

RESOLUTION NO. 2006-105

Adopted by the Sacramento City Council

February 7, 2006

FISCAL YEAR 2005 COMPREHENSIVE ANNUAL FINANCIAL REPORT

BACKGROUND

- A. The City's Accounting Division has prepared the 2005 Comprehensive Annual Financial Report (CAFR) to present the City's financial condition and the results of its activities for the fiscal year ended June 30, 2005.
- B. As required by the City Charter, the financial statements included in the CAFR were audited by an independent public accounting firm. This firm, Macias, Gini & Company, has determined that the financial statements are presented in accordance with generally accepted accounting principles.
- C. Macias, Gini & Company also completed the Single Audit of the City's Fiscal Year 2005 Schedule of Expenditure of Federal Awards.
- D. The City's financial condition improved during the fiscal year ended June 30, 2005. Tax revenue and department revenue growth, along with prudent department expenditure control, allowed the City to meet and exceed the overall 2005 General Fund financial plan.

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

- Section 1. The City Council accepts the attached CAFR and Single Audit Reports.
- Section 2. The City Council authorizes the following budget actions: 1) designate \$8.2 million of fund balance for General Fund department carryover, 2) increase the designations for economic uncertainties by \$0.9 million and disaster recovery by \$2.0 million, 3) establish designations for future labor costs for \$12.0 million, growth initiatives for \$7.5 million, and state impacts for \$2.9 million, 4) establish designations for department priorities for \$3.0 million, economic development for \$3.0 million, and community projects for \$3.6 million, and 5) amend the 2006 budget to reflect actual beginning available fund balances.

Table of Contents:

- Exhibit A: Fiscal Year 2005 Comprehensive Annual Financial Report (CAFR)
- Exhibit B: Single Audit Reports

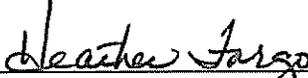
Adopted by the City of Sacramento City Council on February 7, 2006 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.



Mayor, Heather Fargo

Attest:



Shirley Concolino, City Clerk