 2,000,000	\$ 1,950,766	\$ (49,234)
-	-	-
-	1,040	1,040
-	6,000	6,000
<u>2,000,000</u>	<u>1,957,806</u>	<u>(42,194)</u>
-	-	-
-	-	-
2,359,673	2,245,375	114,298
-	-	-
<u>2,750</u>	<u>45,647</u>	<u>(42,897)</u>
<u>2,362,423</u>	<u>2,291,022</u>	<u>71,401</u>
<u>(362,423)</u>	<u>(333,216)</u>	<u>29,207</u>
-	-	-
774,339	774,369	30
<u>(623,113)</u>	<u>(499,970)</u>	<u>123,143</u>
<u>151,226</u>	<u>274,399</u>	<u>123,173</u>
<u>\$ (211,197)</u>	<u>(58,817)</u>	<u>\$ 152,380</u>
-	-	-
-	<u>(4,307,209)</u>	-
-	<u>\$ (4,366,026)</u>	-

(Continued)



City of Roseville, California

Budgeted Non-Major Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
Year Ended June 30, 2020

	Roseville Finance Authority			Citizens Benefit		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Use of money and property	\$ 24,121	\$ (69,835)	\$ (93,956)	\$ 435,310	798,810	\$ 363,500
Miscellaneous revenues	-	-	-	3,124	14,614	11,490
Total revenues	<u>24,121</u>	<u>(69,835)</u>	<u>(93,956)</u>	<u>438,434</u>	<u>813,424</u>	<u>374,990</u>
Expenditures:						
Current:						
Development and operations	-	-	-	809,903	794,903	15,000
Debt Service:						
Principal	1,577,787	1,577,787	-	-	-	-
Interest and fiscal charges	805,427	805,427	-	-	-	-
Total expenditures	<u>2,383,214</u>	<u>2,383,214</u>	<u>-</u>	<u>809,903</u>	<u>794,903</u>	<u>15,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,359,093)</u>	<u>(2,453,049)</u>	<u>(93,956)</u>	<u>(371,469)</u>	<u>18,521</u>	<u>389,990</u>
Other Financing Sources (Uses):						
Transfers in	2,368,663	2,382,713	14,050	-	-	-
Transfers Out	-	-	-	(3,015)	(3,015)	-
Total other financing sources (uses)	<u>2,368,663</u>	<u>2,382,713</u>	<u>14,050</u>	<u>(3,015)</u>	<u>(3,015)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 9,570</u>	<u>(70,336)</u>	<u>\$ (79,906)</u>	<u>\$ (374,484)</u>	<u>15,506</u>	<u>\$ 389,990</u>
Adjustment to Budgetary Basis:						
Capital Outlay						
Fund Balance (Deficit) - Beginning		<u>11,050</u>			<u>17,782,400</u>	
Fund Balance - Ending		<u>\$ (59,286)</u>			<u>\$ 17,797,906</u>	

Local Transportation Fund

This fund accounts for the activities associated with the operations and maintenance of the City's public transit activities and has particular emphasis on serving the elderly and the handicapped.

School-Age Child Care Fund

The fund accounts for the receipt of parent fees and State grants used to finance child development programs.

City of Roseville, California  
Non-Major Enterprise Funds  
Combining Statement of Net Position  
June 30, 2020

	Business-Type Activities - Enterprise Funds		Totals
	Local Transportation	School-Age Child Care	
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and investments in City Treasury	\$ 8,369,296	\$ 434,616	\$ 8,803,912
Receivables	2,049,005	259,085	2,308,090
<b>Total current assets</b>	<b>10,418,301</b>	<b>693,701</b>	<b>11,112,002</b>
<b>Non-Current Assets:</b>			
<b>Capital assets (Note 8):</b>			
Land and construction in progress	5,428,954	3,352	5,432,306
Capital assets being depreciated, net	27,152,439	2,287,557	29,439,996
<b>Total non-current assets</b>	<b>32,581,393</b>	<b>2,290,909</b>	<b>34,872,302</b>
<b>Total assets</b>	<b>42,999,694</b>	<b>2,984,610</b>	<b>45,984,304</b>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to OPEB	164,000	233,000	397,000
Deferred outflows related to pensions	871,572	1,918,596	2,790,168
<b>Total deferred outflows of resources</b>	<b>1,035,572</b>	<b>2,151,596</b>	<b>3,187,168</b>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable	711,349	61,257	772,606
Accrued liabilities	42,630	106,025	148,655
Due to other funds	-	55,000	55,000
Current portion of compensated absences	141,288	204,697	345,985
Deposits	3,783,963	90,000	3,873,963
Unearned revenue	2,177,168	-	2,177,168
<b>Total current liabilities</b>	<b>6,856,398</b>	<b>516,979</b>	<b>7,373,377</b>
<b>Long-term liabilities:</b>			
Advances from other funds	-	945,000	945,000
Compensated absences	139,254	145,889	285,143
Net OPEB liability	859,000	4,349,000	5,208,000
Net pension liability	3,350,773	8,227,212	11,577,985
<b>Total long-term liabilities</b>	<b>4,349,027</b>	<b>13,667,101</b>	<b>18,016,128</b>
<b>Total liabilities</b>	<b>11,205,425</b>	<b>14,184,080</b>	<b>25,389,505</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to OPEB	325,000	2,458,000	2,783,000
Deferred inflows related to pensions	276,823	862,419	1,139,242
<b>Total deferred inflows of resources</b>	<b>601,823</b>	<b>3,320,419</b>	<b>3,922,242</b>
<b>Net Position:</b>			
Net investment in capital assets	32,581,393	2,290,909	34,872,302
Restricted for local transportation	481,585	-	481,585
Unrestricted	(834,960)	(14,659,202)	(15,494,162)
<b>Total net position (deficit)</b>	<b>\$ 32,228,018</b>	<b>\$ (12,368,293)</b>	<b>\$ 19,859,725</b>

City of Roseville, California  
 Non-Major Enterprise Funds  
 Combining Statement of Revenue, Expenses and Changes in Fund Net Position  
 Year Ended June 30, 2020

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Local Transportation</u>	<u>School-Age Child Care</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 749,982	\$ 5,180,546	\$ 5,930,528
Other	173,509	250,700	424,209
Total operating revenues	<u>923,491</u>	<u>5,431,246</u>	<u>6,354,737</u>
Operating Expenses			
Operations	8,031,022	3,118,305	11,149,327
Administration	1,035,221	6,483,302	7,518,523
Depreciation and amortization	1,615,461	111,266	1,726,727
Total operating expenses	<u>10,681,704</u>	<u>9,712,873</u>	<u>20,394,577</u>
Operating income (loss)	<u>(9,758,213)</u>	<u>(4,281,627)</u>	<u>(14,039,840)</u>
Non-Operating Revenues (Expenses):			
Interest and rents revenue	157,664	28,805	186,469
Interest and fiscal charges (expenses)	-	(19,749)	(19,749)
Subventions and grants	10,757,205	290,402	11,047,607
Gain (loss) from sale of property	(108,771)	-	(108,771)
Total nonoperating revenues (expenses)	<u>10,806,098</u>	<u>299,458</u>	<u>11,105,556</u>
Income (loss) before contributions and transfers	1,047,885	(3,982,169)	(2,934,284)
Capital contributions from developers and governmental activities	92,357	11,238	103,595
Transfer in	90,801	-	90,801
Transfer out	(92,928)	(103,625)	(196,553)
Change in Net Position	1,138,115	(4,074,556)	(2,936,441)
Total Net Position (Deficit) - Beginning	<u>31,089,903</u>	<u>(8,293,737)</u>	<u>22,796,166</u>
Total Net Position (Deficit) - Ending	<u>\$ 32,228,018</u>	<u>\$ (12,368,293)</u>	<u>\$ 19,859,725</u>

City of Roseville, California  
Non-Major Enterprise Funds  
Combining Statement of Cash Flows  
Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds		Totals
	Local Transportation	School-Age Child Care	
Operating Activities			
Receipts from customers	\$ 749,982	\$ 5,270,546	\$ 6,020,528
Payments to suppliers	(7,300,744)	(3,187,595)	(10,488,339)
Payments to employees	(1,992,478)	(3,412,494)	(5,404,972)
Other receipts	173,509	250,700	424,209
Net Cash provided by/(used for) Operating Activities	<u>(8,369,731)</u>	<u>(1,078,843)</u>	<u>(9,448,574)</u>
Non-Capital Financing Activities			
Subventions and grants	8,430,280	290,402	8,720,682
Transfers to other funds for long-term cash borrowings	-	(55,000)	(55,000)
Increase/decrease in deposits	3,783,733	-	3,783,733
Payments from other funds for long-term cash borrowin	-	340,000	340,000
Transfers in	90,801	-	90,801
Transfers out	(92,928)	(103,625)	(196,553)
Net cash provided by/(used for) Noncapital Financing Activities	<u>12,211,886</u>	<u>471,777</u>	<u>12,683,663</u>
Capital and Related Financing Activities			
Acquisition and construction of capital assets	(2,968,261)	(3,353)	(2,971,614)
Proceeds from sale of capital assets	(108,771)	-	(108,771)
Interest paid on capital debt	-	(19,749)	(19,749)
Net cash provided by/(used for) Capital and Related Financing Activities	<u>(3,077,032)</u>	<u>(23,102)</u>	<u>(3,100,134)</u>
Investing Activities			
Interest and rents received	163,482	25,077	188,559
Net cash provided by/(used for) Investing Activities	<u>163,482</u>	<u>25,077</u>	<u>188,559</u>
Net Increase (Decrease) in Cash and Cash Equivalents	928,605	(605,091)	323,514
Cash and Investments at Beginning of Period	7,440,691	1,039,707	8,480,398
Cash and Investments at End of Period	<u>\$ 8,369,296</u>	<u>\$ 434,616</u>	<u>\$ 8,803,912</u>
Reconciliation of Operating Income (Loss) to Net Cash provided by/(used for) Operating Activities:			
Operating Income (Loss)	\$ (9,758,213)	\$ (4,281,627)	\$ (14,039,840)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation and amortization	1,615,461	111,266	1,726,727
OPEB expense	(2,000)	1,720,000	1,718,000
Pension expense	352,406	1,398,810	1,751,216
Change in Assets and Liabilities:			
Receivables, Net	910,592	(59,793)	850,799
Accounts payable and other liabilities	(1,487,977)	32,501	(1,455,476)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (8,369,731)</u>	<u>\$ (1,078,843)</u>	<u>(9,448,574)</u>
NON-CASH TRANSACTIONS:			
Capital assets transferred from governmental activities	\$ 3,121	\$ -	\$ 3,121
Capital assets contributed from developer	<u>\$ 89,236</u>	<u>\$ -</u>	<u>\$ 89,236</u>

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

Financial reporting standards require that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

Fleet Fund. To account for the maintenance and replacement of vehicles used by City departments. Funds are received by means of a rental fee charged to the various departments.

Facilities Fund. To account for building maintenance and custodial services for City departments.

Information Technology Fund. To account for the City's IT infrastructure and related support services.

General Equipment Replacement Fund. To account for the replacement of equipment for City departments.

Worker's Compensation Fund. To account for the City's self-insurance program for Workers' Compensation benefits and for the administration of various preventative programs.

General Liability Fund. To account for the cost of claims and administrative costs of the City's self-insured general liability program.

Unemployment Reserve Fund. To account for State and Federal mandated unemployment insurance benefits for employees.

General Benefits. To account for the City's insurance programs for employee benefits.

City of Roseville, California  
Internal Service Funds  
Combining Statement of Net Position  
June 30, 2020

	Fleet	Facilities	Information Technology	General Equipment Replacement
<b>Assets</b>				
Current Assets:				
Cash and Investments in City Treasury	\$ 35,070,475	\$ 1,679,169	\$ 2,516,582	\$ 1,413,231
Receivables	2,599,517	29,988	2,956	3,172
Due from other funds	566,786	-	-	-
Prepays	-	-	107,572	-
Notes receivable	663,361	-	-	-
Inventories	933,911	-	-	-
Total current assets	<u>39,834,050</u>	<u>1,709,157</u>	<u>2,627,110</u>	<u>1,416,403</u>
Non Current Assets:				
Advances to other funds	5,923,394	-	-	-
Capital assets:				
Construction in progress	333,517	-	920,468	297,338
Capital assets being depreciated, net	<u>12,240,041</u>	<u>107,142,146</u>	<u>7,811,780</u>	<u>452,467</u>
Total assets	<u>58,331,002</u>	<u>108,851,303</u>	<u>11,359,358</u>	<u>2,166,208</u>
Deferred Outflows of Resources:				
Deferred outflows related to OPEB	2,974,000	2,581,000	769,000	-
Deferred outflows related to pensions	<u>964,378</u>	<u>1,255,799</u>	<u>4,791,274</u>	<u>-</u>
Total deferred outflows of resources	<u>3,938,378</u>	<u>3,836,799</u>	<u>5,560,274</u>	<u>-</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	391,964	123,596	300,278	193,046
Accrued liabilities	62,728	16,592	52,572	-
Compensated absences	146,813	83,232	416,184	-
Self-insurance claims payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>601,505</u>	<u>223,420</u>	<u>769,034</u>	<u>193,046</u>
Non-Current Liabilities:				
Compensated absences	155,295	156,241	476,923	-
Net OPEB liability	2,911,000	1,708,000	2,250,000	-
Self-insurance claims payable	-	-	-	-
Net pension liability	<u>4,494,505</u>	<u>3,100,333</u>	<u>13,129,822</u>	<u>-</u>
Total liabilities	<u>8,162,305</u>	<u>5,187,994</u>	<u>16,625,779</u>	<u>193,046</u>
Deferred Inflows of Resources:				
Deferred inflows related to OPEB	952,000	559,000	736,000	-
Deferred inflows related to pensions	<u>189,312</u>	<u>127,227</u>	<u>382,502</u>	<u>-</u>
Total deferred inflows of resources	<u>1,141,312</u>	<u>686,227</u>	<u>1,118,502</u>	<u>-</u>
<b>Net Position</b>				
Net investment in capital assets	12,573,558	107,142,146	8,732,248	749,805
Unrestricted	<u>40,392,205</u>	<u>(328,265)</u>	<u>(9,556,897)</u>	<u>1,223,357</u>
Total net position (deficit)	<u>\$ 52,965,763</u>	<u>\$ 106,813,881</u>	<u>\$ (824,649)</u>	<u>\$ 1,973,162</u>

City of Roseville, California  
Internal Service Funds  
Combining Statement of Net Position  
June 30, 2020

Self Insurance Funds				
Worker's Compensation	General Liability	Unemployment Reserve	General Benefits	Total
\$ 11,232,910	\$ 5,336,958	\$ 1,003,433	\$ 1,334,529	\$ 59,587,287
49,110	21,884	4,373	8,080	2,719,080
-	-	-	-	566,786
-	-	-	233,063	340,635
-	-	-	-	663,361
-	-	-	-	933,911
<u>11,282,020</u>	<u>5,358,842</u>	<u>1,007,806</u>	<u>1,575,672</u>	<u>64,811,060</u>
-	-	-	-	5,923,394
-	-	-	-	1,551,323
-	-	-	-	127,646,434
<u>11,282,020</u>	<u>5,358,842</u>	<u>1,007,806</u>	<u>1,575,672</u>	<u>199,932,211</u>
-	-	-	-	6,324,000
733,653	92,652	-	-	7,837,756
<u>733,653</u>	<u>92,652</u>	<u>-</u>	<u>-</u>	<u>14,161,756</u>
-	16,934	594,565	117,456	1,737,839
6,940	5,382	-	-	144,214
16,921	14,158	-	-	677,308
<u>1,537,940</u>	<u>518,554</u>	<u>-</u>	<u>-</u>	<u>2,056,494</u>
<u>1,561,801</u>	<u>555,028</u>	<u>594,565</u>	<u>117,456</u>	<u>4,615,855</u>
33,910	33,093	-	-	855,462
-	-	-	-	6,869,000
6,556,480	1,209,960	-	-	7,766,440
609,983	429,991	-	-	21,764,634
<u>8,762,174</u>	<u>2,228,072</u>	<u>594,565</u>	<u>117,456</u>	<u>41,871,391</u>
-	-	-	-	2,247,000
972,205	19,344	-	-	1,690,590
<u>972,205</u>	<u>19,344</u>	<u>-</u>	<u>-</u>	<u>3,937,590</u>
-	-	-	-	129,197,757
2,281,294	3,204,078	413,241	1,458,216	39,087,229
<u>\$ 2,281,294</u>	<u>\$ 3,204,078</u>	<u>\$ 413,241</u>	<u>\$ 1,458,216</u>	<u>\$ 168,284,986</u>



City of Roseville, California  
Internal Service Funds  
Combining Statements of Revenues, Expenses and Changes in Fund Net Position  
Year Ended June 30, 2020

	Fleet	Facilities	Information Technology	General Equipment Replacement
Operating Revenues				
Charges for services	\$ 14,419,147	\$ 5,809,235	\$ 10,860,297	\$ 1,000,000
Other	406,936	26,628	733	9,076
Total operating revenues	<u>14,826,083</u>	<u>5,835,863</u>	<u>10,861,030</u>	<u>1,009,076</u>
Operating Expenses				
Operations and maintenance	8,418,795	5,275,182	14,018,303	-
Depreciation and amortization	6,721,744	4,370,334	2,585,279	91,784
Claims expense	-	-	-	-
Total operating expenses	<u>15,140,539</u>	<u>9,645,516</u>	<u>16,603,582</u>	<u>91,784</u>
Operating Income (Loss)	<u>(314,456)</u>	<u>(3,809,653)</u>	<u>(5,742,552)</u>	<u>917,292</u>
Non-Operating Revenue (Expenses)				
Interest and rents revenue	1,208,894	38,768	69,521	19,213
Gain (loss) on disposal	(16,936)	(13,584)	-	-
Total non-operating revenue	<u>1,191,958</u>	<u>25,184</u>	<u>69,521</u>	<u>19,213</u>
Income (Loss) Before Contributions and transfers	<u>877,502</u>	<u>(3,784,469)</u>	<u>(5,673,031)</u>	<u>936,505</u>
Contributions	-	-	8,108,010	-
Transfers in	-	-	276,936	-
Transfers Out	(217,386)	(149,425)	(221,417)	-
Changes in Net Position	660,116	(3,933,894)	2,490,498	936,505
Net Position (Deficit) - Beginning	<u>52,305,647</u>	<u>110,747,775</u>	<u>(3,315,147)</u>	<u>1,036,657</u>
Net Position - Ending	<u>\$ 52,965,763</u>	<u>\$ 106,813,881</u>	<u>\$ (824,649)</u>	<u>\$ 1,973,162</u>

City of Roseville, California  
Internal Service Funds  
Combining Statements of Revenues, Expenses and Changes in Fund Net Position  
Year Ended June 30, 2020

Self Insurance Funds				
Worker's Compensation	General Liability	Unemployment Reserve	General Benefits	Total
\$ 3,993,300	\$ 2,415,273	\$ 90,710	\$ 2,092,233	\$ 40,680,195
118,342	-	-	19,847	581,562
<u>4,111,642</u>	<u>2,415,273</u>	<u>90,710</u>	<u>2,112,080</u>	<u>41,261,757</u>
160,159	2,206,060	-	121,082	30,199,581
-	-	-	-	13,769,141
<u>4,422,395</u>	<u>566,535</u>	<u>753,860</u>	<u>1,677,489</u>	<u>7,420,279</u>
<u>4,582,554</u>	<u>2,772,595</u>	<u>753,860</u>	<u>1,798,571</u>	<u>51,389,001</u>
<u>(470,912)</u>	<u>(357,322)</u>	<u>(663,150)</u>	<u>313,509</u>	<u>(10,127,244)</u>
338,488	151,474	29,610	(7,995)	1,847,973
-	-	-	-	(30,520)
<u>338,488</u>	<u>151,474</u>	<u>29,610</u>	<u>(7,995)</u>	<u>1,817,453</u>
<u>(132,424)</u>	<u>(205,848)</u>	<u>(633,540)</u>	<u>305,514</u>	<u>(8,309,791)</u>
-	-	-	-	8,108,010
-	-	-	-	276,936
<u>(54,813)</u>	<u>(42,777)</u>	<u>-</u>	<u>-</u>	<u>(685,818)</u>
<u>(187,237)</u>	<u>(248,625)</u>	<u>(633,540)</u>	<u>305,514</u>	<u>(610,663)</u>
<u>2,468,531</u>	<u>3,452,703</u>	<u>1,046,781</u>	<u>1,152,702</u>	<u>168,895,649</u>
<u>\$ 2,281,294</u>	<u>\$ 3,204,078</u>	<u>\$ 413,241</u>	<u>\$ 1,458,216</u>	<u>\$ 168,284,986</u>

City of Roseville, California  
Internal Service Funds  
Combining Statement of Cash Flows  
Year Ended June 30, 2020

	Fleet	Facilities	Information Technology	General Equipment Replacement
Operating Activities				
Receipts from customers	\$ 14,396,781	\$ 5,784,273	\$ 10,859,772	\$ 1,012,921
Payments to suppliers	(5,292,756)	(3,763,932)	(2,832,667)	-
Payments to employees	(3,026,061)	(1,734,822)	(6,398,569)	-
Claims paid	-	-	-	-
Other receipts (payments)	406,936	26,628	733	-
Net Cash Provided by (Used for) Operating Activities	<u>6,484,900</u>	<u>312,147</u>	<u>1,629,269</u>	<u>1,012,921</u>
Non-Capital Financing Activities				
Payments from other governmental agencies	1,269	-	-	-
Receipt of payments on notes receivables	215,345	-	67,532	-
Increase (decrease) in advances to other funds	(2,648,214)	-	-	-
Transfers in	-	-	276,936	-
Transfers out	(217,386)	(149,425)	(221,417)	-
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>(2,648,986)</u>	<u>(149,425)</u>	<u>123,051</u>	<u>-</u>
Capital and Related Financing Activities				
Acquisition of capital assets, net	(3,238,644)	(107,918)	(898,996)	(220,460)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(3,238,644)</u>	<u>(107,918)</u>	<u>(898,996)</u>	<u>(220,460)</u>
Cash Flows from Investing Activities				
Interest received (paid)	1,156,963	40,731	72,102	16,197
Net Cash Provided by (used for) Investing Activities	<u>1,156,963</u>	<u>40,731</u>	<u>72,102</u>	<u>16,197</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,754,233	95,535	925,426	808,658
Cash and Investments at Beginning of Period	<u>33,316,242</u>	<u>1,583,634</u>	<u>1,591,156</u>	<u>604,573</u>
Cash and Investments at End of Period	<u>\$ 35,070,475</u>	<u>\$ 1,679,169</u>	<u>\$ 2,516,582</u>	<u>\$ 1,413,231</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ (314,456)	\$ (3,809,653)	\$ (5,742,552)	\$ 917,292
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	6,721,744	4,370,334	2,585,279	91,784
OPEB expense	889,000	(314,000)	2,217,000	-
Pension expense	(192,813)	458,416	2,382,725	-
Change in Assets and Liabilities:				
Receivables, Net	(22,366)	-	(525)	3,845
Prepays	115,696	-	-	-
Inventories	(65,750)	(9,994)	-	-
Accounts payable and other liabilities	(646,155)	(382,956)	187,342	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ 6,484,900</u>	<u>\$ 312,147</u>	<u>\$ 1,629,269</u>	<u>\$ 1,012,921</u>

City of Roseville, California  
Internal Service Funds  
Combining Statement of Cash Flows  
Year Ended June 30, 2020

Self Insurance Funds				
Worker's Compensation	General Liability	Unemployment Reserve	General Benefits	Total
\$ 4,107,753	\$ 2,413,528	\$ 90,362	\$ 2,093,292	\$ 40,758,682
(369,069)	(2,027,423)	-	(136,625)	(14,422,472)
(780,001)	(655,440)	(159,295)	(1,677,489)	(14,431,677)
(3,911,776)	-	-	-	(3,911,776)
-	-	-	19,847	454,144
<u>(953,093)</u>	<u>(269,335)</u>	<u>(68,933)</u>	<u>299,025</u>	<u>8,446,901</u>
-	-	-	-	1,269
-	-	-	-	282,877
-	-	-	-	(2,648,214)
-	-	-	-	276,936
<u>(54,813)</u>	<u>(42,777)</u>	<u>-</u>	<u>-</u>	<u>(685,818)</u>
<u>(54,813)</u>	<u>(42,777)</u>	<u>-</u>	<u>-</u>	<u>(2,772,950)</u>
<u>45,119</u>	<u>33,083</u>	<u>-</u>	<u>-</u>	<u>(4,387,816)</u>
<u>45,119</u>	<u>33,083</u>	<u>-</u>	<u>-</u>	<u>(4,387,816)</u>
<u>355,549</u>	<u>158,017</u>	<u>31,147</u>	<u>(7,230)</u>	<u>1,823,476</u>
<u>355,549</u>	<u>158,017</u>	<u>31,147</u>	<u>(7,230)</u>	<u>1,823,476</u>
(607,238)	(121,012)	(37,786)	291,795	3,109,611
<u>11,840,148</u>	<u>5,457,970</u>	<u>1,041,219</u>	<u>1,042,734</u>	<u>56,477,676</u>
<u>\$ 11,232,910</u>	<u>\$ 5,336,958</u>	<u>\$ 1,003,433</u>	<u>\$ 1,334,529</u>	<u>\$ 59,587,287</u>
\$ (470,912)	\$ (357,322)	\$ (663,150)	\$ 313,509	\$ (10,127,244)
-	-	-	-	13,769,141
-	-	-	-	2,792,000
27,928	(22,649)	-	-	2,653,607
(3,889)	(1,745)	(348)	1,059	(23,969)
-	-	-	-	115,696
-	-	-	-	(75,744)
<u>(506,220)</u>	<u>112,381</u>	<u>594,565</u>	<u>(15,543)</u>	<u>(656,586)</u>
<u>\$ (953,093)</u>	<u>\$ (269,335)</u>	<u>\$ (68,933)</u>	<u>\$ 299,025</u>	<u>\$ 8,446,901</u>

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Private-Purpose Trust funds are used to account for trust arrangements under which principal and income benefit private organizations or other governments.

Endowment Private-Purpose Trust Fund. To account for trust arrangements under which principal and income benefit private organizations.

Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund. Established to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Roseville.

City of Roseville, California  
Private-Purpose Trust Funds  
Combining Statement of Fiduciary Net Position  
June 30, 2020

	<u>Endowment Private-Purpose Trust</u>	<u>Successor Agency to the Redevelopment Agency Private-Purpose Trust</u>	<u>Total</u>
<b>Assets:</b>			
Cash and investments in Treasury	\$ 1,963,012	\$ 4,603,331	\$ 6,566,343
Restricted cash and investments with fiscal agents	-	251,946	251,946
Receivables	4,788	718,479	723,267
Notes receivable	-	3,472,944	3,472,944
Capital assets:			
Land	-	74,369	74,369
Total assets	<u>1,967,800</u>	<u>9,121,069</u>	<u>11,088,869</u>
<b>Liabilities:</b>			
Accounts payable	2	16,084	16,086
Accrued liabilities	-	775,360	775,360
Long-term liabilities:			
Due in one year	-	2,598,699	2,598,699
Due in more than one year	-	43,940,877	43,940,877
Total liabilities	<u>2</u>	<u>47,331,020</u>	<u>47,331,022</u>
<b>Net Position (Deficit)</b>			
Held in trust for private purposes or for other governments	<u>\$ 1,967,798</u>	<u>\$ (38,209,951)</u>	<u>\$ (36,242,153)</u>

City of Roseville, California  
Private-Purpose Trust Funds  
Combining Statement of Changes in Fiduciary Net Position  
Year Ended June 30, 2020

	Endowment Private-Purpose Trust	Successor Agency to the Redevelopment Agency Private-Purpose Trust	Total
Additions			
Property taxes	\$ -	\$ 3,751,088	\$ 3,751,088
Investment income	48,847	210,441	259,288
Total additions	<u>48,847</u>	<u>3,961,529</u>	<u>4,010,376</u>
Deductions			
General government	12,366	-	12,366
Community services	-	1,275,445	1,275,445
Debt service:			
Interest and fiscal charges	-	333,191	333,191
Total liabilities	<u>12,366</u>	<u>1,608,636</u>	<u>1,621,002</u>
Change in net position before special items	36,481	2,352,893	2,389,374
Change in net position	36,481	2,352,893	2,389,374
Net Position (Deficit) - Beginning	<u>1,931,317</u>	<u>(40,562,844)</u>	<u>(38,631,527)</u>
Net Position (Deficit) - Ending	<u>\$ 1,967,798</u>	<u>\$ (38,209,951)</u>	<u>\$ (36,242,153)</u>



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Agency Funds account for assets held by the City as an agent for individuals, governmental entities, and non-public organizations. These funds include the following:

Special Assessments/Community Services Districts (CSDs). These funds account for the monies collected and disbursed for land-based debt, where the City is not obligated for the debt.

North Roseville – Rocklin Sewer Refunding District. To account for debt service related to bonds issued to finance the construction of sewer infrastructure in North Roseville and Rocklin

Foothills Boulevard Extension Assessment. To collect fees from new development to finance the extension of Foothills Boulevard.

Highway 65 JPA (Bizz Johnson JPA). This JPA, which consists of the City, City of Rocklin and Placer County, was formed to fund interchanges off of Highway 65. The City acts as lead agency and treasurer. The fees are collected via building permits.

Dry Creek Drainage Basin. Fees are collected via building permits for the Dry Creek area and submitted quarterly to Placer County for drainage mitigation.

County Capital Facilities Fee. This fee was established by the County to fund future county capital facilities from development. It is collected via building permits and submitted quarterly to the County.

South Placer Wastewater Authority (SPWA). SPWA is a Joint Powers Authority comprised of the City, Placer County and South Placer Public Utilities District. The City is acting as the treasurer and construction manager. This JPA was formed to issue debt to facilitate the construction of the regional wastewater infrastructure. The agencies collect regional wastewater connection fees and submit them to SPWA which is used for debt service payments and for the future expansion of facilities.

Special Sewer Benefit Areas. The Sewer Special Benefit Areas were established to reimburse from properties benefiting from certain sewer infrastructure and oversized pipelines in portions of the City. The reimbursements are made to various project participants.

South Placer County Tourism Business Improvement District (SPCTBID). All hotels in the region are assessed fees for the purpose of promoting tourism in the area. These fees are forwarded to the City quarterly and then submitted quarterly to the SPCTBID.

South Placer County Safe Kids Coalition. The fees are collected for and submitted to an organization in Placer County for child safety programs.

External Traffic Mitigation Fees. These fees are collected via building permits and submitted quarterly to Placer County and Placer County Transportation Authority to fund regional traffic mitigation due to new developments.

Placer County Air Pollution Control Fund. The fee is collected to contribute towards construction of a future animal shelter in South Placer County.

Sierra College Boulevard Fund. To account for contributions to provide maintenance of bike trails and open space.

Special Assessment Collection Fees. To account for fees collected for Placer County's administration of the City's Special Assessments.

Developer Reimbursements. To account for developer reimbursements.

City of Roseville, California  
 Agency Funds  
 Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
<b>Special Assessments and</b>				
<b>Community Services Districts</b>				
Cash and investments in City Treasury	25,827,047	\$ 23,882,617	\$ 25,827,047	\$ 23,882,617
Restricted cash and investments with fiscal agents	23,208,059	26,092,565	23,208,059	26,092,565
Receivables	15,219,018	16,324,460	15,219,018	16,324,460
Total Assets	<u>\$ 64,254,124</u>	<u>\$ 66,299,642</u>	<u>\$ 64,254,124</u>	<u>\$ 66,299,642</u>
Accounts payable	\$ 7,186	\$ 8,996	\$ 7,186	\$ 8,996
Accrued Liabilities	4,871	5,099,779	4,871	5,099,779
Due to others	6,827	-	6,827	-
Due to bondholders	64,235,240	61,190,867	64,235,240	61,190,867
Total Liabilities	<u>\$ 64,254,124</u>	<u>\$ 66,299,642</u>	<u>\$ 64,254,124</u>	<u>\$ 66,299,642</u>
<b>North Roseville Rocklin Sewer Refunding District</b>				
Cash and investments in City Treasury	<u>\$ 3,391</u>	<u>\$ 3,505</u>	<u>\$ 3,391</u>	<u>\$ 3,505</u>
Accounts payable	\$ -	\$ 4	\$ -	\$ 4
Due to bondholders	3,391	3,501	3,391	3,501
Total Liabilities	<u>\$ 3,391</u>	<u>\$ 3,505</u>	<u>\$ 3,391</u>	<u>\$ 3,505</u>
<b>Foothills Blvd Extension Assessment</b>				
Cash and investments in City Treasury	<u>\$ 1,376</u>	<u>\$ 1,422</u>	<u>\$ 1,376</u>	<u>\$ 1,422</u>
Due to bondholders	<u>\$ 1,376</u>	<u>\$ 1,422</u>	<u>\$ 1,376</u>	<u>\$ 1,422</u>
<b>Highway 65 JPA</b>				
Cash and investments in City Treasury	\$ 354,228	\$ 451,432	\$ 354,228	\$ 451,432
Receivables	134,729	50,039	134,729	50,039
Total Assets	<u>\$ 488,957</u>	<u>\$ 501,471</u>	<u>\$ 488,957</u>	<u>\$ 501,471</u>
Accounts payable	\$ 165,275	259,973	\$ 165,275	\$ 259,973
Due to member agencies	323,682	241,498	323,682	241,498
Total Liabilities	<u>\$ 488,957</u>	<u>\$ 501,471</u>	<u>\$ 488,957</u>	<u>\$ 501,471</u>
<b>Dry Creek Drainage Basin</b>				
Cash and investments in City Treasury	\$ 25,432	\$ 1,622	\$ 25,432	\$ 1,622
Receivables	39	39	39	39
Total Assets	<u>\$ 25,471</u>	<u>\$ 1,661</u>	<u>\$ 25,471</u>	<u>\$ 1,661</u>
Accounts payable	\$ 25,258	\$ -	\$ 25,258	\$ -
Due to others	213	1,661	213	1,661
Total Liabilities	<u>\$ 25,471</u>	<u>\$ 1,661</u>	<u>\$ 25,471</u>	<u>\$ 1,661</u>

(Continued)

City of Roseville, California  
 Agency Funds  
 Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
<b>County Capital Facilities Fee</b>				
Cash and investments in City Treasury	\$ 620,300	\$ 734,404	\$ 620,300	\$ 734,404
Receivables	2,236	1,235	2,236	1,235
Total Assets	<u>\$ 622,536</u>	<u>\$ 735,639</u>	<u>\$ 622,536</u>	<u>\$ 735,639</u>
Accounts payable	\$ 619,412	\$ 712,408	\$ 619,412	\$ 712,408
Due to others	3,124	23,231	3,124	23,231
Total Liabilities	<u>\$ 622,536</u>	<u>\$ 735,639</u>	<u>\$ 622,536</u>	<u>\$ 735,639</u>
<b>South Placer Wastewater Authority</b>				
Cash and investments in City Treasury	\$ 126,628,392	\$ 128,965,393	\$ 126,628,392	\$ 128,965,393
Restricted cash and investments with fiscal agents	39,728,329	43,162,181	39,728,329	43,162,181
Receivables	1,070,919	644,170	1,070,919	644,170
Total Assets	<u>\$ 167,427,640</u>	<u>\$ 172,771,744</u>	<u>\$ 167,427,640</u>	<u>\$ 172,771,744</u>
Accounts payable	\$ 127,055	\$ 2,295,034	\$ 127,055	\$ 2,295,034
Accrued liabilities	820,462	-	820,462	-
Due to member agencies	166,480,123	170,476,710	166,480,123	170,476,710
Total Liabilities	<u>\$ 167,427,640</u>	<u>\$ 172,771,744</u>	<u>\$ 167,427,640</u>	<u>\$ 172,771,744</u>
<b>Special Sewer Benefit Areas</b>				
Cash and investments in City Treasury	\$ 194,930	\$ 201,287	\$ 194,930	\$ 201,287
Receivables	1,043	747	1,043	747
Total Assets	<u>\$ 195,973</u>	<u>\$ 202,034</u>	<u>\$ 195,973</u>	<u>\$ 202,034</u>
Due to others	<u>\$ 195,973</u>	<u>\$ 202,034</u>	<u>\$ 195,973</u>	<u>\$ 202,034</u>
<b>South Placer County Tourism Business Improvement District (SPCTBID)</b>				
Cash and investments in City Treasury	\$ 30,084	\$ 29,007	\$ 30,084	\$ 29,007
Restricted cash and investments with fiscal agents	8,066,592	8,066,347	8,066,592	8,066,347
Receivables	1,233,857	728,412	1,233,857	728,412
Total Assets	<u>\$ 9,330,533</u>	<u>\$ 8,823,766</u>	<u>\$ 9,330,533</u>	<u>\$ 8,823,766</u>
Accounts payable	\$ 730,841	\$ 212,424	\$ 730,841	\$ 212,424
Due to others	8,599,692	8,611,342	8,599,692	8,611,342
Total Liabilities	<u>\$ 9,330,533</u>	<u>\$ 8,823,766</u>	<u>\$ 9,330,533</u>	<u>\$ 8,823,766</u>

(Continued)

City of Roseville, California  
Agency Funds  
Statement of Changes in Assets and Liabilities  
Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
<b><u>South Placer County Safe Kids Coalition</u></b>				
Cash and investments in City Treasury	\$ 4,457	\$ 4,609	\$ 4,457	\$ 4,609
Receivables	24	16	24	16
Total Assets	<u>\$ 4,481</u>	<u>\$ 4,625</u>	<u>\$ 4,481</u>	<u>\$ 4,625</u>
Due to others	<u>\$ 4,481</u>	<u>\$ 4,625</u>	<u>\$ 4,481</u>	<u>\$ 4,625</u>
<b><u>External Traffic Mitigation Fees</u></b>				
Cash and investments in City Treasury	\$ 1,004,808	\$ 772,985	\$ 1,004,808	\$ 772,985
Receivables	2,821	1,257,244	2,821	1,257,244
Total Assets	<u>\$ 1,007,629</u>	<u>\$ 2,030,229</u>	<u>\$ 1,007,629</u>	<u>\$ 2,030,229</u>
Accounts payable	\$ 991,000	\$ 735,598	\$ 991,000	\$ 735,598
Due to others	16,629	1,294,631	16,629	1,294,631
Total Liabilities	<u>\$ 1,007,629</u>	<u>\$ 2,030,229</u>	<u>\$ 1,007,629</u>	<u>\$ 2,030,229</u>
<b><u>Placer County Air Pollution Control</u></b>				
Cash and investments in City Treasury	<u>\$ 32,586</u>	<u>\$ 29,371</u>	<u>\$ 32,586</u>	<u>\$ 29,371</u>
Due to others	<u>\$ 32,586</u>	<u>\$ 29,371</u>	<u>\$ 32,586</u>	<u>\$ 29,371</u>
<b><u>Sierra College Boulevard</u></b>				
Cash and investments in City Treasury	\$ 18,225	\$ 15,206	\$ 18,225	\$ 15,206
Receivables	-	7	-	7
Total Assets	<u>\$ 18,225</u>	<u>\$ 15,213</u>	<u>\$ 18,225</u>	<u>\$ 15,213</u>
Due to others	<u>\$ 18,225</u>	<u>\$ 15,213</u>	<u>\$ 18,225</u>	<u>\$ 15,213</u>
<b><u>Special Assessment Collection Fees</u></b>				
Cash and investments in City Treasury	<u>\$ 13,122</u>	<u>\$ 13,573</u>	<u>\$ 13,122</u>	<u>\$ 13,573</u>
Due to other governmental agencies	<u>\$ 13,122</u>	<u>\$ 13,573</u>	<u>\$ 13,122</u>	<u>\$ 13,573</u>
<b><u>Developer Reimbursements</u></b>				
Cash and investments in City Treasury	\$ 1,769,650	\$ 2,622,489	\$ 1,769,650	\$ 2,622,489
Receivables	8,134	5,878	8,134	5,878
Total Assets	<u>\$ 1,777,784</u>	<u>\$ 2,628,367</u>	<u>\$ 1,777,784</u>	<u>\$ 2,628,367</u>
Accounts payable	\$ 241,194	\$ 793,615	\$ 241,194	\$ 793,615
Due to others	1,485,865	1,715,510	1,485,865	1,715,510
Due to other governmental agencies	50,725	119,242	50,725	119,242
Total Liabilities	<u>\$ 1,777,784</u>	<u>\$ 2,628,367</u>	<u>\$ 1,777,784</u>	<u>\$ 2,628,367</u>

City of Roseville, California  
 Agency Funds  
 Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 2020

<u><b>Total Agency Funds</b></u>				
Cash and investments in City Treasury	\$ 156,528,028	\$ 157,728,922	\$ 156,528,028	\$ 157,728,922
Restricted cash and investments with fiscal agents	71,002,980	77,321,093	71,002,980	77,321,093
Receivables	<u>17,672,820</u>	<u>19,012,247</u>	<u>17,672,820</u>	<u>19,012,247</u>
 Total Assets	 <u>\$ 245,203,828</u>	 <u>\$ 254,062,262</u>	 <u>\$ 245,203,828</u>	 <u>\$ 254,062,262</u>
 Accounts payable	 \$ 2,907,221	 \$ 5,018,052	 \$ 2,907,221	 \$ 5,018,052
Accrued liabilities	825,333	5,099,779	825,333	5,099,779
Due to other governmental agencies	63,847	132,815	63,847	132,815
Due to member agencies	166,803,805	170,718,208	166,803,805	170,718,208
Due to bondholders	64,240,007	61,195,790	64,240,007	61,195,790
Due to others	<u>10,363,615</u>	<u>11,897,618</u>	<u>10,363,615</u>	<u>11,897,618</u>
 Total Liabilities	 <u>\$ 245,203,828</u>	 <u>\$ 254,062,262</u>	 <u>\$ 245,203,828</u>	 <u>\$ 254,062,262</u>

Statistical Section

June 30, 2020

**City of Roseville, California**



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This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and financial condition have changed over time:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

**Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources, the sales tax, property tax, and electric revenue:

Sales Tax Revenue

Assessed Value and Estimated Value of Taxable Property

Property Tax Rates, All Direct and Overlapping Governments

Principal Property Tax Payers

Property Tax Levies and Collections

Electric Customers and Revenues

Residential Energy Prices

Business Energy Prices

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

Ratio of Outstanding Debt by Type

Revenue Bond Coverage – 2011 Refunding Fixed Rate Wastewater Revenue Bonds – Series C

Revenue Bond Coverage – 2020 Wastewater Refunding Revenue Bonds

Revenue Bond Coverage – 2017 Wastewater Revenue Refunding Bonds

Bonded Debt Pledged Revenue Coverage –2014 Redevelopment Tax Allocation Bonds

Bonded Debt Pledged Revenue Coverage –2016 Redevelopment Tax Allocation Bonds

Computation of Direct and Overlapping Debt

Computation of Legal Bonded Debt Margin

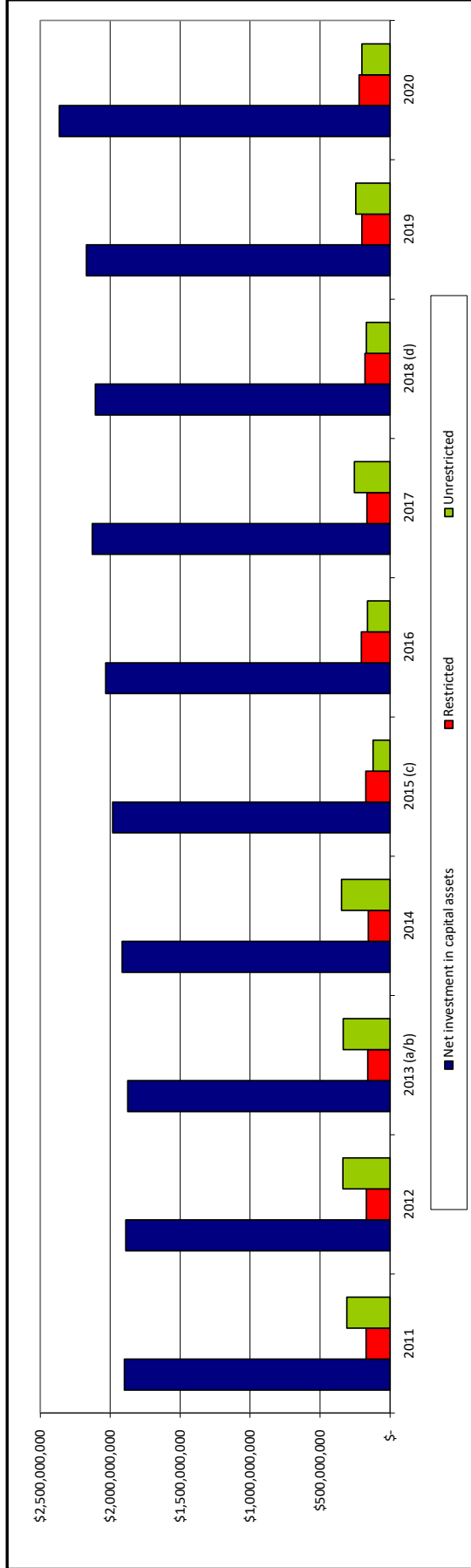
**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

Demographic and Economic Statistics

Principal Employers

**CITY OF ROSEVILLE**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**



	Fiscal Year Ended June 30,									
	2011	2012	2013 (a/b)	2014	2015 (c)	2016	2017	2018 (d)	2019	2020
<b>Governmental activities</b>										
Net investment in capital assets	\$827,793,866	\$834,840,748	\$837,323,692	\$828,800,273	\$844,036,089	\$874,967,712	\$963,416,426	\$930,356,095	\$938,614,328	\$1,013,822,662
Restricted	144,584,184	140,299,702	131,372,528	123,592,373	139,686,598	171,581,599	128,500,453	130,786,912	155,247,564	166,271,014
Unrestricted	84,860,426	94,429,280	90,617,991	75,908,251	(94,115,158)	(93,575,847)	(42,897,806)	(125,570,328)	(101,759,015)	(132,007,818)
Total governmental activities net position	\$1,057,238,476	\$1,069,569,730	\$1,059,314,211	\$1,028,300,897	\$889,607,529	\$952,973,464	\$1,049,019,073	\$935,572,679	\$992,102,877	\$1,048,085,838
<b>Business-type activities</b>										
Net investment in capital assets	\$1,070,888,251	\$1,053,701,396	\$1,036,619,532	\$1,084,782,351	1,137,488,311	1,156,762,308	1,164,442,267	1,174,477,350	1,231,485,112	1,350,027,938
Restricted	26,825,766	28,837,472	27,217,358	31,557,118	33,974,831	33,300,330	35,568,403	48,717,018	45,469,335	53,658,787
Unrestricted	224,337,296	241,020,358	243,176,781	270,348,547	214,253,723	255,100,345	298,014,583	294,622,023	345,923,257	333,608,421
Total business-type activities net position	\$1,322,051,313	\$1,323,559,226	\$1,307,013,671	\$1,386,688,016	\$1,385,716,865	\$1,445,162,983	\$1,498,025,253	\$1,517,816,391	\$1,622,877,704	\$1,737,295,146
<b>Primary government</b>										
Net investment in capital assets	\$1,898,682,117	\$1,888,542,144	\$1,873,943,224	\$1,913,582,624	\$1,981,524,400	\$2,031,730,020	\$2,127,858,693	\$2,104,833,445	\$2,170,099,440	\$2,363,850,600
Restricted	171,409,950	169,137,174	158,589,886	155,149,491	173,661,429	204,881,929	164,068,856	179,503,930	200,716,899	219,929,801
Unrestricted	309,197,722	335,449,638	333,794,772	346,256,798	120,138,565	161,524,498	255,116,777	169,051,695	244,164,242	201,600,603
Total primary government net position	\$2,379,289,789	\$2,393,128,956	\$2,366,327,882	\$2,414,988,913	\$2,275,324,394	\$2,398,136,447	\$2,547,044,326	\$2,453,389,070	\$2,614,980,581	\$2,785,381,004

(a) The City implemented the provisions of GASB Statement 63 in fiscal year 2013, which replaced the term "net assets" with the term "net position."  
 (b) The City restated certain balances in fiscal year 2014; the statistics prior to 2014 have not been restated.  
 (c) The City implemented the provisions of GASB Statements 68 and 71 in fiscal year 2015; the statistics prior to 2015 have not been restated.  
 (d) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

Source: City of Roseville's Comprehensive Annual Financial Report

**CITY OF ROSEVILLE**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2011	2012	2013 (a)	2014	2015 (b)	2016	2017	2018 (c)	2019	2020
<b>Expenses</b>										
Governmental Activities:										
General Government	\$30,387,717	\$35,564,864	\$36,146,055	\$42,359,074	\$33,259,988	\$24,156,228	\$23,477,949	\$19,793,110	\$16,000,782	\$20,144,744
Development and Operations	13,441,264	11,625,120	6,070,940	14,194,087	20,677,108	21,661,632	22,387,337	25,227,066	28,999,967	57,985,840
Public Works	30,932,981	32,524,417	42,655,128	26,482,643	17,191,405	12,786,495	15,499,737	21,316,464	10,732,197	17,390,714
Police	31,720,789	31,262,454	33,163,354	34,443,258	33,163,354	34,215,809	27,989,234	46,653,023	51,686,063	47,310,738
Fire	25,191,924	25,282,596	26,611,217	28,183,501	28,700,164	28,336,652	21,870,763	38,336,994	42,893,789	36,861,715
Library	3,933,549	4,631,691	4,537,528	4,634,502	4,728,411	4,675,146	3,536,937	5,888,252	6,095,245	4,756,588
Parks and recreation	17,664,088	20,209,935	22,032,310	13,939,153	21,676,066	21,289,788	19,273,481	28,848,599	29,543,138	31,791,977
Housing assistance payments	3,643,394	4,232,695	4,049,279	3,838,070	4,046,250	4,077,451	4,216,417	4,288,895	4,673,550	7,386,919
Interest on long-term debt	3,181,266	999,436	1,274,294	740,975	544,336	1,170,785	4,285,329	4,798,427	1,304,195	1,484,120
Total Governmental Activities Expenses	\$160,096,972	\$166,333,208	\$176,540,105	\$168,835,263	\$164,647,830	\$152,369,986	\$142,357,184	\$195,110,830	\$191,928,906	\$225,113,355
Business-Type Activities:										
Electric	\$148,271,687	\$144,985,608	\$144,141,500	\$144,616,552	\$139,307,833	\$141,831,457	\$150,984,130	\$149,337,786	\$140,049,539	\$139,578,420
Water	22,335,757	24,311,517	24,369,405	25,300,949	25,123,587	26,723,627	30,074,999	32,296,706	31,518,663	37,477,974
Wastewater	29,516,033	34,587,583	33,820,510	36,129,357	34,558,191	34,569,588	40,370,531	45,984,028	57,655,228	45,807,920
Solid Waste	14,979,891	15,855,280	16,113,643	16,113,643	17,028,218	17,778,385	18,307,460	22,628,907	24,131,176	26,489,550
Natural Gas	27,106,564	26,792,658	26,383,130	25,984,715	25,574,327	25,179,279	24,685,497	24,217,677	23,711,730	23,226,521
Golf Course	2,828,099	2,487,080	2,617,733	2,501,897	2,598,524	2,502,782	2,466,928	2,466,928	2,466,928	0
Local Transportation	6,609,048	6,727,985	7,909,058	7,482,689	8,918,391	7,985,912	8,195,699	9,895,357	10,441,459	10,790,475
School-age Child Care	4,277,245	4,461,275	4,691,235	4,496,871	3,664,376	5,251,976	5,994,022	7,866,178	7,027,545	9,732,622
Total Business-Type Activities Expenses	\$259,924,324	\$260,208,986	\$260,306,214	\$262,626,500	\$256,773,447	\$261,823,007	\$280,879,266	\$292,226,639	\$294,535,340	\$293,103,482
Total Primary Government Expenses	\$416,021,296	\$426,542,194	\$436,846,319	\$431,461,763	\$421,421,277	\$414,192,993	\$423,236,450	\$487,337,469	\$486,464,246	\$518,216,837
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$2,914,657	\$2,778,080	\$2,650,873	\$2,519,443	\$4,151,967	\$4,097,453	\$5,153,373	\$5,688,733	\$4,426,702	\$4,405,118
Development and Operations	2,564,206	1,983,989	1,691,318	7,131,093	9,016,571	8,941,215	10,370,206	12,440,599	12,124,757	15,847,685
Public Works	2,913,603	2,919,180	3,124,557	224,389	207,635	30,618	518,117	158,610	222,332	1,459,973
Police	1,525,433	1,319,271	1,504,357	1,541,641	1,384,407	1,354,837	1,322,994	1,473,504	1,535,265	1,020,556
Fire	1,203,109	1,009,954	821,543	1,326,015	1,525,539	1,704,523	2,377,309	2,138,165	2,619,760	1,271,615
Library	228,343	339,589	297,467	332,387	137,575	128,689	24,085	18,361	15,069	94,298
Parks and recreation	10,057,346	10,242,291	12,574,853	11,391,414	13,361,020	13,093,192	14,657,957	17,469,661	18,747,740	6,445,595
Operating Grants and Contributions	10,943,019	2,984,979	9,609,400	10,996,049	12,420,283	18,730,677	21,033,377	17,220,739	16,951,285	18,652,630
Capital Grants and Contributions	11,716,689	19,862,713	21,787,386	22,489,470	29,838,252	38,641,052	35,523,510	27,774,425	40,652,774	69,325,319
Total Government Activities Program Revenues	44,066,405	43,440,046	54,061,754	57,951,901	72,043,249	86,722,256	90,980,928	84,382,997	97,295,684	118,522,789
Business-Type Activities:										
Charges for Services:										
Electric	163,234,969	160,141,372	159,002,035	162,182,048	168,349,951	167,160,777	166,006,839	168,559,762	168,047,418	\$162,547,979
Water	17,967,074	19,954,068	22,899,867	23,212,495	23,511,499	22,960,518	27,983,419	31,624,951	32,851,109	34,797,988
Wastewater	30,472,704	28,088,503	27,603,272	30,398,896	31,786,319	34,411,404	39,000,990	37,426,508	43,389,397	42,065,481
Solid Waste	20,682,638	20,903,993	21,437,536	21,806,830	22,002,869	22,403,352	23,111,497	24,257,746	25,227,177	26,859,636
Natural Gas	16,528,513	16,563,722	16,530,605	16,529,666	16,528,513	16,572,034	16,528,513	16,528,513	16,738,649	16,563,725
Golf Course	2,415,583	2,702,741	2,460,509	2,392,702	2,386,188	2,216,692	1,931,550	1,138,726	1,114,798	923,491
Local Transportation	949,192	974,344	1,075,864	1,141,354	1,177,935	1,396,957	1,396,957	1,138,726	1,114,798	923,491
School-age Child Care	4,296,761	4,047,021	4,475,225	4,780,848	4,273,030	5,475,945	5,680,237	6,396,920	6,867,594	5,431,246
Operating Grants and Contributions	6,174,016	13,729,467	14,272,710	13,286,509	14,272,710	5,878,612	10,640,845	12,614,825	24,255,105	11,478,132
Capital Grants and Contributions	16,234,957	12,323,429	17,501,234	43,529,243	50,670,825	55,809,279	61,026,801	78,824,553	74,948,559	97,350,203
Total Business-Type Activities Program Revenue	278,956,407	279,428,660	280,251,269	319,270,591	334,983,128	334,066,548	353,307,648	377,572,504	393,439,806	398,017,881
Total Primary Government Program Revenues	\$323,022,812	\$322,868,706	\$334,313,023	\$377,222,492	\$407,026,377	\$420,788,804	\$444,288,576	\$461,755,501	\$490,735,490	\$516,540,670
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(\$116,030,567)	(\$122,893,162)	(\$122,478,351)	(\$110,883,362)	(\$92,604,581)	(\$65,647,730)	(\$51,376,256)	(\$110,727,833)	(\$94,633,222)	(\$106,590,566)
Business-Type Activities	23,032,083	19,219,674	19,945,055	56,644,091	78,209,681	72,243,541	72,428,382	83,145,865	98,904,466	104,914,399
Total Primary Government Net Expense	(\$92,998,484)	(\$103,673,488)	(\$102,533,296)	(\$54,239,271)	(\$14,394,900)	\$6,595,811	\$21,052,126	(\$25,581,968)	\$4,271,244	(\$1,676,167)

(Continued)

**CITY OF ROSEVILLE**  
**CHANGES IN NET POSITION**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2011	2012	2013 (a)	2014	2015 (b)	2016	2017	2018 (c)	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes:										
Sales taxes	\$37,332,222	\$38,129,931	\$43,002,643	\$46,591,961	\$48,094,824	\$52,993,394	\$51,646,625	\$50,710,102	\$60,574,316	\$72,369,119
Property taxes	34,721,253	31,758,352	31,075,967	31,930,656	34,728,281	37,998,872	40,689,765	44,646,475	48,647,608	52,375,495
Motor vehicle in lieu (Intergovernmental- unrestricted)	-	122,230	-	-	-	-	-	-	-	-
Transient occupancy taxes	-	-	-	-	-	-	-	-	-	-
Other Taxes	2,936,778	6,626,071	6,465,560	7,465,472	7,186,709	7,745,155	7,104,703	3,534,479	3,632,822	3,528,221
Franchise fees	1,735,495	1,822,869	1,874,700	2,037,189	2,057,707	2,168,413	2,310,192	4,854,967	4,725,497	15,357,338
Use of money and property	3,645,241	3,245,932	533,505	2,414,976	1,765,604	3,058,420	674,516	2,008,801	2,280,503	2,023,411
Miscellaneous revenues	1,089,608	1,511,125	2,113,638	420,959	414,279	191,255	18,688,013	10,143,729	10,844,582	5,667,846
Transfers	26,144,153	30,374,582	25,212,344	(11,480,648)	27,704,787	24,853,427	20,662,506	16,710,815	16,110,901	128,480
Extraordinary item:										
Gain/(Loss) from sales of capital assets	-	-	-	43,992	1,699,847	4,729	25,137	3,522	1,523,918	899,851
Assets transferred to/liabilities assumed by										
Successor Agency	-	34,223,315	-	7,107,581	-	-	-	-	-	-
Cancellation of loans receivable from										
Successor Agency	-	-	-	(5,847,668)	-	-	-	-	-	-
Restructuring of interest on loans receivable from										
Successor Agency	-	-	-	(814,422)	-	-	-	-	-	-
Total Government Activities	108,128,359	147,812,407	110,278,357	79,870,048	123,650,038	129,013,665	141,801,457	134,976,267	151,163,420	162,573,547
Business-Type Activities:										
Use of money and property	12,812,162	12,662,821	11,245,022	11,499,354	11,274,851	12,056,004	8,940,537	8,829,420	22,202,296	19,716,829
Miscellaneous revenues	-	-	150,119	-	-	-	-	-	-	-
Transfers	(26,144,153)	(30,374,582)	(25,212,344)	11,480,648	(27,704,787)	(24,853,427)	(20,662,506)	(16,710,815)	(16,110,901)	(10,223,786)
Gain/(Loss) from sales of capital assets	-	-	(2,715,022)	50,252	(2,028,306)	-	-	(548,308)	65,452	-
Special Item	(13,331,991)	(17,711,761)	(56,532,225)	23,030,254	(18,458,242)	(12,797,423)	(11,721,969)	(8,429,703)	-	-
Total Business-Type Activities	\$94,796,368	\$150,100,646	\$73,746,132	\$102,900,302	\$105,191,796	\$116,216,242	\$130,079,488	\$126,546,564	\$157,320,267	\$172,066,590
Total Primary Government										
Change in Net Position										
Governmental Activities	(\$7,902,208)	\$24,919,245	(\$12,109,994)	(\$31,013,314)	\$31,045,457	\$63,365,935	\$90,425,201	\$24,248,434	\$56,530,198	\$55,982,981
Business-Type Activities	9,700,092	1,507,913	(16,587,170)	79,674,345	\$9,751,439	\$9,446,118	60,706,413	76,716,162	105,061,313	114,407,442
Total Primary Government	\$1,797,884	\$26,427,158	(\$28,787,164)	\$48,661,031	\$90,796,896	\$122,812,053	\$151,131,614	\$100,994,596	\$161,591,511	\$170,390,423

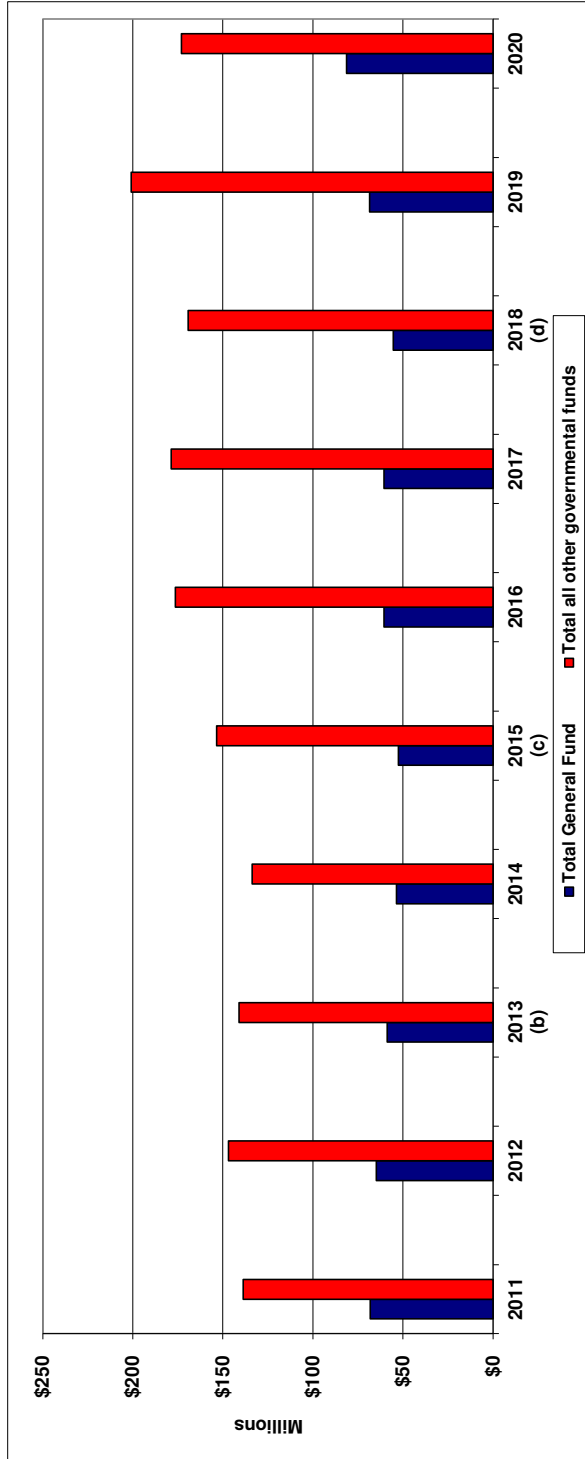
(a) The City implemented the provisions of GASB Statement 63 in fiscal year 2013, which replaced the term "net assets" with the term "net position."

(b) The City implemented the provisions of GASB Statements 68 and 71 in fiscal year 2015; the statistics prior to 2015 have not been restated.

(c) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

(d) Net (Expense)/Revenue and Use of money and Property for Business type activities for fiscal year 2018 have been updated to match with CAFR Statement of activities.

**CITY OF ROSEVILLE**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)



	Fiscal Year Ended June 30,									
	2011	2012	2013 (b)	2014	2015 (c)	2016	2017	2018 (d)	2019	2020
<b>General Fund</b>										
Nonspendable	\$23,734,548	\$17,036,815	\$24,350,331	\$12,700,881	\$12,547,564	\$12,089,564	\$14,222,845	\$13,181,664	\$12,301,005	\$11,883,886
Committed	-	-	-	-	-	-	727,155	-	14,092,262	31,781,588
Assigned	5,328,824	2,944,900	3,002,686	2,685,359	4,510,098	3,129,479	4,510,525	3,925,021	4,018,080	1,876,105
Unassigned	39,068,183	44,796,255	31,488,665	38,187,768	35,469,686	45,358,414	41,115,763	38,352,989	38,041,602	35,841,056
<b>Total General Fund</b>	<u>\$68,131,555</u>	<u>\$64,777,970</u>	<u>\$58,841,682</u>	<u>\$53,574,008</u>	<u>\$52,527,348</u>	<u>\$60,577,457</u>	<u>\$60,576,288</u>	<u>\$55,459,674</u>	<u>\$68,452,949</u>	<u>\$81,382,635</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$17,411,864	\$17,503,760	\$17,691,169	\$16,940,290	\$16,964,800	\$16,964,800	\$16,964,800	\$16,916,061	\$17,782,400	\$17,797,906
Restricted	108,226,582	113,465,925	109,656,487	104,437,932	122,721,798	148,224,236	147,157,295	144,792,470	178,080,236	148,473,108
Committed	2,195,164	2,248,644	2,290,938	2,280,996	2,362,738	794,928	147,222	-	-	-
Assigned	14,890,220	14,472,182	12,625,416	11,304,133	11,483,003	10,525,153	16,369,206	13,236,513	9,255,262	11,161,681
Unassigned	(4,081,313)	(925,077)	(1,333,659)	(1,290,629)	(150,757)	(116,035)	(2,079,194)	(5,728,089)	(4,307,209)	(4,425,312)
<b>Total all other governmental funds</b>	<u>\$138,642,517</u>	<u>\$146,765,434</u>	<u>\$140,930,351</u>	<u>\$133,672,722</u>	<u>\$153,381,382</u>	<u>\$176,393,082</u>	<u>\$178,559,329</u>	<u>\$169,216,955</u>	<u>\$200,810,689</u>	<u>\$173,007,383</u>

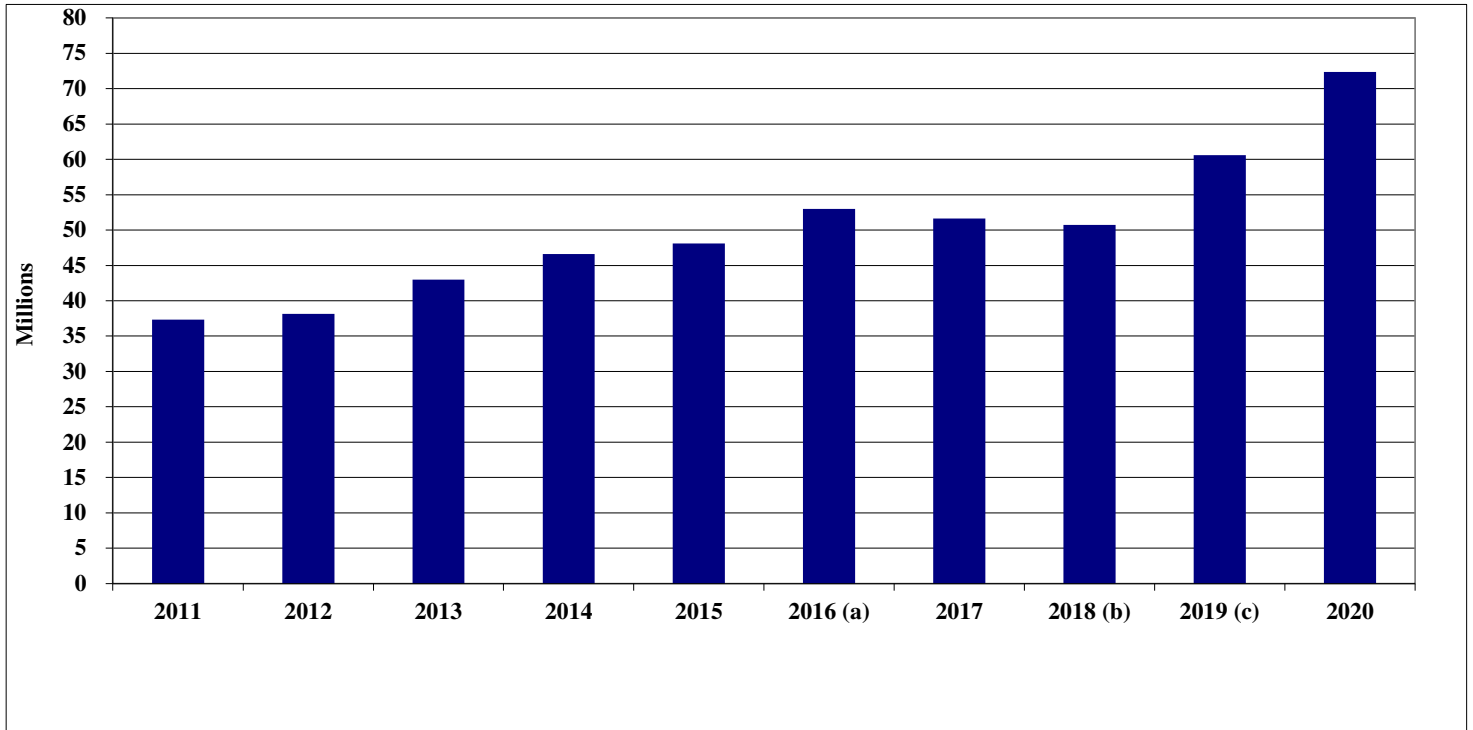
(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.  
 (b) The City restated certain balances in fiscal year 2014; the statistics prior to 2014 have not been restated.  
 (c) The City implemented GASB Statements 68 and 71 in fiscal year 2015; years prior to 2015 have not been restated to conform with the new presentation.  
 (d) The City implemented the provisions of GASB Statements 75 in fiscal year 2018 and restated certain balances.

**CITY OF ROSEVILLE**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$82,023,333	\$80,584,812	\$85,621,989	\$90,692,294	\$96,055,076	\$106,209,940	\$106,882,600	\$111,838,688	\$127,146,378	\$142,385,091
Licenses and permits	1,651,822	1,756,255	1,805,452	2,066,744	2,684,169	2,723,234	3,268,160	3,001,719	3,009,035	3,325,365
Charges for services	17,111,034	17,222,182	20,613,195	23,145,058	27,624,928	28,398,884	36,270,061	44,541,860	34,187,231	40,356,582
Subventions and grants	13,612,705	11,835,085	17,307,222	14,081,767	15,082,197	10,662,888	17,814,381	12,925,977	11,936,638	10,018,531
Use of money and property	3,107,947	3,271,208	1,892,467	2,237,778	2,273,687	3,608,140	8,063,026	13,580,949	13,263,366	8,981,599
Fine, forfeitures and penalties	1,829,785	1,502,408	1,447,757	1,265,026	1,226,611	1,192,435	1,231,989	1,399,287	1,265,762	960,400
Contributions from developers and others	1,483,872	2,900,578	3,673,089	1,721,409	15,321,286	4,847,097	2,256,674	2,260,841	29,979,263	562,934
Miscellaneous revenues	3,032,677	2,458,788	3,409,782	4,247,829	8,323,382	24,820,495	24,799,603	6,022,224	9,449,575	4,738,808
Revenues from other agencies	-	-	-	-	-	-	-	-	-	42,792,416
<b>Total Revenues</b>	<b>123,853,175</b>	<b>121,531,316</b>	<b>135,770,953</b>	<b>139,457,905</b>	<b>168,591,336</b>	<b>182,463,113</b>	<b>200,586,494</b>	<b>195,571,545</b>	<b>230,237,248</b>	<b>254,121,726</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	21,840,332	23,676,727	25,215,600	23,438,473	25,135,288	26,308,369	31,494,060	15,296,075	8,137,625	19,257,171
Development and operations	10,229,425	7,303,223	6,095,964	11,300,917	14,979,353	16,042,793	21,992,856	16,435,711	18,745,408	50,790,267
Public works	11,013,467	10,597,421	10,746,489	6,698,390	5,972,942	6,069,793	7,060,201	8,138,529	8,326,467	13,663,550
Public safety:										
Police	27,411,509	28,650,241	29,638,540	30,695,155	31,917,720	34,565,899	35,785,791	39,817,024	41,422,622	46,233,948
Fire	23,264,497	23,573,792	25,041,187	25,530,503	27,328,554	28,792,370	30,357,023	32,689,465	34,056,248	36,192,976
Library	2,855,794	3,560,396	3,726,160	3,689,914	3,979,158	4,120,111	4,155,157	5,224,590	5,039,164	5,017,004
Parks and recreation	15,610,257	18,320,063	19,671,070	19,276,779	20,854,408	21,111,520	21,451,673	25,483,508	26,124,783	27,726,357
Housing assistance payments	3,643,394	4,232,695	4,049,279	3,858,070	4,046,250	4,077,451	4,216,417	4,248,895	4,673,530	5,155,267
Capital outlay	20,416,652	19,529,120	34,879,208	30,170,149	30,433,990	37,821,774	59,258,478	49,553,074	39,316,183	65,792,166
Payments under development agreements	1,146,915	880,852	567,619	567,619	567,619	567,619	-	-	-	-
Annexation payments	2,045,843	2,228,371	2,302,077	2,932,924	3,596,777	4,076,406	4,734,193	5,775,035	6,140,795	7,083,307
Debt service:										
Principal retirement	1,402,625	2,694,645	802,821	2,125,278	844,490	863,892	1,098,509	1,532,317	1,561,381	2,072,817
Interest and fiscal charges	2,932,461	1,612,858	1,217,231	607,872	393,375	1,079,183	4,221,646	4,948,323	1,510,734	1,524,178
<b>Total Expenditures</b>	<b>143,813,171</b>	<b>146,860,404</b>	<b>163,953,245</b>	<b>160,892,043</b>	<b>170,049,924</b>	<b>185,497,180</b>	<b>225,826,004</b>	<b>209,142,546</b>	<b>195,054,940</b>	<b>280,509,008</b>
Excess (deficiency) of revenues over (under) expenditures	(19,959,996)	(25,329,088)	(28,182,292)	(21,434,138)	(1,458,588)	(3,034,067)	(25,239,510)	(13,571,001)	35,182,308	(26,387,282)
<b>Other Financing Sources (Uses)</b>										
Proceeds from capital lease	-	-	-	43,992	104,580	-	-	-	-	-
Debt issued	-	-	-	-	-	14,425,000	-	-	-	-
Premium on debt issued	-	-	-	-	-	862,056	-	-	-	-
Proceeds from sale of property	-	-	159,482	-	516,821	-	-	-	-	-
Proceeds from disposition of assets	-	-	-	-	-	-	-	-	1,521,727	880,994
Transfers in	44,206,780	43,818,402	38,821,810	41,542,969	38,238,578	53,202,949	43,364,097	28,539,336	30,941,685	28,265,421
Transfers out	(23,444,479)	(18,447,291)	(19,147,016)	(24,688,897)	(18,739,191)	(34,394,329)	(23,201,601)	(24,102,321)	(23,058,711)	(17,632,753)
Issuance of debt	-	-	11,549,031	-	-	-	-	-	-	-
Payment to bond escrow agent	-	-	(12,756,326)	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>20,762,301</b>	<b>25,371,111</b>	<b>18,626,981</b>	<b>16,898,064</b>	<b>20,120,788</b>	<b>34,095,676</b>	<b>20,162,496</b>	<b>4,437,015</b>	<b>9,404,701</b>	<b>11,513,662</b>
Net Change in fund balances before special and extraordinary items	802,305	42,023	(9,555,311)	(4,536,074)	18,662,200	31,061,609	(5,077,014)	(9,133,986)	44,587,009	(14,873,620)
Special and Extraordinary items										
Assets transferred to/liabilities assumed by										
Successor Agency/Housing Successor	-	4,727,309	-	-	-	-	-	-	-	-
Increase in loan to the Successor Agency	-	-	(7,304,420)	-	-	-	-	-	-	-
Change in classification of assets	-	-	-	(2,141,561)	-	-	-	-	-	-
Cancellation of loans receivable from										
Successor Agency	-	-	-	(5,847,668)	-	-	-	-	-	-
<b>Net Change in fund balances</b>	<b>\$802,305</b>	<b>\$4,769,332</b>	<b>(\$16,859,731)</b>	<b>(\$12,525,303)</b>	<b>\$18,662,200</b>	<b>\$31,061,609</b>	<b>(\$5,077,014)</b>	<b>(\$9,133,986)</b>	<b>\$44,587,009</b>	<b>(\$14,873,620)</b>
Debt service as a percentage of noncapital expenditures	3.4%	1.6%	2.1% *	0.9% *	1.3% *	3.2% *	4.1% *	2.0%	2.0%	1.7%

\* In FY2018, the City recalculated these percentages.

**CITY OF ROSEVILLE  
SALES TAX REVENUE  
Last Ten Fiscal Years**



<u>Fiscal Year</u>	<u>Amount</u>
2011	37,332,222
2012	38,129,931
2013	43,002,643
2014	46,591,961
2015	48,094,824
2016 (a)	52,993,394
2017	51,646,625
2018 (b)	50,710,102
2019 (c)	60,574,316
2020	72,369,119
<b>TOTAL</b>	<b><u><u>\$ 501,445,139</u></u></b>

(a) This amount includes a one-time payment for final quarter of the State Triple Flip.

(b) The sales tax decrease is due to a one-time delay in State processing sales tax payments as a result of implementation of a new tax collection system.

(c) The sales tax increase is due to an increase in sales tax rate from 7.25% to 7.75%, effective April 1, 2019.



**CITY OF ROSEVILLE**  
**ASSESSMENT ROLL VALUES**  
 Last Ten Fiscal Years

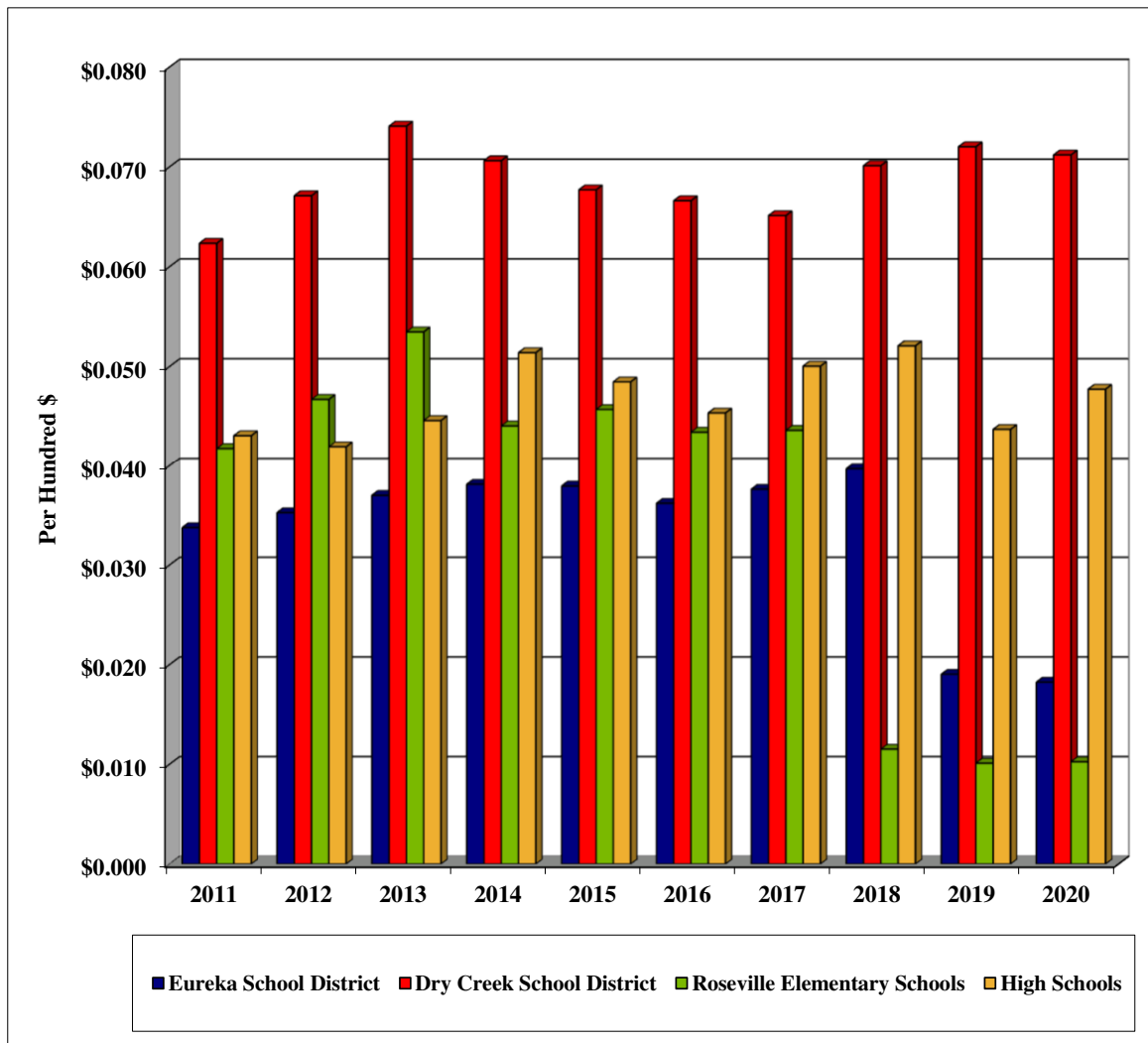
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
<b>Secured</b>										
Land	\$ 4,258,240,370	\$ 4,139,902,907	\$ 4,139,152,114	\$ 4,416,998,220	\$ 4,811,588,559	\$ 5,038,592,302	\$ 5,343,255,434	\$ 5,619,414,445	\$ 5,929,903,660	\$ 6,340,278,943
Structure	11,439,696,023	10,859,970,035	10,942,930,883	11,732,698,206	12,621,412,601	13,670,305,499	14,619,778,326	15,565,619,635	16,427,163,485	18,093,106,729
Fixtures	122,138,875	86,539,606	86,949,612	85,175,780	86,169,588	72,381,116	54,816,121	71,994,553	71,059,765	72,781,190
Personal Property	398,032,391	195,128,458	185,441,743	197,939,682	199,577,920	176,564,870	173,880,661	128,012,551	146,059,048	185,265,472
Gross	16,218,107,659	15,280,541,006	15,354,474,352	16,432,811,888	17,718,748,668	18,957,843,787	20,191,730,542	21,385,041,184	\$ 22,574,185,958	\$ 24,691,432,334
Exemptions	(1,271,501,002)	(1,183,664,559)	(1,216,280,788)	(1,189,126,642)	(1,235,144,897)	(1,196,368,326)	(1,240,797,255)	(1,287,075,877)	(1,010,838,236)	(1,586,206,981)
<b>Net Value</b>	<b>14,946,606,657</b>	<b>14,096,876,447</b>	<b>14,138,193,564</b>	<b>15,243,685,246</b>	<b>16,483,603,771</b>	<b>17,761,475,461</b>	<b>18,950,933,287</b>	<b>20,097,965,307</b>	<b>21,563,347,722</b>	<b>23,105,225,353</b>
<b>Unsecured</b>										
Land	9,918,107	10,652,978	15,107,515	14,275,896	14,209,597	14,751,078	15,636,657	16,035,546	16,244,979	16,533,626
Structure	19,054,920	19,198,391	40,452,068	39,978,372	40,065,250	40,572,958	41,034,119	41,858,259	42,756,495	43,960,455
Fixtures	204,471,411	278,372,656	204,335,331	201,618,605	200,634,374	210,899,452	219,812,361	232,332,616	211,812,302	209,973,531
Personal Property	427,041,927	456,724,821	440,681,012	497,556,921	478,575,784	508,561,032	586,873,115	568,397,250	569,809,275	625,422,860
Gross	660,486,365	764,948,846	700,575,926	753,629,794	733,485,005	774,784,520	863,356,252	858,623,671	840,623,051	895,890,472
Exemptions	(98,512,303)	(88,790,688)	(92,879,612)	(86,500,375)	(61,105,400)	(93,563,794)	(114,427,098)	(112,467,389)	(109,637,206)	(104,116,407)
<b>Net Value</b>	<b>561,974,062</b>	<b>676,158,158</b>	<b>607,696,314</b>	<b>667,129,419</b>	<b>672,379,605</b>	<b>681,220,726</b>	<b>748,929,154</b>	<b>746,156,282</b>	<b>730,985,845</b>	<b>791,774,065</b>
<b>Total Net Assessed Value (a)</b>	<b>\$ 15,508,580,719</b>	<b>\$ 14,773,034,605</b>	<b>\$ 14,745,889,878</b>	<b>\$ 15,910,814,665</b>	<b>\$ 17,155,983,376</b>	<b>\$ 18,442,696,187</b>	<b>\$ 19,699,862,441</b>	<b>\$ 20,844,121,589</b>	<b>\$ 22,294,333,567</b>	<b>\$ 23,896,999,418</b>
<b>Direct Tax Rate (b)</b>	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

(a) Article XIII A, added to the California Constitution by Proposition 13 in 1978 fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975/76 assessment roll. Thereafter, full cash value can be increased to reflect:

- annual inflation up to 2%; or
- market value at the time of ownership change; or
- market value for new construction.

(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

**CITY OF ROSEVILLE  
PROPERTY TAX RATES  
DIRECT & OVERLAPPING GOVERNMENTS  
Last Ten Fiscal Years**



Fiscal Year	Direct Rate	Overlapping Rates				Total (a)
	Basic County Wide Levy	Eureka School District	Dry Creek School District	Roseville Elementary Schools	High Schools	
2011	1.0000	0.0338	0.0624	0.0418	0.0431	1.0890
2012	1.0000	0.0353	0.0671	0.0467	0.0420	1.0917
2013	1.0000	0.0370	0.0741	0.0535	0.0446	1.0995
2014	1.0000	0.0381	0.0706	0.0441	0.0514	1.1023
2015	1.0000	0.0379	0.0677	0.0457	0.0485	1.0989
2016	1.0000	0.0362	0.0666	0.0434	0.0454	1.0941
2017	1.0000	0.0376	0.0651	0.0436	0.0500	1.0988
2018	1.0000	0.0397	0.0701	0.0115	0.0521	1.0925
2019	1.0000	0.0190	0.0720	0.0101	0.0437	1.0774
2020	1.0000	0.0183	0.0712	0.0103	0.0477	1.0810

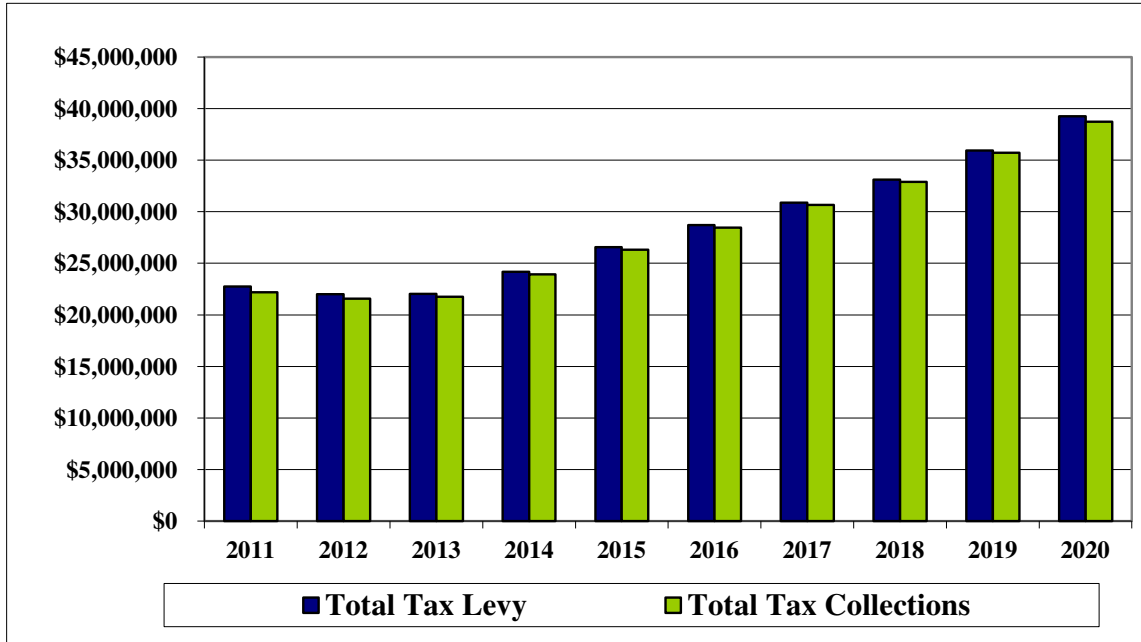
(a) Total Overlapping Rates uses an average of Eureka School District, Dry Creek School District and Roseville Elementary School

**PRINCIPAL PROPERTY TAX PAYERS**  
**Current Year and Nine Years Ago**

Property Owner	Primary Land Use	Rank	2020		2011		
			Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	
Roseville Shoppingtown LLC	Shopping Center	1	\$ 449,994,933	1.93%	1	\$ 396,871,103	2.62%
BREIT Wave MF SC Owner LLC	Apartments	2	151,838,060	0.65%			
DDR Creekside LP	Commercial	3	95,086,216	0.41%			
Rosemeade Residential Holdings LLC	Apartments	4	86,344,100	0.37%			
Roseville Fountains LP	Shopping Center	5	72,619,171	0.31%	8	53,146,210	0.35%
CW FBI Sacramento LLC	Industrial	6	69,242,085	0.30%			
Oakmont Properties – Creekside LLC	Apartments	7	68,905,921	0.30%			
CPT Creekside Town Center LLC	Shopping Center	8	68,708,220	0.30%			
Southall Group Holdings LLC	Industrial	9	62,578,006	0.27%			
BRE Sierra View Owner LLC	Industrial	10	59,765,000	0.26%			
SIF Roseville CA LLC	Office Building	11	58,116,565	0.25%			
PPF AHP OFF Parkway Corporate Plaza Owner	Office Building	12	57,337,065	0.25%			
W2005 Fargo Hotels Pool C Realty LP	Hotel	13	55,198,710	0.24%	4	84,643,663	0.56%
Safeway Inc.	Commercial	14	52,957,316	0.23%			
Walmart Stores Inc.	Commercial	15	51,861,643	0.22%	9	51,176,981	0.34%
8000 Foothills LLC	Office Building	16	51,229,470	0.22%			
Mourier Land Investment Corporation	Office Building	17	50,426,824	0.22%			
BBC Roseville Oaks LLC	Commercial/Commercial Land	18	49,330,784	0.21%			
Homarose LP	Industrial	19	47,498,232	0.20%			
Forest Cove 388 LLC	Apartments	20	47,400,169	0.20%			
NEC Electronics USA Inc.					2	293,033,580	1.94%
Hewlett Packard Co.					3	254,832,722	1.68%
Donahue Schriber Realty Group LP					5	68,886,730	0.46%
UCM Cairosemeade LLC					6	63,043,729	0.42%
Prime Roseville LP					7	60,580,524	0.40%
John L. Sullivan Family LP					10	46,143,721	0.31%
<b>Total</b>			<b>1,706,438,490</b>	<b>7.33%</b>		<b>1,372,358,963</b>	<b>9.07%</b>
<b>Fiscal Year:</b>			<b>2019-2020</b>			<b>2010-2011</b>	
<b>Local Secured Assessed Valuation:</b>			<b>23,285,338,153</b>			<b>15,124,767,957</b>	

Source: California Municipal Statistics, Inc.

**CITY OF ROSEVILLE  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Fiscal Years**



Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2011	22,749,169	22,191,814	97.55%
2012	21,991,913	21,585,063	98.15%
2013	22,044,604	21,749,207	98.66%
2014	24,170,809	23,943,603	99.06%
2015	26,562,322	26,328,574	99.12%
2016	28,692,626	28,454,477	99.17%
2017	30,888,183	30,650,344	99.23%
2018	33,112,938	32,881,148	99.30%
2019	35,949,987	35,709,122	99.33%
2020	39,271,409	38,729,463	98.62%

Notes:

Current tax collections beginning in 1993 have been reduced by a mandatory tax reallocation imposed by the State of California.

Placer County uses an estimate for the delinquency rate and compiles delinquency as a lump sum.

Subsequent collections are not broken out by fiscal year from the County. This information is not available.

**CITY OF ROSEVILLE**  
**ELECTRIC CUSTOMERS AND REVENUES**  
**Ten Largest Electric Customers as of June 30, 2020**

<b>Rank</b>	<b>Business Type (a)</b>	<b>kWh</b>	<b>Percent Total kWh</b>	<b>Revenue</b>	<b>Percent to Total Revenue</b>
1	Manufacturing	79,560,000	7.08%	\$7,166,224	4.60%
2	Government and Utilities	40,625,540	3.61%	\$5,167,272	3.32%
3	Medical Care	33,821,360	3.01%	\$4,025,237	2.59%
4	Admin/Office/R&D	29,839,001	2.65%	\$3,018,292	1.94%
5	Medical Care	28,092,409	2.50%	\$3,232,524	2.08%
6	Retail and Property Management	13,075,721	1.16%	\$1,737,386	1.12%
7	Retail	11,618,896	1.03%	\$1,290,871	0.83%
8	Grocery	10,142,440	0.90%	\$1,295,289	0.83%
9	Information Technology and Service:	8,581,002	0.76%	\$890,428	0.57%
10	Grocery	7,234,600	0.64%	\$817,391	0.53%

**Electric Sales Revenue as of June 30, 2020**

Residential	\$ 71,499,000
Commercial	84,190,000
Total	<u>\$ 155,689,000</u>

(a) Customer's name not shown to follow the City's Administrative Regulation regarding confidentiality of customers.

Source: City of Roseville Electric Department

**CITY OF ROSEVILLE**  
**RESIDENTIAL ENERGY PRICES**  
**Effective July 1, 2019**

<b>Residential</b>	
Basic Service Charge (per meter, per month)	\$26.00
Energy Charge (\$/kWh)	
Tier 1- up to 500 kWh/month	\$0.0931
Tier 2- greater than 500 kWh/month	\$0.1435
Renewable Energy Surcharge (\$/kWh)	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002
Hydroelectric Adjustment (\$/kWh) <sup>(1)</sup>	\$0.00000
State Energy Surcharge (\$/kWh)	\$0.00030

Rates are prorated.

**Solar Customer Buyback Rate**

<b>Net Energy Metering</b> <sup>(2)</sup>	
Surplus Energy Compensation Rate (\$/kWh)	\$0.0931
<b>Roseville Solar 2.0</b> <sup>(3)</sup>	
Surplus Energy Compensation Rate (\$/kWh)	\$0.0598

**Special Residential Rates**

<b>Electric Rate Assistance Program</b> Residents meeting certain income criteria may be eligible for a 15% discount on electric service.
<b>Medical Rate Assistance Program</b> Residents Meeting certain income and medical device use criteria may be eligible for a 50% discount on the first 500 kWh and 15% on all other kWh electric usage.
<b>Medical Notification Program</b> Residents can notify the City of Roseville of the residential use of essential medical support equipment. This program allows the City to comply with the California Public Utility code 10010.

**NOTES**

- 1) Rate closed October 1, 2018. Surplus energy compensation rates are subject to revision by City Council as energy prices and system requirements change.
- 2) The State of California allows electric utilities to implement a new solar buyback rate once solar exceeds 5% of the utility's system peak. Roseville Electric Utility now exceeds 5% solar. Per the City of Roseville Municipal Code, beginning October 1, 2018 customers will be enrolled in Roseville Solar 2.0. This change will not affect customers who installed solar before October 1, 2018 until 2028. Net Energy Metering customers will continue with net energy metering for up to 20 years (10 minimum) from the date of system interconnection. Surplus energy compensation rates are subject to revision by City Council as energy prices and system requirements change.

**CITY OF ROSEVILLE**  
**BUSINESS ENERGY PRICES**  
**Effective July 1, 2019**

<b>Small General Service (GS-1)</b> (Demand < 20 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$38.00	\$38.00
Energy Charge (\$/kWh)	\$0.0974	\$0.1131
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00000	\$0.00000
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
<b>Medium General Service (GS-2)</b> (20 kW < Demand ≤ 500 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$65.00	\$65.00
Demand Charge(\$/kW-month)	\$6.16	\$6.16
Energy Charge (\$/kWh)	\$0.1028	\$0.1235
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00000	\$0.00000
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
<b>Large General Service (GS-3)</b> (500 kW < Demand ≤ 1000 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$521.00	\$521.00
Demand Charge (\$/kW-month)	\$6.60	\$11.57
Energy Charge		
Off Peak (\$/kWh)	\$0.0682	\$0.0890
On Peak (\$/kWh)	\$0.0890	\$0.1098
Super Peak (\$/kWh)	\$0.0890	\$0.1408
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00000	\$0.00000
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030
<b>Very Large General Service (GS-4)</b> (Demand > 1000 kW)	Winter	Summer
Basic Service Charge (per meter, per month)	\$591.00	\$591.00
Demand Charge (\$/kW-month)	\$6.71	\$11.51
Energy Charge		
Off Peak (\$/kWh)	\$0.0674	\$0.0879
On Peak (\$/kWh)	\$0.0862	\$0.1067
Super Peak (\$/kWh)	\$0.0862	\$0.1397
Renewable Energy Surcharge (\$/kWh)	\$0.0056	\$0.0056
Greenhouse Gas Surcharge (\$/kWh)	\$0.0002	\$0.0002
Hydroelectric Adjustment (\$/kWh)	\$0.00000	\$0.00000
State Energy Surcharge (\$/kWh)	\$0.00030	\$0.00030

Note: General Service Customers include all commercial, industrial, governmental and other non-residential customers.

Time of Use (TOU) seasons, days, hours, holidays:

Winter - October through May // Summer - June through September

Off Peak: 10:00pm to 7:00am Monday through Friday (Except Holidays)

All Day Saturday, Sunday, and Holidays

On Peak: 7:00am to 4:00pm AND 7:00pm to 10:00pm

Monday through Friday (Except Holidays)

Super Peak: 4:00pm to 7:00pm Monday through Friday (Except Holidays)

Holidays are defined as: New Years Day, Martin Luther King Day, Presidents' Day, Memorial Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

The California State Energy Surcharge may change from time to time as specified in State law.

A 2% discount is available for primary service customers.

Rates are prorated.

**CITY OF ROSEVILLE**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**

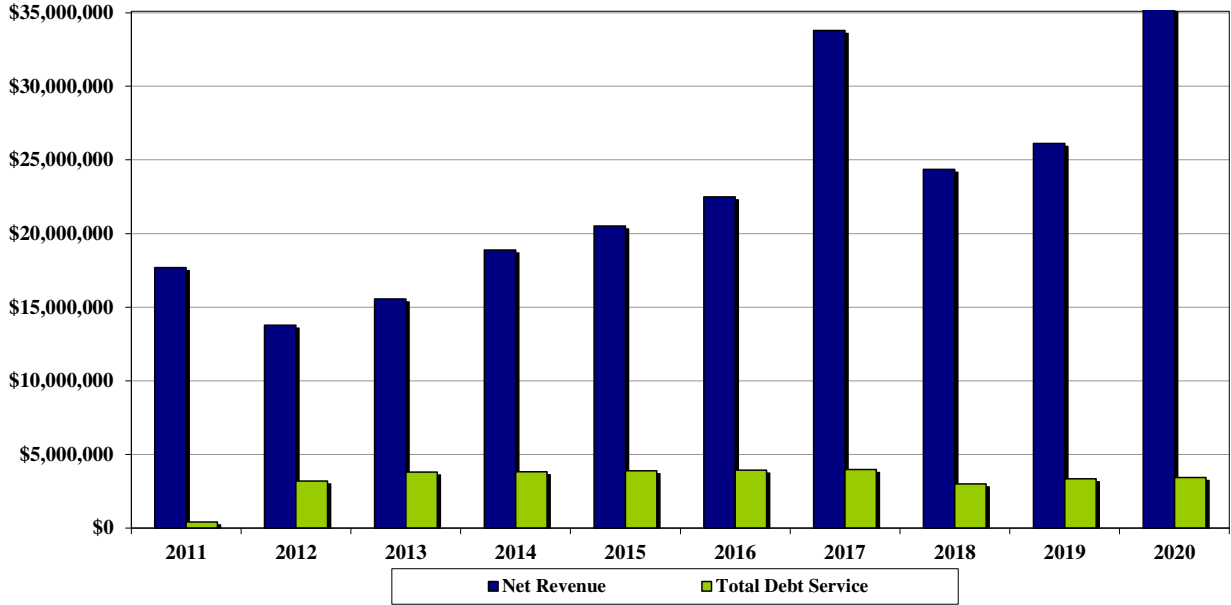
Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government [e]	Percentage of Placer County Total Personal Income [a]	Debt Per Capita [a]
	Certificates of Participation [d]	Tax Allocation Bonds [c]	Installment Purchase Obligations	Capital Lease	Total Governmental Activities	Certificates of Participation	Revenue Bonds	Lease	Business-Type Activities	Total Business-Type Activities			
2010	\$ 14,560,000	\$ 34,845,000	\$ 1,868,055	\$ -	\$ 51,273,055	\$ 326,781,578	\$ -	\$ -	\$ 624,147,392	\$ 675,420,447	4.10%	5,834	
2011	13,885,000	34,365,000	1,620,430	-	49,870,430	257,729,721	-	-	605,057,313	654,927,743	3.78%	5,431	
2012	13,190,000	-	125,785	-	13,315,785	250,082,864	-	-	587,367,556	600,683,341	3.16%	4,921	
2013	-	-	1,234,286	-	12,783,317	237,460,076	337,680,087	4,775,578	579,915,741	592,699,058	2.94%	4,770	
2014	-	-	-	11,540,031	14,729,422	175,923,926	380,082,084	4,344,960	560,350,970	575,080,592	2.71%	4,530	
2015	-	-	-	9,874,685	13,989,512	150,053,467	385,334,824	3,945,831	559,334,122	553,323,634	2.61%	4,295	
2016	-	-	69,007	24,347,067	28,412,676	152,649,025	368,091,795	3,538,160	524,278,980	552,691,656	2.43%	4,122	
2017	-	-	34,928	23,272,775	27,286,399	138,472,975	363,175,852	3,123,170	504,271,997	532,058,396	2.17%	3,916	
2018	-	-	-	24,823,067	28,804,212	133,923,531	363,838,283	-	497,761,814	526,566,026	2.01%	3,838	
2019	14,455,822	-	-	8,795,122	27,215,023	129,546,859	347,567,126	-	477,113,985	504,329,008	[b]	3,612	
2020	14,163,014	-	-	7,482,335	25,114,398	54,005,000 [f]	362,723,292	-	416,728,292	441,842,690	[b]	3,044	

[a] These ratios are calculated using personal income and population as shown on the Demographics and Economic Statistics schedule.  
 [b] Total personal income information is not available.  
 [c] The Redevelopment Agency was dissolved effective January 31, 2012 and its liabilities were assumed by the Successor Agency.  
 [d] In 2013 the Certificates of Participation were refunded by the 2013 Public Facilities Refunding lease.  
 [e] Long term debt was restated in fiscal year 2014; statistics prior to 2014 have not been restated.  
 [f] Decrease mostly caused by electric fund debt payoff of \$56 million and wastewater debt refunding of \$38.3 million with revenue bonds.

Sources: The City's Comprehensive Annual Financial Reports  
 State of California, Department of Finance (population)  
 U.S. Department of Commerce, Bureau of Economic Analysis - Local Data (personal income)



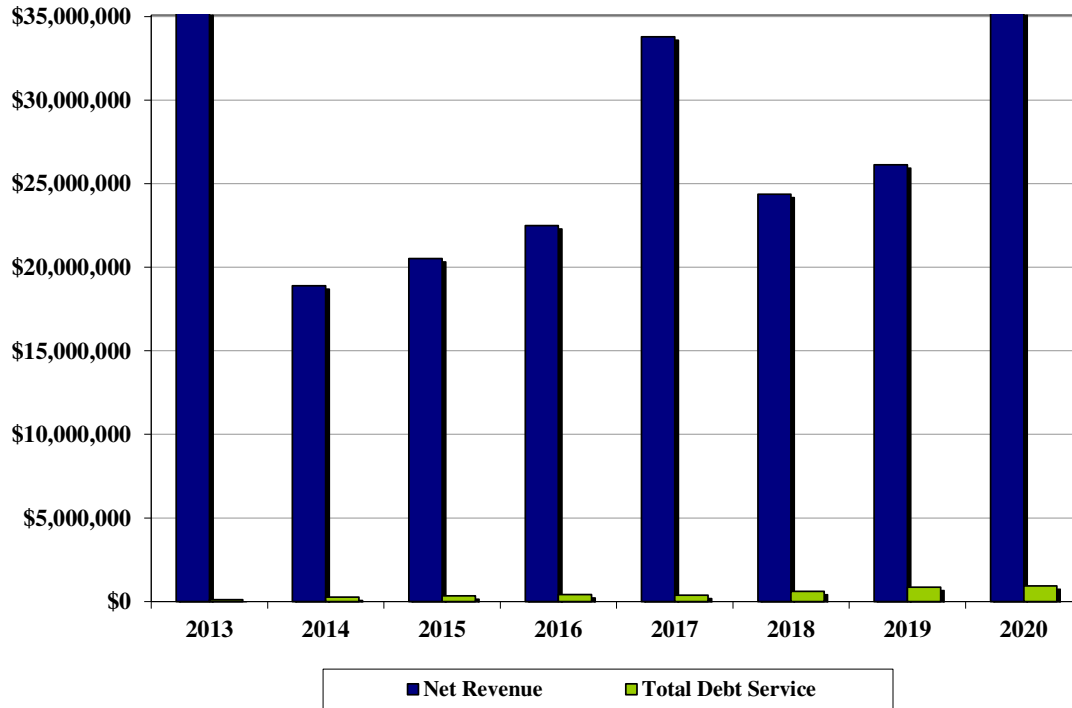
**CITY OF ROSEVILLE  
REVENUE BOND COVERAGE  
2011 REFUNDING FIXED RATE WASTEWATER REVENUE BONDS SERIES C  
Last Ten Fiscal Years**



Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2011	\$34,177,527	\$16,494,109	\$17,683,418		\$400,337	\$400,337	44.17
2012	32,738,613	18,957,898	13,780,715	\$1,457,173	1,721,010	3,178,183	4.34
2013	33,605,925	18,039,506	15,566,419	1,874,464	1,922,096	3,796,560	4.10
2014	37,294,549 (3)	18,408,939 (3)	18,885,610	1,988,535	1,840,952	3,829,487	4.93
2015	39,361,960	18,849,642	20,512,318	2,133,436	1,743,323	3,876,759	5.29
2016	41,852,947 (3)	19,373,759 (3)	22,479,188	2,287,586	1,638,543	3,926,129	5.73
2017	52,754,587 (3)	18,970,634 (3)	33,783,953	2,457,151	1,522,026	3,979,177	8.49
2018	49,676,755 (3)	25,317,067 (3)	24,359,688	2,635,965	351,385	2,987,350	8.15
2019	55,376,362	29,254,056	26,122,306	2,963,763	379,026	3,342,789	7.81
2020	56,689,544	17,841,828	38,847,716	3,180,073	250,128	3,430,201	11.33

Notes: (1) Includes all wastewater operating revenues, non-operating interest revenue, and connection fees.  
(2) Includes all wastewater operating expenses less depreciation and interest  
(3) Restated

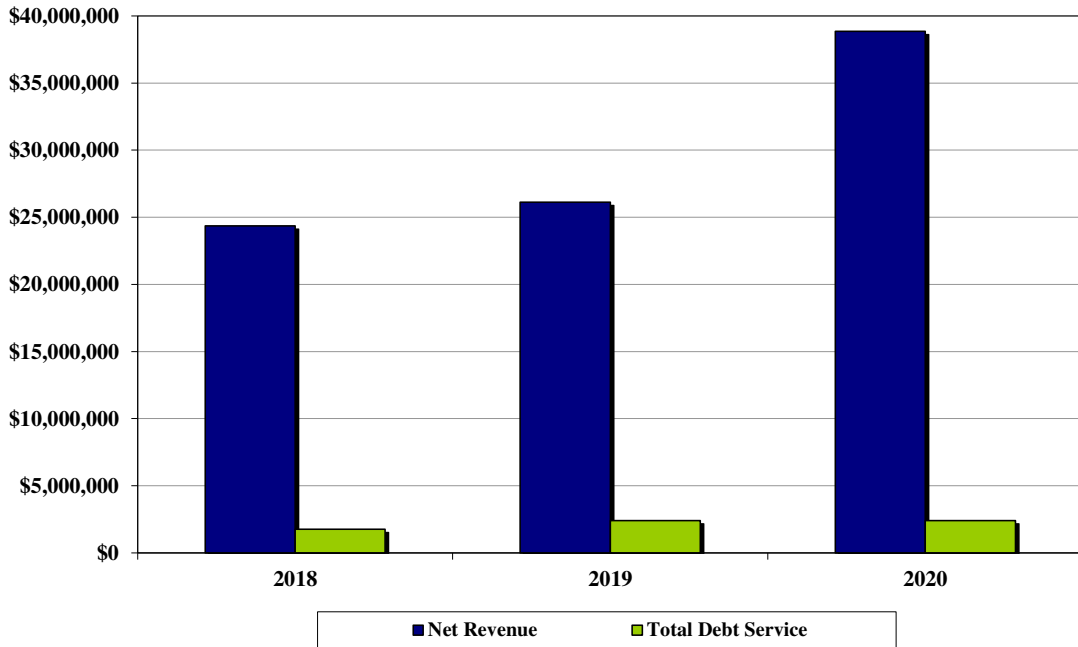
**CITY OF ROSEVILLE  
REVENUE BOND COVERAGE  
2013 REFUNDING VARIABLE RATE WASTEWATER REVENUE BONDS  
Last Eight Fiscal Years <sup>(1)</sup>**



Fiscal Year	Gross Revenue (2)	Operating Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2013	\$ 33,605,925	\$ 18,039,506	\$ 155,669,419	\$ -	\$ 112,244	\$ 112,244	138.68
2014	37,294,549 (4)	18,408,939 (4)	18,885,610	-	265,789	265,789	71.05
2015	39,361,960	18,849,642	20,512,318	-	346,131	346,131	59.26
2016	41,852,947 (4)	19,373,759 (4)	22,479,188	-	406,694	406,694	55.27
2017	5,275,587 (4)	18,970,634 (4)	33,783,953	-	380,118	380,118	88.88
2018	49,676,755 (4)	25,317,067 (4)	24,359,688	-	598,534	598,534	40.70
2019	55,376,362	29,254,056	26,122,306	-	855,319	855,319	30.54
2020	56,689,544	17,841,828	38,847,716	-	934,853	934,853	41.55

Notes: (1) Ten years of data are not available due to the bonds being issued on April 1, 2013  
(2) Includes all wastewater operating revenues, non-operating interest revenue, and connection fees.  
(3) Includes all wastewater operating expenses less depreciation and interest  
(4) Restated

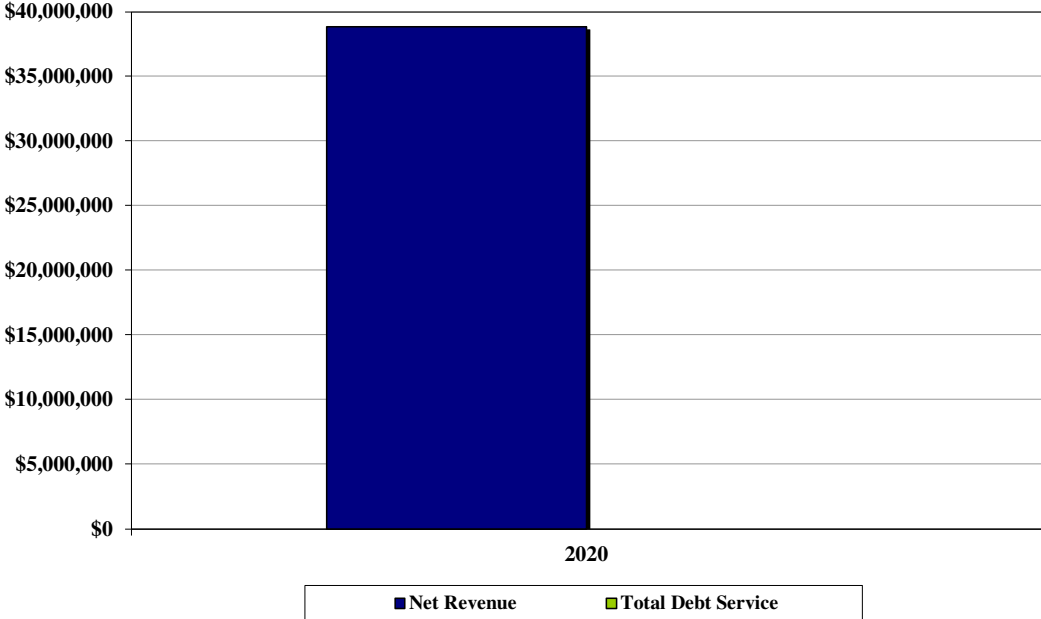
**CITY OF ROSEVILLE  
REVENUE BOND COVERAGE  
2017 WASTEWATER REVENUE REFUNDING BONDS  
Last Three Fiscal Years <sup>(1)</sup>**



Fiscal Year	Gross Revenue (2)	Operating Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2018	49,676,755 (4)	\$ 25,317,067 (4)	\$ 24,359,688	\$ -	\$ 1,748,313	\$ 1,748,313	13.93
2019	55,376,362	29,254,056	\$ 26,122,306		2,414,272	\$ 2,414,272	10.82
2020	56,689,544	17,841,828	\$ 38,847,716		2,414,272	\$ 2,414,272	16.09

Notes: (1) Ten years of data are not available due to the bonds being issued on September 28, 2017  
(2) Includes all wastewater operating revenues, non-operating interest revenue, and connection fees.  
(3) Includes all wastewater operating expenses less depreciation and interest  
(4) Restated

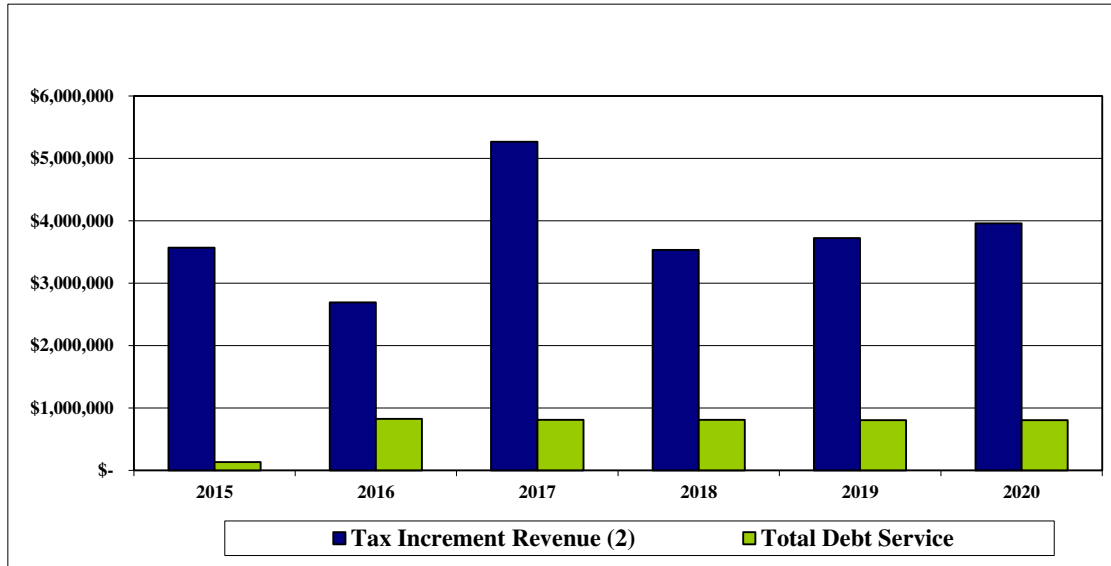
**CITY OF ROSEVILLE  
REVENUE BOND COVERAGE  
2020 WASTEWATER REVENUE REFUNDING BONDS  
Last Fiscal Year <sup>(1)</sup>**



Fiscal Year	Gross Revenue (2)	Operating Expenses (3)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2020	56,689,544	17,841,828	\$ 38,847,716	\$ -	-	\$ -	0.00

Notes: (1) Ten years of data are not available due to the bonds being issued on April 28, 2020  
(2) Includes all wastewater operating revenues, non-operating interest revenue, and connection fees.  
(3) Includes all wastewater operating expenses less depreciation and interest

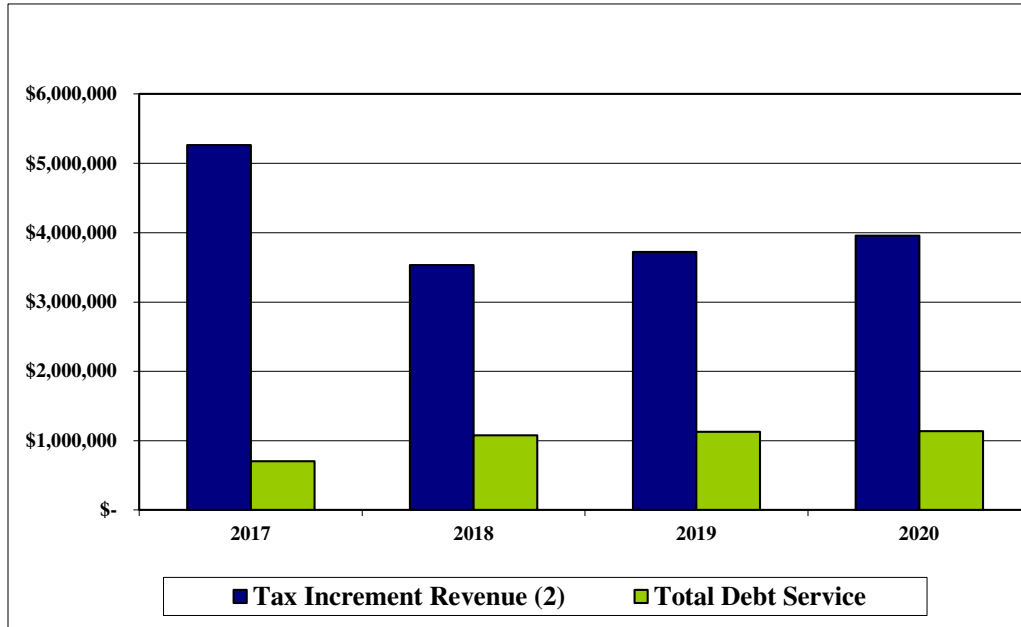
**CITY OF ROSEVILLE**  
**2014 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS**  
**Last Six Fiscal Years<sup>(1)</sup>**



Fiscal Year	Tax Increment Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total Debt Service	
2015	\$ 3,566,262	\$ -	\$ 132,646	\$ 132,646	26.89
2016	2,692,154 (3)	435,000	390,688	825,688	3.26
2017	5,263,766	435,000	378,363	813,363	6.47
2018	3,534,361	445,000	365,063	810,063	4.36
2019	3,723,819	465,000	343,463	808,463	4.61
2020	3,959,041	485,000	319,379	804,379	4.92

- Notes: (1) Ten years of data are not available due to the bonds being issued on September 9, 2014  
(2) Amounts reported include tax revenue and debt service of the Successor Agency.  
(3) Restated

**CITY OF ROSEVILLE**  
**2016 REDEVELOPMENT PROJECT TAX ALLOCATION BONDS**  
**Last Four Fiscal Years <sup>(1)</sup>**



Fiscal Year	Tax Increment Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total Debt Service	
2017	\$ 5,263,766	\$ -	\$ 703,884	\$ 703,884	7.48
2018	3,534,361	340,000	738,037	1,078,037	3.28
2019	3,723,819	395,000	733,439	1,128,439	3.30
2020	3,959,041	410,000	727,603	1,137,603	3.48

Notes: (1) Ten years of data are not available due to the bonds being issued on July 19, 2016  
(2) Amounts reported include tax revenue and debt service of the Successor Agency.

**CITY OF ROSEVILLE**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**June 30, 2020**

2019-2020 Assessed Valuation: \$24,080,046,521

	Total Debt 06/30/2020	% Applicable (1)	City's Share of Debt 06/30/2020
<b><u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>			
Sierra Joint Community College District SFID No. 4	\$80,000,000	34.342%	\$27,473,600
Roseville Joint Union High School District	138,189,241	75.955%	104,961,638
Roseville Joint Union High School District SFID No. 1	64,618,814	98.273%	63,502,847
Center Joint Unified School District	39,291,225	2.562%	1,006,641
Rocklin Unified School District	46,466,762	0.420%	195,160
Dry Creek Joint School District	31,115,417	56.477%	17,573,054
Eureka Union School District	529,568	35.189%	186,350
Roseville City School District	13,166,436	97.340%	12,816,209
City of Roseville Community Facilities Districts	333,100,000	100.000%	333,100,000
City of Roseville Placer Valley Sports Complex & Tourism Marketing Assessment District	33,223,000	100.000%	33,223,000
California Statewide Communities Development Authority Assessment Districts	14,324,600	100.000%	14,324,600
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$608,363,099</b>
<b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
Placer County Certificates of Participation	\$22,480,000	29.868%	\$6,714,326
Placer County Office of Education Certificates of Participation	700,000	29.868%	209,076
Sierra Joint Community College District Certificates of Participation	2,660,000	22.715%	604,219
Rocklin Unified School District Certificates of Participation	20,909,000	0.420%	87,818
Eureka Union School District Certificates of Participation	2,870,000	35.189%	1,009,924
Roseville City School District Certificates of Participation	4,655,000	97.340%	4,531,177
Placer Mosquito and Vector Control District Certificates of Participation	2,666,000	29.868%	796,281
<b>City of Roseville General Fund Obligation</b>	<b>20,922,336</b>	100.000%	<b>20,922,336</b>
<b>City of Roseville Debt Premium</b>	<b>750,822</b>	100.000%	<b>750,822</b>
<b>City of Roseville Successor Agency Loan</b>	<b>3,946,319</b>	100.000%	<b>3,946,319</b>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$39,572,298</b>
<b><u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u></b>	<b>\$28,850,000</b>	100.000%	<b>\$28,850,000</b>
<b>TOTAL DIRECT DEBT</b>			<b>\$25,619,477</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>651,165,921</b>
<b>COMBINED TOTAL DEBT</b>			<b>\$676,785,397</b>

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value.

Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

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

Ratios to 2019-2020 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.53%
<b>Total Direct Debt (\$25,619,477)</b>	<b>0.11%</b>
Combined Total Debt	2.81%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,034,586,288):

Total Overlapping Tax Increment Debt	2.79%
--------------------------------------	-------

**CITY OF ROSEVILLE**  
**COMPUTATION OF LEGAL BONDED DEBT MARGIN**  
**June 30, 2020**

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property	\$23,285,338,153
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BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	\$873,200,181
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AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$438,373,641
Less bonded debt not subject to limit	(438,373,641)

Amount of debt subject to limit	-
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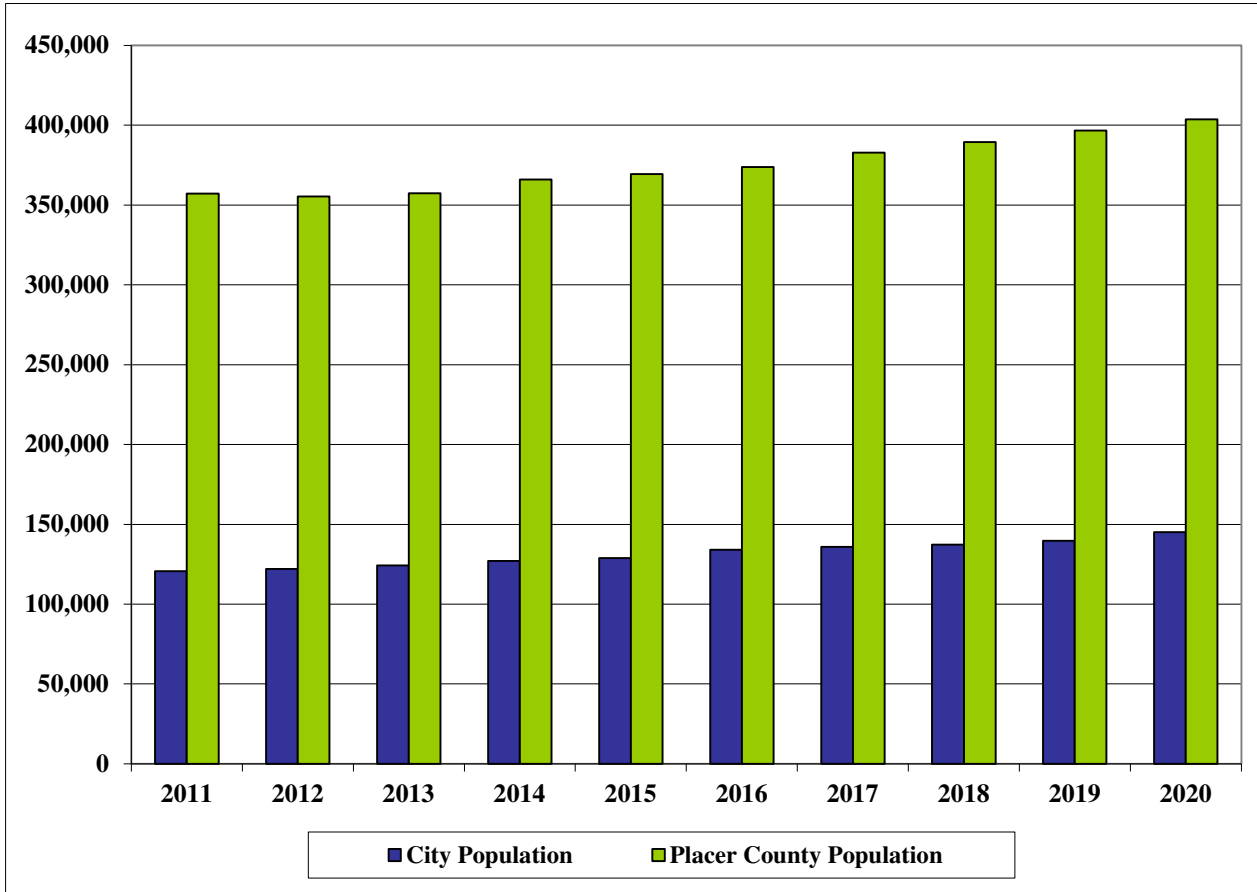
LEGAL BONDED DEBT MARGIN	\$873,200,181
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Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2011	\$ 567,178,798	\$ -	\$ 567,178,798	0.00%
2012	560,837,192	-	560,837,192	0.00%
2013	536,758,408	-	536,758,408	0.00%
2014	578,172,662	-	578,172,662	0.00%
2015	624,626,766	-	624,626,766	0.00%
2016	672,531,992	-	672,531,992	0.00%
2017	717,170,366	-	717,170,366	0.00%
2018	760,269,304	-	760,269,304	0.00%
2019	815,306,847	-	815,306,847	0.00%
2020	873,200,181	-	873,200,181	0.00%

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.



**CITY OF ROSEVILLE  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**



Fiscal Year	City of Roseville Population	County Total Personal Income (in thousands)	County Per Capita Personal Income	City of Roseville Unemployment Rate (%)	Placer County Population	City Population % of County
2011	120,593	17,312,666	48,476	11.4%	357,138	33.77%
2012	122,060	19,004,105	52,544	10.0%	355,328	34.35%
2013	124,255	20,174,068	54,924	7.5%	357,463	34.76%
2014	126,956	21,182,771	55,000	6.5%	366,000	34.69%
2015	128,832	21,240,299	57,000	5.3%	369,454	34.87%
2016	134,073	22,741,453	59,000	4.5%	373,796	35.87%
2017	135,868	24,527,289	63,000	3.8%	382,837	35.49%
2018	137,213	26,223,081	67,000	3.0%	389,532	35.23%
2019	139,643	(a)	(a)	3.5%	396,691	35.20%
2020	145,163	(a)	(a)	3.0%	403,711	35.96%

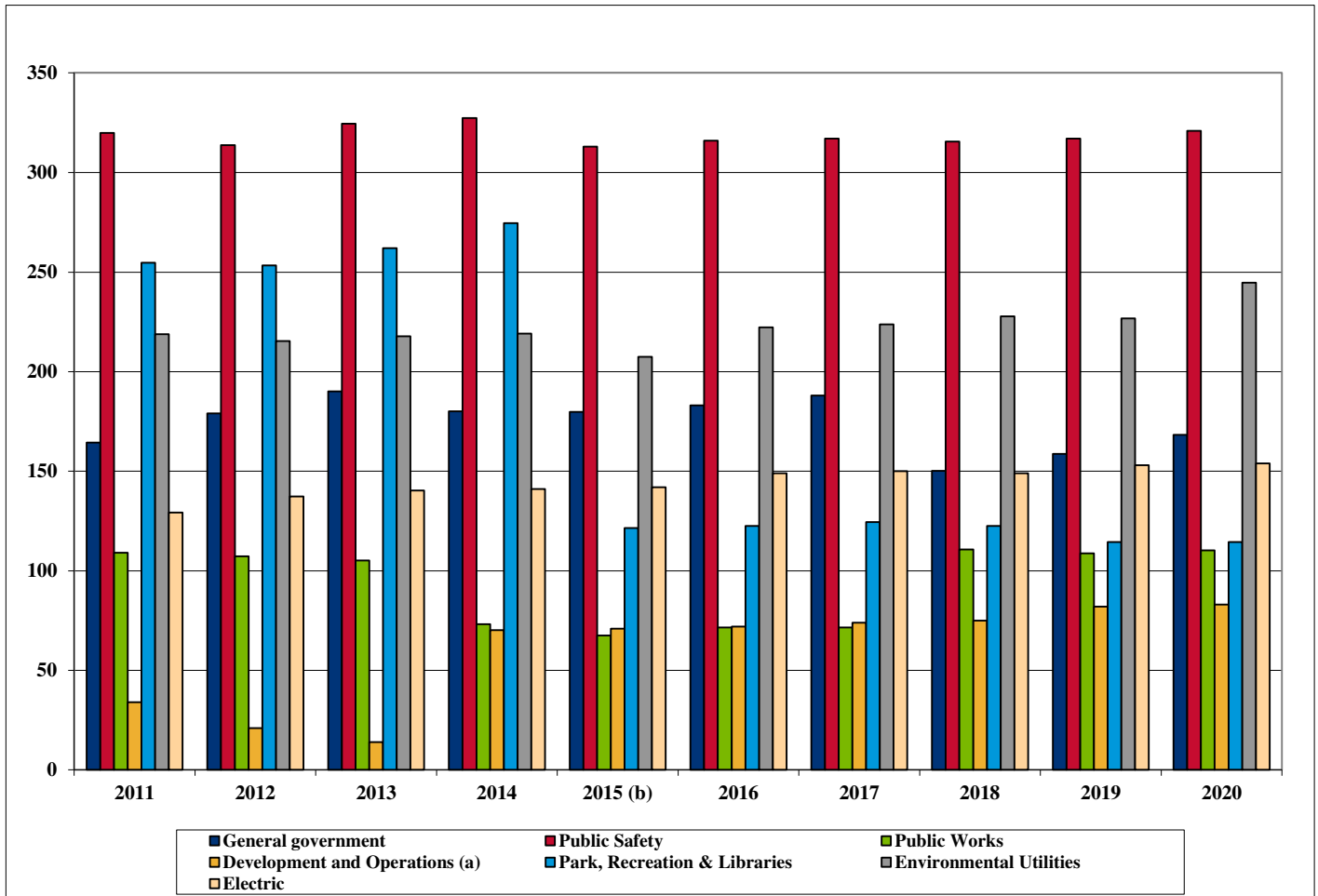
(a) Information not available

**CITY OF ROSEVILLE  
PRINCIPAL EMPLOYERS  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2020</b>			<b>2011</b>	
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employees</b>	<b>Number of Employees</b>	<b>Rank</b>
The Permanente Medical Group & Foundation Group	5,200	1	5.70%	4,430	1
Sutter Roseville Medical Group	2,202	2	2.41%	1,654	3
City of Roseville	1,896	3	2.08%	1,230	5
Adventist Health	1,320	4	1.45%		
Union Pacific Railroad Company	1,150	5	1.26%	1,118	6
Roseville City School District	1,133	6	1.24%	929	7
PRIDE Industries	1,062	7	1.16%	661	9
Roseville Joint Union High School	1,005	8	1.10%	1,299	4
Top Golf	450	9	0.49%		
Consolidated Communications	320	10	0.35%		
Hewlett-Packard				3,200	2
Walmart				790	8
Telefunken Semiconductors America				640	10
Subtotal	<u>15,738</u>		<u>17.25%</u>	<u>15,951</u>	
Total Employment	<u>91,253</u> (a)			<u>68,130</u>	

(a) Total Employment as used above represents the total employment of all employees located within the City limits.

**CITY OF ROSEVILLE**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**



Adopted for Fiscal Year Ended June 30,

	2011	2012	2013	2014	2015 (b)	2016	2017	2018	2019	2020
<b>Function</b>										
General government	164.38	179.09	190.14	180.10	179.81	183.11	187.98	150.23	158.73	168.23
Public Safety	319.90	313.78	324.59	327.42	313.00	316.00	317.00	315.50	317.00	321.00
Public Works	109.03	107.33	105.17	73.18	67.50	71.50	71.50	110.75	108.75	110.25
Development and Operations (a)	33.98	21.00	14.00	70.26	71.00	72.00	74.00	75.00	82.00	83.00
Park, Recreation & Libraries	254.65	253.43	262.00	274.61	121.50	122.50	124.50	122.50	114.50	114.50
Environmental Utilities	218.90	215.32	217.82	219.14	207.50	222.25	223.75	227.75	226.75	244.75
Electric	129.33	137.39	140.36	141.09	142.00	149.00	150.00	149.00	153.00	154.00
<b>Total</b>	<b>1,230.17</b>	<b>1,227.34</b>	<b>1,254.08</b>	<b>1,285.80</b>	<b>1,102.31</b>	<b>1,136.36</b>	<b>1,148.73</b>	<b>1,150.73</b>	<b>1,160.73</b>	<b>1,195.73</b>

(a) Community Development was renamed to Development and Operations in fiscal year 2014.

(b) Decrease in FTE for FY14-15 is due to no longer including FTEs attributable to temporary part-time staff.

**CITY OF ROSEVILLE**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public safety:										
Fire:										
Number of Haz-Mat alarms responded	172	199	201	214	228	204	224	239	278	232
Number of medical emergencies responded	7,836	8,429	9,045	9,995	11,015	10,694	10,545	10,993	11,078	10,835
Total calls for service	9,609	10,006	10,936	12,163	13,286	12,828	16,756	16,553	17,109	17,010
Police:										
Law violations: (Note 4)										
Physical arrests (adult and juvenile)	5,845	4,264	4,647	4,321	3,295	4,057	3,734	4,554	4,061	4,417
Traffic citations	6,404	4,826	4,470	2,207	1,839	2,702	3,036	4,187	3,180	4,024
Public works:										
Total building permits issued	4,078	4,338	4,131	5,796	5,715	5,854	6,226	6,387	6,621	5,744
Total square feet of street maintenance performed	4,342,272	3,375,318	4,275,981	4,452,658	1,971,986	3,468,666	12,190,840	1,564,362	2,866,227	2,713,778
Park and recreation (Note 5):										
Community services:										
Total attendance in Youth/Adult/Senior programs	301,906	265,736	224,339	233,598	240,576	246,331	209,619	213,916	210,091	133,900
Total attendance to aquatic facilities (Note 1)	278,860	306,455	291,407	324,918	357,064	316,994	428,744	451,127	467,324	276,413
Library (Note 5):										
Number of materials checked out (Note 2)	994,990	1,058,434	1,194,909	1,273,880	1,252,039	1,306,844	1,339,684	1,221,101	1,149,134	975,554
Water:										
Average daily consumption (in million gallons)	25.90	28.60	30.20	28.00	23.01	20.70	23.25	25.77	25.40	26.96
Number of backflow devices tested	4,965	4,558	3,862	4,520	4,854	5,093	5,183	5,200	5,054	4,999
Number of meters sold	497	555	770	569	824	848	1,044	1,100	914	1,432
Wastewater:										
Number of miles of sewer mains flushed	284	277	271	335	284	266	294	283	273	264
% of preventative work orders hours (Note 3)	55%	n/a	40.2%	35.8%	41.3%	38.4%	46.4%	45.7%	48.1%	47.9%
Solid waste:										
Tons of solid waste collected	89,125	87,336	87,946	92,101	94,308	101,794	117,594	115,548	139,501	139,061

Notes:

- 1 - Roseville Aquatics Center closed for pool repairs November 2007-January 2008.
- 2 - The Library totals include Downtown Library, Maidu Library and Riley Library. The Bookmobile was retired during winter 2008 and was replaced in April 2015. FY18 was the first year the Libraries were closed on Fridays.
- 3 - Data not available for FY11-12 due to change in software (Maximo) used by the City.
- 4 - The City restated Police Law Violations number for FY16 and FY17.
- 5 - FY 2020 numbers impacted by COVID-19 pandemic.

**CITY OF ROSEVILLE**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public safety:										
Fire stations	8	8	8	8	8	8	8	8	8	8
Police stations	1	1	1	1	1	1	1	1	1	1
Number of Police patrol vehicles (Note 1)	49	58	61	64	67	77	91	88	93	97
Public works:										
Miles of streets	432	438	440	440	458	465	470	478	480	485
Number of traffic signals	166	167	167	167	171	175	180	183	187	191
Park and recreation:										
Community services:										
Golf courses (18 holes)	2	2	2	2	2	2	2	2	2	2
Parks and recreation facilities (Note 2)	63	66	68	71	72	72	74	76	80	74
Miles of creek	60	60	60	60	60	60	75	75	75	75
Swimming pools	3	3	3	3	3	3	3	3	3	3
Tennis courts	16	16	16	18	18	18	18	18	18	18
Library:										
City libraries	3	3	3	3	3	3	3	3	3	3
Water:										
Miles of water mains	569	569	570	570	583	592	608	621	635	650
Fire hydrants	4,533	4,542	4,545	4,545	4,654	4,735	4,763	5,007	5,087	5,212
Wastewater:										
Miles of sanitary sewers	493	487	487	491	497	505	517	529	542	552
Miles of storm drain	348	349	351	344	353	366	372	381	390	401
Solid waste:										
Number of new residential refuse customers	522	537	768	475	601	787	822	1,068	926	859
Electric:										
Number of residential customers	47,021	47,611	48,387	49,013	49,851	50,784	51,638	52,789	53,868	54,687
Number of commercial customers	6,437	6,505	6,561	6,666	6,673	6,700	6,759	6,812	6,884	6,975

Notes:

1 - Prior to FY16-17, the City only reported active patrol cars. In FY16-17 the City began reporting active patrol vehicles, which includes all police department vehicles that are patrolling the streets in one fashion or another, whether undercover, a community services officer, an animal control officer, or a citizen on patrol volunteer. No additional cars were purchased in FY16-17.

2 - In FY19-20, the City recalculated the number of parks and recreation facilities to exclude facilities shared by other departments