

**RESOLUTION NO. 2005-472**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON THE DATE OF JUN 21 2005

**AUTHORIZING THE ADOPTION  
OF THE 2005 HOTEL CORPORATION BUDGET**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The proposed 2005 operating budgets, as presented (Exhibit A), are approved for the final adoption of the Sacramento Hotel Corporation Board of Directors

HEATHER FARGO

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MAYOR

ATTEST:

SHIRLEY CONCOLINO

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CITY CLERK

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FOR CITY CLERK USE ONLY

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**Sacramento Hotel Corporation  
2005 Operating Budget**

**Exhibit A**

	<u>Budget</u>	<u>Offering Memorandum</u>
<b>Hotel operations</b>		
Net operating income	<u>7,046,463</u>	<u>7,785,000</u>
<b>Garage operations</b>		
Net operating income	<u>1,713,571</u>	<u>1,186,000</u>
<b>Administration</b>		
Total costs	<u>(177,800)</u>	<u>(106,000)</u>
<b>Debt service payments</b>		
Total Principal and Interest	<u>(6,000,000)</u>	<u>(6,000,000)</u>
<b>Misc reserve transactions</b>		
Garage lease payment	<u>(250,000)</u>	<u>(250,000)</u>
Subordinate management fee	<u>(584,430)</u>	<u>(595,000)</u>
Emergency expense	<u>(1,925,491)</u>	<u>(1,724,208)</u>
Cash Trap Fund	<u>(2,759,921)</u>	<u>(721,017)</u>
	<u>(2,759,921)</u>	<u>(3,290,225)</u>
<b>Debt reserves transactions</b>		
Supplemental senior debt reserve	<u>(387,501)</u>	<u>(387,500)</u>
Interest earnings	<u>565,188</u>	<u>812,725</u>
	<u>177,687</u>	<u>425,225</u>
<b>Net activity</b>	<u>0</u>	<u>0</u>
 <b>Debt Service Coverage</b>		
Total debt service coverage	<u>1.52</u>	<u>1.61</u>
Requirement	<u>1.30</u>	<u>1.30</u>
 Hotel debt service coverage	<u>1.17</u>	<u>1.30</u>
Requirement	<u>1.15</u>	<u>1.15</u>

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