

Airport Revenue Fund**Fund 521****PURPOSE OF THE FUND:**

Per the terms of the Master Trust Agreement between the airlines and the Mineta San José International Airport, dated July 1, 2001, as supplemented and amended (“Master Trust Agreement”), the Airport Revenue Fund accounts for all “General Airport Revenues” generated by the Airport. The Master Trust Agreement defines General Airport Revenues as revenues, income, receipts and money received by the City from the operation of the Airport. This fund serves as a holding fund for General Airport Revenues as well as other Airport revenues prior to their transfer to other Airport funds for specific purposes.

General Airport Revenues paid into this fund are to be allocated in the following priority:

1. Transfer to the Airport Maintenance and Operation Fund to fund the current fiscal year’s operating costs as budgeted;
2. Transfer to the Airport Fiscal Agent Fund (for interest and principal payments) managed by the Trustee as specified in the Master Trust Agreement;
3. Transfer to the bond reserve fund managed by the Trustee as specified in the Master Trust Agreement;
4. Transfer to the Surplus Revenue Fund for deposits to special accounts within the Surplus Revenue Fund as specified in the Master Trust Agreement.

The flow of funds for the Airport is illustrated in the Flow and Priority of Funds chart, which immediately follows this summary of the Airport Revenue Fund.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Fees and charges for services
- Rental income
- Concession income
- Fines/penalties
- Reimbursements
- Transfers-in from other Airport funds
- Interest earnings

Airport Revenue Fund**Fund 521****FUND RESTRICTIONS:**

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted, as described below.

Legal restrictions placed on this fund are subject to provisions of the Master Trust Agreement. Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects. Revenue may be transferred to other Airport funds only as stipulated in the Master Trust Agreement.

LEAD RESPONSIBILITY:

Airport Department

FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Proprietary Fund-Enterprise

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 9.01

NOTES:

This fund does not contain either operating or capital expenditures. Instead, funds are transferred to other operating funds to charge airport-related expenditures.

NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT FLOW AND PRIORITY OF FUNDS

