

RESOLUTION NUMBER R- 299317

ADOPTED ON JUN 07 2004

BE IT RESOLVED, by the City Council of the City of San Diego, that the issuance of Tax and Revenue Anticipation Notes in a single series [Notes] of the City of San Diego [City] for Fiscal Year 2004-05 is hereby authorized pursuant to Section 92 of the City Charter, together with Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code [collectively, the Authorizing Law], and in accordance with the declarations, conditions and terms set forth in those certain documents on file in the Office of the City Clerk as Document No. RR-299317 [Accompanying Document] and Document No. RR299317² [Note Purchase Agreement], including exhibits thereto, each completed and executed as set forth herein, in an aggregate principal amount not to exceed the lesser of \$150,000,000 or the maximum amount permitted under the Authorizing Law and approval by the City Manager .

BE IT FURTHER RESOLVED, that the City pledges Revenues (as defined below) as security for the payment of the principal of and interest on the Notes, and the City agrees and covenants to deposit in trust into a special fund to be held by the City for the benefit of the owner of the Note, designated as the "2004-05 Tax and Revenue Anticipation Notes Repayment Account" (the "Repayment Account"), sufficient moneys to enable the City to pay in full such principal and interest in up to three installments from Property Taxes (as defined below) and other Revenues in the manner set forth in the Accompanying Document and the Note Purchase

Agreement. If by April 30, 2005 the amount on deposit in the Repayment Account is not sufficient to pay the principal and interest on the Notes as they become due, appropriate officers of the City shall thereafter transfer and deposit Revenues to the Repayment Account so that the amounts in the Repayment Account are at least equal to the amounts required to pay the principal of and interest on the Notes as they become due. The City hereby pledges all Revenues to the payment of the principal of and interest on the Notes. The Repayment Account and all amounts held therein are hereby pledged and irrevocably set aside to the payment of the Notes. Amounts deposited in the Repayment Account may not be used for any purpose other than payment of the Notes and may be invested in legal investments which are permitted by the California Government Code and which mature not later than the latest maturity date of the Notes; provided that the earnings on any such investment shall be transferred by the City to the City's General Fund. "Revenues" means all legally available taxes, income, revenue, cash receipts, and other moneys of the City attributable the City's 2004-05 fiscal year, and chargeable to the City's General Fund, and excluding moneys which, when received by the City will be encumbered for a special purpose. "Property Taxes" mean ad valorem property taxes payable to, or for the benefit of the City in respect of its 2004-05 fiscal year.

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby authorized to sell the Notes to Bank of America, N.A. pursuant to the terms and procedures set forth in the Accompanying Document and in the Note Purchase Agreement; provided the Notes shall bear interest at the variable rate established from time to time pursuant to the Note Purchase Agreement, and in no event to exceed 10% per annum, and the aggregate principal amount of the Notes shall be disbursed to the City from time to time in accordance with the draw down procedures set forth in the Note Purchase Agreement and shall not exceed in the aggregate the

lesser of \$150,000,000 or the maximum amount permitted under the Authorizing Law, as certified by the City Treasurer pursuant to the completed Accompanying Document and as further approved by the City Manager or his designee, his execution of the Accompanying Document to be conclusive evidence thereof.

BE IT FURTHER RESOLVED, that the City Manager or his designee is authorized to execute and deliver the Accompanying Document and the Note Purchase Agreement in substantially the form attached to as Document No. RR 299317 -1 and Document No. RR 299317 -2, respectively, for and on behalf of the City, each such document to be modified with the approval of the City Manager or his designee to reflect the final terms described herein, and as further modified in such manner as may be requested by Bond Counsel to enhance the marketability of the Notes in a manner consistent with the Authorizing Law, such approval to be conclusively evidenced by such officer's execution thereof.

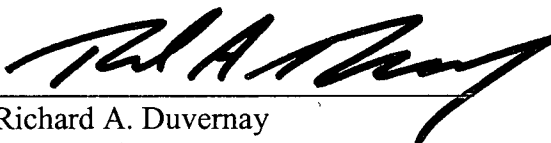
BE IT FURTHER RESOLVED, that the City Manager, the City Treasurer, or any designee thereof is authorized to execute and deliver a Tax Certificate prepared by Bond Counsel obligating the City to comply with certain covenants in order to maintain the exclusion of interest on the Notes from the gross income of the owners thereof for federal income tax purposes.

BE IT FURTHER RESOLVED, that the City Manager, the City Treasurer, the City Clerk, and the City Auditor and Comptroller, and their designees, upon advice of the City Attorney and Bond Counsel, are hereby authorized and directed, jointly and severally, to do any and all things and to execute, modify and deliver any and all documents, agreements and certificates which they may deem necessary or advisable in order to effect the issuance, sale and

delivery of the Notes, including to act as paying agent for the Notes, and otherwise to carry out the purposes of this Resolution.

BE IT FURTHER RESOLVED, that the City Treasurer is authorized to execute an agreement with the Public Resources Advisory Group, on file in the Office of the City Clerk as Document RR- 299317-3, to provide financial advisory services in connection with issuance of the Notes.

APPROVED: CASEY GWINN, City Attorney

By 
Richard A. Duvernay
Deputy City Attorney

RAD:jab
05/25/2004
06/02/2004COR.COPY
Or.Dept: Treasurer/Investment
Aud.Cert.:2401117
R-2004-1319

PERTAINING TO THAT CERTAIN RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO ADOPTED _____, 2004, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES OF THE CITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000 FOR THE FISCAL YEAR 2004-05; SPECIFYING THE PURPOSES, TERMS AND CONDITIONS OF SAID NOTES; PRESCRIBING THE FORM OF SAID NOTES; AUTHORIZING CITY OFFICIALS TO TAKE ALL ACTIONS REQUIRED FOR THE ISSUANCE, SALE AND DELIVERY OF SUCH NOTES; AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH

WHEREAS, the City Council of the City of San Diego (the "City") has received a report from the City Treasurer and the City Auditor and Comptroller that the City will experience a cumulative cash flow deficit during the forthcoming fiscal year of 2004-05 (commencing on July 1, 2004), which report is on file with the City Clerk and attached hereto as "Exhibit A" (the "Cash Flow Deficit Report"); and

WHEREAS, such cumulative cash flow deficit is expected to occur as a result of City expenditures exceeding available funds until such time as the proceeds of taxes and revenues of the City for such fiscal year are available; and

WHEREAS, Section 92 of the City Charter of the City (the "City Charter"), together with Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (collectively, the "Authorizing Law"), authorize the issuance of notes of the City in any fiscal year in anticipation of the collection of taxes and revenues of such fiscal year; and

WHEREAS, such notes are not deemed to be the creation of debt within the meaning of Section 90 of the City Charter; and

WHEREAS, Section 92 of the City Charter limits the total amount of such notes that may be issued in any fiscal year to an amount, in the aggregate, not more than twenty-five (25) percent of the City's total budgeted appropriations for such fiscal year; and

WHEREAS, the Cash Flow Deficit Report recommends the issuance of Tax and Revenue Anticipation notes in an aggregate principal amount not to exceed \$150,000,000, which amount does not exceed the limitations set forth in the Authorizing Law; and

WHEREAS, the City wishes to authorize the issuance of tax and revenue anticipation notes in a single series, to be disbursed by Bank of America, N.A. to the City from time to time and evidenced by periodic notations on the single Note, in accordance with the Note Purchase Agreement; and

WHEREAS, the City wishes to authorize the issuance of such notes on the terms set forth herein.

NOW, THEREFORE, THIS DOCUMENT, TO BE KNOWN AS THE ACCOMPANYING DOCUMENT TO RESOLUTION NO. R-_____, SHALL ACCOMPANY SAID RESOLUTION TO THE SAME EXTENT AND EFFECT AS IF THEREIN INCORPORATED, as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall have the meanings herein specified.

"Accompanying Document" means this Accompanying Document to City Council Resolution No. R-_____.

"Authorizing Law" means, collectively, Section 92 of the City Charter and Article 7.6 (commencing with Section 53850), Chapter 4, Part 1, Division 2, Title 5 of the California Government Code.

"Bank" means Bank of America, N.A., a national banking association organized and existing under the laws of the United States.

“Bond Counsel” means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and tax-exempt nature of interest on, obligations issued by states and their political subdivisions.

“City” means City of San Diego, a municipal corporation duly organized and existing under the Constitution of the State of California and the City Charter.

“City Charter” means the duly enacted City Charter of the City, as amended.

“City Council” means the duly elected or appointed members of the City Council of the City.

“City Manager” means the duly appointed City Manager of the City.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

“First Set-Aside Date” Amount” means an amount equal to thirty percent (30%) of the total Potential Principal Amount (determined at November 30, 2004).

“First Set Aside Period” means the period from and including November 30, 2004 to and including December 31, 2004.

“Note Purchase Agreement” means that certain Note Purchase Agreement dated as of July 1, 2004, between the City and the Bank, attached to the Resolution No. RR-_____ -2 as Exhibit B.

“Notes” or “Note” means the “City of San Diego, California 2004-05 Tax and Revenue Anticipation Note” in the principal amount of not to exceed \$150,000,000, issued under the Resolution in a single series.

“Property Taxes” means ad valorem property taxes payable to, or for the benefit of, the City in respect of its 2004-05 fiscal year.

“Register” means the book or books of registration kept by the Treasurer, in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

“Resolution” means, collectively, Resolution No. R-_____ adopted by the City Council, this Accompanying Document, the Note Purchase Agreement, and other exhibits hereto and thereto.

“Revenues” means all legally available taxes, income, revenue, cash receipts, and other moneys of the City attributable the City’s 2004-05 fiscal year, and chargeable to the City’s General Fund, and excluding moneys which, when received by the City will be encumbered for a special purpose.

“Second Set Aside Amount” means an amount equal to fifty percent (50%) of the total Potential Principal Amount (determined at November 30, 2004) less the sum of (i) the principal amount of any prepayments made pursuant to Section 2.13 of the Note Purchase Agreement during the First Set Aside Period and (ii) the balance of the Repayment Account at the City’s opening of business on January 1, 2005.

“Second Set Aside Period” means the period from and including January 1, 2005 to and including April 9, 2005.

“Set Aside Period” means, as the context may require, the First Set Aside Period, the Second Set Aside Period or the Third Set Aside Period.

“Third Set Aside Amount” means an amount equal to (i) the total Potential Principal Amount (determined at April 10, 2005) less (ii) the amount on deposit in the Repayment Account at the opening of business of the City on April 10, 2005.

“Third Set Aside Period” means the period from and including April 10, 2005 to and including April 29, 2005.

“Treasurer” means the duly appointed City Treasurer of the City.

Section 2. Proposed Budgeted Appropriations. The total budgeted appropriations for fiscal year 2004-05 as shown by the City’s proposed budget is approximately \$2,261,300,802 of which \$814,413,216 is attributable to the City’s General Fund. Twenty-five percent (25%) of such

appropriations is not less than \$565,325,200.50. The uncollected taxes, income, revenue, cash receipts, and other moneys available for the payment of the Notes is estimated to be not less than \$814,413,216 (of which \$215,986,220 is estimated to be property taxes); eighty-five percent (85%) of such amount is \$692,251,233.60. The total budgeted appropriations for fiscal year 2004-05 is \$2,092,647,474 and the amount attributable to the General Fund is \$743,013,269.

Section 3. Sale of Notes. The Notes will be sold to the Bank pursuant to the Note Purchase Agreement.

Section 4. Issuance of Notes, Amount, Terms, Interest Rate, Place of Payment.

(a) Pursuant to the Authorizing Law, the Notes are hereby authorized to be issued in an aggregate principal amount not to exceed \$150,000,000 to enable the City to meet its budgeted cumulative cash flow deficit as set forth in the recitals hereof and shall be issued as a single Note in a principal amount not to exceed \$ _____. Said Notes shall be designated "City of San Diego, California 2004-05 Tax and Revenue Anticipation Notes, Series A" and shall be issued in a single note in the denominations of \$1,000,000 or any integral multiple of \$100,000 in excess thereof ("Authorized Denominations"). The Notes shall be dated the date of issuance thereof which shall be deemed to be the date on which the first advance in an amount in excess of \$50,000 is funded by the Bank. The Notes shall bear interest on the principal amount outstanding from time to time, mature and be payable on or before a date not later than 13 months from the date of issuance thereof as determined by the Treasurer and the City Manager, the Treasurer's execution thereof to be conclusive evidence of such determination, provided that the interest rate thereon shall be a variable rate or rates determined in accordance with the Note Purchase Agreement, in no event to exceed ten percent (10%) per annum. The principal amount of the Notes shall be noted by the Bank on the form of the Note in accordance with the Note Purchase Agreement. Interest on the Notes shall be payable at maturity or earlier call for optional redemption in accordance with the Note Purchase Agreement.

(b) The Notes shall be initially issued and registered in the name of "Bank of America, N.A.," and shall be evidenced by a single Note.

(c) The Notes shall be initially issued and registered as provided in Section 4(b) hereof. The Notes are non-negotiable and non-transferable and the Bank shall not have the right to sell or transfer the Notes, to create any participation interest in the Notes, to deposit the Notes into any affiliated investment companies or trusts or to otherwise directly or indirectly transfer or assign any interest in the Notes and the foregoing transfer restrictions will be a legend on the Notes.

(d) The City shall be entitled to treat the Bank as the registered owner of the Notes indicated therein as the absolute owner of such Notes for all purposes under the Resolution and for purposes of payment of principal of and interest on such Notes, notwithstanding any notice to the contrary received by the City.

(e) The Treasurer is hereby authorized and directed to provide any notices or other directions of the City to the Bank pursuant to the Note Purchase Agreement, including without limitation those referred to in Section 2.02, 2.07, 2.12 and 2.13 thereof.

Section 5. Execution of Notes. The Treasurer is hereby authorized and directed to sign, and the City Clerk to attest and to countersign, the Notes by their printed, lithographed or engraved facsimile signatures, and to affix thereon the seal of the City.

Section 6. Form of Notes. The Notes shall be issued in substantially the form set forth in "Exhibit C" attached hereto and incorporated herein and may be issued in typewritten form, with such changes to designate the applicable series and final terms as may be approved by the City Treasurer, whose execution thereof shall be final and conclusive.

Section 7. Redemption of Notes. The Notes are subject to redemption prior to the maturity date thereof in accordance with the terms of the Note Purchase Agreement.

Section 8. Use of Proceeds of Notes. The proceeds from the sale of the Notes shall be held by the City and placed into the General Fund of the City upon receipt and said proceeds and any

investment earnings thereon shall be used to meet the budgeted cumulative cash flow deficit of the City pending the receipt of property taxes. At its option, the City may create a separate fund into which proceeds of the Notes will be deposited, pending transfer to the General Fund.

Section 9. Security for Notes: Pledge of Tax Receipts. As security for the payment of the principal of and interest on the Notes, the City agrees and covenants to deposit in trust into a special fund to be held by the City, designated as the "2004-05 Tax and Revenue Anticipation Notes Repayment Account" (the "Repayment Account"), sufficient moneys to enable the City to pay in full such principal and interest, as follows: (i) during the First Set Aside Period, from the first Property Taxes received by the City during the First Set Aside Period, an amount equal to the First Set Aside Amount; provided, however, that if the amount of such Property Taxes does not equal the First Set Aside Amount by December [20], 2004, thereafter from all Revenues received by the City during the First Set Aside Period; (ii) during the Second Set Aside Period, (A) if the balance of the Repayment Account equaled or exceeded the First Set Aside Amount during the First Set Aside Period, from the first Property Taxes received by the City during the Second Set Aside Period, an amount equal to the Second Set Aside Amount; provided, however, that if the amount of such Property Taxes does not equal the Second Set Aside Amount by April 20, 2005, thereafter from all Revenues received by the City during the Second Set Aside Period; or (B) if the balance of the Repayment Account did not equal or exceed the First Set Aside Amount during the First Set Aside Period, from the first Revenues received by the City during the Second Set Aside Period, an amount equal to the Second Set Aside Amount; and (iii) during the Third Set Aside Period, (A) if the balance of the Repayment Account equaled or exceeded the Second Set Aside Amount during the Second Set Aside Period, from the first Property Taxes received by the City during the Third Set Aside Period, an amount equal to the Third Set Aside Amount; or (B) if the balance of the Repayment Account did not equal or exceed the Second Set Aside Amount during the Second Set Aside Period, from the first Revenues received by the City during the Third Set Aside Period, an amount equal to the Third Set Aside

Amount. If by April 30, 2005, the amount on deposit in the Repayment Account is not sufficient to pay the principal of and interest on the Note as they become due, the City shall thereafter transfer and deposit Revenues to the Repayment Account so that the amounts in the Repayment Account are at least equal to the amounts required to pay the principal of and interest on the Note as they become due. If by April 30, 2005, the amount on deposit in the Repayment account is not sufficient to pay the principal of and interest on the Note as they become due, the City shall thereafter transfer Revenues to the Repayment Account so that the amounts in the Repayment Account are at least equal to the amounts required to pay the principal of and interest on the Notes as they become due. The City hereby pledges all Revenues to the payment of the principal of and interest on the Notes. The Repayment Account and all amounts held therein are hereby pledged and irrevocably set aside to the payment of the Notes. Amounts deposited in the Repayment Account may not be used for any purpose other than payment of the Notes and may be invested in legal investments which are permitted by the California Government Code and which mature not later than the latest maturity date of the Notes; provided that the earnings on any such investment shall be transferred by the City to the City's General Fund. For purposes of this Section 9, "Potential Principal Amount" means the Unused Commitment as of the Effective Date (as such terms are defined in the Note Purchase Agreement), (before giving effect to any portions of the Note purchased on the Effective Date) less the principal amount of the Note previously redeemed, and less the amount of Unused Commitment which has been previously terminated pursuant to Section 2.12 of the Note Purchase Agreement.

Section 10. Tax Covenants. The City hereby covenants that it will not take any action or omit to take any action if such action or omission would cause the Notes to be arbitrage bonds, private activity bonds or federally guaranteed obligations within the meaning of the Code, or would otherwise cause interest on the Notes to fail to be excluded pursuant to Section 103(a) of the Code from the gross income of the owners thereof for federal income tax purposes. The City further covenants to comply with the provisions set forth in the Tax Certificate relating to the Notes.

Section 11. Defeasance. The Notes shall no longer be deemed to be outstanding under the Resolution if the City shall have made adequate provision for payment, in accordance with the Notes, the Resolution and the Note Purchase Agreement, of all principal and interest to become due thereon.

Section 12. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Notes authorized to be issued under the Resolution by those who shall be the Registered Owner of the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the City and the owner of the Notes. The pledge made in the Resolution and the covenants and agreements set forth in the Resolution to be performed by or on behalf of the City shall be for the equal benefit, protection, and security of the owner of the Notes.

Section 13. Amendments.

(a) The Resolution may be amended by a supplemental resolution adopted by the City Council with the written consent of the owner of one hundred percent of the principal amount of the Notes outstanding.

(b) Subject to the terms of the Note Purchase Agreement, the Resolution may also be amended by a supplemental resolution adopted by the City Council without the consent of any owners of the Notes, provided that such supplemental resolution does not adversely affect the interests of the owners of the Notes.

Section 14. Severability. Except as otherwise provided in the Note Purchase Agreement, if any one or more of the provisions of the Resolution shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the decision, finding, order or decree of which becomes final, none of the remaining provisions of the Resolution shall be affected thereby, and such provisions shall be valid and enforceable to the fullest extent permitted by law.

Section 15. Certified Copies. The City Clerk shall provide a certified copy of this Accompanying Document to the Treasurer who is hereby authorized and directed to take such action as shall be necessary to assure compliance by the City with the terms and conditions hereof.

CITY OF SAN DIEGO

By: _____

Its: City Manager

APPROVED:

CASEY GWINN, City Attorney

By: _____
Rick Duvernay, Esq.
Deputy City Attorney

EXHIBIT A

**REPORT OF CITY TREASURER AND AUDITOR AND COMPTROLLER
REGARDING CASH FLOW DEFICIT**

The undersigned, City Treasurer of the City of San Diego and Acting Auditor and
Comptroller of the City of San Diego hereby certify as follows:

Based upon the computations of the Auditor and Comptroller, the City of San Diego expects
to experience a cumulative cash flow deficit for Fiscal Year 2004-05 on or about _____, 2004
in the amount indicated on the cash flow schedule attached hereto. The budgeted appropriations for
Fiscal Years 2003-2004 and 2004-05 and the revenues anticipated to be available for repayment of
the Notes are not less than those set forth in Section 2 of the completed Accompanying Document
No. RR-_____ -1 to Resolution No. R-_____ of which this exhibit is a part. We
hereby recommend issuance of the Notes in an aggregate principal amount not to exceed
\$ _____ or the amount permitted by the Authorizing Law, consistent with federal tax rules
governing issuance of tax and revenue anticipation notes.

Dated: July 1, 2004

CITY OF SAN DIEGO

By: _____
Mary E. Vattimo
Its: City Treasurer

By: _____
Terri Aja Webster
Its: Acting Auditor and Comptroller

CASH FLOW SCHEDULE
NAME OF ISSUER: CITY OF SAN DIEGO
PERIOD COVERED: FISCAL YEAR 2003-04
CASH FLOW SUMMARY - ESTIMATED AFTER APRIL 30, 2004
(In Thousands)

Month	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	Totals
	\$ 42,378	\$ 75,067	\$ 40,626	\$ 18,182	\$ 843	\$ 1,914	\$ 11,800	\$ 16,275	\$ 22,635	\$ 24,612	\$ 11,822	\$ 33,562	XXXXXX
RECEIPTS:													
Beginning Balance	1,758	1,610	5,313	3,621	11,408	62,417	28,697	3,257	5,064	51,315	19,681	5,526	199,667
Property Tax	12,495	6,000	-	-	3,494	19,397	11,038	15,042	20,329	6,858	17,157	21,489	133,299
Sales Tax	481	573	525	514	493	643	521	-	-	-	-	17	3,767
Safety Sales Tax	942	6,427	4,993	8,183	2,279	4,814	4,717	2,967	4,907	5,031	5,996	8,288	59,544
Transient Occupancy Tax	771	845	837	1,448	964	1,448	1,448	960	619	598	857	1,814	9,719
Property Transfer Tax	1,627	1,251	1,366	1,445	1,617	1,163	3,229	3,736	2,137	2,001	848	2,838	23,258
Licenses and Permits	1,312	2,211	1,568	2,972	1,551	1,773	5,897	909	886	5,063	2,304	3,447	29,893
Fines, Forfeiture and Penalties													
Revenue from Use of Money	1,246	1,073	241	239	318	287	135	102	185	70	226	47	4,169
and Property	2,340	7,439	-	2,662	9,799	51	2,475	11,889	14	2,498	10,964	-	50,131
Franchise Fees	1,993	2,571	3,460	2,589	1,812	2,440	1,597	1,433	1,769	2,267	1,895	2,554	26,380
Rents and Concessions	4,555	2,638	2,030	2,112	4,008	1,314	8,862	6,656	5,836	7,785	5,771	4,453	56,020
Motor Vehicle License Fees	37	247	110	225	5,384	168	152	1,209	552	10,238	(2,093)	-	16,229
Revenue from Other Agencies	2,314	9,250	7,449	8,225	7,293	7,084	9,402	7,866	18,443	7,595	7,180	15,358	107,459
Charges for Current Services	5,000	1,258	4,982	1,258	517	15,232	200	-	748	1,268	2,126	10,397	41,728
Other Financing Sources	102	202	144	181	177	310	188	160	179	119	200	57	2,019
Other Revenue	110,900	-	-	-	-	-	-	-	-	-	-	-	110,900
Tax Anticipation Note	\$ 147,879	\$ 42,337	\$ 33,018	\$ 34,226	\$ 51,114	\$ 118,541	\$ 77,110	\$ 56,186	\$ 61,668	\$ 102,706	\$ 73,112	\$ 76,285	\$ 874,182
TOTAL RECEIPTS:													
DISBURSEMENTS:													
Salaries/Wages	33,998	49,172	33,466	32,202	34,045	33,305	49,637	33,555	33,374	33,398	33,109	35,514	434,775
Fringe Benefits	61,136	11,673	6,671	7,568	7,560	7,586	11,545	6,833	7,752	10,017	7,607	14,172	160,120
Services/Supplies	15,234	12,486	11,908	5,782	5,797	7,892	8,309	6,900	11,983	12,007	8,965	24,075	131,338
Data Processing	3,768	1,570	1,344	2,743	1,181	319	1,337	1,657	4,579	1,718	268	2,838	23,322
Energy	849	1,658	1,428	2,917	1,147	2,839	1,251	651	1,181	1,504	1,078	3,592	20,095
Capital Outlay	205	219	645	353	313	296	556	230	822	434	345	1,388	5,806
Note Principal	-	-	-	-	-	55,450	-	-	-	55,450	-	-	110,900
Note Interest	-	-	-	-	-	968	-	-	-	968	-	-	1,936
TOTAL DISBURSEMENTS:													
Ending Balance	\$ 115,190	\$ 76,778	\$ 55,462	\$ 51,565	\$ 50,043	\$ 108,655	\$ 72,635	\$ 49,826	\$ 59,691	\$ 115,496	\$ 51,372	\$ 81,579	\$ 888,292
REPAYMENT FUND													
Beginning Balance	\$ 96,229	\$ 93,433	\$ -	\$ -	\$ -	\$ -	\$ 56,418	\$ 56,418	\$ 56,418	\$ 56,418	\$ 112,836	\$ 112,836	\$ 96,229
Receipts	-	-	-	-	-	56,418	-	-	-	56,418	-	-	112,836
Disbursements	2,796	93,433	-	-	-	-	-	-	-	-	-	-	209,065
Ending Balance	\$ 93,433	\$ -	\$ -	\$ -	\$ -	\$ 56,418	\$ 56,418	\$ 56,418	\$ 56,418	\$ 112,836	\$ 112,836	\$ -	\$ -

* Includes additional funds which may be available to the General Fund.

R - 299317

CASH FLOW SCHEDULE
NAME OF ISSUER: CITY OF SAN DIEGO
PERIOD COVERED: FISCAL YEAR 2004-05
CASH FLOW SUMMARY - PROJECTED
(In Thousands)

Month	JULY	AUGUST	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	Totals
	\$ 32,303	\$ 233	\$ 13,907	\$ 73	\$ 439	\$ 1,516	\$ 90	\$ 2,416	\$ 11,640	\$ 25,271	\$ 12,904	\$ 33,678	XXXXXX
RECEIPTS:													
Beginning Balance	1,904	1,744	5,754	3,922	12,356	67,605	31,082	3,528	5,485	55,581	21,317	5,985	216,263
Property Tax	16,600	596	546	535	513	12,001	10,875	19,109	18,519	9,753	17,614	18,361	136,488
Sales Tax	993	6,777	5,264	8,628	2,403	669	542	18	=	=	=	=	3,931
Safety Sales Tax	845	919	910	=	1,048	5,076	4,973	3,128	5,174	5,304	6,322	8,739	62,781
Transient Occupancy Tax	1,573	1,209	1,320	1,397	1,563	1,575	=	1,045	673	651	933	1,973	10,572
Property Transfer Tax	1,396	2,396	2,297	2,609	2,280	2,493	1,763	3,611	2,065	1,934	820	2,743	22,480
Licenses and Permits	359	309	69	69	92	83	39	29	53	20	65	13	1,200
Fines, Forfeiture and Penalties	2,668	10,543	=	3,035	10,627	59	2,821	12,370	16	2,848	10,502	1,293	56,782
Revenue from Use of Money	2,176	2,807	3,776	2,826	1,978	2,663	1,743	1,564	1,931	2,475	2,068	2,787	28,794
and Property	6,870	7,161	6,633	5,830	6,818	5,251	5,926	8,568	6,410	7,292	6,338	4,890	77,987
Franchise Fees	8	56	25	51	5,259	15	34	108	81	7,788	72	330	13,827
Rents and Concessions	4,080	8,813	8,305	9,171	8,131	9,399	8,983	8,770	20,563	8,469	8,006	17,124	119,814
Motor Vehicle License Fees	14,700	78	9,999	78	78	12,464	78	78	9,999	78	78	16,956	64,664
Monitor Vehicle License Fees	146	288	205	258	252	442	267	228	255	169	285	81	2,876
Revenue from Other Agencies	85,000	12,000	=	16,000	=	=	=	=	=	=	=	=	113,000
Charges for Current Services	\$ 136,886	\$ 72,296	\$ 45,103	\$ 54,409	\$ 53,398	\$ 120,919	\$ 72,247	\$ 63,300	\$ 74,048	\$ 105,798	\$ 76,905	\$ 84,858	\$ 960,167
Other Financing Sources													
Other Revenue													
Bank of America Note													
TOTAL RECEIPTS													
	55,846	33,788	35,292	33,972	34,013	53,800	33,574	35,384	35,193	35,218	34,904	35,211	456,195
Salaries/Wages	97,154	8,494	7,163	8,283	8,274	12,460	8,384	7,366	8,513	8,414	8,331	17,046	199,882
Eringe Benefits	12,293	12,322	11,796	6,887	6,493	9,173	8,316	7,215	11,286	12,881	9,189	17,251	125,102
Services/Supplies	2,390	1,912	1,912	1,912	1,912	2,390	1,912	1,912	1,912	1,912	1,912	2,868	24,856
Data Processing	841	1,643	1,414	2,245	970	1,671	1,511	1,715	1,779	1,489	1,068	3,074	19,420
Energy	432	463	1,360	744	659	624	1,172	484	1,734	916	727	2,926	12,241
Capital Outlay	=	=	=	=	=	42,000	14,500	=	=	56,500	=	=	113,000
Note Principal	=	=	=	=	=	227	552	=	=	835	=	=	1,614
Note Interest	\$ 168,956	\$ 58,622	\$ 58,937	\$ 54,043	\$ 52,321	\$ 122,345	\$ 69,921	\$ 54,076	\$ 60,417	\$ 118,165	\$ 56,131	\$ 78,376	\$ 952,310
TOTAL DISBURSEMENTS	\$ 233	\$ 13,907	\$ 73	\$ 439	\$ 1,516	\$ 90	\$ 2,416	\$ 11,640	\$ 25,271	\$ 12,904	\$ 33,678	\$ 40,160	
Ending Balance													
REPAYMENT FUND													
Beginning Balance	=	=	=	=	=	=	=	=	=	=	=	=	=
Receipts	=	=	=	=	=	42,227	15,052	=	=	=	=	=	114,614
Disbursements	=	=	=	=	=	42,227	15,052	=	=	56,749	586	=	114,614
Ending Balance	=	=	=	=	=	=	=	=	=	586	=	=	=

* Includes additional funds which may be available to the General Fund.

EXHIBIT B

[RESERVED]

EXHIBIT C
FORM OF NOTES

R-1

Up to \$ _____ .00

ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Bank of America, N.A., has an interest herein. The Notes are non-negotiable and non-transferable prior to maturity and Bank of America, N.A. does not have the right prior to maturity to sell or transfer the Notes, to create any participation interest in the Notes, to deposit the Notes into any affiliated investment companies or trusts or to otherwise directly or indirectly transfer or assign any interest in the Notes prior to the maturity date of the Notes.

CITY OF SAN DIEGO, CALIFORNIA
2004-05 Tax and Revenue Anticipation Notes, Series A

INTEREST RATE	DATED DATE	MATURITY DATE
Variable	July 1, 2004	June 30, 2005

FOR VALUE RECEIVED, the City of San Diego, California, acknowledges itself indebted to and promises to pay to Bank of America, N.A., at the office of the City Treasurer, the principal sum advanced to the City from time to time in respect hereof and noted on the Principal Log attached hereto as Exhibit A and incorporated herein by referenced, in no event to exceed _____ Dollars (\$ _____ .00) in lawful money of the United States of America, on June 30, 2005, together with interest on the principal amount outstanding hereunder from time to time at the rate or rates per annum set forth in that certain Note Purchase Agreement by and between the City and the Bank dated as of July 1, 2004 (computed on the basis set forth in the Note Purchase Agreement) in like lawful money from the date hereof until payment in full of said principal sum. Interest hereon shall be payable to the registered owner hereof at the address shown on the registration books of the Treasurer on June 30, 2005, and at such other times as may be required under the Note Purchase Agreement. The principal of and interest at maturity on this Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; provided, however, that no interest shall be payable for any period after maturity during which the registered owner hereof fails to properly present this Note for payment.

It is hereby certified, recited and declared that this Note is one of an authorized issue of Notes entitled "City of San Diego, California 2004-05 Tax and Revenue Anticipation Notes, Series A" (the "Notes"), in the aggregate principal amount of not to exceed _____ (\$ _____ .00), to be issued in a single series by authority of Section 92 of the City Charter of the City and Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code of the State of California and Resolution No. R _____ adopted by the City Council on _____, 2004 (together with the Accompanying Document and the Note Purchase Agreement appended thereto, the "Resolution"), and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed

in regular and due time, form and manner as required by law, and that this Note, together with all other indebtedness and obligations of the City does not exceed any limit prescribed by the Constitution or laws of the State of California or said City Charter. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

The Principal Log attached as Exhibit A hereto, shall be used by the Bank to record the payment of the purchase price by the Bank of the Note from time to time (such purchase price to be paid from time to time by the Bank as provided in the Note Purchase Agreement), which shall evidence the principal amount of the Note Outstanding and the redemption or payment of principal of the Note from time to time. The total amount outstanding under the Note may not exceed \$ _____ at any time, and no portion of the purchase price therefor shall be accepted after June 30, 2005.

The Notes are subject to prepayment at the times and upon the terms set forth in the Note Purchase Agreement.

As security for the payment of the principal of and interest on the Notes, the City agrees and covenants in the Resolution to deposit in trust into a special fund to be held by the City, designated as the "2004-05 Tax and Revenue Anticipation Notes Repayment Account" (the "Repayment Account"), sufficient moneys to enable the City to pay in full such principal and interest at the times and in the manner set forth in the Resolution. Pursuant to the Resolution, the City has pledged all Revenues to the payment of the principal of and interest on the Notes, and the Repayment Account and all amounts held therein are pledged and irrevocably set aside to the payment of the Notes. Amounts deposited in the Repayment Account may not be used for any purpose other than payment of the Notes and may be invested in legal investments which are permitted by the California Government Code and which mature not later than the latest maturity date of the Notes; provided that the earnings on any such investment shall be transferred by the City to the City's General Fund.

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Treasurer.

IN WITNESS WHEREOF, the City of San Diego has caused this Note to be executed by the manual or facsimile signature of its City Treasurer and countersigned by the manual or facsimile signature of the City Clerk and caused a facsimile of the official seal to be imprinted hereon, all as of the 1st day of July, 2004.

CITY OF SAN DIEGO

By: _____
Its: City Treasurer

(SEAL)

Countersigned:

By: _____
Its: City Clerk

LEGAL OPINION

The attached is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, in connection with the issuance of, and dated as of the date of the original delivery of, the Notes. A signed copy is on file in my office.

City Clerk of the City of San Diego

EXHIBIT A

PRINCIPAL LOG

Purchase Amount	Purchase Date	Redemption or Payment Amount	Redemption Date	Outstanding Principal	Bank Initials
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EXHIBIT D

§ _____
CITY OF SAN DIEGO, CALIFORNIA
2004-05 TAX AND REVENUE ANTICIPATION NOTES
SERIES A

CERTIFICATE OF THE CITY CLERK

The undersigned hereby certifies that:

(i) I am the duly qualified and authorized City Clerk of the City of San Diego (the "City");

(ii) attached hereto as Exhibit A is a true and correct copy of Resolution No. R-_____ of the City Council of the City, adopted on _____, 2004 and the Accompanying Document Nos. RR-_____ -1 and RR-_____ -2 to Resolution No. R-_____ (collectively, the "Resolution"); and

(iii) the Resolution was duly adopted at a properly noticed meeting of the City Council during which a quorum was acting throughout, and has not been modified, amended, rescinded or revoked and is in full force and effect on and as of the date-hereof

Dated: July 1, 2004

CITY OF SAN DIEGO

By _____
Charles Abdelnour
Its: City Clerk

**The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER**

CERTIFICATE OF UNALLOTTED BALANCE

ORIGINATING

AC 2401117
DEPT. _____
NO.: 52

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: _____ Fund: _____

Purpose: _____

Date: May 25, 2004 By: _____

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT	
TOTAL AMOUNT											

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Amount: \$115,000.00

Vendor: Public Resources Advisory Group ("PRAG")

Purpose: To authorize the expenditure of funds from fund 65013 for advisory services.

Date: May 25, 2004 By: 

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT	
		65013	65013	2000	4141	65013					\$115,000.00
TOTAL AMOUNT											\$115,000.00

FUND OVERRIDE

AC-361 (REV 2-92)

AC 2401117

R-299317

JUN 07 2004