



CITY OF SACRAMENTO

OFFICE OF THE TREASURER

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THOMAS P. FRIERY
TREASURER

DONALD E. SPERLING
ASST. TREASURER

May 30, 1985

Budget and Finance Committee
Sacramento, California



Honorable Members in Session:

SUBJECT: City of Sacramento 1985 LRT/COP Pricing Committee Report

SUMMARY

The proposed financing action plan envisions sale of the Certificates of Participation for Council approval June 11, 1985. As of May 20, 1985, a 51 member underwriting group has been put together by Paine Webber, Inc. for the financing (see attachment) We anticipate ratings from both Moody's and Standard and Poor's by Friday, May 31, 1985 and plan to make a preliminary decision as to municipal insurance for the financing by June 3, 1985.

The Pricing Committee met on May 30 and discussed and reviewed the current estimated pricing on the issue from Paine Webber. Presently it is estimated such a financing might be sold at an interest cost of approximately 8.9% as opposed to the 9.3% previously estimated to City Council on May 1, 1985. Should municipal interest rates stay their current levels or improve closer to sale date (estimated June 10, 11, 1985) the financing issue size and annual debt service requirements previously estimated to be \$29.4 million and \$3.06 million per year respectively may be less. It is too early to estimate the actual issue size or interest cost for the financing.

BACKGROUND

On April 30, 1985 City Council adopted a resolution authorizing amongst various items, a resolution of intention to proceed with a COP financing for the LRT Project. Contained in the staff report and approved resolution was the establishment of a Pricing Committee to preliminarily negotiate sale of the Certificates with Paine Webber, Inc. and the recommendation to the Council for final approval. The Pricing Committee is chaired by Thomas P. Friery, City Treasurer, and is comprised of the following members: Jack R. Crist, Director of Finance; Terry Wolford, Director of Finance, SHRA; Greg Miller, Acting Asst. General Manager - Support Services, SRTD. On May 30, 1985 the chair of the committee met with the members of the underwriting syndicate in Los Angeles. The sense

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of the underwriting group was that a strong market existed in California financing paper in other than multi-family financing areas. The group expressed optimism on the ability to market the financing at this time but expressed cautiousness about trying to guess market rates on June 10 and 11, 1985.

The chair and the committee members conducted their preliminary meeting on the afternoon of May 30, 1985 and established an action plan to proceed that is anticipated to result in a bid on the COPs for approval on June 11, 1985 by both the Budget and Finance Committee and City Council.

This report is provided for information only. No action is required.

Respectfully submitted

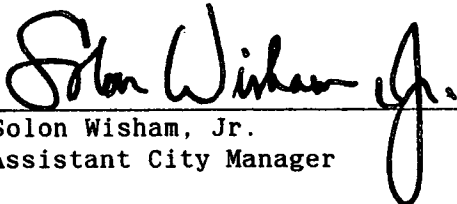


THOMAS P. FRIERY
City Treasurer

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Attachment

APPROVED FOR COMMITTEE INFORMATION:



Solon Wisham, Jr.
Assistant City Manager

156. PAINE COUNTY OF SAC HOUSING

156.	PAINE WEBBER INCORPORATED	LOS ANGELES	CA
871.	BEAR, STEARNS & CO.	CENTURY CITY	CA
1066.	BEAR, STEARNS & CO.	CHICAGO	IL
1031.	BEAR, STEARNS & CO.	SAN FRANCISCO	CA
453.	BEAR, STEARNS & CO.	DALLAS	TX
45.	BEAR, STEARNS & CO.	NEW YORK	NY
1053.	BEAR, STEARNS & CO.	NEW YORK	NY
9.	BEAR, STEARNS & CO.	ATLANTA	GA
170.	BEAR, STEARNS & CO.	BOSTON	MA
366.	MERRILL LYNCH WHITE WELD CAPT MKTS GROUP	LOS ANGELES	CA
1159.	MERRILL LYNCH WHITE WELD CAPT MKTS GROUP	NEW YORK	NY
356.	MERRILL LYNCH PIERCE FENNER & SMITH	NEW YORK	NY
149.	MERRILL LYNCH WHITE WELD CAPT MKTS GROUP	NEW YORK	NY
302.	E.F. HUTTON & COMPANY, INC.	LOS ANGELES	CA
942.	E.F. HUTTON & COMPANY, INC.	NEW YORK	NY
300.	E.F. HUTTON & COMPANY, INC.	NEW YORK	NY
181.	SHEARSON LEHMAN BROTHERS	LOS ANGELES	CA
279.	SHEARSON LEHMAN BROTHERS	BOCA RATON	FL
287.	SHEARSON LEHMAN BROTHERS	CHICAGO	IL
352.	SHEARSON LEHMAN BROTHERS	NEW YORK	NY
294.	SHEARSON LEHMAN AMERICAN EXPRESS INC.	PHILADELPHIA	PA
503.	THE ROBINSON-HUMPHREY COMPANY, INC.	ATLANTA	GA
730.	SHEARSON LEHMAN BROTHERS	OMAHA	NE
707.	SHEARSON LEHMAN BROTHERS	DALLAS	TX
1035.	DAVIS SKAGGS INC. (DIV. SHEARSON LEHMAN)	SAN FRANCISCO	CA
1046.	SHEARSON LEHMAN BROTHERS	BOSTON	MA
33.	SMITH BARNEY, HARRIS UPHAM & CO., INC.	LOS ANGELES	CA
20.	PRUDENTIAL-BACHE SECURITIES INC. - SF	LOS ANGELES	CA
1161.	PRUDENTIAL-BACHE SECURITIES INC.	NEW YORK	NY
835.	CROWELL, WEEDON & COMPANY	LOS ANGELES	CA
81.	CROWELL, WEEDON & COMPANY	CARLSBAD	CA
41.	BATEMAN EICHLER, HILL RICHARDS, INC.	LOS ANGELES	CA
656.	MORGAN OLMSTEAD KENNEDY & GARDNER INC.	WOODLAND	CA
32.	BANK OF AMERICA, NT & SA	SAN FRANCISCO	CA
34.	BANK OF AMERICA, NT & SA	LOS ANGELES	CA
111.	CROCKER NATIONAL BANK	SAN FRANCISCO	CA
621.	FIRST INTERSTATE BANK OF CALIFORNIA	LOS ANGELES	CA
623.	FICAL	NEW YORK	NY
986.	M.L. STERN & COMPANY, INC.	BEVERLY HILLS	CA
284.	MUNICIPICORP OF CALIFORNIA	LOS ANGELES	CA
1181.	CAL STATE SECURITIES CORP.	LOS ANGELES	CA
594.	KIDDER, PEABODY & CO., INC.	LOS ANGELES	CA
326.	KIDDER, PEABODY & CO., INC.	NEW YORK	NY
249.	GOLDMAN, SACHS & CO.	SAN FRANCISCO	CA
243.	GOLDMAN, SACHS & CO.	NEW YORK	NY
899.	MANN, URFER INC.	LOS ANGELES	CA
180.	CITY NATIONAL BANK	BEVERLY HILLS	CA
541.	SECURITY PACIFIC NATIONAL BANK	LOS ANGELES	CA
1077.	SECURITY PACIFIC NATIONAL BANK	NEW YORK	NY
522.	SALOMON BROTHERS	NEW YORK	NY
152.	SALOMON BROTHERS	BOSTON	MA
167.	SALOMON BROTHERS	DALLAS	TX
523.	SALOMON BROTHERS	CHICAGO	IL
524.	SALOMON BROTHERS	ATLANTA	GA
793.	SALOMON BROTHERS	SAN FRANCISCO	CA
574.	DREXEL BURNHAM LAMBERT INC.	LOS ANGELES	CA
143.	DREXEL BURNHAM LAMBERT INC.	NEW YORK	NY
438.	JOHN NUVEEN & CO. INCORPORATED	NEW YORK	NY
1228.	THE FIRST BOSTON CORPORATION	LOS ANGELES	CA
59.	THE FIRST BOSTON CORPORATION	NEW YORK	NY
490.	RAUSCHER PIERCE REFSNES, INC.	DALLAS	TX
491.	RAUSCHER PIERCE REFSNES, INC.	NEW YORK	NY
98.	L.F. ROTHSCHILD, UNTERBERG, TOWBIN	NEW YORK	NY
513.	L.F. ROTHSCHILD, UNTERBERG, TOWBIN	SAN FRANCISCO	CA
514.	L.F. ROTHSCHILD, UNTERBERG, TOWBIN	CHICAGO	IL
518.	L.F. ROTHSCHILD, UNTERBERG, TOWBIN	NEW YORK	NY
614.	L.F. ROTHSCHILD, UNTERBERG, TOWBIN	BOSTON	MA
573.	MORGAN STANLEY & CO., INCORPORATED	LOS ANGELES	CA
884.	MORGAN STANLEY & CO., INCORPORATED	NEW YORK	NY
891.	MORGAN STANLEY & CO., INCORPORATED	SAN FRANCISCO	CA
1062.	MORGAN STANLEY & CO., INCORPORATED	CHICAGO	IL
929.	BIRR, WILSON & CO., INC.	SAN FRANCISCO	CA
1183.	PACIFIC SECURITIES INC.	SAN FRANCISCO	CA
655.	WELLS FARGO BANK, N.A.	SAN FRANCISCO	CA
398.	MILLER & SCHROEDER MUNICIPALS, INC.	MINNEAPOLIS	MN
844.	J.C. BRADFORD & CO.	LA JOLLA	CA
950.	R.L. CRARY & CO. INCORPORATED	SAN FRANCISCO	CA
581.	NEWMAN AND ASSOCIATES INCORPORATED	DENVER	CO
586.	STONE & YOUNGBERG	SAN FRANCISCO	CA
214.	G.F.C. SECURITIES CORPORATION	BEVERLY HILLS	CA
185.	EMMETT A. LARKIN & COMPANY, INC.	SAN FRANCISCO	CA
29.	DIVERSIFIED SECURITIES INC.	BEVERLY HILLS	CA
1227.	NEWMAN, COOK & CO., INCORPORATED	NEWPORT BEACH	CA
147.	SPELMAN & COMPANY	LA JOLLA	CA
657.	WEDBUSH, NOBLE, COOKE, INC.	LOS ANGELES	CA
1144.	THOMAS F. WHITE & COMPANY	SAN FRANCISCO	CA
407.	R.H. MOULTON & COMPANY	LOS ANGELES	CA
530.	JEFFRIES & COMPANY, INC.	LOS ANGELES	CA
875.	JEFFRIES & COMPANY INC.	NEW YORK	NY
457.	JEFFRIES & COMPANY, INC.	ATLANTA	GA
1193.	JEFFRIES & COMPANY, INC.	DALLAS	TX
764.	BANCROFT O'CONNOR CHILTON & LAVELL INC.	LOS ANGELES	CA
1049.	THOMSON MCKINNON SECURITIES, INC.	LOS ANGELES	CA
735.	TAYLOR BYRNE SECURITIES INC.	NEW YORK	NY
654.	OPPENHEIMER & CO., INC.	LOS ANGELES	CA
750.	OPPENHEIMER & CO., INC.	NEW YORK	NY
1080.	OPPENHEIMER & CO., INC.	NEW YORK	NY
278.	OPPENHEIMER & CO., INC.	ATLANTA	GA
348.	A.G. EDWARDS & SONS, INC.	SAN FRANCISCO	CA
590.	SUTRO & CO., INCORPORATED	SAN FRANCISCO	CA
463.	THE BOND BUYER	NEW YORK	NY
497.	THE BOND BUYER	NEW YORK	NY
450.	THE BOND-BUYER (HELP DESK)	NEW YORK	NY
680.	DEAN WITTER REYNOLDS INC. - SF	LOS ANGELES	CA
379.	DONALDSON, LUFKIN & JENNETTE SEC. CORP.	SAN FRANCISCO	CA
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ATTACHMENT

NOTE: (Offices not located in California are also listed in this syndicate.)

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