



**REPORT TO  
Sacramento Regional Arts  
Facilities Financing Authority  
Board of Directors**

Historic City Hall

915 I Street, Sacramento, CA 95814-2604

**Staff Report  
May 14, 2010**

**Honorable Chair and  
Board of Directors**

**Title: Annual Report of Authority's Financial Activity**

**Location/Council District:** 1419 H Street, Sacramento, CA 95814/District 3

**Recommendation:** Receive and file the annual financial report.

**Contact:** Petra Laptalo, Treasury Analyst, (916) 808-8292.

**Presenters:** Janelle Gray

**Department:** Office of the City Treasurer

**Division:** Public Finance

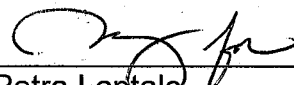
**Organization No:** 0500

**Description/Analysis:**

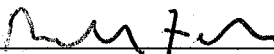
**Issue:** Receive the attached annual report of the Authority's financial activities.

**Rationale for Recommendation:** As required by the Joint Power Agreement the City Treasurer's Office is responsible for reporting an annual financial summary to the Board. The purpose of the attached report is to give an update on the current financial health of California Musical Theatre.

Respectfully Submitted by:

  
Petra Laptalo  
Treasury Analyst

Recommendation Approved by:

  
Russell T. Fehr  
City Treasurer

Approved by:

  
Janelle Gray  
Debt Manager

**Table of Contents:**

Attachment 1 – Financial Report



OFFICE OF THE  
CITY TREASURER

CITY OF SACRAMENTO  
CALIFORNIA

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Historic City Hall, 3<sup>rd</sup> Floor  
SACRAMENTO, CA  
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RUSSELL T. FEHR  
CITY TREASURER

**SACRAMENTO REGIONAL ARTS FACILITIES FINANCING  
AUTHORITY  
(SRAFFA)**

**JOINT POWERS OF AUTHORITY ANNUAL BOARD  
MEETING**

**FRIDAY, MAY 14, 2010  
12:00 P.M.**

RESPECTFULLY SUBMITTED,

RUSSELL T. FEHR  
CITY TREASURER

CONTACT PERSON  
PETRA A. LAPTALO  
TREASURY ANALYST, (916) 808-5168

**SRAFFA ANNUAL BOARD MEETING PACKET  
TABLE OF CONTENTS**

|   | Page |
|---|------|
| Financial Summary .....   | 1    |
| Attachment A - Quarterly Report 3/31/2010 .....                               | 4    |
| Attachment B - Schedule of Cumulative Contribution Requirements.....          | 5    |
| Attachment C - Debt Service Schedule.....                                     | 8    |
| Attachment D - Statement of Net Assets for period ending 6/30/2009.....       | 9    |
| Attachment E - Statement of Changes in Net Assets for period ending 6/30/2009 | 10   |

# ANNUAL FINANCIAL REPORT FOR SACRAMENTO REGIONAL ARTS FACILITIES FINANCING AUTHORITY

## General Information

|                       |   |
|-----------------------|---|
| <i>Issuer:</i>        | Sacramento Regional Arts Facilities<br>Financing Authority (SRAFFA) |
| <i>Custodian:</i>     | Wells Fargo Bank, N.A.  |
| <i>Trustee:</i>       | Bank of New York Western Trust<br>Company (BNY)                     |
| <i>Par Amount:</i>    | \$16,580,000  |
| <i>Issue Date:</i>    | August 8, 2002  |
| <i>Maturity Date:</i> | September 1, 2032   |

## Introduction:

As required by the Joint Exercise of Power Agreement, the City Treasurer's Office is responsible for reporting an annual financial summary to the Board. The purpose of this report is to give an update on the current financial health of California Musical Theatre (CMT) and to present the Annual Financial Report for FY 2008-2009. In the last seven years, all debt service payments have been paid on time and as of today CMT is meeting all of their financial obligations.

## Financial Summary:

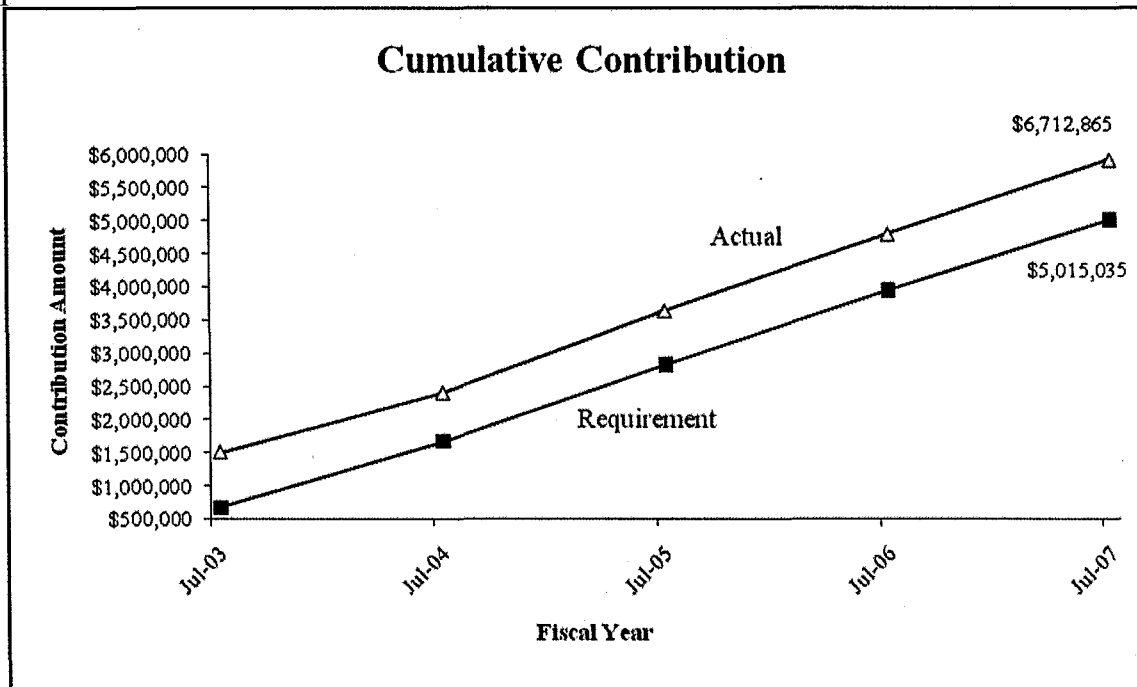
### Current Financial Activities:

The current balances, as reflected on the Quarterly Report (Attachment A) are as follows:

- *Reserve Fund:* Account held with Trustee (BNY) used solely for the purpose of making up any debt service deficiency in the Interest Fund  
*Balance:* as of 3/31/2010 is \$1,127,303.76
- *Interest Fund:* Account held with Trustee (BNY) used to pay debt service (principal and interest) on each March 1 and September 1.  
*Balance:* as of 3/31/2010 is \$0.00 (after \$341,543.13 debt service payment on 03/01/2010)
- *Project Related Revenue Account:* Account held with Custodian (Wells Fargo) used to pay debt service (wire to BNY Interest Fund) on each March 1 and September 1.  
*Balance:* as of 3/31/2010 is \$3,061,679.78

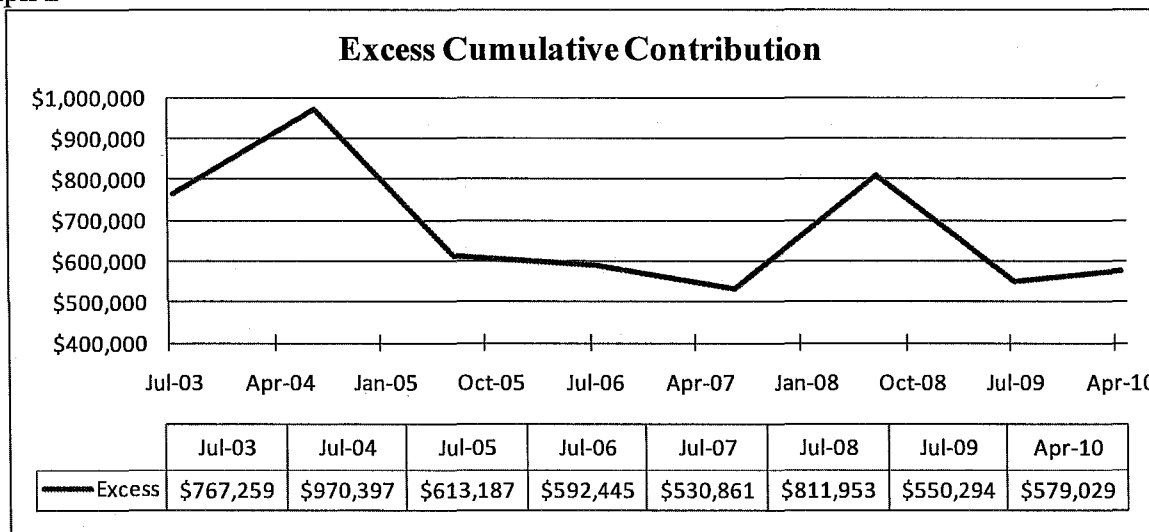
The Project Related Revenue Account, which funds the debt service, has been exceeding the requirements since Fiscal Year 2003.

Graph 1



These cumulative revenues consist of Sacramento Theatre Company (STC) & CMT Facilities Fees, Naming Rights revenues, Name-a-Seat Campaign revenues (completed in Fiscal year 2006) and CMT Supplemental Contributions. As of March 2010, the Actual Cumulative Contribution exceeds bond issue requirements by \$579,029.32. As depicted in Graph 2, the largest contributions were in the earlier years, with the excess amount stabilizing above \$500,000; providing additional cushion during these uncertain economic times.

Graph 2



### Financial Report for FY 2008-2009:

This past fiscal year, \$1,054,640 in principal and interest was paid for debt service, leaving a remaining principal outstanding balance of \$14,515,000. Debt Service on the bonds is paid from operating revenues generated from the CMT and the STC. Revenues are such that money on hand is sufficient to pay the required obligation without using any reserves.

FY 2008-2009 SRAFFA Financial Statements were prepared by the Sacramento City Treasurer's Office and the Accounting Department. The Financial Statements are comprised of cash (i.e. reserve and project funds), all construction related expenses and all other activity pertinent to the sale of the bonds.

### **Theatre Activity:**

Music Circus in the Wells Fargo Pavilion will produce 61 performances for the 2010 summer season. Attendance numbers for the upcoming summer remain consistent with the summer of 2009. Subscription sales are at 96% of last year, but the new sales portion is at 190% of 2009. The facility fee has been increased by \$1.00, raising the fee from \$4.00 to \$5.00 per ticket; total facility fee collections continue to meet requirements.

STC facility fees remain at \$2.50, but remain behind the minimum requirements. STC has remitted current facility fee collections weekly since April 2009, however, there remains a balance due of over \$130,000 in facility fees collected but not remitted. CMT and STC continue to discuss a payment plan to decrease the past due balance.

Office of the City Treasurer  
Sacramento Regional Arts  
Activities July 2009 - June 2010

ATTACHMENT A

| BNY Accounts (Trustee)                          | 1st Quarter End     | 2nd Quarter End     | 3rd Quarter         |                     |                     | 3rd Quarter End     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   |                     |                     | 31-Jan-10           | 28-Feb-10           | 31-Mar-10           |                     |
| <b>Reserve Fund #408996</b>                     |                     |                     |                     |                     |                     |                     |
| Beginning Balance                               |                     |                     | 1,105,341.26        | 1,105,341.26        | 1,127,303.76        |                     |
| Excess Reserve to Interest Fund                 |                     |                     | -                   | -                   | -                   |                     |
| Interest Earnings                               |                     |                     | -                   | 21,962.50           | -                   |                     |
| <b>Ending Balance</b>                           | <b>1,105,341.26</b> | <b>1,105,341.26</b> | <b>1,105,341.26</b> | <b>1,127,303.76</b> | <b>1,127,303.76</b> | <b>1,127,303.76</b> |
| <b>Interest Fund # 409004</b>                   |                     |                     |                     |                     |                     |                     |
| Beginning Balance                               |                     |                     | 0.00                | 0.00                | 341,543.13          |                     |
| Transfer from Reserve Fund                      |                     |                     |                     |                     |                     |                     |
| Wire in from Wells Fargo to pay Debt Service    |                     |                     |                     | 341,543.13          |                     |                     |
| Wire out to Debt Service                        |                     |                     |                     |                     | (341,543.13)        |                     |
| Transfer to Principal Fund                      |                     |                     |                     |                     |                     |                     |
| Dividends                                       |                     |                     | 0.00                | 0.00                | 0.00                |                     |
| <b>Ending Balance</b>                           | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>         | <b>341,543.13</b>   | <b>0.00</b>         | <b>0.00</b>         |
| <b>Retention Fund</b>                           |                     |                     |                     |                     |                     |                     |
| <b>Opening # 409009</b>                         |                     |                     |                     |                     |                     |                     |
| Addition/deposits/withdraw Fees                 |                     |                     |                     |                     |                     |                     |
| Closing   |                     |                     |                     |                     |                     |                     |
| <b>Principal Fund #408994</b>                   |                     |                     |                     |                     |                     |                     |
| Beginning Balance                               |                     |                     | 0.00                | 0.00                | 0.00                |                     |
| Wire out to Debt Service                        |                     |                     |                     |                     |                     |                     |
| Transfer from Interest Fund to pay Debt Service |                     |                     |                     |                     |                     |                     |
| Dividends                                       |                     |                     |                     |                     |                     |                     |
| <b>Ending Balance</b>                           | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>         |
| <b>Total</b>                                    | <b>1,105,341.26</b> | <b>1,105,341.26</b> | <b>1,105,341.26</b> | <b>1,468,846.89</b> | <b>1,127,303.76</b> | <b>1,127,303.76</b> |

Reserve Requirement:  
\$1,062,500.00

| Wells Fargo Accounts (Custodian)           | 1st Quarter End     | 2nd Quarter End     | 3rd Quarter         |                     |                     | 3rd Quarter End     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  |                     |                     | 31-Jan-10           | 28-Feb-10           | 31-Mar-10           |                     |
| <b>Project Related Rev. Acc. 12559100</b>  |                     |                     |                     |                     |                     |                     |
| Beginning Balance                          |                     |                     | 3,099,277.60        | 3,111,220.01        | 2,944,752.87        |                     |
| Interest Earnings                          |                     |                     | 26.41               | 22.54               | 25.91               |                     |
| Withdrawals to pay Debt Service            |                     |                     | 0.00                | (166,489.68)        | 0.00                |                     |
| Transfer from Clearing Account             |                     |                     | 11,916.00           | 0.00                | 116,901.00          |                     |
| <b>Ending Balance</b>                      | <b>3,087,007.62</b> | <b>3,099,277.60</b> | <b>3,111,220.01</b> | <b>2,944,752.87</b> | <b>3,061,679.78</b> | <b>3,061,679.78</b> |
| <b>HTP Contribution Account 12615500</b>   |                     |                     |                     |                     |                     |                     |
| Beginning Balance                          |                     |                     | 132,003.45          | 132,004.57          | 1.12                |                     |
| Total Accruals                             |                     |                     | 1.12                | 0.00                | 0.00                |                     |
| Withdrawals                                |                     |                     | 0.00                | (132,003.45)        | 0.00                |                     |
| City & County Contribution (\$66,000 each) |                     |                     | 0.00                | 0.00                | 0.00                |                     |
| <b>Ending Balance</b>                      | <b>66,000.61</b>    | <b>132,003.45</b>   | <b>132,004.57</b>   | <b>1.12</b>         | <b>1.12</b>         | <b>1.12</b>         |
| <b>Clearing Account</b>                    |                     |                     |                     |                     |                     |                     |
| Beginning Balance                          |                     |                     | 19,998.42           | 213,818.18          | 695,917.08          |                     |
| Interest Earnings                          |                     |                     | 0.27                | 2.39                | 4.83                |                     |
| Deposits from Music Circus Ticket          |                     |                     | 205,762.49          | 813,108.80          | 1,225,198.85        |                     |
| Transfer to CMT Operating Acct.            |                     |                     | (27.00)             | (287,962.29)        | (675,336.70)        |                     |
| Transfer to Project Related Acct.          |                     |                     | (11,916.00)         | (43,050.00)         | (116,901.00)        |                     |
| <b>Ending Balance</b>                      | <b>12,477.39</b>    | <b>19,998.42</b>    | <b>213,818.18</b>   | <b>695,917.08</b>   | <b>1,128,883.06</b> | <b>1,128,883.06</b> |
| <b>Total</b>                               | <b>3,165,485.62</b> | <b>3,251,279.47</b> | <b>3,457,042.76</b> | <b>3,640,671.07</b> | <b>4,190,563.96</b> | <b>4,190,563.96</b> |

Next D/S (9/1/2010):  
\$716,543.13

| Cumulative Revenue <sup>1</sup>            | Overage (Deficit) | Overage (Deficit) | 31-Jan-10      | 28-Feb-10      | 31-Mar-10      | Overage (Deficit) |
|--|-------------------|-------------------|----------------|----------------|----------------|-------------------|
| Cumulative Contribution Requirements       |                   |                   | \$7,502,630.00 | \$7,639,745.00 | \$7,776,859.00 |                   |
| Actual Cumulative Project Related Revenues |                   |                   | \$8,081,504.71 | \$8,198,432.39 | \$8,355,888.32 |                   |
| Difference                                 | \$650,526.96      | \$672,912.28      | \$578,874.71   | \$558,687.39   | \$579,029.32   | \$579,029.32      |

1) Cumulative Revenue was projected by the Control Agreement as part of perform for Music Circus.

## SCHEDULE OF CUMULATIVE CONTRIBUTION REQUIREMENTS

| Date     | Cumulative<br>Contribution<br>Requirement | Date     | Cumulative<br>Contribution<br>Requirement | Date     | Cumulative<br>Contribution<br>Requirement |
|----------|---|----------|---|----------|---|
| 02/01/03 | \$ 135,394                                | 09/01/06 | \$4,262,824                               | 04/01/10 | \$7,776,859                               |
| 03/01/03 | 270,787                                   | 10/01/06 | 4,262,824                                 | 05/01/10 | 7,913,973                                 |
| 04/01/03 | 406,181                                   | 11/01/06 | 4,262,824                                 | 06/01/10 | 8,051,087                                 |
| 05/01/03 | 541,575                                   | 12/01/06 | 4,262,824                                 | 07/01/10 | 8,188,202                                 |
| 06/01/03 | 676,969                                   | 01/01/07 | 4,262,824                                 | 08/01/10 | 8,325,316                                 |
| 07/01/03 | 812,362                                   | 02/01/07 | 4,413,266                                 | 09/01/10 | 8,325,316                                 |
| 08/01/03 | 947,756                                   | 03/01/07 | 4,563,707                                 | 10/01/10 | 8,325,316                                 |
| 09/01/03 | 947,756                                   | 04/01/07 | 4,714,149                                 | 11/01/10 | 8,325,316                                 |
| 10/01/03 | 947,756                                   | 05/01/07 | 4,864,591                                 | 12/01/10 | 8,325,316                                 |
| 11/01/03 | 947,756                                   | 06/01/07 | 5,015,033                                 | 01/01/11 | 8,325,316                                 |
| 12/01/03 | 947,756                                   | 07/01/07 | 5,165,474                                 | 02/01/11 | 8,462,430                                 |
| 01/01/04 | 947,756                                   | 08/01/07 | 5,315,916                                 | 03/01/11 | 8,599,545                                 |
| 02/01/04 | 1,093,378                                 | 09/01/07 | 5,315,916                                 | 04/01/11 | 8,736,659                                 |
| 03/01/04 | 1,239,001                                 | 10/01/07 | 5,315,916                                 | 05/01/11 | 8,873,773                                 |
| 04/01/04 | 1,384,623                                 | 11/01/07 | 5,315,916                                 | 06/01/11 | 9,010,887                                 |
| 05/01/04 | 1,530,245                                 | 12/01/07 | 5,315,916                                 | 07/01/11 | 9,148,002                                 |
| 06/01/04 | 1,675,867                                 | 01/01/08 | 5,315,916                                 | 08/01/11 | 9,285,116                                 |
| 07/01/04 | 1,821,490                                 | 02/01/08 | 5,453,387                                 | 09/01/11 | 9,285,116                                 |
| 08/01/04 | 1,967,112                                 | 03/01/08 | 5,590,859                                 | 10/01/11 | 9,285,116                                 |
| 09/01/04 | 1,967,112                                 | 04/01/08 | 5,728,330                                 | 11/01/11 | 9,285,116                                 |
| 10/01/04 | 1,967,112                                 | 05/01/08 | 5,865,802                                 | 12/01/11 | 9,285,116                                 |
| 11/01/04 | 1,967,112                                 | 06/01/08 | 6,003,273                                 | 01/01/12 | 9,285,116                                 |
| 12/01/04 | 1,967,112                                 | 07/01/08 | 6,140,745                                 | 02/01/12 | 9,422,230                                 |
| 01/01/05 | 1,967,112                                 | 08/01/08 | 6,278,216                                 | 03/01/12 | 9,559,345                                 |
| 02/01/05 | 2,140,306                                 | 09/01/08 | 6,278,216                                 | 04/01/12 | 9,696,459                                 |
| 03/01/05 | 2,313,499                                 | 10/01/08 | 6,278,216                                 | 05/01/12 | 9,833,573                                 |
| 04/01/05 | 2,486,693                                 | 11/01/08 | 6,278,216                                 | 06/01/12 | 9,970,687                                 |
| 05/01/05 | 2,659,887                                 | 12/01/08 | 6,278,216                                 | 07/01/12 | 10,107,802                                |
| 06/01/05 | 2,833,081                                 | 01/01/09 | 6,278,216                                 | 08/01/12 | 10,244,916                                |
| 07/01/05 | 3,006,274                                 | 02/01/09 | 6,433,545                                 | 09/01/12 | 10,244,916                                |
| 08/01/05 | 3,179,468                                 | 03/01/09 | 6,588,873                                 | 10/01/12 | 10,244,916                                |
| 09/01/05 | 3,179,468                                 | 04/01/09 | 6,744,202                                 | 11/01/12 | 10,244,916                                |
| 10/01/05 | 3,179,468                                 | 05/01/09 | 6,899,530                                 | 12/01/12 | 10,244,916                                |
| 11/01/05 | 3,179,468                                 | 06/01/09 | 7,054,859                                 | 01/01/13 | 10,244,916                                |
| 12/01/05 | 3,179,468                                 | 07/01/09 | 7,210,187                                 | 02/01/13 | 10,382,030                                |
| 01/01/06 | 3,179,468                                 | 08/01/09 | 7,365,516                                 | 03/01/13 | 10,519,145                                |
| 02/01/06 | 3,334,233                                 | 09/01/09 | 7,365,516                                 | 04/01/13 | 10,656,259                                |
| 03/01/06 | 3,488,998                                 | 10/01/09 | 7,365,516                                 | 05/01/13 | 10,793,373                                |
| 04/01/06 | 3,643,763                                 | 11/01/09 | 7,365,516                                 | 06/01/13 | 10,930,487                                |
| 05/01/06 | 3,798,529                                 | 12/01/09 | 7,365,516                                 | 07/01/13 | 11,067,602                                |
| 06/01/06 | 3,953,294                                 | 01/01/10 | 7,365,516                                 | 08/01/13 | 11,204,716                                |
| 07/01/06 | 4,108,059                                 | 02/01/10 | 7,502,630                                 | 09/01/13 | 11,204,716                                |
| 08/01/06 | 4,262,824                                 | 03/01/10 | 7,639,745                                 | 10/01/13 | 11,204,716                                |



ATTACHMENT B

| <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> | <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> | <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> |
|-------------|--|-------------|--|-------------|--|
| 11/01/13    | \$11,204,716                                       | 01/01/18    | \$15,043,916                                       | 03/01/22    | \$19,157,345                                       |
| 12/01/13    | 11,204,716   | 02/01/18    | 15,181,030   | 04/01/22    | 19,294,459   |
| 01/01/14    | 11,204,716   | 03/01/18    | 15,318,145   | 05/01/22    | 19,431,573   |
| 02/01/14    | 11,341,830   | 04/01/18    | 15,455,259   | 06/01/22    | 19,568,687   |
| 03/01/14    | 11,478,945   | 05/01/18    | 15,592,373   | 07/01/22    | 19,705,802   |
| 04/01/14    | 11,616,059   | 06/01/18    | 15,729,487   | 08/01/22    | 19,842,916   |
| 05/01/14    | 11,753,173   | 07/01/18    | 15,866,602   | 09/01/22    | 19,842,916   |
| 06/01/14    | 11,890,287   | 08/01/18    | 16,003,716   | 10/01/22    | 19,842,916   |
| 07/01/14    | 12,027,402   | 09/01/18    | 16,003,716   | 11/01/22    | 19,842,916   |
| 08/01/14    | 12,164,516   | 10/01/18    | 16,003,716   | 12/01/22    | 19,842,916   |
| 09/01/14    | 12,164,516   | 11/01/18    | 16,003,716   | 01/01/23    | 19,842,916   |
| 10/01/14    | 12,164,516   | 12/01/18    | 16,003,716   | 02/01/23    | 19,980,030   |
| 11/01/14    | 12,164,516   | 01/01/19    | 16,003,716   | 03/01/23    | 20,117,145   |
| 12/01/14    | 12,164,516   | 02/01/19    | 16,140,830   | 04/01/23    | 20,254,259   |
| 01/01/15    | 12,164,516   | 03/01/19    | 16,277,945   | 05/01/23    | 20,391,373   |
| 02/01/15    | 12,301,630   | 04/01/19    | 16,415,059   | 06/01/23    | 20,528,487   |
| 03/01/15    | 12,438,745   | 05/01/19    | 16,552,173   | 07/01/23    | 20,665,602   |
| 04/01/15    | 12,575,859   | 06/01/19    | 16,689,287   | 08/01/23    | 20,802,716   |
| 05/01/15    | 12,712,973   | 07/01/19    | 16,826,402   | 09/01/23    | 20,802,716   |
| 06/01/15    | 12,850,087   | 08/01/19    | 16,963,516   | 10/01/23    | 20,802,716   |
| 07/01/15    | 12,987,202   | 09/01/19    | 16,963,516   | 11/01/23    | 20,802,716   |
| 08/01/15    | 13,124,316   | 10/01/19    | 16,963,516   | 12/01/23    | 20,802,716   |
| 09/01/15    | 13,124,316   | 11/01/19    | 16,963,516   | 01/01/24    | 20,802,716   |
| 10/01/15    | 13,124,316   | 12/01/19    | 16,963,516   | 02/01/24    | 20,939,830   |
| 11/01/15    | 13,124,316   | 01/01/20    | 16,963,516   | 03/01/24    | 21,076,945   |
| 12/01/15    | 13,124,316   | 02/01/20    | 17,100,630   | 04/01/24    | 21,214,059   |
| 01/01/16    | 13,124,316   | 03/01/20    | 17,237,745   | 05/01/24    | 21,351,173   |
| 02/01/16    | 13,261,430   | 04/01/20    | 17,374,859   | 06/01/24    | 21,488,287   |
| 03/01/16    | 13,398,545   | 05/01/20    | 17,511,973   | 07/01/24    | 21,625,402   |
| 04/01/16    | 13,535,659   | 06/01/20    | 17,649,087   | 08/01/24    | 21,762,516   |
| 05/01/16    | 13,672,773   | 07/01/20    | 17,786,202   | 09/01/24    | 21,762,516   |
| 06/01/16    | 13,809,887   | 08/01/20    | 17,923,316   | 10/01/24    | 21,762,516   |
| 07/01/16    | 13,947,002   | 09/01/20    | 17,923,316   | 11/01/24    | 21,762,516   |
| 08/01/16    | 14,084,116   | 10/01/20    | 17,923,316   | 12/01/24    | 21,762,516   |
| 09/01/16    | 14,084,116   | 11/01/20    | 17,923,316   | 01/01/25    | 21,762,516   |
| 10/01/16    | 14,084,116   | 12/01/20    | 17,923,316   | 02/01/25    | 21,899,630   |
| 11/01/16    | 14,084,116   | 01/01/21    | 17,923,316   | 03/01/25    | 22,036,745   |
| 12/01/16    | 14,084,116   | 02/01/21    | 18,060,430   | 04/01/25    | 22,173,859   |
| 01/01/17    | 14,084,116   | 03/01/21    | 18,197,545   | 05/01/25    | 22,310,973   |
| 02/01/17    | 14,221,230   | 04/01/21    | 18,334,659   | 06/01/25    | 22,448,087   |
| 03/01/17    | 14,358,345   | 05/01/21    | 18,471,773   | 07/01/25    | 22,585,202   |
| 04/01/17    | 14,495,459   | 06/01/21    | 18,608,887   | 08/01/25    | 22,722,316   |
| 05/01/17    | 14,632,573   | 07/01/21    | 18,746,002   | 09/01/25    | 22,722,316   |
| 06/01/17    | 14,769,687   | 08/01/21    | 18,883,116   | 10/01/25    | 22,722,316   |
| 07/01/17    | 14,906,802   | 09/01/21    | 18,883,116   | 11/01/25    | 22,722,316   |
| 08/01/17    | 15,043,916   | 10/01/21    | 18,883,116   | 12/01/25    | 22,722,316   |
| 09/01/17    | 15,043,916   | 11/01/21    | 18,883,116   | 01/01/26    | 22,722,316   |
| 10/01/17    | 15,043,916   | 12/01/21    | 18,883,116   | 02/01/26    | 22,859,430   |
| 11/01/17    | 15,043,916   | 01/01/22    | 18,883,116   | 03/01/26    | 22,996,545   |
| 12/01/17    | 15,043,916   | 02/01/22    | 19,020,230   | 04/01/26    | 23,133,659   |

ATTACHMENT B

| <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> | <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> | <u>Date</u> | <u>Cumulative<br/>Contribution<br/>Requirement</u> |
|-------------|--|-------------|--|-------------|--|
| 05/01/26    | \$23,270,773                                       | 07/01/28    | \$25,464,602                                       | 09/01/30    | \$27,521,316                                       |
| 06/01/26    | 23,407,887   | 08/01/28    | 25,601,716   | 10/01/30    | 27,521,316   |
| 07/01/26    | 23,545,002   | 09/01/28    | 25,601,716   | 11/01/30    | 27,521,316   |
| 08/01/26    | 23,682,116   | 10/01/28    | 25,601,716   | 12/01/30    | 27,521,316   |
| 09/01/26    | 23,682,116   | 11/01/28    | 25,601,716   | 01/01/31    | 27,521,316   |
| 10/01/26    | 23,682,116   | 12/01/28    | 25,601,716   | 02/01/31    | 27,658,430   |
| 11/01/26    | 23,682,116   | 01/01/29    | 25,601,716   | 03/01/31    | 27,795,545   |
| 12/01/26    | 23,682,116   | 02/01/29    | 25,738,830   | 04/01/31    | 27,932,659   |
| 01/01/27    | 23,682,116   | 03/01/29    | 25,875,945   | 05/01/31    | 28,069,773   |
| 02/01/27    | 23,819,230   | 04/01/29    | 26,013,059   | 06/01/31    | 28,206,887   |
| 03/01/27    | 23,956,345   | 05/01/29    | 26,150,173   | 07/01/31    | 28,344,002   |
| 04/01/27    | 24,093,459   | 06/01/29    | 26,287,287   | 08/01/31    | 28,481,116   |
| 05/01/27    | 24,230,573   | 07/01/29    | 26,424,402   | 09/01/31    | 28,481,116   |
| 06/01/27    | 24,367,687   | 08/01/29    | 26,561,516   | 10/01/31    | 28,481,116   |
| 07/01/27    | 24,504,802   | 09/01/29    | 26,561,516   | 11/01/31    | 28,481,116   |
| 08/01/27    | 24,641,916   | 10/01/29    | 26,561,516   | 12/01/31    | 28,481,116   |
| 09/01/27    | 24,641,916   | 11/01/29    | 26,561,516   | 01/01/32    | 28,481,116   |
| 10/01/27    | 24,641,916   | 12/01/29    | 26,561,516   | 02/01/32    | 28,618,230   |
| 11/01/27    | 24,641,916   | 01/01/30    | 26,561,516   | 03/01/32    | 28,755,345   |
| 12/10/27    | 24,641,916   | 02/01/30    | 26,698,630   | 04/01/32    | 28,892,459   |
| 01/01/28    | 24,641,916   | 03/01/30    | 26,835,745   | 05/01/32    | 29,029,573   |
| 02/01/28    | 24,779,030   | 04/01/30    | 26,972,859   | 06/01/32    | 29,166,687   |
| 03/01/28    | 24,916,145   | 05/01/30    | 27,109,973   | 07/01/32    | 29,303,802   |
| 04/01/28    | 25,053,259   | 06/01/30    | 27,247,087   | 08/01/32    | 29,440,916   |
| 05/01/28    | 25,190,373   | 07/01/30    | 27,384,202   | 09/01/32    | 29,440,916   |
| 06/01/28    | 25,327,487   | 08/01/30    | 27,521,316   |             |  |

SACRAMENTO REGIONAL ARTS FACILITIES FINANCING AUTHORITY  
 Series 2002 Certificates of Participation  
 (Music Circus)

DEBT SERVICE SCHEDULE

| DATE         | RATE   | PRINCIPAL         | INTEREST             | DEBT SERVICE         | FISCAL YEAR<br>DEBT SERVICE | BOND YER DEBT<br>SERVICE | PRINCIPAL<br>REMAINING |
|--------------|--------|-------------------|----------------------|----------------------|-----------------------------|--------------------------|------------------------|
| 3/1/2003     |        |                   | 387,437.72           | 387,437.72           | 387,437.72                  |                          | 16,580,000             |
| 9/1/2003     |        |                   | 367,046.26           | 367,046.26           |                             | 754,483.98               | 16,580,000             |
| 3/1/2004     |        |                   | 367,046.26           | 367,046.26           | 734,092.52                  |                          | 16,580,000             |
| 9/1/2004     | 2.000% | 325,000           | 367,046.26           | 692,046.26           |                             | 1,059,092.52             | 16,255,000             |
| 3/1/2005     |        |                   | 363,796.25           | 363,796.25           | 1,055,842.51                |                          | 16,255,000             |
| 9/1/2005     | 2.000% | 335,000           | 363,796.25           | 698,796.25           |                             | 1,062,592.50             | 15,920,000             |
| 3/1/2006     |        |                   | 360,446.25           | 360,446.25           | 1,059,242.50                |                          | 15,920,000             |
| 9/1/2006     | 2.200% | 340,000           | 360,446.25           | 700,446.25           |                             | 1,060,892.50             | 15,580,000             |
| 3/1/2007     |        |                   | 356,706.25           | 356,706.25           | 1,057,152.50                |                          | 15,580,000             |
| 9/1/2007     | 2.500% | 345,000           | 356,706.25           | 701,706.25           |                             | 1,058,412.50             | 15,235,000             |
| 3/1/2008     |        |                   | 352,393.75           | 352,393.75           | 1,054,100.00                |                          | 15,235,000             |
| 9/1/2008     | 2.900% | 355,000           | 352,393.75           | 707,393.75           |                             | 1,059,787.50             | 14,880,000             |
| 3/1/2009     |        |                   | 347,246.25           | 347,246.25           | 1,054,640.00                |                          | 14,880,000             |
| 9/1/2009     | 3.125% | 365,000           | 347,246.25           | 712,246.25           |                             | 1,059,492.50             | 14,515,000             |
| 3/1/2010     |        |                   | 341,543.13           | 341,543.13           | 1,053,789.38                |                          | 14,515,000             |
| 9/1/2010     | 5.000% | 375,000           | 341,543.13           | 716,543.13           |                             | 1,058,086.25             | 14,140,000             |
| 3/1/2011     |        |                   | 332,168.13           | 332,168.13           | 1,048,711.25                |                          | 14,140,000             |
| 9/1/2011     | 3.600% | 395,000           | 332,168.13           | 727,168.13           |                             | 1,059,336.25             | 13,745,000             |
| 3/1/2012     |        |                   | 325,058.13           | 325,058.13           | 1,052,226.25                |                          | 13,745,000             |
| 9/1/2012     | 3.700% | 410,000           | 325,058.13           | 735,058.13           |                             | 1,060,116.25             | 13,335,000             |
| 3/1/2013     |        |                   | 317,473.13           | 317,473.13           | 1,052,531.25                |                          | 13,335,000             |
| 9/1/2013     | 3.875% | 425,000           | 317,473.13           | 742,473.13           |                             | 1,059,946.25             | 12,910,000             |
| 3/1/2014     |        |                   | 309,238.75           | 309,238.75           | 1,051,711.88                |                          | 12,910,000             |
| 9/1/2014     | 4.000% | 440,000           | 309,238.75           | 749,238.75           |                             | 1,058,477.50             | 12,470,000             |
| 3/1/2015     |        |                   | 300,438.75           | 300,438.75           | 1,049,677.50                |                          | 12,470,000             |
| 9/1/2015     | 4.100% | 460,000           | 300,438.75           | 760,438.75           |                             | 1,060,877.50             | 12,010,000             |
| 3/1/2016     |        |                   | 291,008.75           | 291,008.75           | 1,051,447.50                |                          | 12,010,000             |
| 9/1/2016     | 4.200% | 480,000           | 291,008.75           | 771,008.75           |                             | 1,062,017.50             | 11,530,000             |
| 3/1/2017     |        |                   | 280,928.75           | 280,928.75           | 1,051,937.50                |                          | 11,530,000             |
| 9/1/2017     | 4.300% | 500,000           | 280,928.75           | 780,928.75           |                             | 1,061,857.50             | 11,030,000             |
| 3/1/2018     |        |                   | 270,178.75           | 270,178.75           | 1,051,107.50                |                          | 11,030,000             |
| 9/1/2018     | 4.400% | 520,000           | 270,178.75           | 790,178.75           |                             | 1,060,357.50             | 10,510,000             |
| 3/1/2019     |        |                   | 258,738.75           | 258,738.75           | 1,048,917.50                |                          | 10,510,000             |
| 9/1/2019     | 4.500% | 545,000           | 258,738.75           | 803,738.75           |                             | 1,062,477.50             | 9,965,000              |
| 3/1/2020     |        |                   | 246,476.25           | 246,476.25           | 1,050,215.00                |                          | 9,965,000              |
| 9/1/2020     | 4.600% | 565,000           | 246,476.25           | 811,476.25           |                             | 1,057,952.50             | 9,400,000              |
| 3/1/2021     |        |                   | 233,481.25           | 233,481.25           | 1,044,957.50                |                          | 9,400,000              |
| 9/1/2021     | 4.750% | 595,000           | 233,481.25           | 828,481.25           |                             | 1,061,962.50             | 8,805,000              |
| 3/1/2022     |        |                   | 219,350.00           | 219,350.00           | 1,047,831.25                |                          | 8,805,000              |
| 9/1/2022     | 4.750% | 620,000           | 219,350.00           | 839,350.00           |                             | 1,058,700.00             | 8,185,000              |
| 3/1/2023     |        |                   | 204,625.00           | 204,625.00           | 1,043,975.00                |                          | 8,185,000              |
| 9/1/2023     | 5.000% | 650,000           | 204,625.00           | 854,625.00           |                             | 1,059,250.00             | 7,535,000              |
| 3/1/2024     |        |                   | 188,375.00           | 188,375.00           | 1,043,000.00                |                          | 7,535,000              |
| 9/1/2024     | 5.000% | 685,000           | 188,375.00           | 873,375.00           |                             | 1,061,750.00             | 6,850,000              |
| 3/1/2025     |        |                   | 171,250.00           | 171,250.00           | 1,044,625.00                |                          | 6,850,000              |
| 9/1/2025     | 5.000% | 720,000           | 171,250.00           | 891,250.00           |                             | 1,062,500.00             | 6,130,000              |
| 3/1/2026     |        |                   | 153,250.00           | 153,250.00           | 1,044,500.00                |                          | 6,130,000              |
| 9/1/2026     | 5.000% | 755,000           | 153,250.00           | 908,250.00           |                             | 1,061,500.00             | 5,375,000              |
| 3/1/2027     |        |                   | 134,375.00           | 134,375.00           | 1,042,625.00                |                          | 5,375,000              |
| 9/1/2027     | 5.000% | 790,000           | 134,375.00           | 924,375.00           |                             | 1,058,750.00             | 4,585,000              |
| 3/1/2028     |        |                   | 114,625.00           | 114,625.00           | 1,039,000.00                |                          | 4,585,000              |
| 9/1/2028     | 5.000% | 830,000           | 114,625.00           | 944,625.00           |                             | 1,059,250.00             | 3,755,000              |
| 3/1/2029     |        |                   | 93,875.00            | 93,875.00            | 1,038,500.00                |                          | 3,755,000              |
| 9/1/2029     | 5.000% | 870,000           | 93,875.00            | 963,875.00           |                             | 1,057,750.00             | 2,885,000              |
| 3/1/2030     |        |                   | 72,125.00            | 72,125.00            | 1,036,000.00                |                          | 2,885,000              |
| 9/1/2030     | 5.000% | 915,000           | 72,125.00            | 987,125.00           |                             | 1,059,250.00             | 1,970,000              |
| 3/1/2031     |        |                   | 49,250.00            | 49,250.00            | 1,036,375.00                |                          | 1,970,000              |
| 9/1/2031     | 5.000% | 960,000           | 49,250.00            | 1,009,250.00         |                             | 1,058,500.00             | 1,010,000              |
| 3/1/2032     |        |                   | 25,250.00            | 25,250.00            | 1,034,500.00                |                          | 1,010,000              |
| 9/1/2032     | 5.000% | 1,010,000         | 25,250.00            | 1,035,250.00         | 1,035,250.00                | 1,060,500.00             | -                      |
| <b>TOTAL</b> |        | <b>16,580,000</b> | <b>14,915,919.00</b> | <b>31,495,919.00</b> | <b>31,495,919.00</b>        | <b>31,495,919.00</b>     |                        |

RESERVE REQUIREMENT

|   |              |
|---|--------------|
| Maximum Annual Debt Service:              | 1,062,500.00 |
| 125% of Avg. Anl. D/S:                    | 1,325,022.25 |
| 10% of Original Bonds (less adjustments): | 1,658,000.00 |

**SACRAMENTO REGIONAL ARTS  
STATEMENTS OF NET ASSETS  
June 30, 2009**

**ASSETS**

## Current assets

|                        |                     |
|------------------------|---------------------|
| Cash                   | 1,083,379.08        |
| Short term investments |                     |
| Total current assets   | <u>1,083,379.08</u> |

## Non current assets

|   |                  |
|---|------------------|
| Cash and investments held by fiscal agent |                  |
| Allowance for market adjustment           | 25,100.00        |
| Total noncurrent assets                   | <u>25,100.00</u> |

## Other assets

|  |                      |
|--|----------------------|
| Lease receivable                                     | 13,577,783.87        |
| Prepaid insurance                                    | 134,954.78           |
| Deferred charges/cost of issuance & underwriter fees | 436,825.64           |
| Total other assets                                   | <u>14,149,564.29</u> |

**Total assets** 15,258,043.37

**LIABILITIES**

## Current liability

|                          |                   |
|--------------------------|-------------------|
| Accrued payable          | -                 |
| Accrued interest payable | 173,623.13        |
| Total current liability  | <u>173,623.13</u> |

## Non current liability

|                            |                      |
|----------------------------|----------------------|
| Bonds payable              | 14,880,000.00        |
| Unamortized bond discount  | (119,089.07)         |
| Total noncurrent liability | <u>14,760,910.93</u> |

**Total liabilities** 14,934,534.06

**NET ASSETS**

**\$** 323,509.31

**SACRAMENTO REGIONAL ARTS  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2009**

**REVENUES**

|                         |    |                          |
|-------------------------|----|--------------------------|
| CMT Contributions       | \$ | 690,564.40               |
| Dividend                |    | 4,158.14                 |
| Interest revenues       |    | 21,126.97                |
| Capital gains/losses    |    | -                        |
| Unrealized gains/losses |    | 25,100.00                |
| <b>Total revenues</b>   |    | <b><u>740,949.51</u></b> |

**EXPENSES**

|                                |  |                          |
|--------------------------------|--|--------------------------|
| Admin fee                      |  | -                        |
| Interest expenses              |  | 702,133.89               |
| Amortization of issuance costs |  | 18,588.33                |
| Insurance expenses             |  | 5,742.76                 |
| <b>Total expenses</b>          |  | <b><u>726,464.97</u></b> |

|                                      |                             |
|--------------------------------------|-----------------------------|
| <b>Changes in Net Assets</b>         | 14,484.54                   |
| Total net assets, beginning of year  | <u>309,024.77</u>           |
| <b>Total net assets, end of year</b> | <b><u>\$ 323,509.31</u></b> |

|                              |           |
|------------------------------|-----------|
| Total Revenues over expenses | 14,484.54 |
|------------------------------|-----------|