

RESOLUTION NO. 2006-687

Adopted by the Sacramento City Council

September 12, 2006

RESOLUTION AUTHORIZING THE APPROPRIATION OF \$5 MILLION FROM THE GENERAL FUND RESERVE FOR DISASTER RECOVERY FOR THE PURCHASE OF BOND ANTICIPATION NOTES (BANS) ISSUED BY SACRAMENTO AREA FLOOD CONTROL AGENCY

BACKGROUND:

- A. SAFCA is seeking interim financing from the City and County of Sacramento to fund project improvements through the issuance of its Bond Anticipation Notes, Series A and Series B (the "BANS") in a principal amount not to exceed \$10,000,000 until a proposed Capital Assessment District can be formed;
- B. On September 12, 2006, City Council determined that there are significant public benefits to the citizens of the City proposed financing;
- C. The City desires to advance \$5,000,000 from the City's General Fund Reserve for Disaster Recovery, which will be securitized through the purchase of the BANS issued by SAFCA as the City's share of the interim financing being sought;
- D. The City has considered all the information provided related to the BANS; is fully advised as to the terms and risks, and deems the purchase of BANS both prudent and permissible under the authority granted to the City as a Charter city.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council finds and determines the statements in paragraphs A thru D of the Background are true

Section 2. The City Council authorizes the appropriation of \$5,000,000 from the General Fund Reserve for Disaster Recovery for the purchase of BANS issued by SAFCA.

Section 3. The General Fund Non-departmental expenditure budget for FY 2007 shall be increased as follows:

101-750-7110-4XXX Non-departmental Expenditure Budget \$5,000,000

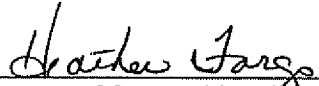
Adopted by the City of Sacramento City Council on September 12, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember McCarty.



Mayor, Heather Fargo

Attest:


Shirley Concolino, City Clerk