

**June 24, 2008****SUBJECT: Annual Meeting of Sunnyvale Financing Authority for FY
2007/2008****REPORT IN BRIEF**

The By-Laws of the Sunnyvale Financing Authority (Authority) require that the Board of Directors hold at least one meeting each fiscal year. This meeting is being held to adhere to that requirement. No new business has been transacted by the Authority during FY 2007/2008.

BACKGROUND

The Authority was created on September 29, 1992, by the Joint Exercise of Powers Agreement between the City of Sunnyvale and the Redevelopment Agency of the City of Sunnyvale. It was established to acquire by purchase, lease, contribution, eminent domain or otherwise, real or personal property, and to plan for, develop, contract for, own, acquire, construct, finance, operate, and maintain any systems, plants, buildings, works and other facilities for the purposes of the City.

The Authority is administered by a Board of Directors consisting of seven persons, each serving in his or her individual capacity as a Director of the Authority. The sitting members of the City Council constitute the Directors of the Authority until such time as they cease to be members of the City Council.

Additionally, the Authority has four officers as follows:

Chairperson - Mayor of the City
Vice-Chairperson - Vice-Mayor of the City
Executive Director - City Manager
Treasurer - Director of Finance

The City Attorney serves as the General Counsel to the Authority and the City Clerk serves as Secretary.

The Board of the Authority is required by its By-Laws to hold at least one regular meeting each year.

DISCUSSION

The Authority conducted no new business during FY 2007/2008. At June 30, 2007, the Authority had the following outstanding bond issues:

Water and Wastewater Revenue Bonds, Series 2001

Issue Date: December 11, 2001

Description and Purpose: Water and Wastewater Revenue Bonds, Series 2001 issued to refinance the 1992 Utilities Revenue Bonds, Series A and to finance improvements to the City's wastewater facilities.

Original Issue Amount: \$32,115,000

Principal Amount Outstanding as of June 30, 2007: \$25,955,000

2001 Government Center Certificates of Participation

Issue Date: April 5, 2001

Description and Purpose: 2001 Government Center Variable Rate Demand Certificates of Participation issued to finance a portion of the cost of acquiring real property for possible future construction of a new government center.

Original Issue Amount: \$18,710,000

Principal Amount Outstanding as of June 30, 2007: \$16,370,000

The 1992 Utilities Revenue Bonds, Series B, which were originally issued by the Authority, were refinanced with Solid Waste Revenue Bonds, Series 2003 on February 13, 2003. The new bond issue is a debt of the City and not of the Authority, and therefore doesn't reflect on the Authority's financial statements.

The Authority's financial transactions and financial statements were audited by the City's independent auditors, Caporicci & Larson, CPAs, and received an unqualified opinion. Because of the significance of the Authority's operational and financial relationship with the City, the Authority is treated as a component unit of the City for financial reporting purposes and is therefore included in the City's Comprehensive Annual Financial Report (CAFR) which the Council received in December 2007.

PUBLIC CONTACT

Public Contact was made by posting the Council agenda on the City's official notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's web

site, and making the report available at the Library and the Office of the City Clerk.

RECOMMENDATION

Staff recommends that the Board of the Sunnyvale Financing Authority hold its annual meeting for FY 2007/2008 as required by its By-Laws.

Prepared by:

Mary J. Bradley
Treasurer

Approved by:

Amy Chan
Executive Director