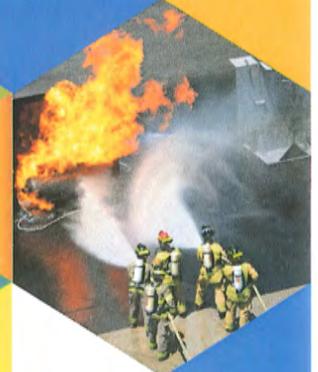
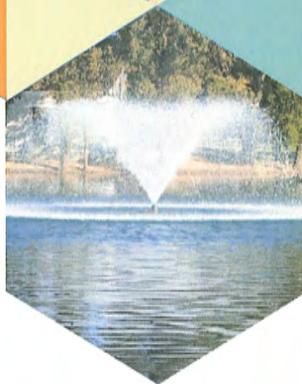




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COSUMNES
84
FIRE DEPT.



2017

Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2017

Cosumnes Community Services District

9355 E. Stockton Blvd. Ste. 185
Elk Grove, California 95624
Phone: (916) 405-7150 Fax: (916) 685-6942
www.yourcsd.com

COSUMNES COMMUNITY SERVICES DISTRICT
STATE OF CALIFORNIA

**The Cosumnes Community Services District is the Local Government Provider of
Fire & Emergency Services and Parks & Recreation Services**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Prepared by:

Jeremy Edwards, Finance Manager

Cosumnes Community Services District

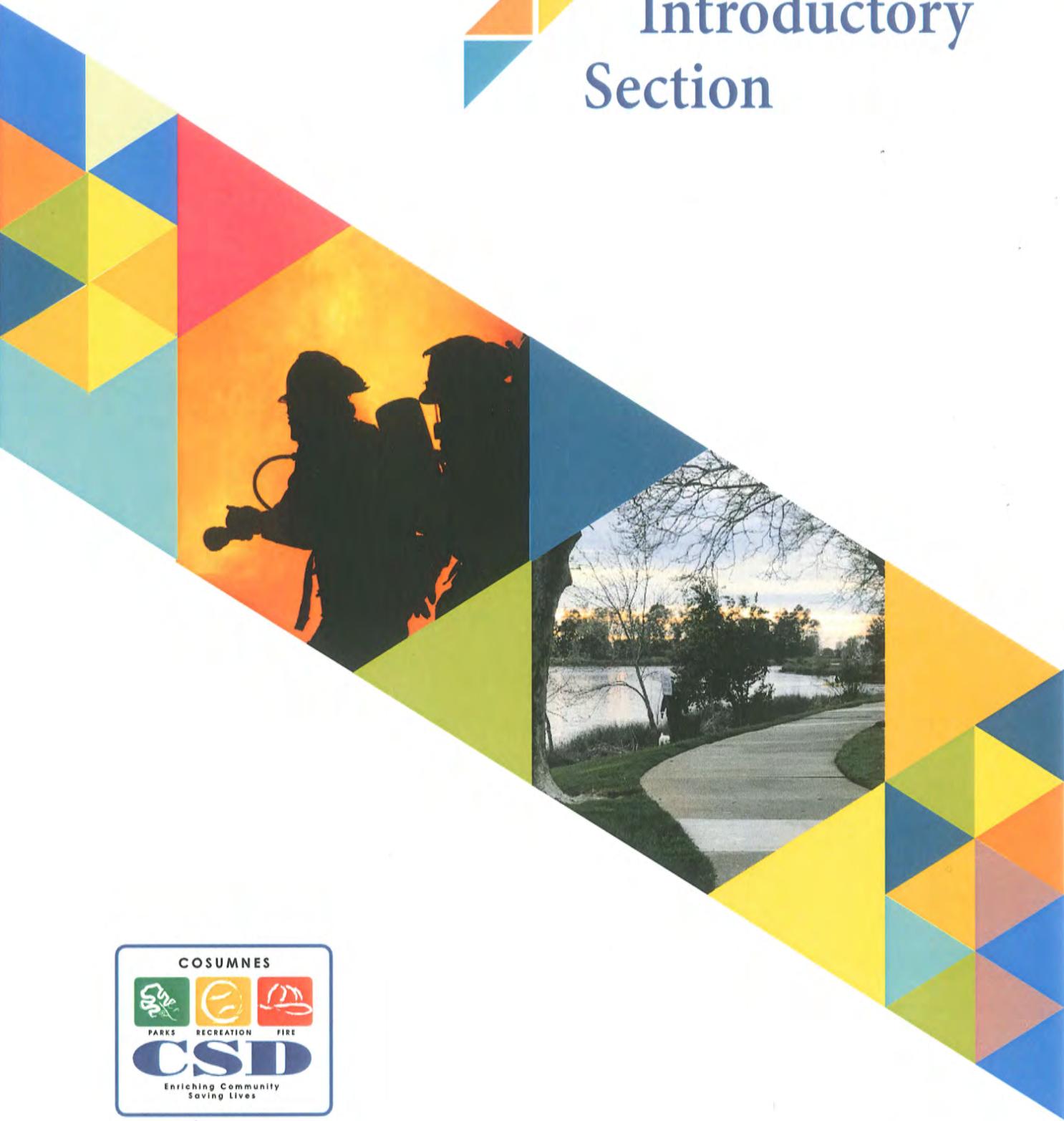
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Cosumnes Community Services District

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Introductory Section



**Enriching Community
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January 2, 2018

Honorable Board of Directors
Cosumnes Community Services District

The Comprehensive Annual Financial Report of the Cosumnes Community Services District (District) for the fiscal year ended June 30, 2017, is hereby submitted. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. 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.

The District's accounting records for governmental funds are maintained on the modified accrual basis of accounting. This essentially involves the recording of revenues when they become measurable and available and the recording of expenditures when goods and services are received and the related liability incurred.

Badawi and Associates, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Cosumnes Community Services District's financial statements for the fiscal year ended June 30, 2017. The independent auditor's report is located at 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. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The District is a political subdivision of the State of California. The Elk Grove Community Services District was established under Government Code Sections 56261.1 and 56439(c) on July 1, 1985, by a reorganization resulting in the dissolution of the Elk Grove Fire Protection District and the Elk Grove Recreation and Park District. In 2006, a reorganization of the Elk Grove CSD and the Galt Fire Protection District resulted in the creation of the Cosumnes Community Services District. This change expanded the delivery of CSD fire protection and emergency medical services from the Elk Grove Region to the City of Galt and additional unincorporated areas in south Sacramento County. The governing body of the District is a five-member Board of Directors elected at large to four year staggered terms. Day-to-day operations are overseen by the District's General Manager.

The District provides fire protection services including fire suppression, fire prevention, inspection, plan checking and public education programs and provides emergency medical services, ambulance transport, advanced life support and rescue services and; in addition, provides parks, recreation facilities and programs. The District consists of approximately 157 square miles with a population of about 192,216; operates eight fire stations, one fire training facility and ninety-five parks (three undeveloped) and employs two hundred eighty-two full-time and over one hundred part-time staff.

The District Wide Landscape & Lighting Assessment District, which was organized under the Landscaping and Lighting Act of 1972, operates within the District to fund some capital and all maintenance and operations of parks and is governed by the same Board of Directors. All parcels of land in the District Wide Landscape & Lighting Assessment District are assessed at varying rates depending upon established benefit zones.

The Elk Grove Community Services District Foundation (the Foundation) was established on March 21, 1996 for the purpose of protecting lives through fire prevention educational programs, financially assisting residents who cannot afford to participate in recreational activities and beautifying the community of Elk Grove. On April 4, 1997, the Foundation was recognized as exempt under Section 501(c) (3) of the Internal Revenue Code. In June 2008, the Foundation was reorganized into an active community foundation. The name of the Foundation was changed to Cosumnes Legacy Foundation; the existing elected and appointed directors resigned their positions and seven (7) community members were appointed as Foundation Directors with two and three-year staggered terms. The Foundation is a legally separate component unit that is reported as a non-major governmental fund within the basic financial statements.

The Elk Grove Community Services District Public Facilities Acquisition Corporation (the Corporation) was established in March 2006 to facilitate financing the acquisition of capital assets of the District. The Corporation's Board is comprised of the members of the District's Board of Directors. The Corporation does not have any assets or liabilities. Its activities have been blended with the appropriate District funds. No separate financial statements are issued for the Corporation.

As required by the laws of the State of California, the District prepares and legally adopts a final operating budget on or before August 30 of each fiscal year. Each District department is required to submit their annual budget requests for the ensuing year. The General Manager reviews each request and a budget is presented to the Board of Directors. This budget reflects, as nearly as possible, the estimated revenues and expenditures for the upcoming year.

The budget is made available for public inspection through a public notice. On the dates stated in the notice, the Board of Directors conducts public hearings on the budget and at the conclusion of the hearings makes a final determination thereon. Annual budgets are adopted for the General Fund, Capital Projects Fund, Debt Service Fund, and Landscape and Lighting Special Revenue Fund. Until the adoption of the final budget, operations are governed by the adopted preliminary budget approved by the Board prior to June 30th. The final budget serves as an approved plan for operational control and performance evaluation.

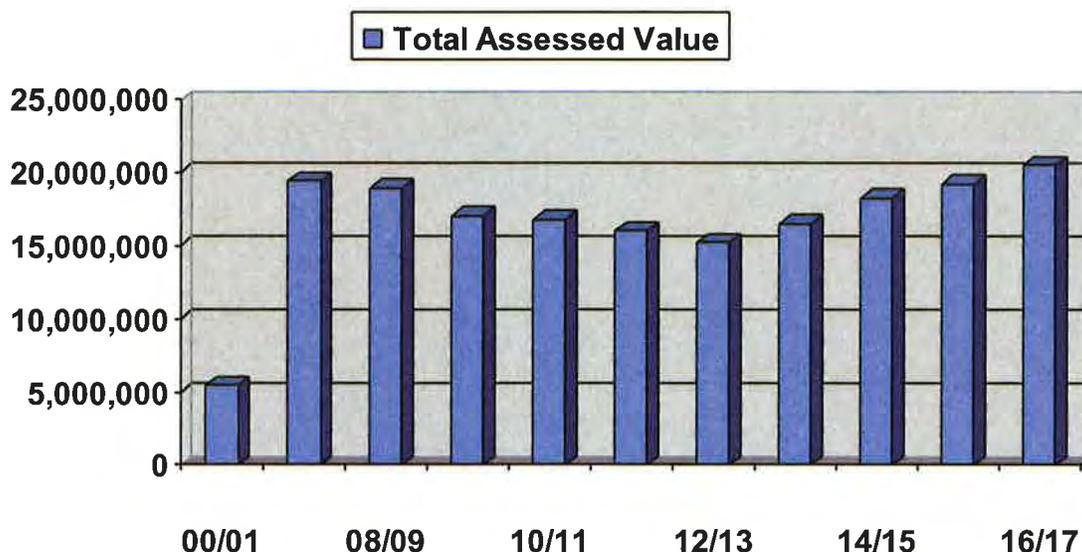
The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the object level of all budgetary units except for fixed assets, which are controlled on the sub-object level. The expenditure portion of the budget is enacted into law through the passage of an appropriation resolution. This resolution constitutes maximum spending authorization for the fiscal year. It cannot be exceeded except by amendment of the budget

by the Board of Directors. During 2016-2017, amendments were made to the final adopted budget. The budget data reflected in this comprehensive annual financial report includes the effect of all approved budget amendments. Monthly comparison of actual-to-budgeted revenues and expenditures identify significant variances that may require the District to take corrective action.

Local Economy

The Cosumnes CSD local economies is improving, and as the population continues to grow and as political leaders are focused on bringing business and commerce to the region, the demand for housing emerges. An extraordinarily low supply of homes for sale pushed prices higher this spring and summer across the Sacramento region. In June 2017, the median home price of \$335,000 in Sacramento County was the highest in 10 years.

The primary funding source of District operations is property taxes. Other revenue sources include recreation fees, ambulance fees, development impact fees and various other charges for services. Property tax revenues have increased by approximately 7% from the prior year but the current recovery has already lasted a year longer than the historic average despite soft U.S. economic growth, therefore the District is projecting an average annual growth in property tax revenues of 5% for next fiscal year.



Residential real estate is experiencing a tight market pushing home prices higher in the Sacramento region with the median sales price up 8% in June of 2017 compared to the prior year. The District is estimating that property tax revenues will increase 5% in Fiscal Year 2017-18 compared to FY 2016-17 due to projected home appreciation between 1 to 5%, modest local development, a projected increase in wage and salary jobs and a decrease in unemployment.

The District Wide Landscape & Lighting Assessment fees account for approximately 20% of total revenues of the District. These fees are levied on parcels within the various benefit zones to provide funds for the maintenance, repair, replacement, services, utilities and capital improvements associated with the parks, landscape medians and corridors, parkways, Camden Lake, open space of

any nature, trail systems and other recreation facilities, amenities and appurtenances within the District's parks thereto owned by the District which are designated for inclusion within the Assessment District.

Long-term financial planning

Elk Grove is expected to rebound in commercial, industrial, and residential growth during the next five to ten years. With approval of the Laguna Ridge specific plan, the Lent Ranch and South East Area specific plans, the District's largely undeveloped areas are well positioned for future growth. Commercial/industrial construction is anticipated to continue with the development of a regional shopping mall and a newly approved casino. It is the challenge of this District to maintain the high level of service that our residents and business leaders have come to expect from the District. One step in meeting these challenges is the annual review and update of the District's goals and strategies and Capital Improvement Plans. These Capital Improvement Plans provide an overview of the timing of future District facilities and corresponding revenue sources for development. This document, along with the annual budget, is the foundation upon which the District will build to meet the growing needs of the community.

Relevant financial policies

The District's unrestricted cash and investments are maintained in the State of California Local Agency Investment Fund (the Fund) and a separately managed investment portfolio. The State Treasurer is responsible for managing the investment of the Fund's resources. The Fund's investment policy is to maintain a high credit quality, short duration portfolio to provide participants with safety of principal, liquidity, public trust and a market average rate of return.

The Fund's portfolio at June 30, 2017 was invested in U.S. Treasury and Government Agency investments (69%), certificate of deposit (14%), time deposits (8%), and commercial paper (9%). The average yield on investments during fiscal year 2016-2017 was .75%.

At June 30, 2017, the District's separate investment portfolio of approximately \$31.8 million was invested 30% in certificates of deposit and 70% in corporate notes and bonds. All investments are rated AAA/A-1+ by Standard & Poors. Maturities range from 1 month to 48 months. The average yield on investments during fiscal year 2016-2017 was 1.25%.

The District is a member of the Special District Risk Management Authority, a joint powers agency comprised of California special districts and agencies that provides general liability, automobile and property insurance coverage for the District. The limits of liability range between \$400,000 and \$350 million per occurrence annually. This policy covers real and personal property of the District.

The District participates in the Northern California Special Districts Insurance Authority (NCSDIA), a public entity risk pool of special districts within Northern California, for workers compensation. The District pays an annual premium to NCSDIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the NCSDIA.

Major initiatives

The District is currently in the design and construction phase on three neighborhood parks totaling 30.1 acres and completion of a comprehensive solar and efficiency program. In addition, the District has implemented a new ERP New World software system for financial management, remodeled the clubhouse at the Emerald Lakes Golf Course, completed the renovation to Johnson Park tot-lot, new windows at the Elk Grove Recreation Center and new security cameras at Bartholomew Sports Park.

Awards and Acknowledgements

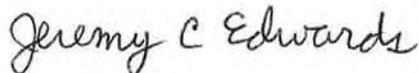
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cosumnes Community Services District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This was the nineteenth consecutive year that the Cosumnes Community Services District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another Certificate.

The preparation of this Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efficient and dedicated service of the entire staff of the Administrative Services Department and the cooperation and assistance received from the staff of the Parks and Recreation and Fire Departments.

In closing, we would like to commend the Board of Directors for its interest, support and leadership in planning and conducting the financial operations of the District in a responsive and progressive manner.

Respectfully submitted,



Jeremy Edwards
Finance Manager

**COSUMNES COMMUNITY SERVICES DISTRICT
LIST OF PRINCIPAL OFFICIALS**

Board of Directors (Elected)

Rod Brewer	President
Rich Lozano	Vice-President
Gil Albiani	Member
Orlando Fuentes	Member
Jim Luttrell	Member

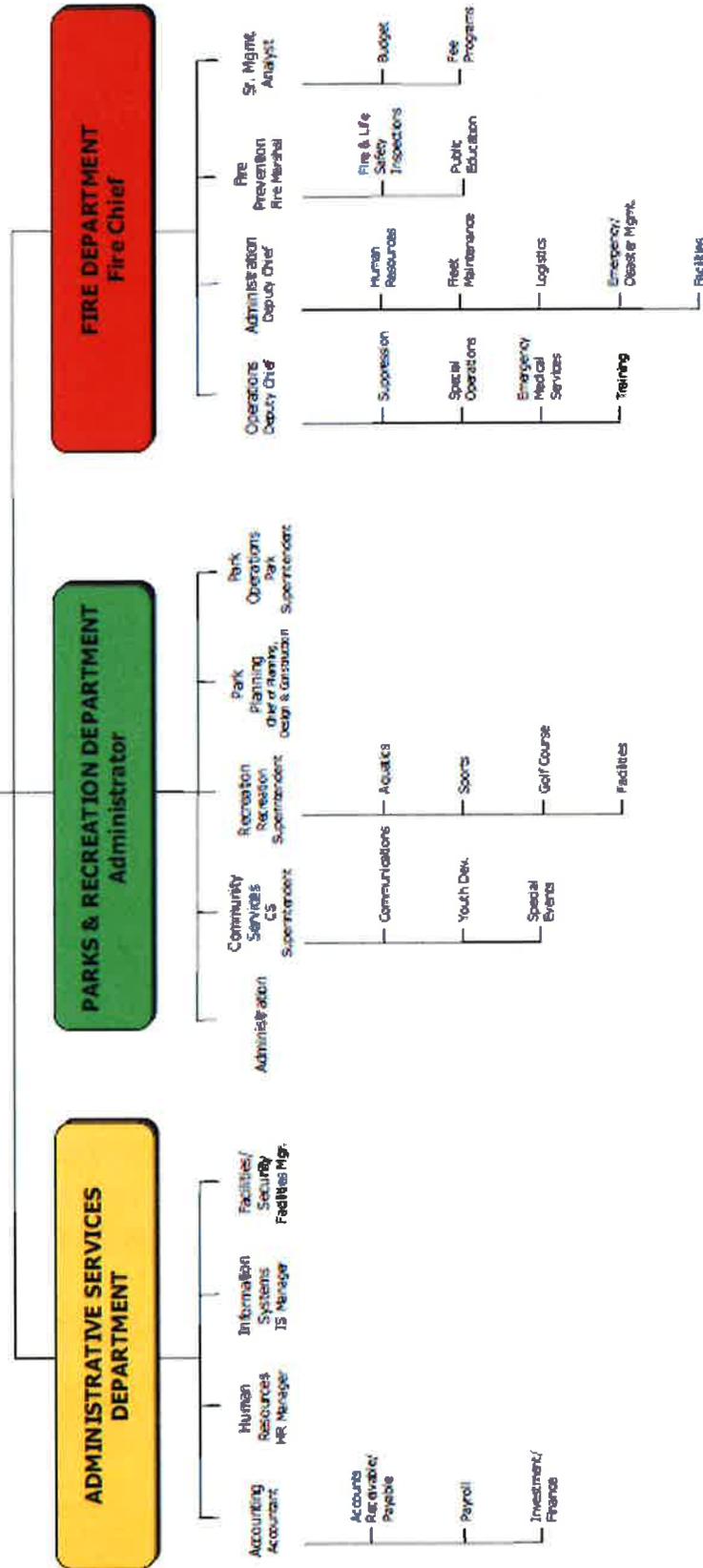
Officials (Appointed)

Jeff Ramos
General Manager/Chief Operating Officer

Tracey Hansen
Fire Chief

Maureen Zamarripa
Parks and Recreation Department Administrator

PUBLIC
Board of Directors
General Manager





Government Finance Officers Association

**Certificate of
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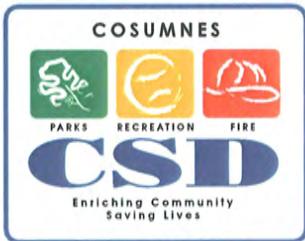
**Cosumnes Community Services District
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

Financial Section



**Enriching Community
Saving Lives**



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Cosumnes Community Services District
Elk Grove, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cosumnes Community Services District, California (District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
of the Cosumnes Community Services District
Elk Grove, California
Page 2

Other Matters

Required Supplementary Information

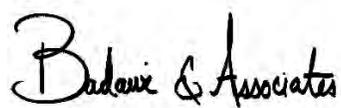
Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, pension information, the OPEB schedule of funding progress, and budgetary comparison information on pages 3–13 and 60–66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other supplementary schedules on pages 70 to 105 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining, individual nonmajor fund financial statements, and other supplementary schedules on pages 70 to 105 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, and other supplementary schedules on pages 70 to 105 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



Badawi & Associates, CPAs
Oakland, California
January 2, 2018

As management of the Cosumnes Community Services District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-vii of this report.

FINANCIAL HIGHLIGHTS

- ◆ The assets of the Cosumnes Community Services District exceeded its liabilities at the close of the 2016-17 and 2015-16 fiscal years by \$194,255,262 and \$184,005,599 (*net position*), respectively. Of this amount, \$52,954,081 and \$48,762,603 is restricted for specific purposes (*restricted net position*), and \$179,250,894 and \$185,351,179 is net investment in capital assets. The increase in net position is mainly due to the recovery of insurance proceeds related to the fire at the administration building combined with the increase in funds restricted for Landscape and Lighting improvements. This increase is discussed further on pages 11 and 12 of this report.
- ◆ For FY 2016-17, total District governmental fund revenues, including program and general revenues, were \$81.3 million, an increase of \$5.4 million from the prior fiscal year and the changes are as follows. The change in revenue in the current year is due to an 6% increase in taxes (\$2.3 million), a 14% increase in charges for current services (\$4 million), a 22% increase in developer fees and contributions (\$400 thousand), offset by a 22% decrease in intergovernmental (\$800 thousand) and a 30% decrease in miscellaneous (\$400 thousand). Total governmental fund expenses were \$81.4 million, an increase of \$7 million from the prior fiscal year. The increase is related to a 12% increase in public protection expenditures (\$4.7 million), an 9% increase in recreation and culture (\$1.9 million), an 80% increase in capital outlay expenditures (\$2.8 million), a 94% increase in cost of issuance related to the refinancing project and the California Renewable Energy Bonds (\$300 thousand), which was offset by a 24% decrease in general government expenditures (\$1.8 million) and a 20% decrease in debt service (\$700 thousand).
- ◆ For FY 2015-16, total District governmental fund revenues, including program and general revenues, were \$75.9 million, an increase of \$4.6 million from the prior fiscal year and the changes are as follows. The change in revenue in the current year is due to an 7% increase in taxes (\$2.5 million), a 59% increase in intergovernmental (\$1.3 million), a 336% increase in miscellaneous (\$1.1 million), a 35% increase in use of money and property (\$500 thousand) and a 11% increase in developer fees and contributions (\$200 thousand) offset by a 3% decrease in charges for services (\$1 million). Total governmental fund expenses were \$74.4 million, an increase of \$5.8 million from the prior fiscal year. The increase is related to a 7% increase in public protection expenditures (\$2.5 million), an 87% increase in general government (\$3.7 million), a 26% increase in debt service expenditures (\$700 thousand), a 100% increase in cost of issuance related to the pension obligation bond (\$300 thousand), which was offset by a 20% decrease in capital outlay expenditures (\$900 thousand) and a 3% decrease in recreation and culture (\$500 thousand).
- ◆ As of June 30, 2017 and 2016, total District's governmental funds reported combined fund balances of \$87,139,354 and \$78,941,785, respectively, an increase of \$8,197,569 and an increase of \$8,059,630 in comparison with the prior year. Approximately 37% and 37% of the combined fund balances, \$32,218,113 and \$29,194,656 is available for spending at the government's discretion (*assigned fund balance*).

- ◆ At the close of the fiscal year ended June 30, 2017 and 2016, the total fund balance restricted for park and fire station construction, capital projects, landscape and lighting district operations and foundation activities was \$52,954,081 and \$48,762,603, respectively.
- ◆ The District's total long-term obligations increased by a net amount of \$9,521,922 during the 2016-17 fiscal year and increased \$8,011,041 during the 2015-16 fiscal year. For FY 2016-17, the increase resulted primarily from the issuance of two certificates of participation totaling \$15.6 million to refinance the Fleet Maintenance Facility and fund the Opterra Energy Project combined with the acquisition of new leases totaling \$800 thousand to purchase Motorola radios, a security patrol vehicle and a Turfstar mower. The District's total long-term obligations were offset by \$2.9 million in debt payments. For FY 2015-16, the increase resulted primarily from the issuance of a certificate of participation totaling \$9.1 million to refinance a portion of the unfunded actuarial accrued liability with respect to the obligation of the District for CalPERS combined with the acquisition of new leases totaling \$1.3 million to purchase two Pierce Arrow fire engines, a Pacific Mobile Structure and two District copiers. The District's total long-term obligations were offset by \$2.4 million in debt payments.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report is in three major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information,
- 2) **Financial section**, The Management's Discussion and Analysis (this part), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements, along with the notes to these financial statements, Required Supplementary Information, and Combining and Individual Fund Financial Statements and Schedules, and
- 3) **Statistical section**.

The Basic Financial Statements

The Basic Financial Statements consist of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the District's activities as a whole, and consist of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the District's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the District's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of the District's activities and amounts in the Statement of Net Position and the Statement of Activities are considered Governmental Activities, as explained below.

- ◆ **Government activities** – All of the District’s basic services are considered to be governmental activities, including general government, public protection, and recreation and culture. These services are supported by property taxes, and also by specific program revenues such as recreation fees, ambulance and plan check fees and developer fees.

The District’s governmental activities include the activities of two separate legal entities, the Cosumnes Legacy Foundation and the Elk Grove Community Services District Public Facilities Acquisition Corporation, because the District is financially accountable for the Foundation and Acquisition Corporation. The Foundation and Acquisition Corporation have been included as an integral part of the primary government.

Fund Financial Statements

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

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

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

The Governmental Fund Financial Statements provide detailed information about each of the District's most significant funds, called *major funds*. The concept of *major funds*, and the determination of which are *major funds*, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each *major fund* is presented individually, with all *non-major funds* summarized and presented only in a single column. Subordinate schedules present the detail of these *non-major funds*. *Major funds* present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. For the fiscal year ending June 30, 2016, the District's *major funds* are as follows:

- General Fund
- Landscape and Lighting Special Revenue Fund

For the fiscal year ended June 30, 2017, the District adopted annual appropriated budgets for all funds, except for the following:

- Foundation Special Revenue Fund

A budgetary comparison statement has been provided for the General Fund and the Landscape and Lighting Special Revenue Fund.

The basic governmental fund financial statements can be found on pages 15 to 22 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the financial statements can be found on pages 23-58 of this report.

Required Supplementary Information

Supplemental information regarding the funding progress of the District's pension plan can be found on pages 60-66 of this report.

Combining and Individual Fund Financial Statements and Schedules

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 70-71 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$194,255,262 at the close of the most recent fiscal year.

COSUMNES COMMUNITY SERVICES DISTRICT

SUMMARY OF NET POSITION
JUNE 30, 2017, 2016 AND 2015

	2017	Governmental Activities 2016	2015
Current and other assets	\$ 89,750,945	\$ 82,002,637	\$ 73,248,586
Capital assets	<u>212,389,120</u>	<u>203,603,658</u>	<u>204,243,007</u>
Total assets	<u>302,140,065</u>	<u>285,606,295</u>	<u>277,491,593</u>
Long-term liabilities outstanding	116,307,734	106,785,812	96,662,022
Other liabilities	<u>2,708,391</u>	<u>2,536,422</u>	<u>2,468,440</u>
Total liabilities	<u>119,016,125</u>	<u>109,322,234</u>	<u>99,229,063</u>
Net position:			
Net Investment in capital assets	179,250,894	185,351,179	184,981,570
Restricted	52,954,081	48,762,603	44,349,631
Unrestricted	<u>(37,949,713)</u>	<u>(50,108,183)</u>	<u>(54,478,223)</u>
Total net position	<u>\$ 194,255,262</u>	<u>\$ 184,005,599</u>	<u>\$ 174,852,978</u>

The largest portion of the District’s net position of \$179,250,894 (92 percent) reflects its net investment in capital assets (e.g. land, structures and improvements, equipment and construction in progress); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another significant portion of the District’s net position of \$52,954,081 (27 percent) represents resources that are subject to external restrictions on how they may be used. The remaining negative balance of *unrestricted net position* of \$37,949,713 is mainly due to the District recording of pension liability amongst Safety and Miscellaneous employees offset.

At the end of the current fiscal year, the District is able to report positive balance in two of the three categories of net position for the District as a whole, and the District is beginning to replenish reserve fund balance because of the increase in property taxes offset by the increase in deferred outflows of resources from pensions combined with net pension and OPEB liabilities.

The District's net position increased by \$10,249,663 during the 2016/17 fiscal year, which accounts for 5 percent of total net position. The District's restricted and unrestricted net position increased approximately \$16.4 million. The increase is due to a 11% increase in assigned fund balance (\$3.1 million), a 10% increase in Landscape and Lighting improvements (\$3 million), a 7% increase in park development (\$900 thousand) and a 2% increase in fire station and equipment (\$300 thousand).

The District's net position increased by \$9,152,621 during the 2015/16 fiscal year, which accounts for 5 percent of total net position. The District's restricted and unrestricted net position increased approximately \$8.8 million, combined with an increase in investment in capital assets of approximately \$400 thousand. The increase is due to a 12% increase in assigned fund balance (\$3.1 million), a 14% increase in Landscape and Lighting improvements (\$3.8 million), a 13% increase in fire station and equipment (\$500 thousand) and a 5% increase in park development (\$200 thousand).

The table below indicates the changes in net position for governmental activities:

COSUMNES COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2017, 2016 AND 2015

	Governmental Activities		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
REVENUES:			
Program revenues:			
Charges for services	\$ 34,108,732	\$ 35,301,648	\$ 30,435,796
Operating grants and contributions	89,340	160,132	113,666
Capital grants and contributions	11,640,159	5,075,796	3,650,142
General revenues:			
Property taxes	41,024,168	38,678,041	36,173,988
Investment earnings	938,460	929,012	431,763
Miscellaneous	1,019,777	1,458,664	334,787
TOTAL REVENUES	<u>88,854,770</u>	<u>81,603,293</u>	<u>71,140,142</u>
 EXPENSES:			
Governmental activities:			
Public protection	45,153,327	40,295,060	31,393,533
Recreation and culture	27,244,095	24,181,806	24,737,509
General government	6,173,551	7,973,806	4,318,047
TOTAL EXPENSES	<u>78,570,973</u>	<u>72,450,672</u>	<u>60,449,089</u>
INCREASE (DECREASE) IN NET POSITION	10,249,663	9,152,621	10,691,053
Net position at begin of year	<u>184,005,599</u>	<u>174,852,978</u>	<u>164,161,925</u>
NET POSITION AT END OF YEAR	<u>\$ 194,255,262</u>	<u>\$ 184,005,599</u>	<u>\$ 174,852,978</u>

Revenues

The District's total revenues per the Statement of Activities were \$88,854,770 and \$81,603,293 for the fiscal years ended June 30, 2017 and 2016, respectively. Property tax revenue of \$41,024,168 and \$38,678,041 comprised 46% and 47%, respectively of the total governmental revenues of the District. Charges for services and capital grant and contribution revenue, which is comprised primarily of parkland dedications and fees from developers that is restricted for the construction of parks and fire stations, provided 38% and 43% and 13% and 6%, respectively, of the total governmental revenue of the District for the fiscal years ended June 30, 2017 and 2016. The increase in property tax revenues reflects the increase in proposition 13 adjustments on existing homes combined with the increase of sales on existing and new home properties and local development. The increase in capital grant and contribution revenue is directly related to the increase in developer fees and contributions in the current year combined with seven parks deeded from the City of Elk Grove to the District.

Expenses

Expenses of the District totaled \$78,570,973 and \$72,450,672 for the fiscal years ended June 30, 2017 and 2016, respectively. Public protection costs represent 57% and 55%, respectively, of total governmental activities expenses and are the largest single expenditure in the governmental activities.

The following table shows the cost of each of the District's major programs and the net cost of the programs for the fiscal year ended June 30, 2017. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost of the public protection, recreation and culture and general government services reflects the financial burden that was placed on the District's taxpayers by each of the programs.

	Total Cost of services	Net Revenue (Cost) of services
Public protection	\$45,153,327	\$ (32,579,521)
Recreation and culture	27,244,095	2,633,603
General government	6,173,551	(2,786,824)
TOTAL	<u>\$78,535,152</u>	<u>\$ (32,723,742)</u>

The net cost to taxpayers for recreation and culture services, excluding developer fees, was \$1,305,349.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses **fund accounting** to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

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

At June 30, 2017 and 2016 the District's governmental funds reported combined fund balances of \$87,139,354 and \$78,941,785, an increase of \$8,197,569 and an increase of \$8,059,630, respectively, in comparison with the prior year. The major reason for the increase was the increase of assigned fund balance (\$3.1 million) combined with the increase in landscape and lighting reserves (\$3 million). Approximately 36 and 36 percent of the combined fund balances, \$32,218,113 and \$29,194,656, respectively, constitutes *assigned fund balance*, which is available to meet the District's current and future needs. The remainder of fund balance is *restricted* to indicate that it is *not* available for new spending because it has been restricted: 1) to reflect amounts set aside for future construction (\$17,856,548); 2) to use for specific purpose of the fund (\$34,882,826); and 3) to reflect amounts held on behalf of the Cosumnes Legacy Foundation (\$214,707).

The General Fund is the chief operating fund of the District. At June 30, 2017 and 2016, assigned fund balance of the general fund was \$32,218,113 and \$29,194,656, respectively, while total fund balance reached \$52,041,821 and \$46,972,095. The increase in total fund balance of \$5,069,726 represents an increase in other financing sources (\$8.6 million) offset by a difference in total expenditures over total revenues (\$3.5 million). As a measure of the general fund's liquidity, it may be useful to compare both assigned fund balance and total fund balance to total fund expenditures. Assigned fund balance represents 46 percent and 46 percent of total fund expenditures, while total fund balance represents 75 percent and 74 percent of that same amount.

The Landscape & Lighting Special Revenue Fund has a total fund balance of \$34,882,826 and \$31,745,083 at June 30, 2017 and 2016. These amounts are restricted for the specific purpose of the fund. Total fund balance increased by \$3,137,743 and \$3,846,267 for the fiscal year ended June 30, 2017 and 2016. The increase is mainly attributable to the revenue produced from the East Franklin zone combined with the Landscape and Lighting assessment increases which are based on the CPI index each year.

At June 30, 2017, the Non-major Governmental Funds consist of the Foundation Special Revenue Fund. Total fund balance at June 30, 2017 is \$214,707 and is restricted solely for foundation activities. The decrease in fund balance of \$9,900 is related to the donations and contributions utilized for Operation Clyde and new computer equipment for the teen center within the Cosumnes Legacy Foundation.

At June 30, 2016, the Non-major Governmental Funds consist of the Foundation Special Revenue Fund. Total fund balance at June 30, 2016 is \$224,607 and is restricted solely for foundation activities. The increase in fund balance of \$21,066 is mainly related to the donations and contributions received for the Cosumnes Legacy Foundation.

General Fund Budgetary Highlights

For the fiscal year ended June 30, 2017, differences between the original budget and the final amended budget reflect increased General Fund expenditures totaling \$7,799,960. The increase is due to an increase in public protection expenditures for operational support combined with additional general government expenditures due to professional services related to the fire for the District Administration building. Actual General Fund revenues were \$3,326,124 greater than the final budget. This variance is mainly related to the increase in charges for current services. Actual General Fund expenditures were \$7,800,527 lower than the final budget, of which approximately \$7.5 million represented park development projects which were not completed and/or not started during the fiscal year in addition to lower departmental expenditures.

For the fiscal year ended June 30, 2016, differences between the original budget and the final amended budget reflect increased General Fund expenditures totaling \$5,639,284. The increase is due to an increase in public protection expenditures for operational support combined with additional general government expenditures due to the fire within the District Administration building. Actual General Fund revenues were \$3,054,322 greater than the final budget. This variance is mainly related to the increase in property taxes. Actual General Fund expenditures were \$7,719,984 lower than the final budget, of which approximately \$6.7 million represented park development projects which were not completed and/or not started during the fiscal year in addition to lower departmental expenditures.

CAPITAL ASSET AND LONG-TERM DEBT

Capital assets. As of June 30, 2017 and 2016, the Districts' investment in capital assets amounted to \$213,389,120 and \$206,603,658, respectively, net of depreciation. This investment in capital assets includes land, land improvements, structures and improvements, equipment and construction in progress costs for various parkland improvements and fire station construction.

COSUMNES COMMUNITY SERVICES DISTRICT

CAPITAL ASSETS (net of depreciation) AS OF JUNE 30, 2017, 2016 AND 2015

	2017	2016	2015
Land	\$ 94,384,093	87,392,509	87,113,826
Land improvements	64,954,113	64,822,368	64,509,759
Construction in Progress	4,360,189	811,515	1,270,681
Structures and improvements	42,780,156	45,418,523	46,832,450
Equipment	<u>5,910,569</u>	<u>5,158,743</u>	<u>4,516,291</u>
Total	\$ <u>212,389,120</u>	<u>203,603,658</u>	<u>204,243,007</u>

The following provides an explanation of significant changes in capital assets for the fiscal year ended June 30, 2017:

- ◆ Land – contribution of 21.4 acres of park land from the City of Elk Grove.
- ◆ Land improvements – completion and renovation of Johnson Park tot-lot.
- ◆ Structures and improvements – decrease is mainly due to the depreciation of structures and improvements offset by the remodel of the Emerald Lakes Golf Course (ELGC) clubhouse, a pump well at ELGC and windows at the Elk Grove Recreation Center.
- ◆ Construction in progress – increase is related to the Opterra Energy Services project, George Park and the remodel of the Administrative Services Building.
- ◆ Equipment – increase is mainly due to the purchase of four new ambulances, Motorola radios and a Turfstar mower offset by the depreciation of equipment.

The following provides an explanation of significant changes in capital assets for the fiscal year ended June 30, 2016:

- ◆ Land – purchase of 2.2 acres of land designated for Fire Station 78.
- ◆ Land improvements – completion and renovation of Davis and Mix Park tot-lots.
- ◆ Structures and improvements – decrease is mainly due to the depreciation of structures and improvements offset by the addition of a Bartholomew Sports Park maintenance building, a net at Emerald Lakes Golf Course and HVAC at Castello Recreation Center.
- ◆ Construction in progress – decrease is mainly related to the completion of Davis and Mix Park tot-lots and the maintenance building at Bartholomew Sports Park.
- ◆ Equipment – increase is mainly due to the purchase of two Pierce Arrow fire engines, fifty-five mobile data computers and a flashover simulator offset by the depreciation of equipment.

Additional information on the District’s capital assets can be found in Note 3 on page 37 to 38.

The District was in contract with Diede Construction, Inc. to remodel the District Administration building at June 30, 2017. The total amount committed at June 30, 2017 is \$9,541,760. Additional information on the District’s commitments can be found in Note 10 on page 56.

Long-term debt. At June 30, 2017, the District had long-term debt obligations totaling \$40,563,868. District debt issues include \$8,975,000 in Certificates of Participation to refinance a portion of the unfunded actuarial accrued liability with respect to the obligation of the District for CalPERS retirement, \$8,115,000 in Certificates of Participation to refinance a portion of the fleet maintenance facility, \$6,845,000 in Certificates of Participation for the Opterra Energy Services Project, \$198,400 in Certificates of Participation for the construction of two fire stations and Fire Training Facility land, a note agreement for \$66,111 for the financing of the Underwood Park Well, and \$16,364,356 in various capital lease obligations for the construction and equipping of a fire station and purchase of equipment and vehicles. The District’s total debt increased by \$13,563,511 (50%) during the current fiscal year mainly due to the refinancing project (\$8,115,000), the California Renewable Energy Bonds (\$6,845,000), Motorola radios (\$651,669), a Turfstar mower (\$68,219) and a security patrol vehicle (\$40,395) offset by \$1.9 million in principal debt payments.

Additional information on the District’s long-term debt can be found in Note 5 on pages 39-42.

ECONOMIC OUTLOOK

The primary funding source of District operations is property taxes. Property tax revenues have increased by approximately 7% from the prior year but the current recovery has already lasted a year longer than the historic average despite soft U.S. economic growth, therefore the District is projecting an average annual growth in property tax revenues of 5% for next fiscal year.

Residential real estate is experiencing a tight market pushing home prices higher in the Sacramento region with the median sales price up 8% in June of 2017 as compared to the prior year. The District is estimating that property tax revenues will increase 5% in Fiscal Year 2017-18 compared to FY 2016-17 due to projected home appreciation between 1 to 5%, modest local development, a projected increase in wage and salary jobs and a decrease in unemployment.

It is the challenge of this District to maintain the high level of service that our residents and business leaders have come to expect from the District. One step in meeting these challenges is the annual review and update of the District's goals and strategies and Capital Improvement Plans. These Capital Improvement Plans provide an overview of the timing of future District facilities and corresponding revenue sources for development. This document, along with the annual budget, is the foundation upon which the District will build to meet the growing needs of the community.

REQUESTS FOR INFORMATION

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. If you have questions about this report or need additional financial information, contact the Cosumnes Community Services District Administrative Services Department, 9355 East Stockton Boulevard, Elk Grove, CA 95624, or visit the District's web page at www.yourcsd.com.

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BASIC FINANCIAL STATEMENTS

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Cosumnes Community Services District
Statement of Net Position
June 30, 2017

ASSETS	<u>Governmental Activities</u>
Current assets:	
Cash and investments	\$ 76,866,383
Receivables:	
Interest	337,075
Intergovernmental	1,951,240
Ambulance	708,750
Other	24,585
Prepays	1,940,374
Restricted cash and investments	7,922,538
Total current assets	<u>89,750,945</u>
Noncurrent assets:	
Capital assets:	
Not being depreciated	163,698,395
Being depreciated, net	48,690,725
Total capital assets	<u>212,389,120</u>
Total noncurrent assets	<u>212,389,120</u>
Total assets	<u>302,140,065</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred employer pension contributions	5,926,770
Deferred outflows of resources - pension	8,130,082
Deferred loss on refunding	864,482
Total Deferred outflows of resources	<u>14,921,334</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	1,670,702
Accrued interest payable	269,633
Unearned revenue	768,056
Total current liabilities	<u>2,708,391</u>
Noncurrent liabilities:	
Long-term liabilities:	
Due within one year	3,112,964
Due in more than one year	113,194,770
Total noncurrent liabilities	<u>116,307,734</u>
Total liabilities	<u>119,016,125</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	3,790,012
Total Deferred inflows of resources	<u>3,790,012</u>
NET POSITION	
Net Investment in Capital Assets	179,250,894
Restricted for:	
Park development	13,524,587
Fire station and equipment	4,331,961
Landscape and lighting improvements	34,882,826
Foundation activities	214,707
Unrestricted	(37,949,713)
Total net position	<u><u>\$ 194,255,262</u></u>

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Statement of Activities
For the year ended June 30, 2017

Functions / Programs	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense) Revenue Governmental Activities
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:						
Public protection	\$44,947,335	\$ 205,992	\$ 9,929,689	\$ -	\$ 2,644,117	\$ (32,579,521)
Recreation and culture	26,110,030	1,134,065	20,878,015	3,641	8,996,042	2,633,603
General government	6,057,493	116,058	3,301,028	85,699	-	(2,786,824)
Interest on long-term debt	1,456,115	(1,456,115)	-	-	-	-
Total governmental activities	<u>\$78,570,973</u>	<u>\$ -</u>	<u>\$ 34,108,732</u>	<u>\$ 89,340</u>	<u>\$ 11,640,159</u>	<u>(32,732,742)</u>

General Revenues and Transfers:

Taxes:	
Property taxes	41,024,168
Investment earnings	938,460
Miscellaneous	1,019,777
Total general revenues and transfers	<u>42,982,405</u>
Change in net position	10,249,663
Net position - beginning of year	<u>184,005,599</u>
Net position - end of year	<u>\$ 194,255,262</u>

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Balance Sheet
Governmental Funds
June 30, 2017

	Major Funds			
	General Fund	Landscape and Lighting Special Revenue Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	41,832,530	34,792,043	\$ 241,810	\$ 76,866,383
Receivables:		-		
Accounts	-	-	-	-
Interest	83,803	253,272	-	337,075
Intergovernmental	1,667,603	283,637	-	1,951,240
Ambulance	708,750	-	-	708,750
Other	24,585	-	-	24,585
Advances to other funds	26,786	-	-	26,786
Prepays	1,940,374	-	-	1,940,374
Restricted cash and investments	7,922,538	-		7,922,538
Total assets	\$ 54,206,969	\$ 35,328,952	\$ 241,810	\$ 89,777,731
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	1,228,877	\$ 441,508	317	\$ 1,670,702
Advances from other funds	-	-	26,786	26,786
Unearned revenue	763,438	4,618	-	768,056
Total liabilities	1,992,315	446,126	27,103	2,465,544
Deferred Inflows of Resources:				
Unavailable revenues	172,833	-	-	172,833
Fund Balances:				
Nonspendable	1,967,160	-	-	1,967,160
Restricted for:				
Park development	13,524,587	-	-	13,524,587
Fire station and equipment	4,331,961	-	-	4,331,961
Specific purpose of the fund	-	34,882,826	-	34,882,826
Foundation activities of the fund	-	-	214,707	214,707
Assigned	32,218,113	-	-	32,218,113
Total fund balances	52,041,821	34,882,826	214,707	87,139,354
Total liabilities, deferred inflows of resources, and fund balances	\$ 54,206,969	\$ 35,328,952	\$ 241,810	\$ 89,777,731

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2017

Total Fund Balances - Total Governmental Funds \$ 87,139,354

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 are therefore not reported in the funds:

- Governmental capital assets	270,618,324	
- Less: accumulated depreciation	(58,229,204)	
Total capital assets		212,389,120

Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis used in the government-wide statements. Those revenues consist of:

- Ambulance charges	172,833	
Total revenues		172,833

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (269,633)

Employer contributions for pension were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements, these contributions are deferred. 5,926,770

In the Government-Wide Financial Statements, certain differences between actuarial assumptions and actual results for pension are deferred and amortized over a period of time, however these differences do not impact the Governmental Funds Balance Sheet:

- Deferred outflows of resources - pension		8,130,082
- Deferred inflows of resources - pension		(3,790,012)

Deferred amounts related to the refunding of long-term debt are not considered to be current financial resources. Therefore, they were not reported on the Governmental Funds Balance Sheet. This amount represents the unamortized balance as of the end of the year. 864,482

Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds. Those liabilities consist of:

- Loans Payable	(66,111)	
- 2015 Refinancing Project (Pension), Certificates of Participation	(8,714,216)	
- 2016 Refinancing Project, Certificates of Participation	(8,811,855)	
- 2016 Energy Project, Certificates of Participation, Series A, B, and C	(6,759,685)	
- Capital lease obligation	(8,801,650)	
- Compensated absences	(2,256,435)	
- Net OBEB obligation	(26,606,732)	
- Net pension liability	(54,291,050)	
Total long-term liabilities		(116,307,734)

Net Position of Governmental Activities \$ 194,255,262

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2017

	Major Funds			
	General Fund	Landscape and Lighting Special Revenue Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	\$ 41,024,168	\$ -	\$ -	\$ 41,024,168
Charges for current services	17,132,142	15,362,009	-	32,494,151
Developer fees and contributions	2,004,448	-	-	2,004,448
Intergovernmental	2,644,117	-	-	2,644,117
Donations and contributions	85,699	-	3,641	89,340
Use of money and property	1,495,377	572,415	-	2,067,792
Miscellaneous	1,017,395	2,382	-	1,019,777
Total revenues	65,403,346	15,936,806	3,641	81,343,793
EXPENDITURES:				
Current:				
Public protection	43,262,133	-	-	43,262,133
Recreation and culture	10,817,825	11,641,759	2,443	22,462,027
General government	6,006,798	-	-	6,006,798
Capital outlay	6,138,263	156,594	-	6,294,857
Debt service:				
Principal	1,804,681	22,747	56,268	1,883,696
Interest	332,984	2,813	635,090	970,887
Cost of issuance	529,832	-	-	529,832
Total expenditures	68,892,516	11,823,913	693,801	81,410,230
REVENUES OVER (UNDER) EXPENDITURES	(3,489,170)	4,112,893	(690,160)	(66,437)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	210	-	-	210
Issuance of long-term liabilities	15,611,669	108,613	-	15,720,282
Payment to escrow for refunding	(9,022,459)	-	(207,988)	(9,230,447)
Original issue premium	896,282	-	-	896,282
Original issue discount	(224,451)	-	-	(224,451)
Insurance recovery	1,102,130	-	-	1,102,130
Transfers in	1,471,642	3,068,947	900,585	5,441,174
Transfers out	(1,276,127)	(4,152,710)	(12,337)	(5,441,174)
Total other financing sources (uses)	8,558,896	(975,150)	680,260	8,264,006
Net change in fund balances	5,069,726	3,137,743	(9,900)	8,197,569
FUND BALANCES:				
Beginning of year	46,972,095	31,745,083	224,607	78,941,785
End of year	\$ 52,041,821	\$ 34,882,826	\$ 214,707	\$ 87,139,354

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes
in Fund Balances to the Government-Wide Statement of Activities
For the year ended June 30, 2017

Net Change in Fund Balances - Total Governmental Funds \$ 8,197,569

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

Governmental funds report capital outlay as expenditures. In the statement of activities, however, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

- Capital asset additions	13,246,049	
- Depreciation expense	<u>(4,459,088)</u>	
Total governmental funds		8,786,961

In the statement of activities, only the gain or (loss) on the sale of capital assets is reported, whereas in the governmental funds, proceeds from sales increase financial resources.

- Proceeds from sale of assets not recorded on Statement of Activities		(210)
- Loss on disposal of capital assets are not recorded on Governmental Funds		(1,289)

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 principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net position.

- Proceeds from long-term liabilities	(15,720,282)	
- Original issue premium	(896,282)	
- Original issue discount	224,451	
- Amortization of original issue premium	67,887	
- Amortization of original issue discount	(18,934)	
- Amortization of deferred loss on refunding	(59,661)	
- Principal repayments on long-term liabilities	1,883,696	
- Payment to escrow as part of debt refunding	<u>9,230,447</u>	
Net of long-term debt proceeds, repayments, and other related		(5,288,678)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Amount represent the change in the ambulance receivable. (616,881)

OPEB expenses do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds. (53,508)

Employer contributions for pension were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements, these contributions are deferred. 5,926,770

Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense does not require the use of current financial resources, and is not recognized in the governmental funds. (6,669,384)

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.

- Change in accrued interest payable	(4,349)	
- Change in compensated absences	<u>(27,338)</u>	
Total non-current expenses		(31,687)

Change in Net Position of Governmental Activities \$ 10,249,663

See accompanying Notes to Basic Financial Statements.

Cosumnes Community Services District
Notes to Basic Financial Statements
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

A. Reporting Entity

The Elk Grove Community Services District (the District) was established under Government Code Sections 56261.1 and 56439(c) on July 1, 1985 by a reorganization resulting in the dissolution of the Elk Grove Fire Protection District and the Elk Grove Recreation and Park District. In November 2006, the District and the Galt Fire Protection District merged to become the Cosumnes Community Services District. It is governed by a five member Board of Directors elected to four year staggered terms. The District consists of approximately 157 square miles within the City's of Elk Grove and Galt and unincorporated areas of South Sacramento County with a population of approximately 192,216 residents. The District develops, owns and maintains all park, recreation and fire facilities within its service area. In April 2016, the District and the City of Elk Grove entered into an agreement with a four year term specifying the District and City will jointly develop park and recreation facilities within Laguna Ridge and Southeast Policy Area of the City, and the District will own and maintain the facilities. The fire protection services provided by the District include fire suppression, fire prevention, inspection, plan checking, and public education programs and the District provides emergency medical services, ambulance transport, advanced life support and rescue services and recreation facilities and programs. The District operates eight fire stations, one fire training facility, one golf course, two community centers, five recreation centers, two aquatic complexes, and over 95 parks (3 undeveloped) and employs 282 full-time and over 100 part-time people. The District also leases 87 acres of land within Elk Grove Regional Park from the County of Sacramento under an agreement that expires September 14, 2053. Through the exercise of Joint Powers, the District is a member of the Sacramento Regional Fire/EMS Communications Center and the Northern California Special District Insurance Authority.

The District makes assessments and provides services under a District Wide Landscape and Lighting Assessment District, which operates under the Landscape and Lighting Act of 1972. Under the District Wide Landscape and Lighting Assessment District, areas within the original Elk Grove Community Services District boundary are divided into zones of benefit. All parcels within the original Elk Grove Community Services District boundary are assessed at varying rates depending upon the zone of benefit in which the parcel is located and the costs of installing, repairing, maintaining, and replacing landscape and lighting (including parks) within the benefit zone.

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

The Cosumnes Legacy Foundation: The Cosumnes Legacy Foundation (the Foundation) is a non-profit organization which primarily solicits contributions to provide funding for the District to provide the District's constituents charitable services through its programs. The Foundation is a legally separate component unit reported on a blended basis as part of the primary government because its activities mainly benefit the District's constituents. No separate financial statements are issued for the Foundation.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Reporting Entity, Continued

Elk Grove Community Services District Public Facilities Acquisition Corporation: The Elk Grove Community Services District Public Facilities Acquisition Corporation (the Corporation) was established in March 2006 to facilitate financing of the acquisition of capital assets by the District. The Corporation's Board is comprised of the members of the District's Board of Directors. The Corporation does not have any assets or liabilities. Its activities have been blended with the appropriate District funds. No separate financial statements are issued for the Corporation.

The District has also entered into a lease financing arrangement with the California Special Districts Association Financing Corporation for the purpose of facilitating the financing of capital projects within the District. For financial reporting purposes, the District's proportionate share of debt service payments of the underlying Certificate of Participation debt is reflected in the Debt Service Fund.

B. Basis of Accounting and Measurement Focus

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The District's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental activities for the District accompanied by a total column.

These government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities and Changes in Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the District in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-Wide Financial Statements, Continued

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated. However, interfund services provided and used are not eliminated in the process of consolidation. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out
- Interfund charges

The District applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect).

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The District has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the Governmental Funds Balance Sheet and recognized as revenue.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements, Continued

The District reports the following major governmental fund types:

The General Fund is the District's primary operating fund. It is used to account for all activities of the general government, except those required to be accounted for in another fund.

The Landscape and Lighting Special Revenue Fund is used to account for the proceeds of specific landscape and lighting revenue sources that are legally restricted to expenditures for specific purposes. The transactions of the District Wide Landscape and Lighting Assessment District are recorded by the respective zones of benefit within the Special Revenue Fund. However, the zones of benefit do not represent separate special revenue funds.

Additionally the District reports the following fund types:

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, which are financed from the District's Certificate of Participation issues or capital lease financing arrangements.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest on long-term debt.

The Foundation Special Revenue Fund is used to account for revenues of the Cosumnes Legacy Foundation (the Foundation), which are legally restricted to expenditures approved by the Foundation board.

C. Cash, Cash Equivalents and Investments

The District pools its available cash for investment purposes. The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 3 inputs.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Restricted Cash and Investments

Certain resources set aside for the repayment of certificates of participation are classified as restricted cash and investments on the balance sheet because their use is limited by applicable debt covenants. In addition, developer fees have been restricted by the City of Elk Grove or County of Sacramento ordinances, or the Quimby Act for park development expenditures and the construction of fire stations. Contributions to the Foundation have been restricted for Foundation activities.

E. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Advances between funds, reported in the fund financial statements, are classified as nonspendable in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. 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.

F. Capital Assets

Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets owned by the District are stated at historical cost or estimated historical cost, if actual historical cost is not available. Contributed capital assets are recorded at their acquisition value at the time received. Park improvements completed prior to the year ended June 30, 1995 were recorded at estimated historical cost developed by estimating replacement costs, which were discounted through the use of indices to acquisition dates. Land obtained from developers as donations in substitute of fees are estimated using average assessed values for similar parcels during the year these parcels are acquired. It is the District's policy to not depreciate the base of parks, which includes grading, irrigation systems and landscaping.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Structures and improvements	3 to 40 years
Equipment	5 to 15 years

It is the District's policy to capitalize all land, structures, improvements and equipment, except assets costing less than \$1,500. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement. The proceeds from the sale of capital assets is included in the statement of revenues, expenditures and changes in fund balances of the related fund. The proceeds reported in the governmental fund are eliminated and the gain or loss on sale is reported in the government-wide presentation.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. *Compensated Absences*

District employees are granted annual leave in varying amounts based on classification and length of service. Maximum annual leave hours eligible for carry forward to future years is limited to 1.5 times the employee's prior year accrual rate of annual leave, which ranges from 120 hours to 432 hours.

Compensated absences are accrued in the government-wide financial statements when earned. A liability for compensated absences is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and is currently payable. Each year's budget includes a provision for the estimated expenditure for the current year. Typically the General Fund is used to liquidate the compensated absence liability.

Sick leave is earned by regular, full-time employees. Any sick leave hours not used during the period are carried forward to future years, with no limit as to the number of hours that can be accumulated. Any sick leave hours unused at the time of an employee's retirement are added to the actual period of service when computing retirement benefits. It is the policy of the District not to buy back any accumulated sick leave. Accordingly, no provision for payment of sick leave has been included in the financial statements.

H. *Property Taxes*

The County of Sacramento is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County of Sacramento up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The District recognizes property taxes when the individual installments are due provided they are collected 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. If the delinquent taxes are not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1, and become delinquent, if unpaid on August 31.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Property Taxes, Continued

The County uses the alternative method of property tax apportionment known as the "Teeter Plan." Under this method of property tax apportionment, the County purchases the delinquent secured taxes at June 30 of each fiscal year. These taxes are accrued as intergovernmental receivables only if they are received from the County within 60 days after year-end for the governmental funds and are accrued when earned for the government-wide presentation regardless of the timing of the related cash flows.

I. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and are amortized over the life of the related debt.

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

J. Net Position / Fund Balance

In the Government-Wide Financial Statements, net position are classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted net position - This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Additionally, this category presents restrictions placed as established by the District's Board of Directors.

Unrestricted net position - This category represents the net position of the District, which are not restricted or invested in capital assets net of related debt for any project or other purpose.

Fund balances presented in the governmental fund financial statements represent the difference between assets and liabilities. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Net Position / Fund Balance

The District evaluated each of its funds at June 30, 2017 and classified fund balances into the following five categories:

Non-spendable – includes fund balance amounts that cannot be spent because they are either (a) not expected to be converted or (b) legally or contractually required to be maintained intact.

Restricted – includes fund balance amounts that are subject to externally enforceable legal restrictions or constrained for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed – includes fund balance amount that can only be used for specific purposes pursuant to constraints imposed by the formal actions of the District’s Board of Directors. The District’s Board of Directors must take action to allow for removal or change the constraint.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The Board of Director approved Board Resolution 2011-72 authorizing the General Manager to assign fund balance.

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.

The District reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available. The District reduced committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amount in any of those unrestricted fund balance classifications could be used. Additional information concerning the nature of The District’s fund balances pursuant to GASB Statement No. 54 is provided in Note 9 Fund Balance.

K. Use of Restricted and Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District’s policy is to apply restricted net position first.

L. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. *Deferred Outflows/Inflows of Resources, Continued*

In addition to assets, the statement of net position (balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

N. *Pension*

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

O. *Prepaid items*

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items using the consumption method in the governmental funds and the government-wide statement of net position. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

P. *New Pronouncements*

In 2017, the District adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*– The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this statement were not applicable to the District.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

P. New Pronouncements, Continued

- GASB Statement No. 77, *Tax Abatement Disclosure*- This Statement addresses the financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. There was no impact on net position as a result of implementation of this statement.
- GASB Statement No. 78, *Pension Provided through Certain Multiple-Employer Defined Benefit Pension Plans*- The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of this statement were not applicable to the District.
- GASB Statement No. 80, *Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14* - The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this statement were not applicable to the District.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

2. CASH AND INVESTMENTS

At June 30, 2017, the District's pooled cash and investments are classified in the accompanying financial statements as follows:

Cash and investments	\$ 76,866,383
Restricted cash and investments	7,922,538
Total cash and investments	84,788,921
Cash and investments as of June 30, 2017 consisted of the following:	
Deposits with financial institutions	4,285,628
Total cash	4,285,628
Corporate Bonds	16,655,251
Medium Term Notes - Foreign Bonds	4,954,791
Certificates of deposit	9,977,941
Asset Backed Securities, Mortgage Backed Securities and Collateralized Mortgage Obligations	123,926
Money Market Mutual Funds	5,308,776
Investments in Local Agency Investment Fund (LAIF)	43,482,608
Total investments	80,503,293
Total cash and investments	\$ 84,788,921

Investment policy: Investments are stated at fair value. California statutes authorize special districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table on the next page identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

2. CASH AND INVESTMENTS, Continued

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer
Local agency bonds	5 Years	None	None
U. S. Treasury obligations	5 Years	None	None
U.S. Agency securities	5 Years	None	None
California Local Agency debt	5 Years	None	None
Bankers acceptances	180 Days	40%	30%
High grade commercial paper	270 Days	25%	10%
Negotiable certificates of deposits	5 Years	30%	None
Medium term corporate notes	5 Years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage pass-through securities	5 Years	20%	None
Collateralized negotiable investments	5 Years	None	None
Repurchase agreements	92 Days	20%	None
LAIF	N/A	None	None
Local government investments pools	N/A	None	None

*Excluding amounts held by bond trustees that are not subject to California Government code restrictions.

The District complied with the provisions of California Government Code (or the District's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

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 District's investment policy. The table below identifies provisions of the 1998 Certificates of Participation trust agreement 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
State Agency Bonds	None	None	None
U.S. Treasury Obligations	None	None	None
Government sponsored agency obligations	None	None	None
U.S. Government agency obligations	None	None	None
Money Market Funds	None	None	None
Bankers acceptances	30 Days	None	None
Commercial Paper	270 Days	None	None
Negotiable certificates and times deposits	30 Days	None	None
Repurchase Agreements	270 Days	None	None
Money Market funds	None	None	None
LAIF	None	None	None
Investment agreements	None	None	None

*Excluding amounts held by bond trustee that are not subject to California Government code restrictions.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

2. CASH AND INVESTMENTS, Continued

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the District 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 evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District's investment policy does not contain any provisions limiting interest rate risk other than what is specified in the California Government Code.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

	Fair Value	Investment Maturities in Years			
		Less Than 1 Year	1-2 years	2-3 years	3 years +
Corporate Bonds	\$ 16,655,250	\$ 9,779,427	\$ 3,502,792	\$ 3,373,031	\$ -
Medium Term Notes - Foreign Bonds	4,954,791	500,810	3,501,910	952,071	-
Certificates of Deposit	9,977,942	4,292,957	3,988,176	998,770	698,039
Asset Backed Securities, Mortgage Backed Securities and Collateralized Mortgage Obligations	123,926	5,736	-	-	118,190
Money Market Mutual Funds	5,308,776	5,308,776	-	-	-
LAIF	43,482,608	43,482,608	-	-	-
Total	\$ 80,503,293	\$ 63,370,314	\$ 10,992,878	\$ 5,323,872	\$ 816,229

Credit Risk: 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 is the minimum rating required by (where applicable) the California Government Code or the District's investment policy, and the actual rating as of year end for each investment type.

	Total	Ratings as of Year End							
		Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Not Rated
Corporate Bonds	\$ 16,655,250	\$ 501,240	\$ 250,695	\$ 1,727,843	\$ 749,171	\$ 4,692,120	\$ 5,262,941	\$ 3,471,240	\$ -
Medium Term Notes	4,954,791	-	-	1,005,870	497,550	2,950,946	-	500,425	-
Certificates of Deposit	9,977,942	-	-	-	-	-	-	-	9,977,942
Asset Backed Securities, Mortgage Backed Securities, and Collateralized Mortgage Obligations	123,926	-	-	-	-	-	-	-	123,926
Money Market Mutual Funds	5,308,776	-	-	-	-	-	-	-	5,308,776
LAIF	43,482,608	-	-	-	-	-	-	-	43,482,608
Total	\$ 80,503,293	\$ 501,240	\$ 250,695	\$ 2,733,713	\$ 1,246,721	\$ 7,643,066	\$ 5,262,941	\$ 3,971,665	\$ 58,893,252

Concentration of Credit Risk: The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in one issuer (other than mutual funds and external investment pools) that represent 5% or more of total District investments.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

2. CASH AND INVESTMENTS, Continued

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

At June 30, 2017, the carrying amount of the District’s deposits was \$4,285,628 and the balance in financial institutions was \$5,389,821. Of the balance in financial institutions, \$1,010,430 was covered by federal depository insurance and \$4,379,391 was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District. As of June 30, 2017, District investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the District to buy the securities:

<u>Type of Investment</u>	<u>Total</u>
Corporate Notes and Bonds	\$ 20,385,671
U.S. Agency Securities	\$ 123,926

Investment in LAIF: The District invests in the California Local Agency Investment Fund (LAIF), a State of California external investment pool. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available.

The District’s investments with LAIF at June 30, 2017 included a portion of the pooled funds invested in structured notes and asset-backed securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMS) or credit card receivables.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

2. CASH AND INVESTMENTS, Continued

As of June 30 2017, the District had \$43,482,608 invested in LAIF, which had invested 2.89% of the pool investment funds in Structured Notes and Asset-Backed Securities compared to 2.81% in fiscal year 2016. Fair value of LAIF was calculated by applying a factor of 0.998940671 to total investments held by LAIF.

The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

Investment Valuation: Investments (except for money market accounts and certificates of deposit) are measured at fair value on a recurring basis. *Recurring* fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2017 are described below.

Investment Type	Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Corporate Bonds	\$ 16,655,250	\$ -	\$ 16,655,250	\$ -
Medium Term Notes	4,954,791	-	4,954,791	-
Asset Backed Securities, Mortgage Backed Securities, and Collateralized Mortgage Obligations	123,926	-	123,926	-
Total investments subject to levelling	21,733,967	\$ -	\$ 21,733,967	\$ -
<u>Investments not subject to levelling:</u>				
Certificates of Deposit	9,977,942			
Money Market Mutual Funds	5,308,776			
Local Agency Investment Fund	43,482,608			
Total Investments	\$ 80,503,293			

Corporate Bonds, Medium Term Notes, Asset Backed Securities, Mortgage Backed Securities, and Collateralized Mortgage Obligations categorized as Level 2 are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance June 30, 2016	Additions	Retirements	Transfers	Balance June 30, 2017
Capital assets not being depreciated:					
Land	\$ 87,392,509	\$ 6,991,584	\$ -	\$ -	\$ 94,384,093
Land improvements	64,822,368	-	-	131,745	64,954,113
Construction in progress	811,515	3,776,153	-	(227,479)	4,360,189
Total capital assets not being depreciated	<u>153,026,392</u>	<u>10,767,737</u>	<u>-</u>	<u>(95,734)</u>	<u>163,698,395</u>
Capital assets being depreciated:					
Structures and improvements	77,716,961	-		95,734	77,812,695
Equipment	26,796,662	2,478,312	(167,740)		29,107,234
Total capital assets being depreciated	<u>104,513,623</u>	<u>2,478,312</u>	<u>(167,740)</u>	<u>95,734</u>	<u>106,919,929</u>
Less accumulated depreciation for:					
Structures and improvements	(32,298,438)	(2,734,101)		-	(35,032,539)
Equipment	(21,637,919)	(1,724,987)	166,241	-	(23,196,665)
Total accumulated depreciation	<u>(53,936,357)</u>	<u>(4,459,088)</u>	<u>166,241</u>	<u>-</u>	<u>(58,229,204)</u>
Total capital assets being depreciated, net	<u>50,577,266</u>	<u>(1,980,776)</u>	<u>(1,499)</u>	<u>95,734</u>	<u>48,690,725</u>
Capital assets, net	<u>\$ 203,603,658</u>	<u>\$ 8,786,961</u>	<u>\$ (1,499)</u>	<u>\$ -</u>	<u>\$ 212,389,120</u>

Depreciation was charged to activities as follows:

Public Protection	\$ 2,213,616
Recreation and culture	2,167,042
General government	<u>78,430</u>
Total depreciation expense	<u>\$ 4,459,088</u>

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

4. INTERFUND TRANSACTIONS

		Advances to other funds
		Non-Major Governmental Fund

Advances from other funds		
General Fund		\$ 26,786
Total		<u><u>\$ 26,786</u></u>

Advances from the General Fund to the Non-Major Governmental Funds are to fund operating expenditures not otherwise covered by available resources.

		Transfers In			
		Major Fund			
		General Fund	Landscape and Lighting Special Revenue Fund	Non - Major Governmental Fund	Total
		_____	_____	_____	_____
Transfers Out	General Fund	\$ -	\$ 375,542	\$ 900,585	\$ 1,276,127
	Landscape and Lighting Special Revenue Fund	1,459,305	2,693,405	-	4,152,710
	Non - Major Governmental Fund	12,337	-	-	12,337
	Total	<u><u>\$ 1,471,642</u></u>	<u><u>\$ 3,068,947</u></u>	<u><u>\$ 900,585</u></u>	<u><u>\$ 5,441,174</u></u>

Transfers are used to (1) pay for overhead expenditures incurred and to assist in paying for capital improvement projects, and (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES

The activities of the District's long-term liabilities during the year ended June 30, 2017 are as follows:

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Loans Payable	\$ 73,913	\$ -	\$ (7,802)	\$ 66,111	\$ 11,875
Certificates of Participation					
- 1998 Series	473,500	-	(473,500)	-	-
Certificates of Participation					
- 2015 Refinancing Project	9,020,000	-	(45,000)	8,975,000	60,000
COP 2015 Refinancing Project					
- Original Issue Discount	(272,122)	-	11,338	(260,784)	-
Certificates of Participation					
- 2016 Refinancing Project	-	8,115,000		8,115,000	885,000
COP 2016 Refinancing Project					
- Original Issue Premium	-	760,206	(63,351)	696,855	-
Certificates of Participation					
- 2016 Energy Project:					
Series A	-	5,450,000	-	5,450,000	-
Series B	-	135,000	-	135,000	135,000
Series C	-	1,260,000	-	1,260,000	145,000
COP 2016 Energy Project, Series A					
- Original Issue Discount	-	(224,207)	7,474	(216,733)	-
COP 2016 Energy Project, Series B					
- Original Issue Discount	-	(244)	122	(122)	-
COP 2016 Energy Project, Series C					
- Original Issue Premium	-	136,076	(4,536)	131,540	-
Capital lease obligation	17,705,066	760,282	(9,663,698)	8,801,650	1,499,337
Compensated absences	2,229,097	381,076	(353,738)	2,256,435	376,752
Net OPEB liability	26,553,224	4,689,013	(4,635,505)	26,606,732	-
Net pension liability	51,003,134	20,154,440	(16,866,524)	54,291,050	-
Total long-term liabilities	\$ 106,785,812	\$ 41,616,642	\$ (32,094,720)	\$ 116,307,734	\$ 3,112,964
Less: amount due within one year	(2,661,708)			(3,112,964)	
Amounts due in more than one year	\$ 104,124,104			\$ 113,194,770	

Compensated absences, Net OPEB liability, and net pension liability typically have been liquidated by the General Fund for governmental activities.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

A. Certificates of Participation and Loans Payable

The certificates of participation and loans payable consist of the following as of June 30, 2017:

Loans Payable - Obtained May 1, 2007 in the amount of \$200,000 for the funding of the Underwood Park well. Semi-annual interest payments at 5.31% ranging from \$197 to \$4,053 and semi-annual principal payments ranging from \$3,562 to \$7,418 are due November 1 and May 1 through May 1, 2022 on the \$200,000 loan. The outstanding balance as of June 30, 2017 was \$66,111.

Maturities of long-term liabilities are summarized below.

	Loans Payable		
	Principal	Interest	Total
2018	\$ 11,875	\$ 3,355	\$ 15,230
2019	12,514	2,716	15,230
2020	13,187	2,043	15,230
2021	13,896	1,333	15,229
2022	14,639	586	15,225
Total debt	\$ 66,111	\$ 10,033	\$ 76,144

Certificates of Participation - 2015 Refinancing Project - Issued July 2015 for the refinancing of a portion of the unfunded actuarial accrued liability with respect to the obligation of the District to make certain payments to the California Public Employees' Retirement System for both active and retired Safety employees and Miscellaneous employees of the District. The interest on the certificates is payable semi-annually on December 15 and June 15 of each year, with interest ranging from 3.0% to 5.0%. Principal and sinking fund payments ranging from \$45,000 to \$895,000 are due June 15. The outstanding balance as of June 30, 2017 was \$8,975,000.

Maturities of long-term liabilities are summarized below.

	Certificates of Participation - 2015 Refinancing Project		
	Principal	Interest	Total
2018	\$ 60,000	\$ 455,875	\$ 515,875
2019	80,000	454,075	534,075
2020	100,000	451,675	551,675
2021	115,000	448,675	563,675
2022	140,000	439,400	579,400
2023-2027	1,065,000	2,071,900	3,136,900
2028-2032	1,890,000	1,699,313	3,589,313
2033-2037	3,055,000	1,037,225	4,092,225
2038-2040	2,470,000	143,550	2,613,550
Total debt	\$ 8,975,000	\$ 7,201,688	\$ 16,176,688

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

A. Certificates of Participation and Loans Payable, Continued

Certificates of Participation - 2016 Refinancing Project - In July 2016, the District issued certificates of participation in a par amount of \$8,115,000 for the purpose of refunding at lower interest rates the outstanding balances of obligations under (i) a Master Land, Building and Equipment Lease Purchase Agreement, dated as of July 1, 2000, with Municipal Services Group, Inc. ("MSG"), pursuant to which MSG financed and leased a new Fire Station 76 and the site thereof, (ii) a Municipal Project Lease and Option Agreement, dated September 4, 2008, with Community Services District Building Corporation ("CSDBC"), pursuant to which CSDBC financed and leased a new fleet maintenance building and the site thereof, and (iii) a Lease Agreement, dated October 20, 2010, with Municipal Finance Corporation ("MFC"), pursuant to which MFC refinanced and leased new Fire Stations 73 and 75 and the sites thereof, (b) purchase a reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Certificates, and (c) pay delivery costs incurred in connection with the execution, delivery and sale of the Certificates. The bonds bear an interest rate of 2.00% annually between March 1 2017 and September 1, 2018. The bonds mature on September 1 of each year starting in 2017 and ending 2028 in amounts ranging from \$380,000 to \$885,000. Interest is paid semi-annually on March 1 and September 1 of each year.

The annual debt service requirements to maturity for the 2016 Certificates of Participation outstanding at June 30, 2017, were as follows:

	<u>Certificates of Participation - 2016 Refinancing Project</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 885,000	\$ 393,726	\$ 1,278,726
2019	760,000	224,575	984,575
2020	715,000	206,250	921,250
2021	655,000	185,700	840,700
2022	600,000	166,875	766,875
2023-2027	3,370,000	463,375	3,833,375
2028-2029	1,130,000	19,613	1,149,613
Total debt	<u>\$ 8,115,000</u>	<u>\$ 1,660,114</u>	<u>\$ 9,775,114</u>

Certificates of Participation - 2016 Energy Projects, Series A,B,C - In September 2016, the District issued \$5,450,000 Certificates of Participation, Series A (2016 Energy Projects – Direct Pay Subsidy New Clean Renewable Energy Bonds (CREBS) – Taxable) (the "Series A Certificates") to provide funds to (a) finance the costs of a clean renewable energy project consisting of solar photovoltaic energy systems, (b) purchase a municipal bond insurance policy for the Series A Certificates and pay a portion of the cost of purchasing a reserve fund insurance policy in lieu of cash funding a reserve fund for the Certificates (hereinafter defined), and (c) pay a portion of the delivery costs incurred in connection with the execution, delivery and sale of the Series A Certificates.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

A. Certificates of Participation and Loans Payable, Continued

The \$135,000 Certificates of Participation, Series B (2016 Energy Projects—Taxable) (the “Series B Certificates”), are issued to provide funds to (a) purchase a municipal bond insurance policy for the Series B Certificates and pay a portion of the cost of purchasing a reserve fund insurance policy in lieu of cash funding a reserve fund for the Certificates, and (b) pay a portion of the delivery costs incurred in connection with the execution, delivery and sale of the Certificates.

The \$1,260,000 Certificates of Participation, Series C (2016 Energy Projects—Tax-Exempt) (the “Series C Certificates” and, with the Series A Certificates and the Series B Certificates, the “Certificates”), are issued to provide funds to (a) finance the costs of energy efficiency projects, (b) purchase a municipal bond insurance policy for the Series C Certificates and pay a portion of the cost of purchasing a reserve fund insurance policy in lieu of cash funding a reserve fund for the Certificates, and (c) pay a portion of the delivery costs incurred in connection with the execution, delivery and sale of the Certificates.

The annual debt service requirements to maturity for the 2016 Certificates of Participation outstanding at June 30, 2017, were as follows:

	Certificates of Participation - 2016 Energy Project, Series A			Certificates of Participation - 2016 Energy Project, Series B		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ -	\$ 385,102	\$ 385,102	\$ 135,000	\$ 1,226	\$ 136,226
2019	-	201,800	201,800	-	-	-
2020	-	201,800	201,800	-	-	-
2021	-	201,800	201,800	-	-	-
2022	-	201,800	201,800	-	-	-
2023-2027	475,000	999,944	1,474,944	-	-	-
2028-2032	1,120,000	869,888	1,989,888	-	-	-
2033-2037	1,145,000	670,013	1,815,013	-	-	-
2038-2042	1,385,000	438,000	1,823,000	-	-	-
2043-2046	1,325,000	135,000	1,460,000	-	-	-
Total debt	\$ 5,450,000	\$ 4,305,147	\$ 9,755,147	\$ 135,000	\$ 1,226	\$ 136,226

	Certificates of Participation - 2016 Energy Project, Series C		
	Principal	Interest	Total
2018	\$ 145,000	\$ 81,581	\$ 226,581
2019	155,000	39,850	194,850
2020	160,000	35,200	195,200
2021	160,000	30,400	190,400
2022	165,000	25,600	190,600
2023-2025	475,000	36,200	511,200
Total debt	\$ 1,260,000	\$ 248,831	\$ 1,508,831

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

B. Capital Lease Obligations

The District had the following capital lease obligations as of June 30, 2017:

Description	Interest Rate	Lease Term	Original Principal	Balance 6/30/2017	Asset Acquired at Cost	Accumulated Depreciation
MSG - Lease #1575 - Station No. 72	4.73%	7/31/05-7/31/2019	\$ 3,260,000	\$ 822,593	\$ 3,260,000	\$ 968,459
OSHKOSH - (2) 2013 Pierce Arrow XT	2.70%	12/7/13- 7/7/2020	1,073,150	630,542	1,073,150	858,520
ZOLL - Cardiac Monitors	4.50%	11/1/14- 7/15/2018	886,022	354,409	886,022	531,612
OSHKOSH - (2) 2015 Pierce Arrow Engines		5/22/16- 5/22/2022	1,196,366	878,256	1,196,366	478,546
KSB -Motorola Radios	2.90%	6/15/2021	651,669	651,669	651,669	130,334
Ray Morgan Co. - Canon 7260 Copier - Admin	9.00%	6/1/15- 5/1/2020	19,000	11,976	19,000	7,600
AIG Comm Equip - Dillard Ranch Lease	1.67%	3/30/2026	4,300,000	2,286,660	4,300,000	747,775
AIG Comm Equip - Emerald Lake Golf Course	2.35%	7/21/2026	5,200,000	2,974,786	5,200,000	-
Ray Morgan Co. - Canon 7260 Copier - Parks	9.00%	6/1/15- 5/1/2020	19,000	11,976	19,000	7,600
Caltronics - C654e - Park own 50%	9.00%	6/1/15- 5/1/2020	11,750	7,454	11,750	4,700
Caltronics - C654e - Admin own 50%	9.00%	6/1/15- 5/1/2020	11,750	7,454	11,750	4,700
Caltronics - C654e - Parks Yth Dev	9.00%	9/1/15- 8/1/2020	18,000	12,223	18,000	3,600
Ray Morgan Co. - Canon 5240/5250	15.00%	4/6/16- 3/6/2021	39,800	32,443	39,800	7,960
KSB - Turfstar Irrigation Control		4/15/15- 3/15/2019	39,789	18,133	39,789	15,916
Ray Morgan Co. - Canon 2225		5/1/15- 4/1/2020	7,250	4,488	7,250	2,900
Caltronics - C224		12/15/12- 11/15/2017	5,982	578	5,982	4,192
KSB - Lease - Security Patrol Vehicle		9/9/16 - 8/9/2021	40,395	34,152	40,395	-
KSB - Lease - Turf Star Mower - EG Pk		1/8/17 - 12/8/2021	68,219	61,858	68,219	-
				\$ 8,801,650	\$ 16,848,142	\$ 3,774,414

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

B. Capital Lease Obligations, Continued

Effective July 1, 2000, the District entered into a lease agreement to finance the construction and equipping of fire station 76. The lease agreement provides for 40 semi-annual payments of \$78,777 through July 1, 2020. Payments under the agreements include interest at 3.03%. The capital assets acquired under the capital lease agreement consist of a fire station, land and equipment totaling \$1,928,763, with accumulated depreciation of \$801,778 at June 30, 2017.

In July 2004, the District entered into a lease agreement to finance the construction of fire station 72. The lease agreement provides for 15 annual payments of \$302,772 beginning July 31, 2005 through July 31, 2019. Payments include interest at 5.12%. The cost of this fire station was \$3,034,122, with accumulated depreciation of \$968,459 at June 30, 2017.

In March 2006, the District entered into a lease agreement to acquire and improve 97 acres of land for a park site. The lease calls for 80 quarterly payments of \$70,359 through March 30, 2026. Payments include interest at 1.67%. Capital assets acquired under this lease agreement include land and improvements of \$4,381,059, with accumulated depreciation of \$747,775 at June 30, 2017.

In July 2006, the District entered into a lease agreement to fund the purchase of a golf course, which is recorded as land in the amount of \$5,009,532. The lease agreement provides for 28 quarterly payments of \$89,689 through July 2013, with the payments being reset on that date and paid through July 21, 2026. Payments include interest at 2.35%.

On March 15, 2013, the District entered into a capital lease agreement in the amount of \$1,073,150 for two fire engines, a 1989 Grumman pumper and a 2000 Pierce Rescue Pumper. The lease agreement provides for 7 annual payments for of \$168,392 from July 7, 2014.

On November 11, 2014, the District entered into a capital lease agreement in the amount of \$886,022 for various cardiac monitors. The lease agreement provides for 4 annual payments of \$191,967 from November 11, 2014 through March 15, 2019. Payments include interest at 4.5%.

On May 22, 2016, the District entered into a capital lease agreement in the amount of \$1,196,366 for two 2015 Pierce XT Type I fire engines. The lease agreement provides for 7 annual payments for of \$190,983 from May 22, 2015.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

5. LONG-TERM LIABILITIES, Continued

B. Capital Lease Obligations, Continued

As of June 30, 2017, future minimum lease payments under capital lease obligations were as follows:

<u>Fiscal Year ending June 30,</u>	
2018	\$ 1,736,746
2019	1,733,473
2020	1,532,573
2021	1,205,599
2022	840,016
2023-2027	<u>2,600,099</u>
Total payments	9,648,506
Less amounts representing interest	<u>846,856</u>
Net present value of future minimum lease payments	<u><u>\$ 8,801,650</u></u>

B. Compensated Absences

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

6. DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plans

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

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

A. General Information about the Pension Plans, Continued

Benefits Provided – CalPERS 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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Safety	Miscellaneous
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Earliest retirement age	50	50
Benefit factor for each year of service as a % of annual salary	3% at age 50	2.5% at 55
Required employee contribution rates	9%	8%
Required employer contribution rates	29.334%	12.009%

On January 1, 2013, the Public Employee Pension Reform Act (PEPRA) went into effect. This State law applies to employees hired after January 1, 2013 who are new to PERS. These employees are termed PEPRA members and employees that were enrolled in PERS (without significant separation) prior to January 1, 2013 are now referred to as classic members. PEPRA miscellaneous members will be enrolled in a 2% at 62 plan and PEPRA safety members will be enrolled in a 2.7% at 57 plan. PEPRA members will be required to pay half the normal cost of their plans.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

A. General Information about the Pension Plans, Continued

Employees Covered – As of the measurement date, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	62	85
Inactive employees entitled to but not yet receiving benefits	392	67
Active employees	179	150
Total	633	302

Contributions – Section 20814(C) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2016 (the measurement date), the average active employee contribution rate is 8 percent of annual pay for the Miscellaneous Plan and 9 percent of annual pay for the Safety Plan, and employer contribution rate is 14.878 percent of annual payroll for the Miscellaneous Plan and 28.182 percent of annual payroll for the Safety Plan

B. Net Pension Liability

The District’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

B. Net Pension Liability, Continued

Actuarial Assumptions - The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2015	June 30, 2015
Measurement Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Salary Increases	Varies by Entry Age and Service	
Investment Rate of Return (1)	7.50%	7.50%
Mortality (2)	Derived using CalPERS' Membership Data for all Funds	
Post Retirement Benefit Increase	Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter	

(1) Net of pension plan administrative expenses.

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

B. Net Pension Liability, Continued

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follow:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2015(1)	\$ 36,543,304	\$ 28,605,135	\$ 7,938,169
Changes in the year:			
Service cost	1,287,305	-	1,287,305
Interest on the total pension liability	2,854,296	-	2,854,296
Differences between actual and expected experience	739,804	-	739,804
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	5,411,034	(5,411,034)
Contribution - employee	-	587,412	(587,412)
Investment income	-	182,432	(182,432)
Administrative expenses	-	(17,433)	17,433
Benefit payments , including refunds of employee contributions	(1,231,393)	(1,231,393)	-
Net changes	3,650,012	4,932,052	(1,282,040)
Balance at June 30, 2016	\$ 40,193,316	\$ 33,537,187	\$ 6,656,129

(1) - The fiduciary net position includes receivables for employee service buyback, deficiency reserve, and fiduciary self-insurance.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

C. Changes in the Net Pension Liability, Continued

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2015 (1)	\$ 144,481,936	\$ 101,416,971	\$ 43,064,965
Changes in the year:			
Service cost	4,032,745	-	4,032,745
Interest on the total pension liability	11,018,755	-	11,018,755
Differences between actual and expected experience	142,294	-	142,294
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	8,090,599	(8,090,599)
Contribution - employee	-	2,056,274	(2,056,274)
Net investment income	-	538,773	(538,773)
Administrative expenses		(61,808)	61,808
Benefit payments , including refunds of employee contributions	(5,209,163)	(5,209,163)	-
Net changes	9,984,631	5,414,675	4,569,956
Balance at June 30, 2016	\$ 154,466,567	\$ 106,831,646	\$ 47,634,921

(1) - The fiduciary net position includes receivables for employee service buyback, deficiency reserve, and fiduciary self-insurance.

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

	Miscellaneous	Safety	Total
1% Decrease	6.65%	6.65%	6.65%
Net Pension Liability	\$ 12,918,708	\$ 71,253,963	\$ 84,172,671
Current Discount Rate	7.65%	7.65%	7.65%
Net Pension Liability	\$ 6,656,129	\$ 47,634,921	\$ 54,291,050
1% Increase	8.65%	8.65%	8.65%
Net Pension Liability	\$ 1,582,796	\$ 28,353,752	\$ 29,936,548

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

6. DEFINED BENEFIT PENSION PLAN, Continued

C. Changes in the Net Pension Liability, Continued

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

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the District recognized pension expense of \$6,669,384. At June 30, 2017, the District 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
	<u> </u>	<u> </u>
Pension contributions subsequent to measurement date	\$ 5,926,770	\$ -
Differences between actual and expected experience	613,937	1,572,637
Changes in assumptions	-	2,217,375
Net differences between projected and actual earnings on plan investments	7,516,145	-
	<u> </u>	<u> </u>
Total	<u>\$ 14,056,852</u>	<u>\$ 3,790,012</u>

\$5,926,770 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. 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	
Ending June 30:	
<u> </u>	
2018	\$ 338,873
2019	634,726
2020	2,505,675
2021	1,143,953
2022	(296,091)
Thereafter	12,934

E. Payable to Pension Plans

As of June 30, 2017, the District reported a payable of \$0 for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2017.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

7. OTHER POSTEMPLOYEMENT BENEFITS

The District participates in the CalPERS healthcare programs Public Employees Medical and Hospital Care Act (PEHMCA), providing lifetime medical benefits to District full-time employees who retire at age 50 or older with 5 or more years of service. Benefits are also provided to spouses and surviving spouses of eligible retirees. Retirees may enroll in any available CalPERS medical plan. The District contributed 100% of the costs. The District currently participates in an OPEB. For fiscal year ended June 30, 2017, there were 92 retirees receiving these benefits.

Beginning in the fiscal year 2014-15, the District pre-funds the Plan through CalPERS OPEB Trust (CERBT) by contributing the District's Annual Required Contribution (ARC) every year. For the fiscal year 2016-17, the District contributions equaled \$4,635,505, that including \$1,443,788 in benefit payments, a \$2,448,266 deposit to CERBT, and an adjustment for an implied subsidy from active members of \$743,451.

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the District, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

The District's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table illustrates the District's June 30, 2017 Net OPEB Obligation:

Annual required contribution	\$ 4,635,505
Interest on net OPEB obligation	1,935,987
Amortization of net OPEB obligation	<u>(1,882,479)</u>
Annual OPEB cost	4,689,013
Payments made	<u>(4,635,505)</u>
Increase in net OPEB obligation	53,508
Net OPEB obligation - beginning of the year	<u>26,553,224</u>
Estimated NET OPEB Obligation June 30, 2017	<u><u>\$ 26,606,732</u></u>

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

7. OTHER POSTEMPLOYMENT BENEFITS, Continued

The District annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2017 was as follows:

Fiscal Year	Annual OPEB Cost	Percentage of APC Contributed	Net OPEB Obligation
6/30/2015	4,545,065	75%	26,448,113
6/30/2016	4,581,937	98%	26,553,224
6/30/2017	4,689,013	99%	26,606,732

Funded Status and Funding Progress - As of July 1, 2015, the most recent actuarial valuation date, the plan was 4.6% funded. The actuarial accrued liability (AAL) for benefits was \$46,849,629, and the actuarial value of plan assets was \$2,161,338, resulting in an unfunded actuarial accrued liability (UAAL) of \$44,688,291. The covered payroll (annual payroll of active employees covered by the plan) was \$23,895,479 and the ratio of UAAL to the covered payroll was 187.0%. The schedule of funding progress for the postemployment defined benefit plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of including this information in the financial report, the data presented is limited.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's July 1, 2015 retiree healthcare valuation was prepared using the Entry Age Normal (EAN) actuarial cost method. Under the EAN cost method, the plan's Normal Cost is developed as a level percent of payroll throughout the participants' working lifetime. The Actuarial Accrued Liability (AAL) is the cumulative value on the valuation date of prior Normal Cost. For the retirees, the AAL is the present value of all projected benefits. The Unfunded AAL is being amortized as a level dollar closed 30 year basis, as a level percent of payroll with a remaining amortization period at July 1, 2015 of 23 years.

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

7. OTHER POSTEMPLOYMENT BENEFITS, Continued

GASB 45 requires the interest rate to represent the underlying expected long-term rate of return for the source of funds used to pay benefits. The District has not commenced pre-funding the obligation, this valuation included a 7.28% interest rate.

The rate of increase in per capita health care costs is assumed to increase at a variable rate depending on age ranging from 5.00% to 8.00% per annum.

8. RISK MANAGEMENT

The District participates in the Northern California Special Districts Insurance Authority (NCS DIA), a public entity risk pool of special districts within Northern California, for workers compensation insurance. Loss contingency reserves established by NCS DIA are funded by contributions from member agencies. The District pays an annual premium to NCS DIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the NCS DIA. NCS DIA retains the ability to assess its members' amounts in addition to annual premiums. NCS DIA has never made an additional assessment and is currently fully funded. No provision has been made on these financial statements for liabilities related to possible additional assessments.

The District also participates in the Special District Risk Management Authority (SDRMA), a joint powers agency comprised of California special districts, for general, property, automobile, and public officials' errors and omissions. Loss contingency reserves established by the SDRMA are funded by contributions from member agencies. The District pays an annual contribution to the SDRMA that includes its pro-rata share of excess insurance premiums, charges for pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the SDRMA. SDRMA provides insurance through the pool up to a certain level, beyond which group purchased commercial excess insurance is obtained.

The District's self-insured retention level and maximum coverage under the NCS DIA and SDRMA are as follows:

	<u>Pool Coverage</u>	<u>Commercial Coverage</u>	<u>Self-Insured Retention</u>
NCS DIA			
Workers compensation and employers liability	\$ 200,000	\$ 5,000,000	\$ -
SDRMA			
Property	-	1,000,000,000	2,000
Boiler and machinery	-	100,000,000	1,000
Personal Injury and property damage	600,000	10,000,000	500 to 1,000
Uninsured motorists bodily injury	750,000	-	-
Public officials errors and omissions liability	600,000	10,000,000	-
Employment benefits and practices liability	600,000	1,000,000	-
Employee dishonesty	-	1,000,000	-
Public officials personal liability	-	500,000	500
Trailer and automobile physical damage	Replacement Cost	-	-

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

9. FUND BALANCE

As of June 30, 2017, classifications of fund balance are as follows:

	Major Governmental Funds			
	General	Landscaping and Lighting Special Revenue Fund	Non Major Government Funds	Total Government
Fund Balances				
Nonspendable fund balance:				
Advances to other funds	\$ 26,786	\$ -	\$ -	\$ 26,786
Prepaid items	1,940,374	-	-	1,940,374
Subtotal	1,967,160	-	-	1,967,160
Restricted fund balance for:				
Park Development	13,524,587	-	-	13,524,587
Fire station and equipment	4,331,961	-	-	4,331,961
Specific purpose of the fund	-	34,882,826	-	34,882,826
Foundation activities of the fund	-	-	214,707	214,707
Subtotal	17,856,548	34,882,826	214,707	52,954,081
	-			
Assigned fund balance for:				
Emergency reserve	2,844,752	-	-	2,844,752
Youth facility development	83,020	-	-	83,020
Apparatus replacement	672,952	-	-	672,952
Laguna town hall capital	40,000	-	-	40,000
BMW complex capital reserve	70,550	-	-	70,550
EG recreation center capital improvement	31,000	-	-	31,000
Fox aquatic capital improvement	40,700	-	-	40,700
Fire capital facilities	7,528	-	-	7,528
Recreational activities	2,188,145	-	-	2,188,145
Fire activities	7,513,278	-	-	7,513,278
Admin activities	15,893,030	-	-	15,893,030
Golf capital improvement	15,000	-	-	15,000
Pavillion deferred maintenance	30,000	-	-	30,000
Sport field light replacement plan	38,595	-	-	38,595
HBSP deferred maintenance	59,750	-	-	59,750
Porto park	55,234	-	-	55,234
Oasis park	813,725	-	-	813,725
IGT reserve	1,820,854	-	-	1,820,854
Subtotal	32,218,113	-	-	32,218,113
Total Fund Balances	<u>52,041,821</u>	<u>34,882,826</u>	<u>214,707</u>	<u>87,139,354</u>

Cosumnes Community Services District
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2017

10. COMMITMENT AND CONTINGENCIES

The District is in the process of performing construction services for the re-model of the administrative building as of June 30, 2017 as follows:

Project	Project Appropriation	Expected to June 30, 2017	Committed
Construction Services	9,765,000	223,240	9,541,760
Total	9,765,000	223,240	9,541,760

The District is a party to claims and lawsuits arising in the ordinary course of business. The District's management and legal counsel are of the opinion that the ultimate liability, if any, arising from these claims will not have a material adverse impact on the financial position of the District.

REQUIRED SUPPLEMENTARY INFORMATION

Cosumnes Community Services District
Required Supplementary Information
For the year ended June 30, 2017

1. DEFINED BENEFIT PENSION PLANS

**A. Schedule of Changes in Net Pension Liability and Related Ratios
During the Measurement Period**

Miscellaneous Plan

Measurement Period ⁽¹⁾	2015-16	2014-15	2013-14
TOTAL PENSION LIABILITY			
Service Cost	\$ 1,287,305	\$ 1,229,813	\$ 1,279,630
Interest	2,854,296	2,592,505	2,412,110
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	739,804	(157,288)	-
Changes of Assumptions	-	(730,271)	-
Benefit Payments, Including Refunds of Employee Contributions	(1,231,393)	(1,106,151)	(997,382)
Net Change in Total Pension Liability	3,650,012	1,828,608	2,694,358
Total Pension Liability - Beginning	36,543,304	34,714,696	32,020,338
Total Pension Liability - Ending (a)	\$ 40,193,316	\$ 36,543,304	\$ 34,714,696
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 5,411,034	\$ 1,073,403	\$ 971,677
Contributions - Employee	587,412	591,236	569,537
Net Investment Income ⁽²⁾	182,432	613,270	4,023,996
Benefit Payments, Including Refunds of Employee Contributions	(1,231,393)	(1,106,151)	(997,382)
Other Changes in Fiduciary Net Position	(17,433)	(32,194)	-
Net Change in Fiduciary Net Position	4,932,052	1,139,564	4,567,828
Plan Fiduciary Net Position - Beginning	28,605,135	27,465,571	22,897,743
Plan Fiduciary Net Position - Ending (b)	\$ 33,537,187	\$ 28,605,135	\$ 27,465,571
Plan Net Pension Liability/(Asset) - Ending (a) - (b)	\$ 6,656,129	\$ 7,938,169	\$ 7,249,125
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.44%	78.28%	79.12%
Covered Payroll	\$ 7,678,589	\$ 7,500,651	\$ 7,612,768
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	86.68%	105.83%	95.22%

(1) - Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) - Net of administrative expenses.

Cosumnes Community Services District
Required Supplementary Information
For the year ended June 30, 2017

1. DEFINED BENEFIT PENSION PLANS, Continued

**A. Schedule of Changes in Net Pension Liability and Related Ratios
During the Measurement Period, Continued**

Safety Plan

Measurement Period ⁽¹⁾	2015-16	2014-15	2013-14
TOTAL PENSION LIABILITY			
Service Cost	\$ 4,032,745	\$ 4,099,996	\$ 4,500,842
Interest	11,018,755	10,288,360	9,733,321
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	142,294	(2,211,211)	-
Changes of Assumptions	-	(2,871,202)	-
Benefit Payments, Including Refunds of Employee Contributions	(5,209,163)	(4,689,570)	(3,791,597)
Net Change in Total Pension Liability	9,984,631	4,616,373	10,442,566
Total Pension Liability - Beginning	144,481,936	139,865,563	129,422,997
Total Pension Liability - Ending (a)	\$ 154,466,567	\$ 144,481,936	\$ 139,865,563

PLAN FIDUCIARY NET POSITION

Contributions - Employer	\$ 8,090,599	\$ 3,992,396	\$ 4,035,130
Contributions - Employee	2,056,274	2,051,469	2,137,329
Net Investment Income ⁽²⁾	538,773	2,109,458	14,457,536
Benefit Payments, Including Refunds of Employee Contributions	(5,209,163)	(4,689,570)	(3,791,597)
Other Changes in Fiduciary Net Position	(61,808)	-	-
Net Change in Fiduciary Net Position	5,414,675	3,463,753	16,838,398
Plan Fiduciary Net Position - Beginning	101,416,971	97,953,218	81,114,820
Plan Fiduciary Net Position - Ending (b)	\$ 106,831,646	\$ 101,416,971	\$ 97,953,218

Plan Net Pension Liability/(Asset) - Ending (a) - (b) \$ 47,634,921 \$ 43,064,965 \$ 41,912,345

**Plan Fiduciary Net Position as a Percentage of
the Total Pension Liability** 69.16% 70.19% 70.03%

Covered Payroll \$ 16,937,992 \$ 16,394,828 \$ 18,120,791

**Plan Net Pension Liability/(Asset) as a Percentage
of Covered Payroll** 281.23% 262.67% 231.29%

(1) - Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) - Net of administrative expenses.

Notes to Schedules

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.65 percent (net of administrative expense) to 7.65 percent.

Cosumnes Community Services District
Required Supplementary Information
For the year ended June 30, 2017

1. DEFINED BENEFIT PENSION PLANS, Continued

B. Schedule of Plan Contributions

Miscellaneous Plan

	<u>Fiscal Year 2016-17 ⁽¹⁾</u>	<u>Fiscal Year 2015-16 ⁽¹⁾</u>	<u>Fiscal Year 2014-15 ⁽¹⁾</u>
Actuarially determined contribution	\$ 1,070,149	\$ 971,677	\$ 1,073,403
Contribution in relation to the actuarially determined contributions	<u>(1,070,149)</u>	<u>(5,482,997)</u>	<u>(1,073,403)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (4,511,320)</u>	<u>\$ -</u>
Covered payroll	\$ 8,911,225	\$ 7,678,589	\$ 7,500,651
Contributions as a percentage of covered payroll	12.01%	71.41%	14.31%

(1) - Historical information is required only for measurement periods for which GASB 68 is applicable

Safety Plan

	<u>Fiscal Year 2016-17 ⁽¹⁾</u>	<u>Fiscal Year 2015-16 ⁽¹⁾</u>	<u>Fiscal Year 2014-15 ⁽¹⁾</u>
Actuarially determined contribution	\$ 4,856,621	\$ 4,058,877	\$ 4,035,130
Contribution in relation to the actuarially determined contributions	<u>(4,856,621)</u>	<u>(8,096,245)</u>	<u>(4,035,130)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (4,037,368)</u>	<u>\$ -</u>
Covered payroll	\$ 16,556,286	\$ 16,937,992	\$ 16,394,828
Contributions as a percentage of covered payroll	29.33%	47.80%	24.61%

(1) - Historical information is required only for measurement periods for which GASB 68 is applicable

Cosumnes Community Services District
Required Supplementary Information
For the year ended June 30, 2017

2. OTHER POST EMPLOYMENT PENSION PLAN SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date*	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	(Overfunded) Actuarial Liability as Percentage of Covered Payroll
7/1/2011	\$ -	\$ 54,874,483	\$ 54,874,483	0.0%	\$ 22,586,551	243.0%
7/1/2013	-	48,678,128	48,678,128	0.0%	20,364,480	239.0%
7/1/2015	2,161,338	46,849,629	44,688,291	4.6%	23,895,479	187.0%

*Latest information available.

Cosumnes Community Services District
Required Supplementary Information
For the year ended June 30, 2017

3. BUDGETARY BASIS OF ACCOUNTING

As required by the laws of the State of California, the District prepares and legally adopts a final operating budget on or before September 1 of each fiscal year. Until the adoption of this final budget, operations are governed by the adopted preliminary budget approved by the Board.

Annual budgets are adopted for the General Fund and Landscape and Lighting Special Revenue Fund. A formal budget is not developed for the Foundation Special Revenue Fund. Accordingly, comparison of actual results of operations to budgetary data for this fund is not presented. Operating budgets are prepared on the modified accrual basis of accounting. Budgetary control and the legal level of control are at the object level. In addition, legal level of budgetary control for the Landscape and Lighting Special Revenue Fund is at the benefit zone level, which is presented in the Supplementary Information section of this report. Significant amendments, appropriation transfers between objects and transfers from contingencies must be approved by the District's Board of Directors. Supplemental appropriations financed by unanticipated revenues also must be approved by the Board. No significant supplemental appropriations were required during the year ended June 30, 2017.

The District prepares its annual budget on a basis (budgetary basis) which differs from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the District's method (Non-GAAP budgetary basis) in the Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non-GAAP Budgetary Basis for the Landscape and Lighting Special Revenue Fund to provide a meaningful comparison of actual results with the budget. The main difference between budgetary and GAAP basis is that park land improvements that have been contributed in lieu of developer fees in the Landscape and Lighting Special Revenue Fund are recorded as revenue and capital outlay expenditures on the GAAP basis, but these items are not reflected in the budget. No land improvements were contributed to the District during the year ended June 30, 2017, resulting in there being no difference between the GAAP basis and Non-GAAP Budgetary Basis for the year ended June 30, 2017

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the year ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Taxes	\$ 40,118,249	\$ 40,118,249	\$ 41,024,168	\$ 905,919
Charges for current services	15,009,823	15,009,823	17,132,142	2,122,319
Developer fees and contributions	-	-	2,004,448	2,004,448
Intergovernmental	1,859,977	1,859,977	2,644,117	784,140
Donations and contributions	98,750	98,750	85,699	(13,051)
Use of money and property	1,154,304	1,154,304	1,495,377	341,073
Miscellaneous	3,836,119	3,836,119	1,017,395	(2,818,724)
Total revenues	62,077,222	62,077,222	65,403,346	3,326,124
EXPENDITURES:				
Current:				
Public protection	41,063,241	43,277,241	43,262,133	15,108
Recreation and culture	10,562,924	10,876,128	10,817,825	58,303
General government	3,897,330	6,009,680	6,006,798	2,882
Capital outlay	10,546,406	13,661,638	6,138,263	7,523,375
Debt service:				
Principal	2,338,104	1,804,681	1,804,681	-
Interest	485,078	1,063,675	332,984	730,691
Cost of issuance	-	-	529,832	(529,832)
Contingencies	-	-	-	-
Total expenditures	68,893,083	76,693,043	68,892,516	7,800,527
REVENUES OVER (UNDER) EXPENDITURES	(6,815,861)	(14,615,821)	(3,489,170)	11,126,651
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	210	210
Issuance of long-term liabilities	3,231,222	3,231,222	15,611,669	12,380,447
Payment to escrow for refunding	-	-	(9,022,459)	(9,022,459)
Original issue premium	-	-	896,282	896,282
Original issue discount	-	-	(224,451)	(224,451)
Insurance recovery	18,081	18,081	1,102,130	1,084,049
Transfers in	1,821,167	1,888,395	1,471,642	(416,753)
Transfers out	(1,374,008)	(1,406,160)	(1,276,127)	130,033
Total other financing sources (uses)	3,696,462	3,731,538	8,558,896	4,827,358
Net change in fund balances	(3,119,399)	(10,884,283)	5,069,726	15,954,009
FUND BALANCES:				
Beginning of year	46,972,095	46,972,095	46,972,095	-
End of year	\$ 43,852,696	\$ 36,087,812	\$ 52,041,821	\$ 15,954,009

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-GAAP Budgetary Basis
Landscape and Lighting District
For the year ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Charges for current services	\$ 15,241,159	\$ 15,226,809	\$ 15,362,009	\$ 135,200
Use of money and property	361,714	362,114	572,415	210,301
Miscellaneous	-	-	2,382	2,382
Total revenues	15,602,873	15,588,923	15,936,806	347,883
EXPENDITURES:				
Current:				
Recreation and culture	12,847,072	13,153,876	11,641,759	1,512,117
Capital outlay	70,756	116,956	156,594	(39,638)
Debt service	-	-	-	-
Principal	23,999	23,999	22,747	1,252
Interest	2,794	2,794	2,813	(19)
Cost of Issuance	-	-	-	-
Total expenditures	12,944,621	13,297,625	11,823,913	1,473,712
REVENUES OVER (UNDER) EXPENDITURES	2,658,252	2,291,298	4,112,893	1,821,595
OTHER FINANCING SOURCES (USES):				
Issuance of long-term liabilities	-	23,200	108,613	85,413
Transfers in	3,476,779	3,476,779	3,068,947	(407,832)
Transfers out	(4,609,366)	(4,697,416)	(4,152,710)	544,706
Total other financing sources (uses)	(1,132,587)	(1,197,437)	(975,150)	222,287
Net change in fund balances	1,525,665	1,093,861	3,137,743	2,043,882
FUND BALANCES:				
Beginning of year	31,745,083	31,745,083	31,745,083	-
End of year	<u>\$ 33,270,748</u>	<u>\$ 32,838,944</u>	<u>\$ 34,882,826</u>	<u>\$ 2,043,882</u>

SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

Cosumnes Community Services District
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Debt Service Fund	Foundation Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ -	\$ 241,810	\$ -	\$ 241,810
Total assets	\$ -	\$ 241,810	\$ -	\$ 241,810
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 317	\$ -	\$ 317
Advances from other Funds	-	26,786	-	26,786
Total Liabilities	-	27,103	-	27,103
Fund Balances:				
Restricted for:				
Foundation activities of the fund	-	214,707	-	214,707
Total fund balances	-	214,707	-	214,707
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 241,810	\$ -	\$ 241,810

Cosumnes Community Services District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2017

	Debt Service Fund	Foundation Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES				
Donations and contributions	\$ -	\$ 3,641	\$ -	\$ 3,641
Total revenues	-	3,641	-	3,641
EXPENDITURES				
General government	-	650	-	650
Capital outlay	-	1,108	-	1,108
Services and supplies:				
Membership	-	100	-	100
Office Supplies	-	328	-	328
Food Supplies	-	49	-	49
Professional Services	-	208	-	208
Total Services and supplies	-	2,443	-	2,443
Debt service:				
Principal	56,268	-	-	56,268
Interest	635,090	-	-	635,090
Total debt service	691,358	-	-	691,358
Total expenditures	691,358	2,443	-	693,801
REVENUES OVER (UNDER) EXPENDITURES	(691,358)	1,198	-	(690,160)
OTHER FINANCING SOURCES (USES)				
Payment to escrow for refunding	(207,988)	-	-	(207,988)
Transfers in	899,346	1,239	-	900,585
Transfers out	-	(12,337)	-	(12,337)
Total other financing sources (uses)	691,358	(11,098)	-	680,260
Net change in fund balances	-	(9,900)	-	(9,900)
FUND BALANCES:				
Beginning of year	-	224,607	-	224,607
End of year	\$ -	\$ 214,707	\$ -	\$ 214,707

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GENERAL FUND

To account for resources associated with the general governmental operations which are not required to be accounted for in another fund.

Cosumnes Community Services District
Schedule of Revenues
General Fund
For the year ended June 30, 2017

	<u>General Operations</u>
Taxes:	
Current secured	\$ 38,557,091
Current unsecured	1,424,392
Supplemental property taxes	927,343
Prior unsecured	20,325
RDA Residual Distribution	95,017
Total taxes	<u>41,024,168</u>
Charges for current services:	
Recreation services charges	5,516,006
Ambulance service fees	10,546,570
Service fees/charges - other	1,069,566
Total charges for current services	<u>17,132,142</u>
Developer fees and contributions	<u>2,004,448</u>
Total developer fees and contributions	<u>2,004,448</u>
Intergovernmental:	
Homeowner's property tax relief	450,260
In lieu taxes - other	4,483
State aid - other miscellaneous programs	1,723,332
Federal aid - public safety	12,380
Aid from other local governments	238,607
RDA passthrough	215,055
Total intergovernmental	<u>2,644,117</u>
Donations and contributions	<u>85,699</u>
Total donations and contributions	<u>85,699</u>
Use of money and property:	
Interest income	366,045
Building rental/lease	1,129,332
Total use of money and property	<u>1,495,377</u>
Miscellaneous:	
Other revenue	<u>1,017,395</u>
Total other revenue	<u>1,017,395</u>
Total revenues	<u>\$ 65,403,346</u>

Cosumnes Community Services District
Schedule of Expenditures
General Fund
For the year ended June 30, 2017

	Departments			Total
	Public Protection	Park (Recreation and Culture)	Administration (General Government)	
Current expenditures:				
Salaries and employee benefits:				
Salaries and wages	\$ 25,252,075	\$ 5,370,079	\$ 2,163,808	\$ 32,785,962
Retirement - employer costs	4,958,774	494,278	220,464	5,673,516
Group insurance - employer costs	6,684,008	1,296,744	669,020	8,649,772
Workers' compensation insurance	1,533,361	111,990	52,092	1,697,443
Other				-
Total salaries and employee benefits	38,428,218	7,273,091	3,105,384	48,806,693
Services and supplies:				
Automobile services and supplies	245,053	4,830	505,578	755,461
Books	10,932	399	164	11,495
Buildings and grounds maintenance	172,919	144,097	3,427	320,443
Business conferences	39,579	10,823	3,330	53,732
Chemical supplies		124,301	2,840	127,141
Clothing/ personal supplies	499,327	35,746	7,692	542,765
Communication system service		-	-	-
Education and training	69,392	37,038	4,625	111,055
Employee transportation	11,376	11	38	11,425
Fire equipment and maintenance	189,820	1,232	-	191,052
Equipment rents and leases	138,659	175,698	320,974	635,331
Food supplies	19,775	140,097	3,904	163,776
Fuel and lubricants	230,759	12,966	21,275	265,000
Insurance - liability	211,120	85,063	27,530	323,713
Medical services and supplies	434,735	150	988	435,873
Memberships	5,891	12,425	8,165	26,481
Miscellaneous	233,482	340,944	5,759	580,185
Office supplies	24,995	46,012	22,830	93,837
Professional services	1,138,251	1,344,850	1,840,108	4,323,209
Radio/ electric service and supply	727,211	-	93,148	820,359
Recreational supplies	1,456	353,737	-	355,193
Taxes and assessments		-	11,163	11,163
Telephone	186,537	85,996	-	272,533
Utilities	242,646	588,319	17,876	848,841
Total services and supplies	4,833,915	3,544,734	2,901,414	11,280,063
Total current expenditures	43,262,133	10,817,825	6,006,798	60,086,756
Capital outlay:				
Structures and improvements	-	2,138,776	1,632,228	3,771,004
Equipment	2,039,384	76,586	251,289	2,367,259
Total capital outlay	2,039,384	2,215,362	1,883,517	6,138,263
Debt service:				
Principal	1,229,550	46,209	528,922	1,804,681
Interest	205,992	10,934	116,058	332,984
Cost of issuance	251,314	-	278,518	529,832
Total debt service	1,435,542	57,143	923,498	2,667,497
Total expenditures	\$ 46,737,059	\$ 13,090,330	\$ 8,813,813	\$ 68,892,516

Cosumnes Community Services District
Schedule of Expenditures and Other Financing Sources and Uses Compared to Budget -
General Fund
For the year ended June 30, 2017

	Public Protection			Park Department		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
PUBLIC PROTECTION:						
Salaries and benefits	\$ 38,443,116	\$ 38,428,218	\$ 14,898	\$ -	\$ -	\$ -
Service and supplies	4,834,125	4,833,915	210	-	-	-
Total public protection	43,277,241	43,262,133	15,108	-	-	-
RECREATION AND CULTURE:						
Salaries and benefits	-	-	-	7,273,706	7,273,091	615
Costs of sales and services	-	-	-	3,602,422	3,544,734	57,688
Total recreation and culture	-	-	-	10,876,128	10,817,825	58,303
GENERAL GOVERNMENT:						
Salaries and benefits	-	-	-	-	-	-
Services and supplies	-	-	-	-	-	-
Total general government	-	-	-	-	-	-
CAPITAL OUTLAY:						
Equipment	2,789,813	2,039,384	750,429	90,665	76,586	14,079
Structures and improvements	22,134	-	22,134	7,247,794	2,138,776	5,109,018
Total capital outlay	2,811,947	2,039,384	772,563	7,338,459	2,215,362	5,123,097
LEASES/DEBT PAYMENTS:						
Debt service	2,125,177	1,435,542	689,635	57,224	57,143	81
OTHER FINANCING (SOURCES) AND USES:						
Proceeds from sale of capital assets	-	(210)	210	-	-	-
Issuance of long-term liabilities	(1,888,890)	(8,766,669)	6,877,779	-	-	-
Payment to escrow for refunding	-	9,022,459	(9,022,459)	-	-	-
Original issue premium	-	(760,206)	760,206	-	-	-
Original issue discount	-	-	-	-	-	-
Insurance Proceeds	-	(2,682)	2,682	-	(18,081)	18,081
Transfers in	(45,057)	(21,703)	(23,354)	(1,516,801)	(1,190,264)	(326,537)
Transfers out	665,289	665,198	91	625,119	509,368	115,751
Total other Financing uses	(1,268,658)	136,187	(1,404,845)	(891,682)	(698,977)	(192,705)
CONTINGENCIES						
	-	-	-	-	-	-
Total general fund	\$ 46,945,707	\$ 46,873,246	\$ 72,461	\$ 17,380,129	\$ 12,391,353	\$ 4,988,776

Administrative Services			Total		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 38,443,116	\$ 38,428,218	\$ 14,898
-	-	-	4,834,125	4,833,915	210
-	-	-	43,277,241	43,262,133	15,108
-	-	-	7,273,706	7,273,091	615
-	-	-	3,602,422	3,544,734	57,688
-	-	-	10,876,128	10,817,825	58,303
3,105,392	3,105,384	8	3,105,392	3,105,384	8
2,904,288	2,901,414	2,874	2,904,288	2,901,414	2,874
6,009,680	6,006,798	2,882	6,009,680	6,006,798	2,882
251,300	251,289	11	3,131,778	2,367,259	764,519
3,259,932	1,632,228	1,627,704	10,529,860	3,771,004	6,758,856
3,511,232	1,883,517	1,627,715	13,661,638	6,138,263	7,523,375
685,955	923,498	(237,543)	2,868,356	2,416,183	452,173
-	-	-	-	(210)	210
(1,342,332)	(6,845,000)	5,502,668	(3,231,222)	(15,611,669)	12,380,447
-	-	-	-	9,022,459	(9,022,459)
-	(136,076)	136,076	-	(896,282)	896,282
-	224,451	(224,451)	-	224,451	(224,451)
(18,081)	(1,081,367)	1,063,286	(18,081)	(1,102,130)	1,084,049
(326,537)	(259,675)	(66,862)	(1,888,395)	(1,471,642)	(416,753)
115,752	101,561	14,191	1,406,160	1,276,127	130,033
(1,571,198)	(7,996,106)	6,424,908	(3,731,538)	(8,558,896)	4,827,358
-	-	-	-	-	-
\$ 8,635,669	\$ 817,707	\$ 7,817,962	\$ 72,961,505	\$ 60,082,306	\$ 12,879,199

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LANDSCAPE AND LIGHTING SPECIAL REVENUE FUND

To account for specific revenue sources related to the District Wide Landscape and Lighting Assessment District pursuant to the Landscape and Lighting Act of 1972. The activities of the Assessment Districts are accounted for under the following zones of benefit, which do not represent separate special revenue funds:

- Zone 1 - Laguna
- Zone 2 - Camden
- Zone 3 - Elk Grove/West Vineyard
- Zone 4 - West Laguna
- Zone 5 - Lakeside
- Zone 6 - Central Elk Grove
- Zone 8 - Other Rural Areas
- Zone 9 - Waterman/Park Village
- Zone 10 - Auto Mall
- Zone 11 - East Elk Grove
- Zone 12 - Laguna Stonelake
- Zone 13 - East Franklin
- Zone 14 - Camden Park
- Zone 15 - Vista Creek
- Zone 16 - Fallbrook Park Lane
- Zone 17 - City Landscape
- Zone 18 - Hampton Village
- District Wide

Cosumnes Community Services District
Balance Sheet Schedules by Benefit Zone
Landscaping and Lighting Special Revenue Fund
June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit					
	Zone 1 Laguna	Zone 2 Camden	Zone 3	Zone 4	Zone 5 Lakeside	Zone 6
			Elk Grove/ West Vineyard	West Laguna		Central Elk Grove
ASSETS						
Cash and investments	\$ 5,245,074	\$ 191,795	\$ 681,295	\$ 1,453,576	\$ 1,116,344	\$ 356,705
Receivables:						
Interest	6,740	195	976	1,678	1,441	739
Intergovernmental	77,624	3,294	17,347	17,193	12,619	12,234
Total assets	\$ 5,329,438	\$ 195,284	\$ 699,618	\$ 1,472,447	\$ 1,130,404	\$ 369,678
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 90,065	\$ 4,226	\$ 12,241	\$ 62,495	\$ 48,055	\$ 3,822
Unearned revenue	-	-	-	-	-	-
Total liabilities	90,065	4,226	12,241	62,495	48,055	3,822
Fund Balances:						
Restricted for:						
Specific purpose of the fund	5,239,373	191,058	687,377	1,409,952	1,082,349	365,856
Total fund balances	5,239,373	191,058	687,377	1,409,952	1,082,349	365,856
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,329,438	\$ 195,284	\$ 699,618	\$ 1,472,447	\$ 1,130,404	\$ 369,678

Landscape and Lighting Assessment District - Zones of Benefit

Zone 8 Other Rural Areas	Zone 9 Waterman/ Park Village	Zone 10 Auto Mall	Zone 11 East Elk Grove	Zone 12 Laguna Stonelake	Zone 13 East Franklin	Zone 14 Camden Park	Zone 15 Vista Creek
\$ 1,692,746	\$ 249,448	\$ 202,529	\$ 5,911,315	\$ 1,024,241	\$ 15,176,539	\$ 256,313	\$ 99,850
2,292	304	239	6,582	1,210	17,198	322	115
16,024	6,187	825	37,127	9,878	67,773	1,843	442
<u>\$ 1,711,062</u>	<u>\$ 255,939</u>	<u>\$ 203,593</u>	<u>\$ 5,955,024</u>	<u>\$ 1,035,329</u>	<u>\$ 15,261,510</u>	<u>\$ 258,478</u>	<u>\$ 100,407</u>
\$ 383	\$ 8,524	\$ 41	\$ 33,738	\$ 5,189	\$ 33,357	\$ -	\$ -
-	2,257	-	-	2,361	-	-	-
383	10,781	41	33,738	7,550	33,357	-	-
1,710,679	245,158	203,552	5,921,286	1,027,779	15,228,153	258,478	100,407
1,710,679	245,158	203,552	5,921,286	1,027,779	15,228,153	258,478	100,407
<u>\$ 1,711,062</u>	<u>\$ 255,939</u>	<u>\$ 203,593</u>	<u>\$ 5,955,024</u>	<u>\$ 1,035,329</u>	<u>\$ 15,261,510</u>	<u>\$ 258,478</u>	<u>\$ 100,407</u>

(Continued)

Cosumnes Community Services District
Balance Sheet Schedules by Benefit Zone
Landscaping and Lighting Special Revenue Fund
June 30, 2017

Landscape and Lighting Assessment District - Zones of Benefit

	Zone 16 Fallbrook Park Lane	Zone 17 City Landscape	Zone 18 Hampton Village	District Wide	Total
ASSETS					
Cash and investments	\$ 525,153	\$ 145,009	\$ 43,702	\$ 420,409	\$ 34,792,043
Receivables:					
Interest	607	212,076	558	-	253,272
Intergovernmental	2,689	68	39	431	283,637
Total assets	\$ 528,449	\$ 357,153	\$ 44,299	\$ 420,840	\$ 35,328,952
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenditures	\$ (80)	\$ 56,745	\$ -	\$ 82,707	\$ 441,508
Unearned revenue	-	-	-	-	4,618
Total liabilities	(80)	56,745	-	82,707	446,126
Fund Balances:					
Restricted for:					
End of year	528,529	300,408	44,299	338,133	34,882,826
Total fund balances	528,529	300,408	44,299	338,133	34,882,826
Total liabilities, deferred inflows of resources, and fund balances	\$ 528,449	\$ 357,153	\$ 44,299	\$ 420,840	\$ 35,328,952

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Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Landscaping and Lighting Special Revenue Fund
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit					
			Zone 3			Zone 6
	Zone 1	Zone 2	Elk Grove/ West Vineyard	Zone 4 West Laguna	Zone 5 Lakeside	Central Elk Grove
	Laguna	Camden				
REVENUES:						
Charges for current services	\$ 3,834,086	\$ 162,713	\$ 892,871	\$ 849,285	\$ 623,319	\$ 604,356
Use of money and property	160,706	1,280	33,123	10,231	9,441	3,360
Miscellaneous	350	-	700	-	-	350
Total revenues	3,995,142	163,993	926,694	859,516	632,760	608,066
EXPENDITURES:						
Current:						
Recreation and culture	2,434,580	146,551	647,104	564,848	479,234	144,693
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	2,434,580	146,551	647,104	564,848	479,234	144,693
REVENUES OVER (UNDER)						
EXPENDITURES	1,560,562	17,442	279,590	294,668	153,526	463,373
OTHER FINANCING SOURCES (USES):						
Issuance of long-term liabilities	-	-	-	-	-	-
Transfers in	-	31,948	6,079	-	-	1,300
Transfers out	(1,326,099)	(44,361)	(298,117)	(154,267)	(250,458)	(409,167)
Total other financing sources (uses)	(1,326,099)	(12,413)	(292,038)	(154,267)	(250,458)	(407,867)
Net change in fund balances	234,463	5,029	(12,448)	140,401	(96,932)	55,506
FUND BALANCES:						
Beginning of year	\$5,004,910	\$186,029	\$699,825	\$1,269,551	\$1,179,281	\$310,350
End of year	\$ 5,239,373	\$ 191,058	\$ 687,377	\$ 1,409,952	\$ 1,082,349	\$ 365,856

Landscape and Lighting Assessment District - Zones of Benefit

Zone 8 Other Rural Areas	Zone 9 Waterman/ Park Village	Zone 10 Auto Mall	Zone 11 East Elk Grove	Zone 12 Laguna Stonelake	Zone 13 East Franklin	Zone 14 Camden Park	Zone 15 Vista Creek
\$ 790,899	\$ 305,600	\$ 40,773	\$ 1,833,959	\$ 487,961	\$ 3,347,794	\$ 149,292	\$ 22,389
13,206	28,298	1,544	41,374	44,198	170,435	2,178	725
-	-	-	-	-	-	-	-
804,105	333,898	42,317	1,875,333	532,159	3,518,229	151,470	23,114
39,328	270,191	-	731,575	398,254	1,801,491	1,200	550
-	-	-	690	-	7,686	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
39,328	270,191	-	732,265	398,254	1,809,177	1,200	550
764,777	63,707	42,317	1,143,068	133,905	1,709,052	150,270	22,564
-	-	-	-	-	-	-	-
-	91,355	-	7,019	-	8,319	-	-
(492,710)	(155,062)	(16,700)	(208,769)	(91,235)	(456,326)	(59,356)	(6,079)
(492,710)	(63,707)	(16,700)	(201,750)	(91,235)	(448,007)	(59,356)	(6,079)
272,067	-	25,617	941,318	42,670	1,261,045	90,914	16,485
\$1,438,612	\$245,158	\$177,935	\$4,979,968	\$985,109	\$13,967,108	\$167,564	\$83,922
\$ 1,710,679	\$ 245,158	\$ 203,552	\$ 5,921,286	\$ 1,027,779	\$ 15,228,153	\$ 258,478	\$ 100,407

(Continued)

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Landscaping and Lighting Special Revenue Fund
For the year ended June 30, 2017

Landscape and Lighting Assessment District - Zones of Benefit

	Zone 16 Fallbrook Park Lane	Zone 17 City Landscape	Zone 18 Hampton Village	District Wide	Total
REVENUES:					
Charges for current services	\$ 136,767	\$ 1,200,433	\$ 69,659	\$ 9,853	\$ 15,362,009
Use of money and property	4,394	1,211	42	46,669	572,415
Miscellaneous	-	580	-	402	2,382
Total revenues	141,161	1,202,224	69,701	56,924	15,936,806
EXPENDITURES:					
Current:					
Recreation and culture	1,500	1,198,522	1,651	2,780,487	11,641,759
Capital outlay	-	-	-	148,218	156,594
Debt service:					
Principal	-	-	-	22,747	22,747
Interest	-	-	-	2,813	2,813
Total expenditures	1,500	1,198,522	1,651	2,954,265	11,823,913
REVENUES OVER (UNDER)					
EXPENDITURES	139,661	3,702	68,050	(2,897,341)	4,112,893
OTHER FINANCING SOURCES (USES):					
Issuance of long-term liabilities	-	-	-	108,613	108,613
Transfers in	-	23,486	-	2,899,441	3,068,947
Transfers out	(40,195)	(27,189)	(23,751)	(92,869)	(4,152,710)
Total other financing sources (uses)	(40,195)	(3,703)	(23,751)	2,915,185	(975,150)
Net change in fund balances	99,466	(1)	44,299	17,844	3,137,743
FUND BALANCES:					
End of year	\$429,063	\$300,409	\$0	\$320,289	31,745,083
End of year	\$ 528,529	\$ 300,408	\$ 44,299	\$ 338,133	\$ 34,882,826

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Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 1 - Laguna			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 3,831,036	\$ 3,831,036	\$ 3,834,086	\$ 3,050
Use of money and property	121,600	121,600	160,706	39,106
Miscellaneous	-	-	350	350
Total revenues	3,952,636	3,952,636	3,995,142	42,506
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	469,531	471,631	471,538	93
Services and supplies	2,192,389	2,190,289	1,963,042	227,247
Capital outlay				
Equipment	700	700	-	700
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,662,620	2,662,620	2,434,580	228,040
REVENUES OVER (UNDER)				
EXPENDITURES	1,290,016	1,290,016	1,560,562	270,546
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(1,479,045)	(1,479,045)	(1,326,099)	152,946
Total other financing sources (uses)	(1,479,045)	(1,479,045)	(1,326,099)	152,946
Net change in fund balances	(189,029)	(189,029)	234,463	423,492
FUND BALANCES:				
Beginning of year	5,004,910	5,004,910	5,004,910	-
End of year	\$ 4,815,881	\$ 4,815,881	\$ 5,239,373	\$ 423,492

Landscape and Lighting Assessment District - Zones of Benefit

Zone 2 - Camden				Zone 3 - Elk Grove/West Vineyard			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 167,572	\$ 167,572	\$ 162,713	\$ (4,859)	\$ 856,159	\$ 856,159	\$ 892,871	\$ 36,712
-	400	1,280	880	29,400	29,400	33,123	3,723
-	-	-	-	-	-	700	700
<u>167,572</u>	<u>167,972</u>	<u>163,993</u>	<u>(3,979)</u>	<u>885,559</u>	<u>885,559</u>	<u>926,694</u>	<u>41,135</u>
41,115	41,115	39,834	1,281	91,493	91,493	90,574	919
139,002	139,002	106,717	32,285	533,390	556,590	556,530	60
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>180,117</u>	<u>180,117</u>	<u>146,551</u>	<u>33,566</u>	<u>624,883</u>	<u>648,083</u>	<u>647,104</u>	<u>979</u>
<u>(12,545)</u>	<u>(12,145)</u>	<u>17,442</u>	<u>29,587</u>	<u>260,676</u>	<u>237,476</u>	<u>279,590</u>	<u>42,114</u>
-	-	-	-	-	23,200	-	(23,200)
70,490	70,490	31,948	(38,542)	6,079	6,079	6,079	-
(45,610)	(45,610)	(44,361)	1,249	(305,511)	(305,511)	(298,117)	7,394
<u>24,880</u>	<u>24,880</u>	<u>(12,413)</u>	<u>(37,293)</u>	<u>(299,432)</u>	<u>(276,232)</u>	<u>(292,038)</u>	<u>(15,806)</u>
12,335	12,735	5,029	(7,706)	(38,756)	(38,756)	(12,448)	26,308
<u>186,029</u>	<u>186,029</u>	<u>186,029</u>	<u>-</u>	<u>699,825</u>	<u>699,825</u>	<u>699,825</u>	<u>-</u>
<u>\$ 198,364</u>	<u>\$ 198,764</u>	<u>\$ 191,058</u>	<u>\$ (7,706)</u>	<u>\$ 661,069</u>	<u>\$ 661,069</u>	<u>\$ 687,377</u>	<u>\$ 26,308</u>

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 4 - West Laguna			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 848,546	\$ 848,546	\$ 849,285	\$ 739
Use of money and property	3,000	3,000	10,231	7,231
Miscellaneous	-	-	-	-
Total revenues	851,546	851,546	859,516	7,970
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	65,120	65,120	64,677	443
Services and supplies	607,021	607,021	500,171	106,850
Capital outlay				
Equipment	-	-	-	-
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	672,141	672,141	564,848	107,293
REVENUES OVER (UNDER)				
EXPENDITURES	179,405	179,405	294,668	115,263
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(161,604)	(161,604)	(154,267)	7,337
Total other financing sources (uses)	(161,604)	(161,604)	(154,267)	7,337
Net change in fund balances	17,801	17,801	140,401	122,600
FUND BALANCES:				
Beginning of year	1,269,551	1,269,551	1,269,551	-
End of year	\$ 1,287,352	\$ 1,287,352	\$ 1,409,952	\$ 122,600

Landscape and Lighting Assessment District - Zones of Benefit

Zone 5 - Lakeside				Zone 6 - Central Elk Grove			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 622,777	\$ 622,777	\$ 623,319	\$ 542	\$ 603,822	\$ 603,822	\$ 604,356	\$ 534
3,000	3,000	9,441	6,441	1,400	1,400	3,360	1,960
-	-	-	-	-	-	350	350
625,777	625,777	632,760	6,983	605,222	605,222	608,066	2,844
64,267	64,267	63,760	507	32,719	32,719	31,399	1,320
487,939	426,839	415,474	11,365	148,081	148,082	113,294	34,788
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
552,206	491,106	479,234	11,872	180,800	180,801	144,693	36,108
73,571	134,671	153,526	18,855	424,422	424,421	463,373	38,952
-	-	-	-	-	-	-	-
-	-	-	-	1,300	1,300	1,300	-
(189,438)	(250,538)	(250,458)	80	(424,450)	(424,450)	(409,167)	15,283
(189,438)	(250,538)	(250,458)	80	(423,150)	(423,150)	(407,867)	15,283
(115,867)	(115,867)	(96,932)	18,935	1,272	1,271	55,506	54,235
1,179,281	1,179,281	1,179,281	-	310,350	310,350	310,350	-
\$ 1,063,414	\$ 1,063,414	\$ 1,082,349	\$ 18,935	\$ 311,622	\$ 311,621	\$ 365,856	\$ 54,235

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 8 - Other Rural Areas			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 790,850	\$ 790,850	\$ 790,899	\$ 49
Use of money and property	4,375	4,375	13,206	8,831
Miscellaneous	-	-	-	-
Total revenues	795,225	795,225	804,105	8,880
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	18,643	19,243	19,194	49
Services and supplies	105,849	83,949	20,134	63,815
Capital outlay				
Equipment	-	-	-	-
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	124,492	103,192	39,328	63,864
REVENUES OVER (UNDER)				
EXPENDITURES	670,733	692,033	764,777	72,744
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(471,454)	(492,754)	(492,710)	44
Total other financing sources (uses)	(471,454)	(492,754)	(492,710)	44
Net change in fund balances	199,279	199,279	272,067	72,788
FUND BALANCES:				
Beginning of year	1,438,612	1,438,612	1,438,612	-
End of year	\$ 1,637,891	\$ 1,637,891	\$ 1,710,679	\$ 72,788

Landscape and Lighting Assessment District - Zones of Benefit

Zone 9 - Waterman/Park Village				Zone 10 - Auto Mall			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 305,336	\$ 305,336	\$ 305,600	\$ 264	\$ 40,737	\$ 40,737	\$ 40,773	\$ 36
24,246	24,246	28,298	4,052	300	300	1,544	1,244
-	-	-	-	-	-	-	-
329,582	329,582	333,898	4,316	41,037	41,037	42,317	1,280
57,253	57,253	54,940	2,313	-	-	-	-
400,803	400,804	215,251	185,553	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
458,056	458,057	270,191	187,866	-	-	-	-
(128,474)	(128,475)	63,707	192,182	41,037	41,037	42,317	1,280
-	-	-	-	-	-	-	-
342,000	342,000	91,355	(250,645)	-	-	-	-
(169,524)	(169,524)	(155,062)	14,462	(17,610)	(17,610)	(16,700)	910
172,476	172,476	(63,707)	(236,183)	(17,610)	(17,610)	(16,700)	910
44,002	44,001	-	(44,001)	23,427	23,427	25,617	2,190
245,158	245,158	245,158	-	177,935	177,935	177,935	-
\$ 289,160	\$ 289,159	\$ 245,158	\$ (44,001)	\$ 201,362	\$ 201,362	\$ 203,552	\$ 2,190

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 11 - East Elk Grove			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 1,832,373	\$ 1,832,373	\$ 1,833,959	\$ 1,586
Use of money and property	10,000	10,000	41,374	31,374
Miscellaneous	-	-	-	-
Total revenues	1,842,373	1,842,373	1,875,333	32,960
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	184,977	184,977	177,064	7,913
Services and supplies	647,955	947,255	554,511	392,744
Capital outlay				
Equipment	-	700	690	10
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	832,932	1,132,932	732,265	400,667
REVENUES OVER (UNDER)				
EXPENDITURES	1,009,441	709,441	1,143,068	433,627
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	7,019	7,019
Transfers out	(370,528)	(370,528)	(208,769)	161,759
Total other financing sources (uses)	(370,528)	(370,528)	(201,750)	168,778
Net change in fund balances	638,913	338,913	941,318	602,405
FUND BALANCES:				
Beginning of year	4,979,968	4,979,968	4,979,968	-
End of year	\$ 5,618,881	\$ 5,318,881	\$ 5,921,286	\$ 602,405

Landscape and Lighting Assessment District - Zones of Benefit

Zone 12 - Laguna Stonelake				Zone 13 - East Franklin			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 487,536	\$ 487,536	\$ 487,961	\$ 425	\$ 3,344,864	\$ 3,344,864	\$ 3,347,794	\$ 2,930
35,292	35,292	44,198	8,906	77,300	77,300	170,435	93,135
-	-	-	-	-	-	-	-
522,828	522,828	532,159	9,331	3,422,164	3,422,164	3,518,229	96,065
68,882	69,207	69,203	4	561,423	561,423	545,841	15,582
462,806	462,481	329,051	133,430	1,380,460	1,380,460	1,255,650	124,810
-	-	-	-	2,550	2,550	2,537	13
-	-	-	-	5,150	5,150	5,149	1
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
531,688	531,688	398,254	133,434	1,949,583	1,949,583	1,809,177	140,406
(8,860)	(8,860)	133,905	142,765	1,472,581	1,472,581	1,709,052	236,471
-	-	-	-	-	-	-	-
-	-	-	-	1,300	1,300	8,319	7,019
(95,575)	(95,575)	(91,235)	4,340	(471,830)	(464,830)	(456,326)	8,504
(95,575)	(95,575)	(91,235)	4,340	(470,530)	(463,530)	(448,007)	15,523
(104,435)	(104,435)	42,670	147,105	1,002,051	1,009,051	1,261,045	251,994
985,109	985,109	985,109	-	13,967,108	13,967,108	13,967,108	-
\$ 880,674	\$ 880,674	\$ 1,027,779	\$ 147,105	\$ 14,969,159	\$ 14,976,159	\$ 15,228,153	\$ 251,994

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 14 - Camden Park			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 149,681	\$ 149,681	\$ 149,292	\$ (389)
Use of money and property	700	700	2,178	1,478
Miscellaneous	-	-	-	-
Total revenues	150,381	150,381	151,470	1,089
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	-	-	-	-
Services and supplies	1,200	1,200	1,200	-
Capital outlay				
Equipment	-	-	-	-
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,200	1,200	1,200	-
REVENUES OVER (UNDER)				
EXPENDITURES	149,181	149,181	150,270	1,089
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(127,830)	(127,830)	(59,356)	68,474
Total other financing sources (uses)	(127,830)	(127,830)	(59,356)	68,474
Net change in fund balances	21,351	21,351	90,914	69,563
FUND BALANCES:				
Beginning of year	167,564	167,564	167,564	-
End of year	\$ 188,915	\$ 188,915	\$ 258,478	\$ 69,563

Landscape and Lighting Assessment District - Zones of Benefit

Zone 15 - Vista Creek				Zone 16 - Fallbrook Park Lane			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 22,423	\$ 22,423	\$ 22,389	\$ (34)	\$ 139,958	\$ 139,958	\$ 136,767	\$ (3,191)
200	200	725	525	700	700	4,394	3,694
-	-	-	-	-	-	-	-
22,623	22,623	23,114	491	140,658	140,658	141,161	503
-	-	-	-	-	-	-	-
550	550	550	-	1,615	1,615	1,500	115
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
550	550	550	-	1,615	1,615	1,500	115
22,073	22,073	22,564	491	139,043	139,043	139,661	618
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(6,079)	(6,079)	(6,079)	-	(80,400)	(80,400)	(40,195)	40,205
(6,079)	(6,079)	(6,079)	-	(80,400)	(80,400)	(40,195)	40,205
15,994	15,994	16,485	491	58,643	58,643	99,466	40,823
83,922	83,922	83,922	-	429,063	429,063	429,063	-
\$ 99,916	\$ 99,916	\$ 100,407	\$ 491	\$ 487,706	\$ 487,706	\$ 528,529	\$ 40,823

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

	Landscape and Lighting Assessment District - Zones of Benefit			
	Zone 17 - City Landscape			
	Original	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Charges for current services	\$ 1,119,487	\$ 1,119,487	\$ 1,200,433	\$ 80,946
Use of money and property	601	601	1,211	610
Miscellaneous	-	-	580	580
Total revenues	1,120,088	1,120,088	1,202,224	82,136
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	134,558	149,758	149,707	51
Services and supplies	953,553	1,048,854	1,048,815	39
Capital outlay				
Equipment	-	-	-	-
Structures and improvements	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,088,111	1,198,612	1,198,522	90
REVENUES OVER (UNDER)				
EXPENDITURES	31,977	(78,524)	3,702	82,226
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	-	-	-
Transfers in	-	-	23,486	23,486
Transfers out	(27,187)	(27,187)	(27,189)	(2)
Total other financing sources (uses)	(27,187)	(27,187)	(3,703)	23,484
Net change in fund balances	4,790	(105,711)	(1)	105,710
FUND BALANCES:				
Beginning of year	330,409	330,409	330,409	-
End of year	\$ 335,199	\$ 224,698	\$ 330,408	\$ 105,710

Landscape and Lighting Assessment District - Zones of Benefit

Zone 18 - Hampton Village				District Wide			
Original	Final Budget	Actual	Variance Positive (Negative)	Original	Final Budget	Actual	Variance Positive (Negative)
\$ 70,002	\$ 55,652	\$ 69,659	\$ 14,007	\$ 8,000	\$ 8,000	\$ 9,853	\$ 1,853
-	-	42	42	49,600	49,600	46,669	(2,931)
-	-	-	-	-	-	402	402
70,002	55,652	69,701	14,049	57,600	57,600	56,924	(676)
-	-	-	-	1,217,004	1,314,004	1,313,894	110
-	1,700	1,651	49	1,777,474	1,634,975	1,466,593	168,382
-	-	-	-	62,356	107,856	148,218	(40,362)
-	-	-	-	-	-	-	-
-	-	-	-	23,999	23,999	22,747	1,252
-	-	-	-	2,794	2,794	2,813	(19)
-	1,700	1,651	49	3,083,627	3,083,628	2,954,265	129,363
70,002	53,952	68,050	14,098	(3,026,027)	(3,026,028)	(2,897,341)	128,687
-	-	-	-	-	-	108,613	108,613
-	-	-	-	3,055,610	3,055,610	2,899,441	(156,169)
(11,108)	(23,758)	(23,751)	7	(154,583)	(154,583)	(92,869)	61,714
(11,108)	(23,758)	(23,751)	7	2,901,027	2,901,027	2,915,185	14,158
58,894	30,194	44,299	14,105	(125,000)	(125,001)	17,844	142,845
-	-	-	-	320,289	320,289	320,289	-
\$ 58,894	\$ 30,194	\$ 44,299	\$ 14,105	\$ 195,289	\$ 195,288	\$ 338,133	\$ 142,845

Cosumnes Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balances by Benefit Zone -
Budget and Actual, Continued
For the year ended June 30, 2017

Landscape and Lighting Assessment District - Zones of Benefit

	Totals			Variance Positive (Negative)
	Original	Final Budget	Actual	
REVENUES:				
Charges for current services	\$ 15,241,159	\$ 15,226,809	15,362,009	\$ 135,200
Use of money and property	361,714	362,114	572,415	210,301
Miscellaneous	-	-	2,382	2,382
Total revenues	15,602,873	15,588,923	15,936,806	347,883
EXPENDITURES:				
Current:				
Recreation and culture				
Salaries and benefits	3,006,985	3,122,210	3,091,625	30,585
Services and supplies	9,840,087	10,031,666	8,550,134	1,481,532
Capital outlay				
Equipment	65,606	111,806	151,445	(39,639)
Structures and improvements	5,150	5,150	5,149	1
Debt service:				
Principal	23,999	23,999	22,747	1,252
Interest	2,794	2,794	2,813	(19)
Total expenditures	12,944,621	13,297,625	11,823,913	1,473,712
REVENUES OVER (UNDER)				
EXPENDITURES	2,658,252	2,291,298	4,112,893	1,821,595
OTHER FINANCING SOURCES (USES):				
Insurance recovery	-	23,200	108,613	85,413
Transfers in	3,476,779	3,476,779	3,068,947	(407,832)
Transfers out	(4,609,366)	(4,697,416)	(4,152,710)	544,706
Total other financing sources (uses)	(1,132,587)	(1,197,437)	(975,150)	222,287
Net change in fund balances	1,525,665	1,093,861	3,137,743	2,043,882
FUND BALANCES:				
Beginning of year	31,745,083	31,745,083	31,745,083	-
End of year	\$ 33,270,748	\$ 32,838,944	\$ 34,882,826	\$ 2,043,882

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

The capital asset accounts in the government-wide statement of net assets provide accountability for the District's capital assets. A capital asset is accounted for in this account when it has been purchased using general governmental resources and is used for general governmental purposes. Assets are recorded at historical cost if purchased, or if historical cost is not available, estimated historical cost, or fair market value on the date donated, if donated. Depreciation is recognized on these assets over their estimated useful lives.

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Cosumnes Community Services District
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule of Capital Assets by Source
June 30, 2017

	2017	2016
CAPITAL ASSETS:		
Land	\$ 94,384,093	\$ 87,392,508
Land improvements	64,954,113	64,822,368
Construction in progress	4,360,189	2,039,385
Structures and improvements	77,812,695	77,716,961
Equipment	29,107,234	26,796,663
Total capital assets	\$ 270,618,324	\$ 258,767,885
INVESTMENT IN CAPITAL ASSETS BY SOURCE:		
Land, structures and improvements contributed as in-lieu fees	\$ 81,377,776	\$ 74,386,192
Current operations	115,366,265	109,566,324
Long-term debt proceeds	73,874,283	73,587,500
Investment in capital assets by source	\$ 270,618,324	\$ 257,540,016

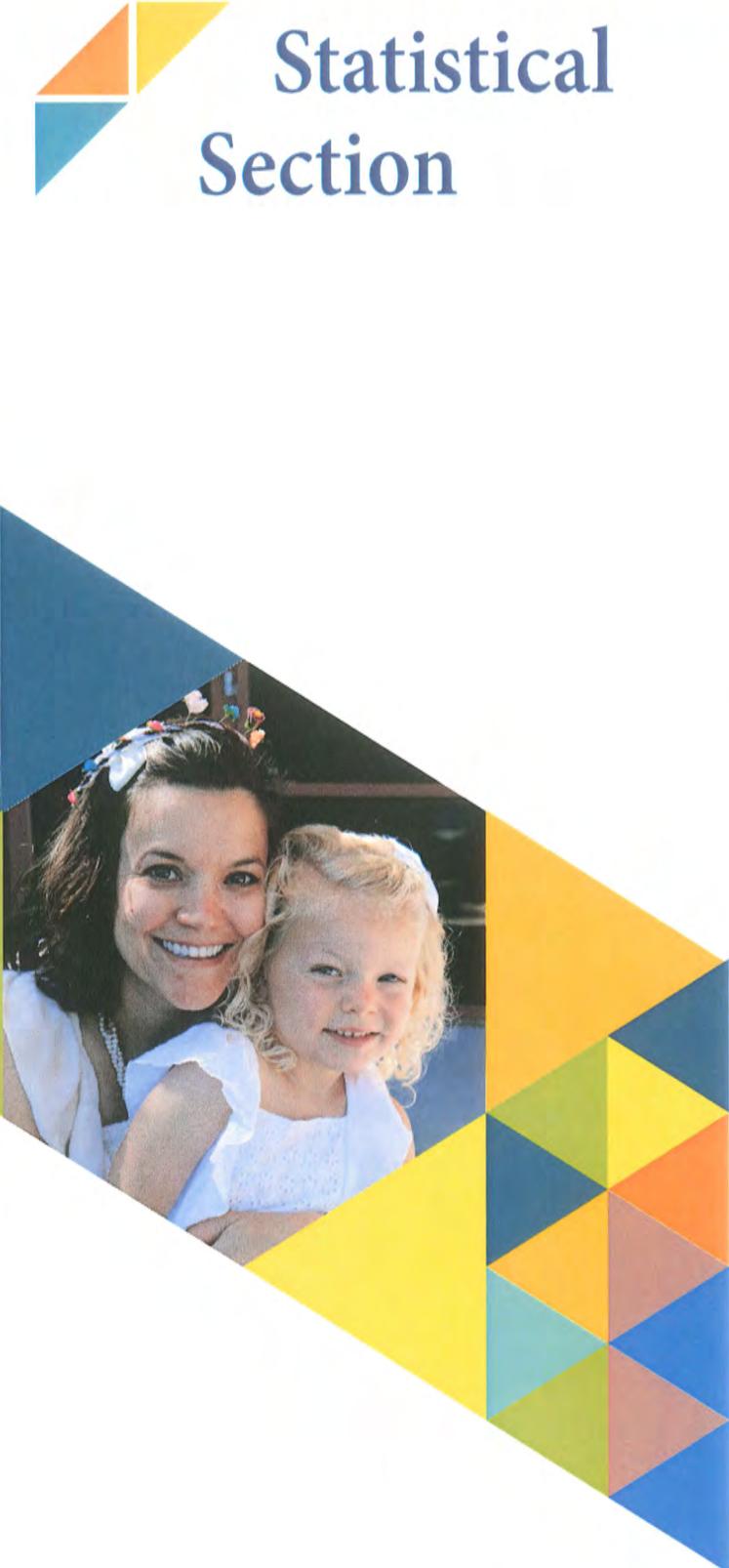
Cosumnes Community Services District
Capital Assets Used in the Operation of Governmental Funds
Schedule of Capital Assets by Function and Activity
June 30, 2017

Function and Activity	Land	Land Improvement	Construction in Progress	Structures and Improvements	Equipment	Total
PUBLIC PROTECTION:						
Fire	4,798,972	\$ -	\$ 150,588	\$ 24,649,503	\$ 25,363,735	\$ 54,962,798
RECREATION AND CULTURE:						
Recreation	5,765,990	-	2,091,295	4,262,071	1,820,505	13,939,861
Parks	83,477,380	64,954,113	486,078	48,743,546	1,145,121	198,806,238
Total recreation and culture	89,243,370	64,954,113	2,577,373	53,005,617	2,965,626	212,746,099
GENERAL GOVERNMENT:						
Administration	341,751	-	1,632,228	157,575	777,873	2,909,427
Total capital assets	\$ 94,384,093	\$ 64,954,113	\$ 4,360,189	\$ 77,812,695	\$ 29,107,234	\$ 270,618,324

Cosumnes Community Services District
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes in Capital Assets by Function and Activity
June 30, 2017

	Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017
PUBLIC PROTECTION:				
Fire	\$ 53,072,470	\$ 2,039,385	\$ (149,057)	\$ 54,962,798
RECREATION AND CULTURE:				
Recreation	11,724,998	2,214,863	-	13,939,861
Parks	191,716,639	7,108,282	(18,683)	198,806,238
Total recreation and culture	<u>203,441,637</u>	<u>9,323,145</u>	<u>(18,683)</u>	<u>212,746,099</u>
GENERAL GOVERNMENT:				
Administration	1,025,909	1,883,518	-	2,909,427
Total capital assets	<u>\$ 257,540,016</u>	<u>\$ 13,246,048</u>	<u>\$ (167,740)</u>	<u>\$ 270,618,324</u>

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Statistical Section



**Enriching Community
Saving Lives**

STATISTICAL SECTION

This part of the Cosumnes Community Services District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends

These schedules contain financial trend information for assessing the District's financial performance and well-being over time.

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules present revenue capacity information to assess the District's ability to generate revenues. Property taxes, charges for services and developer fees and contributions are the District's most significant revenue sources.

1. Direct and Overlapping Property Tax Rates
2. Principal Property Taxpayers
3. Property Tax Levies and Collections
4. Assessed Value of Taxable Property

Debt Capacity

These schedules present information to assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt.

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Debt Margin Information
4. Debt Pledged Revenue Coverage

Demographic and Economic Information

These schedules provide information on the demographic and economic environment in which the District conducts business.

1. Demographic and Economic Statistics
2. Principal Employers

Operating Information

These schedules provide information on the District's service infrastructure to assist the reader in understanding how the information in the District's financial report relates to the services the District provides and the activities it performs.

1. Full-Time District Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant years.

**Cosumnes Community Services District
Net Position by Component
(accrual basis of accounting)**

	Fiscal Year			
	2017	2016	2015	2014 (2)
Governmental activities				
Net investment in capital assets	\$ 179,250,894	185,351,179	184,981,570	183,997,497
Restricted	52,954,081	48,762,603	44,349,631	42,341,817
Unrestricted	<u>(37,949,713)</u>	<u>(50,108,183)</u>	<u>(54,478,223)</u>	<u>(62,177,389)</u>
Total governmental activities net position	<u>\$ 194,255,262</u>	<u>184,005,599</u>	<u>174,852,978</u>	<u>164,161,925</u>
Primary government				
Net investment in capital assets	\$ 179,250,894	185,351,179	184,981,570	183,997,497
Restricted	52,954,081	48,762,603	44,349,631	42,341,817
Unrestricted	<u>(37,949,713)</u>	<u>(50,108,183)</u>	<u>(54,478,223)</u>	<u>(62,177,389)</u>
Total primary government net position	<u>\$ 194,255,262</u>	<u>184,005,599</u>	<u>174,852,978</u>	<u>164,161,925</u>

Note: The Cosumnes Community Services District implemented GASB 34 during the year ended June 30, 2003.
Information prior to the implementation of GASB 34 is not available.

Source: Cosumnes CSD Administrative Services Department

- (1) Information was restated to correct prior year capital assets balances.
- (2) The District recorded prior period adjustments to record the beginning balance of the net pension liability, and to record employer contributions made for pension in fiscal year 2014 as a deferred outflow of resources.

Fiscal Year

2013	2012	2011	2010	2009	2008, as restated (1)
184,141,637	183,173,511	179,698,464	174,181,494	162,115,206	157,157,902
37,217,297	34,461,962	35,770,912	26,886,848	35,194,322	31,766,453
(8,241,726)	1,100,458	9,685,628	33,867,845	43,279,283	48,978,356
<u>213,117,208</u>	<u>218,735,931</u>	<u>225,155,004</u>	<u>234,936,187</u>	<u>240,588,811</u>	<u>237,902,711</u>
184,141,637	183,173,511	179,698,464	174,181,494	162,115,206	157,157,902
37,217,297	34,461,962	35,770,912	26,886,848	35,194,322	31,766,453
(8,241,726)	1,100,458	9,685,628	33,867,845	43,279,283	48,978,356
<u>213,117,208</u>	<u>218,735,931</u>	<u>225,155,004</u>	<u>234,936,187</u>	<u>240,588,811</u>	<u>237,902,711</u>

Cosumnes Community Services District
Changes in Net Position
(accrual basis of accounting)

	Fiscal Year			
	2017	2016	2015	2014
Expenses				
Governmental activities:				
Public protection	\$ 44,947,335	39,709,149	30,991,966	36,958,524
Recreation and culture	26,110,030	23,461,242	24,421,081	21,697,297
General Government	6,057,493	7,844,015	4,262,813	3,424,446
Interest on long-term debt	1,456,115	1,436,266	773,229	820,905
Total governmental activities expenses	<u>78,570,973</u>	<u>72,450,672</u>	<u>60,449,089</u>	<u>62,901,172</u>
Total primary government expenses	<u>78,570,973</u>	<u>72,450,672</u>	<u>60,449,089</u>	<u>62,901,172</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Public protection	9,929,689	6,916,448	8,152,295	7,181,029
Recreation and culture	20,878,015	20,585,430	20,399,714	19,711,526
General Government	3,301,028	7,799,770	1,883,787	1,677,351
Operating grants and contributions	89,340	160,132	113,666	121,646
Capital grants and contributions	11,640,159	5,075,796	3,650,142	4,239,631
Total governmental activities program revenues	<u>45,838,231</u>	<u>40,537,576</u>	<u>34,199,604</u>	<u>32,931,183</u>
Total primary government program revenues	<u>45,838,231</u>	<u>40,537,576</u>	<u>34,199,604</u>	<u>32,931,183</u>
Net revenues (expenses):				
Governmental activities	<u>(32,732,742)</u>	<u>(31,913,096)</u>	<u>(26,249,485)</u>	<u>(29,969,989)</u>
Total net revenues (expenses)	<u>(32,732,742)</u>	<u>(31,913,096)</u>	<u>(26,249,485)</u>	<u>(29,969,989)</u>
General revenues and other changes in net position				
Governmental activities:				
Taxes				
Property Taxes	41,024,168	38,678,041	36,173,988	32,626,823
Other taxes	-	-	-	-
Investment earnings	938,460	929,012	431,763	479,497
Miscellaneous	1,019,777	1,458,664	334,787	332,351
Total governmental activities	<u>42,982,405</u>	<u>41,065,717</u>	<u>36,940,538</u>	<u>33,438,671</u>
Total primary government	<u>42,982,405</u>	<u>41,065,717</u>	<u>36,940,538</u>	<u>33,438,671</u>
Changes in net position				
Governmental activities	<u>10,249,663</u>	<u>9,152,621</u>	<u>10,691,053</u>	<u>3,468,682</u>
Total primary government	<u>\$ 10,249,663</u>	<u>9,152,621</u>	<u>10,691,053</u>	<u>3,468,682</u>

Source: Cosumnes CSD Administrative Services Department

Fiscal Year

2013	2012	2011	2010	2009	2008
39,550,114	39,708,302	39,892,892	41,217,023	39,910,342	39,356,634
22,221,093	22,920,702	23,053,144	20,872,734	20,417,898	17,725,070
3,672,163	3,680,267	4,147,243	4,336,910	4,917,600	4,969,610
1,151,692	1,339,252	3,190,945	1,874,954	1,987,109	1,537,561
<u>66,595,062</u>	<u>67,648,523</u>	<u>70,284,224</u>	<u>68,301,621</u>	<u>67,232,949</u>	<u>63,588,875</u>
<u>66,595,062</u>	<u>67,648,523</u>	<u>70,284,224</u>	<u>68,301,621</u>	<u>67,232,949</u>	<u>63,588,875</u>
5,428,004	5,612,920	3,589,834	5,226,512	4,323,291	5,675,162
19,673,718	20,049,112	6,497,058	18,140,280	16,522,188	14,898,141
1,974,385	1,523,950	14,488,849	1,173,276	1,364,097	1,964,317
109,774	191,286	258,509	119,007	180,942	929,167
3,673,497	2,078,404	2,891,068	3,416,858	6,039,124	5,568,915
<u>30,859,378</u>	<u>29,455,672</u>	<u>27,725,318</u>	<u>28,075,933</u>	<u>28,429,642</u>	<u>29,035,702</u>
<u>30,859,378</u>	<u>29,455,672</u>	<u>27,725,318</u>	<u>28,075,933</u>	<u>28,429,642</u>	<u>29,035,702</u>
<u>(35,735,684)</u>	<u>(38,192,851)</u>	<u>(42,558,906)</u>	<u>(40,225,688)</u>	<u>(38,803,307)</u>	<u>(34,553,173)</u>
<u>(35,735,684)</u>	<u>(38,192,851)</u>	<u>(42,558,906)</u>	<u>(40,225,688)</u>	<u>(38,803,307)</u>	<u>(34,553,173)</u>
29,456,296	31,186,985	32,253,420	33,603,024	38,695,990	39,350,015
-	-	-	-	-	516,427
559,940	407,021	361,833	633,265	2,252,726	3,778,975
100,725	179,772	162,470	336,775	540,691	1,054,479
<u>30,116,961</u>	<u>31,773,778</u>	<u>32,777,723</u>	<u>34,573,064</u>	<u>41,489,407</u>	<u>44,699,896</u>
<u>30,116,961</u>	<u>31,773,778</u>	<u>32,777,723</u>	<u>34,573,064</u>	<u>41,489,407</u>	<u>44,699,896</u>
<u>(5,618,723)</u>	<u>(6,419,073)</u>	<u>(9,781,183)</u>	<u>(5,652,624)</u>	<u>2,686,100</u>	<u>10,146,723</u>
<u>(5,618,723)</u>	<u>(6,419,073)</u>	<u>(9,781,183)</u>	<u>(5,652,624)</u>	<u>2,686,100</u>	<u>10,146,723</u>

**Cosumnes Community Services District
Fund Balances of Governmental Funds
(modified accrual basis of accounting)**

	Fiscal Year			
	2017	2016	2015	2014
General fund:				
Nonspendable	\$ 1,967,160	984,526	423,969	739,238
Restricted	17,856,548	16,792,913	16,031,122	16,145,077
Assigned	32,218,113	29,194,656	26,108,555	16,466,784
Total general fund	\$ <u>52,041,821</u>	<u>46,972,095</u>	<u>42,563,646</u>	<u>33,351,099</u>
All other governmental funds:				
Restricted	\$ 35,097,533	31,969,690	28,318,509	26,196,740
Assigned, reported in:				
Special revenue fund	-	-	-	-
Total all other governmental funds	\$ <u>35,097,533</u>	<u>31,969,690</u>	<u>28,318,509</u>	<u>26,196,740</u>

Source: Cosumnes CSD Administrative Services Department

Fiscal Year

2013	2012	2011	2010	2009	2008
107,338	20,770	16,207	15,048	-	-
14,238,705	14,720,152	17,954,979	20,139,539	23,966,205	27,636,829
15,204,930	19,487,133	23,234,797	26,396,387	31,788,249	35,380,874
<u>29,550,973</u>	<u>34,228,055</u>	<u>41,205,983</u>	<u>46,550,974</u>	<u>55,754,454</u>	<u>63,017,703</u>
22,978,592	19,741,810	17,815,933	6,732,261	11,228,117	4,129,624
-	-	-	14,270,117	14,482,116	12,499,960
<u>22,978,592</u>	<u>19,741,810</u>	<u>17,815,933</u>	<u>21,002,378</u>	<u>25,710,233</u>	<u>16,629,584</u>

**Cosumnes Community Services District
Changes in Fund Balances of Governmental Funds
(modified accrual basis of accounting)**

	Fiscal Year			
	2017	2016	2015	2014
Revenues:				
Taxes	\$ 41,024,168	38,678,041	36,173,988	32,626,823
Charges for services	32,494,151	28,526,257	29,519,898	27,835,872
Developer fees and contributions	2,004,448	1,669,000	1,500,655	2,832,285
Intergovernmental	2,644,117	3,406,796	2,149,487	1,407,346
Donations and contributions	89,340	160,132	113,666	121,646
Use of money and property	2,067,792	2,048,806	1,516,902	1,486,062
Miscellaneous	1,019,777	1,458,664	334,787	332,351
Total revenues	81,343,793	75,947,696	71,309,383	66,642,385
Expenditures:				
Current:				
Public protection	43,262,133	38,600,228	36,077,297	33,362,739
Recreation and culture	22,462,027	20,606,032	21,147,714	18,737,965
General government	6,006,798	7,881,271	4,209,127	3,115,442
Capital outlay	6,294,857	3,491,208	4,355,382	2,412,214
Debt service:				
Principal	1,883,696	2,409,130	2,060,546	2,678,562
Interest	970,887	1,158,549	776,928	875,905
Cost of Issuance	529,832	272,852		
Total expenditures	81,410,230	74,419,270	68,626,994	61,182,827
Excess of revenues over expenditures	(66,437)	1,528,426	2,682,389	5,459,558
Other financing sources (uses):				
Proceeds from sale of capital assets	210	6,150	133,147	16,311
Issuance of long-term liabilities	15,720,282	10,420,172	1,276,969	1,436,953
Payment to escrow for refunding	(9,230,447)	-	-	-
Original issue premium	896,282	-	-	-
Original issue discount	(224,451)	(283,460)	-	-
Insurance recoveries	1,102,130	4,937,030	7,241,811	105,452
Transfers in	5,441,174	5,506,912	5,720,119	4,625,190
Transfers out	(5,441,174)	(5,506,912)	(5,720,119)	(4,625,190)
Total other financing sources (uses)	8,264,006	15,079,892	8,651,927	1,558,716
Net change in fund balances	\$ 8,197,569	16,608,318	11,334,316	7,018,274
Debt service as a percentage of noncapital expenditures	3.8%	5.0%	4.4%	6.0%

Source: Cosumnes CSD Administrative Services Department

Fiscal Year

2013	2012	2011	2010	2009	2008
29,456,296	31,186,985	32,253,420	33,603,024	38,695,990	39,866,442
25,669,576	25,833,814	25,077,392	23,100,046	22,896,520	22,203,832
1,747,613	1,458,624	1,993,759	994,588	3,428,132	3,449,473
1,925,884	619,780	897,309	2,422,270	2,610,992	2,119,442
109,774	191,286	258,509	119,007	180,942	929,167
1,504,489	1,367,064	1,521,106	1,544,523	3,232,037	4,728,139
404,965	179,772	162,470	336,775	540,691	1,044,637
<u>60,818,597</u>	<u>60,837,325</u>	<u>62,163,965</u>	<u>62,120,233</u>	<u>71,585,304</u>	<u>74,341,132</u>
34,372,236	33,478,192	33,893,997	34,953,709	35,355,540	34,901,437
18,571,201	19,767,882	20,342,559	18,059,421	17,878,449	17,710,709
3,117,972	3,224,873	3,577,708	3,944,833	4,645,014	4,962,430
2,462,853	4,478,538	3,823,032	17,356,702	15,331,594	16,159,800
3,021,871	4,344,153	6,865,298	3,332,703	4,739,988	3,212,237
1,201,336	1,367,625	3,386,607	1,889,017	1,852,098	1,568,973
<u>62,747,469</u>	<u>66,661,263</u>	<u>71,889,201</u>	<u>79,536,385</u>	<u>79,802,683</u>	<u>78,515,586</u>
<u>(1,928,872)</u>	<u>(5,823,938)</u>	<u>(9,725,236)</u>	<u>(17,416,152)</u>	<u>(8,217,379)</u>	<u>(4,174,454)</u>
162,586	156,250	299,216	273,189	34,779	108,755
325,986	122,386	388,747	3,231,628	10,000,000	1,088,986
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	493,251	505,836	-	-	9,842
4,273,702	5,544,330	5,539,122	10,881,176	5,902,928	3,790,486
<u>(4,273,702)</u>	<u>(5,544,330)</u>	<u>(5,539,122)</u>	<u>(10,881,176)</u>	<u>(5,902,928)</u>	<u>(3,790,486)</u>
<u>488,572</u>	<u>771,887</u>	<u>1,193,799</u>	<u>3,504,817</u>	<u>10,034,779</u>	<u>1,207,583</u>
<u>(1,440,300)</u>	<u>(5,052,051)</u>	<u>(8,531,437)</u>	<u>(13,911,335)</u>	<u>1,817,400</u>	<u>(2,966,871)</u>
7.0%	9.2%	15.1%	8.4%	10.2%	7.7%

Cosumnes Community Services District
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	Fiscal Year				
	2008	2009	2010	2011	2012
District Rate	0.22137	0.22137	0.22137	0.22137	0.22137
Overlapping Rates:					
County of Sacramento	0.38606	0.38606	0.38606	0.38606	0.38606
County Library	0.02037	0.02037	0.02037	0.02037	0.02037
Elk Grove Unified School District	0.25487	0.25487	0.25487	0.25487	0.25487
Elk Grove-Cosumnes Cemetery District	0.00275	0.00275	0.00275	0.00275	0.00275
City of Elk Grove	0.05738	0.05738	0.05738	0.05738	0.05738
Los Rios Community College	0.03641	0.03641	0.03641	0.03641	0.03641
Sacramento-Yolo Mosquito Abatement District	0.00866	0.00866	0.00866	0.00866	0.00866
Other	0.01213	0.01213	0.01213	0.01213	0.01213
Regional Sanitation District Bonds	0.00550	0.00550	0.00550	0.00550	0.00550
Los Rios Community College GO Bonds	<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>
Total Direct Rate	1.01270	1.01270	1.01270	1.01270	1.01270

Notes:

In 1978, California voters passed Proposition 13 which sets 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 Regional Sanitation District bonds and Los Rios Community College General Obligation bonds.

Rates are within the City of Elk Grove boundaries. No data is available for areas outside City boundaries.

Source: HdL Coren & Cone

Fiscal Year				
2013	2014	2015	2016	2017
0.22137	0.22137	0.22137	0.22137	0.22137
0.38606	0.38606	0.38606	0.38606	0.38606
0.02037	0.02037	0.02037	0.02037	0.02037
0.25487	0.25487	0.25487	0.25487	0.25487
0.00275	0.00275	0.00275	0.00275	0.00275
0.05738	0.05738	0.05738	0.05738	0.05738
0.03641	0.03641	0.03641	0.03641	0.03641
0.00866	0.00866	0.00866	0.00866	0.00866
0.01213	0.01213	0.01213	0.01213	0.01213
0.00550	0.00550	0.00550	0.00550	0.00550
<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>	<u>0.00720</u>
1.01270	1.01270	1.01270	1.01270	1.01270

**Cosumnes Community Services District
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2017		2008	
	Taxable Assessed Value (1)	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Percentage of Total District Taxable Assessed Value
Apple Computer, Inc	\$ 191,571,799	0.94%		
Donahue Schriber Realty Group L P	145,892,248	0.71%		
Pappas Laguna 2 Limited Partnership	96,678,753	0.47%		
Laguna Springs Corporation Center	73,131,965	0.36%		
Kaiser Foundation Health Plan	59,583,713	0.29%		
Oakmont Properties II LP	60,183,131	0.29%		
WSI Poppy Ridge LLC	49,330,418	0.24%		
9130 Nolan Street LLC	46,642,723	0.23%		
Jackson II LLC	44,472,231	0.22%		
Norwalk Flallon LLC Upland Terry LLC	43,148,118	0.21%		
ACI Real Properties			63,992,819	0.32%
JVC America Inc.			23,808,233	0.12%
Donahue Schriber Realty Group			20,661,154	0.10%
DS Marketplace 99 LLC			18,717,320	0.09%
Grupe Development Associates			12,861,180	0.07%
Lennair Renaissance			11,027,891	0.06%
Western Investments Real Estate			9,727,368	0.05%
Suburban Propane LP			9,548,197	0.05%
Dayton Hudson Corporation			9,051,381	0.05%
Morris Family Corporation			8,900,137	0.05%
Total	\$ 810,635,099	3.97%	188,295,680	0.95%

Notes:

(1) Amounts represent assessed values within the City of Elk Grove boundaries.

Source: County of Sacramento Assessor's Office and HdL Coren & Cone

**Cosumnes Community Services District
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		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	38,793,725	36,949,440	95.25%	2,917,002	39,866,442	92.68%
2009	37,904,491	32,007,117	84.44%	6,688,873	38,695,990	82.71%
2010	33,523,739	32,007,036	95.48%	1,595,988	33,603,024	95.25%
2011	32,950,787	31,301,110	94.99%	952,310	32,253,420	97.05%
2012	31,299,748	31,053,637	99.21%	133,348	31,186,985	99.57%
2013	31,299,748	29,456,296	94.11%	476,125	29,932,421	98.41%
2014	33,605,628	32,626,823	97.09%	435,454	33,062,277	98.68%
2015	36,976,606	36,173,988	97.83%	401,309	36,575,297	98.90%
2016	39,476,493	38,678,041	97.98%	399,226	39,077,267	98.98%
2017	41,924,688	41,024,168	97.85%	450,260	41,474,428	98.91%

Sources: Sacramento County Auditor-Controller and Cosumnes CSD Administrative Services Department

Cosumnes Community Services District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(In Thousands)

Fiscal Year Ended June 30	Secured	Unsecured	Taxable Assessed Value	Total Direct Tax Rate
2008	19,433,337	288,944	19,722,281	0.22137
2009	18,929,854	340,351	19,270,205	0.22137
2010	16,674,643	368,438	17,043,081	0.22137
2011	16,410,866	340,933	16,751,799	0.22137
2012	15,691,279	326,105	16,017,384	0.22137
2013	14,907,283	324,293	15,231,576	0.22137
2014	16,202,973	299,789	16,502,762	0.22137
2015	17,922,473	311,625	18,234,098	0.22137
2016	18,888,266	310,101	19,198,367	0.22137
2017	20,141,942	301,965	20,443,907	0.22137

Notes:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Sacramento County Auditor-Controller and Cosumnes CSD Administrative Services Department

**Cosumnes Community Services District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities			Total Governmental Activities	Percentage of Assessed Valuation	Debt Per Capita
	Certificates of Participation (1)	Loans	Capital Leases			
2008	1,850,000	1,647,379	26,682,640	30,180,019	0.15%	178.06
2009	1,735,000	1,418,854	32,295,308	35,449,162	0.16%	203.23
2010	1,615,000	4,278,280	29,454,966	35,348,246	0.21%	199.84
2011	1,341,000	3,302,285	23,564,327	28,207,612	0.17%	154.25
2012	1,191,700	2,281,623	20,512,651	23,985,974	0.15%	130.83
2013	1,022,900	1,217,925	19,049,265	21,290,090	0.14%	116.17
2014	847,200	98,219	19,103,063	20,048,482	0.12%	109.36
2015	664,100	84,606	18,512,732	19,261,438	0.11%	104.36
2016	9,221,378	73,913	17,705,066	27,000,357	0.14%	141.60
2017	24,133,400	66,111	16,364,356	40,563,867	0.20%	211.03

Notes:

(1) The Certificate of participation for the 2015 refinancing project is netted with the original issue discount.

Source: Cosumnes CSD Administrative Services Department

**Cosumnes Community Services District
Direct and Overlapping Debt
June 30, 2017**

District Assessed Valuation (in thousands) \$ 20,443,907

	Estimated Percentage Applicable (1)	Outstanding Debt 6/30/17	Estimated Share of Overlapping Debt
Overlapping Debt Repaid with Property Taxes and Assessments:			
Los Rios Community College District	10.627%	\$ 340,100,000	36,142,427
San Joaquin Delta Community College District	3.178%	126,614,970	4,023,824
River Delta Joint Unified School District			
School Facilities Improvement District No. 1	0.2600%	7,670,792	19,944
Sacramento Unified School District	0.1630%	528,757,966	861,875
Grant Joint Union High School District and School District	60.842% & 87.735%	56,903,684	38,851,255
Elk Grove Community Facilities District	100.00%	202,995,000	202,995,000
City of Galt Community Facilities District No. 1988-1	100.00%	1,255,000	1,255,000
Elk Grove Unified School District Community Facilities District No. 1	57.309%	205,377,561	117,699,826
Galt Schools Joint Powers Authority Community Facilities District No. 1	98.627%	6,530,000	6,440,343
Sacramento County Community Facilities Districts	100.00%	21,401,017	21,401,017
California Statewide Community Development Authority 915 Act Bonds	100.00%	6,539,580	6,539,580
City of Galt 1915 Act Bonds	100.00%	1,158,000	1,158,000
Total overlapping debt repaid with property taxes and assessments		1,505,303,570	437,388,091
Overlapping Other Debt:			
Sacramento County General Fund Obligations	14.574%	\$ 235,694,277	34,350,084
Sacramento County Pension Obligations	14.574%	944,016,200	137,580,921
Sacramento County Board of Education Certificates of Participation	14.574%	5,675,000	827,075
Los Rios Community College District Certificates of Participation	10.627%	700,000	74,389
Sacramento Unified School District Certificates of Participation	0.1630%	67,920,000	110,710
City of Elk Grove General Fund Obligations	100.00%	14,350,000	14,350,000
Cosumnes Community Services District	100.00%	23,935,000	23,935,000
Total overlapping other debt		1,292,290,477	211,228,179
Total overlapping debt		\$ 2,797,594,047	684,291,959
District direct debt			40,563,867
Total direct and overlapping debt			\$ 724,855,826

Notes:

- (1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the District's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Cosumnes Community Services District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

Source: California Municipal Statistics, Inc.

Cosumnes Community Services District
Legal Debt Margin Information
Last Ten Fiscal Years
(in thousands of dollars)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed valuation	\$ 19,722,281	19,270,205	17,043,081	16,751,799	16,017,384	15,231,576	16,502,762	18,234,098	19,198,367	20,443,907
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	\$ 4,930,570	4,817,551	4,260,770	4,187,950	4,004,346	3,807,894	4,125,691	4,558,525	4,799,592	5,110,977
Debt limit percentage	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Debt limit	246,529	240,878	213,039	209,397	200,217	190,395	206,285	227,926	239,980	255,549
Total net debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 246,529	240,878	213,039	209,397	200,217	190,395	206,285	227,926	239,980	255,549
Total debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Note: The Government Code of the State of California provides for a legal debt limit of 5% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Cosumnes CSD Administrative Services Department and Sacramento County Assessor's Office

**Cosumnes Community Services District
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Special Assessment Debt					
	Special Assessment Collections	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	11,333,259	7,277,479	4,055,780	371,958	172,876	7.44
2009	12,342,506	7,826,819	4,515,687	343,675	162,645	8.92
2010	12,837,355	8,051,156	4,786,199	359,719	148,140	9.42
2011	14,295,157	9,862,791	4,432,366	376,439	93,784	9.43
2012	13,953,831	9,847,285	4,106,546	785,729	99,627	4.64
2013	14,213,219	9,624,008	4,589,211	822,796	65,448	5.17
2014	14,415,446	9,415,366	5,000,080	852,806	29,514	5.67
2015	14,708,161	11,323,523	3,384,638	25,703	1,632	123.82
2016	14,942,112	10,644,956	4,297,156	21,304	1,401	189.26
2017	15,362,009	11,823,913	3,538,096	22,747	2,813	138.42

Notes: Details regarding the District's outstanding debt can be found in the notes to the financial statements. Special assessments pledged for the loan payable are reported in the Landscape and Lighting Special Revenue Fund and related debt service expenditures are reported in the Debt Service Fund. Operating expenses do not include debt service or capital outlay expenditures.

Source: Cosumnes CSD Administrative Services Department

**Cosumnes Community Services District
Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	District Population (1)	Per Capita Personal Income (2)	Sacramento County Unemployment Rate (3)
2008	169,500	N/A	7.0%
2009	174,430	N/A	11.9%
2010	176,885	N/A	12.6%
2011	182,870	N/A	12.7%
2012	183,333	N/A	11.0%
2013	183,259	N/A	8.7%
2014	183,333	N/A	6.9%
2015	184,564	N/A	6.0%
2016	190,680	N/A	5.8%
2017	192,216	N/A	5.0%

N/A Information is not available.

- Sources:
- 1 Cosumnes Community Services District
 - 2 US Department of Commerce, Bureau of Economic Analysis (data shown is for Sacramento County)
 - 3 State of California Employment Development Department (data shown is for Sacramento County)

**Cosumnes Community Services District
Principal Employers
Last Ten Calendar Years**

<u>Employer</u>	<u>2017</u>		<u>2008</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Elk Grove Unified School District	3,383	4.40%	1,880	(1)
Apple Computer	500	0.65%	1,000	(1)
Bel Air/Raleys Supermarkets	426	0.55%	-	(1)
Alldata	412	0.54%	251	(1)
City of Elk Grove	307	0.40%	123	(1)
Cosumnes Community Services District	282	0.37%	-	(1)
Wal Mart	156	0.20%	-	(1)
Elk Grove Ford	124	0.16%	100	(1)
Maita Chevrolet	120	0.16%	-	(1)
Home Depot	115	0.15%	110	(1)
Citizens Telecom	-	0.00%	310	(1)
Decorative Specialties	-	0.00%	157	(1)
JVC Disc America	-	0.00%	106	(1)
Albertson's Supermarket	-	0.00%	90	(1)

Source: Cosumnes Community Services District and State of CA Employment Dev Dept

(1) Information is not available.

**Cosumnes Community Services District
Full-time District Employees by Function
Last Ten Fiscal Years**

	Full-time District Employees as of June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Function</u>										
General government	27	27	23	23	22	21	21	21	21	24
Public safety	180	179	169	167	168	167	167	166	165	184
Recreation and culture	79	78	76	76	71	65	65	69	69	74
Total	286	284	268	266	261	253	253	256	255	282

Source: Cosumnes CSD Administrative Services Department

**Cosumnes Community Services District
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Fire										
Emergency responses	13,934	13,424	13,493	14,011	14,374	14,679	15,170	16,613	17,189	18,592
Field Inspections	(1)	(1)	(1)	1,602	1,687	2,290	2,165	2,742	2,852	2,187
Plan checks	882	795	551	629	808	989	1,093	1,110	1,106	973
Resubmitted Plan Checks	(1)	(1)	(1)	(1)	(1)	(1)	222	207	190	241
Weed Abatement	(1)	(1)	(1)	480	584	599	488	128	114	145
Fire Investigations	30	24	27	82	69	50	41	19	21	17
Code Enforcement	(1)	(1)	704	18	32	31	11	18	29	79
Parks and recreation										
Number of recreation programs	610	585	534	579	550	548	509	487	524	629

Source: Various District departments

(1) Information is not available.

**Cosumnes Community Services District
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Fire										
Fire stations	8	8	8	8	8	8	8	8	8	8
Training facility	1	1	1	1	1	1	1	1	1	1
Fire engines	25	28	27	27	26	24	24	26	27	27
Other Fire vehicles	52	71	71	74	76	76	74	77	82	87
Parks and recreation										
Parks	76	81	84	88	89	90	91	93	94	95
Acreage	652	669	720	723	736	738	743	743	752	753
Playgrounds	92	101	109	115	116	119	120	123	127	128
Baseball/softball diamonds	38	44	45	50	50	50	50	50	50	51
Soccer/football fields	34	35	37	41	41	42	42	42	42	43
Community centers	2	2	2	2	2	2	2	2	2	2
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	25	27	27	31	33	33	33	33	35	35
Skate board park	1	1	1	1	1	1	1	1	1	2
Bike Park	-	-	-	-	-	1	1	1	1	1

Sources: Various District departments

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Enriching Community
Saving Lives