



City of Elk Grove
California



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024



CITY OF ELK GROVE, CALIFORNIA
Incorporated July 1, 2000

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

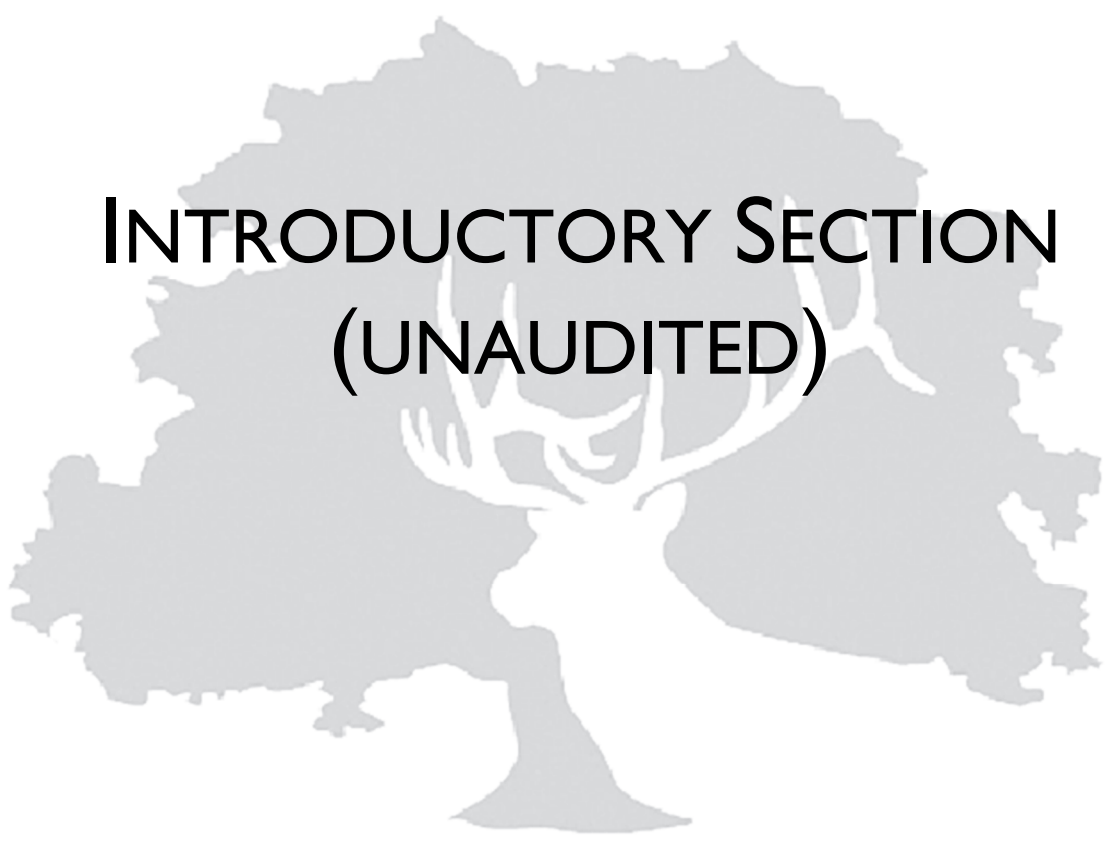
PREPARED BY THE FINANCE DEPARTMENT-
ACCOUNTING DIVISION

Fiscal Year Ended June 30, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024



INTRODUCTORY SECTION (UNAUDITED)



CITY OF ELK GROVE, CALIFORNIA

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2024

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION (unaudited)	
Letter of Transmittal	I
Certificate of Achievement for Excellence in Financial Reporting - Government Finance Officers Association	IX
Organizational Chart.....	X
City Council.....	XI
Executive Team	XII
Location Map	XIII
Acknowledgement	XIV
 FINANCIAL SECTION	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis (unaudited)	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	19
Statement of Activities.....	20
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	22
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position – Governmental Activities.....	25
Statement of Revenues, Expenditures and Changes in Fund Balances.....	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities.....	28
Proprietary Funds:	
Statement of Fund Net Position	29
Statement of Revenues, Expenses and Changes in Fund Net Position	30
Statement of Cash Flows.....	31
Fiduciary Funds:	
Statement of Fiduciary Net Position	32
Statement of Changes in Fiduciary Net Position.....	33
Notes to Financial Statements.....	35
Required Supplementary Information (unaudited):	
Budgetary Comparison Schedules:	
General Fund.....	101
Affordable Housing Special Revenue Fund.....	102
Wilton Rancheria MOU Fund.....	103
Notes to Budgetary Comparison Schedules.....	105
Schedule of Changes in the City’s Net OPEB Liabilities and Related Ratio.....	106
Schedule of City’s OPEB Contributions.....	108
Schedule of Investment Returns	110
Schedule of the City’s Proportionate Share of the Net Pension Liability.....	112
Schedule of Contributions.....	113

CITY OF ELK GROVE, CALIFORNIA

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
Supplementary Information (unaudited)	
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	117
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	118
Special Revenue Funds:	
Definition	119
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	128
Budgetary Comparison Schedules:	
Recycling Grant Fund	133
Used Oil Grant Fund	134
Household Hazardous Waste Fund	135
Tire Collection Disposal Grant.....	136
BSCC Local Police Grant.....	137
OTS Grants Fund.....	138
Local Police Grants Fund	139
CA Law Enforcement Equipment Fund	140
Gas Tax Fund	141
SB1 Streets and Roads Fund	142
Agricultural Preservation Fund	143
Swainson’s Hawk Fund.....	144
Tree Mitigation Fund.....	145
Street Trench Cut Fee Fund.....	146
Community Development Block Grants Fund	147
State Homeless Appropriations Fund.....	148
Strategic Planning Grants Fund.....	149
Police Services CFD Funds	150
Maintenance Services CFD Funds	151
Street Maintenance District Funds	152
Street Lighting Maintenance District Fund	153
Asset Seizure – State and Federal Funds.....	154
Library Ownership Fund	155
HUD Home Grant	156
Neighborhood Stabilization Program Fund.....	157
Measure A Maintenance Fund	158
Development Services Fund.....	159
Performance Bond Fund.....	160
Donations and Community Programs Fund	161
Opioid Settlement Fund.....	162
Transit Fund	163
Disaster Recovery Fund	164

CITY OF ELK GROVE, CALIFORNIA

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
Capital Projects Funds:	
Definition	165
Major Capital Projects Funds:	
Supplemental Budgetary Comparison Schedules:	
Federal Capital Grants Fund.....	167
State Grants Fund	168
Roadway Fee Fund.....	169
Laguna Ridge CFD 2005-1 Fund	170
Nonmajor Capital Project Funds:	
Combining Balance Sheet	172
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	176
Budgetary Comparison Schedules:	
Measure A Construction Funds.....	179
LTF Bike & Pedestrians Fund.....	180
Capital Facilities Funds.....	181
Laguna West Service Area Fund.....	182
Lakeside Service Area Fund.....	183
In Lieu Funds	184
East Franklin CFD 2002-1 Fund	185
Poppy Ridge CFD 2003-1 Fund.....	186
District56 Nature Area & OT Plaza Fund	187
Animal Shelter Fund	188
Laguna CFD Fund.....	189
Laguna West CFD Fund.....	190
Lakeside CFD Fund.....	191
SEPA Mitigation Funds.....	192
PD Tenant Improvements Fund	193
Active Transportation Fee Fund.....	194
Mitigation and Fee Funds.....	195
Laguna Springs Open Space Reserve Permanent Fund:	
Balance Sheet	196
Statement of Revenues, Expenditures and Changes in Fund Balances	197
Budgetary Comparison Schedules.....	198
Debt Service Funds:	
Definition	199
Combining Balance Sheet	200
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	201
Budgetary Comparison Schedules:	
Elk Grove Finance Authority Debt Service Fund	202
Elk Grove Finance Authority 2018 Debt Service Fund	203
Elk Grove Finance Authority 2020 Debt Service Fund	204
Elk Grove Finance Authority 2022 Debt Service Fund	205

CITY OF ELK GROVE, CALIFORNIA

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
Internal Service Funds:	
Definition	207
Balance Sheet	208
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	209
Combining Statement of Cash Flows	210
Custodial Funds:	
Definition	211
Combining Statement of Net Position	212
Combining Statement of Changes in Net Position	214
 STATISTICAL SECTION (unaudited)	
Table of Contents	219
Net Position by Component	220
Changes in Net Position	222
Fund Balances, Governmental Funds	226
Changes in Fund Balances, Governmental Funds	228
Assessed Value and Estimated Actual Value of Taxable Property	230
Direct and Overlapping Property Tax Rates	231
Principal Property Taxpayers	232
Property Tax Levies and Collections	233
Taxable Sales by Category	234
Direct and Overlapping Sales Tax Rates	236
Ratios of Outstanding Debt by Type	237
Direct and Overlapping Governmental Activities Debt	238
Legal Debt Margin	240
Demographic and Economic Statistics	242
Principal Employers	243
Government Employment Information	244
Operating Indicators by Function/Program	246
Capital Asset and Infrastructure Statistics by Function/Program	248

8401 Laguna Palms Way
Elk Grove, California 95758

Phone: 916.683.7111
Fax: 916.627.4489

Web: www.elkgrovecity.org



December 20, 2024

Honorable Mayor,
Council Members,
Citizens of Elk Grove, California:

The Annual Comprehensive Financial Report (ACFR) of the City of Elk Grove (City) for the fiscal year ended June 30, 2024, is hereby submitted in compliance with California Government Code. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Maze and Associates, Certified Public Accountants, has issued an unmodified opinion of the City's financial statements for the fiscal year ended June 30, 2024. The independent auditor's report is located in the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read together.

PROFILE OF THE GOVERNMENT

The City of Elk Grove incorporated under California law on July 1, 2000, as a general law city. The City operates under the City Council/Manager form of government, under which the City Council has policy-making and legislative authority. The City Manager is responsible for carrying out the City Council's policies and ordinances, appointing department heads, and overseeing the City's operations. The City Council appoints the City Manager, City Attorney, and City Clerk. The City Council is a five-member body with a Mayor and four Councilmembers. The elected Mayor serves a two-year term and is elected citywide (at-large). The City votes by district (district-based) for Councilmember elections. A district-based approach means that the City is divided into districts with the voters of that district alone electing the Councilmember from that district.

The City provides various services to its residents, including police, animal control, highways and streets, public improvements, planning and zoning, code enforcement, building permits, solid waste, drainage, and general administration. The Cosumnes Community Services District manages fire and parks/recreation services, while the Sacramento County Water Agency and the Elk Grove Water District provide water services. The Sacramento Area Sewer District provides sewer services.

The City's ACFR includes all City funds and reports all activities considered to be a part of, controlled by, and dependent on the City. GASB Statement No. 14, *The Financial Reporting Entity* requires the disclosure of blended and discretely presented component units. In fiscal year 2005-06, the City added two blended component units: the City of Elk Grove Finance Authority and the City of Elk Grove Parking Authority. The Elk Grove Finance Authority is shown as a Debt Service Fund in the financial statements. The Elk Grove Parking Authority had no financial activity during fiscal year 2023-24. There were no discretely presented component units.

The accounts of the City are organized by funds, with each fund considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are spent and how spending activities are controlled. Note 1B to the financial statements contains a complete explanation of each fund type.

The budget is prepared by City staff under the direction of the City Manager. A public hearing is held in May or June, and final adoption is required by the end of the fiscal year. Transfers between funds, appropriation of reserves, appropriations of unassigned reserves, and inter-fund loans require City Council action. The City Manager has the authority to transfer between departments, within a fund, or like funds.

THE LOCAL ECONOMY

In 1850, Elk Grove was established as a hotel and stagecoach stop. Located in the State of California (State), 15 miles south of historic Sutter's Fort in Sacramento, Elk Grove became a crossroads for business, entertainment, mail service, and agriculture and acted as a home base for gold miners in nearby communities. After the early gold rush, a close-knit community evolved with a distinctly rural and western lifestyle. Today, the City of Elk Grove is a thriving community.

On March 7, 2000, voters passed Measure J to incorporate the communities of Sheldon, Elk Grove, and parts of Laguna into the new City of Elk Grove. The City of Elk Grove officially incorporated on July 1, 2000, with the newly elected City Council assuming management of most governmental aspects of living and doing business within the City. A second annexation occurred on December 15, 2003, to incorporate Laguna West into the City's boundaries.

The City is approximately 42 square miles with 178,679 residents as of January 2024, an increase of 1,233 over the previous year. The City is the second-largest incorporated city within Sacramento County and the 26th-largest in California.

Despite continuing price increases and high interest rates, the U.S. economy and its consumers stayed resilient in 2024. The Federal Reserve had increased interest rates several times to quell inflation but began to reduce rates for the first time since 2020. Their approach seems successful as inflation continues to slow and approach the Fed's 2% goal, and the economy has not gone into recessionary territory. The Federal Reserve also continues transitioning out of its bond-purchasing program ("quantitative easing"), which was implemented to support the economy during the pandemic. As mentioned earlier, the rate at which the price of goods and services continues to grow has decreased, as the Bureau of Labor Statistics indicates the 12-month percentage change in the Consumer Price Index in urban areas in October 2024 was 2.6%.

According to the Bureau of Economic Analysis, the Nation’s Gross Domestic Product (GDP) increased by an annualized rate of 2.8% in the third quarter, so the economy continues to grow despite high interest rates and numerous geopolitical headwinds. According to the Bureau of Labor Statistics, the nation’s unemployment rate continues to hover around 4%, but the rate in the Sacramento area was above that level for most of 2024.

United States

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
2024	3.7	3.9	3.8	3.9	4.0	4.1	4.3	4.2	4.1	4.1

Sacramento-Roseville-Arden-Arcade MSA

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
2024	5.2	5.3	4.9	4.5	3.9	4.7	5.1	5.2	4.7	4.8

Elk Grove again experienced home value increases in 2024 after experiencing price decreases in 2023, although total sales were down as current interest rates discourage existing homeowners from listing their properties for sale. The median home price in Elk Grove is approximately \$638,000, which is a 4.8% increase over the past year. Home prices are expected to moderately increase in 2025.

FINANCIAL CONDITION HIGHLIGHTS

The City’s General Fund discretionary revenues performed above expectations in 2023-24, and General Fund expenditures were nearly \$3.8 million below expectations. General Fund revenues were 4.7% over budget. Overall revenues were lower by 3% from the previous year, however, this was largely due to a one-time draw down of reserves in the City’s Mello Roos funds that contributed to the FY 2022-23 General Fund balance. Sales tax receipts, which are the City’s largest revenue source, decreased slightly (2%) from the last fiscal year and were slightly below budgeted expectations in fiscal year 2023-24 (1%).

Property valuations increased as of January 1, 2024, by 5.2% in Sacramento County and 5.4% in Elk Grove, with expectations that the City will continue to experience increases of around 5% into the future. Construction activity has continued to be strong in Elk Grove as evidenced by the number of building permits estimated to be issued in the current year:

	Residential Permits	Commercial Permits
2023-24 (est.)	761	12
2022-23	552	25
2021-22	555	15
2020-21	751	8
2019-20	606	9

The City's General Fund Reserve Policy

On April 24, 2019, the Council adopted the City's Fund Balance Reserve Policy that states the City Council will set an annual General Fund Reserve for Economic Uncertainty target level amount to 20% and 25% of General Fund adjusted appropriations to assist with economic uncertainty, emergencies, and cash flow needs. The Council also adopted an additional reserve fund between 0% and 5% of adjusted appropriations called the Opportunity Reserve that provides funding for projects, acquisitions, or unforeseen events or needs. Allocation of reserves beyond the combined Reserve for Economic Uncertainty and Opportunity Reserve level of 30% of adjusted appropriations are allocated to two purposes: 50% to Capital Reserves and 50% to Economic Development, provided that reserve balances in the next budget year are adequately meeting target ranges. The City can also contribute excess funds to its Pension Trust.

In fiscal year 2023-24, the Reserve for Economic Uncertainty is approximately \$21 million, which is 25% of the adjusted expenditures of \$84.2 million. The Opportunity Reserve is \$4.2 million, which is 5% of adjusted expenditures, and the policy transfers to the Capital Reserve and Economic Development Funds are over \$7.2 million each or 8.6% each of adjusted General Fund Expenditures. Additionally, the City contributed \$5.8 million of excess reserves from fiscal year 2023-24 to the City's Pension Trust Fund.

The City stopped making additional payments to CalPERS during fiscal year 2023-24 and began making payments instead to its newly formed Pension Trust Fund. The City has contributed approximately \$7.6 million to the Trust to manage the City's unfunded pension liability. The City also typically pays its entire unfunded accrued liability invoice when it is due in July to avoid paying interest on that amount. These approaches reduce the City's pension liability and its required unfunded liability payments. As of June 30, 2023, the City's overall funded status was 86%, which places Elk Grove among the top-funded tiers of all local governments.

The Statement of Net Position (revenues and sources of funds less expenses and uses of funds) for the City is approximately \$1.6 billion. The City's net position is roughly \$59 million higher, or 4% higher, than the prior fiscal year.

The City's 5-Year General Fund Forecast

The City's 5-year General Fund forecast shows a structurally balanced budget (where revenues are more than expenditures) with fully funded Reserves for Economic Uncertainty and Opportunity Reserves throughout the forecast period. Transfers to the Capital Reserve and Economic Development Reserve are also made yearly.

Access to Financial Markets

The City has four long-term bonds backed by the General Fund that funded the construction of the City Hall complex, the Animal Shelter, the District56 Nature Area, the Old Town Plaza, and various Police facilities. The last rating action on the City's General Fund-backed debt was a Standard & Poor's rating of "AA" with a stable outlook in March 2022. The City accessed the financial markets in 2024 to issue land-based debt to support residential and industrial/commercial development.

The Elk Grove Safety and Quality of Life measure (“Measure E”)

In response to community input and to address essential services, the Elk Grove City Council placed Measure E on the November 2022 ballot at its July 27, 2022, meeting. Measure E is a one-cent transactions and use tax estimated to generate approximately \$34 million annually. The tax is a general tax subject to majority voter approval, and approximately 54% of Elk Grove’s voters approved the measure. The tax became effective in April 2023 and is shared between the City and the Cosumnes Community Services District.

A New Zoo in Elk Grove

In September 2021, the Sacramento Zoological Society and the City of Elk Grove entered into an Exclusive Negotiating Agreement to evaluate creating a new, modern zoological park in Elk Grove. Since then, activities include completing a feasibility study and an economic impact analysis, retaining renowned zoo landscape architecture firm SHR Studios, developing a schematic design and a financing plan, completing an environmental impact review and entering into a cost-sharing agreement with the Society. In 2024, the Planning Commission and City Council formally considered and approved the new zoo project. The City purchased approximately 60 acres for the new zoo.

Pension Funding Policy

In February 2024, the City established the Public Agencies Post Employment Benefits Trust (Pension Trust) to help prefund its pension obligations and have more control over when and how prepayment funds are used. In September 2024, the City Council adopted the Pension Funding Policy, which established goals to achieve a 90% funded status in each of its pension plans and to accumulate an amount in the Pension Trust sufficient to generate investment earnings to cover the City’s Unfunded Accrued Liability payment to CalPERS. The Pension Trust Fund balance as of June 30, 2024, was \$919,000, and the City subsequently contributed \$6.7 million to the Trust.

DEBT POLICY AND ANNUAL CONTINUING DISCLOSURES

The City's debt policy is on its website as part of the Annual Budget book.

http://www.elkgrovecity.org/city_hall/departments_divisions/finance/annual_budget

The City's annual financial disclosures are available on the Municipal Securities Rulemaking Board's and Electronic Municipal Market Access website at <http://emma.msrb.org>.

INVESTMENT POLICY

The City adopts an annual investment policy that provides guidelines for the City's prudent investment of cash balances. The City contracts with Chandler Asset Management for the day-to-day management of the City's long-term investment portfolio. The Finance Department oversees the City's long-term investment portfolio management and liquid cash requirements. The City's investment policy is summarized in the Annual Budget document and in the June 26, 2024, staff report that presented the fiscal year 2024-25 Budget to the Council for approval:

http://www.elkgrovecity.org/city_hall/departments_divisions/finance/annual_budget

CASH AND INVESTMENTS

The California Government Code and the City's investment policy adopted in compliance with that Code define how the City can invest its cash. The City's policy also outlines the principles for maximizing the efficiency of its cash management operations while meeting its daily cash flow demands. The average overall return rate on funds not held by fiscal agents for the fiscal year ending June 30, 2024, was approximately 4.97%. This amount includes both realized and unrealized gains distributed to funds. Absent unrealized Fair Market Value losses and Accrued Interest amounts distributed on June 30, 2024, distributed returns would have been approximately 2.86%. Additional information on the City's cash and investment management can be found in Notes 1 and 2 in the notes to the financial statements.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit of the City's financial statements by an independent certified public accountant. The accounting firm of Maze and Associates, Certified Public Accountants, performed the 2023-24 fiscal year annual audit.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded Elk Grove a Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ending June 30, 2023. This was the 22nd consecutive year the City achieved this prestigious award.

To be awarded, the City must publish an easily readable and efficiently organized comprehensive annual financial report in which the contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The City received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 2023. To qualify for the award, a government must publish a report that conforms to program standards of creativity, presentation, understandability, and reader appeal.

Acknowledgments

The preparation of the ACFR was made possible by the dedicated service of the Finance Department's Accounting Division. I want to express my appreciation and gratitude to Marsha Ley, who led the team of Eric Swensen, Olga Voronova, Jannet Meyer, and Jennifer Jacobs for their contributions, dedication, and hard work made in the preparation of the report.

The staff of Maze and Associates, Certified Public Accountants, who made this presentation possible, also warrant recognition and appreciation.

I want to thank the Mayor, Members of the City Council, the City Manager, and Department Heads for their interest and support in planning and conducting the City's financial operations responsibly and prudently.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Matt Paulin", with a stylized flourish at the end.

Matt Paulin
Director of Finance

This Page Left Intentionally Blank



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

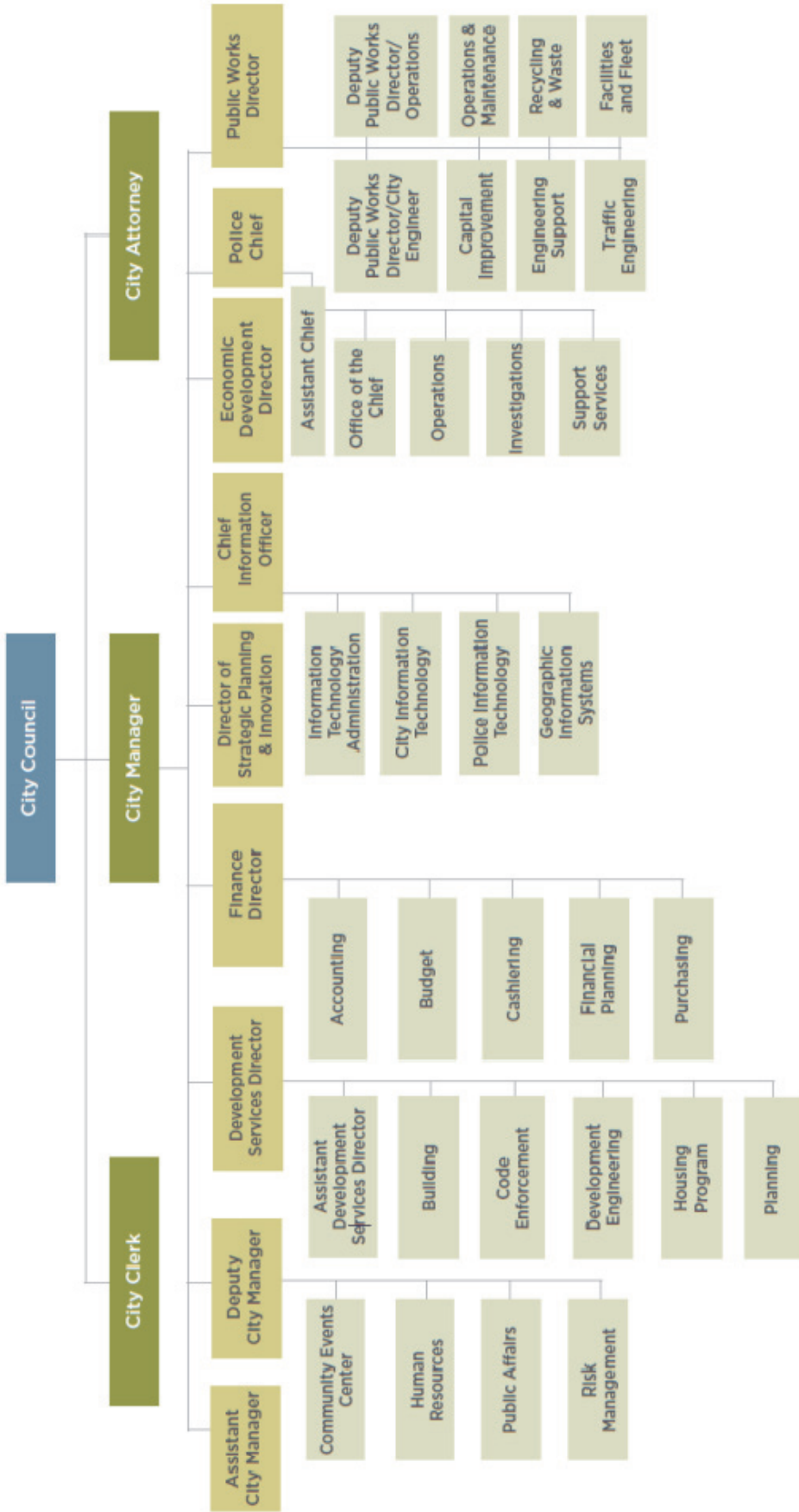
**City of Elk Grove
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO





From left to right: Bobbie Singh-Allen, Mayor; Rod Brewer, Vice Mayor; Kevin Spease, Councilmember; Darren Suen, Councilmember; Sergio Robles, Councilmember.



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

EXECUTIVE TEAM

Jason Behrmann, City Manager
Kara Reddig, Deputy City Manager
Matthew Paulin, Finance Director
Bobby Davis, Chief of Police
Jonathan Hobbs, City Attorney
Jason Lindgren, City Clerk
Melissa Rojas, Human Resources Director
Nicole Guttridge, Chief Information Officer
Darren Wilson, Development Services
Director
Jeff Werner, Public Works Director
Darrel Doan, Economic Development Director
Christopher Jordan, Director of Strategic
Planning and Innovation



CITY OF
ELK GROVE
— PROUD HERITAGE. BRIGHT FUTURE. —

LOCATION MAP



CITY OF
ELK GROVE

— PROUD HERITAGE. BRIGHT FUTURE. —

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

ACKNOWLEDGEMENT

Prepared by the City of Elk Grove Finance Department
Accounting Division

Marsha Ley, Accounting Manager
Jannet Meyer, Administrative Analyst II
Eric Swensen, Senior Accountant
Olga Voronova, Senior Accountant
Jennifer Jacobs, Administrative Assistant



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Elk Grove, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Elk Grove, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Change in Accounting Principles

Management adopted the provisions of the following Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, which became effective during the year ended June 30, 2024 and required the restatement of net position as discussed in Note 1D to the financial statements.

The emphasis of this matter does not constitute a modification to our opinions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Pleasant Hill, California
December 20, 2024

Management's Discussion and Analysis (unaudited)

This section of the City of Elk Grove's (City) Annual Comprehensive Financial Report discusses and analyzes the City's financial performance during the year ended June 30, 2024. Please read it in conjunction with the City's basic financial statements following this section.

FISCAL YEAR 2024 FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the 2023-24 fiscal year by \$1.6 billion (Net Position). Of this amount, \$452 million is restricted for capital projects, debt service, and legally segregated taxes, grants, and fees; and \$972 million is invested in capital assets.
- As of June 30, 2024, the governmental funds reported combined fund balances of \$491 million, all of which are available to meet the City's current and future needs (Restricted, Committed, Assigned, and Unassigned balances).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's financial statements are comprised of the following components:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements
- Required Supplementary Information and Supplementary Information are included in addition to the basic financial statements
- Statistical information

Government-wide Financial Statements

Government-wide Financial Statements are designed to provide readers with a broad overview of the City's finances, like a private-sector business.

The Statement of Net Position presents information on all City Assets and Deferred Outflows and Liabilities and Deferred Inflows, with the difference reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information showing how 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 result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused annual and administrative leave).

These government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a portion of their costs through user fees and charges (business-type activities). The City's governmental activities include general government, public safety, public ways and facilities, and community development. The City's business-type activities include Recycling and Waste, Transit, and Drainage. **The government-wide financial statements can be found on pages 19-21 of this report.**

Fund Financial Statements

Fund Financial Statements are groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other governmental entities, uses fund accounting to ensure and demonstrate finance-related legal compliance. All City funds can be divided into three categories: governmental, proprietary, and fiduciary.

- **Governmental funds** account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a city's near-term financing requirements. The City considers revenue to be available if collected within 60 days after the fiscal year-end. Because the information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and activities follow the governmental fund statement. **The governmental funds financial statements can be found on pages 22-28 of this report.**
- **Proprietary funds** are maintained in two ways: Enterprise Funds and Internal Service Funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for Recycling and Waste, Transit, and Drainage enterprises. Internal service funds are an accounting device that accumulates and allocates costs internally among the City's various functions. The City uses internal service funds for its risk management, facilities, fleet and equipment maintenance and improvement, information technology, and GIS services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The City's internal service funds are combined into a single, aggregated presentation in the proprietary funds' financial statements. Individual fund data for the internal service funds is provided in the supplementary information section of this report. **The proprietary funds financial statements can be found on pages 29-31 of this report.**
- **Fiduciary funds** account for resources held for the benefit of parties outside the government. They are not reflected in the government-wide financial statements because their resources are not available to support the City's programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. **The fiduciary fund financial statements can be found on pages 32-33 of this report.**

Notes to the Basic Financial Statements

Notes to the Basic Financial Statements provide additional information essential to comprehending the data provided in the government-wide and fund financial statements. **The notes can be found on pages 35-97 of this report.**

Required Supplementary Information

Required Supplementary Information is presented on the General Fund and major Special Revenue Fund budgetary schedules. The City adopts an annual appropriated budget for its General Fund. To demonstrate compliance with this budget, a budgetary comparison schedule has been provided for the General Fund. **The required supplementary information can be found on pages 101-113 of this report.**

Supplementary Information

The combining and individual fund statements and schedules information for non-major governmental funds, enterprise, and internal service funds are presented immediately following the required supplementary information. **Combining and individual fund statements and the supplementary budgetary comparison schedule for the major capital projects fund can be found on pages 214-215 of this report.**

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

This analysis focuses on the Net Position and changes in the City's Net Position.

	Statement of Net Position Governmental Activities			Statement of Net Position Business-type activities			Total	
	2024	2023	Change	2024	2023	Change	2024	2023
Current and other assets	\$ 614,729,947	\$ 489,769,153	\$ 124,960,794	\$ 37,133,300	\$ 33,508,541	\$ 3,624,759	\$ 651,863,247	\$ 523,277,694
Capital assets	1,005,964,064	1,034,111,321	(28,147,257)	39,075,837	38,376,445	699,392	1,045,039,901	1,072,487,766
Total Assets	1,620,694,011	1,523,880,474	96,813,537	76,209,137	71,884,986	4,324,151	1,696,903,148	1,595,765,460
Deferred outflows of resources related to pensions	22,731,591	27,808,665	(5,077,074)	-	-	-	\$ 22,731,591	\$ 27,808,665
Deferred outflows of resources related to OPEB	8,706,996	9,347,730	(640,734)	-	-	-	\$ 8,706,996	\$ 9,347,730
Total Deferred Outflows of Resources	31,438,587	37,156,395	(5,717,808)	-	-	-	31,438,587	37,156,395
Current and other liabilities	79,861,922	43,368,279	36,493,643	1,356,421	1,556,972	(200,551)	\$ 81,218,343	\$ 44,925,251
Long-term liabilities	76,819,610	80,107,886	(3,288,276)	106,264	94,002	12,262	\$ 76,925,874	\$ 80,201,888
Total Liabilities	156,681,532	123,476,165	33,205,367	1,462,685	1,650,974	(188,289)	158,144,217	125,127,139
Deferred inflows of resources related to pensions	2,957,304	3,486,153	(528,849)	-	-	-	\$ 2,957,304	\$ 3,486,153
Deferred inflows of resources related to OPEB	5,623,403	1,403,758	4,219,645	-	-	-	\$ 5,623,403	\$ 1,403,758
Deferred inflows of resources related to leases	2,311,479	2,852,785	(541,306)	-	-	-	\$ 2,311,479	\$ 2,852,785
	10,892,186	7,742,696	3,149,490	-	-	-	10,892,186	7,742,696
Net Position:								
Net investment in Capital Assets	971,674,661	1,000,347,920	(28,673,259)	39,075,837	38,376,445	699,392	\$ 1,010,750,498	\$ 1,038,724,365
Restricted Net Position	452,376,020	398,754,394	53,621,626	-	-	-	\$ 452,376,020	\$ 398,754,394
Unrestricted Net Position	60,508,199	30,715,694	29,792,505	35,670,615	31,857,567	3,813,048	96,178,814	62,573,261
Total Net Position	\$ 1,484,558,880	\$ 1,429,818,008	\$ 54,740,872	\$ 74,746,452	\$ 70,234,012	\$ 4,512,440	\$ 1,559,305,332	\$ 1,500,052,020

The City's Net Position totaled \$1.6 billion as of June 30, 2024, an increase of \$59 million as compared to the fiscal year ended 2023.

The Net Position is reflected in the Statement of Net Position table on page 19.

The City's Government-Wide Net Position as of June 30, 2024, was comprised of the following elements:

- Cash and investments comprised \$479 million in the City's treasury and \$49 million of restricted cash held by fiscal agents. Substantially all the City treasury amounts were held in relatively short- and medium-term investments in securities to support operating activities, as detailed in Note 2 on pages 49-54 of the financial statements.
- The City's receivables comprised \$29 million of current receivables and long-term receivables of \$94 million, which are over one-year or longer periods. The terms and details of these programs can be found in Note 3 on pages 55-56.
- Net capital assets of over \$1 billion include the City's entire infrastructure in addition to all other City assets.
- The City's current liabilities, totaling nearly \$81 million, include accounts payable, refundable deposits, unearned revenue, and other miscellaneous amounts. Unearned revenue increased by approximately \$35 million, which was related to the Statewide Community Infrastructure Program (SCIP) and the Bond Opportunities for Land Development (BOLD), both of which are programs aimed at supporting infrastructure projects or large-scale real estate developments requiring significant capital investments. Some of the City's development projects, including Souza Dairy, Poppy Keys Southwest, Madeira Ranch, and Telos Greens, will be funded through the SCIP and BOLD programs.
- Restricted Net Position, totaling \$452 million; \$267 million to construct specified capital projects, and \$185 million may be spent on other projects specified by funding source restrictions.

Governmental Activities

Government Activities – Net Position

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

Statement of Net Position Governmental Activities

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Current and other assets	\$ 614,729,947	\$ 489,769,153	\$ 124,960,794
Capital assets	1,005,964,064	1,034,111,321	(28,147,257)
Total Assets	<u>1,620,694,011</u>	<u>1,523,880,474</u>	<u>96,813,537</u>
Deferred outflows of resources related to pensions	22,731,591	27,808,665	(5,077,074)
Deferred outflows of resources related to OPEB	8,706,996	9,347,730	(640,734)
Total Deferred Outflows of Resources	<u>31,438,587</u>	<u>37,156,395</u>	<u>(5,717,808)</u>
Current and other liabilities	79,861,922	43,368,279	36,493,643
Long-term liabilities	76,819,610	80,107,886	(3,288,276)
Total Liabilities	<u>156,681,532</u>	<u>123,476,165</u>	<u>33,205,367</u>
Deferred inflows of resources related to pensions	2,957,304	3,486,153	(528,849)
Deferred inflows of resources related to OPEB	5,623,403	1,403,758	4,219,645
Deferred inflows of resources related to leases	2,311,479	2,852,785	(541,306)
	<u>10,892,186</u>	<u>7,742,696</u>	<u>3,149,490</u>
Net Position:			
Net investment in Capital			
Assets	971,674,661	1,000,347,920	(28,673,259)
Restricted Net Position	452,376,020	398,754,394	53,621,626
Unrestricted Net Position	<u>60,508,199</u>	<u>30,715,694</u>	<u>29,792,505</u>
Total Net Position	<u>\$ 1,484,558,880</u>	<u>\$ 1,429,818,008</u>	<u>\$ 54,740,872</u>

Governmental Activities Cash and investments increased by \$132 million due to several factors, including the collection of Measure E, a new one-cent transactions and use (sales) tax of approximately \$34 million. Roadway fee fund cash held with investment agent related to the Statewide Community Infrastructure Program (SCIP) and the Bond Opportunities for Land Development (BOLD) increased by \$40 million. Other factors that contributed to the increase were increased tax revenue, affordable housing loan repayments, Wilton Rancheria revenues, and contributions from CFDs.

Current Governmental receivables decreased by \$7 million in comparison to the prior year. The decrease was mainly due to Sewer and Water Fee credits that were paid out during fiscal year 2024. Long-term receivables remained relatively unchanged from the prior year.

Governmental current and other liabilities are comprised of accounts payable, retentions payable, salaries and benefits accruals, refundable deposits, and unearned revenues. Current liabilities increased by \$36 million from the prior year due to the SCIP and BOLD unearned revenue increase.

Governmental long-term liabilities consist of bonds payable, compensated absences, net pension liability, subscription liabilities, and net OPEB liability. The long-term liabilities remained relatively unchanged from the prior fiscal year.

**Changes in Net Position
Governmental Activities**

	<u>2024</u>	<u>2023</u>	<u>Change</u>
<i>Revenues:</i>			
<i>Program revenues:</i>			
Fees, fines and charges for services	\$ 68,178,705	\$ 52,701,950	\$ 15,476,755
Operating grants and contributions	46,173,236	42,517,986	3,655,250
Capital grants and contributions	13,080,283	9,333,202	3,747,081
	<u>127,432,224</u>	<u>104,553,138</u>	<u>22,879,086</u>
<i>General Revenues:</i>			
Property taxes	35,468,327	33,636,077	1,832,250
Sales and use taxes	37,454,184	38,333,652	(879,468)
Transaction and use tax	34,091,217	7,802,655	26,288,562
Other taxes	12,674,312	12,510,480	163,832
Investment Income	18,953,596	4,848,171	14,105,425
Gain on sale of capital assets	-	-	-
Other revenue	1,838,744	3,341,284	(1,502,540)
	<u>140,480,380</u>	<u>100,472,319</u>	<u>40,008,061</u>
Total Revenues	<u>267,912,604</u>	<u>205,025,457</u>	<u>62,887,147</u>
<i>Expenses:</i>			
General government	51,360,782	41,706,361	9,654,421
Public safety	63,615,168	74,538,552	(10,923,384)
Public ways and facilities	75,102,437	80,504,333	(5,401,896)
Community development	18,329,570	27,683,740	(9,354,170)
Interest on long-term debt	1,483,666	1,557,181	(73,515)
	<u>209,891,623</u>	<u>225,990,167</u>	<u>(16,098,544)</u>
Total Expenses	<u>209,891,623</u>	<u>225,990,167</u>	<u>(16,098,544)</u>
Excess (deficiency) before transfers	58,020,981	(20,964,710)	78,985,691
Transfers	921,760	1,129,092	(207,332)
Change in Net Position	58,942,741	(19,835,618)	78,778,359
Net change in fund Balances	<u>58,942,741</u>	<u>(19,835,618)</u>	<u>78,778,359</u>
Net Position - Beginning, as restated	1,425,616,139	1,449,653,626	(24,037,487)
Net Position - Ending	<u>\$ 1,484,558,880</u>	<u>\$ 1,429,818,008</u>	<u>\$ 54,740,872</u>

Program Revenues:

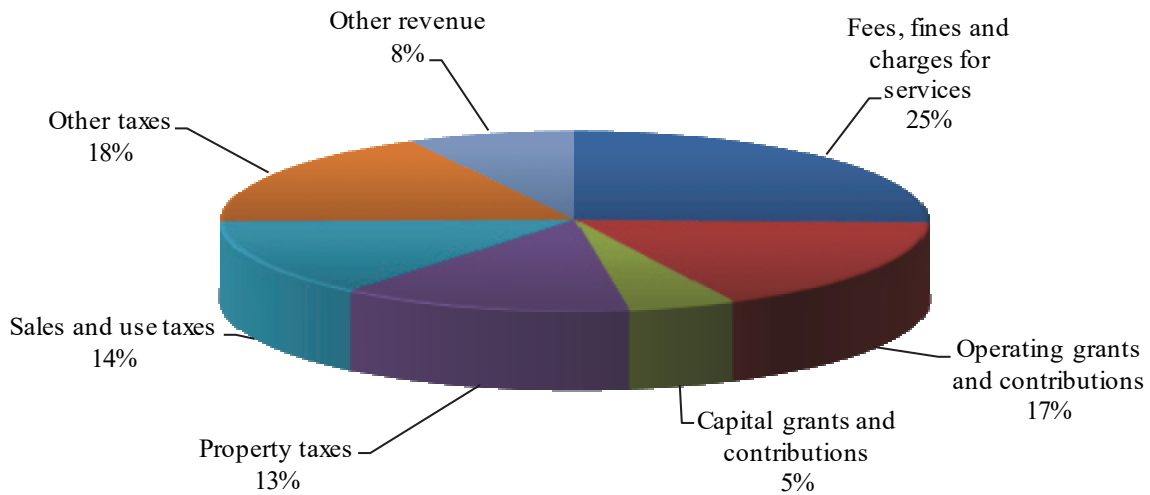
Fees, fines, and charges for services increased by approximately \$15 million. There was an increase in Southeast Policy Area (SEPA) Funds program revenues. Residential permit activity increased by approximately 38% compared to the prior year, fiscal year 2023 – 552 permits and fiscal year 2024 – 761 permits. The largest developments were Souza Dairy (327 single family units) and Poppy Keys Southwest (164 single family units).

Operating grants and contributions increased by \$3.7 million, primarily due to contributions from the Wilton Rancheria during fiscal year 2024. Capital grants and contributions also rose by \$3.7 million, with about \$2 million resulting from American Rescue Plan Act funds and approximately \$1 million received in Local Transportation Funds during the current fiscal year.

General Revenue:

Property taxes increased by \$1.8 million or 5.4%. Growth in property taxes is driven by increases in property values, new construction, and supplemental property taxes from real estate sales. Sales taxes remained nearly unchanged from the prior fiscal year. The transaction and use tax increased by \$26 million due to Measure E, a new one-cent transactions and use (sales) tax approved by Elk Grove voters on November 8, 2022. The investment market value increased by \$6.3 million, and interest earnings rose by \$5.2 million, driven by interest and market value adjustments, which are primarily unrealized investment gains that will be reversed over time. Excluding the market value adjustment, the fluctuation would be insignificant.

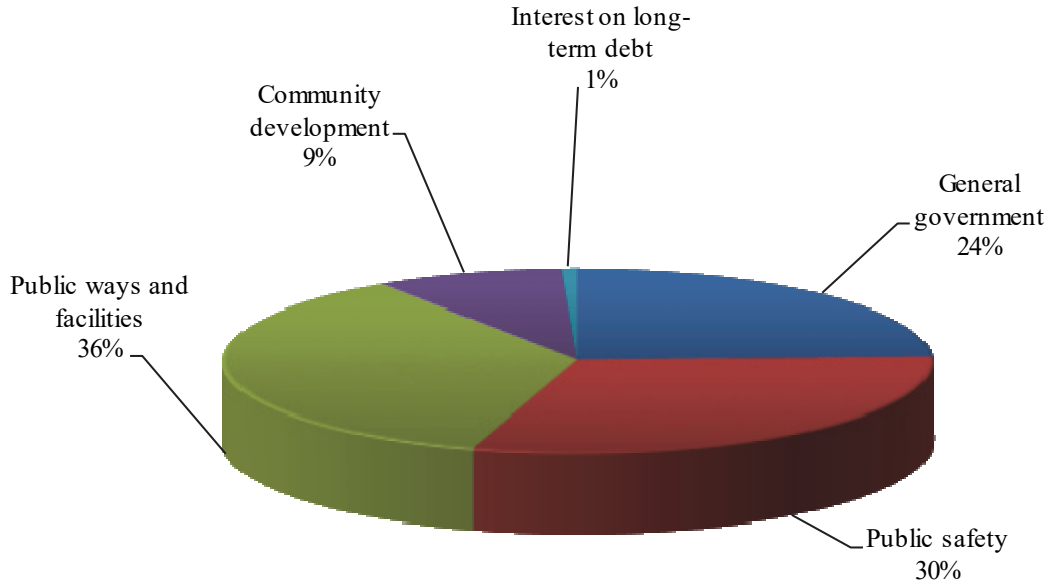
Revenue by Source - Governmental Activities



Functional expenses governmental activities:

Functional expenses decreased by approximately \$16 million. The decrease is driven by pension expenses, which are allocated between the governmental functions. In the prior year pension expenses were \$30.3 million and in the current year are \$14.8 million.

Functional Expenses - Governmental Activities



Business-type Activities

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

**Statement of Net Position
Business-type activities**

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Current and other assets	\$ 37,133,300	\$ 33,508,541	\$ 3,624,759
Capital assets	39,075,837	38,376,445	699,392
Total Assets	<u>76,209,137</u>	<u>71,884,986</u>	<u>4,324,151</u>
Current and other liabilities	1,356,421	1,556,972	(200,551)
Long-term liabilities	106,264	94,002	12,262
Total Liabilities	<u>1,462,685</u>	<u>1,650,974</u>	<u>(188,289)</u>
Net Position:			
Net investment in Capital			
Assets	39,075,837	38,376,445	699,392
Unrestricted Net Position	<u>35,670,615</u>	<u>31,857,567</u>	<u>3,813,048</u>
Total Net Position	<u>\$ 74,746,452</u>	<u>\$ 70,234,012</u>	<u>\$ 4,512,440</u>

Business-type assets increased by \$4.3 million. The increase is primarily due to Adams Tract No. 2 Drainage Improvements. Additionally, in fiscal year 2024, the investment market value and interest earnings increased in comparison with the prior year. Business-type liabilities remained relatively unchanged.

**Changes in Net Position
Business-type Activities**

	<u>2024</u>	<u>2023</u>	<u>Change</u>
<i>Revenues:</i>			
<i>Program revenues:</i>			
Fees, fines and charges for services	\$ 9,192,880	\$ 8,914,032	\$ 278,848
Operating grants and contributions	-	-	-
Capital grants and contributions	945,299	979,882	(34,583)
	<u>10,138,179</u>	<u>9,893,914</u>	<u>244,265</u>
<i>General Revenues:</i>			
Property taxes	1,962,641	1,877,183	\$ 85,458
Gain on sale of capital assets	-	(10,367)	\$ 10,367
Interest income	1,644,889	537,342	1,107,547
	<u>3,607,530</u>	<u>2,404,158</u>	<u>1,203,372</u>
Total Revenues	<u>13,745,709</u>	<u>12,298,072</u>	<u>1,447,637</u>
<i>Expenses:</i>			
Recycling & Waste	2,675,734	2,063,587	612,147
Transit	-	-	-
Drainage	5,635,775	5,684,901	(49,126)
	<u>8,311,509</u>	<u>7,748,488</u>	<u>563,021</u>
Total Expenses	<u>8,311,509</u>	<u>7,748,488</u>	<u>563,021</u>
Excess (deficiency) before transfers	<u>5,434,200</u>	<u>4,549,584</u>	<u>884,616</u>
Transfers (net)	(921,760)	(1,129,092)	207,332
Change in Net Position	4,512,440	3,420,492	1,091,948
Net Position - Beginning	<u>70,234,012</u>	<u>66,813,520</u>	<u>3,420,492</u>
Net Position - Ending	<u>\$ 74,746,452</u>	<u>\$ 70,234,012</u>	<u>\$ 4,512,440</u>

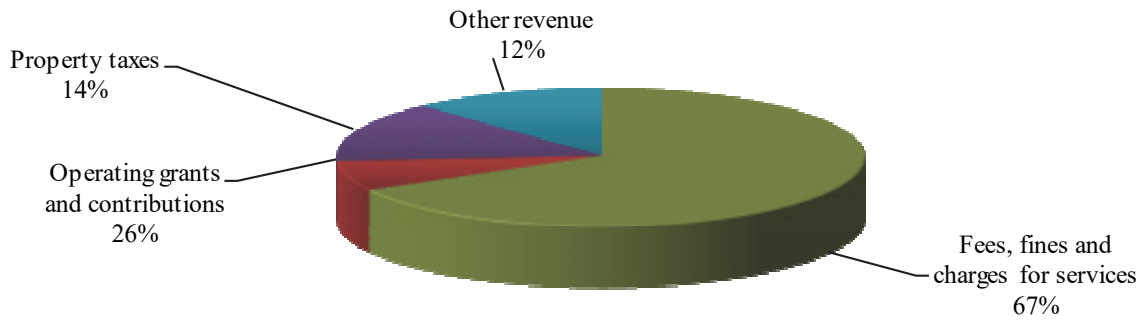
Program and General Revenues:

Business-type activity program revenues remained relatively stable, while general revenues increased by \$1.2 million, primarily due to interest and market value adjustments—mainly unrealized investment gains that will be reversed over time. Excluding these market value adjustments, the fluctuation in general revenues would be minimal.

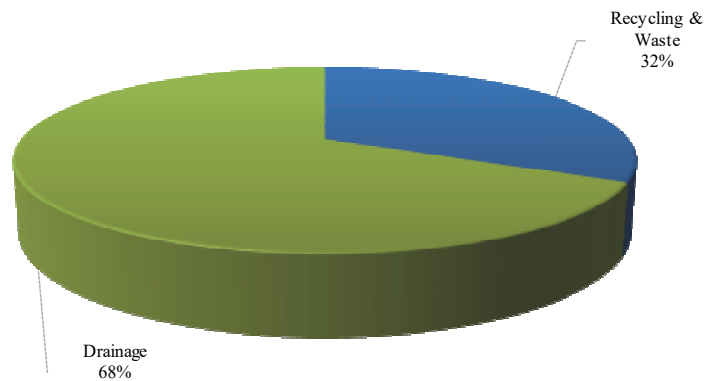
Expenses:

Recycling and Waste expenses slightly increased compared to the prior year, with the increase driven by professional services contracts for implementation support, on-call services, Recycling & Waste Administrative Services and household hazardous waste collection facility project.

Revenue by Source - Business-type Activities



Functional Expenses - Business Type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds. The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Seven major funds (two special revenue and four capital project funds) and the General Fund were included in the City's governmental fund statements in the 2023-24 fiscal year. An analysis of significant balances and transactions is as follows:

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$490 million, an increase of \$88 million compared with the prior year. The fund balances are intended and, in some cases, restricted, committed, or assigned for specific purposes.

The General Fund is the City's primary operating fund. The net change in the General Fund balance is \$31.9 million, with the following revenue factors contributing to this increase: Total revenues rose by \$29 million, or 29%, compared to the previous year. Property taxes grew by \$1.8 million, while transactional and use taxes saw a significant increase of \$26.2 million, largely driven by the full-year implementation of the Measure E transaction tax increase.

General Fund expenditures increased by \$15 million. Public safety expenditures increased by \$8.7 million in comparison to the prior year. Payroll and benefit costs increased by \$3.2 million, primarily due to a 12.4% wage increase following a regional compensation review and the addition of four new positions. Equipment lease expenses rose by \$460,000 due to a drone lease and training contract that were not present in the prior year. SaaS/cloud computing costs increased by \$570,000, driven by the Police Department's purchase of software for Tasers and body cameras. Professional services costs grew by \$780,000 due to expenses related to the Homeless Winter Shelter, which involved contracting services to operate the shelter—an expense not incurred in the fiscal year of 2023. The City's fleet expenses included a \$1.5 million vehicle purchase, compared to \$568,000 in the prior year. Additionally, there was \$100,000 more in administrative costs and \$200,000 more in maintenance and fuel, allocated through the Fleet Operations object code, resulting in a total increase of \$300,000. Equipment expenses rose by \$500,000 due to Police Department campus improvements, which were not made in the prior year. Finally, the City expended \$1 million on new police vehicles, funded by Measure E, which was not available in the fiscal year of 2023. Of the total \$15 million increase in the General Fund, approximately \$5.6 million is attributable to a rise in the General Government category, with the increase primarily associated with a \$5.8 million contributions to the pension trust.

The net change in the Affordable Housing Fund balance was \$4.6 million, driven by a \$1.2 million increase in program fees from permits for new development within the City, particularly in the Southeast Policy Area (SEPA), where new housing and commercial projects are underway. Loan repayments of approximately \$2 million were also received during fiscal year 2024. Additionally, there was a \$1.3 million increase in the "use of money and property" category, primarily due to unrealized investment gains and interest earnings. Affordable Housing expenses decreased by \$1.4 million compared to fiscal year 2023, mainly due to land purchases totaling \$3.3 million for future affordable housing projects that did not occur in fiscal year 2024.

The Wilton Rancheria MOU Special Revenue Fund was established to account for and track the City's spending of the cumulative payments from the Wilton Rancheria Tribe. Per the MOU between the City and the Tribe, the Tribe agreed to make financial contributions and community investments to mitigate off-property impacts that are a direct result of building the Casino. In addition, the Tribe agreed to provide contributions toward law enforcement, civic projects, roadway and infrastructure improvements, and community services. This revenue increased by \$4.1 million in fiscal year 2024. According to the MOU, annual recurring revenue will be sent to the City one year after the casino opens. The Sky River Casino opened in early fiscal year 2023, so fiscal year 2024 was the first year the City received the annual recurring revenue, which was \$4 million. The \$4 million is purposed as follows: \$1.5 million for Police and Code Enforcement, \$500,000 for Road Maintenance, and \$2 million as "City tax in-lieu" that can be used for discretionary purposes.

The Federal Capital Grant Funds were established to account for grants received from the federal government to fund capital projects. Intergovernmental revenues rose by \$2.6 million, primarily due to reimbursements for the Arterial Roads Rehabilitation and Bicycle Lane Improvements project however, expenditures decreased by \$2.7 million. Notable projects funded through the Federal Capital Grant Funds in fiscal year 2023 included the Arterial Roads Rehabilitation and Bicycle Lane Improvements, as well as the Kammerer Rd Two-Lane Extension.

The State Grants Fund was established to account for grants received from the state government to fund capital projects. State Grants Fund revenue decreased by \$2.4 million. In the prior fiscal year, a major grant reimbursement was received for the District 56 Nature Area. State Grants Fund expenses increased by \$1 million, with a major project in the current fiscal year being the 9260 Elk Grove Boulevard Library Improvements.

The City imposes a citywide fee on development to fund center lanes and medians of major roadways, intersections, interchanges, and bridges that is deposited in the Roadway Fee Fund. Total revenues for fiscal year 2024 remained relatively unchanged. Program fees decreased by \$1.5 million, while the "use of money and property" category saw an increase of \$1.9 million. The decline in the program fees is attributed to a decrease in development projects compared to the prior year. The increase in the "use of money and property" category was driven by unrealized investment gains and interest earnings. Expenditures rose by approximately \$1 million, primarily due to the land purchase associated with the New Growth Area Roadway project.

The Laguna Ridge Community Facility District Fund was established to collect special taxes to fund the cost of infrastructure and a portion of police protection operational costs within the boundaries of this finance district. The revenue increased by \$2.5 million, with contributions from the Community Facility District. Contributions were primarily allocated toward land acquisition for the New Growth Area Roadway project and Costco reimbursement. Expenses rose by approximately \$6 million, primarily due to fee reimbursements for the Sterling Meadows, Tuscan Ridge West, and McGregor Ranch Village projects.

Proprietary funds. The City's proprietary enterprise funds provide the same type of information found in the government-wide financial statements but with more detail.

GENERAL FUND BUDGETARY TO ACTUAL HIGHLIGHTS

Actual revenues exceeded the final amended budget by \$9.7 million.

- Transaction and use tax revenues exceeded revenue projections by \$6 million, primarily due to Measure E transaction and use tax revenues coming in significantly higher than originally estimated.
- "The 'Use of Money and Property' category exceeded revenue projections by \$2.8 million, primarily due to unrealized investment gains and interest earnings, which are challenging to predict.

The following General Fund actual expenditures were below budget expectations:

- Economic Development expenditures were \$2.7 million below budget. Measure E expenses for fiscal year 2024 were significantly lower than anticipated due to staffing limitations, bandwidth constraints, and the untested nature of several new programs. Large initiatives such as the Tech Hub and Grant Line Business Park Infrastructure did not move forward. Additionally, Project Elevate Pre-Development and Startup Mainstreet were delayed, and the Historic Downtown Business Improvement District project was cancelled. While the BReW and FIX'd programs were developed, most of the year was spent on their creation, resulting in minimal expenditures, and demand for these incentives was weaker than expected. Estimated expenditures for the Small Business Incentive Program and Large Business Incentive Program did not occur in fiscal year 2024, and it remains unclear when these funds will be utilized.
- The underspending was also influenced by a significant number of vacant positions throughout the fiscal year.
- Underspends occurred in the Public Safety category, with approximately \$1 million projected for Community Grants related to the City's Interim Homeless Shelter. However, staffing and bandwidth challenges delayed the program, and the funds have been deferred to the next fiscal year. Additionally, budget savings were realized in Salaries & Benefits, with most Police Department divisions seeing savings, particularly Patrol and Dispatch due to vacancies.

The following General Fund actual expenditures were above budget expectations:

- The 'Other Non-Departmental' category exceeded budget projections by \$6.4 million, primarily due to a contribution made to the City's Pension Trust Fund. This adjustment was approved by Resolution at the City Council meeting on 11/13/2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

Capital Assets at End of Year

City of Elk Grove
Capital Assets, Net of Depreciation
At June 30, 2024

	Governmental		Business-type		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 231,764,038	\$ 229,460,153	\$ 8,573,214	\$ 8,573,214	\$ 240,337,252	\$ 238,033,367
Construction in progress	26,966,656	48,390,929	6,623,141	5,994,509	33,589,797	54,385,438
Other capital assets	912,200	872,200	-	-	912,200	872,200
Infrastructure	1,614,333,465	1,592,784,204	17,333,375	16,392,084	1,631,666,840	1,609,176,288
Building and improvements	134,782,058	128,664,399	9,910,102	9,910,102	144,692,160	138,574,501
Vehicles and equipment	20,208,491	17,420,455	1,964,960	1,964,960	22,173,451	19,385,415
Parks and park improvements	7,005,310	6,230,310	-	-	7,005,310	6,230,310
Other capital assets, depreciable	278,425	278,425	-	-	278,425	278,425
Leased equipment	254,059	254,059	-	-	254,059	254,059
Subscription assets	7,348,339	5,635,056	-	6,037	7,348,339	5,641,093
Accumulated depreciation	(1,034,617,402)	(994,469,139)	(5,328,955)	(4,459,632)	(1,039,946,357)	(998,928,771)
Less accumulated amortization for lease and subscription assets	(3,271,575)	(1,409,730)	-	(4,829)	(3,271,575)	(1,414,559)
Total	\$ 1,005,964,064	\$ 1,034,111,321	\$ 39,075,837	\$ 38,376,445	\$ 1,045,039,901	\$ 1,072,487,766

The City's investment in capital assets as of June 30, 2024, totaled \$1.05 billion, (net of accumulated depreciation). The investment in capital assets includes land, infrastructure, building and improvements, equipment, parks, park improvements, and construction in progress. The increase in the City's investment in capital assets before accumulated depreciation for the current year totals \$15.4 million which funded construction in progress, infrastructure, and equipment. Additional information on the City's investment in capital assets can be found in Note 4 to the financial statements on pages 57-58.

Debt Administration

The following schedule shows the changes in bonds payable for the year:

Bonds Payable

Governmental Activities	Governmental Activities		Business-type Activities		Total		Increase (Decrease) % Change
	2024	2023	2024	2023	2024	2023	
Lease revenue bond debt	\$ 36,126,747	\$ 38,319,773	\$ -	\$ -	\$ 36,126,747	\$ 38,319,773	-6%
Total Governmental Activities	\$ 36,126,747	\$ 38,319,773	\$ -	\$ -	\$ 36,126,747	\$ 38,319,773	-6%

No new debt was issued in fiscal year 2024. The information on the City's long-term debt, including the City's Net Pension and OPEB Liabilities, can be found in Note 8 to the financial statements on pages 67-70.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Current Economic Conditions and Drivers

Despite continuing price increases and high interest rates, the U.S. economy and its consumers stayed resilient in 2024. The Federal Reserve had increased interest rates several times to quell inflation but began to reduce rates for the first time since 2020. Their approach seems successful as inflation continues to slow and approach the Fed’s 2% goal, and the economy has not gone into recessionary territory. The Federal Reserve also continues transitioning out of its bond-purchasing program (“quantitative easing”), which was implemented to support the economy during the pandemic. As mentioned earlier, the rate at which the price of goods and services continues to grow has decreased, as the Bureau of Labor Statistics indicates the 12-month percentage change in the Consumer Price Index in urban areas in October 2024 was 2.6%.

According to the Bureau of Economic Analysis, the Nation’s Gross Domestic Product (GDP) increased by an annualized rate of 2.8% in the third quarter, so the economy continues to grow despite high interest rates and numerous geopolitical headwinds. According to the Bureau of Labor Statistics, the nation’s unemployment rate continues to hover around 4%, but the rate in the Sacramento area was above that level for most of 2024.

United States										
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
2024	3.7	3.9	3.8	3.9	4.0	4.1	4.3	4.2	4.1	4.1

Sacramento-Roseville-Arden-Arcade MSA										
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
2024	5.2	5.3	4.9	4.5	3.9	4.7	5.1	5.2	4.7	4.8

Elk Grove again experienced home value increases in 2024 after experiencing price decreases in 2023, although total sales were down as current interest rates discourage existing homeowners from listing their properties for sale. The median home price in Elk Grove is approximately \$638,000, which is a 4.8% increase over the past year. Home prices are expected to moderately increase in 2025.

The City’s 5-Year General Fund Forecast

The City’s 5-year General Fund forecast shows a structurally balanced budget (where revenues are more than expenditures) with fully funded Reserves for Economic Uncertainty and Opportunity Reserves throughout the forecast period. Transfers to the Capital Reserve and Economic Development Reserve are also made yearly.

Access to Financial Markets

The City has four long-term bonds backed by the General Fund that funded the construction of the City Hall complex, the Animal Shelter, the District56 Nature Area, the Old Town Plaza, and various Police facilities. The last rating action on the City's General Fund-backed debt was a Standard & Poor’s rating of "AA" with a stable outlook in March 2022. The City accessed the financial markets in 2024 to issue land-based debt to support residential and industrial/commercial development.

The Elk Grove Safety and Quality of Life measure (“Measure E”)

In response to community input and to address essential services, the Elk Grove City Council placed Measure E on the November 2022 ballot at its July 27, 2022, meeting. Measure E is a one-cent transactions and use tax estimated to generate approximately \$34 million annually. The tax is a general tax subject to majority voter approval, and approximately 54% of Elk Grove’s voters approved the measure. The tax became effective in April 2023 and is shared between the City and the Cosumnes Community Services District.

A New Zoo in Elk Grove

In September 2021, the Sacramento Zoological Society and the City of Elk Grove entered into an Exclusive Negotiating Agreement to evaluate creating a new, modern zoological park in Elk Grove. Since then, activities include completing a feasibility study and an economic impact analysis, retaining renowned zoo landscape architecture firm SHR Studios, developing a schematic design and a financing plan, completing an environmental impact review and entering into a cost-sharing agreement with the Society. In 2024, the Planning Commission and City Council formally considered and approved the new zoo project. The City purchased approximately 60 acres for the new zoo.

Pension Funding Policy

In February 2024, the City established the Public Agencies Post Employment Benefits Trust (Pension Trust) to help prefund its pension obligations and have more control over when and how prepayment funds are used. In September 2024, the City Council adopted the Pension Funding Policy, which established the goals to achieve a 90% funded status in each of its pension plans and to accumulate an amount in the Pension Trust sufficient to generate investment earnings to cover the City's Unfunded Accrued Liability payment to CalPERS. The Pension Trust Fund balance as of June 30, 2024, was \$919,000, and the City subsequently contributed \$6.7 million to the Trust.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director
8401 Laguna Palms Way
Elk Grove, CA 95758
(916)683-7111

Or you may visit our website at www.elkgrovecity.org for contact information.

CITY OF ELK GROVE
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 444,303,777	\$ 34,899,719	\$ 479,203,496
Cash and investments with fiscal agent	49,000,780	-	49,000,780
Cash held in escrow	159,313	77,199	236,512
Accounts receivable, net	2,314,601	2,039,185	4,353,786
Taxes receivable	13,250,568	-	13,250,568
Interest receivable	383,999	-	383,999
Due from other government agencies	7,314,502	117,197	7,431,699
Fee credits receivable	3,716,729	-	3,716,729
Long-term loans receivable	65,271,015	-	65,271,015
Affordable housing subsidies receivable	2,267,553	-	2,267,553
Long-term development fees receivable	24,391,634	-	24,391,634
Leases receivable	2,355,476	-	2,355,476
Capital Assets:			
Nondepreciable	259,642,894	15,196,355	274,839,249
Depreciable, net	746,321,170	23,879,482	770,200,652
Total Assets	<u>1,620,694,011</u>	<u>76,209,137</u>	<u>1,696,903,148</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows of resources related to pensions	22,731,591	-	22,731,591
Deferred outflows of resources related to OPEB	8,706,996	-	8,706,996
Total Deferred Outflows of Resources	<u>31,438,587</u>	<u>-</u>	<u>31,438,587</u>
<u>LIABILITIES</u>			
Accounts and retention payable	13,560,636	1,130,479	14,691,115
Accrued salaries and benefits	3,004,585	99,798	3,104,383
Interest payable	361,199	-	361,199
Refundable deposits	3,253,705	109,969	3,363,674
Unearned revenue	54,816,109	-	54,816,109
Long-Term Liabilities:			
Portion due or payable within one year:			
Bonds payable	2,274,725	-	2,274,725
Compensated absences	766,702	16,175	782,877
Lease liabilities	59,533	-	59,533
Subscription liabilities	1,764,728	-	1,764,728
Portion due or payable after one year:			
Bonds payable	33,852,022	-	33,852,022
Compensated absences	5,036,809	106,264	5,143,073
Lease liabilities	14,796	-	14,796
Subscription liabilities	2,428,831	-	2,428,831
Claims liability	550,685	-	550,685
Net pension liability	24,263,932	-	24,263,932
Net OPEB liability	10,672,535	-	10,672,535
Total Liabilities	<u>156,681,532</u>	<u>1,462,685</u>	<u>158,144,217</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources related to pension	2,957,304	-	2,957,304
Deferred inflows of resources related to OPEB	5,623,403	-	5,623,403
Deferred inflows of resources related to leases	2,311,479	-	2,311,479
Total Deferred Inflows of Resources	<u>10,892,186</u>	<u>-</u>	<u>10,892,186</u>
<u>NET POSITION</u>			
Net investment in capital assets	971,674,661	39,075,837	1,010,750,498
Restricted for:			
Capital projects	267,398,486	-	267,398,486
Affordable housing projects	97,612,459	-	97,612,459
Special revenue projects	87,365,075	-	87,365,075
Unrestricted	60,508,199	35,670,615	96,178,814
Total Net Position	<u>\$ 1,484,558,880</u>	<u>\$ 74,746,452</u>	<u>\$ 1,559,305,332</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE

Statement of Activities
June 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
General Government	\$ 51,360,782	\$ 4,519,977	\$ 345,679	\$ -
Public Safety	63,615,168	14,150	7,980,432	-
Public Ways and Facilities	75,102,437	59,716,958	40,077,280	13,080,283
Community Development	18,329,570	236,539	1,460,926	-
Debt Service - Interest	1,483,666	-	-	-
Total Governmental Activities	209,891,623	64,487,624	49,864,317	13,080,283
Business-Type Activities:				
Recycling & Waste	2,675,734	2,582,674	-	945,299
Drainage	5,635,775	6,610,206	-	-
Total Business-Type Activities	8,311,509	9,192,880	-	945,299
Total Primary Government	\$ 218,203,132	\$ 73,680,504	\$ 49,864,317	\$ 14,025,582

General Revenues:

Taxes:

- Property taxes
- Sales and use tax
- Transaction and use tax
- Utility users' tax
- Transient occupancy tax
- Property transfer tax
- Franchise tax

Investment income

Other revenue

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning, as previously reported

Restatement for a correction of an error

Net Position - Beginning, as restated

Net Position - Ending

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (46,495,126)	\$ -	\$ (46,495,126)
(55,620,586)	-	(55,620,586)
37,772,084	-	37,772,084
(16,632,105)	-	(16,632,105)
(1,483,666)	-	(1,483,666)
(82,459,399)	-	(82,459,399)
-	852,239	852,239
-	974,431	974,431
-	1,826,670	1,826,670
(82,459,399)	1,826,670	(80,632,729)
35,468,327	1,962,641	37,430,968
37,454,184	-	37,454,184
34,091,217	-	34,091,217
6,540,426	-	6,540,426
2,763,386	-	2,763,386
899,847	-	899,847
2,470,653	-	2,470,653
18,953,596	1,644,889	20,598,485
1,838,744	-	1,838,744
921,760	(921,760)	-
141,402,140	2,685,770	144,087,910
58,942,741	4,512,440	63,455,181
1,429,818,008	70,234,012	1,500,052,020
(4,201,869)	-	(4,201,869)
1,425,616,139	70,234,012	1,495,850,151
\$ 1,484,558,880	\$ 74,746,452	\$ 1,559,305,332

CITY OF ELK GROVE

Governmental Funds

Balance Sheet

June 30, 2024

	Special Revenue Funds			Capital Project Fund
	General Fund	Affordable Housing Fund	Wilton Rancheria MOU Fund	Federal Capital Grants Fund
<u>ASSETS</u>				
Cash and investments	\$ 117,712,710	\$ 30,683,743	\$ 12,856,018	\$ -
Cash and investments with fiscal agent	-	-	-	-
Funds held in escrow	-	-	-	-
Accounts receivable, net	1,338,951	-	2,453,924	-
Taxes receivable	12,912,964	-	-	-
Interest receivable, net	748,372	689,194	68,969	-
Due from other government agencies	925,945	-	-	474,980
Due from other funds	443,358	-	-	-
Advances to other funds	2,307,741	-	-	-
Fee credits receivable	-	-	-	-
Long-term loans receivable	277,302	64,670,184	-	-
Affordable housing subsidies receivable	-	2,267,553	-	-
Long-term development fees receivable	-	745,129	-	-
Leases receivable	128,777	-	-	-
Total Assets	\$ 136,796,120	\$ 99,055,803	\$ 15,378,911	\$ 474,980
<u>LIABILITIES</u>				
Accounts payable	\$ 4,055,184	\$ 1,498	\$ 88,568	\$ 85,887
Accrued salaries and benefits	2,564,600	12,230	16,749	-
Due to other funds	-	-	-	389,983
Interest payable	24,363	-	-	-
Retention payable	9,638	-	-	17,091
Refundable deposits	340,604	-	-	-
Advances from other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total Liabilities	6,994,389	13,728	105,317	492,961
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue	1,212,467	1,429,616	2,520,925	71,967
<u>FUND BALANCES</u>				
Nonspendable	2,307,741	-	-	-
Restricted	-	97,612,459	12,752,669	-
Committed	87,510,299	-	-	-
Assigned	219,820	-	-	-
Unassigned	38,551,404	-	-	(89,948)
Total Fund Balances	128,589,264	97,612,459	12,752,669	(89,948)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 136,796,120	\$ 99,055,803	\$ 15,378,911	\$ 474,980

The accompanying notes are an integral part of these financial statements.

Capital Project Funds

State Grants Fund	Roadway Fee Fund	Laguna Ridge CFD 2005-1 Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 3,916,362	\$ 51,514,067	\$ 14,883,032	\$ 196,051,321	\$ 427,617,253
	41,922,399	972,648	6,105,733	49,000,780
-	-	-	159,313	159,313
-	20,000	-	1,807,687	5,620,562
-	-	-	337,604	13,250,568
-	303,075	79,843	812,272	2,701,725
362,337	-	-	5,551,240	7,314,502
-	389,983	-	-	833,341
-	844,638	-	2,696,696	5,849,075
-	-	1,143,453	3,551,581	4,695,034
-	-	-	323,529	65,271,015
-	-	-	-	2,267,553
-	10,040,669	-	13,605,836	24,391,634
-	-	-	2,226,699	2,355,476
<u>\$ 4,278,699</u>	<u>\$ 105,034,831</u>	<u>\$ 17,078,976</u>	<u>\$ 233,229,511</u>	<u>\$ 611,327,831</u>
\$ 138,265	\$ 711,506	\$ 731	\$ 6,989,208	\$ 12,070,847
-	820	1,192	275,078	2,870,669
-	-	-	443,358	833,341
-	-	-	15,020	39,383
-	-	-	410,133	436,862
-	-	-	2,913,101	3,253,705
-	-	-	5,849,075	5,849,075
4,004,057	41,781,677	-	8,945,249	54,730,983
<u>4,142,322</u>	<u>42,494,003</u>	<u>1,923</u>	<u>25,840,222</u>	<u>80,084,865</u>
<u>351,290</u>	<u>10,335,096</u>	<u>1,055,869</u>	<u>23,404,905</u>	<u>40,382,135</u>
-	-	-	-	2,307,741
-	52,205,732	16,021,184	186,053,857	364,645,901
-	-	-	-	87,510,299
-	-	-	-	219,820
(214,913)	-	-	(2,069,473)	36,177,070
<u>(214,913)</u>	<u>52,205,732</u>	<u>16,021,184</u>	<u>183,984,384</u>	<u>490,860,831</u>
<u>\$ 4,278,699</u>	<u>\$ 105,034,831</u>	<u>\$ 17,078,976</u>	<u>\$ 233,229,511</u>	<u>\$ 611,327,831</u>

The accompanying notes are an integral part of these financial statements.

This Page Left Intentionally Blank

CITY OF ELK GROVE

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position - Governmental Activities June 30, 2024

Fund Balance - total governmental funds	\$	490,860,831
Amounts reported for governmental activities in the statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		1,003,102,200
Certain other long-term assets are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.		31,223,044
Interest on long-term debt is recognized as it accrues, regardless of when it is due in the government-wide statements.		(288,021)
Internal service funds are used by the City to charge the cost of risk management and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position are:		14,622,972
In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources are reported as follows:		
Deferred outflows of resources related to pensions		22,731,591
Deferred inflows of resources related to pensions		(2,957,304)
Deferred outflows of resources related to OPEB		8,706,996
Deferred inflows of resources related to OPEB		(5,623,403)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds payable		(36,126,747)
Subscription liabilities (excluding amount recorded in the internal service funds)		(1,371,047)
Net pension liability		(24,263,932)
Net OPEB liability		(10,672,535)
Compensated absences (excluding amount recorded in the internal service funds)		(5,385,765)
Net Position of governmental activities	\$	<u>1,484,558,880</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE

Governmental Funds
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2024

	Special Revenue Funds			Capital Projects Fund
	General Fund	Affordable Housing Fund	Wilton Rancheria MOU Fund	Federal Capital Grants Fund
<u>REVENUES</u>				
Taxes	\$ 119,688,040	\$ -	\$ -	\$ -
Licenses, fees and permits	1,689,082	5,812,282	-	-
Intergovernmental	345,679	15,830	6,453,925	3,421,372
Fines and forfeitures	1,676,535	-	-	-
Charges for services	554,825	-	-	-
Use of money and property	4,807,495	3,757,198	82,165	1
Contribution from Community Facility District	-	-	-	-
Other revenue	573,995	-	-	-
Total Revenues	<u>129,335,651</u>	<u>9,585,310</u>	<u>6,536,090</u>	<u>3,421,373</u>
<u>EXPENDITURES</u>				
Current:				
General government	42,163,275	-	-	-
Public safety	63,786,695	-	-	-
Public ways and facilities	-	-	1,020,458	580,153
Community development	1,826,451	2,408,966	-	-
Capital outlay	686,153	-	-	-
Debt service:				
Tax administration	-	-	-	-
Principal	469,552	-	-	-
Interest	31,861	-	-	-
Total Expenditures	<u>108,963,987</u>	<u>2,408,966</u>	<u>1,020,458</u>	<u>580,153</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>20,371,664</u>	<u>7,176,344</u>	<u>5,515,632</u>	<u>2,841,220</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Issuance of debt	506,536	-	-	-
Transfers in	16,485,390	-	-	-
Transfers (out)	(5,474,533)	(2,000,000)	-	(166,788)
Total Other Financing Sources (Uses)	<u>11,517,393</u>	<u>(2,000,000)</u>	<u>-</u>	<u>(166,788)</u>
Net Change in Fund Balances	31,889,057	5,176,344	5,515,632	2,674,432
Fund Balances, Beginning, As Previously Reported	96,700,207	92,436,115	7,237,037	(2,764,380)
Restatement for a correction of an error	-	-	-	-
Adjustment - changes from major to nonmajor fund	-	-	-	-
Fund Balances, Beginning, As Restated	<u>96,700,207</u>	<u>92,436,115</u>	<u>7,237,037</u>	<u>(2,764,380)</u>
Fund Balances, Ending	<u>\$ 128,589,264</u>	<u>\$ 97,612,459</u>	<u>\$ 12,752,669</u>	<u>\$ (89,948)</u>

The accompanying notes are an integral part of these financial statements.

Capital Project Funds			(Formerly Major)	(Formerly Major)		Total Governmental Funds
State Grants Fund	Roadway Fee Fund	Laguna Ridge CFD 2005-1 Fund	Disaster Recovery Fund	Mitigation and Fee Funds	Total Nonmajor Funds	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,688,040
-	7,415,343	2,359,169	-	-	33,982,810	51,258,686
2,105,556	-	219,668	-	-	56,857,459	69,419,489
-	-	-	-	-	-	1,676,535
-	-	-	-	-	3,425,693	3,980,518
125,901	2,308,977	599,467	-	-	7,143,255	18,824,459
-	-	4,188,542	-	-	-	4,188,542
-	30,000	93	-	-	788,690	1,392,778
<u>2,231,457</u>	<u>9,754,320</u>	<u>7,366,939</u>	<u>-</u>	<u>-</u>	<u>102,197,907</u>	<u>270,429,047</u>
-	-	-	-	-	225,853	42,389,128
-	-	-	-	-	1,066,906	64,853,601
1,475,390	2,508,700	10,175,251	-	-	25,592,850	41,352,802
-	-	-	-	-	12,270,398	16,505,815
-	-	-	-	-	4,568,753	5,254,906
-	-	-	-	-	9,786	9,786
-	-	17,304	-	-	2,203,676	2,690,532
-	-	-	-	-	1,454,943	1,486,804
<u>1,475,390</u>	<u>2,508,700</u>	<u>10,192,555</u>	<u>-</u>	<u>-</u>	<u>47,393,165</u>	<u>174,543,374</u>
<u>756,067</u>	<u>7,245,620</u>	<u>(2,825,616)</u>	<u>-</u>	<u>-</u>	<u>54,804,742</u>	<u>95,885,673</u>
-	-	48,319	-	-	-	554,855
-	1,169,960	-	-	-	4,375,850	22,031,200
-	(1,831,701)	(1,536,703)	-	-	(14,816,800)	(25,826,525)
-	(661,741)	(1,488,384)	-	-	(10,440,950)	(3,240,470)
<u>756,067</u>	<u>6,583,879</u>	<u>(4,314,000)</u>	<u>-</u>	<u>-</u>	<u>44,363,792</u>	<u>92,645,203</u>
(970,980)	45,621,853	24,537,053	(289,755)	11,787,799	128,122,548	402,417,497
-	-	(4,201,869)	-	-	-	(4,201,869)
-	-	-	289,755	(11,787,799)	11,498,044	-
<u>(970,980)</u>	<u>45,621,853</u>	<u>20,335,184</u>	<u>-</u>	<u>-</u>	<u>139,620,592</u>	<u>398,215,628</u>
<u>\$ (214,913)</u>	<u>\$ 52,205,732</u>	<u>\$ 16,021,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,984,384</u>	<u>\$ 490,860,831</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2024

Net change to fund balances - total governmental funds	\$	92,645,203
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In addition, governmental funds report proceeds from disposals of capital assets as revenues, while only the gain or loss on the sale of capital assets is reported in the statement of activities. Finally, donated assets are not reported in governmental fund statements since they do not represent current financial resources, but donated assets are reported as capital contributions in the statement of activities.</p>		
<p>The change in governmental activities capital assets consists of:</p>		
Capital outlay expenditures	\$ 12,345,743	
Less: current year depreciation	<u>(40,291,725)</u>	(27,945,982)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(2,962,409)
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Issuance of debt, including subscription liabilities	(554,855)	
Principal payments on debt, including subscription liabilities	<u>2,690,532</u>	2,135,677
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in accrued interest on debt	12,924	
Change in compensated absences (excluding amount reported in the internal service funds)	<u>(377,846)</u>	(364,922)
Long term net OPEB (liability) change not paid out of current period resources		(1,227,980)
<p>In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. The difference between accrual-basis pension costs and actual employer contributions was:</p>		
		(7,827,778)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities.</p>		
		<u>4,490,932</u>
Change in net position of governmental activities	\$	<u><u>58,942,741</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE
Proprietary Funds
Statement of Fund Net Position
June 30, 2024

	Business-Type Activities			Governmental Activities
	Recycling & Waste Funds	Drainage Funds	Total Enterprise Funds	Internal Service Funds
<u>ASSETS</u>				
Current Assets:				
Cash and investments	\$ 13,156,766	\$ 21,742,953	\$ 34,899,719	\$ 16,686,524
Cash held in escrow	-	77,199	77,199	-
Accounts receivable, net	575,096	1,464,089	2,039,185	245,620
Due from other government agencies	40,797	76,400	117,197	-
Total Current Assets	<u>13,772,659</u>	<u>23,360,641</u>	<u>37,133,300</u>	<u>16,932,144</u>
Noncurrent Assets:				
Capital assets, nondepreciable	4,059,299	11,137,056	15,196,355	-
Capital assets, depreciable, net	7,539,724	16,339,758	23,879,482	2,861,864
Total Noncurrent Assets	<u>11,599,023</u>	<u>27,476,814</u>	<u>39,075,837</u>	<u>2,861,864</u>
Total Assets	<u>25,371,682</u>	<u>50,837,455</u>	<u>76,209,137</u>	<u>19,794,008</u>
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts payable	355,075	775,404	1,130,479	1,052,927
Accrued salaries and benefits	28,546	71,252	99,798	133,916
Customer deposits	83,969	26,000	109,969	-
Compensated absences	4,641	11,534	16,175	55,188
Interest payable - Leases	-	-	-	33,795
Unearned revenue	-	-	-	85,126
Lease liabilities	-	-	-	59,533
Subscription liabilities	-	-	-	1,320,503
Total Current Liabilities	<u>472,231</u>	<u>884,190</u>	<u>1,356,421</u>	<u>2,740,988</u>
Noncurrent Liabilities:				
Lease liabilities	-	-	-	14,796
Compensated absences	30,495	75,769	106,264	362,558
Claims liability	-	-	-	550,685
Subscription liabilities	-	-	-	1,502,009
Total Noncurrent Liabilities	<u>30,495</u>	<u>75,769</u>	<u>106,264</u>	<u>2,430,048</u>
Total Liabilities	<u>502,726</u>	<u>959,959</u>	<u>1,462,685</u>	<u>5,171,036</u>
<u>NET POSITION</u>				
Net investment in capital assets	11,599,023	27,476,814	39,075,837	(34,977)
Unrestricted	13,269,933	22,400,682	35,670,615	14,657,949
Total Net Position	<u>\$ 24,868,956</u>	<u>\$ 49,877,496</u>	<u>\$ 74,746,452</u>	<u>\$ 14,622,972</u>
Total Liabilities and Net Position	<u>\$ 25,371,682</u>	<u>\$ 50,837,455</u>	<u>\$ 76,209,137</u>	<u>\$ 19,794,008</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2024

	Business-Type Activities			Governmental
	Recycling & Waste Funds	Drainage Funds	Total	Internal Service Funds
<u>OPERATING REVENUES</u>				
Charges for services	\$ 2,582,674	\$ 6,610,206	\$ 9,192,880	\$ 19,182,156
Total Operating Revenues	2,582,674	6,610,206	9,192,880	19,182,156
<u>OPERATING EXPENSES</u>				
Salaries and benefits	738,283	1,620,784	2,359,067	3,824,759
Services and supplies	1,682,735	3,404,408	5,087,143	11,896,772
Claims expense	-	-	-	2,673,224
Depreciation and amortization	254,716	615,815	870,531	1,419,973
Total Operating Expenses	2,675,734	5,641,007	8,316,741	19,814,728
Operating Income	(93,060)	969,199	876,139	(632,572)
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Taxes	-	1,962,641	1,962,641	-
Capital contribution	945,299	-	945,299	-
Penalties and fees	-	5,232	5,232	-
Investment income (expense)	616,948	1,027,941	1,644,889	445,966
Gain/(loss) on disposal of capital assets	-	-	-	24,403
Interest expense	-	-	-	(63,950)
Total Non-Operating Revenues (Expenses)	1,562,247	2,995,814	4,558,061	406,419
Income Before Transfers	1,469,187	3,965,013	5,434,200	(226,153)
Transfers in	50,000	224,088	274,088	5,636,170
Transfers out	(451,213)	(744,635)	(1,195,848)	(919,085)
Net Transfers	(401,213)	(520,547)	(921,760)	4,717,085
Change in Net Position	1,067,974	3,444,466	4,512,440	4,490,932
Net Position - Beginning	23,800,982	46,433,030	70,234,012	10,132,040
Net Position, Ending	\$ 24,868,956	\$ 49,877,496	\$ 74,746,452	\$ 14,622,972

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2024

	Business-Type Activities			Governmental
	Recycling & Waste Funds	Drainage Funds	Total	Internal Service Funds
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Cash receipts from customers/other governments	\$ 2,523,850	\$ 6,519,420	\$ 9,043,270	\$ 19,121,423
Cash paid to suppliers for good and services	(1,478,841)	(3,833,166)	(5,312,007)	(11,097,853)
Cash paid to employees for services	(736,725)	(1,585,767)	(2,322,492)	(3,796,573)
Cash paid for claims	-	-	-	(2,838,649)
Net Cash Provided (Used) by Operating Activities	<u>308,284</u>	<u>1,100,487</u>	<u>1,408,771</u>	<u>1,388,348</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Taxes	-	1,962,641	1,962,641	-
Penalties and fees received	-	5,232	5,232	-
Transfers in	50,000	224,088	274,088	5,636,170
Transfers (out)	(451,213)	(744,635)	(1,195,848)	(919,085)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(401,213)</u>	<u>1,447,326</u>	<u>1,046,113</u>	<u>4,717,085</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
<u>ACTIVITIES</u>				
Interest paid on Capital debt	-	-	-	(63,929)
Acquisition of capital assets	-	(1,563,886)	(1,563,886)	-
Capital contribution	945,299	-	945,299	-
Proceeds from sale of assets	-	-	-	24,403
Lease principal payments	-	-	-	(61,994)
Subscription principal payments	-	(6,037)	(6,037)	(1,364,965)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>945,299</u>	<u>(1,569,923)</u>	<u>(624,624)</u>	<u>(1,466,485)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Investment income	616,948	1,027,941	1,644,889	445,966
Net Cash Provided by Investing Activities	<u>616,948</u>	<u>1,027,941</u>	<u>1,644,889</u>	<u>445,966</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,469,318	2,005,831	3,475,149	5,084,914
Cash and Cash Equivalents, Beginning of Year	11,687,448	19,737,122	31,424,570	11,601,610
Cash and Cash Equivalents, End of Year	<u>\$ 13,156,766</u>	<u>\$ 21,742,953</u>	<u>\$ 34,899,719</u>	<u>\$ 16,686,524</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>				
Operating income (loss)	\$ (93,060)	\$ 969,199	\$ 876,139	\$ (632,572)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	254,716	615,815	870,531	1,419,973
Changes in assets and liabilities (Increase) decrease in:				
(Increase) decrease in:				
Accounts receivable	(51,839)	(75,554)	(127,393)	(102,866)
Due from other government agencies	(6,985)	(15,232)	(22,217)	-
Increase (decrease) in:				
Accounts payable	203,894	(428,758)	(224,864)	798,919
Accrued salaries and benefits	985	16,399	17,384	5,512
Deposits	-	-	-	-
Compensated absences	573	18,618	19,191	22,674
Claims liability	-	-	-	(165,425)
Unearned revenue	-	-	-	42,133
Net Cash Provided (Used) by Operating Activities	<u>\$ 308,284</u>	<u>\$ 1,100,487</u>	<u>\$ 1,408,771</u>	<u>\$ 1,388,348</u>
<u>SUPPLEMENTAL DISCLOSURE OF Cash and Cash Equivalents</u>				
Cash and investments	\$ 13,156,766	\$ 21,742,953	\$ 34,899,719	\$ 16,686,524
Cash and Cash Equivalents, End of Year	<u>\$ 13,156,766</u>	<u>\$ 21,742,953</u>	<u>\$ 34,899,719</u>	<u>\$ 16,686,524</u>
<u>NONCASH TRANSACTIONS:</u>				
Subscription assets				<u>\$ 1,218,697</u>
Subscription liabilities				<u>\$ (1,218,697)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2024

	Retirement Health Trust Fund	Custodial Funds
<u>ASSETS</u>		
Cash and Cash equivalents	\$ 5,865,341	\$ 16,923,458
Mutual funds - Equity	5,721,255	-
Cash with fiscal agent	-	11,775,464
Accounts receivable	40,543	923,455
Interest receivable	-	84,962
Taxes receivable	-	932,560
Total Assets	<u>11,627,139</u>	<u>30,639,899</u>
<u>LIABILITIES</u>		
Accounts payable	5,866,424	3,166,975
Accrued salaries and benefits	39,460	-
Unearned revenue	-	78,654
Interest payable	-	2,212
Refundable deposits	-	81,799
Total Liabilities	<u>5,905,884</u>	<u>3,329,640</u>
<u>NET POSITION</u>		
Restricted for other post-employment benefits	5,721,255	-
Restricted for individuals and organizations	-	27,310,259
Total net position	<u>\$ 5,721,255</u>	<u>\$ 27,310,259</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ELK GROVE
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	Retirement Health Trust Fund	Custodial Funds
<u>ADDITIONS</u>		
Employer contributions	\$ 1,580,000	\$ -
Net investment income:		
Net (decrease) increase in fair value of investments	404,804	246,217
Interest, dividends, and other	-	214,464
Investment management fees	(19,531)	-
Fees, taxes and special assessments for other governments	-	25,565,662
Activity fees	-	42,901
Miscellaneous	-	2,540
Total additions	<u>1,965,273</u>	<u>26,071,784</u>
<u>DEDUCTIONS</u>		
Benefits paid to participants or beneficiaries	449,280	-
Administrative expense	-	188,235
Payment of fees, taxes and special assessments to other governments	-	6,479,666
Development and construction expense	-	4,188,542
Activities and events	-	39,701
Debt service	-	15,512,281
Total deductions	<u>449,280</u>	<u>26,408,425</u>
Change in net position	1,515,993	(336,641)
<u>NET POSITION</u>		
Restricted for OPEB benefits, individuals and organizations:		
Beginning of year, as previously reported	4,205,262	23,445,031
Restatement for a correction of an error	-	4,201,869
Beginning of year, as restated	<u>4,205,262</u>	<u>27,646,900</u>
End of year	<u>\$ 5,721,255</u>	<u>\$ 27,310,259</u>

The accompanying notes are an integral part of these financial statements.

This Page Left Intentionally Blank

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

NOTES TO FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a summary of significant accounting policies for the City, and other necessary disclosure of pertinent matters relating to the financial position of the City. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies**

A. The Financial Reporting Entity

The City of Elk Grove (City), California, was incorporated in July 2000. The City operates under the Council-Manager form of government and provides the following services: public safety, animal services, highways and streets, public improvements, planning and zoning, general administration, transit, recycling and waste and drainage.

The financial statements presented herein include all the funds relevant to the operations of the City. The City's fiscal year begins July 1 and ends on June 30.

The accounting methods and procedures adopted by the City conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is financially accountable. Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units, although legally separate entities are, in substance, part of government's operations. Blended component units are an extension of the City and so data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the City.

The City's reporting entity includes the following blended component units:

Elk Grove Finance Authority

On July 13, 2005, under Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, the City authorized the formation of a joint powers authority with the Parking Authority of the City to be known as the Elk Grove Finance Authority (Finance Authority).

The primary purpose of the Finance Authority is to facilitate the financing of public improvements, as well as other facilities and improvements which will be funded through the issuance of tax-exempt bonds. The City Council acts as the governing board of the Finance Authority in concurrent session. The Mayor serves as Board chairperson.

The Finance Authority is a separate and legal entity, distinct from the City itself. The Finance Authority provides services entirely for the benefit of the City and the governing body consists solely of members of the City Council. The Finance Authority is treated as a blended component unit. The Finance Authority's financial data is presented as a debt service fund type.

Parking Authority of the City of Elk Grove

Formed in 2005 pursuant to the provisions of California statutes for the purpose of financing the development and operation of parking facilities. Although the Parking Authority is a separate legal entity, it is an integral part of the City. The City exercises significant financial and management control over the Parking Authority and members of the City Council serve as the governing board of the Parking Authority. The Parking Authority is inactive.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

Other Agencies:

Elk Grove Tourism Marketing District

In February 2015 City Council approved the formation of the Elk Grove Tourism Marketing District (EGTMD). The EGTMD is a benefit assessment district proposed to help fund marketing and sales promotion efforts for Elk Grove lodging businesses. The EGTMD currently includes all existing and future lodging businesses located within the boundaries of the City and a portion of unincorporated Sacramento County. On May 22, 2024, the City Council approved modifications to the EGTMD, which included increasing the assessment rate from 3% to 4% within the City portion of the District, and from 1% to 2% within the Sacramento County portion. The modifications also established a new service category, Designation Development. Additionally, the term of the EGTMD was extended from seven to ten years, with the new expiration date set for March 31, 2030. The original assessment district was scheduled to expire on March 31, 2027. Near the end of the term, EGTMD and City Council hearing process must be repeated for the EGTMD to be renewed.

The lodging businesses formed a nonprofit corporation, Visit Elk Grove (VEG), which serves as the EGTMD's Owner's Association ("Owner's Association"). The Owner's Association is private non-profit corporation charged with managing funds and implementing programs in accordance with the Management District Plan and state law. The Owner's Association must also provide annual reports to the City Council. The City is responsible for collecting the assessment on a monthly or quarterly basis from each lodging business located in the boundaries of the EGTMD. The City forwards these assessments to VEG. The City is paid a fee equal to one percent (1%) of the amount of assessment collected to cover its costs of collection and administration.

The EGTMD and VEG are not considered component units of the City and as a result, financial information for these entities is not presented in the City's financial statements.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. The internal services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category ~ *governmental, proprietary and fiduciary* ~ are presented.

The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are discretely aggregated and reported as nonmajor funds.

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, animal services, community services, economic development and a capital reserve.
- The *Affordable Housing Special Revenue Fund* was established to account for affordable housing development impact fees paid by new development and expenditure and loan activity for affordable housing and administration.
- The *Wilton Rancheria MOU Special Revenue Fund* was established to account for the tracking and spending of the cumulative payments between the Tribe and the City over 20 years.
- The *Federal Capital Grant Funds* were established to account for grants received from the federal government to fund capital projects.
- The *State Grant Funds* were established to account for grants received from the State of California to fund capital projects.
- The *Roadway Fee Capital Projects Fund* was established to account for development impact fees paid by new development and expenditures for roadway related projects.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

- The *Laguna Ridge CFD 2005-1 Fund* was established to account for special taxes to fund the cost of infrastructure and a portion of police protection operational costs within the boundaries of this finance district.

The City reports the following major enterprise funds:

- The *Recycling and Waste Funds* were established to account for the operation and maintenance of the City's recycling and waste program, which plans, coordinates, promotes and implements citywide solid waste reduction, recycling, composting, and public education activities.
- The *Drainage Funds* were established to account for the cost to manage and deliver drainage and flood control services.

The City reports the following additional fund types:

- *Permanent Fund* account for and report resources that are restricted to the extent that only earnings, and not principal, that may be used for purposes that support the reporting government's programs.
- *Internal Service Funds* account for the City's facilities, fleet, information technology, and GIS services provided to other departments, unemployment insurance, and insurance programs – workers' compensation and "general liability" - on a cost-estimate basis.
- *Fiduciary Funds* account for Trust and Custodial Funds. The financial activities of these funds are excluded from the Government Wide Financial Statements but are presented in separate Fiduciary Fund Financial Statements. The Custodial Funds consist of:
 - The *Retirement Health Trust Fund* accounts postemployment benefits (OPEB) trust funds used for funding of health insurance for retirees.
 - The *Custodial Funds* account for resources, not in a trust, held by the City for various local governments and other entities outside of the City's reporting entity. The Custodial Funds consist of:
 - **Community Services District & Sac County Funds** – Established to account for development fees, which are collected and remitted to the Cosumnes Community Services District or to Sacramento County for fire and recreation and transportation facilities as well as landscape maintenance.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

- **Elk Grove Employee Sunshine Fund** – Established to account for the donation by payroll deduction of Employee funds which are collected and used for Employee functions and activities as directed by the employees.
- **Special Assessment/Community Facility District (CFDs)** – Established to account for the monies collected and disbursed for land-based debt, where the City is not obligated for the debt.
- **Property & Evidence Fund** – Established to account for the collection for confiscated funds which may become evidence or asset seizures.

C. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds, internal service funds and the fiduciary funds.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use lease assets, are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing through leases are reported as other financial sources.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

D. Current Year GASB Implementation

In June 2022, GASB issued Statement No. 100, *Accounting for Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement is effective for reporting periods beginning after June 15, 2023, or the fiscal year 2023-24. The provisions of this Statement were implemented during fiscal year 2024.

During the fiscal year ended June 30, 2024, the City determined that amounts reported as cash and investments with fiscal agent in the Laguna Ridge CFD 2005-1 Capital Projects Fund and the CFD 2005-1 Laguna Ridge Custodial Fund were misstated in the prior year (at June 30, 2023). Consequently, the City recorded prior period adjustments as follows:

	FY 2023 previously reported	Prior year correction restatement	FY 2023 restated
Laguna Ridge CFD 2005-1 Capital Projects Fund			
Current assets:			
Cash and investments with fiscal agent	\$ 12,741,789	\$ (4,201,869)	\$ 8,539,920
CFD 2005-1 Laguna Ridge Custodial Fund			
Current assets:			
Cash and investments with fiscal agent	11,761,176	4,201,869	15,963,045

E. Property Tax

The County of Sacramento is responsible for the collection and allocation of property taxes. The City recognizes property taxes when the individual installments are levied, provided they are received by the City within 60 days after year-end.

Secured property taxes are levied on or before the first day of September of each year. They become a lien on real property on March 1 preceding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, cost and interest when paid.

The City participates in an alternative method of distribution of property tax levies and assessments known as the “Teeter Plan.” The State Revenue and Taxation Code allow counties to distribute secured real property and assessment and supplemental property taxes on an accrual basis resulting in full payment to cities each fiscal year. Any subsequent delinquent payments, penalties and interest during a fiscal year will revert to the County.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

F. Cash and Investments

Cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments in the California Local Agency Investment Fund (LAIF) are stated at cost, which approximates their estimated fair value. Other investments are stated at their fair value.

G. Receivables

Receivables consist of development impact fees, property taxes, sales taxes, mitigation fee credits, grants, recycling and waste and drainage utility fees, and long-term loans. Affordable Housing related to interest receivable on loans for \$29,423,523 is offset by an allowance for potential forgiveness of \$28,734,329. Accounts receivable components are in each of the financial statements.

Long term loans by governmental funds are recorded in the fund statements and are reflected as nonspendable or restricted in the fund balance because they are not in spendable form. The loans are recognized when advanced in the government-wide statements.

Affordable housing subsidies receivable represent amounts due to the City from home owners resulting from qualified individuals being provided a home by a developer at a subsidized price below market value. This program allows qualified homeowners to obtain financing to help the City satisfy low income housing requirements. The City records potential amounts due under this program as affordable housing subsidies receivable.

The California Fish and Wildlife issued the City Swainson's Hawk Fund Mitigation Fee Credits. The City will use these fee credits as mitigation for the construction of public and private projects. The fee credit balance was \$3,551,581 at June 30, 2024.

H. Unearned Revenue

Unearned revenue includes amounts received from grantors and developers that have not yet been earned.

I. Prepaid Items

Certain payments made to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements. Prepaid items as reported in the financial statements are offset by a nonspendable fund balance for assets in governmental funds to indicate that they do not constitute resources available for appropriation.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

J. Capital Assets

Capital assets (including infrastructure) are recorded at historical or estimated cost, except for intangible right-to-use lease assets, the measurement of which is discussed in Note 5 below. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain (infrastructure) consisting of certain improvements including roadways, parks, bridges, water/sewer, lighting system, drainage systems, and flood control. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement is recorded at acquisition value rather than fair value.

The City’s policy is to capitalize all capital assets (excluding infrastructure) with a cost of \$5,000 or more and with an estimated useful life of three years or more. The City’s infrastructure with a cost of \$50,000 or more and with an estimated useful life of twenty or more years is capitalized. The straight-line method of depreciation is used for capital assets and infrastructure.

Maintenance and repairs are charged to expense as incurred. Significant renewals or betterments are capitalized and depreciated over their estimated useful lives. Costs incurred for major improvements or construction of capital assets are carried in construction in progress until the project is completed at which time costs related to the project are moved to the appropriate classification and depreciated.

The estimated useful lives are as follows:

Infrastructure (other than pavement)	20 to 75 years
Pavement subsystem	40 years
Buildings and improvements	20 to 50 years
Right-to-use lease buildings	20 to 50 years
Land improvements	20 to 40 years
Equipment	3 to 15 years
Right-to-use lease equipment	3 to 15 years
Right-to-use subscription asset	1 year to 10 years

The City has seven networks of infrastructure assets – roadways, parks, bridges, water/sewer, lighting system, drainage systems, and flood control.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

K. Deferred Outflow/Deferred Inflow of Resources

In addition to assets, the financial statements report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Contributions made to the City's pension plan(s) after the measurement date but before the fiscal year-end are recorded as a deferred outflow of resources. Additional factors involved in the calculation of the City's pension and OPEB expense, net OPEB asset/liability and net pension liability include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the City's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Notes 13 and 14 for further details related to these pensions deferred outflows and inflows.

Under the modified accrual basis of accounting, unavailable revenue is reported as a deferred inflow of resources. Unavailable revenue is reported in the governmental funds balance sheet and represents receivables associated with leases and other non-exchange transactions that will not be collected within the City's period of availability.

L. Leases

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment.

Lessee – The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

Key estimates and judgements related to leases include how the City determines (1) the discount rate it used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor – The City is a lessor for a noncancellable lease of land for cell tower sites and other purposes, and buildings. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts as follows:

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

M. Subscription-Based Information Technology Arrangements (SBITAs)

A Subscription-Based Information Technology Arrangement (SBITA) is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the contract term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over shorter of the subscription term or the useful life of the underlying IT assets. The City recognizes SBITAs with an initial, individual value of \$5,000 or more.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments as follows:

- The City uses the interest rate charged by the IT vendor as the discount rate. When the interest rate charged by the IT vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscription liabilities.
- The subscription term includes the noncancellable period of the subscription.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

N. Compensated Absences

The City's policies regarding vacation time and compensatory time permit employees to accumulate earned by unused leave, up to limits depending on years of service. This debt is estimated based on historical trend analysis, the current portion of which is reported in the General Fund, the remaining balance is shown in the government-wide financial statements.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

The City’s annual leave policy allows for accruals as follows:

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Maximum Accrual</u>
1 through 4	176 hours	352 hours
5 through 9	216 hours	432 hours
10 through 14	232 hours	464 hours
15 through 19	256 hours	512 hours
20 or more	272 hours	544 Hours

Annual leave includes vacation and sick leave. City employees have vested interests in the amount of annual leave accrued and are paid upon termination. Annually, an employee may elect to be paid out a maximum of 80 hours of unused annual leave at the discretion of the City Manager. Payouts are contingent on the following criteria:

- The employee used at least 40 hours during the previous year; and,
- The employee will have a minimum balance of 80 annual leave hours after the payment.

All annual leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements that are currently payable. The General Fund, Development Services Fund, Risk Management Fund, Recycling and Waste Fund, Drainage Fund, and Internal Service Funds are used to liquidate compensated absences, depending on where the employee’s salary is recorded.

The City offers to exempt employees either 40 or 80 administrative leave hours annually, depending on their level of management. Administrative leave is recorded on July 1st and is prorated for new employees starting after July 1st. The accrued time is carried over each year, with a maximum limit of double the employee’s annual allotment. Employees have the option to cash out 50% of their administrative leave balance annually.

O. Pensions and OPEB

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

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 1: **Summary of Significant Accounting Policies (Continued)**

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plans and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported in the Retirement Health Trust Fund or by the plan. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Interfund Balances

Interfund transactions are reflected as loans, provided services, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (current portion) or "advances to/from other funds" (noncurrent portion). Net interfund activity and balances between the governmental activities and business-type activities are shown in the statement of net position as internal balances. The "doubling-up" effect of internal service fund activity has been removed by adjusting the expenses shown in the various functions within the statement of activities.

Advances are amortized over the life of the loan or available cash. Interest is calculated based on the City's pooled Local Agency Investment Fund (LAIF) interest rate at the time of the agreement. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

R. Closed Fund

At June 30, 2024, the Lakeside Community Facilities District (CFD) Fund was closed.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: **Cash and Investments**

The City’s deposit and investment balances as of June 30, 2024, consist of the following:

	Cash and Investments	Restricted and Held with Third Parties	Total Cash and Investments
Cash and deposits	\$ 23,547,013	\$ 41,781,677	\$ 65,328,690
Investments	478,445,282	24,952,334	503,397,616
Total Cash and Investments	\$ 501,992,295	\$ 66,734,011	\$ 568,726,306

Total cash and investments were classified and reported on the City’s financial statements as follows:

	Cash and Investments	Restricted and Held with Third Parties	Total Cash and Investments
Governmental activities	\$ 444,303,777	\$ 49,160,093	\$ 493,463,870
Business-type activities	34,899,719	77,199	34,976,918
Fiduciary funds	22,788,799	17,496,719	40,285,518
Total Cash and Investments	\$ 501,992,295	\$ 66,734,011	\$ 568,726,306

Fair Value Measurements

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

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: **Cash and Investments (Continued)**

The City’s Investment Pool has the following recurring fair value measurements as of June 30, 2024:

Investments by fair value level	<u>Total Amount</u>	<u>Not Applicable</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Investment Securities			
Asset Backed Securities	\$ 32,584,362	\$ -	\$ 32,584,362
Medium Term Corporate Notes	81,927,757	-	81,927,757
Certificates of Deposit Collateralized (Time Deposits)	22,169,879	-	22,169,879
Certificates of Deposit Negotiable (Time Deposits)	5,320,135	-	5,320,135
Federal Home Loan Banks	15,425,344	-	15,425,344
Federal Home Loan Mortgage Corp Medium Term Notes	4,106,018	-	4,106,018
Federal National Mortgage Association	4,416,265	-	4,416,265
Tennessee Valley Authority	2,328,118	-	2,328,118
Local Agency Investment Fund	417	417	-
Local Government Investment Pool (CalTRUST)	126,264,606	126,264,606	-
Supranational Securities	29,109,064	-	29,109,064
US Treasury Notes	150,375,998	-	150,375,998
Municipal Securities (CA State and local agencies)	4,417,319	-	4,417,319
Total investments measured at fair value	<u>\$ 478,445,282</u>	<u>\$ 126,265,023</u>	<u>\$ 352,180,259</u>

Investments

LAIF and CalTRUST, being investments pools, are subject to fair value measurement; however, they are not subject to the fair value hierarchy. Certain Certificates of Deposit and Money Market Funds are not negotiable and therefore, not subject to fair value measurement as redemption terms do not consider market rates.

The City invests both individual fund and pooled monies, subject to California Government Code Section 53600, Chapter 4 – Financial Affairs. The pooling of monies, referred to as an internal investment pool, is theoretically invested on the whole and not as a combination of monies from each fund belonging to the pool. In this manner, the City’s Treasurer is able to invest the monies at a higher interest rate for a longer period of time.

Interest revenue is apportioned monthly to each fund in the pool based on the average cash balance of the fund for the month.

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

The table below identifies the investment types that are authorized for the City by the California Government Code or the City’s investment policy, where more restrictive. The table also identifies certain provisions of the City’s investment policy that address interest rate risk, credit risk, and concentration risk.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: **Cash and Investments (Continued)**

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
Federal Agency or U.S. Government Sponsored Enterprise Obligations	5 years	None (A)	30%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Repurchase Agreements	90 days	20%	None
Medium Term Corporate Notes	5 years	30%	5%
Supranational Securities	5 years	30%	10%
Mutual Funds/Money Market Mutual Funds	N/A	20%	10%/20%
Time Deposits	5 years	25%	5%
Local Agency Investment Fund (LAIF)	N/A	None	\$75m per account
Investment Trust of California (CalTRUST)	N/A	30%	30%
Municipal Securities (California Local Agencies)	5 years	20%	5%
Asset-backed, Mortgage-backed and Collateralized Mortgage Obligations	5 years	20%	5%

(A) The City may invest in a maximum of 20% of callable agency securities.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. The table on the following page identifies the investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Obligations	None	None	None
Government National Mortgage Association	None	None	None
Federal Farm Credit System	None	None	None
Federal Home Loan Bank Board	None	None	None
Federal National Mortgage Association	None	None	None
Federal Home Loan Mortgage Association	None	None	None
Banker's Acceptances	270 days	None	None
Commercial Paper	180 days	None	None
Medium Term Corporation Notes	5 years	30%	None
Money Market Mutual Funds	N/A	None	None
Municipal Obligations	None	None	None
Investment Agreements	30 years	None	None
LAIF	None	None	None
Federal Securities	None	None	None
Time Deposits	None	None	None
Corporate Obligations	None	None	None

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: **Cash and Investments (Continued)**

Disclosures Relating to Interest Rate Risk and Credit 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. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio, as well as limiting a securities maturity to five years or less for investments in the investment pool. Investments held outside the investment pool can have longer maturities as these funds are restricted by bond covenants and are held to the maturity of the bonds.

Investment Type	Amount	Weighted Average Maturity (in years)
Investments in Investment Pool:		
Asset Backed Securities	\$ 32,584,362	3.30
Medium Term Corporate Notes	81,927,757	3.03
Certificates of Deposit Collateralized (Time Deposits)	22,169,879	1.95
Certificates of Deposit Negotiable (Time Deposits)	5,320,135	0.34
Federal Home Loan Banks	15,425,344	2.44
Federal Home Loan Mortgage Corp Medium Term Notes	4,106,018	0.75
Federal National Mortgage Association	4,416,265	0.59
Tennessee Valley Authority	2,328,118	3.71
Local Agency Investment Fund	417	-
Local Government Investment Pool (CalTRUST)	126,264,606	-
Supranational Securities	29,109,064	2.68
US Treasury Notes	150,375,998	3.37
Municipal Securities (CA State and local agencies)	4,417,319	0.32
Total Investments in Investment Pool	478,445,282	2.08
Investments outside Investment Pool:		
Money Market Funds	5,721,255	
Mutual Funds	19,231,079	
Total Investments	\$ 503,397,616	

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: Cash and Investments (Continued)

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. Presented below and on the following page is the minimum rating required by the California Government Code, the City’s investment policy, or debt agreements and the actual rating at year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Ratings as of Year End (Standard and Poor's)				Not Rated
			AAA/A-1	AA+/AA/AA-	A+/A/A-	BBB+*	
Investments in Investment Pool:							
Asset Backed Securities	\$ 32,584,362	AA	\$ 32,584,362	\$ -	\$ -	\$ -	\$ -
Certificates of Deposit (Non-Negotiable Time Deposits)	22,169,879	N/A	-	-	-	-	22,169,879
Certificates of Deposit (Negotiable Time Deposits)	5,320,135	N/A	-	-	-	-	5,320,135
Federal Home Loan Banks	15,425,344	N/A	-	15,425,344	-	-	-
Federal Home Loan Mortgage Corp							
Medium Term Notes	4,106,018	N/A	-	4,106,018	-	-	-
Federal National Mortgage Assoc	4,416,265	N/A	-	4,416,265	-	-	-
Tennessee Valley Authority	2,328,118	N/A	-	2,328,118	-	-	-
Supranational Securities	29,109,064	AA	29,109,064	-	-	-	-
US Treasury Notes	150,375,998	N/A	-	150,375,998	-	-	-
Municipal Securities (CA State and local agencies)	4,417,319	A	-	4,417,319	-	-	-
Medium Term Corporate Notes	81,927,757	A	-	14,833,085	65,511,686	1,582,986	-
Local Government Investment Pool (CalTRUST)	126,264,606	N/A	-	-	-	-	126,264,606
LAIF	417	N/A	-	-	-	-	417
Investments outside Investment Pool:							
Money Market Funds	5,721,255	AAA	-	5,721,255	-	-	-
Mutual Funds	19,231,079	AAA	-	-	-	-	19,231,079
Total Investments	\$ 503,397,616		\$ 61,693,426	\$ 201,623,402	\$ 65,511,686	\$ 1,582,986	\$ 172,986,116

*At purchase date, the investments were purchased at or above the minimum legal rating of "A" for Medium Term Corporate Notes.

Custodial Credit Risk

The 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 custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer), to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

The California Government Code requires that a financial institution secure the City’s cash deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of pledged securities in the collateral pool must equal at least 110% of the City’s cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 2: **Cash and Investments (Continued)**

At June 30, 2024, the recorded amount of the City's petty cash and demand deposits was \$6,200 and \$23,469,857, respectively, and the recorded amount of mutual funds classified as cash and deposits was \$177,435. Out of the \$23,647,292 that was deposited in financial institutions \$509,861 was insured by the Federal Depository Insurance Corporation (FDIC) and the remaining bank balance at June 30, 2024 was \$23,137,431 and was covered by a financial institution collateral pool that insures public deposits. The City's remaining investments were held by US Bank Trust in the City's name and were not subject to custodial credit risk or invested in LAIF.

Investment in California Local Agency Investment Fund and CalTRUST

The City is a voluntary participant in the California Local Agency Investment Fund that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of \$5,000, a maximum transaction amount of \$75 million and at least 24 hours advance notice for withdrawals of \$10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio. At June 30, 2024, the City's investment position in LAIF was \$417.

The City is also a voluntary participant in the CalTRUST which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST and selects and supervises the activities of the Investment Manager and other agents. CalTRUST does not have limits on transactions per month or dollar amount of transactions. As of June 30, 2024, the City's investment in CalTRUST is \$126,264,606.

Public Agencies Pension Trust

On February 14, 2024, the City Council adopted resolution 2021-015 approving the adoption of the Public Agencies Post-Employment Trust administered by Public Agency Retirement Services (PARS). The Trust is an irrevocable trust and qualifies as an Internal Revenue Section 115 Trust. This Trust will assist the City in mitigating the CalPERS contribution rate volatility. Investments of funds held in Trust are governed by the Investment Guideline Document for the investment account and by the agreement for administrative services with PARS, rather than the general provisions of the California Government Code of the City's investment policy. The City elected a discretionary investment approach which allows the City to maintain oversight of the investment management, control on target yield and the portfolio's risk of tolerance, under the Moderately Conservative Index PLUS investment option. The assets in the Trust will eventually be used to fund pension plan obligations. At June 30, 2024, the City's investment in the Pension Trust in PARS amounted to \$919,212.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 3: **Loans Receivable and Affordable Housing Subsidies Receivable**

Loans Receivable

Activity in loans receivable for the year ended June 30, 2024, was as follows:

	Balance at July 1, 2023	Additions	Repayments	Balance at June 30, 2024
Major Governmental Funds				
General Fund	\$ 281,365	\$ -	\$ (4,063)	\$ 277,302
Affordable Housing Special Revenue	66,660,357		(1,990,173)	64,670,184
Other Governmental Special Revenue Funds				
HUD Home Grant	40,000	-	-	40,000
Neighborhood Stabilization Program	188,766	-	-	188,766
Community Development Block Grant	106,436	-	(11,673)	94,763
Totals	\$ 67,276,924	\$ -	\$ (2,005,909)	\$ 65,271,015

The City has a number of multi-family affordable housing loans and Community Development Block Grant (CDBG) owner occupied and emergency repair loans outstanding at year end. The multi-family affordable housing loans provide gap financing to private developers to construct multi-family housing projects and totaled \$64,116,385 at June 30, 2024. The loans carry interest rates ranging from 0% to 4% and principal and interest are deferred for up to 30 years, subject to various conditions specified in the loan agreements.

The City is a participant in the State of California’s Department of Housing and Community Development’s Home Investment Partnerships Program (HOME) program. 30 year-term loans are awarded to individuals based on the HOME programs income and purchase conditions. All loans accrue 3% annual interest for the first 10 years. 1/10th of the accrued interest is then forgiven during years 11 thru 20. In years 21 through 30, loan principal payments are to be made on a 10-year payment term. As of June 30, 2024, the principal amount outstanding was \$40,000.

The City has a down payment assistance program that assists the City’s citizens with obtaining home ownership. This program provides families with down payment assistance through a 30 year 3% annual interest loan. The interest accrues for the first ten years and then the interest rate drops to 0% and during years 11 through 20, the accrued interest is forgiven at a rate of 10% of the total accrued interest per year until all interest is forgiven at the end of year 20. No principal or interest payments are required until the end of the loans term at which time all outstanding principal is due. As of June 30, 2024, the total outstanding principal for the down payment assistance program loans is \$188,766.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 3: **Loans Receivable and Affordable Housing Subsidies Receivable (Continued)**

The City began a Homebuyers Assistance Program through California's Department of Housing and Community Development CalHome program in fiscal year 2015. This program is designed to enable low and very-low income households to become or remain homeowners. Similar to the City's down payment assistance program, interest accrues at 3% for the first ten years and then the interest rate drops to 0% and during years 11 through 20, the accrued interest is forgiven at a rate of 10% of the total accrued interest per year until all interest is forgiven at the end of year 20. No principal or interest payments are required until the end of the loans term at which time all outstanding principal is due. The CalHome loans totaled \$494,150 at June 30, 2024. The City also funded the Homebuyers Assistance Program using Affordable Housing funds in Fiscal year 20-2021 under the same conditions. The Affordable Housing loans totaled \$59,650 at June 30, 2024.

The CDBG owner occupied repair and emergency repair loans were made to rehabilitate owner occupied low and moderate income housing. The owner occupied repair loans totaled \$60,000 at June 30, 2024 and carry an interest rate of 3% with principal and interest deferred for up to 30 years or until the owner refinances or sells the subject property. The CDBG emergency repair loans totaled \$34,763 at June 30, 2024, are interest free and may be forgiven if the borrower continuously resides in the subject property for ten years.

In October of 2020, the City sold three parcels of land and part of another parcel as part of the City's efforts to revitalize Old Town Elk Grove. As part of this sale, the City secured a promissory note in the amount of \$281,365. Interest will accrue at rate of 2.75% on the unpaid principal balance until the full amount of the note has been paid. The Note term is 10 years with 36 interest only monthly payments followed by 84 monthly principal and interest payments with a final balloon payment of any outstanding Note balance. As of June 30, 2024, the outstanding balance of this note is \$277,302.

Affordable Housing Subsidies Receivable

The City also has a subsidy program called the Affordable Homeownership Program which was implemented to make homeownership affordable to low and moderate-income households. Typically, an affordable housing fee is charged to each new market-rate housing unit (single-family or multifamily) at the time a building permit is obtained. However, under certain circumstances, the City offers developers the opportunity to provide affordable housing units in lieu of paying the affordable housing fees on their development. The developer agrees to sell the home to low- and moderate –income families at a below market value amount that is subsidized by the City. This subsidy value changes with the house's market value at each subsequent sale and the house must be sold to another qualified low- or moderate-income family for a period of 55 years. There is no associated interest and the subsidy is secured by a regulatory agreement, shared appreciation promissory note and shared appreciation deed of trust. As of June 30, 2024, the City had subsidies valued at \$2,267,553.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	<u>Balance 7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance 6/30/2024</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 229,460,153	\$ 2,303,885	\$ -	\$ -	\$ 231,764,038
Construction in progress	48,390,929	5,825,681	-	(27,249,954)	26,966,656
Other capital assets	872,200	40,000	-	-	912,200
Total capital assets, not being depreciated	<u>278,723,282</u>	<u>8,169,566</u>	<u>-</u>	<u>(27,249,954)</u>	<u>259,642,894</u>
Capital assets, being depreciated:					
Infrastructure	1,592,784,204	297,864	-	21,251,397	1,614,333,465
Building and improvements	128,664,399	119,102	-	5,998,557	134,782,058
Vehicles and equipment	17,420,455	3,767,678	(204,642)	(775,000)	20,208,491
Parks and park improvements	6,230,310	-	-	775,000	7,005,310
Other capital assets, depreciable	278,425	-	-	-	278,425
Lease assets (copiers and postage machines)	254,059	-	-	-	254,059
Subscription assets	5,635,056	1,780,499	(67,216)	-	7,348,339
Total capital assets, being depreciated	<u>1,751,266,908</u>	<u>5,965,143</u>	<u>(271,858)</u>	<u>27,249,954</u>	<u>1,784,210,147</u>
Less accumulated depreciation and amortization for:					
Infrastructure	(954,611,095)	(35,047,542)	-	-	(989,658,637)
Buildings and improvements	(23,002,788)	(3,235,568)	-	-	(26,238,356)
Vehicles and equipment	(12,414,935)	(1,341,906)	204,642	-	(13,552,199)
Parks and park improvements	(4,379,553)	(700,046)	-	-	(5,079,599)
Other capital assets, depreciable	(60,768)	(27,843)	-	-	(88,611)
Lease assets (copiers and postage machines)	(118,799)	(61,771)	-	-	(180,570)
Subscription assets	(1,290,931)	(1,867,290)	67,216	-	(3,091,005)
Total accumulated depreciation and amortization	<u>(995,878,869)</u>	<u>(42,281,966)</u>	<u>271,858</u>	<u>-</u>	<u>(1,037,888,977)</u>
Total capital assets, being depreciated, net	<u>755,388,039</u>	<u>(36,316,823)</u>	<u>-</u>	<u>27,249,954</u>	<u>746,321,170</u>
Governmental activities capital assets, net	<u>\$ 1,034,111,321</u>	<u>\$ (28,147,257)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,005,964,064</u>
	<u>Balance 7/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance 6/30/2024</u>
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 8,573,214	\$ -	\$ -	\$ -	\$ 8,573,214
Construction in progress	5,994,509	1,560,090	-	(931,458)	6,623,141
Total capital assets, not being depreciated	<u>14,567,723</u>	<u>1,560,090</u>	<u>-</u>	<u>(931,458)</u>	<u>15,196,355</u>
Capital assets, being depreciated:					
Infrastructure	16,392,084	9,833	-	931,458	17,333,375
Buildings and improvements	9,910,102	-	-	-	9,910,102
Vehicles and equipment	1,964,960	-	-	-	1,964,960
Subscription assets	6,037	-	(6,037)	-	-
Total capital assets, being depreciated	<u>28,273,183</u>	<u>9,833</u>	<u>(6,037)</u>	<u>931,458</u>	<u>29,208,437</u>
Less accumulated depreciation and amortization for:					
Infrastructure	(2,007,227)	(388,566)	-	-	(2,395,793)
Buildings and improvements	(2,162,926)	(253,077)	-	-	(2,416,003)
Vehicles and equipment	(289,479)	(227,680)	-	-	(517,159)
Subscription assets	(4,829)	(1,208)	6,037	-	-
Total accumulated depreciation and amortization	<u>(4,464,461)</u>	<u>(870,531)</u>	<u>6,037</u>	<u>-</u>	<u>(5,328,955)</u>
Total capital assets, being depreciated, net	<u>23,808,722</u>	<u>(860,698)</u>	<u>-</u>	<u>931,458</u>	<u>23,879,482</u>
Business-type activities capital assets, net	<u>\$ 38,376,445</u>	<u>\$ 699,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,075,837</u>

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 4: **Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 40,861,993
Internal Service Funds	1,419,973
Total depreciation and amortization expense - governmental activities	\$ 42,281,966
Business-type activities	
Drainage	\$ 615,815
Recycling and Waste	254,716
Total depreciation expense - business-type activities	\$ 870,531

Note 5: **Leases**

Leases Payable

The City has recorded various lease liabilities impacting GASB 87 for the lease of 25 copy machines and 2 postage machines.

As of June 30, 2024, the lease terms on the copy machines leases ranged from about 36 to 51 months, including extension options. The City is required to make monthly payments ranging from \$130 to \$338 with an interest rate that ranges from 0.31% to 0.46%. The City recognized at June 30, 2024 a total liability of \$67,713 for the copier leases. The copy machine equipment's useful life was five years as of the contract commencement, which ranged from September 26, 2019, to September 30, 2025.

As of June 30, 2024, the lease terms on the postage machines leases ranged from about 38 to 51 months, including extension options. The City is required to make monthly payments of \$280 to \$404 with an interest rate that ranges from 0.31% to 0.46%. The City recognized at June 30, 2024 a total liability of \$6,616 for the postage machine leases. The postage machine equipment's useful life was five years as of the contract commencement, which ranged from September 26, 2019 to October 27, 2025.

The value of the right to use assets as of June 30, 2024 amounted to \$254,059 with accumulated amortization of \$180,570 as shown in Note 4.

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Equipment	\$ 254,059	\$ 180,570
Total Leases	\$ 254,059	\$ 180,570

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 5: **Leases (Continued)**

Governmental Activities	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Current Portion
Lease Liabilities					
Copiers	\$ 121,531	\$ -	\$ (53,818)	\$ 67,713	\$ 54,131
Postage Machines	14,792	-	(8,176)	6,616	5,402
Total governmental activities lease liabilities	<u>\$ 136,323</u>	<u>\$ -</u>	<u>\$ (61,994)</u>	<u>\$ 74,329</u>	<u>\$ 59,533</u>

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 59,533	\$ 267	\$ 59,800
2026	14,796	14	14,810
	<u>\$ 74,329</u>	<u>\$ 281</u>	<u>\$ 74,610</u>

Leases Receivable

The City has recorded various lease receivables impacting GASB 87 for the lease of the City’s land, infrastructures, and buildings. As of June 30, 2024, the lease term on the leases ranges from about 28 to 221 months and has an interest rate that ranges from .31% to 2.4%. The lessees are required to make fixed payments in the amount of \$4,250 monthly to \$17,000 annually. The City recognized at June 30, 2024 a total balance of \$2,311,479 in deferred inflow of resources and \$2,355,476 in lease receivables.

On October 11, 2019, the City entered into a 219 month lease as lessor for the use of Small Cell Wireless Communication (ATT). An initial lease receivable was recorded in the amount of \$5,269. As of June 30, 2024, the value of the lease receivable is \$4,575. The lessee is required to make annual fixed payments of \$281. The lease has an interest rate of 1.4620%. The value of the deferred inflow of resources as of June 30, 2024, was \$4,405, and the City recognized lease revenue of \$288 during the fiscal year. The lessee has two extension options, each for 60 months.

On December 11, 2019, the City entered into a 221 month lease as lessor for the use of Small Cell Wireless Communication (Verizon). An initial lease receivable was recorded in the amount of \$5,257. As of June 30, 2024, the value of the lease receivable is \$4,575. The lessee is required to make annual fixed payments of \$281. The lease has an interest rate of 1.4620%. The value of the deferred inflow of resources as of June 30, 2024, was \$4,402, and the City recognized lease revenue of \$285 during the fiscal year. The lessee has two extension options, each for 60 months.

On November 13, 2019, the City entered into a 40 month lease as lessor for the use of building space. An initial lease receivable was recorded in the amount of \$50,781. As of June 30, 2024, the lease was paid off. The lease had an interest rate of 0.3147%. The value of the deferred inflow of resources as of June 30, 2024 was \$5,568, and the City recognized lease revenue of \$15,071 during the fiscal year.

CITY OF ELK GROVE

Notes to Financial Statements June 30, 2024

Note 5: **Leases (Continued)**

On May 13, 2021, the City entered into a 60 month lease as lessor for the use of land. An initial lease receivable was recorded in the amount of \$84,030. As of June 30, 2024, the value of the lease receivable is \$33,708. The lessee is required to make annual fixed payments of \$17,000. The lease has an interest rate of 0.5773%. The value of the deferred inflow of resources as of June 30, 2024, was \$33,612, and the City recognized lease revenue of \$16,807 during the fiscal year. The lessee has one extension option for 24 months.

On May 13, 2021, the City entered into a 48 month lease as lessor for the use of land. An initial lease receivable was recorded in the amount of \$67,537. As of June 30, 2024, the value of the lease receivable is \$16,923. The lessee is required to make annual fixed payments of \$17,000. The lease has an interest rate of 0.4570%. The value of the deferred inflow of resources as of June 30, 2024, was \$16,884, and the City recognized lease revenue of \$16,884 during the fiscal year. The lessee has one extension option for 12 months.

On May 14, 2021, the City entered into a 48 month lease as lessor for the use of land. An initial lease receivable was recorded in the amount of \$67,537. As of June 30, 2024, the value of the lease receivable is \$16,923. The lessee is required to make annual fixed payments of \$17,000. The lease has an interest rate of 0.4570%. The value of the deferred inflow of resources as of June 30, 2024, was \$16,884, and the City recognized lease revenue of \$16,884 during the fiscal year. The lessee has one extension option for 12 months.

On April 16, 2021, the City entered into a 96 month lease as lessor for the use of land for the Sac RT Corp Yard. An initial lease receivable was recorded in the amount of \$3,514,798. As of June 30, 2024, the value of the lease receivable is \$2,226,699. The lessee is required to make monthly fixed payments of \$38,031. The lease has an interest rate of 0.9670%. The value of the deferred inflow of resources as of June 30, 2024 was \$2,196,749, and the City recognized lease revenue of \$439,350 during the fiscal year.

On July 1, 2022, the City entered into a 60 month lease as lessor for the use of building space. An initial lease receivable was recorded in the amount of \$76,103. As of June 30, 2024, the value of the lease receivable is \$49,092. The lessee is required to make monthly fixed payments of \$4,250. The lease has an interest rate of 2.3660%. The value of the deferred inflow of resources as of June 30, 2024 was \$45,662, and the City recognized lease revenue of \$15,221 during the fiscal year. The lessee has two extension option for 12 months each.

On September 1, 2022, the City entered into a 28 month lease as lessor for the use of building space. An initial lease receivable was recorded in the amount of \$12,181. As of June 30, 2024, the value of the lease receivable is \$2,982. The lessee is required to make monthly fixed payments of \$500. The lease has an interest rate of 2.0240%. The value of the deferred inflow of resources as of June 30, 2024 was \$2,610, and the City recognized lease revenue of \$5,221 during the fiscal year.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 5: **Leases (Continued)**

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 506,847	\$ 21,121	\$ 527,968
2026	474,759	16,221	490,980
2027	462,550	11,442	473,992
2028	450,143	6,861	457,004
2029	454,531	2,487	457,018
2030 - 2034	3,025	401	3,426
2035 - 2039	3,621	162	3,783
	<u>\$ 2,355,476</u>	<u>\$ 58,695</u>	<u>\$ 2,414,171</u>

Note 6: **Subscription-Based Information Technology Arrangements**

A summary of subscription-based information technology arrangements (SBITA) transactions for the fiscal year ended June 30, 2024, are as follows:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Current Portion
Governmental Activities					
Subscription liabilities					
Redflex's Alcyon Application Software	\$ 134,614	\$ -	\$ 41,468	\$ 93,146	\$ 42,421
Meeting Management Software	78,828	-	37,626	41,202	41,202
Bidding Software Subscription	16,072	-	16,072	-	-
ZenCity Platform Software	29,045	-	14,366	14,679	14,679
Security Software Subscription	24,839	-	12,285	12,554	12,554
NVP Software Subscription	233,248	-	36,669	196,579	37,524
Integrated Voice Response Software	22,908	-	7,458	15,450	7,635
Public Safety Software	644,302	-	318,670	325,632	325,632
FlockOS Subscription	975,071	-	185,431	789,640	190,104
Records Management Software	15,839	-	15,839	-	-
Digital Evidence Management Software	1,943,574	-	526,797	1,416,777	499,958
Laserfiche Software Subscription	94,289	-	46,635	47,654	47,654
KMSATP Subscription	972	-	480	492	492
PhishER Software	17,715	-	8,750	8,965	8,965
Sac County OCIT	25,302	-	25,302	-	-
Dulles Technology Partners Inc. Electronic Grants Management System	25,860	-	6,384	19,476	6,438
Debtbook	-	32,118	10,874	21,244	10,498
EventPro Software	-	48,319	17,304	31,015	18,943
Amplifund	-	73,405	37,767	35,638	17,160
Clearview AI Facial Recognition	-	29,087	9,934	19,153	9,439
ZenCity Pulse Premium	-	29,456	14,833	14,623	14,623
Cobwebs	-	342,470	73,141	269,329	64,631
Superion, LLC ERP Software	-	1,197,010	390,974	806,036	387,140
VMware vSphere Advantage	-	21,687	7,412	14,275	7,036
Total	<u>\$ 4,282,478</u>	<u>\$ 1,773,552</u>	<u>\$ 1,862,471</u>	<u>\$ 4,193,559</u>	<u>\$ 1,764,728</u>

The subscription liabilities are offset with subscription assets as discussed in Note 4.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 6: **Subscription-Based Information Technology Arrangements (Continued)**

On May 23, 2007, the City entered into a 50 month subscription for the use of Redflex's Alcyon Application Traffic System. As of June 30, 2024, the value of the subscription liability is \$93,146. The City is required to make monthly fixed payments of \$3,675. The subscription has an interest rate of 2.2753%. The value of the right to use asset as of June 30, 2024 of \$175,484 with accumulated amortization of \$84,232, which is included with Software on the Subscription Class activities table found below. The City has 1 extension option for 60 months.

On July 1, 2019, the City entered into a 36 month subscription for the use of Meeting Management Software. As of June 30, 2024, the value of the subscription liability is \$41,202. The City is required to make annual fixed payments of \$36,773. The subscription has an interest rate of 2.1843%. The value of the right to use asset as of June 30, 2024 of \$115,601 with accumulated amortization of \$77,067 is included with Software on the Subscription Class activities table found below.

On October 12, 2020, the City entered into a 36 month subscription for the use of Bidding Software. As of June 30, 2024, the subscription was paid off. The subscription had an interest rate of 2.0237%. The value of the right to use asset as of June 30, 2024 of \$32,089 with accumulated amortization of \$30,723 is included with Software on the Subscription Class activities table found below.

On September 9, 2022, the City entered into a 36 month subscription for the use of ZenCity Platform Software. As of June 30, 2024, the value of the subscription liability is \$14,679. The City is required to make annual fixed payments of \$16,050. The subscription has an interest rate of 2.1843%. The value of the right to use asset as of June 30, 2024 of \$44,045 with accumulated amortization of \$26,590 is included with Software on the Subscription Class activities table found below.

On September 9, 2022, the City entered into a 36 month subscription for the use of Security Software. As of June 30, 2024, the value of the subscription liability is \$12,554. The City is required to make annual fixed payments of \$12,828. The subscription has an interest rate of 2.1843%. The value of the right to use asset as of June 30, 2024 of \$37,667 with accumulated amortization of \$22,670 is included with Software on the Subscription Class activities table found below.

On April 21, 2023, the City entered into a 84 month subscription for the use of NVP Cloud Management Software. As of June 30, 2024, the value of the subscription liability is \$196,579. The City is required to make annual fixed payments of \$42,108. The subscription has an interest rate of 2.3320%. The value of the right to use asset as of June 30, 2024 of \$275,356 with accumulated amortization of \$46,985 is included with Software on the Subscription Class activities table found below.

On June 1, 2021, the City entered into a 59 month subscription for the use of Integrated Voice Response Software. As of June 30, 2024, the value of the subscription liability is \$15,450. The City is required to make annual fixed payments of \$8,000. The subscription has an interest rate of 2.3657%. The value of the right to use asset as of June 30, 2024 of \$81,892 with accumulated amortization of \$33,312 is included with Software on the Subscription Class activities table found below.

CITY OF ELK GROVE

Notes to Financial Statements June 30, 2024

Note 6: **Subscription-Based Information Technology Arrangements (Continued)**

On September 24, 2020, the City entered into a 60 month subscription for the use of Public Safety Software. As of June 30, 2024, the value of the subscription liability is \$325,632. The City is required to make annual fixed payments of \$332,744. The subscription has an interest rate of 2.1843%. The value of the right to use asset as of June 30, 2024 of \$1,387,171 with accumulated amortization of \$858,044 is included with Software on the Subscription Class activities table found below. Initial implementation costs made in the amount of \$415,080 were not included in the measurement of the subscription liability as of July 1, 2022, and were included in the measurement of the subscription asset in accordance with GASB.

On August 20, 2021, the City entered into a 69 month subscription for the use of FlockOS Automatic License Plate Detection Software. As of June 30, 2024, the value of the subscription liability is \$789,640. The City is required to make annual fixed payments of \$206,208. The subscription has an interest rate of 2.5197%. The value of the right to use asset as of June 30, 2024 of \$1,189,742 with accumulated amortization of \$410,060 is included with Software on the Subscription Class activities table found below. Initial implementation costs made in the amount of \$12,500 were not included in the measurement of the subscription liability as of July 1, 2022, and were included in the measurement of the subscription asset in accordance with GASB.

On October 18, 2021, the City entered into a 27 month subscription for the use of Records Management Software. As of June 30, 2024, the subscription was paid off. The subscription had an interest rate of 2.0237%. The value of the right to use asset as of June 30, 2024 of \$36,469 with accumulated amortization of \$31,751 is included with Software on the Subscription Class activities table found below. The City had a termination period of 1 month as of the subscription commencement.

On May 11, 2022, the City entered into a 59 month subscription for the use of Digital Evidence Management Software. As of June 30, 2024, the value of the subscription liability is \$1,416,777. The City is required to make semi-annual fixed payments of \$12,744. The subscription has an interest rate of 2.3657%. The value of the right to use asset as of June 30, 2024 of \$1,937,275 with accumulated amortization of \$788,044 is included with Software on the Subscription Class activities table found below. The City had a termination period of 1 month as of the subscription commencement.

On August 10, 2022, the City entered into a 36 month subscription for the use of Laserfiche Software Subscription. As of June 30, 2024, the value of the subscription liability is \$47,654. The City is required to make annual fixed payments of \$48,695. The subscription has an interest rate of 2.1843%. The value of the right to use asset as of June 30, 2024 of \$194,377 with accumulated amortization of \$122,566 is included with Software on the Subscription Class activities table found below. The City had a termination period of 1 month as of the subscription commencement.

On May 3, 2023, the City entered into a 28 month subscription for the use of KMSATP Open Source Software. As of June 30, 2024, the value of the subscription liability is \$492. The City is required to make annual fixed payments of \$505. The subscription has an interest rate of 2.4700%. The value of the right to use asset as of June 30, 2024 of \$1,477 with accumulated amortization of \$724 is included with Software on the Subscription Class activities table found below.

CITY OF ELK GROVE

Notes to Financial Statements June 30, 2024

Note 6: **Subscription-Based Information Technology Arrangements (Continued)**

On May 3, 2023, the City entered into a 28 month subscription for the use of PhishER Software. As of June 30, 2024, the value of the subscription liability is \$8,965. The City is required to make annual fixed payments of \$9,188. The subscription has an interest rate of 2.4700%. The value of the right to use asset as of June 30, 2024 of \$26,903 with accumulated amortization of \$13,388 is included with Software on the Subscription Class activities table found below.

On July 1, 2022, the City entered into a 24 month subscription for the use of Sac County OCIT Web/Geographic Information Systems Software. As of June 30, 2024, the subscription was paid off. The subscription had an interest rate of 2.0240%. The value of the right to use asset as of June 30, 2024 is \$0.

On December 8, 2021, the City entered into a 66 month subscription for the use of Dulles Technology Partners Inc. Electronic Grants Management System Software. As of June 30, 2024, the value of the subscription liability is \$19,476. The City is required to make annual fixed payments of \$6,600. The subscription has an interest rate of 0.8330%. The value of the right to use asset as of June 30, 2024 of \$32,293 with accumulated amortization of \$11,743 is included with Software on the Subscription Class activities table found below. The City has 3 extension options, each for 12 months.

On June 24, 2023, the City entered into a 36 month subscription for the use of DebtBook software. An initial subscription liability was recorded in the amount of \$32,118. As of June 30, 2024, the value of the subscription liability is \$21,244. The City is required to make annual fixed payments of \$11,000. The subscription has an interest rate of 2.3630%. The value of the right to use asset as of June 30, 2024 of \$32,118 with accumulated amortization of \$10,914 is included with Software on the Subscription Class activities table found below.

On December 31, 2022, the City entered into a 37 month subscription for the use of EventPro Software. An initial subscription liability was recorded in the amount of \$48,319. As of June 30, 2024, the value of the subscription liability is \$31,015. The City is required to make monthly fixed payments of \$1,532. The subscription has an interest rate of 3.2380%. The value of the right to use asset as of June 30, 2024 of \$55,266 with accumulated amortization of \$27,659 is included with Software on the Subscription Class activities table found below.

On February 1, 2024, the City entered into a 36 month subscription for the use of Amplifund. An initial subscription liability was recorded in the amount of \$73,405. As of June 30, 2024, the value of the subscription liability is \$35,638. The City is required to make annual fixed payments of \$37,767. The subscription has an interest rate of 2.4260%. The value of the right to use asset as of June 30, 2024 of \$73,405 with accumulated amortization of \$10,195 is included with Software on the Subscription Class activities table found below.

On July 1, 2023, the City entered into a 36 month subscription for the use of Clearview AI Facial Recognition. An initial subscription liability was recorded in the amount of \$29,087. As of June 30, 2024, the value of the subscription liability is \$19,153. The City is required to make annual fixed payments of \$9,995. The subscription has an interest rate of 2.9010%. The value of the right to use asset as of June 30, 2024 of \$29,087 with accumulated amortization of \$9,696 is included with Software on the Subscription Class activities table found below. The City has one extension option for 12 months.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 6: **Subscription-Based Information Technology Arrangements (Continued)**

On January 15, 2024, the City entered into a 20 month subscription for the use of ZenCity Pulse Premium. An initial subscription liability was recorded in the amount of \$29,456. As of June 30, 2024, the value of the subscription liability is \$14,623. The City is required to make annual fixed payments of \$15,000. The subscription has an interest rate of 2.5800%. The value of the right to use asset as of June 30, 2024 of \$29,456 with accumulated amortization of \$8,149 is included with Software on the Subscription Class activities table found below.

On August 11, 2023, the City entered into a 60 month subscription for the use of Cobwebs. An initial subscription liability was recorded in the amount of \$342,470. As of June 30, 2024, the value of the subscription liability is \$269,329. The City is required to make annual fixed payments of \$74,000. The subscription has an interest rate of 2.7360%. The value of the right to use asset as of June 30, 2024 of \$342,470 with accumulated amortization of \$60,884 is included with Software on the Subscription Class activities table found below.

On July 1, 2023, City entered into a 36 month subscription for the use of Superior, LLC ERP Software. An initial subscription liability was recorded in the amount of \$1,197,010. As of June 30, 2024, the value of the subscription liability is \$806,036. The City is required to make monthly fixed payments of \$390,974. The subscription has an interest rate of 2.9010%. The value of the right to use asset as of June 30, 2024 of \$1,197,010 with accumulated amortization of \$399,003 is included with Software on the Subscription Class activities table found below.

On August 2, 2023, the City entered into a 36 month subscription for the use of VMware vSphere Advantage. An initial subscription liability was recorded in the amount of \$21,687. As of June 30, 2024, the value of the subscription liability is \$14,275. The City is required to make annual fixed payments of \$7,450. The subscription has an interest rate of 2.9010%. The value of the right to use asset as of June 30, 2024 of \$21,687 with accumulated amortization of \$6,607 is included with Software on the Subscription Class activities table found below.

The amount of subscription assets by major classes of the underlying asset are as follows at June 30, 2024 as disclosed in Note 4:

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 7,348,339	\$ 3,091,005
Total Subscriptions	\$ 7,348,339	\$ 3,091,005

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 6: **Subscription-Based Information Technology Arrangements (Continued)**

The future subscription and interest subscription payments as of June 30, 2024 follows:

For the Year Ended June 30	Principal	Interest	Total
2025	\$ 1,764,728	\$ 99,660	\$ 1,864,388
2026	1,307,019	56,140	1,363,159
2027	765,532	23,159	788,691
2028	315,132	8,976	324,108
2029	41,148	960	42,108
Totals	<u>\$ 4,193,559</u>	<u>\$ 188,895</u>	<u>\$ 4,382,454</u>

Note 7: **Unavailable Revenue**

Governmental funds report unavailable revenue in connection with receivables for revenues considered unavailable to liquidate liabilities of the current period. As of June 30, 2024, the various components of unavailable revenue in the governmental funds are detailed as follows:

Government Activities :

General Fund:	Interest receivables	\$ 848,240
	Intergovernmental receivables	78,119
	Rail Road Loan Receivable	277,302
	Leases	8,806
Affordable Housing Fund :	Housing project loan interest receivable	524,226
	Interest receivables	160,261
	Development impact fees receivable	745,129
Wilton Rancheria MOU Fund :	Wilton Rancheria receivable	2,453,924
	Interest receivables	67,001
Federal Grants Fund:	Intergovernmental receivables	71,967
State Grants Fund:	Intergovernmental receivables	351,290
Roadway Fees Fund:	Development impact fees receivable	10,040,669
	Interest receivables	288,589
	Intergovernmental receivables	5,838
Laguna Ridge CFD 2005-1 Fund:	SCWA water fee credit	978,303
	Interest receivables	77,566
Debt Service	Elk Grove Finance Authority	380
	Elk Grove Finance Authority 2018	2,472
	Elk Grove Finance Authority 2020	2,827
	Elk Grove Finance Authority 2022	53
Other Governmental Funds:	Intergovernmental receivables	472,248
	Opioid settlement	2,533,080
	Interest receivables	1,013,238
	Swainson's Hawk Fund LT mitigation fees receivable	3,551,581
	Housing project loan interest receivable	26,442
	Development impact fees receivable	13,605,835
	Leases	2,196,749
		<u>\$ 40,382,135</u>

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 8: Long-Term Liabilities

The following is a summary of long-term liabilities transactions of the City for the fiscal year ended June 30, 2024:

	Balance at 6/30/2023	Additions	Deletions	Balance at 6/30/2024	Amount Due Within One year
Governmental Activities:					
Lease revenue bond debt-Series 2017	\$ 2,195,000	\$ -	\$ (530,000)	\$ 1,665,000	\$ 545,000
Lease revenue bond debt-Series 2018	15,990,000	-	(715,000)	15,275,000	750,000
Lease revenue debt-Series 2020	8,269,773	-	(588,026)	7,681,747	604,725
Lease revenue bond debt-Series 2022	11,865,000	-	(360,000)	11,505,000	375,000
Total Bonds Payable	<u>38,319,773</u>	<u>-</u>	<u>(2,193,026)</u>	<u>36,126,747</u>	<u>2,274,725</u>
Net Pension Liability	20,984,379	3,279,553	-	24,263,932	-
Net OPEB Liability	14,304,934	2,564,881	(6,197,280)	10,672,535	-
Compensated absences	5,402,991	5,835,940	(5,435,420)	5,803,511	766,702
Claims payable	716,110	-	(165,425)	550,685	-
Totals	<u>\$ 79,728,187</u>	<u>\$ 11,680,374</u>	<u>\$ (13,991,151)</u>	<u>\$ 77,417,410</u>	<u>\$ 3,041,427</u>

	Balance at 6/30/2023	Additions	Deletions	Balance at 6/30/2024	Amount Due Within One year
Business-type Activities:					
Compensated absences	\$ 103,248	\$ 174,289	\$ (155,098)	\$ 122,439	\$ 16,175
Totals	<u>\$ 103,248</u>	<u>\$ 174,289</u>	<u>\$ (155,098)</u>	<u>\$ 122,439</u>	<u>\$ 16,175</u>

The General Fund has typically been used in prior years to reduce the net pension liability and net other postemployment benefit liability.

As of June 30, 2024, annual debt service requirements of governmental activities to maturity are as follows:

Governmental Activities Lease Revenue Bond Debt - Series 2017			Governmental Activities Lease Revenue Bond Debt - Series 2018		
Year Ending June 30:	Principal	Interest	Year Ending June 30:	Principal	Interest
2025	\$ 545,000	\$ 40,126	2025	\$ 750,000	\$ 551,706
2026	555,000	26,992	2026	790,000	513,206
2027	565,000	13,616	2027	830,000	472,706
Total	<u>\$ 1,665,000</u>	<u>\$ 80,734</u>	2028	870,000	430,206
			2029	915,000	385,581
			2030-2034	5,120,000	1,394,956
			2035-2039	6,000,000	513,125
			Total	<u>\$ 15,275,000</u>	<u>\$ 4,261,486</u>

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 8: **Long-Term Liabilities (Continued)**

Governmental Activities Lease Revenue Debt - Series 2020			Governmental Activities Lease Revenue Bond Debt - Series 2022		
Year Ending June 30:	Principal	Interest	Year Ending June 30:	Principal	Interest
2025	\$ 604,725	\$ 212,392	2025	\$ 375,000	\$ 565,875
2026	621,899	195,218	2026	395,000	546,625
2027	639,560	177,557	2027	415,000	526,375
2028	657,723	159,394	2028	435,000	505,125
2029	676,401	140,716	2029	460,000	505,125
2030-2034	3,681,286	404,299	2030-2034	2,655,000	2,037,375
2035-2035	800,153	16,963	2035-2039	3,390,000	1,285,000
Total	<u>\$ 7,681,747</u>	<u>\$ 1,306,539</u>	2040-2043	3,380,000	348,000
			Total	<u>\$ 11,505,000</u>	<u>\$ 6,319,500</u>

Individual issues of bonds at June 30, 2024, are as follows:

Governmental Activities

<u>Lease Revenue Bond Debt</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at 6/30/2024</u>
2017 Refunding of the Elk Grove Financing Authority Lease Revenue Bonds (2007 Capital Projects)	2027	2.41%	\$265,000 - \$565,000	<u>\$ 4,940,000</u>	<u>\$ 1,665,000</u>
Elk Grove Financing Authority Lease Revenue Bonds (Series 2018)	2038	3.0 - 5.0%	\$595,000 - \$1,280,000	<u>\$ 18,530,000</u>	<u>\$ 15,275,000</u>
Elk Grove Financing Authority Lease Revenue Debt (Series 2020)	2035	2.82%	\$272,215 - \$402,878	<u>\$ 10,000,000</u>	<u>\$ 76,811,748</u>
Elk Grove Financing Authority Lease Revenue Bonds (Series 2022)	2043	5.00%	\$170,000 - \$905,000	<u>\$ 12,035,000</u>	<u>\$ 11,505,000</u>

Lease Revenue Bonds and Lease Obligation are payable from any source of legally available funds of the City, which includes the General Fund. The City covenants under the lease to take such actions as may be necessary to include rental payments due under the lease in its annual budgets.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 8: **Long-Term Liabilities (Continued)**

Revenue Bonds

EGFA Series 2017 Lease Revenue Bonds (Capital Facility)

On June 20, 2007, the Elk Grove Financing Authority issued Lease Revenue Bonds in the principal amount of \$18,585,000, which were subsequently refinanced in the amount of \$4,940,000 on June 8, 2017 via private placement transaction with BBVA Compass Bank. The bonds will mature on March 1, 2027. Interest payments are due semi-annually, on March 1 and September 1 of each year, at an annual rate of 2.41%. Principal payments are due annually on March 1. The refinanced debt does not provide for any optional redemption or acceleration provision. The Bonds are collateralized by revenue received from the City by the Authority under the Lease Agreement for the Elk Grove Corporation Yard, dated June 1, 2017. Proceeds from the Bonds were used to finance the design and construction of the Laguna Palms Campus, which is leased by the City from the Authority. The outstanding balance at June 30, 2024 is \$1,665,000.

EGFA Series 2018 Lease Revenue Bonds (Capital Facility)

On March 18, 2018, the Elk Grove Financing Authority issued Lease Revenue Bonds in the principal amount of \$18,530,000, which will mature on November 1, 2038. Interest payments are due semi-annually, on May 1 and November 1 of each year, at rates ranging from 3.0% to 5.0%. Principal payments are due annually on November 1. The bonds provide for optional redemption at 100% of par on or after November 1, 2028. They are collateralized by revenue received from the City by the Authority under a Substitution Certificate of the City and the First Amendment to the Lease Agreement dated February 1, 2020, removed liens from 8400 and 8401 Laguna Palms Way. The lien is now on 9150 Union Park Way/10190 Iron Rock Way. Proceeds from the Bonds were used to finance the design and construction of the Elk Grove Animal Shelter, which is leased by the City from the Authority. The coupon rates range from 3.0% to 5.0% with a true-interest cost of 3.155626%. The Par and Premium amount of the bonds were \$18,530,000 and \$973,533, respectively. The bond proceeds totaled \$19,503,533, which included bond proceeds of \$19,210,000, cost of issuance of \$213,643 and underwriters discount of \$79,890. The outstanding balance at June 30, 2024 is \$15,275,000.

EGFA Series 2022 Lease Revenue Bonds (Police Facilities)

On May 3, 2022, the Elk Grove Finance Authority issued Lease Revenue Bonds in the amount of \$12,035,000 to provide new funding for improvements for the City's Police Department buildings. The bonds have an interest rate of 5.0% and mature beginning November 1, 2022 through November 1, 2042. On May 3, 2022, the Elk Grove Finance Authority issued Lease Revenue Bonds in the amount of \$12,035,000 to provide new funding for improvements for the City's Police Department buildings. Interest payments are due semi-annually, on May 1 and November 1 of each year, at a fixed rate of 5.0%. Principal payments are due annually on November 1 through November 1, 2042. The bonds provide for optional redemption at 100% of par on or after November 1, 2033. They are collateralized by 8380 Laguna Palms Way and 8400 Laguna Palms Way. The Par and Premium amount of the bonds are \$12,035,000 and \$1,501,125, respectively. The bond proceeds totaled \$13,536,125, which included bond proceeds of \$13,274,884, cost of issuance of \$210,000 and underwriter's discount of \$50,846. The outstanding balance at June 30, 2024 is \$11,505,000.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 8: **Long-Term Liabilities (Continued)**

Lease Obligation

Elk Grove Finance Authority Series 2020 Lease Revenue Debt

On May 21, 2020, the Elk Grove Financing Authority issued a Lease Revenue debt in the principal amount of \$10,000,000, which will mature on March 1, 2035. The debt was financed as a private placement transaction with F&M Bank. Interest payments are due semi-annually, on March 1 and September 1 of each year, at a fixed rate of 2.82%. Principal payments are due semi-annually on March 1 and September 1 of each year. The debt provides for optional prepayment at 103% to 100% of par depending on the date of prepayment. They are collateralized by revenue received from the City by the Authority under the Lease Agreement for a City-owned property, dated May 1, 2020. The property is located at 8401 Laguna Palms Way. Proceeds from the debt will be used to finance the acquisition and construction of the District56 Property and the Old Town Plaza Property. The outstanding balance at June 30, 2024, is \$7,681,748.

Special Assessment District Bonds

Special Assessment Districts (Districts) within the City have issued debt under the Mello-Roos Community Facilities Act of 1982 to finance infrastructure improvements and facilities within the boundaries of the Districts. The City is the collecting and paying agent for the debt issued by the Districts, but has no direct or contingent liability or moral obligation for the payment of the debt. Therefore, debt issued by the Districts is not included in long term debt of the City.

The outstanding balance of these issues at June 30, 2024 is:

<u>Special Assessment Debt with no Governmental Commitment</u>	<u>Issue Year</u>	<u>Maturity Year</u>	<u>Outstanding at 6/30/2024</u>
E. Franklin Community Facilities District No. 2002-1, Series 2015	2015	2038	\$ 37,510,000
Poppy Ridge Community Facilities District No. 2003-1, Series 2015	2015	2038	\$ 33,000,000
Laguna Ridge Community Facilities District No. 2005-1, Series 2016	2017	2046	\$ 104,975,000
Laguna Ridge Community Facilities District No. 2005-1, Series 2018	2018	2048	\$ 18,740,000
Laguna Ridge Community Facilities District No. 2005-1, Series 2020	2020	2050	\$ 11,205,000
Laguna Ridge Community Facilities District No. 2005-1, Series 2021	2021	2051	\$ 11,100,000

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 9: **Fund Balance Policies**

In the fund financial statements, fund balance is reported in classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The classifications of fund balance are:

Nonspendable – includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action (Resolution) of the highest level of decision-making authority (City Council) and do not lapse at year-end. All use of committed fund balance requires the City Council, which is the highest level of decision-making authority, to take formal action with a resolution, including a budget resolution, to modify or rescind a committed fund balance.

The City's stabilization arrangement, as set forth in the Fund Balance Reserve Policy approved by the City Council in April 2019 by Resolution No. 2019-083 which states that the City Council will set an annual General Fund Reserve for Economic Uncertainty target level amount to 20% and 25% to assist with economic uncertainty, emergencies and cash flow needs and Opportunity Reserve fund with a target level of 0% to 5% to assist in providing funding for projects, acquisitions, or unforeseen events or need. The Fund Balance Reserve Policy is intended to provide a framework for establishing annual reserve levels during the budget process that will provide the City with flexibility to adapt to local, regional and statewide economic changes and to stabilize the delivery of City services during periods of operational budget deficits while continuing to maintain sufficient balance for emergency spending. The reserve balance as a percentage of adjusted appropriations shall be no less than 20% of general fund adjusted appropriations. The City Council will approve any fund balance between 20% and 25% of adjusted appropriations as part of the annual budget resolution, provided that the level of reserves is not reduced below 20%. These reserves will be reported as part of the Committed Reserve Balance in the City's Annual Comprehensive Financial Report. Any appropriation of the REU below the 20% minimum shall be accompanied by findings articulating the need for the use of the REU and a plan for the replenishment of the REU within a reasonable period not to exceed three (3) budget years. All use of the REU must be approved by a majority (three votes) of the City Council. The exception is the event that a disaster situation is declared. In the event of a declared emergency, the City Manager may expend REU without prior City Council approval. After the emergency, the City Council shall evaluate the current REU level, and if necessary, publish, as an amendment to the current Budget Resolution, findings for the replenishment of the reserves within a reasonable period not to exceed three budget years.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 9: **Fund Balance Policies (Continued)**

When the City successfully retains a REU amount beyond 25% and an Opportunity Reserve beyond 5% of Adjusted Appropriations for a given budget year the close out of the fiscal year will include the reallocation of reserves over the 30% to two purposes: one half to Capital Reserves and one half to economic development programs. Maintaining the target level funding for the projected fund balance amounts in the next fiscal year will be considered before a transfer of reserves is initiated. The City wants to retain a Stabilization Reserve level between 10% to 25% of revenues in other operating funds for any given budget year. Stabilization Reserves will be set aside each budget year to provide budget stabilization or to fund unanticipated projects deemed necessary. The City Council will approve any fund balance between 10% and 20% of other on-going operating revenues as part of the Annual Budget Resolution. If the level of Stabilization Reserves falls below 10%, the City may over several Fiscal Years restore the level of Reserve to the desirable level of over 10%. These reserves are reported as part of the committed fund balance.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assigned Fund Balance represents budgeted amounts set by City Council’s approval of the subsequent year budget, as set forth in the Fund Balance Reserve Policy approved by the City Council in December 2009 by Resolution No. 2009-37 directs that Council will assign any restricted reserve (assigned) fund balance.

Unassigned – Unassigned includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for specific expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed and assigned are considered spent (if available) before unassigned amounts.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 9: **Fund Balance Policies (Continued)**

As of June 30, 2024, the fund balance details by classification are as follows:

	General Fund	Affordable Housing Special Revenue Fund	Wilton Rancheria MOU Special Revenue Fund	Federal Capital Grant Capital Project Fund	State Grants Capital Project Fund
Fund Balance:					
Nonspendable					
Advance to other funds	\$ 2,307,741	\$ -	\$ -	\$ -	\$ -
Restricted:					
Affordable housing projects	-	97,612,459	-	-	-
Wilton Rancheria	-	-	12,752,669	-	-
CDBG	-	-	-	-	-
Development services fund	-	-	-	-	-
State homeless appropriations	-	-	-	-	-
Strategic grant planning appropriations	-	-	-	-	-
State grants	-	-	-	-	-
Public safety	-	-	-	-	-
Public works maintenance	-	-	-	-	-
Agricultural preservation	-	-	-	-	-
Swainson's Hawk	-	-	-	-	-
Tree mitigation	-	-	-	-	-
Library	-	-	-	-	-
Donation and Community Programs	-	-	-	-	-
Opioid Settlement	-	-	-	-	-
Disaster recovery	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Permanent Fund	-	-	-	-	-
Committed:					
Reserve for economic uncertainty	21,039,482	-	-	-	-
Opportunity reserves	4,207,896	-	-	-	-
Capital reserve	48,382,185	-	-	-	-
Economic development programs	13,880,736	-	-	-	-
Assigned:					
Appropriation of fund balance	219,820	-	-	-	-
Unassigned:					
	38,551,404	-	-	(89,948)	(214,913)
Total Fund Balances	<u>\$ 128,589,264</u>	<u>\$ 97,612,459</u>	<u>\$ 12,752,669</u>	<u>\$ (89,948)</u>	<u>\$ (214,913)</u>

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 9: **Fund Balance Policies (Continued)**

	Roadway Fee Capital Project Fund	Laguna Ridge CFD 2005-1 Capital Project Fund	Other Governmental Funds	Total
Fund Balance:				
Nonspendable				
Advance to other funds	\$ -	\$ -	\$ -	\$ 2,307,741
Restricted:				
Affordable housing projects	-	-	732,569	98,345,028
Wilton Rancheria	-	-	-	12,752,669
CDBG	-	-	64,288	64,288
Development services fund	-	-	7,199,463	7,199,463
State homeless appropriations	-	-	3,644,124	3,644,124
Strategic grant planning appropriations	-	-	88,148	88,148
State grants	-	-	77,262	77,262
Public safety	-	-	1,555,944	1,555,944
Public works maintenance	-	-	52,035,975	52,035,975
Agricultural preservation	-	-	-	-
Swainson's Hawk	-	-	5,066,107	5,066,107
Tree mitigation	-	-	1,653,812	1,653,812
Library	-	-	1,398,208	1,398,208
Donation and Community Programs	-	-	81,565	81,565
Opioid Settlement	-	-	942,844	942,844
Disaster recovery	-	-	72,097	72,097
Capital projects	52,205,732	16,021,184	109,919,065	178,145,981
Debt service	-	-	1,355,423	1,355,423
Permanent Fund	-	-	166,963	166,963
Committed:				
Reserve for economic uncertainty	-	-	-	21,039,482
Opportunity reserves	-	-	-	4,207,896
Capital reserve	-	-	-	48,382,185
Facility operations	-	-	-	-
Economic development programs	-	-	-	13,880,736
Assigned:				
Subsequent years budget:				
of fund balance	-	-	-	-
Appropriation of fund balance	-	-	-	219,820
Unassigned:	-	-	(2,069,473)	36,177,070
Total Fund Balances	\$ 52,205,732	\$ 16,021,184	\$ 183,984,384	\$ 490,860,831

Note 10: **Interfund Transactions**

Interfund balances as of June 30, 2024, consisted of the following:

Due From/To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 443,358
Roadway Fee Capital Projects Fund	Federal Capital Grant Capital Project Fund	389,983
		\$ 833,341

During the year, various funds borrowed cash to cover their operating cash deficits. These amounts are intended be repaid in the following fiscal year.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 10: **Interfund Transactions (Continued)**

Advances From/To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds	\$ 2,307,741
Roadway Fee Capital Projects Fund	Other Governmental Funds	844,638
Other Governmental Funds	Other Governmental Funds	2,696,696
		\$ 5,849,075

The City advanced funds between General Fund’s Capital Reserve Fund and Street Lighting Maintenance District Funds Zones 1 for the LED Streetlight Replacement Capital Project. The remaining balance of \$265,352 is reflected as an advance from other funds in the Street Lighting Maintenance District Funds Zones. There is a year remaining with a variable interest rate tied to the Local Agency Investment Fund (LAIF) investment earnings rate. The advance is due August 28, 2025.

The General Fund advanced \$2,042,389 to the Transit Special Revenue Fund. The advance is related to the City’s transit deficit that occurred as part of the City’s transfer of transit operations to Sacramento Regional Transit (SacRT). Per the Annexation Agreement, the City will be reimbursed by SacRT over 8 years from July 1, 2021 through the lease agreement discussed in Note 5, which the Transit fund will use to reimburse the General Fund.

The PD Tenant Improvements Capital Projects Fund advanced \$844,638, respectively, to the Roadway Fee Capital Projects Fund. The advance is related to the Series 2022 Lease Revenue Bonds, which financed improvements at the Police Department and will be used to reimburse the fund for those costs.

The Street Maintenance District Special Revenue Fund and the Capital Facilities Funds Capital Project Fund advanced \$1,797,788 and \$898,908, respectively, to the Mitigation and Fee Fund and is related to an early settlement of reimbursement agreements between the City and Reynen & Bardis (R&B) at a discounted rate in fiscal year 2018-19.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 10: Interfund Transactions (Continued)

Interfund transfers as of June 30, 2024, consisted of the following:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 1,787,749	Debt Service
	Other Governmental Funds	614	Strategic Planning Projects
	Recycling and Waste Enterprise Funds	50,000	Adjustment
	Internal Service Funds	3,636,170	Settlement
		<u>5,474,533</u>	
Affordable Housing Special Revenue Fund	Internal Service Funds	2,000,000	Settlement
		<u>2,000,000</u>	
Federal Capital Grants Capital Projects Fund	Drainage Enterprise Fund	<u>166,788</u>	Capital Projects
Roadway Fee Capital Projects Fund	General Fund	1,245,388	Cost Recovery
	Other Governmental Funds	586,313	Active Transportation Fee Transfer
		<u>1,831,701</u>	
Laguna Ridge CFD 2005-1 Capital Projects Fund	General Fund	879,586	Cost Recovery
	Other Governmental Funds	657,117	Debt Service
		<u>1,536,703</u>	
Other Governmental Funds	General Fund	5,850,376	Cost Recovery
	General Fund	410,960	Adjustment
	General Fund	6,035,000	Police Funding
	Roadway Fee Capital Projects Fund	1,169,960	Capital Projects
	Other Governmental Funds	1,293,204	Fund Closing Transfer
	Drainage Enterprise Fund	57,300	Capital Projects
		<u>14,816,800</u>	
Recycling and Waste Enterprise Fund	General Fund	440,196	Cost Recovery
	Other Governmental Funds	11,017	Debt Service
		<u>451,213</u>	
Drainage Enterprise Fund	General Fund	738,616	Cost Recovery
	Other Governmental Funds	6,019	Debt Service
		<u>744,635</u>	
Internal Service Funds	General Fund	885,268	Cost Recovery
	Other Governmental Funds	33,817	Debt Service
		<u>919,085</u>	
		<u>\$ 27,941,458</u>	

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 11: Excess Expenditures Over Appropriations

For the year ended June 30, 2024, the following budgetary units had expenditures that exceeded appropriations:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over</u>
Special Revenue Funds:			
Recycling Grant Fund	\$ 75,119	\$ 75,565	\$ (446)
Used Oil Grant Fund	16,251	16,254	(3)
Local Police Grants Fund	209,190	209,191	(1)
CA Law Enforcement Equipment Fund	360,558	360,695	(137)
SB1 Streets and Roads Fund	2,726,312	2,727,521	(1,209)
Police Services CFD Fund	36,614	60,612	(23,998)
Capital Project Funds:			
Laguna CFD Fund	\$ 250	\$ 375	\$ (125)

Sufficient resources were available within each fund to finance these excesses.

Note 12: Deficit Fund Balances

As of June 30, 2024, the following funds had deficit fund balances. The deficits occurred because expenditures exceeded revenues. The City expects that future funding will reduce the deficits.

<u>Fund</u>	<u>Deficit</u>	
Special Revenue:		
Household Hazardous Waste Fund	\$ 21,952	Result of timing difference between expenditures and the receipt of Grant funding.
Tire Collection & Disposal Grant Fund	18,109	Result of timing difference between expenditures and the receipt of Grant funding.
Transit Fund	2,029,412	Result of the transfer of the transit system to SacRT and will be repaid in the next seven years
Capital Projects:		
Federal Capital Grants Fund	\$ 89,948	Result of timing difference between expenditures and the receipt of Grant funding.
State Grants Fund	214,913	Result of timing difference between expenditures and the receipt of Grant funding.
Animal Shelter Fund	8,719	Result of timing difference between expenditures and the receipt of Grant funding.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits**

Plan Descriptions

The City provides three separate Other Post Employment Benefit (OPEB) plans for qualified executive staff and employees who retire from the City. One OPEB plan is a single employer defined benefit health reimbursement arrangement administered through the use of an OPEB Trust Fund (the HRA Plan), the second plan is a defined contribution plan to which the City and employees may contribute an amount each pay period to employee accounts (defined contribution plan), and the third OPEB plan is an agent-multiple employer defined benefit plan providing a health insurance premium rate subsidy administered by California Public Employees Retirement System (CalPERS) on behalf of the City (the Health Insurance Rate Subsidy Plan).

Eligibility and Benefit Information of the HRA Plan

On August 22, 2007, the Elk Grove City Council adopted Resolution 2007-191 to establish an IRS Section 115 Trust with ICMA (now MissionSquare), a single employer trust, for the City's HRA Plan, adopt eligibility criteria for employees to participate in the plan and designated \$1.5 million to prefund a portion of the future liability. The financial statements for the HRA Plan are included in the Retirement Health Trust Fund statement of fiduciary net position and statement of changes in fiduciary net position. Separate financial statements are not issued for the HRA Plan.

The benefit provided by the HRA Plan to eligible retirees of the City (Councilmembers and employees) is an irrevocable contribution of up to \$800 per month for each covered employee deposited into a health reimbursement account for use by the retiree and eligible dependents to pay for medical expenses allowed under the Internal Revenue Code. On December 9, 2009, the City Council amended the HRA plan with Resolution 2009-266 which limited employee eligibility in the HRA plan to employees within six years of CalPERS retirement eligibility at July 1, 2009. The eligibility criteria for employees established under the plan agreement are as follows:

- Executive staff who report directly to the City Council or the City manager who are retiring from the City in the CalPERS retirement system, with at least 5 consecutive years of service working with the City.
- All other staff who are retiring from the City in the CalPERS retirement system, with at least 10 consecutive years of service working with the City.
- Employees who terminate before retirement with the City forfeit contributions upon separation.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

Eligibility and Benefit Information of the Defined Contribution Plan

Employees not meeting HRA plan eligibility have been enrolled in the Defined Contribution Plan where the City contributes an amount per pay period to a deferred compensation account with the HRA vendor in the employee’s name, which is fully vested and has no funding liabilities. Employees are enrolled in this plan on their date of hire with no waiting period. Non Represented employees and Police managers receive an employer paid \$100 per pay period. Elk Grove Police Officers Association (EGPOA) employees covered by the Memorandum of Understanding (MOU) contributions are structured as outlined in the following tier structure.

Employee Age	Employee Contribution	Employer Contribution
34 and under	\$60.00	\$70.00
35-39	\$70.00	\$80.00
40-44	\$80.00	\$90.00
45 and over	\$90.00	\$100.00

The plan is administered by Health Secure HRA. Employee contributions for the fiscal year totaled \$360,958. Employer contributions of \$1,007,065 were paid into the Defined Contribution Plan. No liability for the defined contribution has been included in the report since the City fully paid the annual required contribution. Since the assets held under this plan are not the City’s property and are not subject to claims by general creditors of the City, the assets have been excluded from these financial statements.

Eligibility and Benefit Information of the Health Insurance Rate Subsidy Plan

Under the Health Insurance Rate Subsidy Plan, the City provides retirees the ability to continue their healthcare coverage under the City’s cafeteria plan at a cost to the retiree equal to current eligible employees, which is administered by CalPERS. The City pays the minimum mandatory Rate Subsidy amount required of State Statute. On February 26, 2014, the Elk Grove City Council adopted Resolution 2014-44 to establish an IRS Section 115 Trust with Public Agency Retirement Services (PARS), an agent multiple-employer trust, for the City’s Health Insurance Rate Subsidy Plan. The fiscal year 2023-24 Budget programmed \$27.50 per employee per pay period as planned funding for the existing plan’s liability. The current rate subsidy is \$157 per eligible retiree per month. PARS issues a financial report that includes financial statements and required supplementary information. That report may be obtained from PARS, 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660.

Funding Policies

For all three OPEB plans, the contribution requirements of plan members and the City are established and may be amended a) by the City Council through negotiations with the City’s bargaining units, or b) by administrative directive for non-represented employees.

The following disclosures are for the HRA Plan and the Health Insurance Rate Subsidy Plan only. These disclosures do not apply to the Defined Contribution Plan since it does not have any defined benefit characteristics and no liability beyond the on-going employer contribution.

Plan Administration – The City is the Plan administrator for the HRA Plan and PARS administers the Rate Subsidy OPEB Plan.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

Plan Membership – As of the June 30, 2024 actuarial valuation date, membership in the Plans consisted of the following:

	HRA Plan	Rate Subsidy Plan
Retirees and beneficiaries receiving benefits	52	39
Terminated plan members entitled to, but not yet receiving benefits	-	-
Active plan members	4	421
Total Number of Participants	56	460

Investment Policy – PARS and MissionSquare offer different investment portfolios as part of the investment vehicle. The investments held as of June 30, 2024 for the MissionSquare Trust are included in Note 2.

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 0.001% for the HRA Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in Net OPEB Liability (Asset) – The components of the changes in the net OPEB liability (asset) for each plan for the year ended at June 30, 2024, were as follows:

	Increase (Decrease)		
HRA Plan	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2023	\$ 5,418,113	\$ 4,205,262	\$ 1,212,851
Changes Recognized for the Measurement Period:			
Service Cost	40,833	-	40,833
Interest on the total OPEB liability	290,249	385,592	(95,343)
Changes in benefit terms	-	-	-
Differences between expected and actual experience	275,519	-	275,519
Changes of assumptions	32,870	-	32,870
Employer Contributions	-	680,000	(680,000)
Actual Investment Income	-	-	-
Investment Gains/Losses	-	-	-
Administrative expenses	-	(19,531)	19,531
Benefit payments	(449,280)	(449,280)	-
Net changes	190,191	596,781	(406,590)
Balance at June 30, 2024	\$ 5,608,304	\$ 4,802,043	\$ 806,261

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

Rate Subsidy Plan	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance at June 30, 2023	\$ 17,929,063	\$ 4,836,980	\$ 13,092,083
Changes Recognized for the Measurement Period:			
Service Cost	1,201,312	-	1,201,312
Interest on the total OPEB liability	924,422	502,232	422,190
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(4,603,864)	-	(4,603,864)
Changes of assumptions	543,351	-	543,351
Employer Contributions	-	818,073	(818,073)
Actual Investment Income	-	-	-
Investment Gains/Losses	-	-	-
Administrative expenses	-	(29,275)	29,275
Benefit payments	(593,073)	(593,073)	-
Net changes	(2,527,852)	697,957	(3,225,809)
Balance at June 30, 2024	\$ 15,401,211	\$ 5,534,937	\$ 9,866,274
Totals for Plans	\$ 21,009,515	\$ 10,336,980	\$ 10,672,535

Actuarial Assumptions – The total OPEB liabilities for the HRA Plan and Rate Subsidy Plan were measured as of June 30, 2024. The valuations used the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	HRA Plan	Rate Subsidy Plan
Inflation	2.50%	2.50%
Salary Increases	2.75%	2.75%
Investment Rate of Return	5.55%, net of OPEB plan investment expenses	5.12%, net of OPEB plan investment expenses
Healthcare Cost Trend Rates	4.00%	4.00%
Mortality Tables	2021 CalPERS Mortality for Active Safety Employees and Active Miscellaneous Employees	2021 CalPERS Mortality for Active Safety Employees and Active Miscellaneous Employees

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	HRA Plan		Rate Subsidy Plan	
	Percentage of Portfolio	Assumed Gross Rate of Return	Percentage of Portfolio	Assumed Gross Rate of Return
Equities	40%	7.250%		
Fixed income	60%	4.250%		
All US Domestic Stock			60%	7.545%
Long-Term Corporate Bonds			40%	5.045%

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

Discount rate – The discount rates used to measure the total OPEB liabilities as of June 30, 2024 were 5.55% and 5.12% for the HRA Plan and Rate Subsidy Plan, respectively. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liabilities.

Change of Assumptions – For the measurement date of June 30, 2024, the discount rate for the Rate Subsidy Plan increased from 5.02% to 5.12%.

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

	HRA Plan		
	1% Decrease	Discount Rate	1% Increase
	4.55%	5.55%	6.55%
Net OPEB Liability (Asset)	\$ 1,325,727	\$ 806,261	\$ 362,477

	Rate Subsidy Plan		
	1% Decrease	Discount Rate	1% Increase
	3.12%	5.12%	6.12%
Net OPEB Liability (Asset)	\$ 11,910,641	\$ 9,866,274	\$ 8,156,970

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	HRA Plan		
	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ 806,261	\$ 806,261	\$ 806,261

	Rate Subsidy Plan		
	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ 7,633,025	\$ 9,866,274	\$ 12,686,982

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2024, the City recognized OPEB expense of \$476,927 for the HRA Plan and \$2,249,126 for the Rate Subsidy Plan. At June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

HRA Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ -
Changes of assumptions	-	-
Net differences between projected and actual earnings on plan investments	124,416	-
Total	\$ 124,416	\$ -
Rate Subsidy Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ (4,965,454)
Changes of assumptions	8,564,893	(657,949)
Net differences between projected and actual earnings on plan investments	17,687	-
Total	\$ 8,582,580	\$ (5,623,403)
Total Both Plans	\$ 8,706,996	\$ (5,623,403)

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

Year Ended June 30	Annual Amortization		
	HRA Plan	Rate Subsidy Plan	Total
2025	\$ 57,708	\$ 369,479	\$ 427,187
2026	129,335	480,897	610,232
2027	(33,360)	313,920	280,560
2028	(29,267)	323,943	294,676
2029	-	367,638	367,638
Thereafter	-	1,103,300	1,103,300
Total	\$ 124,416	\$ 2,959,177	\$ 3,083,593

The implicit rate subsidy refers to the premium rate reduction that pre-Medicare retirees receive as a result of being grouped with active employees. Because retirees are older than the average active employee and because average medical costs increase with age, the medical premium rate charged for a typical retiree is lower than it would be if retiree premium rates were determined independently. In other words, retiree premium rates are being subsidized by active employee premium rates. Fiscal Year 2019-20 was the first year when the City’s OPEB Plan actuarial included the implicit rate subsidy in the Total OPEB Liability. The change in the actuarial assumption increased the Rate Subsidy OPEB plan total OPEB liability drastically.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 13: **Other Postemployment Benefits Other than Pension Benefits (Continued)**

June 30, 2024 Measurement Date	Portion due to Employer Share of Retiree Premium	Portion due to Implicit Rate Subsidy	Total
Total OPEB Liability	\$5,270,511	\$ 10,130,700	\$ 15,401,211

Note 14: **Defined Benefit Pension Plan**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors 6 rate plans (three miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members and PEPRSA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRSA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 14: **Defined Benefit Pension Plan (Continued)**

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

Employer rate plan	Employer Rate Plans in the Miscellaneous Risk Pool		
	Classic Miscellaneous	Miscellaneous Second Tier	PEPRA Miscellaneous
	Prior to August 12, 2012	On or after August 12, 2012*	On or after January 1, 2013*
Hire date			
Benefit formula	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	50-63	52-67
Monthly benefits, as of % of eligible compensation	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.75%
Required employer contribution rates	15.95%	12.47%	7.68%
Required UAL Payment	\$0	\$0	\$0

Employer rate plan	Employer Rate Plans in the Safety Risk Pool		
	Safety Police	Safety Police Second Tier	PEPRA Safety Police
	Prior to August 12, 2012	On or after August 12, 2012*	On or after January 1, 2013*
Hire date			
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50-55	50-57
Monthly benefits, as of % of eligible compensation	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.00%	9.00%	13.00%
Required employer contribution rates	27.11%	24.15%	13.54%
Required UAL Payment	\$892,188	\$0	\$0

*Employees hired on or after January 1, 2013, enter the City's second tier or PEPRA plans depending on previous experience. Employees who were previously participating in a PEPRA plan through CalPERS, or who were not participating in any CalPERS plan within six months prior to hire date, are enrolled in the City's PEPRA Miscellaneous or PEPRA Safety Police rate plans. Employees who were participating in a non-PEPRA CalPERS plan within six months prior to hire date are enrolled in the City's Miscellaneous or Safety Police Second tier plans.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded accrued liability (UAL). The dollar amount can be paid in a lump sum at a discounted amount or is billed on a monthly basis. The City's required contribution for the unfunded liability was \$892,188 in fiscal year 2024, as shown in the tables above.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 14: **Defined Benefit Pension Plan (Continued)**

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS’ annual actuarial valuation process. Each employer rate plan’s actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan’s allocated share of the cost of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. The City’s contributions to the Plan for the year ended June 30, 2024 were:

	Contributions
Legally required	\$ 7,070,329
Total contributions	\$ 7,070,329

As discussed in Note 2, during fiscal year 2024, the City opened a PARS Trust that will assist the City in mitigating the CalPERS contribution rate volatility. The assets in the Trust will eventually be used to fund pension plan obligations. At June 30, 2024, the City’s investment in the Pension Trust in PARS amounted to \$919,212.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$24,263,932.

The City’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the Plan relative to the projected contributions of all participating employers, actuarially determined.

The City’s proportionate share of the net pension liability (asset) for the Plan as of June 30, 2022 and 2023 was as follows:

Proportion - June 30, 2022	0.18167%
Proportion - June 30, 2023	0.19449%
Change - increase (decrease)	0.01282%

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 14: **Defined Benefit Pension Plan (Continued)**

For the year ended June 30, 2024, the City recognized pension expense of \$14,898,107. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 7,070,329	\$ -
Changes in assumptions	1,427,064	-
Differences between expected and actual experience	1,659,513	(161,456)
Changes in proportion and differences between the City's contributions and the City's proportionate share of contributions	9,117,385	(2,795,848)
Net differences between projected and actual earnings on plan investments	3,457,300	-
Total	\$ 22,731,591	\$ (2,957,304)

\$7,070,329 reported as deferred outflows of resources related to legally required and additional contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2025	\$ 5,896,919
2026	3,631,594
2027	3,078,255
2028	97,190
Total	\$ 12,703,958

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 14: **Defined Benefit Pension Plan (Continued)**

Actuarial Assumptions

The total pension liabilities in the June 30, 2022, actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected Salary Increase	Varies by Entry Age and Service (1)	Varies by Entry Age and Service (1)
Investment Rate of Return	6.90% (2)	6.90% (2)
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds (3)	Derived using CalPERS' Membership Data for all Funds (3)
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

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

(2) Net of pension plan investment expenses, including inflation.

(3) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality rates are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability for the Plan was 6.90%. The projection of cash flows used to determine the discount rate for the Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

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

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 14: **Defined Benefit Pension Plan (Continued)**

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

The expected real rates of return by asset class are as follows:

Asset Class (1)	Assumed Asset Allocation	Real Return 1,2
Global Equity-Cap Weighted	30.0%	4.54%
Global Equity-Non-Cap Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

Sensitivity of the City's Proportionate Share of the Net Pension Liability(Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability(asset) for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability(asset) would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 53,936,890	\$ 24,263,932	\$ (59,077)

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 15: **Deferred Compensation Plan**

City employees may defer a portion of their compensation under a City sponsored deferred compensation plan created in accordance with Internal Revenue Code Sections 457 and 414(h). Under these plans, participants are not taxed on the deferred portion of their compensation until distributed; distributions may be made only at termination, retirement, death or in an emergency as defined by the plan.

The Plan is part of a public agency agent multiple-employer defined contribution plan that is administered by Mission Square Retirement (formerly ICMA RC). Benefit provisions under the Plans are established by City resolution.

The City has no liability for any losses incurred by the Plan and does not participate in any gains, but does have the duty of due care that would be required of an ordinary prudent investor. The City has a contract with the company to manage and invest the assets of the Plan. The administrator pools the assets of the Plan with those of other participants and does not make separate investments for the City. The assets in the Plan are the sole property of the participants or their beneficiaries. Since the assets held under the Plan are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements. The Plan requires investments to be stated at fair value and it requires all gains and losses on Plan investments to accrue directly to participant accounts.

Depending on the employee group, the City will match up to 2%, 3%, 4%, 5% or 6% of the covered payroll as a benefit under Internal Revenue Code Section 401(a). For fiscal year 2023-24 the City's matching contribution was \$1,396,091.

Note 16: **Risk Management**

Insurance Coverage

General Liability, Property, Pollution Liability, and Cyber Liability Coverage:

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City reports all insurance expense in the Risk Management internal service fund. The City has had no settlements exceeding insurance coverage in the last three fiscal years.

The City participates in a joint venture under a Joint Powers Agreement (JPA) with Public Risk Innovation, Solutions and Management (PRISM) (formerly the California State Association of Counties – Excess Insurance Authority (CSAC-EIA). Established in 1979, PRISM is a risk pooling authority comprised of 55 of 58 California counties and provides viable and cost effective solutions for the entities' insurance and risk management needs. The purpose of PRISM is to spread the adverse effect of losses among the member entities and to purchase excess insurance as a group, thereby reducing its costs. The City is part of the General Liability I program (which includes Errors and Omissions coverage and Employment Liability coverage). PRISM also provides the City with property, pollution, cyber liability, and crime bond insurance.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 16: **Risk Management (Continued)**

PRISM is governed by a 65 member Board of Directors, composed of one representative from each member county and ten members elected by the public entity membership. The Board members actively participate in the development, oversight and future direction of the PRISM programs and services. The entire Board meets three times a year, on the first Friday of March, June and October. Each member entity pays a contribution commensurate with the level of coverage provided and shares surpluses and deficits proportionate to their participation.

Complete financial information for PRISM is available on their website www.prismrisk.gov and at the following address:

PRISM
750 Iron Point Circle, Suite 200
Folsom, CA 95630

The City’s deductibles and maximum coverage follows:

	Self-Insured Retention	Limit Per Occurrence	Aggregate
General Liability Coverage	\$ 250,000	\$ 25,000,000	\$ 25,000,000
Property Coverage			
All Risk	25,000	600,000,000	600,000,000
Auto	10,000	25,000,000	600,000,000
Crime Coverage	2,500	5,000,000	5,000,000
Pollution Coverage	250,000	10,000,000	50,000,000
Cyber Liability Coverage	50,000	16,000,000	16,000,000
Fiduciary Liability	25,000	2,000,000	2,000,000

General Liability claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

Changes in the reported liability resulted from the following:

	General Liability
Liability at June 30, 2022	\$ 631,000
Claims and changes in estimates	85,110
Liability at June 30, 2023	716,110
Claims and changes in estimates	(165,425)
Liability at June 30, 2024	\$ 550,685

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 16: **Risk Management (Continued)**

Crime Coverage

Crime Insurance is secured through the Alliant Crime Insurance Program and provides the City with \$5,000,000 of per occurrence coverage and in the aggregate, and a deductible of \$2,500.

Fiduciary Coverage

Fiduciary Liability Insurance for the City’s 457, 401(a) and OPEB plans is secured through Alliant Insurance Services and provides the City with \$2,000,000 in the aggregate and a retention of \$25,000.

The City participates in a joint venture under a Joint Powers Agreement with the Northern California Cities Self-Insurance Fund (NCCSIF). Established in 1979, NCCSIF is a risk pooling authority comprised of 22 northern California cities. The purpose of NCCSIF is to spread the adverse effect of losses among the member entities and to purchase excess insurance as a group, thereby reducing its costs. The City is part of NCCSIF Workers’ Compensation Program.

NCCSIF’s most recent financial information is available from:

Alliant Insurance Services
1892 Tribute Rd
Sacramento, CA 95815

The total limit of liability provided under the Workers’ Compensation Program is Statutory for Workers’ Compensation and \$5,000,000 for Employers’ Liability. The program is divided into three separate coverage layers – Banking Fund, Shared Risk and Excess Coverage – as noted below:

Banking Fund	\$0 - \$100,000
Shared Risk	\$100,000 - \$500,000
Excess Coverage	\$500,000 – Statutory / Workers’ Compensation \$500,000 - \$5,000,000 / Employers’ Liability

The Banking Fund and the Shared Risk are self-insurance. The Excess Coverage is currently provided through participation in an excess workers’ compensation joint powers authority, PRISM. PRISM shares risk up to \$5,000,000 and purchases excess and reinsurance coverage over that amount.

Activity for the City’s banking layer administered by NCCSIF for the year ended June 30, 2024 is as follows:

	Balance 6/30/2023	Deposits & other Income	Investment Income & FMV Change	Claims Paid Net of Refunds	Claims Admin. & Other Exp	Balance 6/30/2024
Worker's Compensation	\$ 893,589	\$ 882,781	\$ 168,184	\$ (613,469)	\$ (348,458)	\$ 982,627

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 16: **Risk Management (Continued)**

Activity for the City’s NCCSIF Net Position for the year ended June 30, 2024 is as follows:

NCCSIF Total Assets	\$	90,730,073
NCCSIF Total Liabilities		(64,381,591)
NCCSIF Net Position		26,348,482
NCCSIF Total Revenue	\$	32,352,207
NCCSIF Total Expenses		(35,600,012)
Changes in Net Position During Year		(3,247,805)
Investment Income and FMV Change		3,719,185
Net Position, Beginning of Year		25,877,102
Net Position, End of Year	\$	26,348,482

Note 17: **Commitments and Contingencies**

Construction and Acquisition Commitment

The City has signed agreements for construction of various capital improvements and acquisition of capital assets subsequent to June 30, 2024. The balances owed on the existing construction and acquisition commitments were \$32,763,019 at June 30, 2024.

The City also contracts out its public works department for project management on the construction agreements. The City pays the contractor based on hourly rates ranging from \$48.52 to \$315.59 per hour for Federal/State funded project management services. For non-Federal/State, the hourly rates range from \$58.52 to \$325.39 per hour.

Revenue Neutrality Agreement

The City and the County of Sacramento (County) entered into an agreement pursuant to Government Code Section 56845. As a means of mitigating the financial impacts of the incorporation upon the County’s general fund, the City shall share its secured and unsecured ad valorem property taxes levied and collected pursuant to state law within the City’s corporate limits, with the exception of the Laguna West Annexation property tax allocation which is not subject to the Revenue Neutrality Agreement. All costs and expenses associated with the collection, administration and interest earning capabilities of the City property tax revenue shall be shared by the City and the County in accordance with the same percentages as the underlying property taxes.

The County’s share of the City’s property tax revenue shall be allocated by the County’s Director of Finance directly to the County. The following table lists the remaining allocation percentages for years June 30, 2025 through June 30, 2026:

Year	Fiscal Year	County Share	City Share
25	2024/2025	10%	90%
26	2025/2026	0%	100%

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 17: **Commitments and Contingencies (Continued)**

As part of the revenue neutrality agreement, the City paid to the County \$2,745,017 during the fiscal year ended June 30, 2024.

Fee Credits

Fee credits are a credit provided to a developer that can be applied towards fees that a developer may incur during future projects. The fee credits are approved by Council as part of an agreement that the developer will provide some form of asset or service on behalf of the City and the value is determined at the estimable cost or value of the asset or service being provided. In the past the fee credits were reported on the fund statements as a liability and expense upon adoption of the agreement. The liability would be extinguished, and the revenue would be recognized upon the usage of the fee credit. Management chose to change the City's accounting policy and remove the fee credit liabilities from the financial statements. Below is the amount of the outstanding commitment and fund in which the fee credits are associated with.

Elk Grove Roadway Fee Program (Fund 328)

- \$15,669,901 in earned fee credits
- \$143,652 in unearned fee credits

LRSP Supplemental Park Fee - Land Acquisition (Fund 331)

- \$170,567 in earned fee credits

SEPA Drainage North Sub-Shed (Fund 373)

- \$4,813,962 in earned fee credits
- \$4,158,995 in unearned fee credits

SEPA Drainage Sub-Shed Basin S6 (Fund 376)

- \$376,998 in earned fee credits
- \$307,528 in unearned fee credits

SEPA Drainage Sub-Shed Basin S8 (Fund 378)

- \$149,478 in unearned fee credits

SEPA Channel Facilities Fee (Fund 371)

- \$2,274,864 in earned fee credits
- \$1,983,833 in unearned fee credits

SEPA Park Facilities Fee (Fund 356)

- \$332,074 in earned fee credits

SEPA Trail Facilities Fee (Fund 357)

- \$8,410,413 in earned fee credits

SEPA Drainage (Fund 334)

- \$7,407,292 in unearned fee credits

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 17: **Commitments and Contingencies (Continued)**

Sterling Meadows

On May 28, 2008, the City Council approved the Sterling Meadows project consisting of 200 acres located on the north side of Kammerer Road, approximately one-half mile west of the Grant Line Road/SR 99 Interchange adjacent to the Lent Ranch Mall. At that time, the City entered into a Development Agreement (DA) with Elk Grove Associates which vested the project approvals for a period of ten years, commencing on July 11, 2008 and expiring on July 11, 2018.

There have been several reassignments, as well as two amendments to the DA. The current assignee is VTL Sterling Meadows LLC, an affiliate of The True Life Companies. The first amendment was approved on May 9, 2018 and extended the term of the DA to October 9, 2018. It provided a short-term extension in order to allow the City, CCSD and the Applicant to work towards mutually-agreeable terms by which a longer-term extension could be supported. After approval of the First Amendment to the DA, the parties began negotiations on new terms for a Second Amendment and a formal application for a long-term extension, including the conveyance of approximately 22.7 acres at the southern end of the project to the City for commercial development. The second amendment was adopted on August 22, 2018 and extended the DA to October 9, 2021.

The project, as currently approved, allows for the development of up to 1,033 residential dwelling units, including 833 lots proposed for single-family development and one 10.8-acre lot intended to accommodate up to 200 multi-family units. As of June 30, 2023, the majority of the single-family building permits have been issued. In addition, the currently approved project allows for two park sites totaling approximately 18.5 acres, a detention basin of approximately 13.3 acres, and approximately 4.8 acres of parkways.

The two park sites have been completed. The remaining site improvements and residential construction are on-going.

Wilton Rancheria

The Wilton Rancheria Tribe's Sky River Casino opened in August 2022. Sky River sits at a 36 acre lot along Highway 99 in south Elk Grove. Plans are to have the casino operate 24 hours a day, seven days a week. The casino's 110,200 square-foot gaming floor has 2,000 slot machines and 80 game tables along with 17 planned restaurants and bars.

In order to mitigate the potential impacts of the Project, the City and the Tribe have executed a Memorandum of Understanding, approved by the City Council in September 2016, that provides funding to the City, Elk Grove Unified School District, and local non-profit organizations to pay for services such as law enforcement and traffic impacts and compensate for loss of tax revenue. The total cumulative payment from the Tribe to the community over 20 years is approximately \$132 million. During the fiscal year ended June 30, 2024, the City received \$6,453,925 for services provided under the Memorandum of Understanding from the Wilton Rancheria.

Litigation

The City has various pending claims and lawsuits the outcome of which is not determinable at the time of the financial statements. In the opinion of the legal counsel, there is no pending litigation which is likely to have a material effect on the financial position of the City.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

Note 18: **Significant Events**

Zoological Society and City of Elk Grove Exclusive Negotiation Agreement

On March 23, 2022, the City Council directed staff to collaborate with the Zoological Society to extend the Exclusive Negotiation Agreement and negotiate a Memorandum of Understanding (MOU) to continue their partnership. Following the execution of the MOU, efforts would commence on master planning, an environmental impact review, and the development of a financing and operating plan. Based on the outcomes of these efforts, an additional Memorandum of Agreement (MOA) could be created to formalize the financing, construction, and operational framework. Concurrently, the Zoological Society would begin discussions to secure partnerships and donations to support the financing plan.

The current zoo, at 94 years old, is landlocked on a mere 14.7 acres with severely limited guest parking. After nearly four years of searching for suitable sites within Sacramento without resolution, the aging animal habitats and the zoo's accreditation risk highlighted the urgency of finding a new location. Recognizing the alignment of this project with Elk Grove's values, the City proposed a site that would allow the zoo to thrive. This 60-acre site, part of a 98-acre parcel located at the northwest intersection of Kammerer Road and Lotz Parkway, offers the opportunity to transform the zoo into a world-class facility while honoring its nearly century-long heritage in the Sacramento region.

Between summer 2022 and fall 2023, the zoo's design evolved, with a strong emphasis on environmental responsibility. In May 2024, the City Council officially approved the project, and by June 2024, the City entered into a financing agreement with the Zoological Society to initiate the first phase of the new zoo.

Note 19: **Future GASB Pronouncements**

The GASB issued GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The GASB issued GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to better meet the information needs of financial statement users by updating the disclosure requirements to include essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The GASB issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement is effective for reporting periods beginning after June 15, 2025, and all reporting periods thereafter.

The GASB issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement is effective for reporting periods beginning after June 15, 2025, and all reporting periods thereafter.

CITY OF ELK GROVE

Notes to Financial Statements
June 30, 2024

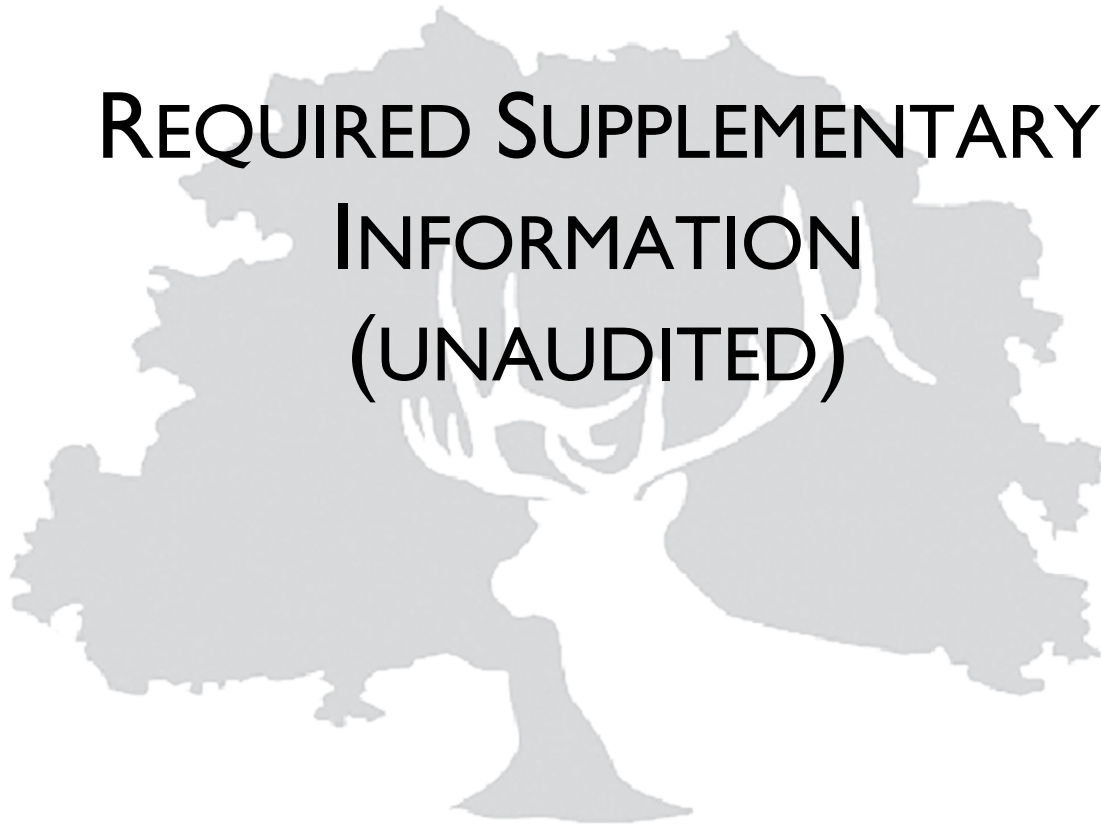
Note 20: **Subsequent Event**

On September 25, 2024, the City authorized issuance of \$14,255,000 of special tax bonds on behalf of the Community Facilities District No. 2005-1 (Laguna Ridge) to finance infrastructure improvements and facilities within the boundaries of the District. The City is the collecting and paying agent for the debt issued by the District, but has no direct or contingent liability or moral obligation for the payment of the District's debt.

This Page Left Intentionally Blank

ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended June 30, 2024

REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)



CITY OF
ELK GROVE

— PROUD HERITAGE. BRIGHT FUTURE. —

CITY OF ELK GROVE
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 34,848,469	\$ 34,848,469	\$ 35,468,327	\$ 619,858
Sales and use tax	37,894,018	37,894,018	37,454,184	(439,834)
Transaction and use tax	22,500,000	28,000,000	34,091,217	6,091,217
Utility users' tax	6,068,000	6,368,000	6,540,426	172,426
Transient occupancy tax	2,530,000	2,530,000	2,763,386	233,386
Property transfer tax	904,000	845,000	899,847	54,847
Franchise tax	2,615,300	2,339,023	2,470,653	131,630
Licenses, fees and permits	2,158,832	2,180,944	1,689,082	(491,862)
Intergovernmental	521,973	1,118,869	345,679	(773,190)
Fines and forfeitures	200,000	200,000	1,676,535	1,476,535
Charges for services	778,995	778,995	554,825	(224,170)
Use of money and property	1,557,273	1,957,273	4,807,495	2,850,222
Other revenue	919,581	557,685	573,995	16,310
Total Revenues	<u>113,496,441</u>	<u>119,618,276</u>	<u>129,335,651</u>	<u>9,717,375</u>
EXPENDITURES				
General Government:				
City Council	502,626	504,626	403,138	101,488
Planning Commission	10,344	10,344	5,854	4,490
Planning	333,019	333,019	320,022	12,997
Economic Development	6,418,250	6,387,329	3,649,111	2,738,218
City Manager	5,996,598	5,855,402	5,229,294	626,108
City Attorney	2,199,917	2,137,646	2,110,776	26,870
City Clerk	827,205	827,205	804,586	22,619
Finance	4,420,987	3,579,852	3,505,547	74,305
Human Resources	1,841,853	1,905,853	1,567,287	338,566
Public Works	5,154,780	5,237,807	4,174,080	1,063,727
Other - Non-Departmental	8,181,587	11,081,102	17,491,865	(6,410,763)
Revenue Neutrality	3,054,049	3,054,049	2,901,715	152,334
Total General Government	<u>38,941,215</u>	<u>40,914,234</u>	<u>42,163,275</u>	<u>(1,249,041)</u>
Public Safety:				
Law Enforcement	71,528,764	66,943,288	63,786,695	3,156,593
Total Public Safety	<u>71,528,764</u>	<u>66,943,288</u>	<u>63,786,695</u>	<u>3,156,593</u>
Community Development				
Code Enforcement	1,754,693	1,619,693	1,403,155	216,538
Community Grants	458,335	453,426	423,296	30,130
Total Community Development	<u>2,213,028</u>	<u>2,073,119</u>	<u>1,826,451</u>	<u>246,668</u>
Capital Outlay	5,304,508	716,153	686,153	30,000
Debt service:				
Principal	469,552	469,552	469,552	-
Interest	31,861	31,861	31,861	-
Total Debt Service	<u>501,413</u>	<u>501,413</u>	<u>501,413</u>	<u>-</u>
Total Expenditures	<u>118,488,928</u>	<u>111,148,207</u>	<u>108,963,987</u>	<u>2,184,220</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,992,487)</u>	<u>8,470,069</u>	<u>20,371,664</u>	<u>11,901,595</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	506,536	506,536
Transfers in	17,549,167	17,549,167	16,485,390	(1,063,777)
Transfers (out)	(3,772,997)	(7,409,781)	(5,474,533)	1,935,248
Total Other Financing Sources (Uses)	<u>13,776,170</u>	<u>10,139,386</u>	<u>11,517,393</u>	<u>1,378,007</u>
Net Change in Fund Balance	8,783,683	18,609,455	31,889,057	13,279,602
Fund Balance, Beginning	<u>96,700,207</u>	<u>96,700,207</u>	<u>96,700,207</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 105,483,890</u>	<u>\$ 115,309,662</u>	<u>\$ 128,589,264</u>	<u>\$ 13,279,602</u>

CITY OF ELK GROVE
Major Special Revenue Fund
Budgetary Comparison Schedule
Affordable Housing Fund
For the Year Ended June 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses, fees and permits	\$ 3,085,402	\$ 3,085,402	\$ 5,812,282	\$ 2,726,880
Intergovernmental	-	-	15,830	15,830
Use of money and property	382,078	382,078	3,757,198	3,375,120
Total Revenues	<u>3,467,480</u>	<u>3,467,480</u>	<u>9,585,310</u>	<u>6,117,830</u>
Expenditures:				
Current:				
Community development	8,791,918	6,833,830	2,408,966	4,424,864
Total Expenditures	<u>8,791,918</u>	<u>6,833,830</u>	<u>2,408,966</u>	<u>4,424,864</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,324,438)</u>	<u>(3,366,350)</u>	<u>7,176,344</u>	<u>10,542,694</u>
Net Change in Fund Balance	(5,324,438)	(3,366,350)	7,176,344	10,542,694
Fund Balance, Beginning	<u>92,436,115</u>	<u>92,436,115</u>	<u>92,436,115</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 87,111,677</u>	<u>\$ 89,069,765</u>	<u>\$ 99,612,459</u>	<u>\$ 10,542,694</u>

CITY OF ELK GROVE
Major Special Revenue Fund
Budgetary Comparison Schedule
Wilton Rancheria MOU Fund
For the Year Ended June 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 6,453,925	\$ 6,453,925	\$ 6,453,925	\$ -
Use of money and property	-	-	82,165	82,165
Total Revenues	<u>6,453,925</u>	<u>6,453,925</u>	<u>6,536,090</u>	<u>82,165</u>
Expenditures:				
Current:				
Community development	1,508,878	1,064,610	1,020,458	44,152
Total Expenditures	<u>1,508,878</u>	<u>1,064,610</u>	<u>1,020,458</u>	<u>44,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,945,047</u>	<u>5,389,315</u>	<u>5,515,632</u>	<u>126,317</u>
Net Change in Fund Balance	4,945,047	5,389,315	5,515,632	126,317
Fund Balance, Beginning	<u>7,237,037</u>	<u>7,237,037</u>	<u>7,237,037</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 12,182,084</u>	<u>\$ 12,626,352</u>	<u>\$ 12,752,669</u>	<u>\$ 126,317</u>

This Page Left Intentionally Blank

CITY OF ELK GROVE

Notes to Budgetary Comparison Statements For the Year Ended June 30, 2024

BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order.
4. Budget adjustments from restricted and unrestricted fund balance and between funds are approved by the City Council and budget transfers within fund or department are approved by City Manager. Expenditures may not legally exceed budgeted appropriations at the fund level.
5. Budgets are adopted for the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds.
6. Formal budgetary integration is employed as a management control device during the year in all funds except Custodial Funds.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, except capital projects reported in the Capital Project Funds, which are budgeted on a project length basis.
8. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrances outstanding at year end are reported as assignment of fund balance and do not constitute expenditures or liabilities because the commitment will be honored in the subsequent year.

CITY OF ELK GROVE

Schedule of Changes in the City's Net OPEB Liabilities and Related Ratios Last Ten Fiscal Years ⁽¹⁾

	2024		2023		2022	
	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
Measurement Date June 30						
Total OPEB Liability						
Service cost	\$ 40,833	\$ 1,201,312	\$ 39,740	\$ 1,180,538	\$ 55,522	\$ 1,222,282
Interest on the total OPEB liability	290,249	924,422	294,500	847,421	286,821	770,622
Actual and expected experience difference	275,519	(4,603,864)	7,920	-	219,427	(477,391)
Changes in assumptions	32,870	543,351	-	(102,371)	-	(697,359)
Benefit payments	(449,280)	(593,073)	(413,040)	(574,288)	(404,400)	(403,534)
Net change in total OPEB liability	190,191	(2,527,852)	(70,880)	1,351,300	157,370	414,620
Total OPEB liability - beginning	5,418,113	17,929,054	5,488,993	16,577,754	5,331,623	16,163,134
Total OPEB liability - ending (a)	5,608,304	15,401,202	5,418,113	17,929,054	5,488,993	16,577,754
Plan Fiduciary Net Position						
Contribution - employer	680,000	818,073	465,000	724,288	375,000	603,534
Net investment income	385,592	502,232	239,604	307,033	(562,693)	(554,588)
Benefit payments	(449,280)	(593,073)	(413,040)	(574,288)	(404,400)	(403,534)
Administrative expense	(19,531)	(29,275)	(17,708)	(26,268)	(20,155)	(28,492)
Net change in plan fiduciary net position	596,781	697,957	273,856	430,765	(612,248)	(383,080)
Plan fiduciary net position - beginning	4,205,262	4,836,980	3,931,406	4,406,215	4,543,654	4,789,295
Plan fiduciary net position - ending (b)	4,802,043	5,534,937	4,205,262	4,836,980	3,931,406	4,406,215
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 806,261	\$ 9,866,265	\$ 1,212,851	\$ 13,092,074	\$ 1,557,587	\$ 12,171,539
Plan fiduciary net position as a percentage of the total OPEB liability	85.6%	35.9%	77.6%	27.0%	71.6%	26.6%
Covered-employee payroll (contributions not based on measure of pay)	\$ 297,063	\$ 51,424,570	\$ 342,156	\$ 45,359,249	\$ 437,400	\$ 45,593,472
Net OPEB liability as a percentage of covered-employee payroll	271.41%	19.19%	354.47%	28.86%	356.10%	26.70%

(1) Fiscal Year 2017 was the first year of implementation.

Future years' information will be displayed up to 10 years as information becomes available.

2021		2020		2019		2018		2017	
HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
\$ 51,906	\$ 921,273	\$ 15,004	\$ 200,787	\$ 14,602	\$ 195,422	\$ 75,799	\$ 177,595	\$ 73,770	\$ 172,842
294,610	768,086	280,706	197,602	282,474	177,586	244,637	170,836	241,901	152,480
-	(20,384)	417,875	(182,962)	40,664	-	428,202	(206,110)	-	-
122,144	2,340,668	(92,788)	9,162,143	-	-	-	-	-	-
(381,144)	(394,978)	(373,920)	(44,130)	(366,252)	(40,026)	(265,878)	(37,488)	(266,052)	(6,041)
87,516	3,614,665	246,877	9,333,440	(28,512)	332,982	482,760	104,833	49,619	319,281
5,244,107	12,548,469	4,997,230	3,215,029	5,025,742	2,882,047	4,542,982	2,777,214	4,493,363	2,457,933
5,331,623	16,163,134	5,244,107	12,548,469	4,997,230	3,215,029	5,025,742	2,882,047	4,542,982	2,777,214
600,000	594,978	600,000	269,130	470,332	240,026	470,000	296,762	400,000	200,000
582,507	791,719	203,658	171,048	223,091	221,928	88,056	155,075	185,597	207,963
(394,720)	(394,978)	(373,920)	(44,130)	(366,252)	(40,026)	(265,878)	(37,488)	(266,052)	(6,041)
(18,986)	(25,484)	(14,784)	(21,082)	(14,252)	(18,574)	(13,331)	(16,807)	(5,627)	(8,102)
768,801	966,235	414,954	374,966	312,919	403,354	278,847	397,542	313,918	393,820
3,774,853	3,823,060	3,359,899	3,448,094	3,046,980	3,044,740	2,768,133	2,647,198	2,454,215	2,253,378
4,543,654	4,789,295	3,774,853	3,823,060	3,359,899	3,448,094	3,046,980	3,044,740	2,768,133	2,647,198
\$ 787,969	\$ 11,373,839	\$ 1,469,254	\$ 8,725,409	\$ 1,637,331	\$ (233,065)	\$ 1,978,762	\$ (162,693)	\$ 1,774,849	\$ 130,016
85.2%	29.6%	72.0%	30.5%	67.2%	107.2%	60.6%	105.6%	60.9%	95.3%
\$ 444,332	\$ 44,412,428	\$ 743,816	\$ 42,730,280	\$ 943,329	\$ 31,827,961	\$ 1,183,755	\$ 26,020,439	\$ 1,495,962	\$ 27,743,749
177.34%	25.61%	197.53%	20.42%	173.57%	-0.73%	167.16%	-0.63%	118.64%	0.47%

CITY OF ELK GROVE

Schedule of City OPEB Contributions Last Ten Fiscal Years ⁽¹⁾

FISCAL YEAR ENDED JUNE 30	2024		2023		2022	
	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
	Contractually Required Contributions	\$ 680,000	\$ 225,000	\$ 465,000	\$ 150,000	\$ 375,000
Employer Contributions	680,000	225,000	465,000	150,000	375,000	603,534
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll (contributions not based on measure of pay)	\$ 297,063	\$ 51,424,570	\$ 342,156	\$ 45,359,249	\$ 437,400	\$ 45,593,472
Contributions as a percentage of covered-employee payroll	228.91%	0.44%	135.90%	0.33%	85.73%	1.32%

Notes to Schedule:

(1) Fiscal Year 2017 was the first year of implementation.

Future years' information will be displayed up to 10 years as information becomes available.

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2024	June 30, 2024
Actuarial cost method	Entry age normal	Entry age normal
Inflation	2.50%	2.50%
Salary Increases	2.75%	2.75%
Investment Rate of Return	5.55%, net of OPEB plan investment expenses	5.12%, net of OPEB plan investment expenses
Healthcare Cost Trend Rates	4.00%	4.00%
Mortality Tables	2021 CalPERS Mortality for Active Safety Employees and Active Miscellaneous Employees	2021 CalPERS Mortality for Active Safety Employees and Active Miscellaneous Employees

⁽¹⁾ Fiscal Year 2017 was the first year of implementation

2021		2020		2019		2018		2017	
HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
\$ 600,000	\$ 594,978	\$ 600,000	\$ 269,130	\$ 366,252	\$ 40,026	\$ 470,000	\$ 296,762	\$ 344,299	\$ 194,712
600,000	594,978	600,000	269,130	470,332	240,026	470,000	296,762	400,000	200,000
\$ -	\$ -	\$ -	\$ -	\$ (104,080)	\$ (200,000)	\$ -	\$ -	\$ (55,701)	\$ (5,288)
\$ 444,332	\$ 44,412,428	\$ 743,816	\$ 42,730,280	\$ 943,329	\$ 31,827,961	\$ 1,183,755	\$ 26,020,439	\$ 1,495,962	\$ 27,743,749
135.03%	1.34%	80.67%	0.63%	49.86%	0.75%	39.70%	1.14%	26.74%	0.72%

CITY OF ELK GROVE

Schedule of Investment Returns
HRA Plan
Last Ten Fiscal Years ⁽¹⁾

For the Fiscal Year Ended June 30	2024		2023		2022	
	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
Annual money-weighted rate of return net of investment expense	0.00%	7.99%	0.86%	5.14%	-12.41%	-14.92%

Notes to Schedule:

(1) Fiscal Year 2017 was the first year of implementation.

Future years' information will be displayed up to 10 years as information becomes available.

2021		2020		2019		2018		2017	
HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan	HRA Plan	Rate Subsidy Plan
14.75%	14.15%	5.75%	1.83%	7.05%	3.65%	4.90%	2.80%	5.64%	4.70%

CITY OF ELK GROVE

Miscellaneous and Safety Rate Plans, a Cost Sharing-Employer Defined Pension Plan
Last 10 Years

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
City's Proportion of the Net Pension Liability	0.19449%	0.18167%	-0.13718%	0.14887%	0.14374%
City's Proportionate Share of the Net Pension Liability/(Asset)	\$ 24,263,932	\$ 20,984,379	\$ (7,419,164)	\$ 16,197,858	\$ 14,729,263
City's Covered Payroll	\$ 38,950,819	\$ 36,641,385	\$ 36,735,168	\$ 35,222,709	\$ 31,747,871
City's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	62.29%	57.27%	-20.20%	45.99%	46.39%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	76.21%	76.68%	88.29%	75.10%	75.26%
Measurement Date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's Proportion of the Net Pension Liability	0.14518%	0.16676%	0.16786%	0.16807%	0.17173%
City's Proportionate Share of the Net Pension Liability/(Asset)	\$ 13,990,216	\$ 16,537,686	\$ 14,525,447	\$ 11,536,416	\$ 10,686,132
City's Covered Payroll	\$ 29,962,680	\$ 27,840,009	\$ 33,456,412	\$ 34,404,915	\$ 31,212,147
City's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	46.69%	59.40%	43.42%	33.53%	34.24%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%	73.31%	74.06%	78.40%	79.82%

CITY OF ELK GROVE

Miscellaneous and Safety Rate Plans, a Cost Sharing-Employer Defined Pension Plan
Last 10 Years

**SCHEDULE OF CONTRIBUTIONS
AS OF JUNE 30, 2024
LAST 10 YEARS**

For the year Ended June 30	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contribution	\$ 7,070,329	\$ 6,490,173	\$ 6,204,277	\$ 6,271,938	\$ 5,685,740
Contributions in relation to the actuarially determined contributions	<u>(7,070,329)</u>	<u>(6,490,173)</u>	<u>(6,204,277)</u>	<u>(6,271,938)</u>	<u>(5,685,740)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 <u>\$ 47,045,527</u>	 <u>\$ 38,950,819</u>	 <u>\$ 36,641,385</u>	 <u>\$ 36,735,168</u>	 <u>\$ 35,222,709</u>
 Contributions as a percentage of covered payroll	 15.03%	 16.66%	 16.93%	 17.07%	 16.14%
 For the year Ended June 30	 <u>2019</u>	 <u>2018</u>	 <u>2017</u>	 <u>2016</u>	 <u>2015</u>
Actuarially determined contribution	\$ 4,539,174	\$ 4,283,503	\$ 3,518,175	\$ 3,181,199	\$ 5,006,117
Contributions in relation to the actuarially determined contributions	<u>(4,539,174)</u>	<u>(4,283,503)</u>	<u>(3,518,175)</u>	<u>(3,181,199)</u>	<u>(5,006,117)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 <u>\$ 31,747,871</u>	 <u>\$ 29,962,680</u>	 <u>\$ 27,840,009</u>	 <u>\$ 33,456,412</u>	 <u>\$ 34,404,915</u>
 Contributions as a percentage of covered payroll	 14.30%	 14.30%	 12.64%	 9.51%	 14.55%

This Page Left Intentionally Blank

ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended June 30, 2024

**SUPPLEMENTARY
INFORMATION
COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**



CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds	Capital Projects Funds	Laguna Springs Open Space Reserve Permanent Fund	Debt Service Funds	Total
<u>ASSETS</u>					
Cash and investments	\$ 85,610,228	\$ 109,174,186	\$ 166,963	\$ 1,099,944	\$ 196,051,321
Cash with fiscal agent	-	5,850,424	-	255,309	6,105,733
Funds held in escrow	159,313	-	-	-	159,313
Accounts receivable	1,474,698	332,597	-	392	1,807,687
Interest receivable	493,793	312,969	-	5,510	812,272
Taxes Receivable	337,604	-	-	-	337,604
Due from other government agencies	5,443,456	107,784	-	-	5,551,240
Fee credits receivable	3,551,581	-	-	-	3,551,581
Advances to other funds	1,797,788	898,908	-	-	2,696,696
Long-term loans receivable	323,529	-	-	-	323,529
Long-term development fees receivable	-	13,605,836	-	-	13,605,836
Lease receivable	2,226,699	-	-	-	2,226,699
Total Assets	<u>\$ 101,418,689</u>	<u>\$ 130,282,704</u>	<u>\$ 166,963</u>	<u>\$ 1,361,155</u>	<u>\$ 233,229,511</u>
<u>LIABILITIES</u>					
Accounts payable	\$ 5,996,668	\$ 992,540	\$ -	\$ -	\$ 6,989,208
Accrued salaries and benefits	262,195	12,883	-	-	275,078
Due to other funds	443,358	-	-	-	443,358
Interest payable	15,020	-	-	-	15,020
Retention payable	293,002	117,131	-	-	410,133
Refundable deposits	2,913,101	-	-	-	2,913,101
Advances from other funds	2,307,741	3,541,334	-	-	5,849,075
Unearned revenue	7,454,379	1,490,870	-	-	8,945,249
Total Liabilities	<u>19,685,464</u>	<u>6,154,758</u>	<u>-</u>	<u>-</u>	<u>25,840,222</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue	<u>9,190,292</u>	<u>14,208,881</u>	<u>-</u>	<u>5,732</u>	<u>23,404,905</u>
<u>FUND BALANCES</u>					
Restricted	74,612,406	109,919,065	166,963	1,355,423	186,053,857
Unassigned	(2,069,473)	-	-	-	(2,069,473)
Total Fund Balances	<u>72,542,933</u>	<u>109,919,065</u>	<u>166,963</u>	<u>1,355,423</u>	<u>183,984,384</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 101,418,689</u>	<u>\$ 130,282,704</u>	<u>\$ 166,963</u>	<u>\$ 1,361,155</u>	<u>\$ 233,229,511</u>

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds	Capital Projects Funds	Laguna Springs Open Space Reserve Permanent Fund	Debt Service Funds	Total
Revenues:					
Licenses, fees and permits	\$ 10,931,508	\$ 23,051,302	\$ -	\$ -	\$ 33,982,810
Intergovernmental	43,768,939	13,088,520	-	-	56,857,459
Charges for services	3,425,693	-	-	-	3,425,693
Use of money and property	3,272,926	3,831,625	-	38,704	7,143,255
Other revenue	758,858	25,000	4,832	-	788,690
Total Revenues	<u>62,157,924</u>	<u>39,996,447</u>	<u>4,832</u>	<u>38,704</u>	<u>102,159,203</u>
Expenditures:					
Current:					
General government	225,853	-	-	-	225,853
Public safety	1,066,906	-	-	-	1,066,906
Public ways and facilities	23,843,757	1,742,063	7,030	-	25,592,850
Community development	12,270,398	-	-	-	12,270,398
Capital outlay	633,984	3,934,769	-	-	4,568,753
Debt Service:					
Tax administration	-	-	-	9,786	9,786
Principal	10,650	-	-	2,193,026	2,203,676
Interest	650	-	-	1,454,293	1,454,943
Total Expenditures	<u>38,052,198</u>	<u>5,676,832</u>	<u>7,030</u>	<u>3,657,105</u>	<u>47,393,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>24,105,726</u>	<u>34,319,615</u>	<u>(2,198)</u>	<u>(3,618,401)</u>	<u>54,804,742</u>
Other Financing Sources (Uses):					
Transfers in	141,325	586,927	-	3,647,598	4,375,850
Transfers out	(10,112,656)	(4,704,144)	-	-	(14,816,800)
Total Other Financing Sources (Uses)	<u>(9,971,331)</u>	<u>(4,117,217)</u>	<u>-</u>	<u>3,647,598</u>	<u>(10,440,950)</u>
Net Change in Fund Balances	14,134,395	30,202,398	(2,198)	29,197	44,363,792
Fund Balances, Beginning	<u>58,408,538</u>	<u>79,716,667</u>	<u>169,161</u>	<u>1,326,226</u>	<u>139,620,592</u>
Fund Balances, End of Year	<u>\$ 72,542,933</u>	<u>\$ 109,919,065</u>	<u>\$ 166,963</u>	<u>\$ 1,355,423</u>	<u>\$ 183,984,384</u>

SPECIAL REVENUE FUNDS

DEFINITION

Special Revenue Funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes. Special Revenue Funds include:

Nonmajor Special Revenue Funds

Recycling Grant Fund – Established to account for funds provided by the recycling division of the State Department of Conservation. Funds were made available through the 1986 California Beverage Container Recycling and Litter Reduction Act for beverage container recycling and litter abatement programs. Grants are funded by the California Refund Value (CRV) beverage container fees.

Used Oil Grant Fund – Established to account for funds received from the California Integrated Waste Management Board to comply with waste diversion. Funds are used to educate the public on oil recycling.

Hazardous Waste Special Revenue Fund – Established to account and track Household Hazardous Waste Grant funds for the purpose of collecting and disposing household hazardous waste in the City.

Tire Collection and Disposal Grant – Established to account and track Tire Collection Disposal Grant funds for the cost of cleanup, abatement, and remedial action related to the disposal of waste tires at cleanup projects and amnesty events.

BSCC Local Police Grant – Established to account for funds received from the Board of State Community Corrections (BSCC). Funds were made available for Cities in Sacramento County to create mini-regional teams for the purpose of identifying, monitoring and closely supervising AB109 releases that have a high probability of relapsing into criminal behavior.

OTS Grants Fund – Established to account for grants provided by the Office of Traffic Safety (OTS) which include a mini-grant to be utilized to increase the level of seat belt enforcement hours; to conduct DUI enforcement crackdowns on drinking drivers in Sacramento County and education activities for the public concerning the problems associated with drinking and driving.

Local Police Grants Fund – Established to account for funds given by local businesses and organization for police programs, and miscellaneous police grants.

California Law Enforcement Equipment Fund – Established to account for grants used to supplement equipment needs of the Police Department.

Gas Tax Fund – Established to account for Gas Tax Street expenditure funding which provides a variety of transportation infrastructure maintenance services including implementation of the City's Pavement Management Program, construction of capital projects, and coordination with other entities as needed. Financing is provided by the City's share of State gasoline taxes and is restricted to street expenditures.

SB1 Street and Road Funds – Established to account for the Senate Bill 1 (SB1), which provides funds for pavement needs on local streets and roads. SB1 also provides grant funding for transportation infrastructure including streets and roads.

Agriculture Preservation Fund – Established to account for the fee imposed upon the development in the East Franklin Specific Plan area and in other parts of the City. The fee revenue is used to provide and preserve agricultural land.

Swainson's Hawk Fund – Established to account for the mitigation fee which is used to purchase land and/or easements to offset the loss of Swainson's hawk habitat.

Tree Mitigation Fund – Established to account for the fee which is to be used for preservation of oak trees.

Street Trench Cut Fee Fund – Established to account for funding for the associated cost of cutting pavement and the future maintenance of roadways.

Community Development Block Grant Fund – Established to account for funds received and disbursed under the U.S. Department of Housing and Urban Development Community Development Block Grant programs.

State Homeless Appropriations Fund – Established to account for appropriated through the State of California Budget Act of 2017 to implement a range of services aimed at navigating homeless individuals and families to permanent housing, including but not limited to the following: a navigation team to provide proactive outreach to homeless persons, acquisition and rehabilitation of property to serve as temporary or permanent housing, operations costs associated with homeless housing, and implementation of individualized strategies to promote permanent housing.

Strategic Planning Fund – Established to account for revenue and expense activities associated with strategic planning grant opportunities. The grant applications, awards and expenses are typically administered by either the Strategic Planning and Innovation Division in the City Manager's Office or by the Housing and Public Services Division in the Development Services Department. The grant awards themselves may fund a variety of programs and projects such as transportation planning, housing planning, sustainability efforts, market assessments, feasibility studies, etc.

Police Services CFD Funds – Established to account for the CFD 2003-1 and CFD 2003-2. Funds are used to pay for a portion of the costs associated with providing police protection services in the City.

Maintenance Services CFD Funds – Established to account for CFD 2005-1 and CFD 2006-1. Funds are used to provide Maintenance Services citywide.

Street Maintenance District Funds – Established to account for the multi-zonal assessment district which funds a portion of street maintenance costs in development areas in the City.

Street Lighting Maintenance District Funds – Established to account for street lighting revenue and expenditures.

Asset Seizure Funds

State – Established to account for the funds received from the State for the equitable transfer of forfeited property and cash in which the City directly participates in the law enforcement efforts leading to the seizure and forfeiture of the property.

Federal – Established to account for the funds received from the Federal government for the equitable transfer of forfeited property and cash in which the City directly participates in the law enforcement efforts leading to the seizure and forfeiture of the property.

Library Ownership Fund – Established to account for revenue and expenditures directly related to the Elk Grove Library, owned by the City and operated by the library JPA.

HUD Home Grant – Established to account for funds received from the US Department of Housing and Urban Development (via the California Department of Housing and Community Development) to promote housing opportunities, including homeownership assistance and rental housing development, for lower-income households.

Neighborhood Stabilization Program Fund – Established to account for funds received and disbursed under the Federal Stimulus Neighborhood Stabilization Program.

Measure A Maintenance Fund – Established to account for the Measure A Transportation Expenditure Agreement funding spent on street maintenance.

Development Services Fund – Established to record revenues and expenditures directly related to development services, including public works, building services and planning. These services, previously accounted for in the general fund, were segregated in 2008 to provide a clearer picture of the results of this activity, and the impact of those results on the City’s financial picture.

Performance Bond Fund – Established to account for assets held by the City for individuals, private organizations, and other governments related to various capital projects..

Donations and Community Programs Funds – Established to account for the donations by citizens for various City programs.

Opioid Settlement Special Revenue Fund – Established to account for settlement funds received from lawsuits filed by state, local and tribal governments against pharmaceutical and drug distribution companies. These funds are to be used for future opioid remediation and to reimburse past opioid related expenses.

Transit Fund - Established to account for the activities related to City’s transit partnership with Sacramento Regional Transit. This includes accounting for a dedicated City Transit Liaison, building and land rental activities, and administrative and utility fees relating to the City’s Annexation, License, and Administrative Fee Agreements.



CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

	Recycling Grant Fund	Used Oil Grant Fund	Household Hazardous Waste Fund	Tire Collection & Disposal Grant Fund	BSCC Local Police Grant Fund	OTS Grants Fund
<u>ASSETS</u>						
Cash and investments	\$ 574,812	\$ 22,488	\$ -	\$ -	\$ 69,783	\$ -
Funds held in escrow	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Interest receivable	3,041	119	-	-	-	-
Taxes Receivable	-	-	-	-	-	-
Due from other government agencies	-	-	21,953	18,241	-	418,932
Fee credits receivable	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-
Long term loans receivable	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-
Total Assets	\$ 577,853	\$ 22,607	\$ 21,953	\$ 18,241	\$ 69,783	\$ 418,932
<u>LIABILITIES</u>						
Accounts payable	\$ 3,269	\$ 6,673	\$ 914	\$ 3,069	\$ -	\$ 14,651
Accrued salaries and benefits	-	-	-	-	-	8,099
Interest payable	-	-	-	-	-	-
Due to other funds	-	-	21,038	15,040	-	300,440
Retention payable	-	-	-	-	-	-
Refundable deposits	-	-	-	-	-	-
Advance from other funds	-	-	-	-	-	-
Unearned revenue	552,289	8,810	-	-	69,657	-
Total Liabilities	555,558	15,483	21,952	18,109	69,657	323,190
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable revenue	2,954	116	21,953	18,241	-	72,147
<u>FUND BALANCES</u>						
Restricted	19,341	7,008	-	-	126	23,595
Unassigned	-	-	(21,952)	(18,109)	-	-
Total Fund Balances	19,341	7,008	(21,952)	(18,109)	126	23,595
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 577,853	\$ 22,607	\$ 21,953	\$ 18,241	\$ 69,783	\$ 418,932

Local Police Grants Fund	CA Law Enforcement Equipment Fund	Gas Tax Fund	SB1 Streets and Roads Fund	Agricultural Preservation Fund	Swainson's Hawk Fund	Tree Mitigation Fund	Street Trench Cut Fees Fund
\$ 8,915	\$ 392,760	\$ 5,051,061	\$ 7,321,324	\$ -	\$ 5,073,542	\$ 1,653,559	\$ 482,137
-	-	-	-	-	-	-	-
-	-	76,672	-	-	-	-	27,202
-	2,093	27,018	39,543	-	27,218	8,871	2,587
-	-	-	-	-	-	-	-
79,234	260,522	420,686	796,068	-	-	-	-
-	-	-	-	-	3,551,581	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 88,149</u>	<u>\$ 655,375</u>	<u>\$ 5,575,437</u>	<u>\$ 8,156,935</u>	<u>\$ -</u>	<u>\$ 8,652,341</u>	<u>\$ 1,662,430</u>	<u>\$ 511,926</u>
\$ 5,871	\$ -	\$ 318,317	\$ 345,023	\$ -	\$ 7,580	\$ -	\$ -
-	20,024	49,535	-	-	631	-	-
-	-	-	-	-	-	-	-
-	-	-	19,437	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>5,871</u>	<u>20,024</u>	<u>367,852</u>	<u>364,460</u>	<u>-</u>	<u>8,211</u>	<u>-</u>	<u>-</u>
<u>31,365</u>	<u>262,556</u>	<u>26,247</u>	<u>38,415</u>	<u>-</u>	<u>3,578,023</u>	<u>8,618</u>	<u>2,513</u>
50,913	372,795	5,181,338	7,754,060	-	5,066,107	1,653,812	509,413
-	-	-	-	-	-	-	-
<u>50,913</u>	<u>372,795</u>	<u>5,181,338</u>	<u>7,754,060</u>	<u>-</u>	<u>5,066,107</u>	<u>1,653,812</u>	<u>509,413</u>
<u>\$ 88,149</u>	<u>\$ 655,375</u>	<u>\$ 5,575,437</u>	<u>\$ 8,156,935</u>	<u>\$ -</u>	<u>\$ 8,652,341</u>	<u>\$ 1,662,430</u>	<u>\$ 511,926</u>

continued

CITY OF ELK GROVE
Combining Balance Sheet (continued)
Nonmajor Special Revenue Funds
June 30, 2024

	Community Development Block Grant Fund	State Homeless Appropriations Fund	Strategic Planning Grants Fund	Police Services CFD Funds	Maintenance Services CFD Funds	Street Maintenance District Funds
<u>ASSETS</u>						
Cash and investments	\$ -	\$ 4,088,301	\$ 119,439	\$ 697,100	\$ 15,944,746	\$ 13,485,414
Funds held in escrow	-	-	-	-	-	-
Accounts receivable	-	-	-	-	176,272	31,822
Interest receivable	30,280	21,933	-	3,739	85,539	72,347
Taxes Receivable	-	-	-	191,315	57,307	59,989
Due from other government agencies	446,492	-	11,291	-	-	-
Fee credits receivable	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	1,797,788
Long term loans receivable	94,763	-	-	-	-	-
Lease receivable	-	-	-	-	-	-
Total Assets	<u>\$ 571,535</u>	<u>\$ 4,110,234</u>	<u>\$ 130,730</u>	<u>\$ 892,154</u>	<u>\$ 16,263,864</u>	<u>\$ 15,447,360</u>
<u>LIABILITIES</u>						
Accounts payable	\$ 337,220	\$ 110	\$ 11,291	\$ -	\$ 1,713,032	\$ 49,913
Accrued salaries and benefits	6,154	4,906	-	333	43,888	18,053
Interest payable	11	-	-	-	-	-
Due to other funds	106,840	-	-	-	-	-
Retention payable	13,371	-	-	-	-	1,088
Refundable deposits	-	-	-	-	264,349	-
Advance from other funds	-	-	-	-	-	-
Unearned revenue	-	439,787	20,000	-	-	-
Total Liabilities	<u>463,596</u>	<u>444,803</u>	<u>31,291</u>	<u>333</u>	<u>2,021,269</u>	<u>69,054</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable revenue	43,651	21,307	11,291	3,634	83,098	70,281
<u>FUND BALANCES</u>						
Restricted	64,288	3,644,124	88,148	888,187	14,159,497	15,308,025
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>64,288</u>	<u>3,644,124</u>	<u>88,148</u>	<u>888,187</u>	<u>14,159,497</u>	<u>15,308,025</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 571,535</u>	<u>\$ 4,110,234</u>	<u>\$ 130,730</u>	<u>\$ 892,154</u>	<u>\$ 16,263,864</u>	<u>\$ 15,447,360</u>

Street Lighting Maintenance District Funds	Asset Seizure State and Federal Funds	Library Ownership Fund	HUD Home Grant Fund	Neighborhood Stabilization Program Fund	Measure A Maintenance Fund	Development Services Fund	Performance Bond Fund
\$ 1,180,217	\$ 271,241	\$ 1,400,123	\$ -	\$ 514,280	\$ 9,131,658	\$ 10,323,230	\$ 218,564
-	-	-	-	-	159,313	-	-
-	-	-	-	-	63,949	510,755	-
6,331	-	7,511	11,067	37,786	48,989	55,397	-
28,993	-	-	-	-	-	-	-
-	-	-	-	-	438,848	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	40,000	188,766	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,215,541</u>	<u>\$ 271,241</u>	<u>\$ 1,407,634</u>	<u>\$ 51,067</u>	<u>\$ 740,832</u>	<u>\$ 9,842,757</u>	<u>\$ 10,889,382</u>	<u>\$ 218,564</u>
\$ 65,098	\$ -	\$ 2,129	\$ -	\$ 10,556	\$ 1,473,794	\$ 1,109,261	\$ -
8,365	-	-	-	-	11,400	73,641	-
-	-	-	-	-	-	45	14,964
-	-	-	-	-	-	-	-
-	-	-	-	-	56,906	8,004	-
-	-	-	-	-	-	2,445,152	203,600
265,352	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>338,815</u>	<u>-</u>	<u>2,129</u>	<u>-</u>	<u>10,556</u>	<u>1,542,100</u>	<u>3,636,103</u>	<u>218,564</u>
<u>6,150</u>	<u>-</u>	<u>7,297</u>	<u>11,067</u>	<u>37,707</u>	<u>47,591</u>	<u>53,816</u>	<u>-</u>
870,576	271,241	1,398,208	40,000	692,569	8,253,066	7,199,463	-
-	-	-	-	-	-	-	-
<u>870,576</u>	<u>271,241</u>	<u>1,398,208</u>	<u>40,000</u>	<u>692,569</u>	<u>8,253,066</u>	<u>7,199,463</u>	<u>-</u>
<u>\$ 1,215,541</u>	<u>\$ 271,241</u>	<u>\$ 1,407,634</u>	<u>\$ 51,067</u>	<u>\$ 740,832</u>	<u>\$ 9,842,757</u>	<u>\$ 10,889,382</u>	<u>\$ 218,564</u>

continued

CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2024

	Donations and Community Programs Fund	Opioid Settlement Fund	Transit Fund	Disaster Recovery Fund	Total
<u>ASSETS</u>					
Cash and investments	\$ 81,552	\$ 362,817	\$ -	\$ 7,141,165	\$ 85,610,228
Funds held in escrow	-	-	-	-	159,313
Accounts receivable	-	588,026	-	-	1,474,698
Interest receivable	438	1,946	-	-	493,793
Taxes Receivable	-	-	-	-	337,604
Due from other government agencies	-	2,531,189	-	-	5,443,456
Fee credits receivable	-	-	-	-	3,551,581
Advance to other funds	-	-	-	-	1,797,788
Long term loans receivable	-	-	-	-	323,529
Lease receivable	-	-	2,226,699	-	2,226,699
Total Assets	<u>\$ 81,990</u>	<u>\$ 3,483,978</u>	<u>\$ 2,226,699</u>	<u>\$ 7,141,165</u>	<u>\$ 101,418,689</u>
<u>LIABILITIES</u>					
Accounts payable	\$ -	\$ -	\$ 7,861	\$ 511,036	\$ 5,996,668
Accrued salaries and benefits	-	8,054	9,112	-	262,195
Interest payable	-	-	-	-	15,020
Due to other funds	-	-	-	-	443,358
Retention payable	-	-	-	194,196	293,002
Refundable deposits	-	-	-	-	2,913,101
Advance from other funds	-	-	2,042,389	-	2,307,741
Unearned revenue	-	-	-	6,363,836	7,454,379
Total Liabilities	<u>-</u>	<u>8,054</u>	<u>2,059,362</u>	<u>7,069,068</u>	<u>19,685,464</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue	425	2,533,080	2,196,749	-	9,190,292
<u>FUND BALANCES</u>					
Restricted	81,565	942,844	-	72,097	74,612,406
Unassigned	-	-	(2,029,412)	-	(2,069,473)
Total Fund Balances	<u>81,565</u>	<u>942,844</u>	<u>(2,029,412)</u>	<u>72,097</u>	<u>72,542,933</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 81,990</u>	<u>\$ 3,483,978</u>	<u>\$ 2,226,699</u>	<u>\$ 7,141,165</u>	<u>\$ 101,418,689</u>

This Page Left Intentionally Blank

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

	Recycling Grant Fund	Used Oil Grant Fund	Household Hazardous Waste Fund	Tire Collection & Disposal Grant Fund	BSCC Local Police Grant Fund	OTS Grants Fund
Revenues:						
Licenses, fees and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	75,119	16,251	14,207	33,803	20,209	703,540
Charges for services	-	-	-	-	-	-
Use of money and property	3,550	307	-	-	-	-
Other revenue	-	-	-	-	-	-
Total Revenues	<u>78,669</u>	<u>16,558</u>	<u>14,207</u>	<u>33,803</u>	<u>20,209</u>	<u>703,540</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	20,210	307,439
Public ways and facilities	-	-	-	-	-	-
Community development	75,565	16,254	20,373	24,160	-	-
Capital outlay	-	-	-	-	-	399,854
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Expenditures	<u>75,565</u>	<u>16,254</u>	<u>20,373</u>	<u>24,160</u>	<u>20,210</u>	<u>707,293</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,104</u>	<u>304</u>	<u>(6,166)</u>	<u>9,643</u>	<u>(1)</u>	<u>(3,753)</u>
Other Financing Sources (Uses):						
Transfers in	400	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,504	304	(6,166)	9,643	(1)	(3,753)
Fund Balances, Beginning	<u>15,837</u>	<u>6,704</u>	<u>(15,786)</u>	<u>(27,752)</u>	<u>127</u>	<u>27,348</u>
Fund Balances, End of Year	<u>\$ 19,341</u>	<u>\$ 7,008</u>	<u>\$ (21,952)</u>	<u>\$ (18,109)</u>	<u>\$ 126</u>	<u>\$ 23,595</u>

Local Police Grants Fund	CA Law Enforcement Equipment Fund	Gas Tax Fund	SB1 Streets and Roads Fund	Agricultural Preservation Fund	Swainson's Hawk Fund	Tree Mitigation Fund	Street Trench Cut Fees Fund
\$ -	\$ -	\$ 191,147	\$ -	\$ -	\$ 469,827	\$ 32,100	\$ 24,755
304,482	510,708	5,018,067	5,297,535	-	-	-	-
-	-	-	-	-	-	-	-
-	6,054	217,018	274,396	(1,381)	220,133	77,257	16,062
-	-	-	-	-	-	-	-
<u>304,482</u>	<u>516,762</u>	<u>5,426,232</u>	<u>5,571,931</u>	<u>(1,381)</u>	<u>689,960</u>	<u>109,357</u>	<u>40,817</u>
-	-	-	-	-	-	-	-
209,191	360,695	-	-	-	-	-	-
-	-	3,519,322	2,727,521	-	-	-	147
-	-	-	-	-	34,191	578	-
-	-	5,100	60,265	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>209,191</u>	<u>360,695</u>	<u>3,524,422</u>	<u>2,787,786</u>	<u>-</u>	<u>34,191</u>	<u>578</u>	<u>147</u>
95,291	156,067	1,901,810	2,784,145	(1,381)	655,769	108,779	40,670
-	-	-	-	-	49,115	-	-
-	-	(720,568)	-	(49,115)	-	-	(8,986)
-	-	(720,568)	-	(49,115)	49,115	-	(8,986)
95,291	156,067	1,181,242	2,784,145	(50,496)	704,884	108,779	31,684
(44,378)	216,728	4,000,096	4,969,915	50,496	4,361,223	1,545,033	477,729
<u>\$ 50,913</u>	<u>\$ 372,795</u>	<u>\$ 5,181,338</u>	<u>\$ 7,754,060</u>	<u>\$ -</u>	<u>\$ 5,066,107</u>	<u>\$ 1,653,812</u>	<u>\$ 509,413</u>

continued

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances(continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

	Community Development Block Grant Fund	State Homeless Appropriations Fund	Strategic Planning Grants Fund	Police Services CFD Funds	Maintenance Services CFD Funds	Street Maintenance District Funds
Revenues:						
Licenses, fees and permits	\$ -	\$ -	\$ -	\$ 14,150	\$ 910,172	\$ 27,468
Intergovernmental	770,761	-	371,221	6,442,615	7,461,611	2,840,319
Charges for services	-	-	-	-	-	-
Use of money and property	-	45,606	-	33,589	748,779	551,790
Other revenue	-	-	-	-	36,997	-
Total Revenues	<u>770,761</u>	<u>45,606</u>	<u>371,221</u>	<u>6,490,354</u>	<u>9,157,559</u>	<u>3,419,577</u>
Expenditures:						
Current:						
General government	-	-	131,429	-	-	-
Public safety	-	-	-	18,381	-	-
Public ways and facilities	-	-	-	-	7,312,886	582,132
Community development	733,769	103,110	-	-	-	-
Capital outlay	138	-	-	42,231	27,430	17,878
Debt Service:						
Principal	3,192	-	-	-	-	-
Interest	108	-	-	-	-	-
Total Expenditures	<u>737,207</u>	<u>103,110</u>	<u>131,429</u>	<u>60,612</u>	<u>7,340,316</u>	<u>600,010</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>33,554</u>	<u>(57,504)</u>	<u>239,792</u>	<u>6,429,742</u>	<u>1,817,243</u>	<u>2,819,567</u>
Other Financing Sources (Uses):						
Transfers in	-	-	91,810	-	-	-
Transfers out	-	-	(399,260)	(6,105,599)	(700,494)	(210,680)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(307,450)</u>	<u>(6,105,599)</u>	<u>(700,494)</u>	<u>(210,680)</u>
Net Change in Fund Balance	33,554	(57,504)	(67,658)	324,143	1,116,749	2,608,887
Fund Balances, Beginning	<u>30,734</u>	<u>3,701,628</u>	<u>155,806</u>	<u>564,044</u>	<u>13,042,748</u>	<u>12,699,138</u>
Fund Balances, End of Year	<u>\$ 64,288</u>	<u>\$ 3,644,124</u>	<u>\$ 88,148</u>	<u>\$ 888,187</u>	<u>\$ 14,159,497</u>	<u>\$ 15,308,025</u>

Street Lighting Maintenance District Funds	Asset Seizure State and Federal Funds	Library Ownership Fund	HUD Home Grant Fund	Neighborhood Stabilization Program Fund	Measure A Maintenance Fund	Development Services Fund	Performance Bond Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,261,889	\$ -
1,354,048	19,087	159,355	-	-	5,889,349	-	-
-	-	-	-	-	-	2,831,816	-
51,702	-	60,352	-	7,611	497,737	447,706	-
-	-	388	-	-	-	-	11,700
<u>1,405,750</u>	<u>19,087</u>	<u>220,095</u>	<u>-</u>	<u>7,611</u>	<u>6,387,086</u>	<u>12,541,411</u>	<u>11,700</u>
-	-	-	-	-	-	-	-
-	98,591	-	-	-	-	-	-
783,559	-	51,877	-	55,214	4,739,253	476,426	-
-	-	-	-	-	-	8,721,409	-
55,042	12,040	-	-	-	-	-	-
-	-	-	-	-	-	7,458	-
-	-	-	-	-	-	542	-
<u>838,601</u>	<u>110,631</u>	<u>51,877</u>	<u>-</u>	<u>55,214</u>	<u>4,739,253</u>	<u>9,205,835</u>	<u>-</u>
567,149	(91,544)	168,218	-	(47,603)	1,647,833	3,335,576	11,700
-	-	-	-	-	-	-	-
(130,592)	-	(12,942)	-	-	(758,594)	(1,004,126)	(11,700)
<u>(130,592)</u>	<u>-</u>	<u>(12,942)</u>	<u>-</u>	<u>-</u>	<u>(758,594)</u>	<u>(1,004,126)</u>	<u>(11,700)</u>
436,557	(91,544)	155,276	-	(47,603)	889,239	2,331,450	-
434,019	362,785	1,242,932	40,000	740,172	7,363,827	4,868,013	-
<u>\$ 870,576</u>	<u>\$ 271,241</u>	<u>\$ 1,398,208</u>	<u>\$ 40,000</u>	<u>\$ 692,569</u>	<u>\$ 8,253,066</u>	<u>\$ 7,199,463</u>	<u>\$ -</u>

continued

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

	Donations and Community Programs Fund	Opioid Settlement Fund	Transit Fund	Disaster Recovery Fund	Total
Revenues:					
Licenses, fees and permits	\$ -	\$ -	\$ -	\$ -	\$ 10,931,508
Intergovernmental	-	-	-	6,466,652	43,768,939
Charges for services	-	-	593,877	-	3,425,693
Use of money and property	1,085	13,571	-	2	3,272,926
Other revenue	30,912	637,271	25,594	15,996	758,858
Total Revenues	<u>31,997</u>	<u>650,842</u>	<u>619,471</u>	<u>6,482,650</u>	<u>62,157,924</u>
Expenditures:					
Current:					
General government	-	-	94,424	-	225,853
Public safety	-	52,399	-	-	1,066,906
Public ways and facilities	-	-	-	3,595,420	23,843,757
Community development	29,617	-	-	2,511,372	12,270,398
Capital outlay	-	-	-	14,006	633,984
Debt Service:					
Principal	-	-	-	-	10,650
Interest	-	-	-	-	650
Total Expenditures	<u>29,617</u>	<u>52,399</u>	<u>94,424</u>	<u>6,120,798</u>	<u>38,052,198</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,380</u>	<u>598,443</u>	<u>525,047</u>	<u>361,852</u>	<u>24,105,726</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	141,325
Transfers out	-	-	-	-	(10,112,656)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,971,331)</u>
Net Change in Fund Balance	2,380	598,443	525,047	361,852	14,134,395
Fund Balances, Beginning	<u>79,185</u>	<u>344,401</u>	<u>(2,554,459)</u>	<u>(289,755)</u>	<u>58,408,538</u>
Fund Balances, End of Year	<u>\$ 81,565</u>	<u>\$ 942,844</u>	<u>\$ (2,029,412)</u>	<u>\$ 72,097</u>	<u>\$ 72,542,933</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Recycling Grant Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 44,270	\$ 75,119	\$ 30,849
Use of money and property	-	3,550	3,550
Total Revenues	<u>44,270</u>	<u>78,669</u>	<u>34,399</u>
Expenditures:			
Current:			
Community development	75,119	75,565	(446)
Total Expenditures	<u>75,119</u>	<u>75,565</u>	<u>(446)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(30,849)</u>	<u>3,104</u>	<u>33,953</u>
Other Financing Sources (Uses):			
Transfers in	-	400	(400)
Total Other Financing Sources (Uses)	<u>-</u>	<u>400</u>	<u>400</u>
Net Change in Fund Balance	(30,849)	3,504	34,353
Fund Balance, Beginning	<u>15,837</u>	<u>15,837</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (15,012)</u>	<u>\$ 19,341</u>	<u>\$ 34,353</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Used Oil Grant Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 24,138	\$ 16,251	\$ (7,887)
Use of money and property	-	307	307
Total Revenues	24,138	16,558	(7,580)
Expenditures:			
Current:			
Community development	16,251	16,254	(3)
Total Expenditures	16,251	16,254	(3)
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	7,887	304	(7,583)
Net Change in Fund Balance	7,887	304	(7,583)
Fund Balance, Beginning	6,704	6,704	-
Fund Balance, Ending	\$ 14,591	\$ 7,008	\$ (7,583)

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Household Hazardous Waste Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 14,207	\$ 14,207
Total Revenues	-	14,207	14,207
Expenditures:			
Current:			
Community development	20,373	20,373	-
Total Expenditures	20,373	20,373	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,373)	(6,166)	14,207
Net Change in Fund Balance	(20,373)	(6,166)	14,207
Fund Balance, Beginning	(15,786)	(15,786)	-
Fund Balance, Ending	\$ (36,159)	\$ (21,952)	\$ 14,207

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Tire Collection & Disposal Grant
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 44,700	\$ 33,803	\$ (10,897)
Total Revenues	<u>44,700</u>	<u>33,803</u>	<u>(10,897)</u>
Expenditures:			
Current:			
Community development	24,160	24,160	-
Total Expenditures	<u>24,160</u>	<u>24,160</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>20,540</u>	<u>9,643</u>	<u>(10,897)</u>
Net Change in Fund Balance	20,540	9,643	(10,897)
Fund Balance, Beginning	<u>(27,752)</u>	<u>(27,752)</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (7,212)</u>	<u>\$ (18,109)</u>	<u>\$ (10,897)</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
BSCC Local Police Grant
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 20,209	\$ 20,209
Total Revenues	<u>-</u>	<u>20,209</u>	<u>20,209</u>
Expenditures:			
Current:			
Public safety	20,210	20,210	-
Total Expenditures	<u>20,210</u>	<u>20,210</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(20,210)</u>	<u>(1)</u>	<u>20,209</u>
Net Change in Fund Balance	(20,210)	(1)	20,209
Fund Balance, Beginning	<u>127</u>	<u>127</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (20,083)</u>	<u>\$ 126</u>	<u>\$ 20,209</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
OTS Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 845,718	\$ 703,540	\$ (142,178)
Total Revenues	845,718	703,540	(142,178)
Expenditures:			
Current:			
Public safety	329,596	307,439	22,157
Capital outlay	400,010	399,854	156
Total Expenditures	729,606	707,293	22,313
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	116,112	(3,753)	(119,865)
Net Change in Fund Balance	116,112	(3,753)	(119,865)
Fund Balance, Beginning	27,348	27,348	-
Fund Balance, Ending	\$ 143,460	\$ 23,595	\$ (119,865)

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Local Police Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Current:			
Intergovernmental	\$ 304,482	\$ 304,482	\$ -
Total Revenues	304,482	304,482	-
 Expenditures:			
Current:			
Public safety	209,190	209,191	(1)
Total Expenditures	209,190	209,191	(1)
 Excess (Deficiency) of Revenues			
Over (Under) Expenditures	95,292	95,291	(1)
 Net Change in Fund Balance	95,292	95,291	(1)
 Fund Balance, Beginning	(44,378)	(44,378)	-
 Fund Balance, Ending	\$ 50,914	\$ 50,913	\$ (1)

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
CA Law Enforcement Equipment Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 510,708	\$ 510,708	\$ -
Use of money and property	-	6,054	6,054
Total Revenues	<u>510,708</u>	<u>516,762</u>	<u>6,054</u>
Expenditures:			
Current:			
Public safety	360,558	360,695	(137)
Capital outlay	-	-	-
Total Expenditures	<u>360,558</u>	<u>360,695</u>	<u>(137)</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>150,150</u>	<u>156,067</u>	<u>5,917</u>
Net Change in Fund Balance	150,150	156,067	5,917
Fund Balance, Beginning	<u>216,728</u>	<u>216,728</u>	-
Fund Balance, Ending	<u>\$ 366,878</u>	<u>\$ 372,795</u>	<u>\$ 5,917</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Gas Tax Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 20,000	\$ 191,147	\$ 171,147
Intergovernmental	5,177,297	5,018,067	(159,230)
Use of money and property	26,448	217,018	190,570
Total Revenues	<u>5,223,745</u>	<u>5,426,232</u>	<u>202,487</u>
Expenditures:			
Current:			
Public ways and facilities	3,917,705	3,519,322	398,383
Capital outlay	(963)	5,100	(6,063)
Debt service:			
Principal	6,037	-	6,037
Interest	26	-	26
Total Expenditures	<u>3,916,742</u>	<u>3,524,422</u>	<u>392,320</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,307,003</u>	<u>1,901,810</u>	<u>594,807</u>
Other Financing Sources (Uses):			
Transfers out	(720,569)	(720,568)	(1)
Total Other Financing Sources (Uses)	<u>(720,569)</u>	<u>(720,568)</u>	<u>1</u>
Net Change in Fund Balance	586,434	1,181,242	594,808
Fund Balance, Beginning	<u>4,000,096</u>	<u>4,000,096</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 4,586,530</u>	<u>\$ 5,181,338</u>	<u>\$ 594,808</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
SB1 Streets and Roads Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 4,923,790	\$ 5,297,535	\$ 373,745
Use of money and property	24,115	274,396	250,281
Total Revenues	<u>4,947,905</u>	<u>5,571,931</u>	<u>624,026</u>
Expenditures:			
Current:			
Public ways and facilities	2,726,312	2,727,521	(1,209)
Capital outlay	60,265	60,265	-
Total Expenditures	<u>2,786,577</u>	<u>2,787,786</u>	<u>(1,209)</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>2,161,328</u>	<u>2,784,145</u>	<u>622,817</u>
Net Change in Fund Balance	2,161,328	2,784,145	622,817
Fund Balance, Beginning	<u>4,969,915</u>	<u>4,969,915</u>	-
Fund Balance, Ending	<u>\$ 7,131,243</u>	<u>\$ 7,754,060</u>	<u>\$ 622,817</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Agricultural Preservation Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ -	\$ (1,381)	\$ (1,381)
Total Revenues	-	(1,381)	(1,381)
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	-	(1,381)	(1,381)
Other Financing Sources (Uses):			
Transfers out	(51,529)	(49,115)	(2,414)
Total Other Financing Sources (Uses)	(51,529)	(49,115)	2,414
Net Change in Fund Balance	(51,529)	(50,496)	1,033
Fund Balance, Beginning	50,496	50,496	-
Fund Balance, Ending	\$ (1,033)	\$ -	\$ 1,033

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Swainson's Hawk Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 554,933	\$ 469,827	\$ (85,106)
Use of money and property	44,924	220,133	175,209
Total Revenues	<u>599,857</u>	<u>689,960</u>	<u>90,103</u>
Expenditures:			
Current:			
Community development	2,167,052	34,191	2,132,861
Total Expenditures	<u>2,167,052</u>	<u>34,191</u>	<u>2,132,861</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,567,195)</u>	<u>655,769</u>	<u>2,222,964</u>
Other Financing Sources (Uses):			
Transfers in	51,529	49,115	2,414
Total Other Financing Sources (Uses)	<u>51,529</u>	<u>49,115</u>	<u>(2,414)</u>
Net Change in Fund Balance	(1,515,666)	704,884	2,220,550
Fund Balance, Beginning	<u>4,361,223</u>	<u>4,361,223</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,845,557</u>	<u>\$ 5,066,107</u>	<u>\$ 2,220,550</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Tree Mitigation Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 269,463	\$ 32,100	\$ (237,363)
Use of money and property	12,599	77,257	64,658
Total Revenues	<u>282,062</u>	<u>109,357</u>	<u>(172,705)</u>
Expenditures:			
Current:			
Community development	1,500	578	922
Total Expenditures	<u>1,500</u>	<u>578</u>	<u>922</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>280,562</u>	<u>108,779</u>	<u>(171,783)</u>
Net Change in Fund Balance	280,562	108,779	(171,783)
Fund Balance, Beginning	<u>1,545,033</u>	<u>1,545,033</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,825,595</u>	<u>\$ 1,653,812</u>	<u>\$ (171,783)</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Street Trench Cut Fee Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 200,000	\$ 24,755	\$ (175,245)
Use of money and property	5,888	16,062	10,174
Total Revenues	<u>205,888</u>	<u>40,817</u>	<u>(165,071)</u>
Expenditures:			
Current:			
Public ways and facilities	400	147	253
Community development	100,000	-	100,000
Total Expenditures	<u>100,400</u>	<u>147</u>	<u>100,253</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>105,488</u>	<u>40,670</u>	<u>(64,818)</u>
Other Financing Sources (Uses):			
Transfers out	<u>(8,986)</u>	<u>(8,986)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(8,986)</u>	<u>(8,986)</u>	<u>-</u>
Net Change in Fund Balance	96,502	31,684	(64,818)
Fund Balance, Beginning	<u>477,729</u>	<u>477,729</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 574,231</u>	<u>\$ 509,413</u>	<u>\$ (64,818)</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Community Development Block Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,500,000	\$ 770,761	\$ (729,239)
Use of money and property	181	-	(181)
Total Revenues	1,500,181	770,761	(729,420)
Expenditures:			
Current:			
Community development	1,410,567	733,769	676,798
Capital outlay	138	138	-
Debt service:			
Principal	-	3,192	(3,192)
Interest	-	108	(108)
Total Expenditures	1,410,705	737,207	673,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	89,476	33,554	(55,922)
Net Change in Fund Balance	89,476	33,554	(55,922)
Fund Balance, Beginning	30,734	30,734	-
Fund Balance, Ending	\$ 120,210	\$ 64,288	\$ (55,922)

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
State Homeless Appropriations Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 59,923	\$ 45,606	\$ (14,317)
Total Revenues	59,923	45,606	(14,317)
Expenditures:			
Current:			
Community development	2,584,885	103,110	2,481,775
Total Expenditures	2,584,885	103,110	2,481,775
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,524,962)	(57,504)	2,467,458
Net Change in Fund Balance	(2,524,962)	(57,504)	2,467,458
Fund Balance, Beginning	3,701,628	3,701,628	-
Fund Balance, Ending	\$ 1,176,666	\$ 3,644,124	\$ 2,467,458

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Strategic Planning Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 935,000	\$ 371,221	\$ (563,779)
Total Revenues	<u>935,000</u>	<u>371,221</u>	<u>(563,779)</u>
Expenditures:			
Current:			
General Government	610,651	131,429	479,222
Total Expenditures	<u>610,651</u>	<u>131,429</u>	<u>479,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>324,349</u>	<u>239,792</u>	<u>(84,557)</u>
Other Financing Sources (Uses):			
Transfers in	-	91,810	91,810
Transfers out	-	(399,260)	399,260
Total Other Financing Sources (Uses)	<u>-</u>	<u>(307,450)</u>	<u>(307,450)</u>
Net Change in Fund Balance	324,349	(67,658)	(392,007)
Fund Balance, Beginning	<u>155,806</u>	<u>155,806</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 480,155</u>	<u>\$ 88,148</u>	<u>\$ (392,007)</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Police Services CFD Funds
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 10,000	\$ 14,150	\$ 4,150
Intergovernmental	6,180,765	6,442,615	261,850
Use of money and property	47,546	33,589	(13,957)
Total Revenues	<u>6,238,311</u>	<u>6,490,354</u>	<u>252,043</u>
Expenditures:			
Current:			
Public safety	15,395	18,381	(2,986)
Capital outlay	21,219	42,231	(21,012)
Total Expenditures	<u>36,614</u>	<u>60,612</u>	<u>(23,998)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,201,697</u>	<u>6,429,742</u>	<u>228,045</u>
Other Financing Sources (Uses):			
Transfers out	(6,105,599)	(6,105,599)	-
Total Other Financing Sources (Uses)	<u>(6,105,599)</u>	<u>(6,105,599)</u>	<u>-</u>
Net Change in Fund Balance	96,098	324,143	228,045
Fund Balance, Beginning	<u>564,044</u>	<u>564,044</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 660,142</u>	<u>\$ 888,187</u>	<u>\$ 228,045</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Maintenance Services CFD Funds
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 690,000	\$ 910,172	\$ 220,172
Intergovernmental	6,801,597	7,461,611	660,014
Use of money and property	145,150	748,779	603,629
Other	5,000	36,997	31,997
Total Revenues	<u>7,641,747</u>	<u>9,157,559</u>	<u>1,515,812</u>
Expenditures:			
Current:			
Public ways and facilities	8,442,248	7,312,886	1,129,362
Capital outlay	21,929	27,430	(5,501)
Total Expenditures	<u>8,464,177</u>	<u>7,340,316</u>	<u>1,123,861</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(822,430)</u>	<u>1,817,243</u>	<u>2,639,673</u>
Other Financing Sources (Uses):			
Transfers out	(700,494)	(700,494)	-
Total Other Financing Sources (Uses)	<u>(700,494)</u>	<u>(700,494)</u>	<u>-</u>
Net Change in Fund Balance	(1,522,924)	1,116,749	2,639,673
Fund Balance, Beginning	<u>13,042,748</u>	<u>13,042,748</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 11,519,824</u></u>	<u><u>\$ 14,159,497</u></u>	<u><u>\$ 2,639,673</u></u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Street Maintenance District Funds
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 2,786,030	\$ 2,840,319	\$ 54,289
Licenses, fees and permits	11,500	27,468	15,968
Use of money and property	1,256,254	551,790	(704,464)
Total Revenues	<u>4,053,784</u>	<u>3,419,577</u>	<u>(634,207)</u>
Expenditures:			
Current:			
Public ways and facilities	660,069	582,132	77,937
Capital outlay	27,931	17,878	10,053
Total Expenditures	<u>688,000</u>	<u>600,010</u>	<u>87,990</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,365,784</u>	<u>2,819,567</u>	<u>(546,217)</u>
Other Financing Sources (Uses):			
Transfers out	(210,680)	(210,680)	-
Total Other Financing Sources (Uses)	<u>(210,680)</u>	<u>(210,680)</u>	<u>-</u>
Net Change in Fund Balance	3,155,104	2,608,887	(546,217)
Fund Balance, Beginning	<u>12,699,138</u>	<u>12,699,138</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 15,854,242</u>	<u>\$ 15,308,025</u>	<u>\$ (546,217)</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Street Lighting Maintenance District Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,317,679	\$ 1,354,048	\$ 36,369
Use of money and property	5,658	51,702	46,044
Total Revenues	<u>1,323,337</u>	<u>1,405,750</u>	<u>82,413</u>
Expenditures:			
Current:			
Public ways and facilities	1,212,129	783,559	428,570
Capital outlay	38,477	55,042	(16,565)
Total Expenditures	<u>1,250,606</u>	<u>838,601</u>	<u>412,005</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>72,731</u>	<u>567,149</u>	<u>494,418</u>
Other Financing Sources (Uses):			
Transfers out	(130,592)	(130,592)	-
Total Other Financing Sources (Uses)	<u>(130,592)</u>	<u>(130,592)</u>	<u>-</u>
Net Change in Fund Balance	(57,861)	436,557	494,418
Fund Balance, Beginning	<u>434,019</u>	<u>434,019</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 376,158</u>	<u>\$ 870,576</u>	<u>\$ 494,418</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Asset Seizure State and Federal Funds
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 19,087	\$ 19,087	\$ -
Total Revenues	19,087	19,087	-
Expenditures:			
Current:			
Public Safety	98,591	98,591	-
Capital Outlay	12,040	12,040	-
Total Expenditures	110,631	110,631	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(91,544)	(91,544)	-
Net Change in Fund Balance	(91,544)	(91,544)	-
Fund Balance, Beginning	362,785	362,785	-
Fund Balance, Ending	\$ 271,241	\$ 271,241	\$ -

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Library Ownership Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 125,000	\$ 159,355	\$ 34,355
Use of money and property	13,356	60,352	46,996
Other revenue	-	388	388
Total Revenues	<u>138,356</u>	<u>220,095</u>	<u>81,739</u>
Expenditures:			
Current:			
Public way and facilities	65,250	51,877	13,373
Total Expenditures	<u>65,250</u>	<u>51,877</u>	<u>13,373</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>73,106</u>	<u>168,218</u>	<u>95,112</u>
Other Financing Sources (Uses):			
Transfers out	(12,942)	(12,942)	-
Total Other Financing Sources (Uses)	<u>(12,942)</u>	<u>(12,942)</u>	<u>-</u>
Net Change in Fund Balance	60,164	155,276	95,112
Fund Balance, Beginning	<u>1,242,932</u>	<u>1,242,932</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,303,096</u>	<u>\$ 1,398,208</u>	<u>\$ 95,112</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
HUD Home Grant
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Expenditures:			
Current:			
Community Development	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	40,000	40,000	-
Fund Balance, Ending	\$ 40,000	\$ 40,000	\$ -

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Neighborhood Stabilization Program Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 61,017	\$ 7,611	\$ (53,406)
Total Revenues	61,017	7,611	(53,406)
Expenditures:			
Current:			
Public ways and facilities	405,514	55,214	350,300
Total Expenditures	405,514	55,214	350,300
Excess (Deficiency) of Revenues Over (Under) Expenditures	(344,497)	(47,603)	296,894
Net Change in Fund Balance	(344,497)	(47,603)	296,894
Fund Balance, Beginning	740,172	740,172	-
Fund Balance, Ending	\$ 395,675	\$ 692,569	\$ 296,894

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Measure A Maintenance Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 5,746,620	\$ 5,889,349	\$ 142,729
Use of money and property	66,323	497,737	431,414
Total Revenues	<u>5,812,943</u>	<u>6,387,086</u>	<u>574,143</u>
Expenditures:			
Current:			
Public ways and facilities	4,972,808	4,739,253	233,555
Total Expenditures	<u>4,972,808</u>	<u>4,739,253</u>	<u>233,555</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>840,135</u>	<u>1,647,833</u>	<u>807,698</u>
Other Financing Sources (Uses):			
Transfers out	(758,595)	(758,594)	(1)
Total Other Financing Sources (Uses)	<u>(758,595)</u>	<u>(758,594)</u>	<u>1</u>
Net Change in Fund Balance	81,540	889,239	807,699
Fund Balance, Beginning	<u>7,363,827</u>	<u>7,363,827</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 7,445,367</u>	<u>\$ 8,253,066</u>	<u>\$ 807,699</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Development Services Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 9,006,986	\$ 9,261,889	\$ 254,903
Charges for services	3,632,651	2,831,816	(800,835)
Use of money and property	34,510	447,706	413,196
Total Revenues	<u>12,674,147</u>	<u>12,541,411</u>	<u>(132,736)</u>
Expenditures:			
Current:			
Public ways and facilities	535,334	476,426	58,908
Community development	10,051,322	8,721,409	1,329,913
Debt Service:			
Principal	-	7,458	(7,458)
Interest	-	542	(542)
Total Expenditures	<u>10,586,656</u>	<u>9,205,835</u>	<u>1,380,821</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,087,491</u>	<u>3,335,576</u>	<u>1,248,085</u>
Other Financing Sources (Uses):			
Transfers out	(1,001,227)	(1,004,126)	(2,899)
Total Other Financing Sources (Uses)	<u>(1,001,227)</u>	<u>(1,004,126)</u>	<u>(2,899)</u>
Net Change in Fund Balance	1,086,264	2,331,450	1,245,186
Fund Balance, Beginning	<u>4,868,013</u>	<u>4,868,013</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 5,954,277</u>	<u>\$ 7,199,463</u>	<u>\$ 1,245,186</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Performance Bond Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other revenue	\$ -	\$ 11,700	\$ 11,700
Total Revenues	-	11,700	11,700
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	-	11,700	11,700
Other Financing Sources (Uses):			
Transfers out	-	(11,700)	(11,700)
Total Other Financing Sources (Uses)	-	(11,700)	(11,700)
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Donations and Community Programs Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ -	\$ 1,085	\$ 1,085
Other	-	30,912	30,912
Total Revenues	<u>-</u>	<u>31,997</u>	<u>31,997</u>
Expenditures:			
Current:			
Community development	35,050	29,617	5,433
Total Expenditures	<u>35,050</u>	<u>29,617</u>	<u>5,433</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,050)</u>	<u>2,380</u>	<u>37,430</u>
Net Change in Fund Balance	(35,050)	2,380	37,430
Fund Balance, Beginning	<u>79,185</u>	<u>79,185</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 44,135</u>	<u>\$ 81,565</u>	<u>\$ 37,430</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Opioid Settlement Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ -	\$ 13,571	\$ 13,571
Other revenue	-	637,271	637,271
Total Revenues	<u>-</u>	<u>650,842</u>	<u>650,842</u>
Expenditures:			
Current:			
Public safety	159,948	52,399	107,549
Total Expenditures	<u>159,948</u>	<u>52,399</u>	<u>107,549</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(159,948)</u>	<u>598,443</u>	<u>758,391</u>
Net Change in Fund Balance	(159,948)	598,443	758,391
Fund Balance, Beginning	<u>344,401</u>	<u>344,401</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 184,453</u>	<u>\$ 942,844</u>	<u>\$ 758,391</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Transit Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 600,767	\$ 593,877	\$ (6,890)
Other revenue	-	25,594	25,594
Total Revenues	<u>600,767</u>	<u>619,471</u>	<u>18,704</u>
Expenditures:			
Current:			
General government	153,645	94,424	59,221
Total Expenditures	<u>153,645</u>	<u>94,424</u>	<u>59,221</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>447,122</u>	<u>525,047</u>	<u>77,925</u>
Net Change in Fund Balance	447,122	525,047	77,925
Fund Balance, Beginning	<u>(2,554,459)</u>	<u>(2,554,459)</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (2,107,337)</u>	<u>\$ (2,029,412)</u>	<u>\$ 77,925</u>

CITY OF ELK GROVE
Special Revenue Fund
Budgetary Comparison Schedule
Disaster Recovery Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 12,484,632	\$ 6,466,652	\$ (6,017,980)
Use of money and property	-	2	2
Other revenue	-	15,996	15,996
Total Revenues	12,484,632	6,482,650	(6,001,982)
Expenditures:			
Current:			
Community development	2,511,372	2,511,372	-
Public ways and facilities	3,595,420	3,595,420	-
Capital Outlay	14,006	14,006	-
Total Expenditures	6,120,798	6,120,798	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,363,834	361,852	(6,001,982)
Net Change in Fund Balance	6,363,834	361,852	(6,001,982)
Fund Balance, Beginning	(289,755)	(289,755)	(289,755)
Fund Balance, Ending	\$ 6,074,079	\$ 72,097	\$ (6,291,737)

CAPITAL PROJECTS FUNDS

DEFINITION

The Capital Projects Funds were established to account for financial resources for the acquisition or construction of major capital facilities.

Nonmajor Capital Projects Funds

Measure A Construction Funds – Established to account for monies received under the Measure A Transportation Expenditure Agreement, approved by the voters in 1988, which pays for transportation infrastructure projects.

LTF (Local Transportation Fund) – Bikes & Pedestrians Fund – Established to account for the bicycle/pedestrian allocation of TDA funding which is used for public transportation planning, public transportation services, and community transit purposes.

Capital Facilities Funds – Established to account for new developments' share of construction and acquisition of a civic center, police facility, corporation yard, intelligent transportation system, library, railroad over crossing, rapid transit and other City facilities.

Laguna West Service Area Fund – Established to account for fees that fund the ongoing operations and maintenance costs for specialized services related to drainage, roadways, and street sweeping the Laguna West area.

Lakeside Service Area Fund – Established to account for fees that fund the ongoing operations and maintenance costs for specialized services related to drainage, roadways, and street sweeping the Lakeside area.

In Lieu Funds – Established to account for the monies received in lieu of developer built infrastructure.

East Franklin CFD 2002-1 Fund – Established to account for special revenue taxes and the costs of infrastructure within the boundaries of this finance district.

Poppy Ridge CFD 2003-1 Fund – Established to account for special taxes to fund the cost of infrastructure and a portion of police protection operational costs within the boundaries of this finance district.

District56 Nature Area and Old Town Plaza – Established to account for costs associated with The Preserve at District56 and old Town Plaza

Animal Shelter Fund – Established to pay for the construction expenses related to the City of Elk Grove Animal Shelter.

Laguna CFD Fund – Fund the acquisition and construction of certain public facilities required in connection with the development of the land within the district which consists of approximately 2,440 acres.

Laguna West CFD Fund – Established to fund the acquisition and construction of certain public facilities within the boundaries of this finance district.

Lakeside CFD Fund – Established to fund the acquisition and construction of certain public facilities within the boundaries of this finance district.

Southeast Policy Area (SEPA) Mitigation Funds – Established to account for development impact fees.

PD Tenant Improvements Fund – Established to account for expenditures associated with capital improvements to various Police facilities. The expenditures are funded from bond proceeds received from the Debt Service Elk Grove Finance Authority – Police Campus Improvements Fund (Fund 408), where the debt service payments are made.

Active Transportation Fee Capital Projects Fund - Established to account for Citywide, multi-zonal fee program funds used to fund pedestrian and bicycle lanes, paths and trails.

CITY OF ELK GROVE
Major Capital Projects Funds
Supplemental Budgetary Comparison Schedules
Federal Capital Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 21,652,437	\$ 3,421,372	\$ (18,231,065)
Use of money and property	2,860	1	(2,859)
Total Revenues	<u>21,655,297</u>	<u>3,421,373</u>	<u>(18,233,924)</u>
Expenditures:			
Current:			
Public ways and facilities	746,941	580,153	166,788
Total Expenditures	<u>746,941</u>	<u>580,153</u>	<u>166,788</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>20,908,356</u>	<u>2,841,220</u>	<u>(18,067,136)</u>
Other Financing Sources (Uses):			
Transfers (out)	-	(166,788)	(166,788)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(166,788)</u>	<u>(166,788)</u>
Net Change in Fund Balance	20,908,356	2,674,432	(18,233,924)
Fund Balance, Beginning	<u>(2,764,380)</u>	<u>(2,764,380)</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 18,143,976</u>	<u>\$ (89,948)</u>	<u>\$ (18,233,924)</u>

CITY OF ELK GROVE
Major Capital Projects Funds
Supplemental Budgetary Comparison Schedules
State Grants Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 17,030,148	\$ 2,105,556	\$ (14,924,592)
Use of money and property	-	125,901	125,901
Total Revenues	17,030,148	2,231,457	(14,798,691)
Expenditures:			
Current:			
Public ways and facilities	1,501,109	1,475,390	25,719
Total Expenditures	1,501,109	1,475,390	25,719
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,529,039	756,067	(14,772,972)
Net Change in Fund Balance	15,529,039	756,067	(14,772,972)
Fund Balance, Beginning	(970,980)	(970,980)	-
Fund Balance, Ending	\$ 14,558,059	\$ (214,913)	\$ (14,772,972)

CITY OF ELK GROVE
Major Capital Projects Funds
Supplemental Budgetary Comparison Schedules
Roadway Fee Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 8,038,122	\$ 7,415,343	\$ (622,779)
Use of money and property	262,534	2,308,977	2,046,443
Other revenue	-	30,000	30,000
Total Revenues	<u>8,300,656</u>	<u>9,754,320</u>	<u>1,453,664</u>
Expenditures:			
Current:			
Public ways and facilities	3,518,502	2,508,700	1,009,802
Total Expenditures	<u>3,518,502</u>	<u>2,508,700</u>	<u>1,009,802</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>4,782,154</u>	<u>7,245,620</u>	<u>2,463,466</u>
Other Financing Sources (Uses):			
Transfers In	-	1,169,960	1,169,960
Transfers out	(1,831,701)	(1,831,701)	-
Total Other Financing Sources (Uses)	<u>(1,831,701)</u>	<u>(661,741)</u>	<u>1,169,960</u>
Net Change in Fund Balance	2,950,453	6,583,879	3,633,426
Fund Balance, Beginning	<u>45,621,853</u>	<u>45,621,853</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 48,572,306</u>	<u>\$ 52,205,732</u>	<u>\$ 3,633,426</u>

CITY OF ELK GROVE
Major Capital Projects Funds
Supplemental Budgetary Comparison Schedules
Laguna Ridge CFD 2005-1 Fund
For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 10,000	\$ 2,359,169	\$ 2,349,169
Intergovernmental	-	219,668	219,668
Contribution from Community Facility District	4,246,948	4,188,542	(58,406)
Use of money and property	33,964	599,467	565,503
Other revenue	-	93	93
Total Revenues	<u>4,290,912</u>	<u>7,366,939</u>	<u>3,076,027</u>
Expenditures:			
Current:			
Public ways and facilities	10,536,180	10,175,251	360,929
Debt service:			
Principal	-	17,304	(17,304)
Total Expenditures	<u>10,536,180</u>	<u>10,192,555</u>	<u>343,625</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(6,245,268)</u>	<u>(2,825,616)</u>	<u>3,419,652</u>
Other Financing Sources (Uses):			
Issuance of debt	-	48,319	48,319
Transfers out	(1,536,703)	(1,536,703)	-
Total Other Financing Sources (Uses)	<u>(1,536,703)</u>	<u>(1,488,384)</u>	<u>48,319</u>
Net Change in Fund Balance	<u>(7,781,971)</u>	<u>(4,314,000)</u>	<u>3,467,971</u>
Fund Balance, Beginning, As Previously Reported	24,537,053	24,537,053	-
Restatement for a correction of an error	(4,201,869)	(4,201,869)	-
Fund Balance, Beginning, As Restated	<u>20,335,184</u>	<u>20,335,184</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 12,553,213</u>	<u>\$ 16,021,184</u>	<u>\$ 3,467,971</u>

This Page Left Intentionally Blank

CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2024

	Measure A Construction Funds	LTF Bikes & Pedestrian Fund	Capital Facilities Funds	Laguna West Service Area Fund	Lakeside Service Area Fund
<u>ASSETS</u>					
Cash and investments	\$ 3,765,933	\$ 488,759	\$ 29,166,100	\$ 666,776	\$ 81,102
Cash with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	25,000	4,386	435
Interest receivable	20,203	-	156,467	-	-
Due from other government agencies	107,784	-	-	-	-
Advances to other funds	-	-	898,908	-	-
Long-term development fees receivable	-	-	3,512,031	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 3,893,920</u>	<u>\$ 488,759</u>	<u>\$ 33,758,506</u>	<u>\$ 671,162</u>	<u>\$ 81,537</u>
<u>LIABILITIES</u>					
Accounts payable	\$ 333,813	\$ -	\$ 17,207	\$ 21,370	\$ -
Accrued salaries and benefits	7,915	-	513	-	-
Retention payable	2,673	-	-	-	-
Advances from other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>344,401</u>	<u>-</u>	<u>17,720</u>	<u>21,370</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue	<u>19,627</u>	<u>-</u>	<u>3,664,034</u>	<u>3,475</u>	<u>423</u>
<u>FUND BALANCES</u>					
Restricted	<u>3,529,892</u>	<u>488,759</u>	<u>30,076,752</u>	<u>646,317</u>	<u>81,114</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>3,529,892</u>	<u>488,759</u>	<u>30,076,752</u>	<u>646,317</u>	<u>81,114</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,893,920</u>	<u>\$ 488,759</u>	<u>\$ 33,758,506</u>	<u>\$ 671,162</u>	<u>\$ 81,537</u>

In Lieu Funds	East Franklin CFD 2002-1 Fund	Poppy Ridge CFD 2003-1 Fund	District56 Nature Area and OT Plaza Fund	Animal Shelter Fund	Laguna CFD Fund	Laguna West CFD Fund
\$ 2,946,894	\$ 5,164,864	\$ 572,806	\$ 219,335	\$ 27,404	\$ 1,059,279	\$ 146,892
-	-	224	-	-	-	-
49,891	30,318	3,073	1,177	147	5,683	788
-	-	-	-	-	-	-
-	-	-	-	-	-	-
125,629	-	-	-	-	-	-
<u>\$ 3,122,414</u>	<u>\$ 5,195,182</u>	<u>\$ 576,103</u>	<u>\$ 220,512</u>	<u>\$ 27,551</u>	<u>\$ 1,064,962</u>	<u>\$ 147,680</u>
\$ -	\$ 27,200	\$ 61	\$ -	\$ -	\$ -	\$ -
-	382	382	-	-	-	-
-	-	-	-	36,127	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	27,582	443	-	36,127	-	-
175,064	29,453	2,985	1,143	143	5,521	766
2,947,350	5,138,147	572,675	219,369	(8,719)	1,059,441	146,914
2,947,350	5,138,147	572,675	219,369	(8,719)	1,059,441	146,914
<u>\$ 3,122,414</u>	<u>\$ 5,195,182</u>	<u>\$ 576,103</u>	<u>\$ 220,512</u>	<u>\$ 27,551</u>	<u>\$ 1,064,962</u>	<u>\$ 147,680</u>

continued

CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Capital Projects Funds (continued)
June 30, 2024

	Lakeside CFD Fund	SEPA Mitigation Funds	PD Tenant Improvements Fund	Active Transportation Fee Fund	Mitigation and Fee Funds	Total
<u>ASSETS</u>						
Cash and investments	\$ -	\$ 36,360,746	\$ -	\$ 3,100,568	\$ 25,406,728	\$ 109,174,186
Cash with fiscal agent	-	-	5,850,200	-	-	5,850,424
Accounts receivable	-	195,065	-	16,634	-	332,597
Interest receivable	-	-	-	-	136,299	312,969
Due from other government agencies	-	-	-	-	-	107,784
Advances to other funds	-	-	-	-	-	898,908
Long-term development fees receivable	-	2,190,954	-	54,838	7,722,384	13,605,836
	<u>\$ -</u>	<u>\$ 38,746,765</u>	<u>\$ 5,850,200</u>	<u>\$ 3,172,040</u>	<u>\$ 33,265,411</u>	<u>\$ 130,282,704</u>
<u>LIABILITIES</u>						
Accounts payable	\$ -	\$ 402	\$ 278,361	\$ 896	\$ 313,230	\$ 992,540
Accrued salaries and benefits	-	1,590.00	-	820	1,281	12,883
Retention payable	-	-	78,331	-	-	117,131
Advances from other funds	-	-	844,638	-	2,696,696	3,541,334
Unearned revenue	-	1,490,870	-	-	-	1,490,870
	<u>-</u>	<u>1,492,862</u>	<u>1,201,330</u>	<u>1,716</u>	<u>3,011,207</u>	<u>6,154,758</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable revenue	-	2,380,454	-	70,997	7,854,796	14,208,881
<u>FUND BALANCES</u>						
Restricted	-	34,873,449	4,648,870	3,099,327	22,399,408	109,919,065
	<u>-</u>	<u>34,873,449</u>	<u>4,648,870</u>	<u>3,099,327</u>	<u>22,399,408</u>	<u>109,919,065</u>
Total Fund Balances	<u>-</u>	<u>34,873,449</u>	<u>4,648,870</u>	<u>3,099,327</u>	<u>22,399,408</u>	<u>109,919,065</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 38,746,765</u>	<u>\$ 5,850,200</u>	<u>\$ 3,172,040</u>	<u>\$ 33,265,411</u>	<u>\$ 130,282,704</u>

This Page Left Intentionally Blank

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2024

	Measure A Construction Funds	LTF Bike & Pedestrian Fund	Capital Facilities Funds	Laguna West Service Area Fund	Lakeside Service Area Fund
Revenues:					
Licenses, fees and permits	\$ -	\$ -	\$ 6,164,371	\$ -	\$ -
Intergovernmental	1,449,203	914,447	-	61,439	-
Use of money and property	196,485	1,101	1,181,717	32,140	3,960
Other Revenue	-	-	25,000	-	-
Total Revenues	1,645,688	915,548	7,371,088	93,579	3,960
Expenditures:					
Current:					
Public ways and facilities	1,490,995	-	22,574	46,283	29
Capital outlay	1,943	-	441,624	-	-
Total Expenditures	1,492,938	-	464,198	46,283	29
Excess (Deficiency) of Revenues Over (Under) Expenditures	152,750	915,548	6,906,890	47,296	3,931
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	(262,338)	(35,577)	(932,661)	(9,714)	(2,027)
Total Other Financing Sources (Uses)	(262,338)	(35,577)	(932,661)	(9,714)	(2,027)
Net Change in Fund Balances	(109,588)	879,971	5,974,229	37,582	1,904
Fund Balances, Beginning	3,639,480	(391,212)	24,102,523	608,735	79,210
Fund Balances, End of Year	<u>\$ 3,529,892</u>	<u>\$ 488,759</u>	<u>\$ 30,076,752</u>	<u>\$ 646,317</u>	<u>\$ 81,114</u>

In Lieu Funds	East Franklin CFD 2002-1 Fund	Poppy Ridge CFD 2003-1 Fund	District 56 Nature Area and OT Plaza Fund	Animal Shelter Fund	Laguna CFD Fund	Laguna West CFD Fund
\$ 23,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
83,479	324,037	28,947	10,445	1,307	50,435	6,994
-	-	-	-	-	-	-
<u>106,879</u>	<u>324,037</u>	<u>28,947</u>	<u>10,445</u>	<u>1,307</u>	<u>50,435</u>	<u>6,994</u>
-	-	-	78	-	375	52
-	475,434	24,775	-	10	-	-
-	475,434	24,775	78	10	375	52
<u>106,879</u>	<u>(151,397)</u>	<u>4,172</u>	<u>10,367</u>	<u>1,297</u>	<u>50,060</u>	<u>6,942</u>
-	-	-	-	-	-	-
(1,789,520)	(1,241,955)	(13,440)	-	-	-	-
(1,789,520)	(1,241,955)	(13,440)	-	-	-	-
(1,682,641)	(1,393,352)	(9,268)	10,367	1,297	50,060	6,942
<u>4,629,991</u>	<u>6,531,499</u>	<u>581,943</u>	<u>209,002</u>	<u>(10,016)</u>	<u>1,009,381</u>	<u>139,972</u>
<u>\$ 2,947,350</u>	<u>\$ 5,138,147</u>	<u>\$ 572,675</u>	<u>\$ 219,369</u>	<u>\$ (8,719)</u>	<u>\$ 1,059,441</u>	<u>\$ 146,914</u>

continued

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2024

	Lakeside CFD Fund	SEPA Mitigation Funds	PD Tenant Improvements Fund	Active Transportation Fee Fund	Mitigation and Fee Funds	Total
Revenues:						
Licenses, fees and permits	\$ -	\$ 14,992,276	\$ -	\$ 1,871,255	\$ -	\$ 23,051,302
Intergovernmental	-	-	-	-	10,663,431	13,088,520
Use of money and property	-	1,141,872	-	39,092	729,614	3,831,625
Other Revenue	-	-	-	-	-	25,000
Total Revenues	-	16,134,148	-	1,910,347	11,393,045	39,996,447
Expenditures:						
Current:						
Public ways and facilities	-	(204,451)	-	21,604	364,524	1,742,063
Capital outlay	-	-	2,990,087	896	-	3,934,769
Total Expenditures	-	(204,451)	2,990,087	22,500	364,524	5,676,832
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	16,338,599	(2,990,087)	1,887,847	11,028,521	34,319,615
Other Financing Sources (Uses):						
Transfers in	614	-	-	586,313	-	586,927
Transfers out	-	-	-	-	(416,912)	(4,704,144)
Total Other Financing Sources (Uses)	614	-	-	586,313	(416,912)	(4,117,217)
Net Change in Fund Balances	614	16,338,599	(2,990,087)	2,474,160	10,611,609	30,202,398
Fund Balances, Beginning	(614)	18,534,850	7,638,957	625,167	11,787,799	79,716,667
Fund Balances, End of Year	\$ -	\$ 34,873,449	\$ 4,648,870	\$ 3,099,327	\$ 22,399,408	\$ 109,919,065

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Measure A Construction Funds
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,421,529	\$ 1,449,203	\$ 27,674
Use of money and property	15,990	196,485	180,495
Total Revenues	<u>1,437,519</u>	<u>1,645,688</u>	<u>208,169</u>
Expenditures:			
Current:			
Public ways and facilities	1,545,873	1,490,995	54,878
Capital outlay	71,943	1,943	70,000
Total Expenditures	<u>1,617,816</u>	<u>1,492,938</u>	<u>124,878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(180,297)</u>	<u>152,750</u>	<u>333,047</u>
Other Financing Sources (Uses):			
Transfers out	(262,338)	(262,338)	-
Total Other Financing Sources (Uses)	<u>(262,338)</u>	<u>(262,338)</u>	<u>-</u>
Net Change in Fund Balance	(442,635)	(109,588)	333,047
Fund Balance, Beginning	<u>3,639,480</u>	<u>3,639,480</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 3,196,845</u>	<u>\$ 3,529,892</u>	<u>\$ 333,047</u>

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 LTF Bike & Pedestrian Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 308,910	\$ 914,447	\$ 605,537
Use of money and property	4,237	1,101	(3,136)
Total Revenues	313,147	915,548	602,401
 Excess (Deficiency) of Revenues			
Over (Under) Expenditures	313,147	915,548	602,401
 Other Financing Sources (Uses):			
Transfers out	(35,577)	(35,577)	-
Total Other Financing Sources (Uses)	(35,577)	(35,577)	-
 Net Change in Fund Balance	277,570	879,971	602,401
 Fund Balance, Beginning	(391,212)	(391,212)	-
 Fund Balance, Ending	\$ (113,642)	\$ 488,759	\$ 602,401

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Capital Facilities Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 3,093,508	\$ 6,164,371	\$ 3,070,863
Use of money and property	806,981	1,181,717	374,736
Other revenue	-	25,000	25,000
Total Revenues	<u>3,900,489</u>	<u>7,371,088</u>	<u>3,470,599</u>
Expenditures:			
Current:			
Public ways and facilities	49,488	22,574	26,914
Capital outlay	561,269	441,624	119,645
Total Expenditures	<u>610,757</u>	<u>464,198</u>	<u>146,559</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>3,289,732</u>	<u>6,906,890</u>	<u>3,617,158</u>
Other Financing Sources (Uses):			
Transfers out	(932,661)	(932,661)	-
Total Other Financing Sources (Uses)	<u>(932,661)</u>	<u>(932,661)</u>	<u>-</u>
Net Change in Fund Balance	2,357,071	5,974,229	3,617,158
Fund Balance, Beginning	<u>24,102,523</u>	<u>24,102,523</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 26,459,594</u></u>	<u><u>\$ 30,076,752</u></u>	<u><u>\$ 3,617,158</u></u>

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Laguna West Service Area Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property taxes	\$ 61,000	\$ 61,439	\$ 439
Use of money and property	6,235	32,140	25,905
Total Revenues	67,235	93,579	26,344
Expenditures:			
Current:			
Public ways and facilities	57,900	46,283	11,617
Total Expenditures	57,900	46,283	11,617
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,335	47,296	37,961
Other Financing Sources (Uses):			
Transfers out	(9,714)	(9,714)	-
Total Other Financing Sources (Uses)	(9,714)	(9,714)	-
Net Change in Fund Balance	(379)	37,582	37,961
Fund Balance, Beginning	608,735	608,735	-
Fund Balance, Ending	\$ 608,356	\$ 646,317	\$ 37,961

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Lakeside Service Area Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 837	\$ 3,960	\$ 3,123
Total Revenues	837	3,960	3,123
Expenditures:			
Current:			
Public ways and facilities	61	29	32
Total Expenditures	61	29	32
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	776	3,931	3,155
Other Financing Sources (Uses):			
Transfers out	(2,027)	(2,027)	-
Total Other Financing Sources (Uses)	(2,027)	(2,027)	-
Net Change in Fund Balance	(1,251)	1,904	3,155
Fund Balance, Beginning	79,210	79,210	-
Fund Balance, Ending	\$ 77,959	\$ 81,114	\$ 3,155

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 In Lieu Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 532,335	\$ 23,400	\$ (508,935)
Use of money and property	-	83,479	83,479
Total Revenues	532,335	106,879	(425,456)
Expenditures:			
Current:			
Public ways and facilities	57,800	-	57,800
Total Expenditures	57,800	-	57,800
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	474,535	106,879	(367,656)
Other Financing Sources (Uses):			
Transfers out	(562,260)	(1,789,520)	1,227,260
Total Other Financing Sources (Uses)	(562,260)	(1,789,520)	(1,227,260)
Net Change in Fund Balance	(87,725)	(1,682,641)	(1,594,916)
Fund Balance, Beginning	4,629,991	4,629,991	-
Fund Balance, Ending	\$ 4,542,266	\$ 2,947,350	\$ (1,594,916)

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 East Franklin CFD 2002-1 Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 51,008	\$ 324,037	\$ 273,029
Other revenue	-	-	-
Total Revenues	51,008	324,037	273,029
Expenditures:			
Capital outlay	504,199	475,434	28,765
Total Expenditures	504,199	475,434	28,765
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(453,191)	(151,397)	301,794
Other Financing Sources (Uses):			
Transfers out	(1,241,956)	(1,241,955)	(1)
Total Other Financing Sources (Uses)	(1,241,956)	(1,241,955)	1
Net Change in Fund Balance	(1,695,147)	(1,393,352)	301,795
Fund Balance, Beginning	6,531,499	6,531,499	-
Fund Balance, Ending	\$ 4,836,352	\$ 5,138,147	\$ 301,795

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Poppy Ridge CFD 2003-1 Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 100,000	\$ -	\$ (100,000)
Use of money and property	6,152	28,947	22,795
Total Revenues	<u>106,152</u>	<u>28,947</u>	<u>(77,205)</u>
Expenditures:			
Capital outlay	44,874	24,775	20,099
Total Expenditures	<u>44,874</u>	<u>24,775</u>	<u>20,099</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>61,278</u>	<u>4,172</u>	<u>(57,106)</u>
Other Financing Sources (Uses):			
Transfers out	(13,440)	(13,440)	-
Total Other Financing Sources (Uses)	<u>(13,440)</u>	<u>(13,440)</u>	<u>-</u>
Net Change in Fund Balance	47,838	(9,268)	(57,106)
Fund Balance, Beginning	<u>581,943</u>	<u>581,943</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 629,781</u></u>	<u><u>\$ 572,675</u></u>	<u><u>\$ (57,106)</u></u>

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 District 56 Nature Area and OT Plaza Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ -	\$ 10,445	\$ 10,445
Total Revenues	-	10,445	10,445
Expenditures:			
Current:			
Public ways and facilities	250	78	172
Total Expenditures	250	78	172
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(250)	10,367	10,617
Net Change in Fund Balance	(250)	10,367	10,617
Fund Balance, Beginning	209,002	209,002	-
Fund Balance, Ending	\$ 208,752	\$ 219,369	\$ 10,617

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Animal Shelter Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 387	\$ 1,307	\$ 920
Total Revenues	387	1,307	920
Expenditures:			
Capital outlay	500	10	490
Total Expenditures	500	10	490
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(113)	1,297	1,410
Net Change in Fund Balance	(113)	1,297	1,410
Fund Balance, Beginning	(10,016)	(10,016)	-
Fund Balance, Ending	\$ (10,129)	\$ (8,719)	\$ 1,410

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Laguna CFD Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 9,693	\$ 50,435	\$ 40,742
Total Revenues	9,693	50,435	40,742
Expenditures:			
Public ways and facilities	250	375	(125)
Total Expenditures	250	375	(125)
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	9,443	50,060	40,617
Net Change in Fund Balance	9,443	50,060	40,617
Fund Balance, Beginning	1,009,381	1,009,381	-
Fund Balance, Ending	\$ 1,018,824	\$ 1,059,441	\$ 40,617

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Laguna West CFD Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Use of money and property	\$ 1,817	\$ 6,994	\$ 5,177
Total Revenues	1,817	6,994	5,177
Expenditures:			
Current:			
Public ways and facilities	120	52	68
Total Expenditures	120	52	68
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,697	6,942	5,245
Net Change in Fund Balance	1,697	6,942	5,245
Fund Balance, Beginning	139,972	139,972	-
Fund Balance, Ending	\$ 141,669	\$ 146,914	\$ 5,245

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Lakeside CFD Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Other Financing Sources and Uses:			
Transfers in	\$ 614	\$ 614	\$ -
Net Change in Fund Balance	614	614	-
Fund Balance, Beginning	(614)	(614)	-
Fund Balance, Ending	\$ -	\$ -	\$ -

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 SEPA Mitigation Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 7,304,498	\$ 14,992,276	\$ 7,687,778
Use of money and property	106,873	1,141,872	1,034,999
Total Revenues	<u>7,411,371</u>	<u>16,134,148</u>	<u>8,722,777</u>
Expenditures:			
Public ways and facilities	1,148,363	(204,451)	1,352,814
Total Expenditures	<u>1,148,363</u>	<u>(204,451)</u>	<u>1,352,814</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>6,263,008</u>	<u>16,338,599</u>	<u>10,075,591</u>
Net Change in Fund Balance	6,263,008	16,338,599	10,075,591
Fund Balance, Beginning	<u>18,534,850</u>	<u>18,534,850</u>	-
Fund Balance, Ending	<u><u>\$ 24,797,858</u></u>	<u><u>\$ 34,873,449</u></u>	<u><u>\$ 10,075,591</u></u>

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 PD Tenant Improvements Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Expenditures:			
Capital outlay	\$ 2,990,087	\$ 2,990,087	\$ -
Total Expenditures	2,990,087	2,990,087	-
 Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,990,087)	(2,990,087)	-
 Net Change in Fund Balance	(2,990,087)	(2,990,087)	-
 Fund Balance, Beginning	7,638,957	7,638,957	-
 Fund Balance, Ending	\$ 4,648,870	\$ 4,648,870	\$ -

CITY OF ELK GROVE
 Capital Projects Funds
 Budgetary Comparison Schedules
 Active Transportation Fee Fund
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses and permits	\$ 806,780	\$ 1,871,255	\$ 1,064,475
Use of money and property	-	39,092	39,092
Total Revenues	<u>806,780</u>	<u>1,910,347</u>	<u>1,103,567</u>
Expenditures:			
Public ways and facilities	40,488	21,604	18,884
Capital outlay	896	896	-
Total Expenditures	<u>41,384</u>	<u>22,500</u>	<u>18,884</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>765,396</u>	<u>1,887,847</u>	<u>1,122,451</u>
Other Financing Sources (Uses):			
Transfers In	586,313	586,313	-
Total Other Financing Sources (Uses)	<u>586,313</u>	<u>586,313</u>	<u>-</u>
Net Change in Fund Balance	1,351,709	2,474,160	1,122,451
Fund Balance, Beginning	<u>625,167</u>	<u>625,167</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 1,976,876</u></u>	<u><u>\$ 3,099,327</u></u>	<u><u>\$ 1,122,451</u></u>

CITY OF ELK GROVE
 Capital Projects Funds
 Supplemental Budgetary Comparison Schedules
 Mitigation and Fee Funds
 For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Licenses, fees and permits	\$ 8,001,733	\$ 10,663,431	\$ 2,661,698
Use of money and property	96,817	729,614	632,797
Total Revenues	<u>8,098,550</u>	<u>11,393,045</u>	<u>3,294,495</u>
Expenditures:			
Current:			
Public ways and facilities	2,257,925	364,524	1,893,401
Total Expenditures	<u>2,257,925</u>	<u>364,524</u>	<u>1,893,401</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,840,625</u>	<u>11,028,521</u>	<u>5,187,896</u>
Other Financing Sources (Uses):			
Transfers out	(416,912)	(416,912)	-
Total Other Financing Sources (Uses)	<u>(416,912)</u>	<u>(416,912)</u>	<u>-</u>
Net Change in Fund Balance	5,423,713	10,611,609	5,187,896
Fund Balance, Beginning	<u>11,787,799</u>	<u>11,787,799</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 17,211,512</u></u>	<u><u>\$ 22,399,408</u></u>	<u><u>\$ 5,187,896</u></u>

CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Permanent Fund
For the Year Ended June 30, 2024

	Laguna Springs Open Space Preserve Fund
	Fund
<u>ASSETS</u>	
Cash and investments	\$ 166,963
Accounts receivable	-
Interest receivable	-
Due from other government agencies	-
Prepays and other assets	-
	-
Total Assets	\$ 166,963
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Unavailable revenue	-
<u>FUND BALANCES</u>	
Nonspendable	-
Restricted	-
Nonexpendable	166,963
Expendable	-
	-
Total Fund Balances	166,963
Total Deferred Inflows of Resources and Fund Balances	\$ 166,963

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Nonmajor Permanent Fund
June 30, 2024

	Laguna Springs Open Space Preserve Fund <hr/>
Other financing sources (uses):	
Agency revenue	\$ 4,832
Agency expense	<u>(7,030)</u>
Total other financing sources (uses)	<u>(2,198)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(2,198)</u>
Net Change in Fund Balances	 (2,198)
Fund Balances, Beginning	 <u>169,161</u>
Fund Balances, End of Year	 <u><u>\$ 166,963</u></u>

CITY OF ELK GROVE
 Permanent Fund
 Budgetary Comparison Schedule
 Laguna Springs Open Space Reserve Fund
 For the year Ended June 30, 2024

	Budget	Actual	Variance with Final Budget Positive (Negative)
Other financing sources (uses):			
Agency revenue	-	\$ 4,832	\$ 4,832
Agency expense	(7,030)	(7,030)	-
Total other financing sources (uses)	(7,030)	(2,198)	4,832
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,030)	(2,198)	- 4,832
Net Change in Fund Balances	(7,030)	(2,198)	4,832
Fund Balances, Beginning	169,161	169,161	-
Fund Balances, End of Year	\$ 162,131	\$ 166,963	\$ 4,832

DEBT SERVICE FUNDS

DEFINITION

The Debt Service is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest. Major debt service funds include:

Major Debt Service Funds

Elk Grove Finance Authority (EGFA) 2017 - Established to pay for debt service on outstanding Lease Revenue Bonds that were issued to finance and re-finance certain City-owned buildings. The fund accumulates and disburses lease revenues semi-annually to pay for debt service on the outstanding bonds

Elk Grove Finance Authority (EGFA) 2018 – Established to pay for debt service on Lease Revenue Bonds that will be issued to finance the Animal Shelter. The fund accumulates and disburses lease revenues semi-annually to pay for debt service on the outstanding bonds.

Elk Grove Finance Authority (EGFA) 2020 – Established to pay for debt service on Lease Revenue Bonds that were issued to finance the construction of The Preserve at District56 and improvements to the Old Town Plaza. The fund accumulates and disburses lease revenues semi-annually to pay for debt service on the outstanding bonds.

Elk Grove Finance Authority (EGFA) 2022 - Established to pay for debt service on bonds that were issued to finance the construction of improvements to various City facilities. The fund accumulates and disburses lease revenues semi-annually to pay for debt service on the outstanding bonds.

CITY OF ELK GROVE
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2024

	Elk Grove Finance Authority Fund	Elk Grove Finance Authority 2018 Fund	Elk Grove Finance Authority 2020 Fund	Elk Grove Finance Authority 2022 Fund	Total
<u>ASSETS</u>					
Cash and investments	\$ 72,999	\$ 474,306	\$ 542,466	\$ 10,173	\$ 1,099,944
Cash with fiscal agent	-	-	-	255,309	255,309
Accounts receivable	392	-	-	-	392
Interest Receivable	-	2,545	2,910	55	5,510
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 73,391</u>	<u>\$ 476,851</u>	<u>\$ 545,376</u>	<u>\$ 265,537</u>	<u>\$ 1,361,155</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue	<u>380</u>	<u>2,472</u>	<u>2,827</u>	<u>53</u>	<u>5,732</u>
<u>FUND BALANCES</u>					
Restricted	<u>73,011</u>	<u>474,379</u>	<u>542,549</u>	<u>265,484</u>	<u>1,355,423</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>73,011</u>	<u>474,379</u>	<u>542,549</u>	<u>265,484</u>	<u>1,355,423</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deferred Inflow of Resources and Fund Balances	<u>\$ 73,391</u>	<u>\$ 476,851</u>	<u>\$ 545,376</u>	<u>\$ 265,537</u>	<u>\$ 1,361,155</u>

CITY OF ELK GROVE
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2024

	Elk Grove Finance Authority Fund	Elk Grove Finance Authority 2018 Fund	Elk Grove Finance Authority 2020 Fund	Elk Grove Finance Authority 2022 Fund	Total
Revenues:					
Use of money and property	\$ 10,317	\$ 12,511	\$ 15,044	\$ 832	\$ 38,704
Total Revenues	<u>10,317</u>	<u>12,511</u>	<u>15,044</u>	<u>832</u>	<u>38,704</u>
Expenditures:					
Debt Service:					
Tax administration	105	4,836	569	4,276	9,786
Principal	530,000	715,000	588,026	360,000	2,193,026
Interest	52,621	588,331	229,091	584,250	1,454,293
Total Expenditures	<u>582,726</u>	<u>1,308,167</u>	<u>817,686</u>	<u>948,526</u>	<u>3,657,105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(572,409)</u>	<u>(1,295,656)</u>	<u>(802,642)</u>	<u>(947,694)</u>	<u>(3,618,401)</u>
Other Financing Sources (Uses):					
Transfers in	582,899	1,303,332	817,117	944,250	3,647,598
Total Other Financing Sources (Uses)	<u>582,899</u>	<u>1,303,332</u>	<u>817,117</u>	<u>944,250</u>	<u>3,647,598</u>
Net Change in Fund Balances	10,490	7,676	14,475	(3,444)	29,197
Fund Balances, Beginning	<u>62,521</u>	<u>466,703</u>	<u>528,074</u>	<u>268,928</u>	<u>1,326,226</u>
Fund Balances, Ending	<u>\$ 73,011</u>	<u>\$ 474,379</u>	<u>\$ 542,549</u>	<u>\$ 265,484</u>	<u>\$ 1,355,423</u>

CITY OF ELK GROVE
Debt Service Funds
Budgetary Comparison Schedule
Elk Grove Finance Authority Debt Service Fund
For the Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Use of money and property	\$ 8,060	\$ 10,317	\$ 2,257
Total Revenues	<u>8,060</u>	<u>10,317</u>	<u>2,257</u>
Expenditures:			
Debt Service:			
Tax administration	4,470	105	4,365
Principal	530,000	530,000	-
Interest	52,900	52,621	279
Total Expenditures	<u>587,370</u>	<u>582,726</u>	<u>4,644</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(579,310)</u>	<u>(572,409)</u>	<u>6,901</u>
Other Financing Sources (Uses):			
Transfers in	582,900	582,899	(1)
Total Other Financing Sources (Uses)	<u>582,900</u>	<u>582,899</u>	<u>(1)</u>
Net Change in Fund Balance	3,590	10,490	6,900
Fund Balance, Beginning	<u>62,521</u>	<u>62,521</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 66,111</u></u>	<u><u>\$ 73,011</u></u>	<u><u>\$ 6,900</u></u>

CITY OF ELK GROVE
Debt Service Funds
Budgetary Comparison Schedule
Elk Grove Finance Authority 2018 Debt Service Fund
For the Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Use of money and property	\$ 2,015	\$ 12,511	\$ 10,496
Total Revenues	<u>2,015</u>	<u>12,511</u>	<u>10,496</u>
Expenditures:			
Debt Service:			
Tax administration	10,050	4,836	5,214
Principal	715,000	715,000	-
Interest	588,332	588,331	1
Total Expenditures	<u>1,313,382</u>	<u>1,308,167</u>	<u>5,215</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,311,367)</u>	<u>(1,295,656)</u>	<u>15,711</u>
Other Financing Sources (Uses):			
Transfers in	1,303,332	1,303,332	-
Total Other Financing Sources (Uses)	<u>1,303,332</u>	<u>1,303,332</u>	<u>-</u>
Net Change in Fund Balance	(8,035)	7,676	15,711
Fund Balance, Beginning	<u>466,703</u>	<u>466,703</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 458,668</u>	<u>\$ 474,379</u>	<u>\$ 15,711</u>

CITY OF ELK GROVE
Debt Service Funds
Budgetary Comparison Schedule
Elk Grove Finance Authority 2020 Debt Service Fund
For the Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Use of money and property	\$ -	\$ 15,044	\$ 15,044
Total Revenues	<u>-</u>	<u>15,044</u>	<u>15,044</u>
Expenditures:			
Debt Service:			
Tax administration	5,000	569	4,431
Principal	588,027	588,026	1
Interest	229,092	229,091	1
Total Expenditures	<u>822,119</u>	<u>817,686</u>	<u>4,433</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(822,119)</u>	<u>(802,642)</u>	<u>19,477</u>
Other Financing Sources (Uses):			
Transfers in	817,117	817,117	-
Total Other Financing Sources (Uses)	<u>817,117</u>	<u>817,117</u>	<u>-</u>
Net Change in Fund Balance	(5,002)	14,475	19,477
Fund Balance, Beginning	<u>528,074</u>	<u>528,074</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 523,072</u>	<u>\$ 542,549</u>	<u>\$ 19,477</u>

CITY OF ELK GROVE
Debt Service Funds
Budgetary Comparison Schedule
Elk Grove Finance Authority 2022 Debt Service Fund
For the Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Use of money and property	\$ 438	\$ 832	\$ 394
Total Revenues	<u>438</u>	<u>832</u>	<u>394</u>
Expenditures:			
Debt Service:			
Tax administration	7,000	4,276	(2,724)
Principal	360,000	360,000	-
Interest	584,250	584,250	-
Total Expenditures	<u>951,250</u>	<u>948,526</u>	<u>(2,724)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(950,812)</u>	<u>(947,694)</u>	<u>3,118</u>
Other Financing Sources (Uses):			
Transfers in	764,157	944,250	180,093
Total Other Financing Sources (Uses)	<u>764,157</u>	<u>944,250</u>	<u>180,093</u>
Net Change in Fund Balance	(186,655)	(3,444)	183,211
Fund Balance, Beginning	<u>268,928</u>	<u>268,928</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 82,273</u>	<u>\$ 265,484</u>	<u>\$ 183,211</u>

This Page Left Intentionally Blank

INTERNAL SERVICE FUNDS

DEFINITION

Internal Service Funds were established to finance and account for services and commodities furnished by a designated agency of a governmental unit to other departments of the same government unit. Since the services and commodities are supplied exclusively to other departments of a governmental jurisdiction, they are distinguishable from those public services which are rendered to the public in general and which are accounted for in General or Special Revenue Funds.

Self-Insurance Fund – Established to account for the self-insured position of the City’s workers compensation and general liability insurance.

Facilities and Fleet Fund – Established to account for the operation, maintenance and repair of City facilities and fleet.

IT and GIS Fund – Established to account for the operation, maintenance and repair of the City’s Information Technology assets and Geographic Information Services.

State Unemployment Insurance Fund – Established to account for unemployment insurance premiums collected from all departments with City employees and makes payments on their behalf to the California Employment Development Department.

CITY OF ELK GROVE

Balance Sheet

Internal Service Funds

June 30, 2024

	Self-Insurance Fund	Facilities and Fleet Fund	IT and GIS Fund	State Unemployment Insurance Fund	Totals
<u>ASSETS</u>					
Current Assets:					
Cash and Investments	\$ 9,523,052	\$ 3,477,748	\$ 3,413,727	\$ 271,997	\$ 16,686,524
Accounts Receivable	208,343	18,657	17,920	700	245,620
Capital assets, net of amortization	-	-	2,861,864	-	2,861,864
Total Assets	9,731,395	3,496,405	6,293,511	272,697	19,794,008
<u>LIABILITIES</u>					
Current Liabilities:					
Accounts payable	113,317	747,013	192,597	-	1,052,927
Unearned revenue	49,631	18,125	17,370	-	85,126
Accrued salaries and benefits	-	29,818	104,098	-	133,916
Compensated absences - current	6,853	11,208	37,127	-	55,188
Lease liabilities	-	-	59,533	-	59,533
Interest payable - Leases	-	-	33,795	-	33,795
Subscription liabilities	-	-	1,320,503	-	1,320,503
Total Current Liabilities	169,801	806,164	1,765,023	-	2,740,988
Noncurrent Liabilities:					
Compensated absences - long term	45,022	73,633	243,903	-	362,558
Claims liability - long term	550,685	-	-	-	550,685
Lease liabilities	-	-	14,796	-	14,796
Subscription liabilities	-	-	1,502,009	-	1,502,009
Total Noncurrent Liabilities	595,707	73,633	1,760,708	-	2,430,048
Total Liabilities	765,508	879,797	3,525,731	-	5,171,036
<u>Net Position</u>					
Net investment in capital assets	-	-	(34,977)	-	(34,977)
Unrestricted	8,965,887	2,616,608	2,802,757	272,697	14,657,949
Total Net Position	\$ 8,965,887	\$ 2,616,608	\$ 2,767,780	\$ 272,697	\$ 14,622,972
Total Liabilities and Net Position	\$ 9,731,395	\$ 3,496,405	\$ 6,293,511	\$ 272,697	\$ 19,794,008

CITY OF ELK GROVE
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Self-Insurance Fund	Facilities and Fleet Fund	IT and GIS Fund	State Unemployment Insurance Fund	Totals
Operating Revenues:					
Charges for services	\$ 7,417,052	\$ 5,220,620	\$ 6,491,147	\$ 53,337	\$ 19,182,156
Total Operating Revenues	<u>7,417,052</u>	<u>5,220,620</u>	<u>6,491,147</u>	<u>53,337</u>	<u>19,182,156</u>
Operating Expenses:					
Salaries and benefits	316,718	776,158	2,731,883	-	3,824,759
Services and supplies	4,607,999	5,221,757	2,067,016	-	11,896,772
Claims expense	2,635,888	-	-	37,336	2,673,224
Depreciation and amortization	-	-	1,419,973	-	1,419,973
Total Operating Expenses	<u>7,560,605</u>	<u>5,997,915</u>	<u>6,218,872</u>	<u>37,336</u>	<u>19,814,728</u>
Operating Income	<u>(143,553)</u>	<u>(777,295)</u>	<u>272,275</u>	<u>16,001</u>	<u>(632,572)</u>
Non-Operating Revenues (Expenses):					
Investment income (expense)	105,865	181,692	149,468	8,941	445,966
Gain/(loss) on disposal of capital assets	-	24,403	-	-	24,403
Interest expense	-	-	(63,950)	-	(63,950)
Total Non-Operating Revenues (Expenses)	<u>105,865</u>	<u>206,095</u>	<u>85,518</u>	<u>8,941</u>	<u>406,419</u>
Net Income Before Transfers	<u>(37,688)</u>	<u>(571,200)</u>	<u>357,793</u>	<u>24,942</u>	<u>(226,153)</u>
Transfers In	5,636,170	-	-	-	5,636,170
Transfers Out	(267,592)	(242,672)	(408,821)	-	(919,085)
Total Other Financing Sources (Uses)	<u>5,368,578</u>	<u>(242,672)</u>	<u>(408,821)</u>	<u>-</u>	<u>4,717,085</u>
Change in Net Position	<u>5,330,890</u>	<u>(813,872)</u>	<u>(51,028)</u>	<u>24,942</u>	<u>4,490,932</u>
Net Position - Beginning of Year	<u>3,634,997</u>	<u>3,430,480</u>	<u>2,818,808</u>	<u>247,755</u>	<u>10,132,040</u>
Net Position - End of Year	<u>\$ 8,965,887</u>	<u>\$ 2,616,608</u>	<u>\$ 2,767,780</u>	<u>\$ 272,697</u>	<u>\$ 14,622,972</u>

CITY OF ELK GROVE
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Self-Insurance Fund	Facilities and Fleet Fund	IT and GIS Fund	State Unemployment Insurance Fund	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Cash receipts from customers/ other funds	\$ 7,345,564	\$ 5,223,211	\$ 6,499,493	\$ 53,155	\$ 19,121,423
Cash paid to suppliers for goods and services	(4,524,109)	(4,605,071)	(1,968,673)	-	(11,097,853)
Cash paid to employees for services	(312,647)	(760,576)	(2,723,350)	-	(3,796,573)
Cash paid for claims	(2,801,313)	-	-	(37,336)	(2,838,649)
Net Cash Provided (Used) by Operating Activities	<u>(292,505)</u>	<u>(142,436)</u>	<u>1,807,470</u>	<u>15,819</u>	<u>1,388,348</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Transfers in	5,636,170	-	-	-	5,636,170
Transfers (out)	(267,592)	(242,672)	(408,821)	-	(919,085)
Net Cash (Used) by Noncapital Financing Activities	<u>5,368,578</u>	<u>(242,672)</u>	<u>(408,821)</u>	<u>-</u>	<u>4,717,085</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</u>					
Lease principal payments	-	-	(61,994)	-	(61,994)
Subscription principal payments	-	-	(1,364,965)	-	(1,364,965)
Proceeds from disposal of capital assets	-	24,403	-	-	24,403
Interest and financing fees paid on leases and subscriptions	-	-	(63,929)	-	(63,929)
Net Cash Provided (Used) by Capital and Related Activities	<u>-</u>	<u>24,403</u>	<u>(1,490,888)</u>	<u>-</u>	<u>(1,466,485)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Investment income (loss)	105,865	181,692	149,468	8,941	445,966
Net Cash Provided by Investing Activities	<u>105,865</u>	<u>181,692</u>	<u>149,468</u>	<u>8,941</u>	<u>445,966</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,181,938	(179,013)	57,229	24,760	5,084,914
Cash and Cash Equivalents, Beginning of Year	4,341,114	3,656,761	3,356,498	247,237	11,601,610
Cash and Cash Equivalents, End of Year	<u>\$ 9,523,052</u>	<u>\$ 3,477,748</u>	<u>\$ 3,413,727</u>	<u>\$ 271,997</u>	<u>\$ 16,686,524</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>					
Operating income (loss)	\$ (143,553)	\$ (777,295)	\$ 272,275	\$ 16,001	\$ (632,572)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	-	-	1,419,973	-	1,419,973
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(105,043)	(1,968)	3,411	734	(102,866)
Increase (decrease) in:					
Accounts payable	83,890	616,686	98,343	-	798,919
Accrued salaries and benefits payable	-	3,701	1,811	-	5,512
Compensated absences	4,071	11,881	6,722	-	22,674
Claims liability	(165,425)	-	-	-	(165,425)
Unearned revenue	33,555	4,559	4,935	(916)	42,133
Net Cash Provided (Used) by Operating Activities	<u>\$ (292,505)</u>	<u>\$ (142,436)</u>	<u>\$ 1,807,470</u>	<u>\$ 15,819</u>	<u>\$ 1,388,348</u>
NONCASH TRANSACTIONS:					
Subscription assets			<u>\$ 1,218,697</u>		<u>\$ 1,218,697</u>
Subscription liabilities			<u>\$ (1,218,697)</u>		<u>\$ (1,218,697)</u>

CUSTODIAL FUNDS

DEFINITION

Custodial funds are used to account for resources, not in a trust, that are held by the City as an agent for individuals, other governments and other organizations outside of the City's reporting entity.

Custodial Funds

Community Services District & Sac County Funds – Established to account for development fees, which are collected and remitted to the Cosumnes Community Services District or to Sacramento County for fire and recreation and transportation facilities as well as landscape maintenance. The Funds established for this purpose are:

East Elk Grove Park Fee Fund
East Franklin Park Fee Fund
Elk Grove Fire Fee Fund

STA Transportation Fee Fund
Laguna West Park Fee Fund

Elk Grove Employee Sunshine Fund – Established to account for the donation by payroll deduction of Employee funds which are collected and used for Employee functions and activities as directed by employees.

Special Assessment/Community Facility District (CFDs) – Established to account for the monies collected and disbursed for land-based debt, where the City is not obligated for the debt.

Laguna Ridge CFD 2005-1 Fund
Poppy Ridge CFD 2003-1 Fund

East Franklin CFD 2002-1 Fund

Property & Evidence Fund – Established to account for the collection for confiscated funds which may become evidence or asset seizures.

CITY OF ELK GROVE
Combining Statement of Net Position
Custodial Funds
June 30, 2024

	Community Services District & Sac County Funds	Elk Grove Employee Sunshine Fund	CFD 2005-1 Laguna Ridge Fund
<u>ASSETS</u>			
Cash and investments	\$ 2,228,335	\$ 37,744	\$ 4,087,820
Cash with fiscal agent	-	-	11,775,464
Accounts receivable	922,517	938	-
Interest receivable	6,567	202	21,930
Taxes receivable	-	-	358,982
	<hr/>	<hr/>	<hr/>
Total Assets	3,157,419	38,884	16,244,196
<u>LIABILITIES</u>			
Accounts payable	3,166,896	79	-
Unearned revenue	2,495	197	21,304
Interest payable	2,086	-	-
Refundable deposits	-	-	-
	<hr/>	<hr/>	<hr/>
Total Liabilities	3,171,477	276	21,304
<u>NET POSITION</u>			
Restricted for individuals and organizations	(14,058)	38,608	16,222,892
	<hr/>	<hr/>	<hr/>
Total Net Position	<u>\$ (14,058)</u>	<u>\$ 38,608</u>	<u>\$ 16,222,892</u>

CFD 2002-1 East Franklin Fund	CFD 2003-1 Poppy Ridge Fund	Property & Evidence Fund	Total
\$ 6,865,362	\$ 3,622,272	\$ 81,925	\$ 16,923,458
-	-	-	11,775,464
-	-	-	923,455
36,831	19,432	-	84,962
173,147	400,431	-	932,560
<u>7,075,340</u>	<u>4,042,135</u>	<u>81,925</u>	<u>30,639,899</u>
-	-	-	3,166,975
35,780	18,878	-	78,654
-	-	126	2,212
-	-	81,799	81,799
<u>35,780</u>	<u>18,878</u>	<u>81,925</u>	<u>3,329,640</u>
<u>7,039,560</u>	<u>4,023,257</u>	<u>-</u>	<u>27,310,259</u>
<u>\$ 7,039,560</u>	<u>\$ 4,023,257</u>	<u>\$ -</u>	<u>\$ 27,310,259</u>

CITY OF ELK GROVE
Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended June 30, 2024

	Community Services District & Sac County Custodial Funds	Elk Grove Employee Sunshine Fund	CFD 2005-1 Laguna Ridge Fund
	<u>Funds</u>	<u>Fund</u>	<u>Fund</u>
ADDITIONS			
Investment earnings:			
Net increase in fair value of investments	\$ 55,290	\$ (532)	\$ 32,844
Interest, dividends, and other	18,962	1,252	24,071
Total investment earnings	<u>74,252</u>	<u>720</u>	<u>56,915</u>
Less investment costs:			
Investment activity costs	-	-	-
Net investment earnings	<u>74,252</u>	<u>720</u>	<u>56,915</u>
Fees, taxes and special assessments for other governments	6,526,713		10,455,240
Activity fees	19,946	22,955	-
Miscellaneous	-	2,540	-
Total additions	<u>6,620,911</u>	<u>26,215</u>	<u>10,512,155</u>
DEDUCTIONS			
Administrative expense	60,551	-	66,224
Payment of fees, taxes and special assessments to other governments	6,479,666	-	-
Development and construction expense	-	-	4,188,542
Activities and events	-	39,701	-
Debt service	22,241	-	8,681,014
Total deductions	<u>6,562,458</u>	<u>39,701</u>	<u>12,935,780</u>
Net increase (decrease) in fiduciary net position	58,453	(13,486)	(2,423,625)
Net Position - Beginning of Year			
Net position - beginning of year, as previously reported	(72,511)	52,094	14,444,648
Restatement for a correction of an error	-	-	4,201,869
Net Position - Beginning of Year, As Restated	<u>(72,511)</u>	<u>52,094</u>	<u>18,646,517</u>
Net Position - End of Year	<u>\$ (14,058)</u>	<u>\$ 38,608</u>	<u>\$ 16,222,892</u>

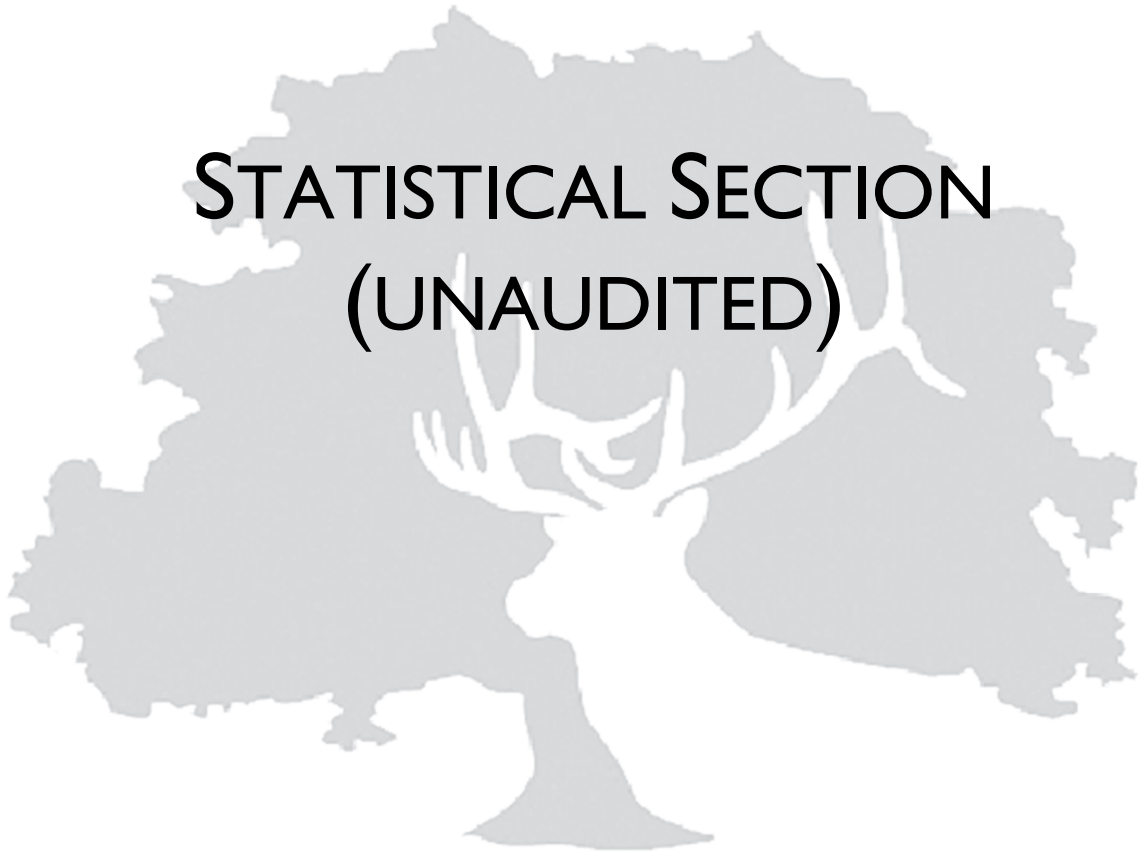
CFD 2002-1 East Franklin Fund	CFD 2003-1 Poppy Ridge Fund	Property & Evidence Fund	Total
\$ 109,477	\$ 49,138	\$ -	\$ 246,217
125,818	44,361	-	214,464
<u>235,295</u>	<u>93,499</u>	-	<u>460,681</u>
-	-	-	-
<u>235,295</u>	<u>93,499</u>	-	<u>460,681</u>
4,544,479	4,039,230	-	25,565,662
-	-	-	42,901
-	-	-	2,540
<u>4,779,774</u>	<u>4,132,729</u>	-	<u>26,071,784</u>
32,768	28,692	-	188,235
-	-	-	6,479,666
-	-	-	4,188,542
-	-	-	39,701
<u>3,573,215</u>	<u>3,235,811</u>	-	<u>15,512,281</u>
<u>3,605,983</u>	<u>3,264,503</u>	-	<u>26,408,425</u>
1,173,791	868,226	-	(336,641)
5,865,769	3,155,031	-	23,445,031
-	-	-	4,201,869
<u>5,865,769</u>	<u>3,155,031</u>	-	<u>27,646,900</u>
<u>\$ 7,039,560</u>	<u>\$ 4,023,257</u>	<u>\$ -</u>	<u>\$ 27,310,259</u>

This Page Left Intentionally Blank

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

STATISTICAL SECTION (UNAUDITED)



CITY OF
ELK GROVE

— PROUD HERITAGE. BRIGHT FUTURE. —

STATISTICAL SECTION

This part of the City of Elk Grove’s Annual Comprehensive Financial Report (ACFR) represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends.....	220
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	230
These schedules contain information to help the reader assess the City’s most significant local revenue sources, sales tax and property tax.	
Debt Capacity.....	237
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	242
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating Information	244
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

CITY OF ELK GROVE

Net Position by Component Last Ten Fiscal Years At June 30, 2024

	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	\$ 1,022,527,119	\$ 976,664,371	\$ 1,053,280,603	\$ 1,110,618,821
Restricted	189,080,327	215,829,204	257,008,259	280,624,842
Unrestricted	196,869	20,295,785	22,513,816	(69,766,957)
Total governmental activities net position	1,211,804,315	1,212,789,360	1,332,802,678	1,321,476,706
Business-type activities				
Net investment in capital assets	22,404,646	28,132,236	28,608,561	32,936,365
Restricted	1,180,453	1,398,464	272,077	187,918
Unrestricted	24,944,050	27,615,148	29,735,624	30,498,920
Total business-type activities net position	48,529,149	57,145,848	58,616,262	63,623,203
Primary government				
Net investment in capital assets	1,045,953,748	1,004,796,607	1,081,889,164	1,143,555,186
Restricted	190,260,780	217,227,668	257,280,336	280,812,760
Unrestricted	25,140,918	47,910,933	52,249,440	(39,268,037)
Total primary government net position	\$ 1,261,355,446	\$ 1,269,935,208	\$ 1,391,418,940	\$ 1,385,099,909

Source: The City of Elk Grove ACFR

2019	2020	2021	2022	2023	2024
\$ 1,076,838,610	\$ 1,060,332,753	\$ 1,047,211,028	\$ 1,039,686,886	\$ 1,000,347,920	\$ 971,674,661
277,972,813	284,980,049	292,185,610	255,036,872	398,754,394	452,376,020
(4,465,698)	4,692,738	33,000,422	154,445,985	30,715,694	60,508,199
<u>1,350,345,725</u>	<u>1,350,005,540</u>	<u>1,372,397,060</u>	<u>1,449,169,743</u>	<u>1,429,818,008</u>	<u>1,484,558,880</u>
34,554,021	34,844,354	40,541,319	35,348,429	38,376,445	39,075,837
1,293,918	35,348,429	35,348,429	-	-	-
33,235,837	40,536,527	38,712,765	31,465,091	31,857,567	35,670,615
<u>69,083,776</u>	<u>110,729,310</u>	<u>114,602,513</u>	<u>66,813,520</u>	<u>70,234,012</u>	<u>74,746,452</u>
1,111,392,631	1,095,177,107	1,087,752,347	1,075,035,315	1,038,724,365	1,010,750,498
279,266,731	320,328,478	327,534,039	255,036,872	398,754,394	452,376,020
28,770,139	45,229,265	71,713,187	185,911,076	62,573,261	96,178,814
<u>\$ 1,419,429,501</u>	<u>\$ 1,460,734,850</u>	<u>\$ 1,486,999,573</u>	<u>\$ 1,515,983,263</u>	<u>\$ 1,500,052,020</u>	<u>\$ 1,559,305,332</u>

CITY OF ELK GROVE, CALIFORNIA

Changes in Net Position, Last Ten Fiscal Years (accrual basis)
For The Years Ended June 30, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses				
Governmental activities				
General government	\$ 14,105,998	\$ 18,070,372	\$ 19,975,018	\$ 25,593,798
Public safety	34,793,685	32,251,277	33,957,641	38,640,457
Public ways and facilities	57,464,510	60,661,733	79,170,655	71,142,386
Community development	7,375,422	9,688,271	9,373,576	9,714,155
Interest on long-term debt	4,875,918	6,364,518	501,705	565,679
Total governmental activities expenses	<u>118,615,533</u>	<u>127,036,171</u>	<u>142,978,595</u>	<u>145,656,475</u>
Business-type activities				
Solid Waste	14,142,088	15,688,146	16,025,115	3,295,078
Transit	9,030,560	10,827,002	11,549,568	10,985,466
Drainage	3,374,484	3,427,573	4,195,296	4,534,163
Total business-type activities expenses	<u>26,547,132</u>	<u>29,942,721</u>	<u>31,769,979</u>	<u>18,814,707</u>
Total primary government expenses	<u>145,162,665</u>	<u>156,978,892</u>	<u>174,748,574</u>	<u>164,471,182</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	-	-	1,062,583	910,363
Public safety	1,203,963	1,152,599	7,300	20,700
Public ways and facilities	12,932,599	15,141,731	13,173,695	27,601,261
Other activities	8,831,340	9,963,980	2,206,419	4,048,193
Operating grants, interest, and contributions	35,982,947	27,881,745	15,651,340	22,515,041
Capital grants, interest and contributions	4,724,172	16,286,252	79,906,262	12,679,620
Total governmental activities program revenues	<u>63,675,021</u>	<u>70,426,307</u>	<u>112,007,599</u>	<u>67,775,178</u>
Business-type activities				
Charges for services				
Solid Waste	15,139,025	17,080,638	16,863,927	3,634,335
Transit	1,618,573	1,454,582	1,430,071	1,319,149
Drainage	5,359,836	5,448,108	5,632,309	5,706,721
Operating grants, interest, and contributions	8,737,006	12,468,916	8,869,845	12,576,884
Capital grants, interest and contributions	-	-	-	-
Total business-type activities program revenues	<u>30,854,440</u>	<u>36,452,244</u>	<u>32,796,152</u>	<u>23,237,089</u>
Total primary government program revenues	<u>94,529,461</u>	<u>106,878,551</u>	<u>144,803,751</u>	<u>91,012,267</u>

	2019	2020	2021	2022	2023	2024
\$	24,142,627	\$ 26,290,186	\$ 33,790,534	\$ 21,824,841	\$ 41,706,361	\$ 51,360,782
	41,095,844	45,928,962	52,721,661	29,476,434	74,538,552	63,615,168
	81,387,088	66,498,261	68,792,816	64,270,550	80,504,333	75,102,437
	10,325,402	10,607,681	13,712,896	20,776,727	27,683,740	18,329,570
	819,458	1,003,870	1,038,694	1,323,673	1,557,181	1,483,666
	<u>157,770,419</u>	<u>150,328,960</u>	<u>170,056,601</u>	<u>137,672,225</u>	<u>225,990,167</u>	<u>209,891,623</u>
	3,170,889	2,999,283	3,046,795	2,446,042	2,063,587	2,675,734
	11,037,095	10,509,143	10,027,298	15,585,396	-	-
	4,574,416	4,742,055	6,169,730	5,783,561	5,684,901	5,635,775
	<u>18,782,400</u>	<u>18,250,481</u>	<u>19,243,823</u>	<u>23,814,999</u>	<u>7,748,488</u>	<u>8,311,509</u>
	<u>176,552,819</u>	<u>168,579,441</u>	<u>189,300,424</u>	<u>161,487,224</u>	<u>233,738,655</u>	<u>218,203,132</u>
	847,681	2,310,388	3,001,983	1,863,899	4,105,100	4,519,977
	14,800	6,370	10,200	30,500	35,750	14,150
	26,637,537	28,705,240	33,889,089	44,859,708	43,471,604	59,716,958
	5,772,373	4,240,029	5,615,428	14,370,204	5,089,496	236,539
	22,117,670	23,446,687	32,590,579	37,732,695	42,517,986	49,864,317
	36,757,932	9,617,430	35,594,106	31,306,505	9,333,202	13,080,283
	<u>92,147,993</u>	<u>68,326,144</u>	<u>110,701,385</u>	<u>130,163,511</u>	<u>104,553,138</u>	<u>127,432,224</u>
	3,791,031	3,775,643	3,897,190	3,780,165	2,595,331	2,582,674
	1,289,226	1,049,077	240,620	-	-	-
	5,702,933	5,982,654	6,119,877	6,170,356	6,318,701	6,610,206
	11,421,609	11,327,506	13,402,350	717,637	-	-
	-	-	-	-	979,882	945,299
	<u>22,204,799</u>	<u>22,134,880</u>	<u>23,660,037</u>	<u>10,668,158</u>	<u>9,893,914</u>	<u>10,138,179</u>
	<u>114,352,792</u>	<u>90,461,024</u>	<u>134,361,422</u>	<u>140,831,669</u>	<u>114,447,052</u>	<u>137,570,403</u>

(Continued)

CITY OF ELK GROVE, CALIFORNIA

Changes in Net Position, Last Ten Fiscal Years (accrual basis)
For The Years Ended June 30, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (Expense) Revenue				
Governmental activities	(54,940,512)	(56,609,864)	(30,970,996)	(77,881,297)
Business-type activities	<u>4,307,308</u>	<u>6,509,523</u>	<u>1,026,173</u>	<u>4,422,382</u>
Total primary government net revenue (expense)	<u>\$ (50,633,204)</u>	<u>\$ (50,100,341)</u>	<u>\$ (29,944,823)</u>	<u>\$ (73,458,915)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Property taxes	\$ 10,748,517	\$ 11,443,260	\$ 23,670,228	\$ 25,079,951
Sales & Use tax	16,567,321	20,504,422	25,535,498	27,320,405
In-Lieu sales tax	5,583,730	4,704,053	5,681,559	-
Transaction and use tax	-	-	-	-
Other taxes	9,319,299	10,174,956	4,510,259	11,580,750
Investment Income	7,107,416	4,671,926	-	-
Gain on sale of capital assets	-	-	-	-
Other Revenue	-	-	5,727,764	3,946,919
Transfers	<u>868,712</u>	<u>1,096,291</u>	<u>1,098,174</u>	<u>1,010,576</u>
Total governmental activities	<u>50,194,995</u>	<u>52,594,908</u>	<u>66,223,482</u>	<u>68,938,601</u>
Business-type activities				
Other taxes	1,235,074	1,301,708	1,379,717	1,456,673
Unrestricted interest income	164,758	879,777	-	-
Other	-	-	162,698	138,462
Transfers	<u>(868,712)</u>	<u>(1,096,291)</u>	<u>(1,098,174)</u>	<u>(1,010,576)</u>
Total business-type activities	<u>531,120</u>	<u>1,085,194</u>	<u>444,241</u>	<u>584,559</u>
Total primary government	<u>50,726,115</u>	<u>53,680,102</u>	<u>66,667,723</u>	<u>69,523,160</u>
Change in governmental activities net position before special item	(4,745,517)	(4,014,956)	35,252,486	(8,942,696)
Special item:				
Bad debt expense	<u>(12,141,141)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position:				
Governmental activities	(16,886,658)	(4,014,956)	35,252,486	(8,942,696)
Business-type activities	<u>4,838,428</u>	<u>7,594,717</u>	<u>1,470,414</u>	<u>5,006,941</u>
Total primary government	<u>\$ (12,048,230)</u>	<u>\$ 3,579,761</u>	<u>\$ 36,722,900</u>	<u>\$ (3,935,755)</u>

* These numbers include Property Tax in Leiu of Vehicle License Fee (VLF). Beginning in 2008 the Property Tax in Leiu VLF was moved to intergovernmental, and in 2017 it was moved to property taxes.

Source: The City of Elk Grove ACFR

2019	2020	2021	2022	2023	2024
(65,622,426)	(82,002,816)	(59,355,216)	(7,508,714)	(121,437,029)	(82,459,399)
3,422,399	3,884,399	4,416,214	(13,146,841)	2,145,426	1,826,670
<u>\$ (62,200,027)</u>	<u>\$ (78,118,417)</u>	<u>\$ (54,939,002)</u>	<u>\$ (20,655,555)</u>	<u>\$ (119,291,603)</u>	<u>\$ (80,632,729)</u>
\$ 26,276,570	\$ 27,773,836	\$ 29,511,750	\$ 31,175,469	\$ 33,636,077	\$ 35,468,327
29,355,281	29,768,093	34,975,729	38,501,983	38,333,652	37,454,184
-	-	-	-	-	-
-	-	-	-	7,802,655	34,091,217
11,756,951	10,785,744	11,305,394	12,720,908	12,510,480	12,674,312
-	-	-	(2,002,595)	4,848,171	18,953,596
-	-	-	3,313,623	-	-
11,754,931	12,631,488	3,664,095	640,781	3,341,284	1,838,744
728,196	703,470	2,172,721	(68,772)	1,129,092	921,760
<u>79,871,929</u>	<u>81,662,631</u>	<u>81,629,689</u>	<u>84,281,397</u>	<u>101,601,411</u>	<u>141,402,140</u>
1,532,613	1,607,522	1,685,060	1,769,562	2,414,525	1,962,641
-	-	-	(1,132,057)	(10,367)	1,644,889
1,233,757	1,508,654	(55,350)	-	-	-
(728,196)	(703,470)	(2,172,721)	68,772	(1,129,092)	(921,760)
<u>2,038,174</u>	<u>2,412,706</u>	<u>(543,011)</u>	<u>706,277</u>	<u>1,275,066</u>	<u>2,685,770</u>
<u>81,910,103</u>	<u>84,075,337</u>	<u>81,086,678</u>	<u>84,987,674</u>	<u>102,876,477</u>	<u>144,087,910</u>
14,249,503	(340,185)	22,274,473	76,772,683	(19,835,618)	58,942,741
-	-	-	-	-	-
14,249,503	(340,185)	22,274,473	76,772,683	(19,835,618)	58,942,741
5,460,573	6,297,105	3,873,203	(12,440,564)	3,420,492	4,512,440
<u>\$ 19,710,076</u>	<u>\$ 5,956,920</u>	<u>\$ 26,147,676</u>	<u>\$ 64,332,119</u>	<u>\$ (16,415,126)</u>	<u>\$ 63,455,181</u>

CITY OF ELK GROVE, CALIFORNIA

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
For The Years Ended June 30, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ 3,510,730	\$ 2,801,341
Committed	19,227,947	20,096,678	21,000,138	22,407,940
Assigned	1,649,271	346,141	357,858	373,349
Unassigned	<u>1,381,845</u>	<u>7,498,226</u>	<u>9,447,603</u>	<u>11,794,420</u>
Total General Fund	<u>\$ 22,259,063</u>	<u>\$ 27,941,045</u>	<u>\$ 34,316,329</u>	<u>\$ 37,377,050</u>
All Other Governmental Funds				
Nonspendable	\$ 65,738,124	\$ 66,458,363	\$ -	\$ -
Restricted	124,249,316	151,376,738	242,335,680	234,660,067
Committed	-	20,096,678	-	-
Assigned	-	346,141	-	-
Unassigned	<u>(14,415,146)</u>	<u>(3,262,256)</u>	<u>(4,644,863)</u>	<u>(7,799,419)</u>
Total All Other Governmental Funds	<u>\$ 175,572,294</u>	<u>\$ 235,015,664</u>	<u>\$ 237,690,817</u>	<u>\$ 226,860,648</u>

Source: The City of Elk Grove ACFR

2019	2020	2021	2022	2023	2024
\$ 2,372,795	\$ 1,939,752	\$ 1,544,352	\$ 4,046,810	\$ 3,162,543	\$ 2,307,741
37,444,232	35,805,778	45,856,905	68,864,439	85,388,301	87,510,299
2,359,382	4,765,651	634,036	150,276	589,487	219,820
190,714	3,605,551	6,102,376	703,902	7,559,876	38,551,404
<u>\$ 42,367,123</u>	<u>\$ 46,116,732</u>	<u>\$ 54,137,669</u>	<u>\$ 73,765,427</u>	<u>\$ 96,700,207</u>	<u>\$ 128,589,264</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
230,471,851	245,502,694	252,216,752	281,344,183	312,776,606	364,645,901
-	-	-	-	-	-
-	-	13,445	56,100	-	-
(6,013,300)	(4,461,827)	(7,682,562)	(5,419,755)	(7,059,316)	(2,374,334)
<u>\$ 224,458,551</u>	<u>\$ 241,040,867</u>	<u>\$ 244,547,635</u>	<u>\$ 275,980,528</u>	<u>\$ 305,717,290</u>	<u>\$ 362,271,567</u>

CITY OF ELK GROVE, CALIFORNIA

Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years Ending June 30, 2024
 (modified accrual basis of accounting)

	2015	2016	2017	2018
REVENUES				
Taxes	\$ 42,218,867	\$ 46,826,691	\$ 59,397,544	\$ 63,981,106
Licenses, fees and permits	19,444,219	23,521,281	13,741,076	29,558,628
Intergovernmental	40,589,946	42,846,356	24,099,150	30,160,655
Fines and forfeitures	488,299	387,185	354,504	281,523
Charges for services	3,308,827	2,481,403	1,804,824	3,219,568
Investment earnings	3,122,257	4,040,144	5,097,917	1,882,216
Contribution from Community Facility District	-	-	-	-
Contributions from property owners	-	-	72,700,000	1,400,000
Contributions and donations	-	-	30,000	1,000,000
Other Revenue	1,352,612	970,243	947,939	991,515
Total revenues	<u>110,525,027</u>	<u>121,073,303</u>	<u>178,172,954</u>	<u>132,475,211</u>
EXPENDITURES:				
General government	19,891,965	19,971,477	23,312,594	26,431,508
Public safety	34,796,247	35,356,689	36,067,903	37,703,232
Public ways and facilities	15,453,017	15,331,077	59,011,979	80,059,131
Community development	7,329,328	9,444,746	9,193,193	9,522,145
Capital outlay	22,636,496	19,170,128	488,306	6,752,813
Debt service:				
Principal retirement	3,620,000	1,315,000	2,335,000	265,000
Interest and fiscal charges	4,803,957	5,121,900	679,930	194,439
Tax administration	-	-	-	-
Bond issue costs	-	1,356,411	104,578	275,440
Total expenditures	<u>108,531,010</u>	<u>107,067,428</u>	<u>131,193,483</u>	<u>161,203,708</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,994,017</u>	<u>14,005,875</u>	<u>46,979,471</u>	<u>(28,728,497)</u>
OTHER FINANCING SOURCES (USES)				
Long-term liabilities issued	-	90,630,000	-	18,530,000
Premium (discount) on debt issued	-	9,594,496	-	973,533
Refunding bonds issued	-	-	4,940,000	-
Payments to refunded bond escrow agent	-	(89,402,398)	(7,200,000)	-
Issuance of debt	-	-	-	-
Proceeds from sale of property	-	-	-	-
Transfers from other funds	17,862,895	35,802,601	13,408,691	29,617,243
Transfers to other funds	(15,470,054)	(33,280,777)	(10,827,097)	(28,161,727)
Total other financing sources (uses)	<u>2,392,841</u>	<u>13,343,922</u>	<u>321,594</u>	<u>20,959,049</u>
NET CHANGE IN FUND BALANCES	<u>\$ 4,386,858</u>	<u>\$ 27,349,797</u>	<u>\$ 47,301,065</u>	<u>\$ (7,769,448)</u>
Debt service as a percentage of noncapital expenditures.	9.81%	7.32%	2.31%	0.30%

Source: The City of Elk Grove ACFR

2019	2020	2021	2022	2023	2024
\$ 67,388,802	\$ 68,327,673	\$ 75,792,873	\$ 82,398,360	\$ 92,282,864	\$ 119,688,040
32,430,388	31,129,318	39,845,008	42,652,817	46,808,244	51,258,686
41,196,733	33,474,390	43,187,367	61,022,287	49,283,670	69,419,489
245,488	504,072	909,033	609,151	1,260,318	1,676,535
2,036,472	2,441,302	2,826,699	3,037,421	4,084,590	3,980,518
9,196,276	10,181,302	3,036,689	(3,461,070)	4,840,294	18,824,459
-	-	7,452,238	15,579,344	1,701,077	4,188,542
16,030,000	-	-	-	-	-
-	-	-	-	-	-
1,067,530	1,825,575	1,330,827	640,781	3,115,827	1,392,778
<u>169,591,689</u>	<u>147,883,632</u>	<u>174,380,734</u>	<u>202,479,091</u>	<u>203,376,884</u>	<u>270,429,047</u>
26,866,864	28,229,779	32,229,265	35,265,452	36,764,068	42,389,128
39,898,125	48,759,157	50,117,147	50,786,209	56,142,900	64,853,601
100,760,979	43,448,285	62,246,726	61,266,814	36,000,825	41,352,802
10,718,894	12,409,217	11,866,414	17,791,162	16,358,905	16,505,815
3,272,922	3,686,811	6,594,030	444,712	6,394,096	5,254,906
470,000	1,080,000	1,717,440	1,710,998	2,300,321	9,786
940,136	1,071,385	989,185	994,766	1,557,419	2,690,532
-	-	64,912	138,038	9,617	1,486,804
-	172,500	-	244,428	-	-
<u>182,927,920</u>	<u>138,857,134</u>	<u>165,825,119</u>	<u>168,642,579</u>	<u>155,528,151</u>	<u>174,543,374</u>
<u>(13,336,231)</u>	<u>9,026,498</u>	<u>8,555,615</u>	<u>33,836,512</u>	<u>47,848,733</u>	<u>95,885,673</u>
-	10,000,000	-	12,035,000	-	-
-	-	-	1,501,125	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	187,029	554,855
-	-	-	5,138,446	-	-
12,391,641	13,770,663	26,438,237	31,330,036	22,859,928	22,031,200
(11,086,950)	(12,465,236)	(23,583,194)	(32,780,468)	(18,224,148)	(25,826,525)
<u>1,304,691</u>	<u>11,305,427</u>	<u>2,855,043</u>	<u>17,224,139</u>	<u>4,822,809</u>	<u>(3,240,470)</u>
<u>\$ (12,031,540)</u>	<u>\$ 20,331,925</u>	<u>\$ 11,410,658</u>	<u>\$ 51,060,651</u>	<u>\$ 52,671,542</u>	<u>\$ 92,645,203</u>
0.78%	2.05%	2.51%	1.48%	2.83%	1.66%

CITY OF ELK GROVE, CALIFORNIA

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Other	Less Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2015	13,492,526,952	1,587,754,482	419,089,413	619,856,390	398,318,801	15,720,908,436	0.06460
2016	14,087,121,936	1,687,253,176	442,986,037	675,804,195	430,877,261	16,462,288,083	0.06451
2017	14,979,885,692	1,836,489,273	465,865,942	725,782,693	426,240,108	17,581,783,492	0.06443
2018	16,057,715,795	2,134,418,574	489,962,755	780,522,286	487,229,789	18,975,389,621	0.06432
2019	16,984,457,684	2,232,189,341	516,630,510	904,022,876	451,113,557	20,186,186,854	0.06421
2020	18,085,070,381	2,244,668,823	554,425,205	920,172,885	495,987,672	21,308,349,622	0.06434
2021	19,147,318,733	2,412,556,407	572,237,899	975,152,542	508,124,010	22,599,141,571	0.06418
2022	20,263,052,471	2,465,719,342	594,442,627	965,320,208	543,280,121	23,745,254,527	0.06393
2023	21,800,832,206	2,600,582,983	669,167,419	1,155,014,930	594,057,660	25,631,539,878	0.06382
2024	23,132,187,562	2,758,499,054	681,287,677	1,322,703,914	665,988,127	27,228,690,080	0.06366

Source: HdL from the Sacramento County Assessor 2014/15-2023/24 Combined Tax Rolls

CITY OF ELK GROVE, CALIFORNIA

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per \$100 of Assessed Value)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City's Share of 1% Levy Per Prop 13/ City of Elk Grove Direct Rate³	0.05740	0.05740	0.05740	0.05740	0.05740	0.05740	0.05740	0.05740	0.05740	0.05740
Overlapping Rates:										
Sacramento County General	0.38220	0.38220	0.38220	0.38220	0.38220	0.38218	0.38219	0.38219	0.38218	0.38220
Elk Grove Unified School District	0.25490	0.25490	0.25490	0.25490	0.25490	0.25490	0.25490	0.25490	0.25490	0.25490
Cosumnes CSD - Fire District	0.22140	0.22140	0.22140	0.22140	0.22141	0.22140	0.22139	0.22139	0.20130	0.20130
Los Rios Community College District	0.03640	0.03640	0.03640	0.03640	0.03640	0.03640	0.03640	0.03640	0.03640	0.03640
Sacramento County Library	0.02040	0.02040	0.02040	0.02040	0.02040	0.02040	0.02040	0.02040	0.02040	0.02040
Sacramento -Yolo Mosquito	0.00866	0.00866	0.00866	0.00866	0.00866	0.00866	0.00866	0.00866	0.00866	0.00866
Physically Handicapped-unified	0.00459	0.00459	0.00459	0.00459	0.00459	0.00459	0.00459	0.00459	0.00459	0.00459
Childrens Institution	0.00447	0.00447	0.00447	0.00447	0.00447	0.00447	0.00447	0.00447	0.00447	0.00447
Elk Grove - Cosumnes Cemetery	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275
Sacramento County Superintendent Admin.	0.00259	0.00259	0.00259	0.00259	0.00259	0.00259	0.00259	0.00259	0.00259	0.00259
Development Center Handicapped	0.00145	0.00145	0.00145	0.00145	0.00145	0.00145	0.00145	0.00145	0.00145	0.00145
Sacramento County Wide Equalization	0.00131	0.00131	0.00131	0.00131	0.00131	0.00131	0.00131	0.00131	0.00131	0.00131
Sacramento County Regional Occupational Center	0.00096	0.00096	0.00096	0.00096	0.00096	0.00096	0.00096	0.00096	0.00096	0.00096
Sacramento County Juvenile Hall	0.00055	0.00055	0.00055	0.00055	0.00055	0.00055	0.00055	0.00055	0.00055	0.00055
Infant Developmentally-physically Handicapped	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006
Infant Developmentally Retarded	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006	0.00006
Total Proposition 13 Rate (Basic Levy)¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Elk Grove Unified Gob 2017	0.00000	0.00000	0.00000	0.03730	0.03570	0.03490	0.03520	0.03670	0.03030	0.03180
Los Rios College Bond	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Los Rios College Gob	0.01130	0.00910	0.01410	0.01300	0.01310	0.02320	0.02230	0.02490	0.02260	0.01920
Sacramento Unified Gob	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Sacto City Unified Gob	0.12120	0.13350	0.12770	0.12350	0.11640	0.11390	0.11710	0.09180	0.12800	0.12780
Total Direct & Overlapping² Tax Rates	1.13250	1.14260	1.14180	1.17380	1.16520	1.17200	1.17460	1.15340	1.18090	1.17880
 General Obligation Debt Rate										
Total Direct Rate⁴	0.03648	0.06473	0.06467	0.06456	0.06448	0.06434	0.06418	0.06393	0.06382	0.06366

Source: Prepared by HdL, Coren & Cone

Data source: Sacramento County Assessor 2014/15 - 2023/24 Tax Rate Table

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.

⁴Because basic and debt rates vary by tax rate area individual rates cannot be summed. Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information. GASB S44 Q&A 9.19.1

CITY OF ELK GROVE, CALIFORNIA

Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	2024			2015		
	Rank	Taxable Assessed Value	Approximate Percentage of Taxable Assessed Valuation	Rank	Taxable Assessed Value	Approximate Percentage of Taxable Assessed Valuation
PF Portfolio 1 LP	1	\$ 242,460,004	0.89%			
Apple Computer Inc	2	227,862,045	0.84%	1	\$ 170,789,847	1.06%
Oakmont Properties II LP	3	80,308,731	0.30%	6	48,456,628	0.30%
DS Properties 18 LP	4	76,841,985	0.28%			
Elk Grove Independent Living LLC	5	74,764,491	0.27%			
CD Lake Point LLC JD Lake Point LLC Etal	6	73,746,000	0.27%			
KB Home Sacramento Inc.	7	69,576,234	0.26%			
MG Somerfield at Lakeside Apartments	8	68,620,205	0.25%			
Elk Grove Owner LP (Kohls)	9	65,057,678	0.24%			
Laguna Toscana	10	64,164,912	0.24%			
Donahue Schriber Realty Group LP				2	102,568,002	0.63%
Pappas Laguna 2 LP				3	88,066,855	0.54%
Laguna Springs Corporation Center				4	69,703,997	0.43%
Kaiser Foundation Health Plan Inc.				5	60,767,698	0.38%
Jackson II LLC				7	37,798,769	0.23%
9130 Nolan Street LLC				8	37,554,528	0.23%
Walmart Real Estate Business Trust				9	34,745,583	0.21%
Zhu Yanzhi 2014 Trust				10	31,956,314	0.20%
		<u>\$ 1,043,402,285</u>	<u>3.84%</u>		<u>\$ 682,408,221</u>	<u>4.22%</u>

Source: HDL, Coren & Cone, Sacramento County Assessor 2023-24 Combined Tax Rolls and the SBE Non Unitary Tax Roll

CITY OF ELK GROVE, CALIFORNIA

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collection to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	\$ 20,085,162	\$ 20,021,250	99.68%	\$ 63,912	\$ 20,085,162	100.00%
2016	22,492,684	22,421,589	99.68%	71,095	22,492,684	100.00%
2017	24,198,311	24,000,095	99.18%	198,216	24,198,311	100.00%
2018	24,778,708	24,650,410	99.48%	128,298	24,778,708	100.00%
2019	27,469,694	27,364,210	99.62%	105,484	27,469,694	100.00%
2020	29,353,226	29,067,981	99.03%	285,245	29,353,226	100.00%
2021	31,585,603	31,427,396	99.50%	158,207	31,585,603	100.00%
2022	33,592,664	33,495,020	99.71%	97,644	33,592,664	100.00%
2023	35,599,428	35,335,837	99.26%	263,591	35,599,428	100.00%
2024	38,006,236	37,634,963	99.02%	371,273	38,006,236	100.00%

Source: Sacramento County Department of Finance, Auditor-Controller Division

CITY OF ELK GROVE, CALIFORNIA

Taxable Sales by Category
Last Ten Fiscal Years
(in thousands of dollars)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Apparel Stores	\$ 76,039	\$ 79,512	\$ 80,587	\$ 80,771
General Merchandise	184,822	187,807	185,515	180,858
Food Stores	64,028	65,466	66,083	66,359
Eating and Drinking Places	201,084	228,559	250,348	265,459
Building Materials	63,315	76,102	86,754	98,934
Auto Dealers and Supplies	637,312	736,551	850,020	905,658
Service Stations	202,900	175,264	165,039	191,409
Other Retail Stores	285,513	294,492	318,251	315,468
All Other Outlets	<u>441,461</u>	<u>474,317</u>	<u>514,399</u>	<u>598,642</u>
Total	<u>\$ 2,156,474</u>	<u>\$ 2,318,070</u>	<u>\$ 2,516,996</u>	<u>\$ 2,703,558</u>

Source: State of California Board of Equalization and The HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. Total is taxable sales, not sales tax revenue received. Does not include Use tax or County pool allocation.

2019	2020	2021	2022	2023	2024
\$ 79,920	\$ 76,895	\$ 51,311	\$ 82,074	\$ 81,389	\$ 79,650
207,432	321,230	313,642	372,887	416,079	401,921
67,259	67,617	76,403	75,003	76,611	78,318
273,225	290,727	255,110	346,204	393,141	421,618
110,519	113,665	148,896	196,088	208,918	185,659
881,314	880,071	936,454	1,110,249	1,083,872	1,133,159
216,404	204,840	147,261	223,885	269,174	231,744
306,892	292,294	430,389	537,537	544,303	336,641
613,474	801,939	795,364	786,204	814,229	963,853
<u>\$ 2,756,439</u>	<u>\$ 3,049,278</u>	<u>\$ 3,154,830</u>	<u>\$ 3,730,131</u>	<u>\$ 3,887,716</u>	<u>\$ 3,832,563</u>

CITY OF ELK GROVE

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Sacramento County	STA Measure A	State of California	Measure E	Total
2015	1.00	0.25	0.50	6.25	-	8.00
2016	1.00	0.25	0.50	6.25	-	8.00
2017	1.00	0.25	0.50	6.00 (a)	-	7.75
2018	1.00	0.25	0.50	6.00	-	7.75
2019	1.00	0.25	0.50	6.00	-	7.75
2020	1.00	0.25	0.50	6.00	-	7.75
2021	1.00	0.25	0.50	6.00	-	7.75
2022	1.00	0.25	0.50	6.00	-	7.75
2023	1.00	0.25	0.50	6.00	1.00 (b)	8.75
2024	1.00	0.25	0.50	6.00	1.00	8.75

Sources: California State Board of Equalization, Sacramento Transportation Authority, California Legislative Analyst's Office, California Department of Tax and Fee Administration

(a) January 1, 2017, the State decreased the State rate 0.25%

(b) April 1, 2023, the Measure E 1 cent City Sales Tax began.

Note: In 2004, the State issued Economic Recovery Bonds (ERB). To repay the ERBs, the State pledged one-quarter cent of the local Bradley-Burns sales tax, which cities and counties use for general purposes, and replaced it with one-quarter cent State special fund sales tax for repayment of the bonds. The State replaced the one-quarter cent local tax with equal dollars from the property tax allocation, and described it as "in lieu" sales tax. In 2016, the ERBs were fully paid and the sales tax rates were restored. For ACFR reporting purposes, the full 1% was classified as sales tax during this entire period. To avoid confusion, the City Direct Rate for practical purposes, was unchanged and has not been adjusted between the local and State rates as expressed in the above table.

CITY OF ELK GROVE

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income ⁽²⁾	Per Capita ⁽²⁾
	Special Assessment Bonds ⁽¹⁾	Leases	Subscriptions	Economic Development Bonds	Subscriptions			
2015	101,130,102	-	-	9,870,000	-	111,000,102	2.36%	661
2016	109,611,895	-	-	9,645,000	-	119,256,895	2.53%	710
2017	4,940,000 ⁽³⁾	-	-	9,410,000	-	14,350,000	0.30%	84
2018	23,205,000	-	-	9,165,000	-	32,370,000	0.62%	188
2019	22,735,000	-	-	8,915,000	-	31,650,000	0.60%	182
2020	31,655,000	-	-	8,655,000	-	40,310,000	0.69%	229
2021	29,937,560	-	-	8,385,000	-	38,322,560	0.62%	215
2022	40,261,562	185,068	4,571,348	- ⁽⁴⁾	6,037	45,024,015	0.70%	254
2023	38,139,773	136,323	4,282,478	-	-	42,558,574	0.62%	240
2024	36,126,747	74,329	4,193,559	-	-	40,394,635	0.54%	226

Notes: City incorporated July 1, 2000. U.S. Census and subsequent estimates has area approximately 2/3 of City's actual size.

- Source:
- ⁽¹⁾ City of Elk Grove ACFR
 - ⁽²⁾ See Schedule of Demographic and Economic Statistics for personal and population data
 - ⁽³⁾ In fiscal year 2017, the City determined that bonds in the amount of \$107,076,895 should be reported as debt without city commitment. Amounts prior to 2017 have not been restated.
 - ⁽⁴⁾ The City redeemed the 2010 Lease Revenue Recovery Zone Economic Development Bonds on August 26, 2021.

CITY OF ELK GROVE

Direct and Overlapping Governmental Activities Debt
June 30,2024

2022-23 Assessed Valuation: \$25,589,433,335

	Total Debt		City's Share of
	<u>6/30/2024</u>	<u>% Applicable (1)</u>	<u>Debt 6/30/24</u>
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Los Rios Community College District	\$399,905,000	10.231%	\$40,914,281
Elk Grove Unified School District	425,350,000	54.455%	231,624,343
Sacramento Unified School District	638,740,892	0.179%	1,143,346
City of Elk Grove Community Facilities District No. 2002-1	37,510,000	100.000%	37,510,000
City of Elk Grove Community Facilities District No. 2003-1	33,000,000	100.000%	33,000,000
City of Elk Grove Community Facilities District No. 2005-1	146,020,000	100.000%	146,020,000
Elk Grove Unified School District Community Facilities District No. 1	192,126,133	54.455%	104,622,286
Sacramento County Community Facilities Districts	1,689,626	100.000%	1,689,626
California Municipal Finance Authority Community Facilities Districts	70,086,000	100.000%	70,086,000
California Statewide Community Development Authority Community Facilities	26,810,000	100.000%	26,810,000
California Statewide Community Development Authority 1915 Act Bonds	22,275,455	100.000%	<u>22,275,455</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$715,695,337
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Sacramento County General Fund Obligations	\$104,675,553	12.283%	\$12,857,298
Sacramento County Pension Obligation Bonds	433,295,000	12.283%	53,221,625
Sacramento County Board of Education Certificates of Participation	1,645,000	12.283%	202,055
Elk Grove Unified School District Certificates of Participation	10,402,000	54.455%	5,664,409
Sacramento Unified School District Certificates of Participation	48,945,000	0.179%	87,612
Cosumnes Community Services District Certificates of Participation	59,465,000	86.978%	51,721,468
City of Elk Grove Lease Revenue Bonds	36,126,747	100.000%	<u>36,126,747</u>
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$159,881,214
Less: Sacramento County supported obligations			\$1,358,568
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$158,522,646
TOTAL GROSS DIRECT DEBT			\$36,126,747
CITY DIRECT DEBT			\$4,267,888
TOTAL OVERLAPPING DEBT			\$842,359,124
GROSS COMBINED TOTAL DEBT			\$884,112,327 (2)
NET COMBINED TOTAL DEBT			\$882,753,759

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.63%
Total Gross Direct Debt (\$36126748)	0.13%
Gross Combined Total Debt	3.22%
Net Combined Total Debt	3.21%

Source: California Municipal Statistics, Inc., Oakland, CA

This Page Left Intentionally Blank

CITY OF ELK GROVE, CALIFORNIA

Legal Debt Margin
For the Last Ten Years Ended June 30, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assessed value ⁽¹⁾	\$ 16,119,227,237	\$ 16,893,165,344	\$ 18,008,023,600	\$ 19,462,619,410
Less: Exemptions ⁽¹⁾	<u>(398,318,801)</u>	<u>(430,877,261)</u>	<u>(426,240,108)</u>	<u>(487,229,789)</u>
	15,720,908,436	16,462,288,083	17,581,783,492	18,975,389,621
Legal debt margin				
Debt Limit (15% of Assessed Value)	2,358,136,265	2,469,343,212	2,637,267,524	2,846,308,443
Debt applicable to limit:				
Total Bonded Debt (including Special Assessment Bonds)	111,000,102	119,256,895	14,350,000	32,370,000
Less:				
Special Assessment Bonds	-	-	-	-
Tax Allocation Bonds	-	-	-	-
Total Amount of Debt Applicable to Debt Limit	<u>111,000,102</u>	<u>119,256,895</u>	<u>14,350,000</u>	<u>32,370,000</u>
Legal Debt Margin	<u>\$ 2,247,136,163</u>	<u>\$ 2,350,086,317</u>	<u>\$ 2,622,917,524</u>	<u>\$ 2,813,938,443</u>
Total debt applicable to limit as a percentage of debt limit	4.94%	5.07%	0.55%	1.15%

Source: ⁽¹⁾ HdL from the Sacramento County Assessor 2014/15-2023/24 Combined Tax Rolls

2019	2020	2021	2022	2023	2024
\$ 20,637,300,411	\$ 21,084,337,304	\$ 23,107,265,581	\$ 24,288,534,648	\$ 26,225,597,538	\$ 27,894,678,207
(451,113,557)	(495,987,672)	(508,124,010)	(543,280,121)	(594,057,660)	(665,988,127)
<u>20,186,186,854</u>	<u>20,588,349,632</u>	<u>22,599,141,571</u>	<u>23,745,254,527</u>	<u>25,631,539,878</u>	<u>27,228,690,080</u>
3,027,928,028	3,088,252,445	3,389,871,236	3,561,788,179	3,844,730,982	4,084,303,512
31,650,000	40,310,000	38,322,560	40,261,562	38,139,773	36,126,747
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>31,650,000</u>	<u>40,310,000</u>	<u>38,322,560</u>	<u>40,261,562</u>	<u>38,139,773</u>	<u>36,126,747</u>
<u>\$ 2,996,278,028</u>	<u>\$ 3,047,942,445</u>	<u>\$ 3,351,548,676</u>	<u>\$ 3,521,526,617</u>	<u>\$ 3,806,591,209</u>	<u>\$ 4,048,176,765</u>
1.06%	1.32%	1.14%	1.14%	1.00%	0.89%

CITY OF ELK GROVE, CALIFORNIA

Demographic and Economic Statistics Last Ten Fiscal Years

Year	Population ⁽¹⁾	County Population ⁽¹⁾	Personal Income	Per Capita Personal Income ⁽²⁾	Public School Enrollment ⁽³⁾	Median Age ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2015	162,899	1,470,912	\$ 4,550,094,868	\$ 27,932	62,888	33.80	4.50%
2016	167,965	1,495,297	4,705,371,510	28,014	62,767	34.50	4.20%
2017	171,059	1,514,770	4,838,916,992	28,288	63,061	35.10	4.10%
2018	172,116	1,529,501	5,224,409,064	30,354	63,297	35.40	3.60%
2019	174,025	1,546,174	5,516,940,550	31,702	63,917	36.00	3.40%
2020	176,154	1,555,365	5,837,743,560	33,140	64,480	36.60	12.70%
2021	178,124	1,561,014	6,161,309,160	34,590	63,947	37.50	6.60%
2022	176,972	1,576,618	6,458,416,168	36,494	63,041	37.70	3.10%
2023	177,005	1,573,366	6,816,639,555	38,511	62,957	38.10	4.00%
2024	178,679	1,576,639	7,530,783,813	42,147	63,518	38.70	4.60%

Sources:

⁽¹⁾ California Department of Finance

⁽²⁾ HdL, Coren & Cone, US Census Bureau

⁽³⁾ California Department of Education

⁽⁴⁾ U.S. Census Bureau, American FactFinder, 2011 American Community Survey

⁽⁵⁾ www.labormarketinfo.edd.ca.gov

City of Elk Grove

Principal Employers Last Fiscal Year & Ten Years Ago

Business Name	2023		2014	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Elk Grove Unified School District	5,986	7.00%	5,000	14.01%
Apple Computer Inc. *	5,000	5.85%	1,800	5.05%
California Correctional Health Care Services ⁽¹⁾	1,800	2.11%		
Cosumnes Community Services District	813	0.95%	330	0.93%
Walmart (3 locations)	585	0.68%	273	0.77%
Kaiser Permanente Med Ctr (2 locations)	500	0.58%	1,468	4.12%
City of Elk Grove	412	0.48%	289	0.81%
Raley's/Bel Air Markets (4 locations)	386	0.45%		
Alldata LLC	285	0.33%	400	1.12%
Safeway (2 locations)	275	0.32%		
Methodist Hospital of Sacramento			550	1.54%
Bimbo Bakeries, Inc.			265	0.74%
Elk Grove Bank of Stockton			237	0.66%
Total Top 10 Employers	16,042	18.75%	10,612	29.76%
Total City Labor Force ⁽²⁾	85,500		35,643	

The information presented is the most recent data available as of December 2024

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: 2013-14, previously published ACFR

*Approximate headcount based on previous Journal publications. Note: Employer Declined Headcount Request.

(1) State of California employees

(2) Employment Development Department - EDD

CITY OF ELK GROVE

Government Employment Information Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018
City Council	5	5	5	5
City Manager	13	13	20	21
City Attorney	4	5	5	6
City Clerk	3	3	3	3
Development Services	7	9	9	14
Finance	16	19	18	18
Code Enforcement - Community Development	9	9	8	8
Animal Services	7	7	7	7
Human Resources	3	5	4	5
Police Department	205	211	221	224
Public Works	6	10	12	12
Utilities*	5	0	0	0
Solid Waste	3	3	4	4
Transit	5	5	5	5
Risk Management	1	1	2	1
Information Technology	4	4	6	7
Facilities/Fleet	4	5	4	4
Total employees	300	314	333	344

Source: Human Resources Department, City of Elk Grove

Note: The City contracts for public works, planning, building, trash hauling and transit departments as well as key positions in other departments.

*Utilities transitioned from City staff to contractual effective fiscal 2018.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
5	4	4	2	0	0
20	20	26	30	26	26
6	6	6	6	6	7
3	3	3	3	3	3
13	14	13	15	15	18
21	21	22	22	22	22
9	8	9	9	10	11
23	23	26	26	28	32
4	5	5	6	6	6
231	223	237	245	250	261
12	24	25	29	31	50
0	0	0	0	0	0
4	5	5	5	6	6
4	2	5	2	3	5
2	2	2	2	2	2
7	8	8	8	9	16
5	5	5	5	4	5
<u>369</u>	<u>373</u>	<u>401</u>	<u>415</u>	<u>421</u>	<u>470</u>

CITY OF ELK GROVE

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018
General Government				
Residential Building Permits Issued	568	625	315	546
Commercial Building Permits Issued	14	9	9	32
Refuse Collection⁽¹⁾				
Total Tons Disposed	88,053	78,473	76,577	76,233
Total Tons Diverted	48,305	50,151	53,182	55,528
Transit⁽³⁾⁽⁴⁾				
Total Route Miles	1,080,819	1,073,588	1,085,711	1,025,867
Total Passengers	1,032,039	945,262	860,773	783,893
Police⁽⁵⁾				
Calls for service	98,098	95,677	94,677	94,776
Average Emergency Response Time	5.8	5.2	4.9	5.0
Clearance Rate of all Part I Crimes	30%	28%	26%	22%
Category A Arrests	0	0	0	0
Utility Billing⁽²⁾				
Residential Customers	47,985	49,845	50,332	50,723
Community Enhancement				
Calls for Service	3,236	4,258	2,880	2,833
Average Emergency Response Time	24 Hours	24 Hours	24 Hours	24 Hours
Number of Inspectors	6	6	6	6
Average Number of Cases Per Inspector	539	710	480	472

Sources: City of Elk Grove, Republic Services

⁽¹⁾Based on calendar year. State switched to per pound/person tracking and no longer tracks tons diverted. Data is all that was available.

⁽²⁾Utility Billing services were outsourced to the waste and recycling provider effective July, 1, 2017. Data provided by Republic Services beginning fiscal year 2018.

⁽³⁾COVID-19 reduced 2021 numbers.

⁽⁴⁾2021-2022 City of Elk Grove no longer has a Transit service. Transferred to Regional Transit effective July 1, 2021.

⁽⁵⁾In 2021, California Department of Justice began the transition from Uniform Crime Reporting (UCR) to the National Incident Based Reporting System (NIBRS). In 2023, Category A Crimes is more expansive, showing approximately 23 sections in total, while the previous UCR Part 1 Crimes only captured 8 categories.

2019	2020	2021	2022	2023	2024
819	642	752	567	702	1105
18	8	27	24	24	11
83,879	80,920	93,023	82,838	88,159	78,681
57,309	57,753	59,433	75,462	80,578	49,458
1,037,044	955,309	769,566	0	0	0
774,736	610,875	121,817	0	0	0
97,528	96,109	88,362	85,273	85,403	90,820
5.2	4.7	5.2	5.6	6.0	5.6
21%	21%	19%	21%	0%	0%
0	0	0	0	1544	1370
50,264	50,110	50,502	52,391	52,317	53,410
2,802	2,706	2,438	2,297	2,237	2,486
24 Hours	24 Hours	24 Hours	24 Hours	24 Hours	24 Hours
5	6	5	5	4	6
560	451	488	459	559	414

CITY OF ELK GROVE

Capital Asset and Infrastructure Statistics by Function/Program Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019
Public Safety					
Police:					
Stations	1	1	1	1	1
Patrol units ⁽¹⁾	74	75	63	60	58
Highways and Streets					
Streets (miles) ⁽²⁾	555	560	545	545	553
Streetlights ⁽³⁾	14,082	14,195	14,195	14,195	13,435
Traffic signals ⁽⁴⁾	161	168	151	151	151
Traffic signs ⁽⁵⁾	10,465	10,873	25,000	25,000	23,369
Bridges ⁽⁶⁾	81	89	89	89	89
Sidewalk (miles)	800	829	829	899	899
Drainage					
Manholes ⁽⁷⁾	8,686	9,027	9,147	9,215	9,287
Feet of pipe ⁽⁸⁾	2,404,418	2,063,846	2,116,599	2,122,948	2,144,206
Storm drain inlets ⁽⁷⁾	15,180	15,836	15,903	16,192	16,265

⁽¹⁾ Additional vehicle added from CFF funds

⁽²⁾ Street miles decreased in 2014 due to the removal of private streets.

⁽³⁾ Streetlights GIS data clean up discovered multiple private lights were included in the data. 2019 represents an accurate count.

⁽⁴⁾ Starting in 2023, the actual number of traffic signals in intersections is listed.

Previously, all signals, including pedestrian crossings and radar signals were included.

⁽⁵⁾ Traffic signs were corrected after an inventory count in 2017.

2017-2018 represented an estimate and following years represent an accurate count.

⁽⁶⁾ Bridge GIS data was including retired assets previously, 2022 represents an accurate count.

As of 2023, number represents current City owned and maintained bridges. Previous numbers included bridges on Hwy 99 that are CalTrans maintained.

⁽⁷⁾ Manhole and inlet counts were corrected starting in 2020. The count prior to 2020

included assets outside City limits and, privately maintained assets.

⁽⁸⁾ During GIS data clean up, pipelines were found to be mapped in error and/or were discovered as not city-maintained assets. These were removed from the estimates. 2017 data has been updated to reflect the GIS data clean up.

Cosumnes Community Services District is the provider for Parks and Recreation Facilities and Fire stations.

Source: Departments within the City of Elk Grove

2020	2021	2022	2023	2024
1	1	1	1	1
56	57	61	66	67
553	553	555	564	564
13,799	13,885	14,551	14,674	15,183
159	161	187	156	164
23,619	23,657	23,404	23,630	23,999
92	92	69	65	65
899	899	899	899	945
8,184	8,162	8,724	8,829	9,118
2,164,297	2,121,685	2,189,387	2,206,919	2,293,934
13,716	12,745	13,444	13,596	13,967

This Page Left Intentionally Blank