

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

SACRAMENTO TRANSPORTATION AUTHORITY

Sacramento, California

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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PREPARED BY

Lisa Valine Accounting Manager

SACRAMENTO TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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Sacramento Transportation Authorit

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October 17, 2014

The Honorable Members of the Sacramento Transportation Authority Governing Board

The Comprehensive Annual Financial Report for the Sacramento Transportation Authority (the "Authority") for the year ended June 30, 2014 is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief the enclosed data is accurate in all material aspects and is reported in a manner designed to fairly present the financial position and results of operations of the Authority. All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

The Authority was established under the Local Transportation and Improvement Act, California Public Utilities Code Division 19, during the 1988-89 fiscal year. The voters of Sacramento County passed an ordinance (Measure A) enacted by the Authority imposing a retail transactions and use (sales) tax increase throughout the County at a maximum rate of one half of one percent (1/2 of 1%) for a period of 20 years. In 2004, voters approved a 30 year extension of the original Measure. This extension began in the 2009-10 year. The sales tax generated by Measure A must be used to fund public road improvements, public road maintenance, public transit functions, air quality, and elderly and handicapped transportation functions.

This report includes all funds, agencies, boards, commissions and authorities that are financially accountable to the Authority Governing Board. Such financial accountability was determined on the basis of budget adoption, taxing authority, imposition of will, funding, and appointment of the governing board. Based on this criteria, since the Authority Governing Board is also the Governing Board of the Sacramento Abandoned Vehicle Service Authority (SAVSA), SAVSA is considered a component unit of the Authority. SAVSA is represented in the Authority's Special Revenue Fund.

United States Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Authority's MD&A can be found immediately following the independent auditor's report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Authority operates.

Internal Controls In developing and evaluating the Authority's accounting system, consideration is given to the adequacy of internal accounting controls. Management of the Authority is responsible for the establishment and maintenance of internal controls designed to (1) provide reasonable, but not absolute, assurance that assets of the Authority are protected against loss from unauthorized use or disposition and (2) that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with GAAP and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Local economy. The unemployment rate for Sacramento County in June 2014 was 7.1%, which is a decrease from June 2013 at 8.7% and the declined housing market also appears to be rebounding since 2012. Sales tax revenues for the Authority increased by 4.75% in fiscal year 2013-14 from the prior year and sales tax revenue projections for fiscal year 2014-15 are estimated to be 5% higher than the prior year.

Long-term financial planning. The Authority adopted a Plan of Finance in 2006 that was intended to be a guiding document for the Authority's capital program through 2039. The three primary program components accounted for in the Plan of Finance include:

- STA Capital Program
- Other Jurisdictional Set-asides
- Formula/Other Measure A uses

In July 2012, the Authority issued \$53 million in tax revenue bonds at a fixed interest rate of 2.480997%. Interest payments occur semiannually beginning in October 2012, however, principal payments will not be due until 2016 which will range from \$3,450,000 in year 2016 to \$5,720,000 at maturity in 2027. This issue allows the Authority to expedite additional transportation projects funded under the "New Measure A" that was passed by voters in 2004. The Authority has pledged proceeds of New Measure A tax to repay the debt issue.

Other Information

An audit team from Macias Gini & O'Connell LLP has performed this year's audit. The independent auditor's unmodified opinion has been included in the Independent Auditor's Report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sacramento Transportation Authority for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This is the nineteenth straight year the Authority has received this award.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for their review.

We want to thank the members of the Sacramento Transportation Authority Governing Board for your interest and support in planning and conducting the financial operation of the Authority. The preparation of this report could not have been accomplished without your policy direction.

Respectfully Submitted,

Concur,

Lisa Valine

Accounting Manager

Disa Daline

Brian A. Williams
Executive Director

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SACRAMENTO TRANSPORTATION AUTHORITY

LIST OF PRINCIPAL OFFICIALS

June 30, 2014

BOARD MEMBERS

CURT CAMPION, City of Galt and Isleton STEVE COHN, City of Sacramento GARY DAVIS, City of Elk Grove DARRELL FONG, City of Sacramento SUE FROST, City of Citrus Heights KERRI HOWELL, City of Folsom PATRICK HUME, City of Elk Grove ROBERTA MACGLASHAN, County of Sacramento KEVIN MCCARTY, City of Sacramento ROBERT J. MCGARVEY, City of Rancho Cordova DON NOTTOLI, County of Sacramento BONNIE PANNELL, City of Sacramento SUSAN PETERS, County of Sacramento JAY SCHENIRER, City of Sacramento PHIL SERNA, County of Sacramento JIMMIE YEE, County of Sacramento

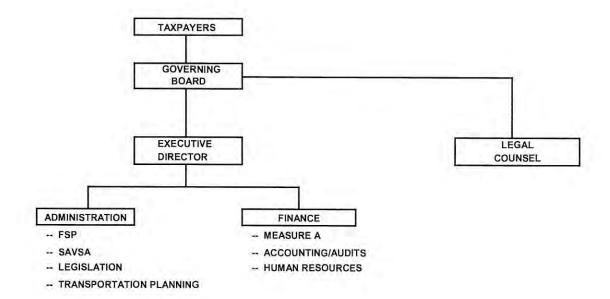
Alternates

ANGELIQUE ASHBY, City of Sacramento NICK AVDIS, County of Sacramento MARK CREWS, City of Galt and Isleton STEVE HANSEN, City of Sacramento KEVIN JOHNSON, City of Sacramento STEVE MILLER, Citrus Heights ANDY MORIN, City of Folsom TERESA STANLEY, County of Sacramento DONALD TERRY, Rancho Cordova ROBERT TRIGG, City of Elk Grove ALLEN WARREN, City of Sacramento

STAFF

BRIAN WILLIAMS, Executive Director LISA VALINE, Accounting Manager NORMAN HOM, Administrative Services Officer III JENNIFER DOLL, Office Manager BILL BURKE, General Counsel

Sacramento Transportation Authority For the Year Ended June 30, 2014 Organization Chart





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sacramento Transportation Authority, California

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



Certified Public Accountants.

Sacramento 2000 S Strukt (Suita 596) 55cramento (CA 95616 916 928 4600)

Walnut Creek

Oakland

LA/Century City

Newport Beach

San Diego

Seattle

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Sacramento Transportation Authority Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sacramento Transportation Authority (Authority) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Authority'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, each major fund, and the aggregate remaining fund information of the Authority as of June 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and Special Revenue Fund 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 on pages 5–10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, Combining Statement of Changes in Assets and Liabilities – All Agency Funds, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Statement of Changes in Assets and Liabilities – All Agency Funds is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Statement of Changes in Assets and Liabilities – All Agency Funds is 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 October 16, 2014, on our consideration of the Authority'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 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 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 Authority's internal control over financial reporting and compliance.

Macias Gini & O'Connell LAP Sacramento, California

October 16, 2014

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Sacramento Transportation Authority

Management's Discussion and Analysis

As management of the Sacramento Transportation Authority (Authority), we present to the readers of these financial statements this narrative overview and analysis of the Authority for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through iii of this report.

Financial Highlights

- Actual Measure A sales tax revenues of \$100,448,637 for 2013/14 were short of original budgetary projections by \$466,270, a negative variance of .5%, however, actual Measure A revenues for 2013/14 did exceed the prior year by 4.75% (using budgetary basis revenues).
- Mitigation Fees for the 2013/14 year exceeded prior year by 11.5% which seems to confirm a modest increase in construction and housing.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The *government-wide financial Statements* are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net of the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The government-wide financial statements include not only the Authority itself, but also the Sacramento Abandoned Vehicle Service Authority (SAVSA). SAVSA, although legally separate from the Authority, functions for all practical

purposes as a department of the Authority and therefore has been included as an integral part of the Authority.

The government-wide financial statements can be found on pages 11 - 12 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, a special revenue fund for SAVSA, and a debt service fund.

The Authority adopts an annual appropriated budget for its general fund and special revenue fund. Budgetary comparison statements have been provided for those funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 13 – 18 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs. The basic fiduciary fund financial statement can be found on page 19 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 20 - 37 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, liabilities exceeded assets and deferred outflows of resources by \$288,831,950 at the close of the 2014 fiscal year.

SUMMARY OF NET POSITION

Governmental Activities

	2014	2013	<u>Variance</u>
Current and other assets Deferred outflows	\$ 101,337,734	\$ 109,920,101	(\$ 8,582,367)
of resources	79,483,663	75,790,293	3,693,370
Total assets and deferred outflows of resources	180,821,397	185,710,394	(4,888,997)
Long-term liabilities	461,065,953	458,129,305	2,936,648
Other liabilities	8,587,394	6,832,388	1,755,006
Total liabilities	469,653,347	464,961,693	4,691,654
Net position:			
Restricted	5,361,840	4,390,110	971,730
Unrestricted	(294, 193, 790)	(283,641,409)	(10,552,381)
Total net position	(\$ 288,831,950)	(\$ 279,251,299)	(\$ 9,580,651)

The decrease of \$8,582,367 in current and other assets in fiscal year 2013-14 is a direct result of the bond proceeds which are being spent down for reimbursement on capital project claims. Likewise, the increase of \$1,755,006 in other liabilities reflects the increase of capital project reimbursements submitted by the various jurisdictions, particularly in the 4th quarter of fiscal year 2013-14. The total net position decrease of \$9,580,651 is primarily explained by these two factors.

DETAIL OF DEFICIT NET POSITION

	Authority	Total			
Total assets and deferred outflows of resources	\$ 180,821,397	\$ -	\$ 180,821,397		
Capitalized Assets		319,424,069	319,424,069		
Total Liabilities	469,653,347		469,653,347		
Total Net Position	(\$ 288,831,950)	\$ 319,424,069	\$ 30,592,119		

Since the Authority issues bond debt to fund capital projects for other governments, the proceeds from those bonds create a deficit net position for the Authority. In turn, these improvements are shown as capitalized assets on the recipient government's financial statements since they are classified as capitalized assets for their purposes. The total reflects the substance of the combined transactions across entities. The debt and related deficit will be funded with future Measure A tax receipts.

SUMMARY OF CHANGE IN NET POSITION

Govern	mental Activities		
	2014	2013	Variance
Revenues:			
Program revenues:			
Freeway Service Patrol Abandoned Vehicle	\$ 2,122,523	\$ 1,914,759	\$ 207,764
Service Authority	1,172,833	1,130,254	42,579
Mitigation Fees	3,540,542	3,176,382	364,160
Total program revenues	6,835,898	6,221,395	614,503
General Revenues:	3,500,000	0,221,000	014,000
Sales taxes Interest and investment	100,063,237	97,390,177	2,673,060
earnings and other	430,908	662,384	(231,476)
Total revenues	107,330,043	104,273,956	3,056,087
Expenses:			-1020,000
Governmental activities:			
Measure A (ongoing and			
set asides)	80,236,470	76,397,880	3,838,590
Transportation mitigation	2,680,549		2,680,549
Freeway Service Patrol Abandoned Vehicle	2,164,149	1,765,562	398,587
Service Authority	1,125,637	1,089,746	35,891
Measure A (construction)	14,507,501	17,826,692	(3,319,191)
Interest on long-term debt	16,196,388	16,257,749	(61,361)
Total expenses	116,910,694	113,337,629	3,573,065
Decrease in net position	(9,580,651)	(9,063,678)	(516,974)
Net position - beginning	(279,251,299)	(268,086,525)	(11,164,773)
Change in accounting principle		(2,101,096)	2,101,096
Net position – ending after change	(\$288,831,950)	(\$279,251,299)	(\$ 9,580,651)

The decrease in net position reflects the Measure A construction costs that vests in ownership to recipient government entities. The increasing negative position is a direct result of the arrangement that the Authority has with the various jurisdictions in which it funds their capital projects with its bond proceeds. This deficit related to the debt will be funded over the long-term through sales tax receipts. Note 10 in the Notes to the Basic Financial Statements on page 37 provides a more detailed explanation. Measure A sales tax revenues were \$2,673,060 more in fiscal year 2013/14 than fiscal year 2012/13 due to the continued improvement of the economy, in turn, Measure A (on-going and set asides) distributions were \$3,838,590 more in fiscal year 2013/14 than fiscal year

2012/13 because of the higher sales taxes. Measure A (construction) expenses, including Transportation mitigation expenses, were a combined \$638,642 less than the prior year as the jurisdictions did not spend down the bond proceeds allocated for project claims as quickly as in the prior year due to timing issues associated with construction on several of the capital projects.

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund At of the end of the current fiscal year, the Authority's general fund reported an ending fund balance of \$92,028,710, a decrease of \$10,059,987 in comparison with the prior year. This decrease is primarily due to the transfer out of \$16,660,053 for debt service and the Measure A expenditures of \$96,417,649 exceeding the sales tax revenues of \$100,063,237.

Special Revenue Fund At the end of the current fiscal year, the Sacramento Abandoned Vehicle Service Authority (SAVSA), which represents the Special Revenue Fund, reported an ending fund balance of \$107,455, an increase from the prior year of \$13,638. This modest increase is primarily due to the vehicle registration fee revenue of \$1,172,833 exceeding the payment of that revenue to the local jurisdictions of \$1,125,637 and the transfer out of \$33,956 for administration.

Debt Service Fund The ending fund balance on the Debt Service Fund in the 2013/14 year was \$4,125,528, which represents the amount available for the debt service on the 2009 and 2012 bond issues. Measure A sales tax revenues are initially wired to the Authority's trustee (U S Bank), who in turn, deducts all required debt service expenditures prior to forwarding the remaining balance to the Authority. The interfund transfers of \$16,660,053 between the General Fund and the Debt Service Fund represent the sales tax revenue needed to meet the \$16,880,820 of debt service expenditures on both the 2009 and the 2012 debt issuances. The difference between these two amounts is the primary reason fund balance decreased \$220,380 from the prior year.

General Fund Budgetary Highlights

There were no budget amendments during the year. The intergovernmental expenditures were less than anticipated due to decreases in construction activity and timing of projects in the various jurisdictions. A comparison of actual

revenues to budget in the 2013/14 year resulted in a negative variance due to a slight unanticipated downturn in sales tax revenue in the last quarter.

Debt Administration

During the 2009/10 year, the Authority issued \$318 million in bonds to accelerate New Measure A proceeds to participating jurisdictions for transportation projects and to refund the 2006 and 2007 sales tax revenue bonds. Since the proceeds from the 2009/10 issuance had been completely spent down by the 2012 year, the Authority issued \$53 million in fixed interest rate tax revenue bonds by July 2012 to continue to expedite Measure A transportation projects.

	June 30, 2014
2009 Series A	\$ 106,100,000
2009 Series B	106,100,000
2009 Series C	106,100,000
2012 Series	53,355,000
Total Outstanding Bonds	\$ 371,655,000

Additional information on the Authority's long-term debt can be found in Note 8 on pages 31 - 36 of this report.

Economic Factors and Next Year's Budget

Although the economic recovery has been quite slow in last few years, the housing market has begun to rebound and the unemployment rate in the 2013/14 year has decreased by 1.6% from the prior year. Sales tax revenue has increased in the last several years, resulting in a 4.47% increase in the 2012/13 year and an increase of 4.75% in the 2013/14 year. Accordingly, an increase of 5% is projected for sales tax revenue in the 2014/15 year (per budgetary basis).

Request for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Sacramento Transportation Authority, 431 I Street, Suite 106, Sacramento, CA 95814.

BASIC FINANCIAL STATEMENTS

SACRAMENTO TRANSPORTATION AUTHORITY STATEMENT OF NET POSITION JUNE 30, 2014

		Sovernmental Activities
ASSETS		
Cash and investments	\$	16,757,477
Receivables:		
Interest		14,324
Due from other governments		18,403,968
Prepaid items		10,027
Restricted cash and investments		66,151,938
Total assets	-	101,337,734
DEFERRED OUTFLOWS OF RESOURCES		
Fair value of hedging derivatives (long-term interest rates)		79,483,663
LIABILITIES		
Accounts payable and other current liabilities		4,663,747
Deposits		412,294
Interest payable		3,511,353
Long-term liabilities:		
Due in more than one year		461,065,953
Total liabilites	_	469,653,347
NET POSITION		
Restricted for transportation mitigation		5,254,385
Restricted for abandoned vehicles		107,455
Unrestricted		(294,193,790)
Total net position	\$	(288,831,950)

SACRAMENTO TRANSPORTATION AUTHORITY STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

				Program Revenues Operating Grants	Net (Expense) and Revenue Governmental
Functions/Programs		Expenses		and Contributions	Activities
Governmental Activities:	-				
Measure A (ongoing and set aside)	\$	80,236,470	\$		\$ (80,236,470)
Transportation mitigation		2,680,549		3,540,542	859,993
Freeway Service Patrol		2,164,149		2,122,523	(41,626)
Abandoned Vehicle Service Authority		1,125,637		1,172,833	47,196
Measure A (construction)		14,507,501			(14,507,501)
Interest on long-term debt		16,196,388			(16,196,388)
Total governmental activities		116,910,694	\$	6,835,898	(110,074,796)
	Ge	neral revenues	:		
		ales taxes			100,063,237
				earnings and other	430,908
	- 17	Total general re		The state of the s	100,494,145
		Change in net	A CONTRACTOR OF THE PARTY OF TH		(9,580,651)
		position - begi		ig ,	(279,251,299)
	Net	position - endi	ng		\$ (288,831,950)

SACRAMENTO TRANSPORTATION AUTHORITY BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2014

	General		Special Revenue			Debt Service	Total Governmental Funds		
ASSETS:	•	40,000,000	•	400 555	0		Φ.	40 ara 144	
Cash and investments Prepaid items	\$	16,288,922 10,027	\$	468,555	\$	1.3	\$	16,757,477 10,027	
Receivables:		10,027						10,027	
Interest		13,926		398				14,324	
Due from other governments		18,091,294		312,674				18,403,968	
Restricted cash and investments		62,014,056				4,137,882		66,151,938	
TOTAL ASSETS	\$	96,418,225	\$	781,627	\$	4,137,882	\$	101,337,734	
LIABILITIES and FUND BALANCES									
LIABILITIES:									
Accounts payable and other									
accrued liabilities	\$	191,123	\$		\$	12,354	\$	203,477	
Due to other governments		4,198,392		261,878				4,460,270	
Deposits	-			412,294				412,294	
Total liabilites	_	4,389,515		674,172		12,354		5,076,041	
FUND BALANCES;									
Nonspendable:									
Prepaid items		10,027						10,027	
Restricted:		00 044 050						00 044 050	
New Measure A projects		62,014,056						62,014,056	
Transportation mitigation Other transportation projects		5,254,385 24,322,812						5,254,385 24,322,812	
Debt service		24,322,012				4,125,528		4,125,528	
Abandoned vehicles				107,455		4,120,020		107,455	
Unassigned:				101,100				101,400	
General administration		427,430						427,430	
Total fund balances		92,028,710		107,455		4,125,528		96,261,693	
TOTAL LIABILITIES AND									
FUND BALANCES	\$	96,418,225	\$	781,627	\$	4,137,882	\$	101,337,734	

SACRAMENTO TRANSPORTATION AUTHORITY RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2014

Ending Fund Balances per governmental fund balance sheet (page 13)

\$ 96,261,693

(381,533,926)

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

Long-term debt, including premium and hedging derivatives, are not due and payable in the current period and therefore are not reported in the funds.

Sales tax bonds outstanding\$(371,655,000)Unamortized bond premium(9,878,926)Fair value of interest rate swap(79,483,663)Deferred outflow of resources79,483,663

Interest payable is not due and payable in the current period and therefore is not reported in the funds. (3,511,353)

Compensated absences are not due and payable in the current period and therefore are not reported in the funds. (48,364)

Net position of governmental activities (page 11) \$ (288,831,950)

SACRAMENTO TRANSPORTATION AUTHORITY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2014

		Special General Revenue				Debt Service	Totals Governmental Fund		
REVENUES: Taxes	\$	100 062 027	•		·		S	100 000 007	
Mitigation fees	Ф	100,063,237 3,540,542	\$	-	\$	-	ф	100,063,237 3,540,542	
Vehicle registration fees		3,340,342		1,172,833				1,172,833	
State grant - freeway service		1,179,459		1,172,033				1,179,459	
FSP / State / SHOPP		196,064						196,064	
SAFE funds		747,000						747,000	
Use of money and property - interest		429,411		398		387		430,196	
Miscellaneous		712		330		307		712	
Total revenues		106,156,425		1,173,231		387		107,330,043	
EXPENDITURES:									
General government:									
Administrative		1,008,517						1,008,517	
Freeway Service Patrol		2,164,149						2,164,149	
Intergovernmental		96,417,649		1,125,637				97,543,286	
Debt Service:		2863 (198.42)		4.1.33.8.2				2.450.545.5	
Interest and other charges						16.880.820		16,880,820	
Total expenditures		99,590,315		1,125,637		16,880,820		117,596,772	
EXCESS (DEFICIENCY) OF REVENUES									
OVER (UNDER) EXPENDITURES	-	6,566,110		47,594		(16,880,433)		(10,266,729)	
OTHER FINANCING SOURCES (USES):									
Transfers in		33,956				16,660,053		16,694,009	
Transfers out		(16,660,053)		(33,956)				(16,694,009)	
Total other financing sources (uses)		(16,626,097)		(33,956)	1	16,660,053			
CHANGES IN FUND BALANCES		(10,059,987)		13,638		(220,380)		(10,266,729)	
FUND BALANCES, JULY 1, 2013	-	102,088,697		93,817		4,345,908		106,528,422	
FUND BALANCES, JUNE 30, 2014	\$	92,028,710	\$	107,455	\$	4,125,528	\$	96,261,693	

SACRAMENTO TRANSPORTATION AUTHORITY RECONCILATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

Changes in fund balances - total governmental funds (page 15)

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

Changes not reported in government funds:

Interest payable
Change in compensated absences
Bond premium amortization

\$ (10,266,729)

\$ (10,266,729)

\$

(9,580,651)

The notes to the basic financial statements are an integral part of this statement.

Change in Net Position of governmental activities (page 12)

SACRAMENTO TRANSPORTATION AUTHORITY GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2014

		Budgeted A	Am	ounts		tual Amounts	v	ariance with
and a control of	_	Original		Final	-5 %	(See Note 1)	F	inal Budget
REVENUES:	- 2	Court Court of The						
Taxes	\$	100,914,907	\$	100,914,907		100,448,637	\$	(466,270)
Mitigation Fees		3,300,000		3,300,000		3,540,542		240,542
State grant - freeway service		1,168,729		1,168,729		1,179,459		10,730
FSP / State / SHOPP						196,064		196,064
SAFE funds		747,000		747,000		747,000		
Use of money and property - interest		600,000		600,000		429,411		(170,589)
Miscellaneous						712		712
Total revenues	_	106,730,636		106,730,636		106,541,825		(188,811)
EXPENDITURES:								
General government:								
Administrative		1,275,490		1,275,490		1,008,517		266,973
Freeway Service Patrol		2,023,917		2,023,917		2,164,149		(140,232)
Intergovernmental		105,359,849		105,359,849		96,417,649		8,942,200
Total expenditures		108,659,256		108,659,256		99,590,315		9,068,941
EXCESS (DEFICIENCY) OF REVENUES								
OVER (UNDER) EXPENDITURES	_	(1,928,620)		(1,928,620)		6,951,510		8,880,130
OTHER FINANCING SOURCES (USES):								
Transfers in		34.000		34.000		33,956		(44)
Transfers out		(16,620,000)		(16,620,000)		(16,660,053)		(40,053)
Total other financing sources (uses)		(16,586,000)		(16,586,000)		(16,626,097)		(40,097)
Changes in fund balance (budgertary basis)		(18,514,620)		(18,514,620)		(9,674,587)		8,840,033
BUDGETARY FUND BALANCE, JULY 1, 2013, as restated		80,822,998		80,822,998		85,063,597		4,240,599
BUDGETARY FUND BALANCE, JUNE 30, 2014	\$	62,308,378	\$	62,308,378		75,389,010	\$	13,080,632
Taxes accrual - 6/30/14				1		16,639,700		
Ending fund balance - GAAP basis					s	92,028,710		

SACRAMENTO TRANSPORTATION AUTHORITY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2014

		Budgete Original	d Am	ounts Final	(Bu	tual Amounts dgetary Basis) See Note 1)	Variance with Final Budget
REVENUES;	-						
Vehicle registration fees	\$	1,100,000	\$	1,100,000	\$	1,159,638	59,638
Use of money and property - interest		1,000		1,000		398	(602)
Total revenues		1,101,000		1,101,000		1,160,036	59,036
EXPENDITURES:							
General government:							
Intergovernmental		1,101,000		1,101,000		1,125,637	(24,637)
Total expenditures		1,101,000		1,101,000		1,125,637	(24,637)
EXCESS OF REVENUES							
OVER EXPENDITURES	-			16		34,399	34,399
OTHER FINANCING USES:							
Transfers out		(34,000)		(34,000)		(33,956)	44
Total other financing uses		(34,000)		(34,000)	-	(33,956)	44
Changes in fund balance (budgetary basis)		(34,000)		(34,000)		443	34,443
BUDGETARY FUND BALANCE, JULY 1, 2013, as restated		73,092		73,092		(205,662)	(278,754)
BUDGETARY FUND BALANCE, JUNE 30, 2014	\$	39,092	\$	39,092		(205,219)_\$	(244,311)
Vehicle registration fees accrual - 6/30/14						312,674	
Ending fund balance - GAAP basis					\$	107,455	

SACRAMENTO TRANSPORTATION AUTHORITY STATEMENT OF FIDUCIARY NET POSITION AGENCY FUNDS JUNE 30, 2014

ASSETS:	
Cash and investments	\$ 33,218,251
Interest receivable	23,278
Total assets	33,241,529
LIABILITIES:	
Accounts payable	338,966
Deposits	32,902,563
Total liabilities	33,241,529
NET POSITION	\$ -

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sacramento Transportation Authority (Authority), which include the Authority and the Sacramento Abandoned Vehicle Service Authority (SAVSA), have been prepared in conformity with the United States generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting requirements. The more significant of the Authority's accounting policies are described below.

ORGANIZATION

The Authority was established under the Local Transportation and Improvement Act, Public Utilities Code Division 19, during the 1988-89 fiscal year. The voters of Sacramento County (the County) passed an ordinance (Measure A) enacted by the Authority imposing a retail transactions and use tax (sales tax) increase throughout the County at a maximum rate of one half of one percent (1/2 of 1%) for a period of 20 years. In 2004, the taxpayers approved a 30 year extension of the tax beginning in fiscal year 2009 (New Measure A).

SAVSA, a separate legal entity, was established under California Vehicle Code Section 22710, during the 1991-92 fiscal year. The code establishes a \$1 vehicle registration fee to be used for the abatement of abandoned vehicles for counties electing to impose the fee. The County Board of Supervisors, by a two-thirds vote, and the City Councils of a majority of the cities within the County having a majority of the incorporated population, adopted resolutions providing for the establishment of SAVSA.

The Authority and SAVSA are governed by a sixteen member Board of Directors made up of five members representing the County, five members representing the City of Sacramento, two members representing the City of Elk Grove, one member each from the Cities of Folsom, Citrus Heights, Rancho Cordova, and one member representing the Cities of Isleton and Galt. The Authority distributes sales tax proceeds to the County of Sacramento, the Cities of Sacramento, Folsom, Galt, Isleton, Citrus Heights, Rancho Cordova, and Elk Grove, the Sacramento Regional Transit District, Paratransit, Inc., and the Sacramento Metropolitan Air Quality Management District according to the Measure A Ordinance.

The distribution of Measure A funds is prescribed in the ballot measure approved by the voters with the extension of Measure A. Per Ordinance No. STA 04-01, revenues are allocated as follows: 43% for local streets and roads, 38.25% for Sacramento Regional Transit, 12% for local interchange upgrades, safety projects, and congestion relief improvements on the local freeway system, including bus and carpool lane projects, 4.5% for senior and disabled transportation services, 1.50% for transportation-related air quality programs, and .75% for program administration. The sales tax is complemented by the Sacramento County Transportation Mitigation Fee Program. Fee revenues are also allocated to capital projects.

New Measure A Capital Projects are being funded via debt proceeds based on a Board adopted Plan of Finance.

SAVSA distributes the \$1 vehicle registration fees collected to the County, and the Cities of Sacramento, Galt, Isleton, Folsom, Elk Grove, and Citrus Heights based upon the Sacramento Abandoned Vehicle Abatement Plan.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FINANCIAL REPORTING ENTITY

For financial reporting purposes, in conformance with the pronouncements of the Government Accounting Standards Board (GASB) and the United States generally accepted accounting principles (GAAP), the Authority includes all funds, agencies, boards, commissions and authorities that are financially accountable to the Authority's Governing Board. Such financial accountability is determined on the basis of budget adoption, taxing authority, imposition of will, funding, and appointment of governing boards. Based on these criteria, since the Authority Governing Board is also the Governing Board of SAVSA and the management of the Authority has operational responsibility for SAVSA, SAVSA is considered a component unit of the Authority. SAVSA is presented using the blending method and is represented in the Authority's Special Revenue Fund. Component unit financial statements for SAVSA are not separately issued.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The transportation mitigation expenses presented in the Statement of Activities represents reimbursements of Measure A (construction) claims with mitigation fees. Program revenues include grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund statements. Revenues are recorded when earned and expenses are reported when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this concept, sources and uses of financial resources, including capital outlays, loan proceeds and debt retirement are reflected in operations. Revenues are recognized in the accounting period in which they become measurable and available.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The Authority considers revenues to be available if they are collectible within 60 days of the end of the current fiscal year. All of the Authority's revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures are recorded when a liability has been incurred, as under accrual accounting.

The Authority reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required or designated by the Board to be accounted for in another fund.

Special Revenue Fund – The Authority has one Special Revenue Fund. The Special Revenue Fund is the operating fund of SAVSA. It is used to account for all the financial resources of SAVSA.

Debt Service Fund – The fund accounts for the debt service associated with the 2009 and 2012 bond issues.

Additionally, the Authority reports the following fund types:

Fiduciary Funds:

Measure A Agency Funds - These funds are used to account for assets held by the Authority as an agent for other organizations and governmental units.

The Authority holds the construction allocations for the Cities of Folsom, Rancho Cordova, Galt, Isleton, Citrus Heights, Elk Grove, and Sacramento, the Sacramento Regional Transit District, and the County of Sacramento. The monies are disbursed to each entity when the entity requests reimbursement of expenditures made on projects authorized by the Authority. The amount of unexpended "Original" Measure A revenue along with the allocated interest is recorded in the Measure A Agency Funds.

In addition, two fiduciary funds were approved by the Board in the 2009-10 year as future set asides from Measure A sales tax revenue. The Neighborhood Shuttle set aside will promote the development or expansion of shuttle routes in residential and commercial areas that have infrequent or no transit service. The Consolidated Transportation Services Agency (CTSA) set aside will be used to support the provision of Elderly and Handicapped Transportation (EHT) services in the urbanized portion of Sacramento County. The CTSA set aside funds will remain unspent until 2030.

Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs, and therefore, the agency funds have no measurement focus.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUDGETARY PRINCIPLES

As required by the laws of the Public Utilities Code of the State of California, the Authority prepares and legally adopts a final operating budget each fiscal year. Operating budgets are adopted for the Governmental Fund Types on the modified accrual basis of accounting, except that the budget for the General Fund does not include accrued sales tax and the budget for the Special Revenue Fund does not include accrued vehicle registration fees. Budgetary control and the legal level of control are at the program level which classifies expenditures by program; i.e., administration, and freeway service patrol. Significant amendments, appropriation transfers between programs and transfers from contingencies must be approved by the Authority's Governing Board. Supplemental appropriations financed by unanticipated revenues also must be approved by the Board. During any fiscal year certain budget amendments may be approved by the Governing Board.

The Authority is subject to an annual appropriations limit, Article XIIIB of the State Constitution. Under the terms of the Article, the State and each of its local government units may appropriate no more than it appropriated the year before being adjusted for changes in the cost of living and population. The limitation applies to appropriations of specified "proceeds of taxes" revenue and may be changed in certain circumstances or by a vote of the electorate. The Authority's budget is in compliance with the provisions of Article XIIIB.

CASH AND INVESTMENTS

The Authority's cash, except for small amounts on hand and an imprest checking account, is deposited in the pooled account of the County of Sacramento and in the State of California's Local Agency Investment Fund. Cash surpluses in these accounts are invested and investment earnings are allocated to the Authority's funds on the basis of average daily cash balances. All investments are reported at fair value with changes in fair value reported in the statement of revenues, expenditures, and changes in fund balance. Bond proceeds are deposited with California Asset Management Program (CAMP).

CAPITAL ASSETS

Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. It is the Authority's policy to capitalize furniture and equipment exceeding \$5,000. The Authority has no capital assets that exceed the capitalization threshold.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COMPENSATED ABSENCES

The Authority compensates employees upon termination for unused vacation pay, up to a maximum of 400 hours. Accumulated sick leave is not paid upon termination.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is recorded in the government funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is used to liquidate compensated absences.

LONG-TERM DEBT

In the government-wide financial statements, long-term debt is recorded as a liability in the applicable governmental activities statement of net position. 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 applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts incurred during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

INTERFUND TRANSACTIONS

Transactions between funds during the year consisted of operating transfers between the general fund and the special revenue and debt service funds.

FUND BALANCE CLASSIFICATION

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUND BALANCE CLASSIFICATION (Continued)

The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Authority has classified funds for New Measure A projects, transportation mitigation, and other transportation projects as being restricted because their use is restricted by local ordinance for transportation-related expenditures. Debt service resources are to be used for future servicing of the bonds and are therefore restricted by debt covenants. The Authority has restricted funds for the Abandoned Vehicles program that are to be used for the operating expenditures of the various jurisdictions.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Authority's Board. These amounts cannot be used for any other purpose unless the Authority's Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. The Authority had no fund balances subject to committed constraints as of June 30, 2014.
- Assigned: This classification includes amounts that are constrained by the Authority's intent to be used for a specific purpose, but are neither restricted nor committed. This intent can be expressed by the Authority's Board or, as authorized by the Board, by its Executive Director. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Authority had no fund balances subject to assigned constraints as of June 30, 2014.
- Unassigned: This classification includes any residual fund balance for the General Fund which includes unassigned funds remaining for the use of general administrative expenditures of the Authority.

The Authority would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

INSURANCE

The Authority's employees are covered by commercial worker's compensation insurance. In addition, the Authority purchases commercial insurance for general liability claims. At June 30,

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2014, there were no claims outstanding. There were no reductions in coverage during the year. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years.

NOTE 2 - CASH AND INVESTMENTS

The Authority's cash and investments are carried at fair value and are included within the County of Sacramento Treasury Pool (County Pool) and the State of California's Local Agency Investment Fund (LAIF). Restricted cash is restricted for the repayment of principal and interest on the related outstanding debt and New Measure A projects that are advanced from the outstanding debt issue. Restricted cash is invested in the California Asset Management Program (CAMP) and money market mutual funds. The fair value of the position in the County Pool is 100% of the pool shares, the fair value of the position in LAIF is 100% of the pool shares, and the fair value of the position in CAMP is 100% of the pool shares.

Cash and investments as of June 30, 2014 are classified in the accompanying financial statements as follows:

Governmental activities:		
Cash and investments	\$	16,757,477
Restricted cash and investments		66,151,938
Agency funds:		
Cash and investments		33,218,251
Total cash and investments	\$_	116,127,666

As of June 30, 2014, the Authority's cash and investments consisted of the following:

Cash on hand	\$ 1,000
Deposits with financial institutions	18,926
Total cash and deposits	19,926
County Pool	28,255,802
LAIF	21,700,000
Money market mutual funds	4,137,882
CAMP	 62,014,056
Total investments	 16,107,740
Total cash and investments	\$ 116,127,666

NOTE 2 - CASH AND INVESTMENTS (Continued)

The Authority did not directly or indirectly enter into any derivative investments related to its cash and investments. The Authority's total investment in LAIF at June 30, 2014 is \$21,700,000. The total amount invested by all public agencies in LAIF at June 30, 2014, was \$64,846,169,129 which is managed by the Treasurer for the State of California. Of that amount, 1.86% is invested in asset-backed securities and structured financial instruments. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designed by state statute. The County Pool and CAMP are 100% invested in non-derivative financial products. The government security fund that is held by the trustee is not rated.

Investment in CAMP: CAMP was created under the provisions of the California Joint Exercise of Powers Act to provide professional investment management services and allows the participants to combine the use of a money market portfolio with an individually managed portfolio. CAMP is governed by a board of seven trustees, all of whom are officials or employees of public agencies. The money market portfolio offers daily liquidity and is rated AAAm by Standard and Poor. To maintain the AAAm rating, the portfolio's weighted average maturity may not exceed 70 days.

Investment policy: California statutes authorize public agencies to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, and Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the Authority by the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the Authority rather than the general provisions of the California Government Code or the Authority's investment policy. During the year ended June 30, 2014, the Authority's permissible investments included the following instruments:

Authorized Investment Type	Maximum <u>Maturity</u>	Maximum % or Amount of the Portfolio
US Treasury Bonds/Notes/Bills	5 years	100%
Bonds issued by local agencies	5 years	80%
Registered State Warrants and Municipal Notes	5 years	80%
Bankers Acceptances	180 days	40%
Commercial Paper	270 days	40%
Negotiable Certificate of Deposit	180 days	30%
CRA Bank Deposit/Certificate of Deposit	1 year	30%
Repurchase Agreements	1 year	30%
Reverse Repurchase Agreement	92 days	20%
Medium Term Corporate Notes	180 days	30%
Shares of Money Market Mutual Fund	90 days	20%
Collateralized Mortgage Obligations	180 days	20%
California Asset Management Program (CAMP)	none	none
County Pool	none	none
LAIF	none	none

NOTE 2 - CASH AND INVESTMENTS (Continued)

<u>Investments Authorized by Debt Agreements:</u> Investment of debt proceeds held by the bond trustees are governed by the provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. The 2009 and 2012 Sales Tax Revenue Bonds debt agreements contain certain provisions that address interest rate risk and credit risk, but not concentration of credit risk.

Authorized Investment Type	Maximum Security	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds or Obligations	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Bankers Acceptances	1 year	None	None
Commercial Paper	270 days	None	None
Money Market Fund	None	None	None
Certificates of Deposit	None	None	None
Investment Agreements	None	None	None
Repurchase Agreements	None	None	None
Mutual Funds	N/A	None	None
LAIF	N/A	None	None

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2014, the weighted average maturity of the investments contained in LAIF, the County Pool, CAMP, and mutual money market funds is approximately 247, 293, 41, and 51 days, respectively.

<u>Credit Risk</u>: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Neither LAIF nor the County Pool has a rating provided by a nationally recognized statistical rating organization. The money market mutual fund is rated AAAm by Standard and Poor.

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The Authority's deposits were covered by federal depository insurance at June 30, 2014.

NOTE 3 - RECONCILIATION OF THE MODIFIED ACCRUAL BASIS TO BUDGETARY BASIS OF ACCOUNTING

The reconciliation of General Fund excess of revenues over expenditures to the budgetary basis of accounting is as follows:

	Мо	dified Accrual Basis	Reversal of Prior Year Accrual	Current Year Accrual	Budgetary Basis			
Revenues	\$	106,156,425	\$17,025,100	(\$16,639,700)	\$106,541,825			
Expenditures		99,590,315	(5)	- 2	99,590,315			
Excess of revenues over expenditures	\$	6,566,110	\$17,025,100	(\$16,639,700)	\$ 6,951,510			

The reconciliation of SAVSA Fund excess of revenues over expenditures to the budgetary basis of accounting is as follows:

	N	lodified Accrual Basis	Reversal of Prior Year Accrual	Current Year Accrual	Budgetary Basis		
Revenues	\$	1,173,231	\$299,479	(\$312,674)	\$ 1	,160,036	
Expenditures		1,125,637	-	-	1	,125,637	
Excess of revenues over expenditures	\$	47,594	\$299,479	(\$312,674)	\$	34,399	

NOTE 4 - PENSION PLAN

Pension plan description - The Authority contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating entities within the State of California. CalPERS requires agencies with less than 100 active members in the plan to participate in the risk pool. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The benefits for the public agencies are established by contract with CalPERS in accordance with the provisions of the Public Employees Retirement Law. CalPERS issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for CalPERS. A copy of that report may be obtained by writing to CalPERS, Central Supply, P.O. Box 942715, Sacramento, CA 94229-2715.

NOTE 4 - PENSION PLAN (continued)

<u>Funding Policy</u> - Employees are required to contribute 8% of covered salary to CalPERS. The Authority is required to contribute the remaining amounts necessary to fund the benefits for its members using the actuarial basis recommended by CalPERS actuaries and actuarial consultants and adopted by the CalPERS Board of Administration. For the fiscal year ended June 30, 2014, the employer contribution rate was 19.303%. The Authority, as part of its compensation to employees, pays 7% of the employees' contributions in addition to its own.

Annual Pension Cost - The Authority's annual pension costs for the years ended June 30, 2014, 2013, and 2012 were \$92,960, \$93,859, and \$89,722, respectively, which are equal to the required and actual contributions for each year. The required contribution for the year ended June 30, 2014 was determined as part of the June 30, 2011 actuarial valuation using the entry age actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected annual salary increases depending on age, service and type of employment of 3.30% to 14.20%, (c) inflation of 2.75%, (d) payroll growth of 3.00%, and (e) individual salary growth varying by duration of employment coupled with an assumed inflation growth of 2.75% and an annual production growth of 0.25%, The actuarial value of CalPERS assets was determined using the techniques that smooth the effects of short-term volatility in the market value of the investments over a 15-year period (smoothed market value).

NOTE 5 - DEFERRED COMPENSATION PLAN

The Authority offers its regular employees a deferred compensation plan under the provisions of Internal Revenue Code (IRC) Section 457. The plan permits these employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

The Authority has established a separate independent trust which is administered outside the Authority to hold the assets and earnings of its deferred compensation plans for the exclusive benefit of the participants that are not included in the Authority's financial statements.

NOTE 6 - OPERATING LEASES

The Authority leases certain premises under operating leases through September 30, 2017, at which time the lease expires. Rental expense for the year ended June 30, 2014 was \$51,094.

Future minimum lease payments under operating leases as of June 30, 2014 are as follows:

Fiscal Year Ending June 30	A	
2015	\$	52,285
2016		58,347
2017		59,646
Thereafter		14,939
Total	\$	185,217
	-	

NOTE 7 - INTERFUND TRANSACTIONS

Interfund transfers are used to (1) reimburse the General Fund for services to and payments on behalf of the Special Revenue Fund in the amount of \$33,956, and (2) repay interest per the debt agreement in the amount of \$16,660,053.

NOTE 8 - LONG-TERM LIABILITIES

The activity of the Authority's long-term liabilities during the year ended June 30, 2014 are as follows:

Balance July 1, 2013		Additions	Reductions	Balance June 30, 2014		
Series 2009A Bonds	\$106,100,000	\$ -	\$ -	\$ 106,100,000		
Series 2009B Bonds	106,100,000	-	18	106,100,000		
Series 2009C Bonds	106,100,000		-	106,100,000		
2009 Series Bonds	318,300,000	. 2	Ş	318,300,000		
Fair Value (Loss) of Interest Rate Swap (2009 Series Bonds)	75,790,293	3,693,370	2	79,483,663		
2012 Series Bonds	53,355,000		7.4	53,355,000		
Unamortized Bond Premium (2012 Series Bonds)	10,634,003	4	755,077	9,878,926		
Compensated absences	50,010		1,646	48,364		
Total Long-term liabilities	\$458,129,306	\$ 3,693,370	\$ 756,723	\$ 461,065,953		

Compensated absences are classified as long-term since employees normally take vacation benefits as they are earned, therefore, no amounts are considered to be due within one year.

In 2009, the Authority issued Measure A Sales Tax Revenue Bonds (Limited Tax Bonds) in the amount of \$318,300,000 of which \$182,320,000 of the proceeds were used to refund the 2006 and 2007 Bonds and the remaining balance will allow the Authority to expedite additional transportation projects under "New Measure A." The variable interest rates of the Bonds are fixed through an interest-rate swap. The fixed interest rates range from 3.666% to 3.736%. Principal payments range from \$22,300,000 which begins in the year 2029 to \$35,400,000 at maturity in the year 2039. No amounts are due within one year.

NOTE 8 - LONG-TERM LIABILITIES (Continued)

Since the 2009 bond proceeds were completely spent down for "New Measure A" transportation projects by the 2012 year, the Authority again issued Measure A Sales Tax Revenue Bonds (Limited Tax Bonds) in the amount of \$53,355,000 at a fixed interest rate of 2.480997% in July 2012. Interest payments occur semiannually and principal payments do not occur until 2016 which will range from \$3,450,000 in year 2016 to \$5,720,000 at maturity in 2027. This bond issuance enabled the Authority to continue to expedite current "New Measure A" capital transportation projects. The 2012 bond issuance agreement did not include an interest rate swap as in the case of the 2009 bond issuance and no amounts are due within one year.

Long-term debt consists of the following at:

June 30 2014

2009 Series A Bonds: In October 2009, the Authority issued variable rate Sales Tax Revenue Bonds in the amount of \$106,100,000. The Bonds will be used to finance the cost of certain transportation projects approved by the voters in 2004. In the floating-to-fixed rate swap, the Authority pays a fixed interest rate of 3.736% to Goldman Sachs Capital Markets, and in turn, receives a variable interest rate based on 67 percent of the one month London Interbank Offered Rate (LIBOR) which is reset on a weekly basis. In addition, the Authority pays ancillary fees consisting of liquidity facility fees at a rate of 0.55% and remarketing fees of 0.10%. Under the Indenture Agreement between the Authority and the Trustee (U S Bank), the Authority pledges future sales tax revenue as repayment for the 2009A Bonds. The 2009A Bonds mature on October 1, 2038.

\$106,100,000

2009 Series B Bonds: In October 2009, the Authority issued variable rate Sales Tax Revenue Bonds in the amount of \$106,100,000. The Bonds will be used to finance the cost of certain transportation projects approved by the voters in 2004. In the floating-to-fixed rate swap, the Authority pays a fixed interest rate of 3.666% to JP Morgan Chase Bank N. A, and in turn, receives a variable interest rate based on 67 percent of three month London Interbank Offered Rate (LIBOR) which is reset on a weekly basis. In addition, the Authority pays ancillary fees consisting of liquidity facility fees at a rate of 0.78% and remarketing fees of 0.10%. Under the Indenture Agreement between the Authority and the Trustee (U S Bank), the Authority pledges future sales tax revenue as repayment for the 2009B Bonds. The 2009B Bonds mature on October 1, 2038.

\$106,100,000

2009 Series C Bonds: In October 2009, the Authority issued variable rate Sales Tax Revenue Bonds in the amount of \$106,100,000. The Bonds will be used to finance the cost of certain transportation projects approved by the voters in 2004. In the floating-to-fixed rate swap, the Authority pays a fixed interest rate of 3.736% to Bank of America N.A., and in turn, receives a variable interest rate based on 67 percent of three month London Interbank Offered Rate (LIBOR) which is reset on a weekly basis. In addition, the Authority pays ancillary fees consisting of liquidity facility fees at a rate of 0.34% and remarketing fees of 0.10%. Under the Indenture Agreement between the Authority and the Trustee (U S Bank), the Authority pledges future sales tax revenue as repayment for the 2009C Bonds. The 2009C Bonds mature on October 1, 2038.

\$106,100,000

NOTE 8 - LONG-TERM LIABILITIES (Continued)

<u>2012 Series Bonds:</u> In July 2012, the Authority issued fixed rate Sales Tax Bonds in the amount of \$53,355,000. The bond proceeds will be used to finance the cost of certain transportation projects approved by the voters in 2004. Interest payments are due semi-annually on April 1 and October 1, beginning in October 2012. The average coupon interest rate is 2.480997%. Principal payments on the 2012 Series Bonds will begin in 2016 at \$3,450,000 to \$5,720,000 at maturity in 2027. The Authority pledges future sales tax revenue as repayment for the 2012 Series Bonds.

\$53,355,000

The Measure A one-half percent sales tax revenues approved by the electorate in 2004 are pledged for principal and interest payments. The 2006 and 2007 Series Bonds were repaid with proceeds from the 2009 Series bond issuance of \$318 million which allowed the Authority to expedite additional transportation projects under "New Measure A". Once the 2009 bond proceeds were completely spent down, the Authority issued the 2012 Series Bonds in order to continue to expedite the transportation projects which had been funded under the 2009 Series Bonds. The Authority has pledged future sales tax proceeds from the incremental tax which are projected to cover 100% of the debt service requirements over the life of the bonds. The total principal and interest remaining on both the 2009 and 2012 bonds is \$684,099,083, payable through October 1, 2038 and October 1, 2027, respectively. For the current year, the interest paid and total incremental sales tax revenues were \$16,880,820 and \$100,063,237, respectively. The 2009 Series bonds were issued at par, and therefore, no premium/discount is shown for the 2009 Series bonds. The 2012 Bonds were issued at a premium of \$11,326,155, which is amortized over the life of the fifteen year bonds that mature on October 1, 2027.

As of June 30, 2014, the future annual debt service requirements and net payments on associated hedging derivative instruments on the Authority's 2009 Series Bond obligations are detailed in the schedule below. These amounts assume that current interest rates on variable rate bonds will remain the same for their term. As these rates vary, interest payments on variable rate bonds and net payments on the hedging derivatives will vary. Included in the schedule are the future principal and fixed interest obligations on the 2012 Series Bonds.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Fiscal Year Ending June 30,	Principal (1)	 mated Bond Interest (2)	Hedging ivatives, Net (3)	An	cillary Fees (4)	 Total
2014	\$ -	\$ 2,642,565	\$ 11,412,828	\$	2,270,577	\$ 16,325,969
2015	4.	2,642,565	11,412,828		2,178,371	16,233,763
2016	7	2,642,565	11,412,828		2,184,122	16,239,514
2017	3,450,000	2,573,565	11,412,828		2,177,716	19,614,108
2018	3,590,000	2,432,765	11,412,828		2,178,371	19,613,963
2019 - 2023	20,370,000	9,753,024	57,064,138		10,896,951	98,084,112
2024 - 2028	25,945,000	4,182,449	57,064,138		10,902,702	98,094,288
2029 - 2033	126,200,000	655,948	46,207,071		8,824,755	181,887,774
2034 - 2039	192,100,000	305,120	21,493,621		4,106,850	218,005,592
Total	\$ 371,655,000	\$ 27,830,564	\$ 238,893,105	\$	45,720,414	\$ 684,099,083

- (1) Reflects principal amortization of the 2009 and 2012 bonds.
- (2) Based on average of Bond Rates for FY 2014 on all three 2009 series (.0509%). Based on average fixed interest rate of 2,480997% on the 2012 series.
- (3) Based on average fixed swap rate for the three swaps (3.7127%), less average receipts on the three floating legs for FY 2014 (.1271%); total rate = 3.5856% on the 2009 series only as the 2012 bonds do not include an interest rate swap.
- (4) Based on FY 2014 average liquidity rates of .59%, plus remarketing fees of 0.10% for FY 2014; total = 0.69% on the 2009 series only. Average liquidity rates are 0.57% and remarketing fees are 0.10% after FY 2014; total = 0.67%

Interest Rate Swaps Effective Date of October 1, 2009

Objective of the interest rate swaps. On October 18, 2006, the Sacramento Transportation Authority (the "Authority") entered into three forward interest rate swaps for \$106,100,000 each in order to hedge the interest rate risk associated with the Sacramento Transportation Authority Sales Tax Revenue Bonds, Series 2009 (the "Bonds"), that were issued on October 1, 2009, and whose initial interest rate is variable.

Terms. The initial notional amounts of the swaps are \$106,100,000 each. Under two of the swaps, the Authority pays the counterparty a fixed payment of 3.7360% and receives a variable payment based on 67% of the one month London Interbank Offered Rate (LIBOR). Under the third swap, the Authority pays the counterparty a fixed payment of 3.666 percent and receives a variable payment based on 67% of the three month London Interbank Offered Rate (LIBOR). The notional amounts and maturity dates of the swaps match the principal amounts and the maturity dates of the bonds that were issued on October 1, 2009 and mature on October 1, 2038. The variable-rate coupons of the hedged bonds closely match the SIFMA and percentage of LIBOR rates paid monthly.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Fair value. Because long-term interest rates have decreased since execution of the swaps, the swaps had a total negative fair value of \$79,483,663 as of June 30, 2014. The Bank of America swap had a negative fair value of \$27,196,304, the Goldman Sachs Capital Markets swap had a negative fair value of \$27,197,456, and the JPMorgan Chase Financial Products swap had a negative fair value of \$25,089,903. The fair values were estimated by an independent third-party based on mid-market levels as of the close of business on June 30, 2014. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of the swaps. The fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the swaps. As of June 30, 2014, the negative fair value of these swaps was \$79,483,663, and is reported as a deferred outflow of resources.

Credit risk. This is the risk that the counterparty will fail to perform under the terms of the agreement. As of June 30, 2014, the Authority was not exposed to credit risk on these swaps because the fair values were negative. However, should interest rates change and the fair values of the swaps become positive, the Authority would be exposed to credit risk in the amount of the swaps' positive fair values. In order to mitigate this risk, the Authority diversified its exposure among three counterparties. As of June 30, 2014 the swap counterparties were rated A3 (Bank of America), A2 (Goldman Sachs Products), and Aa3 (JPMorgan Chase) by Moody's and A (Bank of America), A- (Goldman Sachs Capital Markets), and A+ (JPMorgan Chase) by Standard & Poor's. The swap agreements contain varying collateral agreements with the counterparties. The swaps require collateralization of the fair value of the swap should the credit rating fall below the applicable thresholds.

Basis risk. This is the risk of a mismatch between the variable rate received from the counterparty and the variable rate paid on the variable rate debt that was issued in October 2009. The Authority is exposed to basis risk should the floating rate that it receives on a swap be less than the actual variable rate the Authority pays on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the effective fixed rate on the debt will vary. Based on current and historical experience, we expect the payments received under the agreements to approximate the expected bond payments over the 29 year term of the swaps.

Termination risk and termination payments. This is the risk that the transaction is terminated in a market dictating a termination payment by the Authority. The Authority can terminate a swap at the fair market value by providing notice to the counterparty, while the counterparty may only terminate the swap upon certain termination events under the terms of the agreement. The Authority or the counterparties may terminate the swap if the other party fails to perform under the terms of the contracts, such as the failure to make swap payments. If the swap is terminated, the expected variable-rate bonds would no longer be hedged.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Arbitrage: The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with investments of all tax-exempt bond proceeds at an interest yield greater than the interest paid to bondholders. Generally, all interest paid to bond holders can be retroactive if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. The Authority's arbitrage liability is currently estimated to be immaterial.

NOTE 9 - FUND BALANCE

The fund balance classification is described in Note 1. The details of the fund balances are included in the Governmental Funds Balance Sheet (page 13).

General Fund

The General Fund has Nonspendable, Restricted and Unassigned Funds as of June 30, 2014 consisting of the following:

- Prepaid Items (\$10,027) represent amounts that are expected to be converted to cash
- New Measure A Projects (\$62,014,056) to reflect bond reserve held in CAMP for 2009 bond issuance and the bond proceeds for the 2012 issuance.
- Transportation Mitigation (\$5,254,385) to assist with funding road and transit system improvements needed to accommodate projected growth and development.
- Other Transportation Projects (\$24,322,812) to reflect funds restricted by Local Ordinance for transportation-related projects.
- General Administration (\$427,430) to reflect unassigned funds for the use of general administrative expenditures.

Other Major Funds

The Special Revenue Fund has Restricted Funds of \$107,455 at June 30, 2014 to fulfill the program objectives of the Abandoned Vehicles program. The Debt Service Fund has Restricted Funds of \$4,125,528 to reflect amounts held for debt service.

NOTE 10 - GOVERNMENT WIDE NET POSITION

As of June 30, 2014, the Authority had negative net position of \$288,831,950. Under a typical bond financing arrangement, the public entity issues debt and expends the funds on capital projects that are reported on the statement of net position as capital assets. The capital assets generally offset the bonded debt. The Authority has facilitated the financing for the recipient jurisdictions. Since the Authority allocates the Measure A funds to the various jurisdictions for Measure A related projects, a deficit net position will result as the expenses are recorded in the Authority's books while the various jurisdictions will either record capital assets or expenses on their financial statements. The deficit will continue to grow as the projected expenses increase in the next few years, but will be recovered over time as the sales tax revenues eventually pay down the financing.

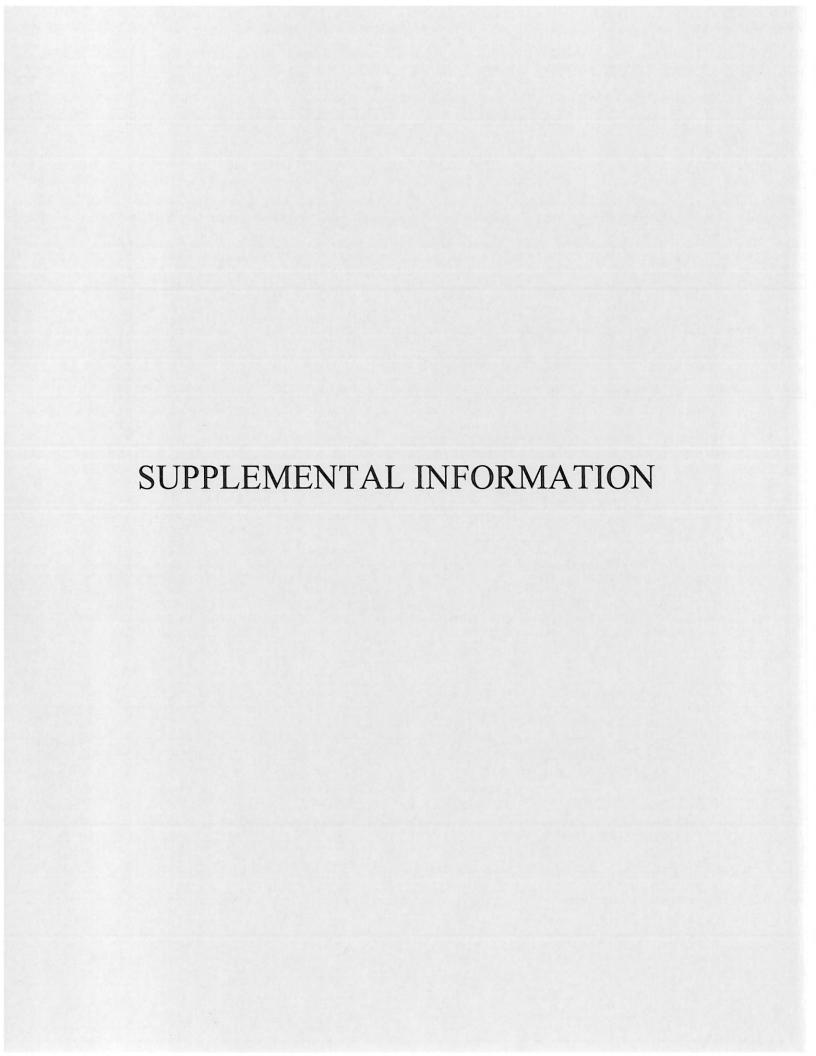
NOTE 11 - RESTATEMENT OF BUDGETARY BASIS

Beginning budgetary fund balance of the General and Special Revenue funds have been restated to properly reflect the exclusion of the respective revenue accruals.

	<u>General</u> <u>Fund</u>	Special Revenue Fund
Budgetary Fund Balance, July 1, 2013, as originally stated	\$ 104,993,475	\$ 104,014
Restatement	(19,929,878)	(309,676)
Budgetary Fund Balance, July 1, 2013, as restated	\$ 85,063,597	<u>\$ (205,662)</u>

NOTE 12 - SUBSEQUENT EVENTS

On September 3, 2014, the Authority issued \$106,100,000 Sales Tax Revenue Refunding Series 2014A Bonds (refunding bonds) to currently refund the outstanding \$106,100,000 Sales Tax Revenue Series 2009A Bonds (refunded bonds). The current refunding was undertaken (1) to free up approximately \$7.9 million that was reserved for the refunded bonds that will be made available to reimburse local jurisdictions for capital project claims and (2) to eliminate approximately 0.7% in ancillary fees the Authority was paying on the refunded bonds. The Authority has also elected not to terminate the interest rate swap associated with the refunded bonds, effectively transferring it to the refunding bonds.



SACRAMENTO TRANSPORTATION AUTHORITY COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	July 1, 2013 Balance		Additions			Deletions		June 30, 2014 Balance	
CITY OF SACRAMENTO									
Assets: Cash and Investments Interest receivable Total Assets	\$	25,941,913 16,842 25,958,755	\$	3,560,492 12,314 3,572,806	\$	7,783,792 16,842 7,800,634	\$	21,718,613 12,314 21,730,927	
	Ψ_	20,930,733	Φ	3,372,000	φ	7,000,034	Ф	21,730,927	
Liabilities: Accounts payable Deposits Total Liabilities	\$	1,154,502 24,804,253 25,958,755	\$	267,873 3,304,933 3,572,806	\$	1,154,502 6,646,132 7,800,634	\$	267,873 21,463,054 21,730,927	
COUNTY OF SACRAMENTO			, T	3141-314-3	-	.,000,000,		E I II OGIOEI	
G 200V 1 6 2 A 2 1 M 2 2 M 2 M 2 M 2 M 2 M 2 M 2 M 2 M									
Assels: Cash and Investments Interest receivable Total Assets	\$	24,158 966 25,124	\$	966 23 989	\$	1,308 966 2,274	\$	23,816 23 23,839	
Liabilities:		25,121			Ψ	AJA T	Ψ	20,000	
Accounts payable Deposits Total Liabilities	\$	548 24,576	\$	760 229	\$	1,308 966	\$	(0) 23,839	
Total Elabilities	\$	25,124	\$	989	\$	2,274	\$	23,839	
SACRAMENTO REGIONAL TRANSIT									
Assets: Cash and Investments Interest receivable	\$	1,168,963 2,997	\$	2,997 956	\$	310,197 2,997	\$	861,763 956	
Total Assets	\$	1,171,960	\$	3,953	\$	313,194	\$	862,719	
Liabilities: Deposits Total Liabilities	\$	1,171,960 1,171,960	\$	3,953 3,953	\$	313,194 313,194	\$	862,719 862,719	
CITY OF FOLSOM									
Assets: Cash and Investments Interest receivable	\$	370 333	\$	333	\$	703 333	\$		
Total Assets	\$	703	\$	333	\$	1,036	\$		
Liabilities: Deposits	\$	703	\$	333	\$	1,036	\$.*	
Total Liabilities	\$	703	\$	333	\$	1,036	\$	*	
CITY OF ISLETON									
Assets: Cash and Investments	\$	433,544	\$	466	\$		\$	434,010	
Interest receivable	-	466	6	422	6	466	-	422	
Total Assets	\$	434,010	\$	888	\$	466	\$	434,432	
Liabilities:	r	404.040	6	000	•	ann.		in the	
Deposits Total Liabilities	\$	434,010 434,010	\$	888 888	\$	466	\$	434,432	
, sta, Elabilitios	Ψ	734,010	φ	000	Φ	466	\$	434,432	

SACRAMENTO TRANSPORTATION AUTHORITY COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	July 1, 2013 Balance		- 1	Additions		Deletions		June 30, 2014 Balance		
Virginia di Ci										
CITY OF GALT										
Assets:		5000								
Cash and Investments	\$	327,631	\$	700	\$	327,631	S	700		
Interest receivable	-	700		83		700		83		
Total Assets	\$	328,331	\$	783	\$	328,331	\$	783		
Liabilities:										
Deposits	\$	328,331	\$	783	\$	328,331	\$	783		
Total Liabilities	\$	328,331	\$	783	\$	328,331	\$	783		
CITY OF CITRUS HEIGHTS										
Assets:										
Cash and Investments	\$	1,035,746	\$	2,597	\$	634,582	\$	403,761		
Interest receivable		2,596	•	736	Ψ	2,596	Ψ	736		
Total Assets	\$	1,038,342	\$	3,333	\$	637,178	\$	404,497		
A										
Liabilities:	· m	05 770	•	07.070		05 270		07.070		
Accounts payable	\$	25,776	5	67,878	\$	25,776	\$	67,878		
Deposits		1,012,566	•	(64,545)	_	611,402	-	336,619		
Total Liabilities		1,038,342	\$	3,333	\$	637,178	\$	404,497		
CITY OF ELK GROVE										
Assets:										
Cash and Investments	\$	416,952	\$	1,045	\$	389,312	\$	28,685		
Interest receivable		1,045		94		1,045		94		
Total Assets	\$	417,997	\$	1,139	\$	390,357	\$	28,779		
Liabilities:										
Accounts payable	\$	275,494	\$		\$	275,494	\$	(0)		
Deposits		142,503		1,139		114,863	1	28,779		
Total Liabilities	\$	417,997	\$	1,139	\$	390,357	\$	28,779		
CITY OF RANCHO CORDOVA										
Assets:										
Cash and Investments	\$	389,691	\$	1,007	\$	180,027	\$	210,671		
Interest receivable	Ψ.	1,006	•	259	Ψ	1,006	Ψ	259		
Total Assets	\$	390,697	\$	1,266	S	181,033	\$	210,930		
Liabilities:										
Accounts payable	\$	49,322	\$	3,215	\$	49,322	\$	3,215		
Deposits		341,375		(1,949)		131,711		207,715		
Total Liabilities	\$	390,697	\$	1,266	\$	181,033	\$	210,930		
NEIGHBORHOOD SHUTTLE										
Assets:										
Cash and Investments	\$	4,034,455	\$	1,008,000	\$		\$	5,042,455		
Interest receivable		8,000		4,408		8,000		4,408		
Total Assets	\$	4,042,455	\$	1,012,408	\$	8,000	\$	5,046,863		
Liabilities:										
Deposits	\$	4,042,455	\$	1,012,408	\$	8,000	\$	5,046,863		
					-	-17.50	7	-1-1-1-0		

SACRAMENTO TRANSPORTATION AUTHORITY COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

		July 1, 2013 Balance		Additions		Deletions	June 30, 2014 Balance		
CTSA SET ASIDE									
Assets:									
Cash and Investments	\$	3,503,623	\$	990,154	\$		\$	4,493,777	
Interest receivable		6,896	36	3,876		6,896		3,876	
Total Assets	\$	3,510,519	\$	994,030	\$	6,896	\$	4,497,653	
Liabilities:									
Deposits	\$	3,510,519	\$	994,030	\$	6,896	\$	4,497,653	
Total Liabilities	\$	3,510,519	\$	994,030	\$	6,896	\$	4,497,653	
JPA CONNECTOR (Pay Go)									
Assets:									
Cash and Investments	\$	25,762	S	200,150	\$	225,912	S	0	
Interest receivable	Ψ	150	u u	107	Ψ	150	Ψ	107	
Total Assets	\$	25,912	\$	200,257	\$	226,062	\$	107	
Liabilities:									
Accounts payable	\$	25,509	\$	10,839	\$	36,348	\$	(0)	
Deposits		403		189,418		189,714		107	
Total Liabilities	\$	25,912	\$	200,257	\$	226,062	\$	107	
TOTAL AGENCY FUNDS									
Assets:									
Cash and Investments	\$	37,302,808	\$	5,768,907	\$	9,853,464	\$	33,218,251	
Interest receivable	-	41,997		23,278		41,997		23,278	
Total Assets	\$	37,344,805	\$	5,792,185	\$	9,895,461	\$	33,241,529	
Liabilities;									
Accounts payable	\$	1,531,151	\$	350,565	\$	1,542,750	\$	338,966	
Deposits	_	35,813,654		5,441,620		8,352,711		32,902,563	
Total Liabilities	\$	37,344,805	\$	5,792,185	\$	9,895,461	\$	33,241,529	

STATISTICAL SECTION

This part of the Sacramento Transportation Authority'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 government's overall financial health.

Financial Trends – These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the Authority's most significant local revenue source - sales tax.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place and to help make comparisons over time and with other governments.

Operating Information – These schedules contain information about the Authority's operation and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.

Sources: - Unless otherwise noted; the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Authority implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

SACRAMENTO TRANSPORTATION AUTHORITY Net Position by Component (Accrual basis of Accounting)

	F	iscal Year	F	iscal Year	19	Fiscal Year	F	Fiscal Year	Fiscal Year	Fiscal Year	1	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
		2005	_	2006	_	2007		2008	2009	2010		2011	2012	2013	2014
Governmental activities:															
Restricted for transportation mitigation Restricted for abandoned vehicles	\$	1.00	\$	4	\$		\$	3.7.8	\$ 1	\$ 3,073,658	\$	5,447,348	\$ 1,204,207	\$ 4,390,110	\$ 5,254,385 107,455
Unrestricted		36,790,648		33,368,935		(16,051,271)		(101,589,627)	(143,010,032)	(197,736,342)		(246,561,887)	(269,290,732)	(283,641,409)	(294, 193, 790)
Total governmental activities net position	\$	36,790,648	\$	33,368,935	\$	(16,051,272)	\$ 1	(101,589,627)	\$ (143,010,032)	\$ (194,662,684)	\$	(241,114,539)	\$ (268,086,525)	\$ (279,251,299)	\$ (288,831,950)

Source - Authority financials

SACRAMENTO TRANSPORTATION AUTHORITY Changes in Net Position

(accrual basis of accounting)

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Revenues										
Operating grants and contributions	\$ 3,265,658	\$ 3,038,830	\$ 2,856,376	\$ 3,065,942	\$ 2,964,590	\$ 6,008,096	\$ 5,327,190	\$ 5,966,229	\$ 6,221,395	6,835,898
Expenses										
Governmental Activities:										
Measure A (ongoing and set asides)	\$ 98,303,111	\$ 113,885,339	\$ 118,452,646	\$ 100,930,099	\$ 95,829,982	65,408,282	68,293,582	72,891,458	76,397,880	80,236,470
Transportation mitigation										26,870,549
Freeway Service Patrol	1,495,634	1,555,435	1,643,363	1,824,305	1,770,438	1,836,329	1,880,031	1,729,539	1,765,562	2,164,149
Abandoned Vehicle Service Authority	1,093,842	1,178,658	1,199,866	1,135,591	1,092,942	1,057,667	1,376,979	1,079,593	1,089,746	1,125,637
Measure A (construction)			37,396,454	82,958,676	28,471,832	60,854,700	52,044,097	35,000,302	17,826,692	14,507,501
Interest on long-term debt			2,491,557	6,691,245	7,581,219	10,555,136	16,245,290	15,119,256	16,257,749	16,196,388
Collaborative	892,620	455,910			-					
Total expenses	101,785,207	117,075,342	161,183,886	193,539,916	134,746,413	139,712,114	139,839,979	125,820,145	113,337,629	141,100,694
Net (expense) revenue	(98,519,549)	(114,036,512)	(158,327,510)	(190,473,974)	(131,781,823)	(133,704,018)	(134,512,790)	(119,853,918)	(107,116,239)	(134,264,796)
General revenues:										
Sales laxes	102,385,507	109,688,836	105,366,507	101,155,680	89,395,168	81,413,982	87,299,421	92,239,996	97,390,177	100,063,237
Unrestricted investment earnings	483,592	925,963	3,540,796	3,779,938	966,250	637,384	761,514	641,940	662,384	430,908
Total general revenues	102,869,099	110,614,799	108,907,303	104,935,618	90,361,418	82,051,366	88,060,935	92,881,936	98,052,561	100,494,145
Change in net position	\$ 4,349,550	\$ (3,421,713)	\$ (49,420,207)	\$ (85,538,356)	\$ (41,420,405)	\$ (51,652,652)	\$ (46,451,855)	\$ (26,971,986)	\$ (9,063,678) \$	(33,770,651)

Source - Authority financials

SACRAMENTO TRANSPORTATION AUTHORITY Fund Balances of Governmental Funds (modified accrual basis of accounting)

		iscal Year		Fiscal Year		Fiscal Year	. In	Fiscal Year	F	iscal Year	Fiscal Year		Fiscal Year	F	iscal Year	F	iscal Year	F	iscal Year
General fund:	_	2005		2006	_	2007		2008		2009	2010		2011	-	2012		2013		2014
Nonspendable:																			
Prepaid items												\$	10,027	\$	10,027	\$	10,027	S	10,027
Restricted for:	\$	10,000	\$	10,000															
New Measure A projects					\$	53,736,986	\$	50,417,511	\$	23,815,777	\$103,507,342		45,778,808		26,309,298		74,580,536		62,014,056
Transportation mitigation											3,073,658		5,447,348		1,204,207		4,390,110		5,254,385
Other transportation projects Unreserved:													21,962,603		19,008,492		22,368,024		24,322,812
Designated for:				C44.08/04		COSTATION A													
Revenue estimate adjustments		7,104,690		6,393,630		4,226,954													
Liligation contingency		476,689		497,542		516,689													
Administrative reserve FSP Radios		1,432,497																	
Unreserved and undesignated		27,383,158		26,063,530		16,579,963		21,487,298		15,261,503	13,175,036								
Unassigned for: General administration													589.073		600,000		740.000		427,430
	•	20 407 024	·	22.004.702	-	75 000 500	- 0	74 004 000	æ	39,077,280	\$119,756,036	\$		S	47,132,024	C 4	102,088,697	\$	92,028,710
Total general fund	-	36,407,034	\$	32,964,702	\$	75,060,592	\$	71,904,809	Ф	39,077,200	\$119,756,056	Ф	13,101,009	J	47,132,024	0 1	102,000,097	Ð	92,020,710
All other governmental funds																			
Restricted																			
Debt service					\$	10,721,864	\$	12,495,581	\$	4,384,802	\$ 4,132,177	\$	4,106,434	\$	3,774,504	\$	4,345,908	\$	4,125,528
Abandoned vehicles - SAVSA																			107,455
Assigned																			
Abandoned vehicles - SAVSA													31,435		85,614		93,817		
Unreserved																			
Unreserved, reported in																			
Special revenue fund - SAVSA	\$	429,074	\$	390,322		336,904		324,850		349,268	369,217								
Special revenue fund - Collaborative	-	759		66,998			_					_	1 185 555	_	5 050 710	_	1 100 705	Φ.	1 000 000
Total all other governmental funds	-\$	429,833	\$	457,320	\$	11,058,768	\$	12,820,431	\$	4,734,070	\$ 4,501,393	\$	4,137,869	\$	3,860,118	\$	4,439,725	\$	4,232,983

SACRAMENTO TRANSPORTATION AUTHORITY Changes in Fund Balances of Governmental Funds (modified accrual basis of accounting)

	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
Revenues	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes	\$ 102,385,507	\$ 109,688,836	\$ 105,366,507	\$ 101,155,680	\$89,395,168	\$81,413,982	\$87,299,421	\$92,239,996	\$97,390,177	\$100,063,237
Development Impact Fees (Mitigation)	G. Periodicina	Secretal shares	and a present of the	Let on Attended	Could'A core you are	3,073,658	2,334,437	2,957,362	3,176,382	3,540,542
Vehicle registration fees	1,139,965	1,142,226	1,144,870	1,140,257	1,132,447	1,106,169	1,070,911	1,166,769	1,130,254	1,172,833
Contributions	655,968	405,595	77.00 35130	11.550.50	11415-1411	74.1537.723	216727277	10.540.53	Green and American	1111-513-55
State grant	761,204	772,879	951,204	1,129,892	1,035,852	988,962	1,122,358	1,109,848	1,167,759	1,179,459
FSP / State / SHOPP	414611	1,000	44.144	7(110001000	200,000	1,100,000	11.0010.0	1,101,100	196,064
SAFE Funds	620,000	610,000	640,000	672,525	672,525	706,000	706,000	732,250	747,000	747,000
Use of money and property - interest	426,817	932,080	3,542,668	3,803,128	975,310	637,426	761,414	641,940	660,928	430,196
Unrealized gain/(loss)	56,775	(6,318)	(1,872)	(23, 190)	(9,060)	9.007 4.350.00	701,414	041,540	000,520	430,130
Miscellaneous	3,416	201	(1.072)	(23, 190)	(3,000)	2,432	100		1,452	712
			400 000	400 000	123,766	130,832	0.000.000		1,432	/12
Yolo County	85,105	108,130	120,302	123,268			93,483	00 040 405	101 070 070	107.000.010
Total Revenues	106,134,757	113,653,629	111,763,679	108,001,560	93,326,010	88,059,461	93,388,124	98,848,165	104,273,952	107,330,043
Expenditures										
General government:										
Administrative	1.814.604	1,235,780	493,837	554,092	643,936	599,424	542,380	658,391	745,552	1,008,517
Freeway service patrol	1,495,634	1,555,435	1,643,363	1,824,305	1,770,438	1,836,329	1,880,031	1,729,539	1.765,562	2,164,149
Intergovernmental	98,468,968	114,277,259	156,319,967	183,896,918	123,979,282	126,524,494	121,087,058	108,225,941	94,103,672	97,543,286
Debt Service:	00,400,000	114,271,200	100,010,007	100,000,010	120,070,202	120,524,454	121,007,000	100,220,041	34,100,072	37,543,200
Interest and other charges			2,619,565	6,401,511	7,846,244	14,633,134	16,210,359	15,167,878	16,804,043	16,880,820
Total expenditures	101,779,206	117,068,474	161,076,732	192,676,826	134,239,900	143,593,381	139,719,828	125,781,749	113,418,829	117,596,772
Total experiultures	101,779,200	117,000,474	101,070,732	192,070,020	134,239,900	143,583,361	139,7 19,020	125,761,749	113,410,029	117,096,772
Excess of Revenues over Expenditures	4,355,551	(3,414,845)	(49,313,053)	(84,675,266)	(40,913,890)	(55,533,920)	(46,331,704)	(26,933,584)	(9,144,877)	(10,266,729)
Other Financing Sources (Uses)										
Transfers in	255,200	139,674	11,970,833	7,147,055	589,465	12,031,436	16,215,856	14,869,554	16,950,657	16,694,009
Transfers out	(255,200)	(139,674)	(11,970,833)	(7,147,055)	(589,465)	(12,031,436)	(16,215,856)	(14,869,554)	(16,950,657)	(16,694,009)
Repayment 2006 and 2007 bond debt	***************************************	A Comment				(182,320,000)	Market Market	4. 4		
Premium from issuance of long term debt						V			11,326,155	
Issuance of long term debt			101,673,487	83,618,050		318,300,000			53,355,000	
Total other financing sources (uses)	-		101,673,487	83,618,050	1	135,980,000		-	64,681,155	-
Net change in fund balances	\$ 4,355,551	\$ (3,414,845)	\$ 52,360,434	\$ (1,057,216)	\$(40,913,891)	\$ 80,446,080	\$(46,331,704)	\$ (26,933,584) \$	55,536,278	\$ (10,266,729)
Debt Service as a Percentage of Noncapital										
Expenditures			1.63%	3.32%	5.84%	10.19%	11.60%	12.06%	14.82%	14.35%

Source - Authority financials

SACRAMENTO TRANSPORTATION AUTHORITY REVENUE CAPACITY - REVENUE BASE AND REVENUE RATE FY 2005 through FY 2014 (in thousands)

Fiscal Year	Authority Sales Tax Rate	Total Sales Tax Revenue	Total Taxable Sales
2014	0.5%	\$ 100,063	\$ 20,012,600*
2013	0.5%	97,390	19,478,000*
2012	0.5%	92,240	19,089,848
2011	0.5%	87,299	18,003,765
2010	0.5%	81,414	16,904,528
2009	0.5%	89,395	16,563,853
2008	0.5%	101,155	19,331,847
2007	0.5%	105,367	20,560,510
2006	0.5%	109,689	21,140,386
2005	0.5%	102,386	21,266,500

Source: Board of Equalization

* Estimate - actuals not available

SACRAMENTO TRANSPORTATION AUTHORITY REVENUE CAPACITY - PRINCIPAL REVENUE PAYERS Calendar Year 2012 and 2004

		2012*			2004	
	Rank	Amount	Percentage of Taxable Sales	Rank	Amount	Percentage of Taxable Sales
All Other Outlets	1	\$ 5,723,389	30.0%	1	\$ 5,367,915	26.6%
Automotive	2	2,266,802	11.9%	2	2,752,639	13.6%
General Merchandise Stores	3	2,076,421	10.9%	4	2,267,632	11.2%
All Other Retail Stores	4	2,027,143	10.6%	3	2,573,375	12.7%
Service Stations	5	1,935,830	10.1%	7	1,078,188	5.3%
Eating and Drinking Places	6	1,854,027	9.7%	6	1,488,882	7.4%
Building Materials	7	1,024,765	5.4%	5	1,630,292	8.1%
Food Stores	8	916,005	4.8%	9	850,531	4.2%
Apparel Stores	9	855,369	4.5%	11	591,633	2.9%
Household & Home Furnishings	10	278,066	1.5%	10	708,595	3.5%
Nonstore Retailers	11	132,031	0.8%	8	907,240	4.5%
Total All Outlets		\$ 19,089,848	100.0%		\$ 20,216,922	100.0%

Source: Board of Equalization *Latest information available

SACRAMENTO TRANSPORTATION AUTHORITY PRIVATE SECTOR PRINCIPAL EMPLOYERS Calendar Year 2012 and 2004

	2012"			2004				
	Rank	Employees (a)	Percentage of Total County Employment	Rank	Employees (b)	Percentage of Total County Employment		
Sutter Health Sacramento Sierra Region	1	6,507	1,06%	4	6,405	1.04%		
Intel Corporation	2	6,000	0.98%	2	7,000	1.13%		
Dignity Health	3	5,756	0.94%					
Kaiser Permanente	4	5,696	0.93%	1	7,694	1.24%		
Raley's Inc / Bel Air	5	3,592	0.59%	3	6,632	1.07%		
Health Net of California	6	2,305	0.38%	10	2,000	0.32%		
VSP Global	7	2,223	0.37%					
Wells Fargo & Co	8	2,189	0.36%					
Apple Inc	9	1,800	0.30%					
GenCorp Inc (formerly Aerojet)	10	1,783	0.29%					
CHW / Mercy Health Care				5	6,002	0.97%		
Hewlett Packard				7	4,500	0.73%		
Wal-Mart				8	3,220	0.52%		
EDS				9	2,870	0.46%		
SBC Communications				6	5,180	0,84%		
Total		37,851	6.20%		51,503	8.32%		

⁽a) Source: Sacramento Business Journal, 2013 for 2012 (b) Source: Sacramento County 2013 CAFR used for 2004 *Latest information available

SACRAMENTO TRANSPORTATION AUTHORITY DEMOGRAPHIC AND ECONOMIC STATISTICS CALENDAR YEARS 2005-2014

Fiscal Year	Population	Personal Income (in thousands)	Р	er Capita ersonal ncome	Unemployment Rate
2014	1,447,759	N/A		N/A	7.1%
2013	1,450,121	\$ 60,668,975	\$	41,837	8.7%
2012	1,436,262	57,996,392		40,380	11.1%
2011	1,422,316	55,176,682		38,794	12.7%
2010	1,408,601	54,437,987		38,647	11.3%
2009	1,394,438	55,206,829		39,591	7.2%
2008	1,381,161	53,769,563		38,931	5.4%
2007	1,369,563	51,575,249		37,658	4.8%
2006	1,360,816	48,922,482		35,951	5.0%
2005	1,348,932	46,771,956		34,673	5.6%

Sources: Bureau of Economic Analysis, California State Employment Development Department California Department of Finance for 2014 population estimate only

Personal Income and Per Capita Personal Income not available for 2014.

SACRAMENTO TRANSPORTATION AUTHORITY OPERATING INFORMATION - EMPLOYEES FY 2005 through FY 2014

Activity	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Measure A	2.6	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.5
Freeway Service Patrol	1.2	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.3
SAVSA	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

Source - Authority records

SACRAMENTO TRANSPORTATION AUTHORITY OPERATING INFORMATION - DEMAND FOR SERVICES MEASURE A - By Jurisdiction FY 2005 through FY 2014

Jurisdiction	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
SMAQMD	\$ 1,474,887	\$ 1,407,308	\$ 1,342,830	\$ 1,258,355	\$ 1,203,395	\$ 1,210,653	\$ 1,520,895	\$ 1,786,043	\$ 1,712,031	\$ 1,485,865
RT South Line		Q	19					\$ 5,399,139	\$ 5,535,678	\$ 4,664,757
City of Folsom	\$ 1,978,191	\$ 1,905,848	\$ 1,816,009	\$ 1,667,429	\$ 1,627,374	\$ 3,962,307	\$ 4,954,655	\$ 370,298		
City of Rancho Cordova	\$ 1,803,645	\$ 1,711,239	\$ 1,627,805	\$ 1,401,876	\$ 1,321,950	\$ 2,081,152	\$ 2,533,060	\$ 2,948,026	\$ 2,715,086	\$ 2,334,479
City of Galt	\$ 1,003,696	\$ 958,170	\$ 914,734	\$ 857,824	\$ 820,800	\$ 1,312,785	\$ 1,639,684	\$ 1,946,664	\$ 1,849,731	\$ 1,609,751
City of Isleton	\$ 40,150	\$ 38,327	\$ 36,592	\$ 34,313	\$ 32,835	\$ 45,589	\$ 58,005	\$ 69,539	\$ 69,436	\$ 61,827
Paratransit	\$ 3,441,403	\$ 3,283,718	\$ 3,133,270	\$ 2,936,161	\$ 2,807,922	\$ 1,467,435	\$ 1,844,116	\$ 2,169,072	\$ 2,078,635	\$ 1,791,059
Regional Transit	\$ 33,922,401	\$32,368,073	\$30,885,085	\$ 28,942,154	\$27,678,086	\$ 25,680,118	\$32,272,033	\$37,888,003	\$36,376,101	\$31,343,525
City of Citrus Heights	\$ 1,985,463	\$ 1,891,987	\$ 1,802,800	\$ 1,726,097	\$ 1,655,413	\$ 3,066,507	\$ 3,905,241	\$ 4,680,394	\$ 4,407,218	\$ 4,028,138
City of Elk Grove	\$ 3,927,291	\$ 3,706,060	\$ 3,523,059	\$ 3,103,271	\$ 2,927,716	\$ 4,803,891	\$ 5,882,560	\$ 6,500,846	\$ 5,409,744	\$ 4,517,116
City of Sacramento	\$ 11,534,598	\$11,011,678	\$ 10,506,441	\$ 10,004,574	\$ 9,498,469	\$ 16,469,321	\$ 20,564,463	\$ 24,214,996	\$22,296,911	\$ 19,994,205
County of Sacramento	\$ 15,134,616	\$ 14,424,979	\$ 13,742,240	\$ 12,975,067	\$ 12,455,087	\$ 19,803,338	\$ 25,204,338	\$ 29,981,516	\$30,648,029	\$ 25,544,405
Sacramento Regional Parks*	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Neighborhood Shuttle Set Aside*	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	-	\$ -	\$ -	\$ -	\$ -
CTSA Set Aside*	\$ 983,258	\$ 938,205	\$ 895,220	\$ 838,903	\$ 802,264	\$ -	\$ -	\$ -	\$ -	\$ -

^{*} Note: Set Asides / Sacramento Regional Parks began in FY 09/10 Source - Authority records

SACRAMENTO TRANSPORTATION AUTHORITY RATIOS OF OUTSTANDING DEBT FISCAL YEARS 2007-2014

Fiscal Year	Sales Tax Revenue Bonds	Percentage of Personal Income	Per Capita
2014	\$ 381,533,926	N/A	N/A
2013	382,289,003	0.6%	\$ 264
2012	318,300,000	0.5%	222
2011	318,300,000	0.6%	224
2010	318,300,000	0.6%	226
2009	182,320,000	0.3%	131
2008	182,320,000	0.3%	132
2007	100,090,000	0.2%	73

Personal Income and Per Capita Pesonal Income not available for 2014. No debt was issued prior to 2007

SACRAMENTO TRANSPORTATION AUTHORITY OPERATING INFORMATION ABANDONED VEHICLE ABATEMENTS FY 2005 through FY 2014

Fiscal Year	Total Number of Abatements
2014	5,247
2013	6,222
2012	6,239
2011	7,334
2010	8,718
2009	11,575
2008	13,736
2007	14,690
2006	18,008
2005	20,848

Source: Authority records