



SAN JOSE BUDGETED FUNDS GUIDE

Office of the City Manager

February 2010



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Maguire

**SUBJECT: SAN JOSE BUDGETED FUNDS
GUIDE**

DATE: February 23, 2010

Approved

Date

2/24/10

We are pleased to present to you an update to the San José Budgeted Funds Guide. This document, which was produced with the assistance of the Office of the City Attorney, the Finance Department, and various other staff throughout the entire organization, was created in an effort to consolidate summary level budgetary and financial information on each budgeted City fund in one reference document. We hope that the information presented in this document will serve as a useful tool for the City Council when considering funding sources for future projects or for closing future budget shortfalls.

The San José Budgeted Funds Guide provides information for each budgeted fund including the purpose of the fund, authority for the fund, common revenue sources of the fund, and Proposition 218 and other restrictions. Information is also included that is intended to be helpful to departmental staff, such as each fund's designation in the Comprehensive Annual Financial Report (CAFR) and reference location in the Funding Sources Resolution and Appropriation Ordinance.

Due to the fact that new budgeted funds are not frequently created, it is not anticipated that this document will be revised and released on an annual basis, but rather every other year or every three years. If and when circumstances require an update, a revised document will be produced. This document will be posted on the City Manager's internet website (click on Budget).

JENNIFER MAGUIRE
Budget Director

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SAN JOSE BUDGETED FUNDS GUIDE

Document Overview

SAN JOSÉ BUDGETED FUNDS GUIDE

DOCUMENT OVERVIEW

The San José Budgeted Funds Guide has been created in order to give the residents of the City of San José, elected officials, and City departmental staff an overview of each budgeted City fund. This document was produced by the City Manager's Budget Office in coordination with the Office of the City Attorney, Finance Department, and departmental staff. The summary for each fund does not intend to capture every operational detail of every fund, but rather provides basic information as well as high level points that would be useful when considering funding sources for future projects or for closing future budget shortfalls. The document also details restrictions on the use of each fund and provides the location in various other City documents where each fund can be referenced.

A wide variety of sources were used in gathering the information included in this document such as the San José City Charter, San José Municipal Code, and the Comprehensive Annual Financial Report (CAFR) which is prepared annually by the Finance Department.

Each fund summary in this document includes the following information:

PURPOSE OF THE FUND:

This section identifies a description of the moneys accounted for in the fund, the common use of such moneys, and may describe other relevant information.

AUTHORITY FOR THE FUND:

This section identifies the relevant sections of the City Charter or Municipal Code which authorized the creation of the fund. For those funds not included in those documents, every attempt has been made to research the history of the creation of the fund. In general, funds are created as part of the Annual Budget process or through City Council Ordinance.

SOURCE OF FUNDS:

This section identifies the primary, regular funding sources for the fund. While it is understood that many of the funds can receive funding from a wide variety of sources in any given year, one-time sources generally are not included in this section.

FUND RESTRICTIONS:

This section describes any restrictions on the use of moneys accounted for in a fund, including those imposed by Proposition 218. Proposition 218, which was passed by the voters in 1996, extended the two-thirds majority vote requirement for any new user fees or new taxes to be levied at the local level; imposes restrictions upon the usage of certain funds collected from various fees and taxes; and stipulates that assessments, fees, and charges must be submitted to property owners for approval or rejection, after notice and public hearing.

LEAD RESPONSIBILITY:

This section identifies the department that is responsible for the administration of the fund.

SAN JOSÉ BUDGETED FUNDS GUIDE

DOCUMENT OVERVIEW

FINANCIAL INFORMATION AND LOCATION:

This section includes the Comprehensive Annual Financial Report (CAFR) Designation, Budget Location and Funding Sources Resolution and Appropriation Ordinance Location. Specific details of each category are listed below.

Comprehensive Annual Financial Report (CAFR) Designation:

This section refers to the City's Comprehensive Annual Financial Report (CAFR), which contains year end financial statements for each fund. Funds are grouped into three broad classifications: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds are typically used to account for governmental activities. Governmental Funds are classified as: the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

Proprietary Funds are used to account for services charged to external or internal customers through fees. The City accounts for its airport, wastewater treatment, water supply, and parking management operations in proprietary funds. Proprietary funds are classified as either Enterprise Funds or Internal Service Funds.

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary Funds are classified as Pension Trust Funds, Private-Purpose Trust Funds, and Agency Funds.

Budget Location:

The Budget Location indicates which budget document (Operating or Capital) contains information for the fund. Source and Use information for the General Fund can be found in the Summary Information section of the Operating Budget document. Spending plans for all other budgeted operating funds can be found in the Source and Use of Funds Statements section of the Operating Budget document. The Capital Budget is organized by program, rather than fund, therefore Source and Use statements for the 15 capital programs included in the Capital Budget document often reflect information for multiple funds, all related to the projects in a specific area.

Funding Sources Resolution and Appropriation Ordinance Location:

This section documents the section of the Funding Sources Resolution and Appropriation Ordinance where the fund can be located. The Funding Sources Resolution lists the most current Beginning Fund Balance, budgeted revenue estimates, and budgeted estimates for transfers into the fund. The Appropriation Ordinance lists the most current appropriation totals within the fund, as approved by the City Council.

SAN JOSE BUDGETED FUNDS GUIDE

Fund Descriptions

Airport Capital Improvement Fund**Fund 520****PURPOSE OF THE FUND:**

The Airport Capital Improvement Fund accounts for inter-fund transfers and federal grants administered by the Federal Aviation Administration under its Airport Improvement Program (AIP) used for equipment and capital improvements. For AIP grant projects, the grant must be awarded before the project begins, and the Airport must front the initial partial payments, but can immediately apply for reimbursement for costs as they are incurred. These capital projects meet one or more Council priorities for Capital Improvement Program projects.

All moneys may be spent for acquisitions of land and interest in land for Airport purposes, payment of relocation expenses for persons displaced by reason of such land acquisition, construction and installation of Airport improvements, engineering and planning studies for the expansion of existing airports and for new airports, and for costs of litigation incurred in connection with claims against the City involving the Airport. Most grants provide an 80% reimbursement. The Airport's 20% share is primarily funded by the Airport Passenger Facility Charge Fund or the Airport Renewal and Replacement Fund.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.040. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Grant revenue
- Transfers
- Interest earnings

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.

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 dated as of July 1, 2001, as supplemented and amended. Interest is restricted to the same purposes as funds deposited in the fund.

LEAD RESPONSIBILITY:

Airport Department

Airport Capital Improvement Fund

Fund 520

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Airport Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 9.03

NOTES:

The 2009 ARRA Grants Fund (Fund 557) is a memo fund to the Airport Capital Improvement Fund.

Airport Customer Facility and Transportation Fee Fund	Fund 519
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PURPOSE OF THE FUND:

The Airport Customer Facility and Transportation Fee Fund was established for the purpose of collecting and accounting for all moneys received from the imposition of Airport Customer Facilities Fees and Airport Customer Transportation Fees as provided in Senate Bill No. 1228 (SB 1228), approved in August 1999, and as subsequently repealed and replaced by Senate Bill No. 641 (SB 641), approved in July 2007 and which became effective January 1, 2008.

The activity and expenditures in the fund, as currently described in SB 641, facilitate the imposition and collection of the fees from customers of rental car companies doing business at the Airport (1) for the purpose of providing a common use busing system between the terminals and the interim rental car facility and (2) for the purpose of financing, designing, and constructing the consolidated rental car facility and a permanent transportation system between the terminals and consolidated rental car facility.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.070. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Customer transportation (rental car) fees
- Contributions from rental car companies
- Interest earnings
- Grant funding

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.

Interest is restricted to the same purposes as other funds and contributions within this fund.

This fund's fees and revenues and use of same are strictly restricted by SB 641. Revenue or equity cannot be transferred from this fund unless for the purposes of reimbursing for expenses.

LEAD RESPONSIBILITY:

Airport Department

Airport Customer Facility and Transportation Fee Fund	Fund 519
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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 9.09

Airport Fiscal Agent Fund**Fund 525****PURPOSE OF THE FUND:**

The Airport Fiscal Agent Fund accounts for the activity of the Airport's Trustee, who manages the administrative aspects of outstanding bonds issued by the Norman Y. Mineta San José International Airport. These activities include the collection of bond proceeds and the interest earned from those proceeds, as well as the payment of principal and interest on outstanding bond issuances. Revenues transferred into the Airport Fiscal Agent Fund from the Airport Revenue Fund are expended for bond principal and interest payments, as well as for other bond-related requirements.

The Airport Trustee must comply fully with various agreements as called for under the Airport Master Trust Agreement as supplemented, and the Issuing and Paying Agreement as amended and restated.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.010. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Bond Proceeds
- Investment/Interest Income
- Transfers from the Airport Revenue Fund

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 dated July 1, 2001, as supplemented and amended. Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects. Investments are made as permitted in the Master Trust Agreement, and as allowed in the Tax Certificate related to each individual bond issue. There are no interest earnings restrictions in the Airport Revenue Fund. For further information regarding the flow of Airport Funds into the Airport Fiscal Agent Fund please refer to the Flow and Priority of Funds chart following the Airport Revenue Fund summary.

LEAD RESPONSIBILITY:

Airport Department

Airport Fiscal Agent Fund

Fund 525

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 9.06

Airport Maintenance and Operation Fund**Fund 523****PURPOSE OF THE FUND:**

Per the terms of the Master Trust Agreement between the airlines and the Norman Y. Mineta San José International Airport, dated July 1, 2001, as supplemented and amended (“Master Trust Agreement”), the Airport Maintenance and Operation Fund accounts for revenues [transfers from the Airport Revenue Fund (Fund 521)] and expenditures incurred for the maintenance and operation of the Norman Y. Mineta San José International Airport.

Once revenues are received via transfers from the Airport Revenue Fund, they are expended for maintenance and operation expenses such as payments of salaries, non-personal/equipment expenses (including supplies, utilities, and overhead) and payments for police and aircraft rescue/fire fighting services. In addition, a number of reserves are held in this fund, such as for workers compensation and contingencies.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.010. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

Transfers from the Airport Revenue Fund

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. For further information regarding the flow of Airport Funds into the Airport Maintenance and Operation Fund please refer to the Flow and Priority of Funds chart following the Airport Revenue Fund summary.

LEAD RESPONSIBILITY:

Airport Department

Airport Maintenance and Operation Fund

Fund 523

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 9.02

Airport Passenger Facility Charge Fund**Fund 529****PURPOSE OF THE FUND:**

The Airport Passenger Facility Charge Fund accounts for moneys deposited to be used for eligible capital projects approved by the Federal Aviation Administration (FAA) for the use of Passenger Facility Charge funds (PFCs). Those projects, by statute: preserve or enhance the safety, capacity, or security of the national air transportation system; reduce airport noise or mitigate airport noise impacts; or enhance competition among air carriers. Passenger facility charges, which are derived from a fee charged to departing passengers, are collected and deposited directly into the Airport Passenger Facility Charge Fund. The revenues are to be used solely for projects that meet the above criteria, are part of a collaborative decision with the airlines that utilize the Airport facilities, and must be approved by the FAA.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.060. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Passenger facility charges, collected by the air carriers and remitted to the Airport on a monthly basis
- Investment/Interest Income

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.

Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects. Also, interest income in this fund can only be used for FAA-approved projects.

LEAD RESPONSIBILITY:

Airport Department

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

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Airport Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 9.07

Airport Renewal and Replacement Fund**Fund 527****PURPOSE OF THE FUND:**

The Airport Renewal and Replacement Fund accounts for funds expended for Airport capital maintenance and improvements as described below. The source of this fund is operational revenues that are budgeted in the annual maintenance and operating budget, included in the calculation of the annual rates, and transferred to this fund via the Airport Surplus Revenue Fund. Projects in this fund include capital maintenance of existing facilities, environmental/planning work, as well as major projects that have not received – or are ineligible for – funding approval under the Airport Improvement Program or Airport Passenger Facility Charge Program.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.050. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Airport Surplus Revenue Fund
- Investment/Interest Income
- Tenant Improvement Payments

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 dated July 1, 2001, as supplemented and amended. Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects. For further information regarding the flow of Airport funds into the Airport Renewal and Replacement Fund, please refer to the Flow and Priority of Funds chart following the Airport Revenue Fund summary.

LEAD RESPONSIBILITY:

Airport Department

Airport Renewal and Replacement Fund

Fund 527

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Airport Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 9.04

Airport Revenue Bond Improvement Fund**Fund 526****PURPOSE OF THE FUND:**

The Airport Revenue Bond Improvement Fund accounts for proceeds and expenses related to the issuance of Commercial Paper Notes and Airport revenue bonds. Revenues earned as a result or prior issuance of bonds shall be applied, used, withdrawn, and transferred only for purposes authorized and in accordance with, and as provided in, each such bond issuance supplemental resolution. Typically, major capital projects financed by bond issuances and other debt instruments are funded in the Airport Revenue Bond Improvement Fund.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.020. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Bond Proceeds
- Investment/Interest Income
- Commercial Paper Proceeds

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 dated July 1, 2001, as supplemented and amended. Federal regulations prohibit the use and/or transfer of airport funds to any other funds for non-airport related costs and/or projects.

LEAD RESPONSIBILITY:

Airport Department

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

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Airport Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 9.08

Airport Revenue Bond Improvement Fund **Fund 526****NOTES:**

The Airport Revenue Bond Improvement Fund is the legal fund for several memo funds, including:

- Airport Revenue Bond Improvement Fund 2004, Series D (Fund 522)
- Airport Bond Improvement Fund (Fund 528)
- Airport Revenue Bond Improvement Fund 2001, Series A (Fund 546)
- Airport FMC Project Fund (Fund 547)
- Airport Revenue Bond Improvement Fund 2004, Series A, B, C (Fund 548)
- Airport CP 2007 Series A AMT (Fund 554)
- Series B AMT CP (Fund 555)
- 2009 ARRA AMT Holiday (Fund 558)
- 2007 Series B Bonds, Non-AMT (Fund 580)
- Airport CP; Series A- Non-AMT (Fund 581)

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

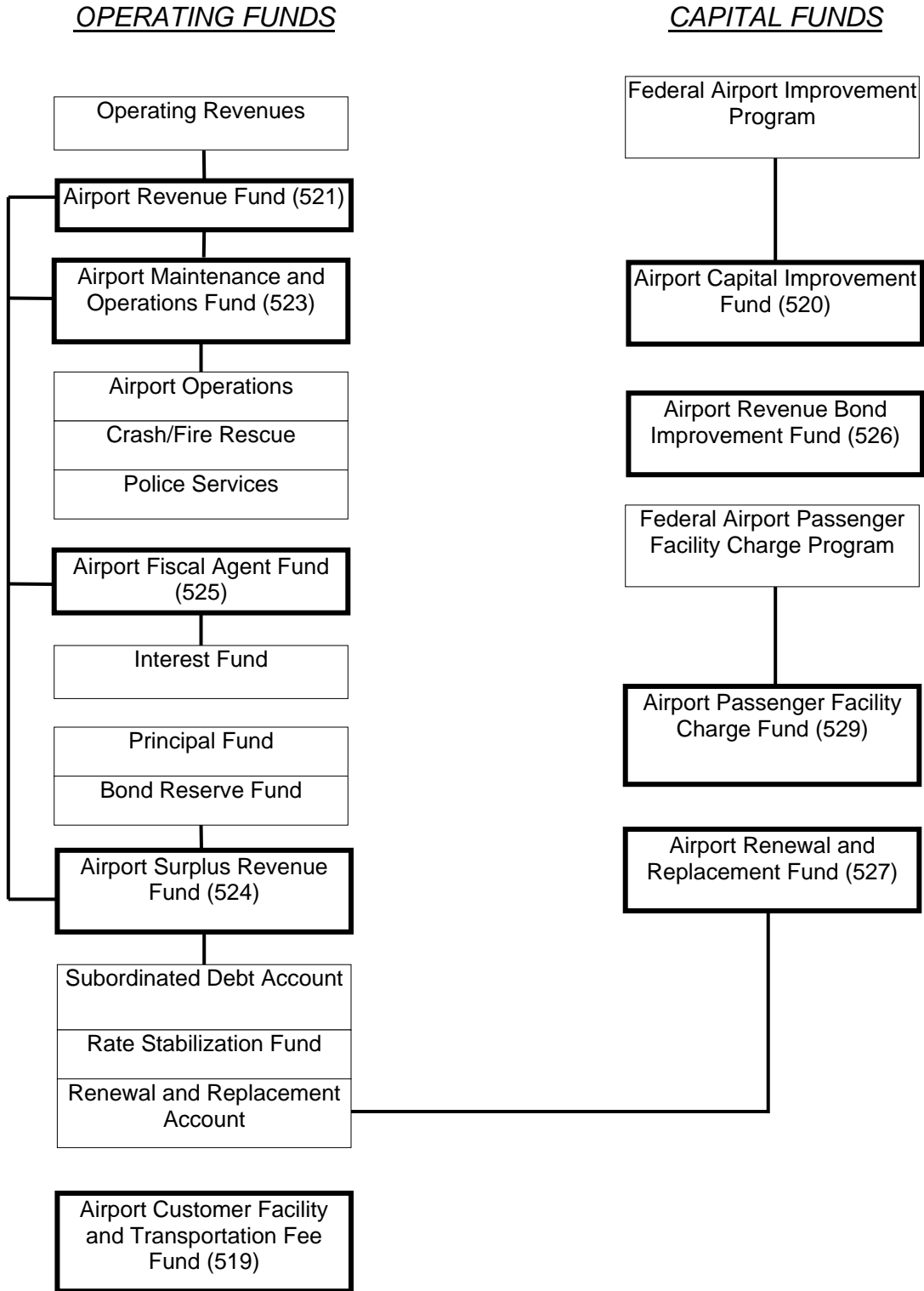
Funding Sources Resolution and Appropriation Ordinance Location:

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



Airport Surplus Revenue Fund**Fund 524****PURPOSE OF THE FUND:**

The Airport Surplus Revenue Fund accounts for excess moneys from the Airport Revenue, after the setting aside and transferring of all of the amounts required to be set aside or transferred as specified by the provisions of the Master Trust Agreement, dated July 1, 2001, as supplemented and amended (“Master Trust Agreement”).

Activity in this fund – as described in the Master Trust Agreement – specify that excess funds that are transferred from the Airport Revenue Fund to the Airport Surplus Revenue Fund are deposited in the following respective special accounts within the Surplus Revenue Fund and in the following priority:

1. Subordinated Debt Account;
2. Rate Stabilization Fund;
3. Renewal and Replacement Account.

The Subordinated Debt Account is specifically for the payment of subordinated debt and the Rate Stabilization Fund is an amount established at the discretion of the City to reserve funds for unusual or exceptional circumstances to ensure the Airport’s continued operation. The Renewal and Replacement account is an established fund – the Airport Renewal and Replacement Fund – for capital projects such as repair and renovation of capital facilities and Airport equipment purchases.

Any funds, in excess of the amount equal to 25% of annual debt service and the Airport Surplus Revenue Fund deposits described above, may stay in the Airport Revenue Fund to be distributed to the Airport and the airlines in accordance with the revenue sharing provisions of the current Airline-Airport Lease and Operating Agreement.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.010. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

Transfers come from the Airport Revenue Fund, the Fiscal Agent Fund, and other Airport funds.

Airport Surplus Revenue Fund**Fund 524****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. There are no interest earnings restrictions in the Airport Revenue Fund. For further information regarding the flow of Airport funds into the Airport Surplus Revenue Fund, please refer to the Flow and Priority of Funds chart following the Airport Revenue Fund summary.

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 9.05

NOTES:

This fund does not contain either operating or capital expenditures. Instead, funds are transferred to and from this fund for airport-related expenditures.

Anti-Tobacco Master Settlement Agreement	Fund 426
Revenue Fund (Healthy Neighborhoods Venture Fund)	

PURPOSE OF THE FUND:

The Anti-Tobacco Master Settlement Agreement Revenue Fund accounts for the distribution of funds received by the City of San José related to the national tobacco settlement. The City Council establishes priorities and criteria to guide the distribution of these funds.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.1800 through 4.80.1830. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenue from the Master Settlement Agreement
- Transfers from other funds
- Interest earnings

FUND RESTRICTIONS:

This fund is not subject to Proposition 218 requirements. Because the master settlement agreement did not impose restrictions on the use of the settlement proceeds, the Council may amend the Municipal Code to change the use of the funds.

The City Council may transfer monies from the Anti-Tobacco Master Settlement Agreement Revenue Fund to any other fund that may be used for the purpose set forth in Municipal Code Sections 4.80.1800 through 4.80.1830.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 30.01

Anti-Tobacco Master Settlement Agreement	Fund 426
Revenue Fund (Healthy Neighborhoods Venture Fund)	

NOTES:

In an effort to eliminate the need for loans from other funds due to the timing of the tobacco settlement, interest earnings are held in a separate reserve and not allocated for expenditure.

Benefit Funds - Benefit Fund**Fund 160****BENEFIT FUND OVERVIEW:**

San José Municipal Code section 4.80.2000 establishes the “Benefit Fund” for the deposit and accounting of moneys related to the provision and financing of benefits to City employees and their dependents. To account for the moneys related to the provision and financing of specific benefits, the City established the following benefit funds: Dental Insurance Fund (Fund 155), Life Insurance Fund (Fund 156), the Unemployment Insurance Fund (Fund 157), and the Benefit Fund (Fund 160).

PURPOSE OF THE FUND:

The Benefit Fund (Fund 160) accounts for the costs associated with the City’s portion of various employee benefits, except for dental, life, and unemployment insurance. Any contributions required to be made by the City for the various health insurance premiums or other benefits (outlined below) for City employees, City Councilmembers, and dependents as required by applicable resolutions, ordinances, or contracts are deposited into this fund. In the cases of certain voluntary benefits made available to City retirees, contributions from retirees are deposited into this fund.

Moneys in the Benefit Fund must be used for expenses to provide for the various benefits accounted for within this fund as described below.

Revenues are credited each pay period by multiplying the number of eligible employees by the City’s contribution rate, as determined by the City’s Human Resources Department. Employee contributions are not credited to Fund 160, but are recorded in the Employee Health Fund (Fund 161), which is a memo fund to Fund 160.

Benefits accounted for in Fund 160 are:

- Municipal Employees’ Federation Legal Trust Fund
- 457 Deferred Compensation Plan for Part-Time, Temporary, and Contract employees
- Vision
- Health
- Federal Insurance Contributions Act (FICA) Medical Payments
- Employee Assistance Program

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.2000 through 4.80.2030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

Benefit Funds - Benefit Fund**Fund 160****SOURCE OF FUNDS:**

- City contributions
- Interest earnings
- Transfers from other funds
- Employee and Retirees administrative fee contributions

FUND RESTRICTIONS:

Contributions from employees and retirees deposited within this fund may only be expended for the purpose for which they were collected. Changes in amounts to be deposited in the fund are not subject to the requirements of Proposition 218.

LEAD RESPONSIBILITY:

Human Resources Department

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

Governmental Fund - Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.06

Benefit Funds - Dental Insurance Fund**Fund 155****BENEFIT FUND OVERVIEW:**

San José Municipal Code section 4.80.2000 establishes the “Benefit Fund” for the deposit and accounting of moneys related to the provision and financing of benefits to City employees and their dependents. To account for the moneys related to the provision and financing of specific benefits, the City established the following benefit funds: Dental Insurance Fund (Fund 155), Life Insurance Fund (Fund 156), the Unemployment Insurance Fund (Fund 157), and the Benefit Fund (Fund 160).

PURPOSE OF THE FUND:

The Dental Insurance Fund accounts for the costs of dental benefits for City employees, City Councilmembers, retirees, and dependents as required by applicable resolutions, ordinances, or contracts. Currently, the City offers a choice of two dental insurance plans: a fully-insured HMO plan and a self-insured Dental PPO Plan. A Dental-in-Lieu Plan is available for employees who have alternative coverage through another group dental plan. Any contributions made by City employees and the City for dental benefits must be deposited into this fund.

Moneys in the Dental Insurance Fund must be used for expenses to provide for dental insurance. Revenues are credited each pay period using rates determined by the Human Resources Department multiplied by the number of employees per department, per rate for the City’s contribution. In addition, contributions from part-time employees are credited to this fund. The fund also receives transfers from the retirement funds to pay for dental benefits provided by the City’s Retirement Plans to retirees.

Reserves in this fund are calculated and validated every year by an actuary and are maintained in amounts sufficient to cover any anomalous claims activity within the self-insured plan and meet the outstanding claim and administrative liabilities, if ever the City were to stop self-insuring.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.2000 through 4.80.2030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Employee and retiree contributions
- Interest earnings
- Transfers from City and Retirement Funds

Benefit Funds - Dental Insurance Fund**Fund 155****FUND RESTRICTIONS:**

Contributions from employees and retirees deposited within this fund may only be expended for the purpose for which they were collected. Increases in contribution are not subject to the requirements of Proposition 218.

LEAD RESPONSIBILITY:

Human Resources Department

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

Governmental Fund- Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.03

Benefit Funds - Life Insurance Fund**Fund 156****BENEFIT FUND OVERVIEW:**

San José Municipal Code section 4.80.2000 establishes the “Benefit Fund” for the deposit and accounting of moneys related to the provision and financing of benefits to City employees and their dependents. To account for the moneys related to the provision and financing of specific benefits, the City established the following benefit funds: Dental Insurance Fund (Fund 155), Life Insurance Fund (Fund 156), the Unemployment Insurance Fund (Fund 157), and the Benefit Fund (Fund 160).

PURPOSE OF THE FUND:

The Life Insurance Fund accounts for the costs of life insurance benefits for City employees, City Councilmembers, retirees, and dependents as required by applicable resolutions, ordinance, or contracts. Any contributions required to be made for life insurance claims are deposited into the fund. In addition, contributions from active and retired employees for additional coverage are credited to this fund.

Basic, Supplemental, and Dependent life insurance coverage, including accidental death & dismemberment coverage (AD&D), is provided through the City's group policy with an insurance company. The City provides life insurance coverage for non-management and management employees in accordance with the various Memoranda of Agreement with the City's bargaining units. Eligible employees, Councilmembers, and retirees based upon medical underwriting approval as determined by the insurer, may elect to purchase supplemental life insurance through regular payroll deductions.

Moneys in the Life Insurance Fund must be used for expenses to provide basic, supplemental, and dependent life insurance. Revenues are credited each pay period using rates determined by the Human Resources Department multiplied by the number of employees per rate for the City's contribution.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.2000 through 4.80.2030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Employee and retiree contributions
- Interest earnings
- Transfers from City Funds

Benefit Funds - Life Insurance Fund**Fund 156****FUND RESTRICTIONS:**

Contributions from employees and retirees deposited within this fund may only be expended for the purpose for which they were collected. Changes in contribution rates are not subject to the requirements of Proposition 218.

LEAD RESPONSIBILITY:

Human Resources Department

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

Governmental Fund- Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.04

Benefit Funds - Unemployment Insurance Fund

Fund 157

BENEFIT FUND OVERVIEW:

San José Municipal Code section 4.80.2000 establishes the “Benefit Fund” for the deposit and accounting of moneys related to the provision and financing of benefits to City employees and their dependents. To account for the moneys related to the provision and financing of specific benefits, the City established the following benefit funds: Dental Insurance Fund (Fund 155), Life Insurance Fund (Fund 156), the Unemployment Insurance Fund (Fund 157), and the Benefit Fund (Fund 160).

PURPOSE OF THE FUND:

The Unemployment Insurance Fund (Fund 157) accounts for the costs of unemployment compensation paid to eligible terminated employees. Any contributions required to be made by the City for the self-funded direct reimbursable unemployment insurance program are deposited into this fund.

Moneys in the Unemployment Insurance Fund must be expended for the operation of the City’s self-funded direct reimbursable unemployment insurance program including: wages, salaries, and fringe benefits of City employees charged with the management and administration of the program; payments of unemployment insurance claims; and contractual and professional services necessary to operate the program.

Revenues are credited each pay period using rates determined by the Human Resources Department multiplied by the number of employees per rate for the City’s contribution. The rate is calculated based on the amount of revenue needed to cover the Fund’s operating expenditures and to establish a targeted fund balance for the fiscal year.

The Human Resources Department has developed standards for establishing reserves based on the analysis of the time required to pay claims as well as on generally accepted industry standards. The Reserve for Claims is set at a level equivalent to one year of claims payments.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.2000 through 4.80.2030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Interest earnings
- Transfers from City Funds

**Benefit Funds - Unemployment
Insurance Fund****Fund 157****FUND RESTRICTIONS:**

The City Council may at its discretion transfer funds from the Unemployment Insurance Fund to any other fund to the extent that the transferred amounts are not from employee contributions and City obligations are met. Changes in contribution rates are not subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

Human Resources Department

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

Governmental Fund - Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.05

Branch Libraries Bond Projects Fund**Fund 472****PURPOSE OF THE FUND:**

The Branch Libraries Bond Projects Fund accounts for general obligation bond proceeds approved by voters on the November 2000 ballot. 75.8% of San José voters approved a \$212 million Library bond measure (San Jose Neighborhood Libraries Bond Measure: Measure O). The general obligation bonds will be used to expand and improve aging branch libraries add parking, add space for more books and computers, and build new libraries in neighborhoods throughout the City. Necessary improvements identified in the Branch Facilities Master Plan included the reconstruction or replacement of 14 of the 17 existing Library branches, and construction of six additional branches in unserved neighborhoods.

AUTHORITY FOR THE FUND:

This fund was established by the City Council on January 30, 2001. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Sale of bonds
- Interest earnings

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.

Moneys in this fund, including interest, may not be transferred to other funds, as they must be used for the purposes described in the San José Neighborhood Libraries Bond Measure (Measure O).

LEAD RESPONSIBILITY:

Library Department

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

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Library Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 31.02

Building and Structure Construction Tax Fund

Fund 429

PURPOSE OF THE FUND:

The Building and Structure Construction Tax Fund accounts for all Building and Structure Construction taxes collected, and shall be used for the purposes and in the manner set forth in the San José Municipal Code.

According to San José Municipal Code Section 4.46.040, a tax is imposed upon every person who constructs, erects, enlarges, alters, repairs, moves, improves, converts, or causes to be constructed, any building or structure, or portion thereof, in the City, in which said person has an equity, title, or other interest either as owner, lessee, or otherwise, where such construction requires the issuance of a building permit under Chapter 17.04 of the San José Municipal Code.

All taxes shall be expended for the acquisition of lands, and interest in land, for and the construction, reconstruction, replacement, widening, modification, and alteration (but not maintenance and repair) of existing and proposed City streets shown as arterials and major collectors on the Land Use/Transportation Diagram of the General Plan dated December, 1975 and as amended, including (but not limited to) separation structures, bridges, and culverts for such streets and traffic control lighting systems.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.46.010 through 4.46.090. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Investment earnings
- Interest earnings
- Grant revenues

FUND RESTRICTIONS:

Increases to the Building and Structure Construction Tax Fund, as well as significant changes to the use of moneys within the fund, are subject to voter approval.

All Building and Structure Construction taxes collected under the San José Municipal Code Sections 4.46.010 through 4.46.090 shall be placed in the “Building and Structure Construction Tax Fund” and shall be used for the purposes detailed in the San José Municipal Code.

The interest earned must stay within the fund and be used according to the intended purposes of the fund.

**Building and Structure Construction
Tax Fund**

Fund 429

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Traffic Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.05

Business Improvement District Fund**Fund 351****PURPOSE OF THE FUND:**

The Business Improvement District Fund accounts for assessments involving Business Improvement District activities. State law allows the establishment of a parking and business improvement district. Within the district, a surcharge is imposed by the City for the general promotion of business activities in the district and improvement to the district. These surcharges are added on to and collected with the annual business tax.

Moneys collected in the Business Improvement District Fund may only be used for the following activities:

1. Acquisition, construction, or maintenance of parking facilities for the benefit in the area;
2. Decoration of any public place in the area;
3. Promotion of public events which are to take place on or in public places in the area;
4. Furnishing of music in any place in the area;
5. The general promotion of business activities in the area.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2100 through 4.80.2120. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Fees from businesses in the various Business Improvement Districts
- Interest earnings are distributed to each district based on the district cash balance

All moneys are received from businesses and individuals, as a result of surcharge billings pursuant to a business improvement district established by an act of the San José City Council pursuant to State law authorizing such districts. The Director of Finance shall establish and keep separate accounts for each district within the business improvement district fund, as may be necessary to account separately for the deposits and withdrawals of said surcharge amounts.

FUND RESTRICTIONS:

Moneys in the Business Improvement District Fund shall be disbursed in accordance with the provisions of the contract between the City of San José and each individual organization which has agreed to operate a business improvement district.

This is not an assessment as defined by Proposition 218 and should be distinguished from the Downtown Property and Business Improvement District, which are assessed under Proposition 218. The agreements with the Business Improvement Districts require that interest be transferred to the Business Improvement Districts on a quarterly basis.

Business Improvement District Fund**Fund 351****LEAD RESPONSIBILITY:**

- Finance Department
- Office of Economic Development

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

Governmental Fund-Special Revenue Fund

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 25.01

NOTES:**Location of Districts:**

- Downtown Business Improvement District: numerous businesses along the boundary of Interstate 280, State Route 87, Julian and Fourth Streets, plus the area surrounding the Hewlett Packard Pavilion which is bounded by West San Fernando Street, the Caltrain tracks, Julian, Montgomery, West Saint John, and Autumn Streets.
- Japantown Business Improvement District: numerous businesses along Jackson and Taylor Streets between North First and Seventh Streets.
- Hotel Business Improvement District: Zone A – hotel businesses within a one-mile radius of the San José McEnery Convention Center, Zone B – hotel businesses located one to three miles from the San José McEnery Convention Center, and Zone C – hotels located outside the three-mile radius of the San José McEnery Convention Center.
- Willow Glen Business Improvement District: numerous businesses along Lincoln Avenue between Minnesota Avenue and Coe Street. City Council approved establishment of a new Willow Glen Community Business Improvement District (CBID), which will replace the Willow Glen Business Improvement District (BID) which will be disestablished once the new CBID is established.

Cash Reserve Fund**Fund 002****PURPOSE OF THE FUND:**

The Cash Reserve Fund was established as a revolving fund to meet any authorized expenditures of the City for any fiscal year in anticipation of and before the collection of taxes and other revenues of the City, and for the payment of authorized expenditures of the City for any fiscal year which became due and payable and must be paid prior to the receipt of taxes and other revenues for such fiscal year.

This reserve is built up from any available sources other than restricted sources in an amount which the Council deems sufficient to meet authorized expenditures. If necessary, tax anticipation notes may be issued, subject to the requirements of State law, for the purpose of funding the Cash Reserve Fund. Transfers may be approved by the City Council to any other fund(s) of such sum(s) of money that may be required to keep such other fund(s) on a cash basis. All funds transferred to any other fund(s) must be returned to the Cash Reserve Fund before the end of the fiscal year that the transfer(s) was/were made. The balance in the Cash Reserve Fund shall be carried forward to the next fiscal year; provided, however, that to the extent that the amount of money in the Cash Reserve Fund exceeds the amount the Council deems desirable for purposes of this Cash Reserve Fund, the Council may transfer such excesses to any other fund(s) for any other purposes(s).

AUTHORITY FOR THE FUND:

City Charter, Section 1212. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Interest earnings
- Interfund transfers

FUND RESTRICTIONS:

This fund is not subject to Proposition 218 requirements. To the extent that the amount of money in the Cash Reserve Fund exceeds the amount the Council deems desirable, the Council may transfer excess funds for any other purpose. Restrictions may be imposed in the fund to the extent revenue comes from tax anticipation notes.

LEAD RESPONSIBILITY:

Finance Department

Cash Reserve Fund

Fund 002

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources and Appropriation Ordinance Location:

Section 21.02

NOTES:

The Cash Reserve Fund is a memo fund to the General Fund.

City Hall Debt Service Fund**Fund 210****PURPOSE OF THE FUND:**

The City Hall Debt Service Fund accounts for transfers from the General Fund, Special Funds, and Capital Funds to cover debt service for financing the construction of City Hall, the City Hall off-site employee parking garage, and furniture, fixtures and equipment costs. Each fund's share of costs is determined annually by the Finance Department based on each fund's fair-share allocation.

AUTHORITY FOR THE FUND:

This fund was established as part of the 2006-2007 Adopted Operating Budget. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from other funds (General Fund, Special Funds, Capital Funds)
- Interest earnings

FUND RESTRICTIONS:

Moneys transferred into this fund shall be used for the repayment of debt service obligations resulting from the financing of City Hall, the City Hall off-site employee parking garage, and related furniture, fixtures, and equipment.

LEAD RESPONSIBILITY:

Finance Department

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

Governmental Fund- Debt Service

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 32.02

Civic Center Construction Fund**Fund 425****PURPOSE OF THE FUND:**

The Civic Center Construction Fund accounts for expenditures of bond proceeds for the Civic Center project. On March 29, 2000, the City Council approved the conceptual design for the Civic Center. In November 2001, the City Council recertified that the Measure I test, as approved by the voters on November 5, 1996, was met with the proposed Civic Center project. The project was successfully completed in mid-2005.

In addition, the City Council approved other eligible capital expenditures to expend a portion of the remaining interest earnings. In an effort to close out this fund, the City Council, as part of the 2008-2009 and 2009-2010 Adopted Budgets, approved the use of remaining interest earnings to pay down principal on the original debt obligation.

AUTHORITY FOR THE FUND:

This fund was established as part of the 1999-2000 Adopted Capital Budget. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Tax-exempt bond proceeds
- Interest earnings

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.

Tax-exempt bond proceeds must be spent on tax-exempt eligible capital expenditures. Interest earned on tax-exempt bond proceeds are also subject to the same requirements.

LEAD RESPONSIBILITY:

Public Works Department

Civic Center Construction Fund

Fund 425

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Civic Center Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 2.8

Civic Center Improvement Fund**Fund 473****PURPOSE OF THE FUND:**

The Civic Center Improvement Fund accounts for expenditure of commercial paper proceeds for the non-construction improvements (technology, furniture, and equipment) and relocation costs associated with the new Civic Center.

AUTHORITY FOR THE FUND:

This fund was established by the City Council on January 13, 2004 to account for the non-construction improvements and relocation costs associated with the new Civic Center. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Commercial Paper
- Interest earnings

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.

Commercial paper on bond proceeds is both taxable and tax-exempt. Tax-exempt commercial paper must be spent on tax-exempt eligible capital expenditures. Interest earned on tax-exempt commercial paper is also subject to the same requirements.

LEAD RESPONSIBILITY:

Information Technology Department

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

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Municipal Improvements Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 2.81

Community Development Block Grant Fund Fund 441**PURPOSE OF THE FUND:**

The Community Development Block Grant (CDBG) Fund accounts for federal grant moneys received from the U.S. Department of Housing and Urban Development authorized under Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C.-5301 et seq. The program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

The City provides CDBG awards to nonprofit partners and funds City departments to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services, with maximum feasible priority to activities which benefit low- and moderate-income persons. Other eligible activities include the prevention or elimination of slums or blight and activities that meet a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

CDBG funds may be used for public service and community development activities which may include: public services to seniors, homeless, youth, and disabled; acquisition of real property; rehabilitation of residential and non-residential structures; construction of public facilities and improvements, such as water and sewer facilities, streets, and neighborhood centers; activities relating to energy conservation and renewable energy resources; and assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.200 through 4.80.220. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Community Development Block Grant funding from the federal government in accordance with Title I of the Housing and Community Development Act of 1974
- Interest earnings
- Interest and principal payments on loan receivables

Community Development Block Grant Fund	Fund 441
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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.

Moneys in the CDBG Fund are only to be expended for purposes authorized by the Housing and Community Development Act of 1974 and The Office of Management and Budget Circulars, in particular Circulars A-85, A-87, A-122, and A-133. Expenditures are subject to restrictions detailed within the Act and the Circulars.

Administrative expenses incurred within the General Fund as a result of the City's community development program, including the grant application process, can be charged against appropriations within this fund.

Interest earnings and principal repayments from outstanding loans are retained in the fund for future eligible activities.

LEAD RESPONSIBILITY:

Housing Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 13.01

NOTES:

The ARRA- Community Development Block Grant Fund (Fund 304) is a memo fund to the Community Development Block Grant Fund.

Community Facilities District No. 1 (Capitol Auto Mall) Fund

Fund 371

PURPOSE OF THE FUND:

The Community Facilities District No. 1 (Capitol Auto Mall) Fund accounts for special taxes of community facility districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 1 (Capitol Auto Mall) Fund should include the cost of providing the following capital facilities, services, and debt service payments for the repayment of the bonds, including but not limited to:

1. The design, acquisition, and construction of the following improvements;
 - a. Capitol Expressway Auto Mall from State Route 87 to Almaden Expressway including resurfacing, signing, striping new signalization at assessors parcel numbers 459-05-014 and 459-06-039, medians, curbs, gutters, driveway modifications, median and parkway landscaping, irrigation system, special signing/monumentation, street lighting, and other improvements associated with the enhancement of Capitol Expressway Auto Mall.
 - b. Storm drainage system improvements in the vicinity of Capitol Expressway and Almaden Expressway to eliminate existing street flooding conditions during heavy rain, and work required to eliminate costs to the City associated with the acceptance of Capitol Expressway Auto Mall from the County.
 - c. Additional improvements required to complete the project in accordance with the City requirements to upgrade the roadway condition to City standards for the Auto Mall enhancement project.
2. The acquisition of land, easements, and right of way and necessary acceptances to complete and use the above described improvements. All public rights-of-way will be dedicated to the City of San José or County of Santa Clara as appropriate for public use.
3. The maintenance of all facilities and improvements set forth above

AUTHORITY FOR THE FUND:

San José Municipal Code Chapter 14.27, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*). Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

Community Facilities District No. 1 (Capitol Auto Mall) Fund

Fund 371

SOURCE OF FUNDS:

- Special Tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for community facilities districts. If expenditures for these facilities and services outpace the special tax revenue, staff will reach out to the affected property owners within the District to inform them of the funding shortfall and ask for their input. After District property owner outreach, staff may bring forward to the Council and the property owners within the District recommendations following the process specified in Chapter 14.27 of the Municipal Code for increasing the special tax and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 1 (Capital Auto Mall) Fund are subject to Proposition 218 and Chapter 14.27 of the San Jose Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.17

**Community Facilities District No. 1
(Capitol Auto Mall) Fund****Fund 371****NOTES:****Location of District:**

The boundary of Community Facilities District No. 1 is generally described as the area bounded roughly by:

- Hillsdale Avenue on the North,
- State Route 87 on the West,
- Lewiston Drive on the South, and
- Almaden Expressway on the East.

Community Facilities District No. 2 (Aborn-Murillo) and Community Facilities District No. 3 (Silverland-Capriana) Fund 369

PURPOSE OF THE FUND:

The Community Facilities District No. 2 (Aborn-Murillo) and Community Facilities District No. 3 (Silverland-Capriana) Fund accounts for special taxes of community facilities districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 2 (Aborn-Murillo) and Community Facilities District No. 3 (Silverland-Capriana) Fund should include the cost of providing the following services:

1. Maintenance or servicing of any street, highway, road, alley, lane, boulevard, pedestrian mall, parkway, bike path, trail, or other way dedicated to or used for public use and all appurtenances including, but not limited to, medians, street signs, street lights, traffic signals, sound walls, drains, tunnels, sewers, conduits, culverts, and channels for drainage purposes, with necessary outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, disposal plants, connection sewers, ditches, drains, conduits, and channels.
2. Maintenance or servicing of any lakes, streams, rivers, creeks, channels, or other bodies of water and the streambeds, riverbeds, creekbeds, channelbeds, or lakebeds.
3. Maintenance of any landscaping, hardscaping, lighting, or signage within or adjacent to public rights-of-way or easements.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.27.010 through 14.27.170. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Special tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

Community Facilities District No. 2 (Aborn- Murillo) and Community Facilities District No. 3 (Silverland-Capriana) Fund	Fund 369
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FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 2 (Aborn – Murillo) and Community Facilities District No. 3 (Silverland – Capriana) Fund are subject to Proposition 218 and Chapter 14.27 of the San Jose Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.15

NOTES:**Location of District:**

The boundary of Community Facilities District No. 2 is generally described as the area bounded roughly by:

- Quimby Road on the North,
- Ruby Avenue on the West,
- Falls Creek Drive on the South, and
- Yerba Buena Road on the East.

The boundary of Community Facilities District No. 3 is generally described as the area bounded roughly by:

- Aborn Road on the North,
- Haddon Court on the West,
- Classico Avenue on the South, and
- Alessandro Drive on the East.

Community Facilities District No. 8 (Communications Hill) Fund

Fund 373

PURPOSE OF THE FUND:

The Community Facilities District No. 8 (Communications Hill) Fund accounts for special taxes of community facilities districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 8 (Communications Hill) Fund should include the cost of providing the following services:

1. Maintenance or servicing of any street, highway, road, alley, lane, boulevard, pedestrian mall, parkway, bike path, trail, or other way dedicated to or used for public use and all appurtenances including, but not limited to, medians, street signs, street lights, traffic signals, sound walls, drains, tunnels, sewers, conduits, culverts, and channels for drainage purposes, with necessary outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, disposal plants, connection sewers, ditches, drains, conduits, and channels.
2. Maintenance or servicing of any lakes, streams, rivers, creeks, channels, or other bodies of water and the streambeds, riverbeds, creekbeds, channelbeds, or lakebeds.
3. Maintenance of any landscaping, hardscaping, lighting, or signage within or adjacent to public rights-of-way or easements.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.27.010 through 14.27.170. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Special tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

Community Facilities District No. 8 (Communications Hill) Fund

Fund 373

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 8 (Communications Hill) Fund are subject to Proposition 218 and Chapter 14.27 of the San Jose Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.19

NOTES:

Location of District:

The boundary of Community Facilities District No. 8 is generally described as the area bounded roughly by:

- Curtner Avenue on the North,
- State Route 87 on the West,
- Hillsdale Avenue on the South, and
- Monterey Highway on the East.

Community Facilities District No. 11 (Adeline – Mary Helen on Communications Hill) Fund

Fund 374

PURPOSE OF THE FUND:

The Community Facilities District No. 11 (Adeline – Mary Helen on Communications Hill) Fund accounts for special taxes of community facilities districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 11 (Adeline – Mary Helen on Communications Hill) Fund should include the cost of providing the following services:

1. Maintenance or servicing of any street, highway, road, alley, lane, boulevard, pedestrian mall, parkway, bike path, trail, or other way dedicated to or used for public use and all appurtenances including, but not limited to, medians, street signs, street lights, traffic signals, sound walls, drains, tunnels, sewers, conduits, culverts, and channels for drainage purposes, with necessary outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, disposal plants, connection sewers, ditches, drains, conduits, and channels.
2. Maintenance or servicing of any lakes, streams, rivers, creeks, channels, or other bodies of water and the streambeds, riverbeds, creekbeds, channelbeds, or lakebeds.
3. Maintenance of any landscaping, hardscaping, lighting, or signage within or adjacent to public rights-of-way or easements.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.27.010 through 14.27.170. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Special tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to City Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

Community Facilities District No. 11 (Adeline – Mary Helen on Communications Hill) Fund	Fund 374
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FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 11 (Adeline – Mary Helen on Communications Hill) Fund are subject to Proposition 218 and Chapter 14.27 of the San Jose Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.20

NOTES:**Location of District:**

The boundary of Community Facilities District No. 11 is generally described as the area bounded roughly by:

- Donnici Street on the North,
- Adeline Avenue on the West,
- Senhorina Street on the South, and
- Altino Boulevard on the East.

Community Facilities District No. 12 (Basking Ridge) Fund

Fund 376

PURPOSE OF THE FUND:

The Community Facilities District No. 12 (Basking Ridge) Fund accounts for special taxes of community facilities districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 12 (Basking Ridge) Fund should include the cost of providing the following services:

1. Maintenance or servicing of any street, highway, road, alley, lane, boulevard, pedestrian mall, parkway, bike path, trail, or other way dedicated to or used for public use and all appurtenances including, but not limited to, medians, street signs, street lights, traffic signals, sound walls, drains, tunnels, sewers, conduits, culverts, and channels for drainage purposes, with necessary outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, disposal plants, connection sewers, ditches, drains, conduits, and channels.
2. Maintenance or servicing of any lakes, streams, rivers, creeks, channels, or other bodies of water and the streambeds, riverbeds, creekbeds, channelbeds, or lakebeds.
3. Maintenance of any landscaping, hardscaping, lighting, or signage within or adjacent to public rights-of-way or easements.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.27.010 through 14.27.170. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Special tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

Community Facilities District No. 12 (Basking Ridge) Fund

Fund 376

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 12 (Basking Ridge) Fund are subject to Proposition 218 and Chapter 14.27 of the San José Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.21

NOTES:

Location of District:

The boundary of Community Facilities District No. 12 is generally described as the area bounded roughly by:

- Dana Court on the West,
- Highway 101 on the South, and
- Metcalf Road on the East.

Community Facilities Revenue Fund**Fund 422****PURPOSE OF THE FUND:**

The Community Facilities Revenue Fund accounts for the revenues received from Hayes Mansion operations and to provide for the accumulation and transfer of funds to the appropriate debt service funds for repayment of the debts and capital improvements related to the Hayes Mansion.

AUTHORITY FOR THE FUND:

The Community Facilities Revenue Fund was established as part of the 1994-1995 Budget process. Revenue and expenditure estimates are budgeted via City Council funding source resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenues from the operation of the Hayes Mansion paid to the City by the operator of the Hayes Mansion and transfers from the General Fund to cover operating shortfalls
- Interest earnings

FUND RESTRICTIONS:

Fee increases and changes to the usage of funds in the Community Facilities Revenue Fund are not subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

City Manager's Office

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 10.06

Construction Excise Tax Fund**Fund 465****PURPOSE OF THE FUND:**

The Construction Excise Tax Fund accounts for revenue collected from the Commercial-Residential-Mobile Home Park Building Tax, which is imposed on residential, commercial, or mobile home lot development in the City of San José. Mobile home, mobile home lot, and mobile home park are terms as defined in Chapter 4.54 of the San José Municipal Code.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.47.010 through 4.47.094. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

The Commercial-Residential-Mobile home Park Building Tax is imposed upon every person who constructs, erects, enlarges, alters, repairs, moves, improves, converts, or causes to be constructed any building, structure, or portion thereof or any mobile home lot in the City of San José where such construction requires the issuance of a building permit or the issuance of a permit for the construction and installation of electrical or plumbing equipment to service a mobile home lot (whichever permit is issued first).

- Interest earnings
- Grant revenues

FUND RESTRICTIONS:

Increases to the Commercial-Residential-Mobile Home Park Building Tax are subject to voter approval. As this is a general purpose fund, the use of moneys within this fund is not subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Construction Excise Tax Fund**Fund 465****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Traffic Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 2.40

NOTES:

The following funds are memo funds to the Construction Excise Tax Fund:

- Route 101/Oakland/Mabury Traffic Impact Fee Fund (Fund 348)
- North San José Traffic Impact Fee Fund (Fund 349)
- Cisco Systems Fund (Fund 464)
- ARRA - Transportation Program Fund (Fund 478)
- Evergreen Traffic Impact Fee Fund (Fund 479)

Construction Tax and Property Conveyance Tax Fund: City-Wide Parks Purposes	Fund 391
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A, 4.55.300B.3, and 4.55.420D. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurnishing and capital maintenance of City public parks, recreation areas and facilities located within the City of San José and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties where the City is given a right to use the same for public playground or recreation purposes, for natural open spaces area intended to be left in a natural state, or for the San José Family Camp located in Tuolumne County, California.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the City-Wide portion of C&C Tax revenues.
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited into this fund are subject to the restrictions of the particular grant.

Construction Tax and Property Conveyance Tax Fund: City-Wide Parks Purposes	Fund 391
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FUND RESTRICTIONS (CONT'D.):

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.12

Construction Tax and Property Conveyance Tax Fund: Communications Purposes	Fund 397
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Chapter 4.55 of the San José Municipal Code provides for the allocation and expenditure of C&C revenues. At least 64% of the revenues are allocated for the purposes of Park Improvements. For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund. No more than 36% of the C&C revenues are allocated for other municipal improvements, including communication purposes. Historically, the City Council has annually appropriated 3.4% of the C&C revenues for communications purposes.

Generally, the expenditures in this fund are limited to the purposes as provided in San José Municipal Code Sections 4.55.300A and 4.55300B.6. These include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurbishing and capital maintenance of communication facilities, including land and interests in land, buildings, structures, radio and other equipment, streets and sidewalks adjacent to City communication facilities, and other works, properties or structures necessary or convenient for the communication facilities of the City.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rates set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, leasee or otherwise.
- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): A tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.

Construction Tax and Property Conveyance	Fund 397
Tax Fund: Communications Purposes	

SOURCE OF FUNDS (CONT'D.):

- Interest Earnings (see Fund Restrictions)
- Grants (by City Council practice, grants for communication purposes are budgeted in this fund)

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

General Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Communications Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.60

NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.4%).

Construction Tax and Property Conveyance Tax Fund: Fire Protection Services

Fund 392

CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Chapter 4.55 of the San José Municipal Code provides for the allocation and expenditure of C&C revenues. At least 64% of the revenues are allocated for the purposes of Park Improvements. For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund. No more than 36% of the C&C revenues are allocated for other municipal improvements, including fire protection facilities purposes. Historically, the City Council has annually appropriated 8.4% of the C&C revenues for fire protection purposes.

Generally, the expenditures in this fund are limited to the purposes as provided in San José Municipal Code Sections 4.55.300A and 4.55.300B.2. These include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurnishing and capital maintenance of the City fire protection facilities, including land and interests in land, fire stations, fire engines and trucks, other motorized and nonmotorized firefighting equipment, streets and sidewalks adjacent to the City fire protection facilities, and other works, properties, structures and facilities necessary or convenient for the fire protection of the City. Expenditures may be made for these improvements which are located outside of the City except that expenditures for public streets and sidewalks may be made only for public streets and sidewalks situated in the City.

Additionally, the City Council may appropriate up to ten percent (10%) of the allocation for fire protection facilities for certain operating maintenance costs (as defined in Municipal Code section 4.55.440) for fire protection facilities.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rate set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, leasee or otherwise.

Construction Tax and Property Conveyance Tax Fund: Fire Protection Services

Fund 392

SOURCE OF FUNDS (CONT'D.):

- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): An excise tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.
- Interest Earnings (see Fund Restrictions)
- Grants (by City Council practice, grants for fire protection purposes are budgeted in this fund)

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Fire Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Public Safety Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.30

NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.40%).

Updated as of: February 22, 2010

Construction Tax and Property Conveyance	Fund 393
Tax Fund: Library Purposes	

CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Chapter 4.55 of the San José Municipal Code provides for the allocation and expenditure of C&C revenues. At least 64% of the revenues are allocated for the purposes of Park Improvements. For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund. No more than 36% of the C&C revenues are allocated for other municipal improvements, including library purposes. By City Council practice, the City Council historically has annually appropriated 14.22% of the C&C revenues for library purposes.

Generally, the expenditures in this fund are limited to the purposes as provided in San José Municipal Code Sections 4.55.300A and 4.55.300B.1. These include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurnishing and capital maintenance of City public library facilities, equipment and materials, including land and interests in land, library buildings, furniture, books, circulating or reference nonbook library materials, furnishings, equipment, parking areas, streets and sidewalks adjacent to City public library facilities, and other works, properties, structures and facilities necessary or convenient for the public library system of the City. Expenditure may also be made for the leasing, renting and processing of books.

Additionally, the City Council may appropriate up to 10% of the allocation for library purposes for certain operating maintenance costs (as defined in Municipal Code Section 4.55.440) for library facilities.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rates set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, lessee or otherwise.
- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): An excise tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property

Construction Tax and Property Conveyance	Fund 393
Tax Fund: Library Purposes	

SOURCE OF FUNDS (CONT'D.):

sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.

- Interest Earnings (see Fund Restrictions)
- Grants (by City Council practice, grants for library capital purposes are budgeted in this fund).

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Library Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Library Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.40

NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.4%).

Construction Tax and Property Conveyance	Fund 398
Tax Fund: Park Yards Purposes	

CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Chapter 4.55 of the San José Municipal Code provides for the allocation and expenditure of C&C revenues. At least 64% of the revenues are allocated for the purposes of Park Improvements. For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund. No more than 36% of the C&C revenues are allocated for other municipal improvements, including parks yards. Historically, the City Council has annually appropriated 1.2% of the C&C revenues for parks yards purposes.

Generally, the expenditures in this fund are limited to the purposes as provided in San José Municipal Code Sections 4.55.300A and 4.55.300B.4. These include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurnishing and capital maintenance of City maintenance yards for park, playground and recreation facilities, including land and interests in land, buildings, streets and sidewalks adjacent to City maintenance yards for park playground and recreation facilities, and other structures or works necessary or convenient for the maintenance of the City park, playground and recreation facilities.

Additionally, the City Council may appropriate up to 15% of the allocation for parks yard purposes to the General Fund for park maintenance costs as defined in Chapter 4.54.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rates set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, leasee or otherwise.

Construction Tax and Property Conveyance Tax Fund: Park Yards Purposes

Fund 398

SOURCE OF FUNDS (CONT'D.):

- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): An excise tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.
- Interest Earnings (see Fund Restrictions)
- Grants (by City Council practice, grants for park purposes are budgeted in this fund)

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.20

NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code Chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.4%).

Updated as of: February 22, 2010

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund	Fund 390
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Per Chapter 4.55 of the San José Municipal Code, C&C revenues are allocated for the costs associated with various capital improvements. At least 64% of the C&C revenues are considered to be the “Parks Allocation” for the costs of “Park Improvements”. Generally, these include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurbishing and capital maintenance of City public park, recreation areas and the facilities and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties where the City is given a right to use the same for public playground or recreation purposes.

The Parks allocation is to be deposited in the Parks Purposes Central Fund and then is to be distributed according to the following methodology as set forth in Section 4.55.420:

- Up to 15% may be transferred to the General Fund for park maintenance purposes;
- Then, funds in an amount determined by the City Council may be budgeted within the Central fund or transferred to the General Fund for fixed costs, including capital equipment for maintenance; recreational hardware; preventative capital maintenance costs and non-construction costs. These include capital support costs, such as the cost of facilities housing staff assigned to work on the park projects;
- Then, up to 34% of the remainder may be transferred to the City-Wide Fund for park or recreational improvements located in any part of the City, for natural open space area intended to be left in a natural state, or for San José Family Camp; and
- Then, of the remainder:
 - 20% must be allocated equally to each Council District for its “special needs for Park improvements”; and
 - The remaining 80% must be allocated to the Council Districts based on the needs assessment methodology for Park improvements set out in the Municipal Code.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund

Fund 390

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rates set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, lessee or otherwise.
- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): A tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.
- Interest earnings (see Fund Restrictions)

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited into this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

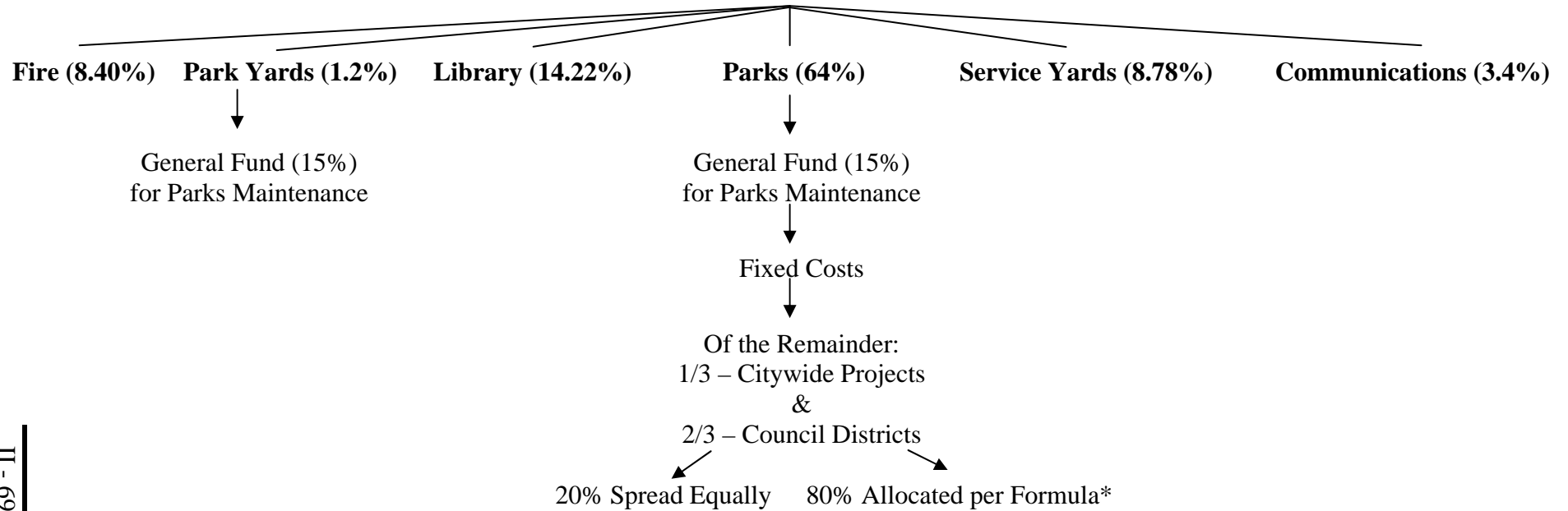
Section 12.11

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund	Fund 390
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NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.4%). For a more detailed account of the distribution of Construction and Conveyance Tax revenues, please refer to the following chart.

CONSTRUCTION AND CONVEYANCE TAXES



*** Distribution Criteria:**

- Neighborhood and community-serving park acres per 1,000 population
- Developed neighborhood and community-serving park acres per 1,000 population
- Square feet of neighborhood and community serving center space per 1,000 population
- Developed park acres and facilities in good condition

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #1	Fund 377
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 1 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 1 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 1.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 1 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 377
Tax Fund: Parks Purposes Council District #1	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.01

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #2	Fund 378
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 2 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 2 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 2.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 2 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 378
Tax Fund: Parks Purposes Council District #2	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Appropriation Ordinance Location:

12.02

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #3	Fund 380
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 3 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 3 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 3.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 3 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 380
Tax Fund: Parks Purposes Council District #3	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Appropriation Ordinance Location:

12.03

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #4	Fund 381
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 4 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 4 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 4.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.800.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 4 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 381
Tax Fund: Parks Purposes Council District #4	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.04

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5	Fund 382
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 5 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 5 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 5.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 5 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 382
Tax Fund: Parks Purposes Council District #5	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.05

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #6	Fund 384
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 6 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 6 where the City is given a right to use the same for public playground or recreation purposes.

Per section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 6.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 6 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 384
Tax Fund: Parks Purposes Council District #6	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.06

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #7	Fund 385
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 7 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 7 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 7.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 7 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 385
Tax Fund: Parks Purposes Council District #7	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.07

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #8	Fund 386
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 8 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 8 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 8.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 8 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 386
Tax Fund: Parks Purposes Council District #8	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.08

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #9	Fund 388
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 9 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 9 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 9.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 9 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 388
Tax Fund: Parks Purposes Council District #9	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.09

Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #10	Fund 389
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CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code Sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurbishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 10 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 10 where the City is given a right to use the same for public playground or recreation purposes.

Per Section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in Council District 10.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 10 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

Construction Tax and Property Conveyance Fund 389 Tax Fund: Parks Purposes Council District #10

FUND RESTRICTIONS:

The fund is to be expended as outlined above. However, in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.10

Construction Tax and Property Conveyance	Fund 395
Tax Fund: Service Yards Purposes	

CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code Section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

PURPOSE OF THE FUND:

Chapter 4.55 of the San José Municipal Code provides for the allocation and expenditure of C&C revenues. At least 64% of the revenues are allocated for the purposes of Park Improvements. For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund. No more than 36% of the C&C revenues are allocated for other municipal improvements, including service yards purposes. Historically, the City Council has annually appropriated 8.78% of the C&C revenues for service yards purposes.

Generally, the expenditures in this fund are limited to the purposes as provided in San José Municipal Code Sections 4.55.300A and 4.55300B.5. These include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing and refurnishing and capital maintenance of City public works maintenance facilities, including land and interests in land, buildings, streets and sidewalks adjacent to City public works maintenance facilities, and other structures and works necessary or convenient for the maintenance of the City’s public works.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Construction Tax (San José Municipal Code Chapter 4.54): An excise tax imposed at the rates set forth in San José Municipal Code Chapter 4.54 on every person who constructs, or causes to be constructed, any building, or portion thereof, or any mobile home lot in the City in which said person has an equity or title or other interest either as owner, leasee or otherwise.
- Real Property Conveyance Tax (San José Municipal Code Chapter 4.58): An excise tax imposed on each transfer, by deed, instrument or writing by which any lands, tenements, or other real property sold, located in the City, or is granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers thereof, or any person or persons at or by the direction of said purchaser or purchasers, when the value of the consideration exceeds one hundred dollars. The tax is imposed at the rate of one dollar and sixty-five cents for each five hundred dollars, or fractional part of five hundred dollars, of the value of the consideration.
- Interest Earnings (see Fund Restrictions)

Construction Tax and Property Conveyance	Fund 395
Tax Fund: Service Yards Purposes	

FUND RESTRICTIONS:

The fund is to be expended as outlined above. Per Section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund.

The sources of funding for this fund included special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

LEAD RESPONSIBILITY:

General Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Service Yards Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 12.50

NOTES:

When the Construction and Conveyance Tax revenues are received each month, they are deposited into the Construction and Conveyance Revenue Distribution Memo Fund (Fund 396). After the funds are deposited, they are distributed according to San José Municipal Code Chapter 4.55 and the Council approved distribution formula to the following C&C Tax Funds: Fire (8.40%); Park Yards (1.20%); Library (14.22%); Parks (64.0%); Service Yards (8.78%); and Communications (3.4%).

Convention and Cultural Affairs Fund**Fund 536****PURPOSE OF THE FUND:**

The Convention and Cultural Affairs Fund accounts for the deposit of revenues and payment of expenses related to the activities of the Civic Auditorium, Parkside Hall, Montgomery Theater, the Center for the Performing Arts, the San José McEnery Convention Center, and their related facilities and grounds.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.400 through 4.80.420. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Facility rentals, services, utilities and concession income
- Transfers from other funds, which depending on the source of the transfer, may be restricted once they are deposited in this fund
- Interest earnings

FUND RESTRICTIONS:

The use of moneys within this fund is not subject to Proposition 218.

According to Municipal Code Section 4.80.410, interest earned in the Convention and Cultural Affairs Fund shall be credited to and deposited in this fund. The City Council may transfer unrestricted funds from the Convention and Cultural Affairs Fund to any other fund.

LEAD RESPONSIBILITY:

Office of Economic Development

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 18.01

Convention and Cultural Affairs Fund

Fund 536

NOTES:

This fund is a continuation and replacement of the Auditorium Center Fund and the Community Theater Fund per Ordinance 19248.

Convention Center Facilities District Revenue Fund

Fund 791

PURPOSE OF THE FUND:

This fund accounts for Special Tax revenues collected by the City on behalf of the Convention Center Facilities District No. 2008-1 (the “CCFD”).

This fund may serve as the source of payment for any expenditures authorized under the Resolution of Intention (No. 74783) and the Resolution of Formation (No. 74826). This authorization to finance the acquisition, construction, reconstruction, rehabilitation, replacement or upgrade of facilities includes incidental expenses for the facilities comprising the costs of planning and designing the facilities, the costs of environment evaluations, and all costs associated with the creation of the Convention Center Facilities District, such as the issuance of debt, the determination of the amount of any Special Taxes or the collection of any Special Taxes and costs otherwise incurred in order to carry out the authorized purposes of the Convention Center Facilities District, together with any other expenses incidental to the acquisition and construction of the facilities.

Additionally, CCFD Revenue Fund serves as the Revenue Stabilization Reserve described in the Rate and Method of Apportionment of Special Tax for the CCFD. Funds in the Revenue Stabilization Reserve shall be available for transfer to the funds or accounts established in Bond Documents for the payment of debt service on Bonds secured by the CCFD Special Tax, in the event that Special Tax collections, at any time, are not sufficient to make scheduled payments of principal or interest on the Bonds.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.32.010 through 14.32.050. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Convention Center Facilities District Special Tax receipts
- Interest earnings

FUND RESTRICTIONS:

Disbursements must fall within the authorizations described above, and interest earned in the fund must be expended for services within the district.

Special tax increases or decreases and changes to the usage of funds which are deposited in the Convention Center Facilities District Revenue Fund are subject to Proposition 218 requirements.

**Convention Center Facilities District
Revenue Fund****Fund 791****LEAD RESPONSIBILITY:**

- Finance Department

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

Governmental Fund-Debt Service

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

To be determined for 2010-2011

NOTES:

The Convention Center Facilities District is not a budgeted fund at the time of publication of this document. It is anticipated that a recommendation to establish this fund as a budgeted fund will be included in the 2010-2011 Proposed Operating Budget.

The Convention Center Facilities District consists of all Assessors' parcels of hotel property within the City of San José.

Downtown Property and Business Improvement District Fund

Fund 302

PURPOSE OF THE FUND:

The Downtown Property and Business Improvement District (PBID) Fund accounts for the revenue collected and expenses related to providing special benefits to the properties located within the PBID, including enhanced maintenance, public safety, and image enhancement, which are payable from annual assessments apportioned among the several lots of parcels or property within the maintenance district.

The PBID Property Owners Association shall prepare an Annual Assessment District Report and Annual Financial Report for City Council review and approval. The Annual Assessment District Report shall comply with Section 36650 of the PBID State Law outlining, among other things, the budget for next year's services and the proposed method and basis for levying the next year's assessment.

AUTHORITY FOR THE FUND:

This fund was established as part of the Downtown PBID Management Plan/Engineer's Report, which was approved by City Council on June 12, 2007. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, the Downtown PBID Owners Association determines the assessment revenue needed to fund the services specific in the approved Management Plan. The Management Plan provides the assessments rates, which may increase by a maximum of 5% per year. The Downtown PBID Owners Association will forward the proposed assessment to City Council for approval.

FUND RESTRICTIONS:

Disbursements must fall under the guidelines described above and interest earned in the district must be expended for services within the district.

Revenues are assessments subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Downtown Property and Business Improvement District Fund

Fund 302

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.50

NOTES:

Location of District:

The boundary of the Downtown Property and Business Improvement District (PBID) is generally described as the core of the Downtown area bounded roughly by:

- 4th Street, including the City Hall complex, to the East
- St. James and Devine Streets to the North
- Highway 87 and the Arena complex to the West, and
- Reed Street to the South

Zones of Benefit:

The PBID Management Plan also established two zones of benefit within the Downtown area described as:

- Premium zone of benefit encompasses the core of Downtown and is bounded roughly by St. John to the North, Almaden to the West, Reed Street to the South, and 4th Street to the East.
- Basic zone of benefit includes the remainder of the Downtown area and generally includes the perimeter to the boundary of the PBID on the West and North, including City Hall.

Economic Development Administration Loan Fund

Fund 444

PURPOSE OF THE FUND:

The Economic Development Administration Loan Fund accounts for moneys received from the United States Department of Commerce, Economic Development Administration, for the City of San José economic development administration program (Section 4.80.2410). Also deposited into the fund are any moneys which constitute repayments of loans and/or the interest accruing thereon.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2400 through 4.80.2430. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Interest earnings
- Investment earnings
- Moneys received from the United States Department of Commerce, Economic Development Administration, for the City of San José economic development administration program

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.

Subject to the provisions of Municipal Code Section 4.80.2430, moneys in the Economic Development Administration Loan Fund shall be expended only for:

- A. Loans to small businesses for business expansion, remodeling, working capital, equipment, or other specified uses with the goal of generating additional employment opportunities as a result of such assistance to businesses within the City of San José.
- B. Expenses for the administration of the Economic Development Administrative Loan Fund. Such expenses include, but are not limited to, the following: purchase of supplies and materials necessary to conduct the program; auditing and actuarial services; contractual services to accomplish the administration of the fund; and any other expenses, both direct and indirect, of administration of the fund (Municipal Code Section 4.80.2420).

The City Council may transfer at any time moneys which constitute repayment of loans made pursuant to Municipal Code Section 4.80.2420A, and/or interest accrued thereon, from the Economic Development Administration Loan Fund to any other fund, provided the transfer is consistent with applicable federal regulations.

**Economic Development Administration
Loan Fund**

Fund 444

LEAD RESPONSIBILITY:

Housing Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 24.01

NOTES:

Oversight of this fund was transferred from the Office of Economic Development to the Housing Department in 2008-2009.

Economic Development Enhancement Fund	Fund 439
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PURPOSE OF THE FUND:

The Economic Development Enhancement Fund (DEF) accounts for grants and interest income to assist San José small businesses by providing loan guarantees to lenders for transactions that do not meet traditional banking standards and provides direct loans to eligible and qualified borrowers to close the gap in financing when the lender does not provide the total amount of funds requested. In addition, technical assistance is provided to small businesses as necessary. The fund was established by the City Council to encourage job retention and creation for San José residents; increase sales revenue for the City of San José; and initiate overall economic development.

In November 2006 the City Council approved the reallocation of DEF funding to support the City's Economic Development Catalyst Program by providing equity financing to San José small businesses through a competitively selected intermediary investment service provider. The intermediary investment service provider identifies packages and presents for City approval equity investment in high growth businesses. If approved, the investment service provider facilitates on-going technical assistance and prepares the exit strategy to secure the City's return on the specific company investments.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.440 through 4.80.460. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

All of the following moneys shall be placed in and credited to the Economic Development Enhancement Fund:

- All moneys received from borrowers for the repayment of Economic Development Enhancement Fund loans.
- All interest earned on funds within the Economic Development Enhancement Fund.
- All moneys which the City Council from time to time may transfer to or order to be placed in or credited to the Economic Development Enhancement Fund.

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.

Moneys in the Economic Development Enhancement Fund may only be expended to provide funding assistance for activities and projects that enhance economic development in the City, including but not limited to, job creation and City revenue enhancement.

Economic Development Enhancement Fund Fund 439**FUND RESTRICTIONS (CONT'D.):**

All interest earned on funds within the Economic Development Enhancement Fund must be expended on services within the fund.

LEAD RESPONSIBILITY:

- Office of Economic Development
- Finance Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 24.02

Edward Byrne Memorial Justice Assistance Grant Trust Fund

Fund 474

PURPOSE OF THE FUND:

The Edward Byrne Memorial Justice Assistance Grant (JAG) Trust Fund accounts for the funding received from the federal government in support of the federal JAG Program. The funds are used to support a broad range of activities to prevent and control crime and to improve the criminal justice system.

Funds can be used for the following activities:

- State and local initiatives to prevent and control crime and to improve the criminal justice system;
- training law enforcement officers and necessary support personnel;
- equipment, technology, and other materials directly related to basic law enforcement functions;
- contractual support and informational systems for prosecution, prevention and education, drug enforcement, and technology improvement programs;
- establishing multi-jurisdictional task forces to prevent or control crime;
- establishing crime prevention programs involving cooperation between the community and law enforcement personnel; and
- school safety and school resource officer initiatives.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.3450 through 4.80.3480. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- United States Department of Justice, Edward Byrne Memorial Justice Assistance Grants
- Transfers from other funds
- Interest earnings

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.

All interest accrued must be deposited in this fund and can not be transferred to other funds. Moneys in this fund must be expended for law enforcement activities in accordance with federal guidelines, as summarized above.

**Edward Byrne Memorial Justice
Assistance Grant Trust Fund****Fund 474****LEAD RESPONSIBILITY:**

Police Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 33.02

NOTES:

In 2004, the Federal Bureau of Justice Assistance discontinued the Local Law Enforcement Block Grant Program, which financed the Local Law Enforcement Block Grant Fund (Fund 415), and replaced it with the Edward Byrne Memorial Justice Assistance Grant Trust Fund (Fund 474).

The ARRA Public Safety Program Fund (Fund 477) is a memo fund to the Edward Byrne Memorial Justice Assistance Grant Trust Fund.

Emergency Reserve Fund**Fund 406****PURPOSE OF THE FUND:**

The Emergency Reserve Fund was created in accordance with the City Charter for the purpose of meeting any public emergency involving or threatening the lives, property, or welfare of the people or property of the City.

In case of a public emergency involving or threatening the lives, property or welfare of the people or the property of the City, the City Manager shall have the power, until the next meeting of the Council, subject to the availability of funds and subject to such conditions, restrictions and limitations as the Council may impose, to summon, organize and direct the forces of any department of the City in any needed service, to summon, marshal, deputize or otherwise employ other persons, or to do whatever else he or she may deem necessary for the purpose of addressing the emergency. To the extent that other moneys have not been appropriated or are otherwise unavailable, he or she may expend any unencumbered moneys in the Emergency Reserve Fund despite the fact that such moneys may not have been appropriated for such purpose. At the first meeting of the Council following any such action, the City Manager shall present to the Council a full report of what he or she has done to meet the emergency.

AUTHORITY FOR THE FUND:

City Charter Section 1213, San José Municipal Code Section 4.12.145. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from non-restricted funding sources in any amount which the Council deems desirable

FUND RESTRICTIONS:

This fund is not subject to Proposition 218 requirements. To the extent that the amount of money in the Emergency Reserve Fund exceeds the amount the Council deems desirable, the Council may transfer excess funds for any other purpose. The City Council has approved the transfer of interest earnings in this fund to the General Fund, as the San José Municipal Code contains no restrictions on the disposition of interest earnings in this fund.

LEAD RESPONSIBILITY:

Finance Department

Emergency Reserve Fund

Fund 406

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 21.01

NOTES:

Funds are placed in the restricted fund balance in cases where the use of funds is still in negotiation with either the federal or State government.

Emma Prusch Memorial Park Fund**Fund 131****PURPOSE OF THE FUND:**

The Emma Prusch Memorial Park Fund accounts for funds received by the City from the sale or rental of any portion of the property at Emma Prusch Farm Park. In 1962 Emma Prusch gifted a parcel of land to the City of San José at the northwest corner of King and Story Roads for the purpose of establishing, improving, and maintaining, a public park for the use and benefit of the people of the City of San José. Of the original gift, eleven acres became home to the Police Activities League (PAL) for youth sports and 47 acres were dedicated in 1962 as Emma Prusch Farm Park.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.550 through 4.80.570. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Parcel of land gifted to the City of San José by Emma Prusch in 1962
- Interest earnings
- Rental income
- Sales income

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.

Moneys may only be used for maintenance and improvements of the park (City Council Ordinance 38742).

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

Emma Prusch Memorial Park Fund**Fund 131****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 10.02

NOTES:

Emma Prusch Farm Park is located at 647 South King Road in San José.

Federal Drug Forfeiture Fund**Fund 419****PURPOSE OF THE FUND:**

The Federal Drug Forfeiture Fund accounts for all moneys received by the City from the federal government pursuant to the drug abuse prevention and control provisions of Title 21, Chapter 13 of the United States Code. Federal guidelines for this fund stipulate that seizure moneys are to be used for the financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2800 through 4.80.2820. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- All moneys received by the City pursuant to United States drug abuse prevention and control provisions (United States Code, Title 21, Chapter 13)
- Interest earnings

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.

Moneys in this fund may only be used in accordance with guidelines promulgated by the U.S. Government. Seizure moneys are to be used for financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

LEAD RESPONSIBILITY:

Police Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 13.02

Federated Retirement Fund**Fund 134****PURPOSE OF THE FUND:**

The Federated Retirement Fund was established to manage investments and to provide for retirement benefits to eligible employees of the City, except members of the Police and Fire Retirement Plan, and their beneficiaries. Retirement benefits include service retirement payments, service connected disability and non-service connected disability retirement payments, survivorship benefit payments, death benefit payments, and medical and dental benefits payments. All income and other moneys related to these benefits are paid into and held in this fund. All benefits or allowances to retired members of the Federated City Employees' Retirement System and their beneficiaries are paid from this fund.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 3.28.010 through 3.28.375. The Federated Retirement Board has the exclusive control over the administration and investment of the Federated Retirement Fund.

SOURCE OF FUNDS:

- City contributions
- Employee contributions
- Interest earnings
- Interfund transfers
- Investment earnings

FUND RESTRICTIONS:

Funds are held in trust for the exclusive purpose of providing benefits to members of the Federated Retirement System and their beneficiaries and defraying the reasonable expenses of administration of the System. Because the System is designed to be a "qualified plan," additional limitations are imposed by the Internal Revenue Code.

LEAD RESPONSIBILITY:

Retirement Services Department

Federated Retirement Fund**Fund 134****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Fiduciary Fund

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

N/A

NOTES:

The Federated Retirement Fund is budgeted separately from all other City funds, and therefore, is not represented in the Appropriation Ordinance. This fund appears in the Adopted Operating Budget for informational purposes only, due to the fact that City staff directly charge this fund.

A cap on administrative expenses of 0.1% of Total Assets exists for this fund. The percentage is calculated by dividing the total personal services costs by total assets held in the fund. The cap may be changed through the meet and confer process with employee organizations representing members of the Federated System.

The Federated Employee Cost of Living Fund (Fund 140) is a memo fund to this fund.

Fiber Optics Development Fund**Fund 007****PURPOSE OF THE FUND:**

The Fiber Optics Development Fund accounts for the repayment of the loan from the Sewage Treatment Plant Connection Fee Fund that was the source of funds for the Fiber Optics Development Fund. This fund was established to pay the installation costs of empty fiber optic conduits that were to be leased to private fiber optic utility providers as a revenue generating measure. Moneys were expended from the fund for the installation of the fiber optic conduit. However, the project has encountered a number of obstacles that preclude further development or leasing of the fiber optics system.

Funds are deposited from the General Fund to the Fiber Optics Development Fund for the purpose of repaying the Sewage Treatment Plant Connection Fee Fund. Per the terms of the loan agreement specified in Resolution No. 66629, the loan must be repaid within 15 years, with interest equal to the rate of return earned by the City's pooled investment rate. The loan will be due and payable immediately if funds are needed by the Sewage Treatment Plant Connection Fee Fund. It is anticipated that this loan will be paid on or before April 30, 2011.

AUTHORITY FOR THE FUND:

On April 30, 1996, the City Council authorized staff to design and install 40 miles of fiber optics conduit in conjunction with the South Bay Water Recycling Project at a cost of \$5.152 million. A separate fund, the Fiber Optics Development Fund, was established (Ordinance No. 25075) to track the costs and revenues of this program. The project was funded through a loan from the Sewage Treatment Plant Connection Fee Fund. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from other funds
- Interest Earnings

FUND RESTRICTIONS:

The City Council may at any time transfer moneys from the Fiber Optics Development Fund to any other appropriate fund.

LEAD RESPONSIBILITY:

Environmental Services Department provides fiscal oversight of the loan repayment transactions between this fund and the Sewage Treatment Plant Connection Fee Fund. Public Works and General Services Departments provide oversight of the fiber optics network conduit system.

Fiber Optics Development Fund

Fund 007

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Capital Projects

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 2.50

Gas Tax Maintenance and Construction Fund-1943

Fund 409

PURPOSE OF THE FUND:

The Gas Tax Maintenance and Construction Fund-1943 accounts for moneys received by the City from the State of California under the provisions of Streets and Highways Code Section 2107. Moneys are to be expended exclusively for the acquisition of real property or the construction, maintenance, or improvement of streets or highways, other than state highways.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.1550 through 4.80.1570. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Payments from the State of California under the provisions of the Streets and Highways code

FUND RESTRICTIONS:

Moneys are to be expended exclusively for the acquisition of real property or the construction, maintenance, or improvement of streets or highways, other than state highways.

The Municipal Code does not state whether revenues and/or equity can be legally transferred to other funds. However, the City Council authorizes, through Council resolution, the transfer of moneys to the General Fund to reimburse expenditures related to projects qualified to use special gas tax improvement funds. Per City Council policy, all interest earnings in this fund are transferred to the General Fund.

LEAD RESPONSIBILITY:

- Finance Department
- Transportation Department

FINANCIAL INFORMATION AND LOCATION:

CAFR Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.01

Gas Tax Maintenance and Construction Fund-1964

Fund 410

PURPOSE OF THE FUND:

The Gas Tax Maintenance and Construction Fund-1964 accounts for moneys received by the City from the State of California under the provisions of Streets and Highways Code Section 2106. Moneys are to be expended exclusively for the acquisition of real property or the construction, maintenance, or improvement of streets or highways, other than state highways.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.1550 through 4.80.1570. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Payments from the State of California under the provisions of the Streets and Highways code

FUND RESTRICTIONS:

Moneys are to be expended exclusively for the acquisition of real property or the construction, maintenance, or improvement of streets or highways, other than state highways.

The Municipal Code does not state whether revenues and/or equity can be legally transferred to other funds. However, the City Council authorizes, through Council resolution, the transfer of moneys to the General Fund to reimburse expenditures related to projects qualified to use special gas tax improvement funds. Per City Council policy, all interest earnings in this fund are transferred to the General Fund.

LEAD RESPONSIBILITY:

- Finance Department
- Transportation Department

FINANCIAL INFORMATION AND LOCATION:

CAFR Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.02

Gas Tax Maintenance and Construction Fund-1990

Fund 411

PURPOSE OF THE FUND:

The Gas Tax Maintenance and Construction Fund-1990 accounts for all moneys received by the City from the State of California under the provisions of Streets and Highways Code Section 2105. The moneys shall be used for the acquisition of real property or interests or the construction, maintenance, or improvement of streets or highways, other than state highways.

AUTHORITY FOR THE FUND:

This fund is a memo fund to the Gas Tax Maintenance and Construction Fund-1964 (Fund 410) that was authorized per San José Municipal Code Section 4.80.1550 through 4.80.1570. Revenue and expenditure estimates are budgeted via City Council sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Payments from the State of California under the provisions of the Streets and Highways code

FUND RESTRICTIONS:

Moneys are to be expended exclusively for the acquisition of real property or the construction, maintenance, or improvement of streets or highways, other than state highways.

The Municipal Code does not state whether revenues and/or equity can be legally transferred to other funds. However, the City Council authorizes, through Council resolution, the transfer of moneys to the General Fund to reimburse expenditures related to projects qualified to use special gas tax improvement funds. Per City Council policy, all interest earnings in this fund are transferred to the General Fund.

LEAD RESPONSIBILITY:

- Finance Department
- Transportation Department

FINANCIAL INFORMATION AND LOCATION:

CAFR Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.03

General Fund**Fund 001****PURPOSE OF THE FUND:**

The General Fund is the chief operating fund of the City of San José and is used to account for all the revenues and expenditures of the City which are not related to special or capital funds. The General Fund is the primary funding source for public safety and neighborhood services.

AUTHORITY FOR THE FUND:

City Charter, Section 1211. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Property Tax
- Sales Tax
- Transient Occupancy Tax
- Telephone Line Tax
- Franchise Fees
- Utility Tax
- Licenses and Permits
- Fines, Forfeitures, and Penalties
- Revenue from Money and Property
- Revenue from Local Agencies
- Revenue from State Government
- Revenue from Federal Government
- Departmental Charges
- Other Revenue
- Transfers and Reimbursements

FUND RESTRICTIONS:

There are no restrictions on the usage of funds in the General Fund.

LEAD RESPONSIBILITY:

Office of the City Manager

General Fund**Fund 001****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-General Fund

Budget Location:

Adopted Capital Budget and Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

2.01 through 2.39; 2.41 through 2.49

NOTES:

By City Council policy, a contingency reserve is maintained in the General Fund for the purpose of meeting unexpected circumstances, such as a General Fund revenue shortfall. The Council policy requires that the contingency reserve be equal to or no less than 3% of the operating budget.

General Purpose Parking Fund**Fund 533****PURPOSE OF THE FUND:**

The General Purpose Parking Fund accounts for the parking operations of facilities and to accumulate resources for the financing of the Parking Program capital improvements.

Moneys within the General Purpose Parking fund are restricted as described below. Historically, moneys in this fund have been expended for the following purposes:

- Acquisition of land and interests for public vehicular off-street parking facilities and costs of leasing lands for public vehicular purposes;
- operating expenses for off-street parking facilities;
- acquisition, construction, and installation of improvements for public vehicular off-street parking facilities; and
- costs of acquiring and installing parking meters on public right of ways and costs of maintenance, operation, repair, and servicing of such parking meters, and the costs of collecting the revenues from those meters.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.650 through 4.80.670. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

The following moneys shall be deposited in the General Purpose Parking Fund:

- All moneys received by the City from off-street vehicular parking facilities owned by the City, other than Airport Parking and Municipal Stadium Parking;
- all moneys received by the City from on-street parking meters in public streets; and
- moneys transferred by the City Council into the fund from the General Fund or any other City fund which may be used for the purposes set forth in Section 4.80.670.

FUND RESTRICTIONS:

This fund is not subject to Proposition 218 requirements. The City Council may transfer moneys from this fund to any other fund (4.80.670B) subject to the bond covenants related to the City of San José Financing Authority Revenue Bonds, Series 2001A (4th and San Fernando Parking Facility Project) (the “Parking Project Bond”).

General Purpose Parking Fund**Fund 533****FUND RESTRICTIONS (CONT'D):**

The Parking Project Bond covenants require that all revenues generated within the City's Parking System be deposited in the General Purpose Parking Fund. The Parking System generally includes all parking facilities, except for Airport and park facilities. The Parking System revenues are subject to the lien for the Parking Project Bond debt service payments. Under the terms of the bond documents, specifically the Agency Pledge Agreement, the San Jose Redevelopment Agency (SJRA) has pledged surplus tax increment and other legally available funds for the debt service payments. To the extent that a debt service payment has been made, the lien on Parking System Revenues is released as to the amount of that debt service payment.

In addition, the Parking Project Bond covenants require the City to operate, maintain, and preserve the Parking System in good repair and working order and to maintain a reserve equal to 25% of all operations and maintenance expenses.

The City Council, at its discretion, may transfer money, including interest earned, deposited into the General Purpose Parking Fund into any Special Fund or into the General Fund so long as the lien for payment of debt service has been released from the amount to be transferred and provided that there are sufficient available funds for the Parking System and a reserve for operations and maintenance expenses.

LEAD RESPONSIBILITY:

Department of Transportation

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

Proprietary Fund-Enterprise

Budget Location:

Adopted Operating Budget; Adopted Capital Budget and Capital Improvement Program (Parking Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 8.01

NOTES:

The Parking Capital Development Fund (Fund 556) is a memo fund to the General Purpose Parking Fund.

Gift Trust Fund**Fund 139****PURPOSE OF THE FUND:**

The Gift Trust Fund accounts for all moneys that the City collects as bequests, donations or gifts for special purposes. The City Manager is authorized to accept, on behalf of the City, any monetary or non-monetary bequest, donation or gift for special purposes in an amount or value of \$100,000 or less. Gifts greater than \$100,000 must be accepted by the City Council.

Moneys in the Gift Trust Fund can be designated as either expendable or non-expendable.

Expendable – each bequest, donation or gift deposited in such fund, together with interest of other moneys derived from its investment while in such fund, shall be expended only for purposes originally given and then only pursuant to appropriations in the fund, as established by the City Council.

Non-expendable – The original deposit and all subsequent deposits made into such fund must remain intact until such time as the agreement expires. Any interest, or other moneys derived from its investment, however, may be expensed solely for purposes outlined in the agreement. The non-expendable portion of the Gift Trust Fund must remain intact until such a time when the donor designates expenditures may be made.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.700. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Donations and gifts received for special purposes
- Interest earned

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.

Interest earnings must be combined with the gift that generated the interest and expended according to the specific purpose of the gift.

LEAD RESPONSIBILITY:

Finance Department

Gift Trust Fund**Fund 139****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 17.01

NOTES:

The Gift Trust Fund is appropriated on a cash balance basis. When the Proposed Operating Budget is developed, gifts and interest earned in the current year, along with any anticipated current year savings, are allocated for the upcoming year. Cash balances through February or March are generally used at this point. In the Annual Report, the appropriations are adjusted to reflect actual cash balances through the end of the previous fiscal year.

Home Investment Partnership Program Trust Fund

Fund 445

PURPOSE OF THE FUND:

The Home Investment Partnership Program Trust Fund accounts for all moneys allocated to the City of San José by the United States Department of Housing and Urban Development in accordance with the HOME Investment Partnerships Act (HOME); all matching contributions made in accordance with the requirements and regulations of the Act; all repayments of HOME funds; all interests payments or other return on investments of HOME funds; and other moneys that the City Council may transfer from other funds. According to the Code of Federal Regulations (24 CFR, Part 92) the objectives of this fund are:

- To expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Americans;
- to strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent affordable housing;
- to provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low income housing; and
- to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2850 through 4.80.2880. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Moneys allocated to the City of San José by the United States Department of Housing and Urban Development in accordance with the HOME Investment Partnership Act
- Matching contributions made in accordance with the requirements of the HOME Investment Partnership Act
- Moneys transferred from other funds as determined by City Council
- Interest earnings
- Investment earnings
- Interest and principal payments on loan receivables

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.

Home Investment Partnership Program Trust Fund

Fund 445

FUND RESTRICTIONS (CONT'D.):

Moneys in the Home Investment Partnership Program Trust Fund are to be used only in accordance with the HOME Investment Partnerships Act and any applicable regulations. These funds should only be used for housing rehabilitation, tenant-based assistance, assistance to first time home buyers, new construction when a jurisdiction is determined to need new rental housing production either by formula, or under neighborhood revitalization or special needs requirements. Funding may be used for other necessary and reasonable activities related to the development of non-luxury housing, such as site acquisition, site improvements, demolition, and relocation. Funds may not be used for programs, operating subsidies for rental housing, Annual Contributions Contracts, or activities under the Low Income Housing Preservation Act. (24 CFR, Part 92) (Municipal Code Section 4.80.2870).

All interest payments and all other returns on investment of moneys shall be deposited in and credited to the Home Investment Trust Fund and shall not be transferred to any other fund (Section 4.80.2880).

LEAD RESPONSIBILITY:

Housing Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 23.02

NOTES:

The Rental Rehabilitation Loan Fund (Fund 445) is a memo fund to the Home Investment Partnership Program Trust Fund.

Housing Trust Fund**Fund 440****PURPOSE OF THE FUND:**

The Housing Trust Fund accounts for moneys that provide funding for housing programs in accordance with the Housing Trust Fund Policy adopted by the City Council and are: (1) programs operated by the City of San José; or (2) programs operated by nonprofit organizations which meet certain federal requirements including exemption from taxation.

The Housing Trust Fund serves as a vehicle for addressing the housing needs of extremely low-, very low-, low- and moderate-income persons and households, and to assist agencies that serve the housing needs of these groups through a combination of funds as provided.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.3000 through 4.80.3030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Investment earnings
- Interest earnings
- Bond Administration Fees
- Grant Fees
- Tax Credit Application Review Payments
- In-Lieu Fees from Inclusionary Requirements
- Interest and principal payments on loan receivables
- All monies received from the sale of mortgages made in connection with the redemption and/of defeasance of the City of San José Single Family Mortgage Revenue Bonds

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.

All interest payments and all other returns on investments of moneys in the fund shall be deposited in and credited to the fund.

The City Council may, subject to any contractual or other legal limitations, transfer interest earnings and other returns on investments to the General Fund or to other City funds.

LEAD RESPONSIBILITY:

Housing Department

Housing Trust Fund

Fund 440

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 23.03

NOTES:

This fund was formally known as the Housing and Homeless Fund.

Ice Centre Revenue Fund**Fund 432****PURPOSE OF THE FUND:**

The Ice Centre Revenue Fund accounts for rental revenues received from Sharks Ice at San José (formerly known as Logitech Ice at San José) operations, for the accumulation and transfer of base rental income to the debt service fund for repayment of the debt and for repairs and improvements at the facility.

AUTHORITY OF THE FUND:

This fund is required by the amended and restated lease agreement between the City and San José Arena Management LLC dated May 25, 2004. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE FOR FUNDS:

- Base and ground rental revenues received from operations at the Sharks Ice at San José
- Interest earnings

FUND RESTRICTIONS:

Fee increases and changes to the usage of funds in the Ice Centre Revenue Fund are not subject to Proposition 218 requirements. Funds can only be used for expenditures in connection with the facility. Interest earned must remain in this fund.

LEAD RESPONSIBILITY:

City Manager's Office

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 10.07

Integrated Waste Management Fund**Fund 423****PURPOSE OF THE FUND:**

The Integrated Waste Management Fund accounts for expenditures and revenues related to the integrated waste management program. It enhances the City's ability to provide the fiscal and management controls necessary to meet the challenges of providing a nationally recognized comprehensive integrated waste management program.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.3050 through 4.80.3080. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- All moneys received from residential solid waste generators as payments for services under the Recycle Plus Integrated Waste Management Program
- All source reduction and recycling fees
- All payments made to the City by the California Department of Conservation, Division of Recycling, under the City/County Payment Program established by Senate Bill 332 (Chapter 815, Statutes of 1999).
- All moneys received from the Construction and Demolition Diversion Deposit (CDDD) Program that are identified as abandoned deposits or deposits ineligible for refund. Such moneys shall be used only for purposes supporting the CDDD Program.
- Transfers from other funds
- All interest payments and other returns on investment of moneys

FUND RESTRICTIONS:

The City Council may at any time transfer moneys in the Integrated Waste Management Fund to the General Fund or to such fund of the City as determined by the City Council; however, except for small balances from late fees, the use of the funds is limited to providing residential integrated waste management services and source reduction and recycling programs.

Fee increases and changes to the charges for Recycle Plus services are subject to Proposition 218 requirements. The use of AB939 fees is restricted to source reduction, reuse, and recycling programs.

LEAD RESPONSIBILITY:

Environmental Services Department

Integrated Waste Management Fund

Fund 423

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 28.01

Interim City Facilities Improvements Fund	Fund 460
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PURPOSE OF THE FUND:

The Interim City Facilities Improvements Fund accounts for the procurement of programming and relocation services, purchase of technology, furniture, equipment, and improvements to existing facilities to implement the City's interim space plan. The Interim City Facilities Improvements Fund was originally established to support the space needs of those City services not moving to the new City Hall by moving them from old City Hall and/or other leased facilities into existing City facilities. Although this initial work has been completed, this fund is being retained in the event that the City Council determines to make improvements to the old City Hall facilities.

AUTHORITY FOR THE FUND:

The Interim City Facilities Improvement Fund was established by the City Council on January 13, 2004. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Commercial Paper
- Interest earnings

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.

Commercial paper is both taxable and tax-exempt. Tax-exempt commercial paper must be spent on tax-exempt eligible capital expenditures. Interest earned on tax-exempt commercial paper is also subject to the same requirements.

LEAD RESPONSIBILITY:

General Services Department

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

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Municipal Improvements Capital Program)

Appropriation Ordinance Location:

2.91

Lake Cunningham Fund**Fund 462****PURPOSE OF THE FUND:**

The Lake Cunningham Fund accounts for parking fees and lease payment revenues used for the purchase of equipment, maintenance, and operations at Lake Cunningham Park.

Moneys in the Lake Cunningham Fund may be expended for: improvements to Lake Cunningham Park, maintenance and operations at Lake Cunningham Park, and purchases and equipment attributable to or necessary for such maintenance and operations; and repayments of funds expended from other city funds for construction of parking facilities and ticket booth at Lake Cunningham Park.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2300 through 4.80.2330. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Interest earnings
- Parking fees
- Lease and rental payments

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.

All interest earned in the Lake Cunningham Fund must be credited to the fund.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

10.03

Lake Cunningham Fund

Fund 462

NOTES:

Lake Cunningham Park is located at 2305 South White Road in San José.

Library Parcel Tax Fund**Fund 418****PURPOSE OF THE FUND:**

The Library Parcel Tax Fund accounts for the annual parcel tax revenues to be used for enhancing the City's library services and facilities. Under the authority of Chapter 4.79 of the Municipal Code, parcel tax on real property in San José is collected by the County of Santa Clara in two approximately equal installments in the same manner and on the same applicable dates as established by applicable law for the collection of ad valorem property taxes by the County. The proceeds of the parcel tax are deposited twice per year into the Library Parcel Tax Fund. These proceeds may only be expended for Library purposes, including the following:

- the acquisition of library books and materials and related costs to maintain Library collections at all Libraries;
- the development and delivery of homework and educational programs for all age groups to support literacy and lifelong learning;
- the repair, equipping and staffing of Libraries; and
- the cost of collection and administration of the Library Parcel Tax.

AUTHORITY FOR THE FUND:

In November 2004, the voters of San José approved the imposition of a library parcel tax (Measure S) which enacted Chapter 4.79 of the Municipal Code. This fund was established pursuant to San Jose Municipal Code Section 4.79.020 as part of the 2005-2006 budget process. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Parcel Tax funds
- Interest earnings

FUND RESTRICTIONS:

All revenues, including interest earned on tax proceeds, must be used on appropriate library expenditures as specified in Chapter 4.79 of the Municipal Code.

Any increase in the parcel tax, other than described below, is subject to the limitations in Proposition 218.

LEAD RESPONSIBILITY:

Library Department

Library Parcel Tax Fund**Fund 418****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital and Operating Budget and Capital Improvement Program (Library Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 15.02

NOTES:

City Council Resolution Number 72269 (A Resolution of the Council of the City of San José Stating Its Intent to Maintain Funding Support for the Library) was adopted by the City Council on August 3, 2004. This resolution stated the City Council's intention that the base General Fund contribution to the Library Department annual operating budget be not less than 3.79% of the total Departmental City General Fund annual operating budget. The intent of this resolution is to ensure the Library Parcel Tax Fund does not absorb costs previously funded by the General Fund.

Beginning in 2006-2007, the City Council may increase the Library Parcel Tax rates if the City Council finds that the cost of living in the City of San José as shown on the Consumer Price Index (CPI) has increased over the preceding base period (which starting in 2007-2008, the base period is April 1 through March 31). The increase in the Library Parcel Tax rate may not exceed the increase in the CPI Index, and may never exceed 3%.

Low and Moderate Income Housing Fund**Fund 443****PURPOSE OF THE FUND:**

The Low and Moderate Income Housing Fund accounts for San José Redevelopment Agency Tax increment funds received to provide affordable housing rehabilitation and new housing programs. Funds are available for eligible administrative expenses, loans, and grants.

Loans to qualified San José residents are available for the purpose of rehabilitation or replacements of existing residences.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.2200 through 4.80.2240. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Tax increment moneys received from the San José Redevelopment Agency
- Interest earnings
- Interest, equity shares and principal payments on loan receivables
- Proceeds from rent or sale of property acquired with tax increment moneys
- Moneys which constitute repayments of loans
- Bond sale proceeds
- Line of credit
- Fee revenue from the Homebuyer Subordination Fee and the Multi-Family Project Transfer Ownership Fee

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.

The City Council may transfer moneys from the Low and Moderate Income Housing Fund to any other appropriate fund for increasing or improving the supply of low- and moderate-income housing in the City of San José. Funds cannot be used for homeless shelters.

Moneys in the Low and Moderate Income Housing Fund should be used only for the purposes of increasing and improving the supply of low- and moderate-income housing available in the City of San José, as defined in California Health and Safety Code Section 50052.5, to persons and families of low- and moderate-income households, as defined in Health and Safety Code Section 50105.

Low and Moderate Income Housing Fund **Fund 443****LEAD RESPONSIBILITY:**

Housing Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 23.01

NOTES:

The following funds are memo funds to the Low and Moderate Income Housing Fund:

- 1993 Series D Tax Exempt Bond Fund (Fund 447)
- ARRA- Low and Moderate Income Housing Fund (Fund 449)

Maintenance District No. 1 (Los Paseos) Fund Fund 352**PURPOSE OF THE FUND:**

The Maintenance District No. 1 (Los Paseos) Fund accounts for revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to City Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 1 (Los Paseos) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 1 (Los Paseos) Fund Fund 352**FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund- Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.01

NOTES:**Location of District:**

The boundary of Maintenance District No. 1 is generally described as the area bounded roughly by:

- Bernal Road and rear lot lines of property fronting Sprucemont Place on the North,
- Santa Teresa Golf Course on the West,
- Santa Clara Valley Water District canal and rear lot lines of property fronting Avenida España on the South, and
- Monterey Highway on the East.

Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund	Fund 354
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PURPOSE OF THE FUND:

The Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund accounts for revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands, mini-parks, and certain parcel frontages within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to City Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund	Fund 354
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund- Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.02

NOTES:**Location of District:**

The boundary of Maintenance District No. 2 is generally described as the area bounded roughly by:

- Trade Zone Boulevard on the North,
- Western Pacific Railroad and Capitol Avenue on the East,
- Southern Pacific Transportation Company on the West, and
- a line approximately 925 feet south of Concourse Drive on the South.

Maintenance District No. 5 (Orchard Parkway- Plumeria Dr.) Fund 357

PURPOSE OF THE FUND:

The Maintenance District No. 5 (Orchard Parkway-Plumeria Dr.) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 5 (Orchard Parkway-Plumeria Dr.) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 5 (Orchard Parkway- Plumeria Dr.) Fund 357

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.04

NOTES:

Location of District:

The boundary of Maintenance District No. 5 is generally described as the area bounded roughly by:

- Montague Expressway on the North,
- Guadalupe River on the West,
- Trimble Road on the South, and
- First Street on the East.

Maintenance District No. 8 (Zanker-Montague) Fund

Fund 361

PURPOSE OF THE FUND:

The Maintenance District No. 8 (Zanker-Montague) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands, decorative brickwork at district entrances, and Montague Expressway southern shoulder within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 8 (Zanker-Montague) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 8 (Zanker-Montague) Fund**Fund 361****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.07

NOTES:**Location of District:**

The boundary of Maintenance District No. 8 is generally described as the area bounded roughly by:

- Montague Expressway on the North and East,
- North First Street on the West, and
- Trimble Road on the South.

Maintenance District No. 9 (Santa Teresa- Great Oaks) Fund	Fund 362
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PURPOSE OF THE FUND:

The Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries, streetside frontage landscaping on the northern side of Santa Teresa Boulevard from Liska Lane to the western boundary of the George Page Park.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 9 (Santa Teresa- Great Oaks) Fund	Fund 362
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.08

NOTES:**Location of District:**

The boundary of Maintenance District No. 9 is generally described as the area bounded roughly by:

- A line approximately 320 feet west of Cottle Road on the West,
- Monterey Road on the Northeast,
- Santa Teresa Boulevard on the South, and
- Bernal Road on the Southeast.

Maintenance District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	Fund 364
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PURPOSE OF THE FUND:

The Maintenance District No. 11 (Brokaw Road from Junction Avenue to Old Oakland Road) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 11 (Brokaw Road from Junction Avenue to Old Oakland Road) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	Fund 364
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.10

NOTES:**Location of District:**

The boundary of Maintenance District No. 11 is generally described as the area bounded roughly by:

- Junction Avenue on the West,
- a line 550 feet west of Ringwood Avenue on the East,
- Coyote Creek on the South, and
- Fox Lane on the North.

Maintenance District No. 13 (Karina-O'Nel) Fund

Fund 366

PURPOSE OF THE FUND:

The Maintenance District No. 13 (Karina-O'Nel) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands, special paving, and fountains within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 13 (Karina-O'Nel) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 13 (Karina-O'Nel) Fund**Fund 366****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.12

NOTES:**Location of District:**

The boundary of Maintenance District No. 13 is generally described as the area bounded roughly by:

- A triangle by Guadalupe Parkway on the North,
- Highway 101 on the South, and
- North First Street on the East.

Maintenance District No. 15 (Silver Creek Valley) Fund

Fund 368

PURPOSE OF THE FUND:

The Maintenance District No. 15 (Silver Creek Valley) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include, but are not limited to, the maintenance and operation of all street islands, park strips, sidewalks, open space trails, slopes, utility crossings and vista point natural conservation areas within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 15 (Silver Creek Valley) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

**Maintenance District No. 15
(Silver Creek Valley) Fund****Fund 368****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.14

NOTES:**Location of District:**

The boundary of Maintenance District No. 15 is generally described as the area bounded roughly by:

- Casey Way on the North,
- Bayshore Freeway on the West,
- Hellyer Avenue on the South, and
- San Felipe Road on the East.

Maintenance District No. 18 (The Meadowlands) Fund

Fund 372

PURPOSE OF THE FUND:

The Maintenance District No. 18 (The Meadowlands) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of the landscaped entrance areas at three Thompson Creek bridges to the residential development referred to as “The Meadowlands”. Also included at the rear lot lines of six Meadowlands homes abutting San Felipe Road, is frontage landscape maintenance, the opens space trail and routine maintenance of the street side of the soundwall.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City’s acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 18 (The Meadowlands) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

**Maintenance District No. 18
(The Meadowlands) Fund****Fund 372****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Appropriation Ordinance Location:

7.18

NOTES:**Location of District:**

The boundary of Maintenance District No. 18 is generally described as the area bounded roughly by:

- The Villages planned residential development on the North,
- San Felipe Road on the West,
- California Oak Creek residential development on the South, and
- Richmond Ranch on the East.

Maintenance District No. 19 (River Oaks Area Landscaping) Fund	Fund 359
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PURPOSE OF THE FUND:

The Maintenance District No. 19 (River Oaks Area Landscaping) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands, and special paving within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 19 (River Oaks Area Landscaping) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 19 (River Oaks Area Landscaping) Fund	Fund 359
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.06

NOTES:**Location of District:**

The boundary of Maintenance District No. 19 is generally described as the area bounded roughly by:

- River Oaks Parkway and a line approximately 1,214 feet north of River Oaks Parkway on the North,
- North First Street on the West,
- Montague Expressway on the South, and
- Coyote River on the East.

Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund	Fund 365
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PURPOSE OF THE FUND:

The Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands and Renaissance Square street-side landscaping fronting on Renaissance Drive within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 20 (Renaissance- N. First Landscaping) Fund	Fund 365
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.11

NOTES:**Location of District:**

The boundary of Maintenance District No. 20 is generally described as the area bounded roughly by:

- A line approximately 400 feet southeast of Rose Orchard Way on the East,
- Tasman Drive on the South,
- Guadalupe River on the West, and
- Nortech Parkway on the North.

Maintenance District No. 21 (Gateway Place- Airport Parkway) Fund	Fund 356
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PURPOSE OF THE FUND:

The Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 21 (Gateway Place- Airport Parkway) Fund	Fund 356
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FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Capital Project

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.03

NOTES:

Location of District:

The boundary of Maintenance District No. 21 is generally described as the area bounded roughly by:

- Bayshore Freeway on the North,
- Guadalupe Parkway on the West,
- Sonora Drive on the South, and
- North First Street on the East.

Maintenance District No. 22 (Hellyer Ave.- Silver Creek Valley Rd.) Fund	Fund 367
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PURPOSE OF THE FUND:

The Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund accounts for the revenues collected and expenses related to services provided for the Maintenance District.

The services include but are not limited to the maintenance and operation of all street islands within the district boundaries.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.15.610 through 14.15.640. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Benefit assessments
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for maintenance districts. If expenditures for these improvements outpace the assessments, staff will reach out to the affected property owners to inform them of the funding shortfall and ask for input. After community outreach, staff will bring forward to Council for approval a process for increasing the assessment and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the maintenance district was created.

Fee increases and changes to the usage of funds which are deposited in the Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Maintenance District No. 22 (Hellyer Ave.- Silver Creek Valley Rd.) Fund	Fund 367
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FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.13

NOTES:**Location of District:**

The boundary of Maintenance District No. 22 is generally described as the area bounded roughly by:

- Highway 101 on the North,
- Coyote Creek on the West,
- southern properties adjacent to Silver Creek Valley Road on the South, and
- a line approximately 700 feet east of Hellyer Avenue on the East.

Major Collectors and Arterials Fund**Fund 421****PURPOSE OF THE FUND:**

The purpose of the Major Collectors and Arterials Fund is to promote and carry out the purposes and policies of the general plan for the City of San José. In particular, the fund provides moneys for the proposed arterial and major collector streets called for in the plan which are essential for the orderly, environmentally alert development of a balanced community.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 14.13.010 through 14.13.120. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Investment earnings
- Interest earnings

Whenever the City advances the costs of rights-of-way or improvements for a portion of an arterial or major collector street, owners or developers of land abutting to a portion of an arterial or major collector street are required to repay such advanced costs to the City when and if such land is sought to be developed and a development permit is issued or approved.

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.

Funds deposited in this fund are to be expended for the acquisition of rights-of-way for, and the construction of, and the improvements as described in the San José Municipal Code Section 14.13.060 for existing and proposed arterial and major collector streets. The interest earned must stay within the fund.

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

Major Collectors and Arterials Fund

Fund 421

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Traffic Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.06

Major Facilities Fund**Fund 502****PURPOSE OF THE FUND:**

The Major Facilities Fund accounts for fees associated with the connection and operation of municipal water facilities in the North San José, Evergreen, Alviso, Edenvale, and Coyote areas. Developer fees are paid into this fund for the future construction of large water mains, reservoirs, and other large projects.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.08.1100 through 15.08.1230. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Major Water Facilities Fee
- Interest earnings

FUND RESTRICTIONS:

Revenue and interest in this fund must be used pursuant to the provisions stated in the San José Municipal Code Section 15.08.1220.

Fee increases and changes to the usage of funds in the Major Facilities Fund are also subject to the requirements of Government Code Section 666013.

LEAD RESPONSIBILITY:

Environmental Services Department

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

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Water Utility System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 11.03

Multi-Source Housing Fund**Fund 448****PURPOSE OF THE FUND:**

The Multi-Source Housing Fund accounts for grants, inclusionary fees, and rental dispute mediation fees to support the Rental Rights and Referral Program, to expand the supply of affordable housing for low and very low income residents by providing both financial and technical assistance to nonprofit organizations in the production and operation of affordable housing, and to preserve the existing supply of affordable housing by providing rehabilitation grants and loans to low and moderate income homeowners.

AUTHORITY FOR THE FUND:

The creation of the Multi-Source Housing Fund was approved as part of the 2003-2004 Adopted Operating Budget. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Grants, awards and entitlements from the State (Cal Home, Building Equity and Growth in Neighborhoods (BEGIN), Proposition 46, Workforce Housing, and Exterior Accessibility Grants for Renters (EAGR)) and federal government (Housing Opportunities for People With Aids (HOPWA), HOPWA Shared Housing Assistance Placement and Supportive Services (SHAPPS), Emergency Shelter Grants (ESG))
- Fee revenue resulting from the City of San José Rent Control Ordinance and Mobile Home Ordinance
- In-Lieu Fees from Inclusionary Requirements
- San José Redevelopment Agency supplemental funding
- San José State University funds in support of the Faculty Homebuyer Program
- Other funds awarded to the City of San José Housing Department that are not assigned to the Low- and Moderate-Income Housing Fund, Community Development Block Grant Fund, Home Investment Partnership Fund, and/or Housing Trust Fund.

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.

The Multi-Source Housing Fund receives funding from a wide variety of sources, each with their own restrictions. Moneys in this fund are only to be used for purposes as defined by each individual funding source.

Multi-Source Housing Fund**Fund 448****LEAD RESPONSIBILITY:**

Housing Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 23.04

NOTES:

The ARRA- Homeless Prevention/Rapid Re-Housing Fund (Fund 305) is a memo fund to the Multi-Source Housing Fund.

Municipal Golf Course Fund**Fund 518****PURPOSE OF THE FUND:**

The Municipal Golf Course Fund accounts for all fiscal activity as it applies to the San José Municipal Golf Course, Los Lagos Golf Course, and Rancho del Pueblo Golf Course.

Moneys in the Municipal Golf Course Fund may be transferred to any other fund for any other purpose as the Municipal Golf Course Fund is a general purpose fund. Historically, expenses within this fund have included the cost of operations, repairs and maintenance, acquisition of property, supplies, materials, equipment, legal, administrative, debt service, environmental mitigation services, consultant services, and overhead expenses incurred related to City owned golf courses.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.850 through 4.80.870. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenues are generated from various City golf course operations
- Agriculture use revenues
- Interest earnings

FUND RESTRICTIONS:

The City Council may transfer moneys from the Municipal Golf Course Fund to any other fund for any purpose.

Fee increases and changes to the usage of funds in the Municipal Golf Course Fund are not subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Government Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 10.01

Neighborhood Security Act Bond Fund**Fund 475****PURPOSE OF THE FUND:**

The Neighborhood Security Act Bond Fund accounts for the general obligation bonds issued by the City pursuant to Measure O.

On March 5, 2002, San José voters approved Measure O, a \$159 million general obligation bond measure for public safety improvements. Measure O described the improvements to be funded by the general obligation bond proceeds as follows: “To improve San José’s fire, police and paramedic response times by: adding and improving fire stations and police stations, training facilities, and creating state-of-the-art 911 communication facilities...”

AUTHORITY FOR THE FUND:

The Neighborhood Security Act Bond Fund was established as part of the 2002-2003 Adopted Capital Budget. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Sale of bonds
- Interest earnings

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.

Bond proceeds and interest must be used for purposes as described in Measure O.

LEAD RESPONSIBILITY:

- Fire Department
- Police Department

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

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Public Safety Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 33.01

Parks and Recreation Bond Projects Fund**Fund 471****PURPOSE OF THE FUND:**

The Parks and Recreation Bond Projects Fund accounts for the general obligation bonds issued by the City pursuant to the San José Safe Neighborhood Parks and Recreation Bond Measure (Measure P).

On November 7, 2000, San José voters approved Measure P, a \$228,030,000 general obligation bond measure for park and recreational improvements. Measure P described the park and recreation improvements to be funded with the general obligation bond proceeds as follows: "...installing lighting; reconstructing deteriorating playgrounds and restrooms; preserving open space; constructing trails; constructing new recreational sports facilities; improving Community and Senior Centers; and constructing improvements to regional parks, like Happy Hollow Park and Zoo...". The City Council has identified various park and recreational projects to be funded by the Measure P bond proceeds over a 10-year period: renovate 95 neighborhood park play areas; renovate or expand nine community and senior centers; renovate 28 park restrooms; build two new sport complexes; expand the City's trail system at four locations; enhance four regional park facilities; and implement a number of improvements and renovations at Happy Hollow Park and Zoo.

AUTHORITY FOR THE FUND:

This fund was established by the City Council on January 30, 2001 and first appeared in the 2001-2002 Capital Budget. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Sale of bonds
- Interest earnings

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.

Bond proceeds and interest must be used for purposes as described in the San José Safe Neighborhood Parks and Recreation Bond Measure.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

Parks and Recreation Bond Projects Fund

Fund 471

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 31.01

Police and Fire Retirement Fund**Fund 135****PURPOSE OF THE FUND:**

The Police and Fire Retirement Fund was established to manage investments and provide for retirement benefits for sworn employees of the Police and Fire Department Retirement Plan, and their beneficiaries. Retirement benefits include service retirement payments, service connected disability and non-service connected disability retirement payments, survivorship benefit payments, death benefit payments, medical and dental benefits payments. All income and other moneys related to these benefits are paid into and held in this fund. All benefits or allowances to retired members of the Police and Fire Retirement System and their beneficiaries are paid from this fund.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 3.36.500 through 3.36.580. The Police and Fire Retirement Board has exclusive control over the administration and investment of the fund.

SOURCE OF FUNDS:

- City contributions
- Employee contributions
- Interest earnings
- Interfund transfers
- Investment earnings

FUND RESTRICTIONS:

Funds are held in trust for the exclusive purpose of providing benefits to members of the Police and Fire Retirement System and their beneficiaries and defraying the reasonable expenses of administration of the System. Because the System is designed to be a “qualified plan,” additional limitations are imposed by the Internal Revenue Code.

LEAD RESPONSIBILITY:

Retirement Services Department

Police and Fire Retirement Fund**Fund 135****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Fiduciary Fund

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

N/A

NOTES:

The Police and Fire Retirement Fund is budgeted separately from all other City funds, and therefore, is not represented in the Appropriation Ordinance. This fund appears in the Adopted Operating Budget for informational purposes only, due to the fact that City staff directly charge this fund.

There is no cap on administrative expenses within this fund.

The Police and Fire Employee Cost of Living Fund (Fund 141) is a memo fund to this fund.

Public Works Program Support Fund**Fund 150****PURPOSE OF THE FUND:**

The Public Works Program Support Fund accounts for Public Works administrative support costs associated with the capital improvement program, as well as compensated absence charges for the entire department (excluding the Public Works Department's Utility and Development Fee Programs). Costs of major administrative support functions covered by this fund include the following:

- Department management and implementation of Council policies
- Communication with the City Council and Council memorandum coordination
- Department fiscal, budget, and personnel management
- City-wide Capital project resource planning and cost estimation
- City-wide capital project database management and GIS support
- City-wide capital project labor compliance

An annual cost allocation plan determines fair share cost allocations at the project or fund level based on the level of service received by different capital programs. An annual compensated absence rate, which is applied to department labor charges, is developed based on annual paid absence hours (vacation, sick leave, executive leave, City holidays, etc.) and estimated direct salary charges.

AUTHORITY FOR THE FUND:

The Public Works Program Support Fund was proposed in MBA #48 (5-28-2004), and was subsequently adopted by the Council on June 22, 2004. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Service charges posted to benefited capital funds for the services and support received
- Revenue to support compensated absences generated by a calculated rate applied to Public Works direct salary charges
- Transfers from other funds (including Bond funds)
- Interest earnings

FUND RESTRICTIONS:

Portions of the proceeds in this fund come from restricted funding sources and must be expended within the limits of the funding source.

Public Works Program Support Fund**Fund 150****LEAD RESPONSIBILITY:**

Public Works Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 34.01

NOTES:

Revenue in this fund is largely dependent on expenditures in the capital programs that Public Works staff support. The rates assigned to capital programs are intended to recover each program's fair share allocation which is based on prior year actual expenditures rather than estimated expenditures for the current year. Because of this, rate adjustments may be required during the fiscal year if capital program activity changes significantly, with the goal to collect the equivalent of all expenditures made from this fund for capital program support services and compensated absences.

This fund was reclassified from a Proprietary Fund-Internal Service Fund to a Governmental Fund-Special Revenue Fund in the 2009-2010 Adopted Operating Budget.

Residential Construction Tax Contribution Fund

Fund 420**PURPOSE OF THE FUND:**

The Residential Construction Tax Contribution Fund accounts for taxes imposed upon the construction of single-family dwelling units or any mobile home lots in the City. The Residential Construction Tax is collected and placed in the Residential Construction Tax Contribution Fund and is used to reimburse developers who have constructed that portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median island landscaping and other street improvements.

The San José Municipal Code regulates the expenditures and the reimbursement of revenues to individuals who incur expenditures to construct or maintain, at their own expense, city streets, highways, etc. If the taxes in the fund are insufficient to make a full reimbursement, available funding should be used, with the remainder of the reimbursement to be processed once additional taxes are received.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.64.090 through 4.64.100. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Residential Construction Tax collections

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.

The Municipal Code allows for short-term loans from this fund to any other fund, upon approval by the City Council. The City Council has approved the transfer of interest earnings in this fund to the General Fund, as the San José Municipal Code contains no restrictions on the disposition of interest earnings in this fund.

LEAD RESPONSIBILITY:

Public Works Department

**Residential Construction Tax
Contribution Fund**

Fund 420

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Developer Assisted Projects Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 6.04

San José Arena Enhancement Fund**Fund 301****PURPOSE OF THE FUND:**

The San Jose Arena Enhancement Fund accounts for arena capital enhancements funded by contributions from HP Pavilion Management and the City, under the terms of the Amended and Restated San José Arena Management Agreement (Agreement). The Agreement approved by the City Council on December 19, 2000 provides that the City and San José Arena Management (SJAM) are required to contribute into a San José Arena Enhancement Fund. In 2007, an Addendum to the Agreement was approved providing certain funding in association with Comerica naming rights. The City's portion of these funds are to be held in a separate account by the City and used as provided in the Agreement. In the same year, a Capital Enhancements Agreement was approved by the Council. Under the terms of the Capital Enhancements Agreement, the City funded half (\$8.25 million) of the total improvements (\$16.5 million) through the issuance of taxable commercial paper notes issued for this purpose by the City of San José Financing Authority and to be repaid by the City. For administrative convenience the taxable commercial paper proceeds were placed in the Enhancement Fund and dispersed per the 2007 Capital Enhancement Agreement. Pursuant to the 2007 Capital Enhancements agreement certain funds held in the Enhancement Fund, funds from the Comerica naming rights Addendum and additional specified funds available through the Agreement are authorized to be used by the City to repay the commercial paper notes. The addendum to the agreement between the City and SJAM dated April 24, 2009 specifies that this revenue be deposited directly into the San José Arena Enhancement Fund in order to pay for the City's share of the capital improvements.

AUTHORITY FOR THE FUND:

Establishment of this fund was required as part of the above referenced Arena Management Agreement.

SOURCE OF FUNDS:

- Commercial Paper Proceeds
- Transfers from the General Fund
- Payments from HP Pavilion Management
- Interest earnings
- Comerica Agreement Naming Rights Revenue (City share)

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.

Moneys in this fund are governed by the Agreement. Commercial paper notes must be spent for the purpose for which the notes were issued.

San José Arena Enhancement Fund**Fund 301****FUND RESTRICTIONS (CONT'D.):**

Under the terms of the Agreement, moneys in this fund shall be used for capital enhancements to the San José Arena. Capital enhancements are defined, per the Agreement, as expenditures that are not required to repair or replace faulty or worn out capital items but made to improve the quality or functioning of the Arena Facilities, including costs of capital repairs and replacements in excess of costs necessary to restore or replace capital items to the same or substantially similar level of quality or function as originally installed. All moneys, if any, including interest earned shall remain in this fund even after the termination of the current Agreement.

LEAD RESPONSIBILITY:

City Manager's Office – Office of Economic Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 24.03

San José Municipal Stadium Capital Fund**Fund 476****PURPOSE OF THE FUND:**

The San José Municipal Stadium Capital Fund accounts for revenues that are received pursuant to the agreement with Baseball Acquisition Company, Inc. for the use, operation, and management of the San José Municipal Stadium.

AUTHORITY FOR THE FUND:

This fund was established by the City Council on November 6, 2007. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Naming rights and Enhanced Video Board revenues
- Baseball Acquisition Company, Inc. Annual Fees

FUND RESTRICTIONS:

While the use of moneys within this fund is not subject to Proposition 218, moneys deposited in this fund, including interest earnings, are restricted by the City's agreement with Baseball Acquisition Company, Inc. as described above.

LEAD RESPONSIBILITY:

City Manager's Office

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

Governmental Fund-Capital Project

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

36.01

NOTES:

San José Municipal Stadium is located at 588 East Alma Avenue in San José.

San José-Santa Clara Treatment Plant Capital Fund

Fund 512

PURPOSE OF THE FUND:

The San José-Santa Clara Treatment Plant Capital Fund accounts for capital projects related to the San José-Santa Clara Water Pollution Control Plant (WPCP), including the South Bay Water Recycling System, and is governed by the March 30, 1959 Treatment Plant Master Agreement between the City of San José and the City of Santa Clara and Master Agreements with each of the Plant tributary agencies. The moneys deposited in this fund shall be used to pay the costs and expenses incurred in connection with the acquisition, construction or development of any future capital assets at the WPCP, including the South Bay Water Recycling System. Furthermore, the funding/fund balance of this fund is based on each participating agency's proportional share of the budget for capital costs for the WPCP as apportioned to treatment parameters and as recommended by the Treatment Plant Advisory Committee (TPAC) and approved by the City of San José, the administering agency.

AUTHORITY FOR THE FUND:

This fund is required under the 1959 Treatment Plant Master Agreement and tributary agency Master Agreements. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from Fund 541, Sewer Service and Use Charge Fund
- Contributions from other participating tributary agencies
- Interest earnings
- Transfers from other funds
- Grants
- Bond proceeds

FUND RESTRICTIONS:

Fee increases and changes to the usage of Sewer Service and Use Charge revenue that is transferred to the Treatment Plant Capital Fund are subject to Proposition 218 requirements.

Funds in the San José-Santa Clara Treatment Plant Operating Fund are subject to the restrictions stated in the 1959 Treatment Plant Master Agreement and tributary agency Master Agreements.

LEAD RESPONSIBILITY:

Environmental Services Department

**San José-Santa Clara Treatment
Plant Capital Fund****Fund 512****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Water Pollution Control Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 3.02

NOTES:

This fund also contains a reserve for renewal and replacement of equipment as legally required by the Bond Covenant for the current outstanding bonds. This money may not be used for future capital costs.

The following funds are memo funds to the San Jose- Santa Clara Treatment Plant Capital Fund:

- South Bay Water Recycling Fund (Fund 530)
- Treatment Plant Renewal and Replacement Reserve Fund (Fund 531)
- South Bay Water Recycling Project Grant Fund (534)
- ARRA-Water Program/SJ Area Water Reclamation & Reuse Fund (561)

San José-Santa Clara Treatment Plant Income Fund

Fund 514

PURPOSE OF THE FUND:

The San José-Santa Clara Treatment Plant Income Fund accounts for revenues and expenditures not related to the day-to-day operations and maintenance of the San José – Santa Clara Water Pollution Control Plant (WPCP). Currently, revenue from WPCP land rentals and legal settlements is deposited into this fund. Per the Treatment Plant Master Agreement, as amended, and agreements with the tributary agencies, revenue received into this fund and interest earned is shared among all Treatment Plant agencies.

AUTHORITY FOR THE FUND:

This fund is required per the 1959 Treatment Plant Master Agreement. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenue from land rentals
- Legal settlements
- Interest earnings
- Land sales

FUND RESTRICTIONS:

Revenue to San José from transactions involving land purchased/acquired on or after January 1, 1999 is subject to Proposition 218 restrictions.

Funds in the San José-Santa Clara Treatment Plant Income Fund are subject to the restrictions stated in the Treatment Plant Master Agreement.

LEAD RESPONSIBILITY:

Environmental Services 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 3.05

San José-Santa Clara Treatment Plant Operating Fund

Fund 513

PURPOSE OF THE FUND:

The San José-Santa Clara Treatment Plant Operating Fund accounts for the revenues and expenditures required for operation and maintenance of the San José-Santa Clara Water Pollution Control Plant, including the South Bay Water Recycling System and associated regulatory compliance activities. This fund is governed by the March 30, 1959 Sewage Treatment Plant Master Agreement between the City of San José and the City of Santa Clara and Master Agreements with each of the Plan tributary agencies. The funding/fund balance of this fund is based on each participating agency's proportional share of the operations and maintenance budget as apportioned to treatment parameters and as recommended by the Treatment Plant Advisory Committee (TPAC) and approved by the City of San José, the administering agency.

AUTHORITY FOR THE FUND:

This fund is required under the 1959 Treatment Plant Master Agreement and Master Agreements with each of the Plant tributary agencies. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from Fund 541, Sewer Service and Use Charge Fund
- Contributions from participating tributary agencies
- Interest earnings
- Transfers from other funds

FUND RESTRICTIONS:

Fee increases and changes to the usage of Sewer Service and Use Charge revenues in the Treatment Plant Operating Fund are subject to Proposition 218 requirements.

Funds in the San José-Santa Clara Treatment Plant Operating Fund are subject to the restrictions stated in the 1959 Treatment Plant Master Agreement and tributary agency Master Agreements.

LEAD RESPONSIBILITY:

Environmental Services Department

**San José-Santa Clara Treatment
Plant Operating Fund**

Fund 513

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 3.01

Sanitary Sewer Connection Fee Fund**Fund 540****PURPOSE OF THE FUND:**

The Sanitary Sewer Connection Fee Fund accounts for sewer connection fee revenues and joint participation revenue, which are to be used for the planning, design, construction, reconstruction, and acquisition of land for the City's sanitary sewer system.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.16.500 through 15.16.710. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Sanitary Sewer Connection Fee
- Interest earnings
- Joint participation revenues

FUND RESTRICTIONS:

Funds in the Sanitary Sewer Connection Fee Fund are to be used only for planning, design, construction and reconstruction of Sanitary Sewer Collection System and acquisition of land for such purposes. Fee increases and usage of fee revenues are subject to Government Code Section 66013 requirements.

LEAD RESPONSIBILITY:

Public Works Department

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

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Sanitary Sewer System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 4.01

FINANCIAL INFORMATION AND LOCATION:

The Sanitary Sewer Connecting Fee Capital Fund (Fund 549) is a memo fund to the Sanitary Sewer Connection Fee Fund.

Services for Redevelopment Capital Projects Fund

Fund 450

PURPOSE OF THE FUND:

The Services for Redevelopment Capital Projects Fund accounts for funds paid directly to the City from the San José Redevelopment Agency (SJRA) for design, construction, and acquisition of public improvements on behalf of the SJRA. If, upon completion of a project, there exists a surplus in the project amount, the City department must calculate the surplus and transfer the surplus amount back to the SJRA.

AUTHORITY FOR THE FUND:

San José Municipal Code Section 4.80.1300 through 4.80.1320 and the Annual Cooperation Agreement between the City of San José and the Redevelopment Agency of San José. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the San José Redevelopment Agency via Project Services Memoranda (PSM)

FUND RESTRICTIONS:

Funds can only be used for Redevelopment Projects specified in PSMs. The City Council may transfer to the Services for Redevelopment Capital Projects Fund moneys from the General Fund or any other fund which may be used for the purposes set forth in Section 4.80.1320. According to the cooperation agreement between the Redevelopment Agency and the City, interest earned in the fund is transferred to the General Fund.

LEAD RESPONSIBILITY:

The Finance Department works with the San Jose Redevelopment Agency to ensure that funds are transferred to the City and accounted for properly. The department that is appropriated the funding from the PSM assumes financial oversight responsibilities.

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Capital Project

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Spread among several capital programs)

Funding Sources Resolution and Appropriation Ordinance Location:

20.05

**Sewage Treatment Plant Connection
Fee Fund****Fund 539****PURPOSE OF THE FUND:**

The Sewage Treatment Plant Connection Fee Fund accounts for revenues from new residential, commercial, and industrial connections to the San José /Santa Clara Water Pollution Control Plant. These revenues are used to pay San José's share of the costs of the acquisition, construction, reconstruction or enlargement of the Water Pollution Control Plant, including principal and interest on any bonds or state or federal loans. Connection fees may not be used to fund equipment and other capital assets that need to be replaced as part of the normal operating and maintenance expenses of the Plant.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.16.720 through 15.16.850. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenue from Sewage Treatment Plant Connection fees
- Interest earnings

FUND RESTRICTIONS:

Funding in this fund may be used only to effectuate an authorized expenditure, or for a Council approved loan if the criteria set forth in Government Code Section 66013 are met. Interest earned in the fund must accrue to the fund. Loans made from the fund must provide for a reasonable rate of return to the fund.

Fee increases and changes to the usage of funds related to capacity charges in the Sewage Treatment Plant Connection Fee Fund are subject to Government Code Section 66013.

LEAD RESPONSIBILITY:

Environmental Services Department

**Sewage Treatment Plant Connection
Fee Fund**

Fund 539

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 3.03

NOTES:

The Sewage Treatment Plant Connecting Fee Capital Fund (Fund 550) is a memo fund to the Sewage Treatment Plant Connection Fee Fund.

Sewer Service and Use Charge Capital Improvement Fund

Fund 545

PURPOSE OF THE FUND:

The Sewer Service and Use Charge Capital Improvement Fund accounts for Sewer Service and Use Charge Fees for the planning, design, construction, rehabilitation, and maintenance of the sewage treatment system of the City of San José.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.12.640 and 15.12.450. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Fees paid by residents and businesses to the City for services and facilities furnished by the City in connection with its sewage collection and treatment system to or for each premises which is benefited directly or indirectly. The revenue is deposited in the Sewer Service and Use Charge Fund (Fund 541) and transferred into this fund annually.
- Interest earnings

FUND RESTRICTIONS:

Fee increases and changes to the usage of Sewer Service and Use Charge revenue that is deposited to this fund are subject to Proposition 218 requirements.

All moneys, including interest earnings, should be used only for the planning, design, acquisition, construction, reconstruction and maintenance and operation of the sanitary sewer system of the City of San José, to repay principal and interest on any bonds or to repay federal or state loans or advances made to the City for the construction or reconstruction of sanitary sewerage facilities; provided no such revenue be used for the acquisition or construction of new local street sewers or laterals as distinguished from main trunk interceptor and outfall sewers.

LEAD RESPONSIBILITY:

Public Works Department

**Sewer Service and Use Charge Capital
Improvement Fund**

Fund 545

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Proprietary Fund-Enterprise

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Sanitary Sewer System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 4.02

Sewer Service and Use Charge Fund**Fund 541****PURPOSE OF THE FUND:**

The Sewer Service and Use Charge Fund accounts for Sewer Service and Use Charges used for the financing, construction, operation, and maintenance of the City's sewage collection system and for San José's share of the San José/Santa Clara Water Pollution Control Plant.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.12.450 through 15.12.670. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenue from fees for San José's Sewer Service and Use charge levied and paid by residential, commercial, and industrial users of the sanitary sewer system
- Interest earnings

FUND RESTRICTIONS:

San José Municipal Code Section 15.12.640 provides that all revenues, including interest earnings, may only be used for the purpose specified in Section 15.12.450, and for no other purpose.

Fee increases and changes to the usage of funds in the Sewer Service and Use Charge Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

Environmental Services 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 3.04

State Drug Forfeiture Fund**Fund 417****PURPOSE OF THE FUND:**

The State Drug Forfeiture Fund accounts for all moneys received by the City from the State pursuant to the California Health and Safety Code, Section 11489. This fund accounts for State drug forfeiture moneys received whenever the Police Department is involved in asset seizures from convicted drug law violators. Moneys deposited in this fund shall be expended or disbursed for use by the Police Department for equipment and programs designed to combat drug abuse and reduce gang activity.

AUTHORITY OF THE FUND:

San José Municipal Code Sections 4.80.2700 through 4.80.2720. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- All moneys received by the City pursuant to California Health and Safety Code Section 11489
- Interest earnings

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.

California Health and Safety Code guidelines for this Fund stipulate that seizure moneys are to be used for financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities. The City also must establish a trust fund to deposit all State payments received under the State Drug Forfeiture Program.

LEAD RESPONSIBILITY:

Police Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 14.01

Stores Fund**Fund 551****PURPOSE OF THE FUND:**

The Stores Fund accounts for the purchase and issuance of supplies and materials consumed by City departments for their general operations. The Stores Fund should maintain an inventory of supplies and materials from which requisitions of the various departments may be filled.

Departments requisitioning any supplies, materials, or equipment from the Stores Fund are charged for the cost of materials, plus a surcharge. The surcharge should be sufficient to cover all of the operating costs of the fund on a revolving basis.

AUTHORITY FOR THE FUND:

The establishment of the Stores Fund was approved by the City Council on July 1, 1975. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the General Fund and other funds
- Revenue from the sales of fire hydrants

FUND RESTRICTIONS:

The City Council may at any time transfer moneys from the Stores Fund to any other appropriate fund.

The City Council has approved the transfer of interest earnings in this fund to the General Fund, as the San José Municipal Code contains no restrictions on the disposition of interest earnings in this fund.

LEAD RESPONSIBILITY:

Finance Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.01

Storm Drainage Fee Fund**Fund 413****PURPOSE OF THE FUND:**

The Storm Drainage Fee Fund accounts for all storm drainage fees collected from developers. Revenue deposited in the fund may be used for the construction and reconstruction of the storm drainage system and for the acquisition of land for the system or for other purposes; provided, however, that the amount of funds used for maintenance purposes in a fiscal year shall not exceed five percent of the storm drainage fees collected during that year.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 15.16.900 through 15.16.1170. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Storm Drainage Fee
- Interest earnings
- Joint participation revenue (City of Cupertino)

FUND RESTRICTIONS:

Fee increases and changes to the usage of funds in the Storm Drainage Fee Fund are subject to Government Code Section 66013 requirements.

Funds may only be used for construction and reconstruction of the storm drainage system and acquisition of land for such system.

LEAD RESPONSIBILITY:

Public Works Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Storm Sewer System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 5.01

Storm Sewer Capital Fund**Fund 469****PURPOSE OF THE FUND:**

The Storm Sewer Capital Fund accounts for Storm Drainage Service User Fee Charges used for the construction, reconstruction, and maintenance of the storm drainage system of the City of San José.

AUTHORITY OF THE FUND:

San José Municipal Code Sections 15.16.1300 through 15.16.1530. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Fees paid by residents and businesses to the City for services and facilities furnished by the City in connection with its storm drainage system to or for each premises which is benefited directly or indirectly
- Interest earnings

FUND RESTRICTIONS:

All moneys, including interest earnings, may only be used for the construction, reconstruction, and maintenance of the storm drainage system.

Fee increases and changes to the usage of Storm Sewer Service Charge funds which are deposited in the Storm Sewer Capital Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

Public Works Department

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

Government Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Storm Sewer System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 3.07

Storm Sewer Operating Fund**Fund 446****PURPOSE OF THE FUND:**

The Storm Sewer Operating Fund accounts for revenues collected from owners of properties that benefit from the storm drainage system. Funds may be used for the maintenance and operation of the storm drainage system and regulatory compliance activities associated with maintenance and operation of the storm sewer system.

AUTHORITY OF THE FUND:

San José Municipal Code Sections 15.16.1300 through 15.16.1530. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Fees paid by residents and businesses to the City for services and facilities furnished by the City in connection with its storm drainage system to or for each premise which benefits directly or indirectly
- Interest earnings

FUND RESTRICTIONS:

All moneys, including interest earnings, may only be used for the construction, reconstruction, and maintenance of the storm drainage system including regulatory compliance activities associated with maintenance and operation of storm sewer system.

Fee increases for City residents and changes to the usage of fee revenue in the Storm Sewer Operating Fund are subject to Proposition 218 requirements.

LEAD RESPONSIBILITY:

Environmental Services Department

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

Government Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 3.06

Subdivision Park Trust Fund**Fund 375****PURPOSE OF THE FUND:**

The Subdivision Park Trust Fund accounts for payments of fees in lieu of dedication of land for park and recreation purposes in residential subdivisions. Moneys in the fund, including accrued interest, may be expended solely for the acquisition, development, or renovation of park facilities, recreation facilities, or park or recreation facilities on public agency property pursuant to a Joint Use Agreement to serve or benefit the residential project for which the fees were paid.

AUTHORITY FOR THE FUND:

San José Municipal Code Chapters 14.25 and 19.38. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Parkland Dedication Fees
- Interest earnings

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.

All moneys, including accrued interest, shall only be expended for the acquisition, development, or improvement of park or recreational facilities to serve the residential project for which the fees were paid in accordance with the provisions of Chapter 14.25 or 19.38 of the Municipal Code, as applicable.

LEAD RESPONSIBILITY:

Parks, Recreation and Neighborhood Services Department

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

Appropriation Ordinance Location:

10.04

Supplemental Law Enforcement Services Fund

Fund 414

PURPOSE OF THE FUND:

The Supplemental Law Enforcement Services (SLES) Fund accounts for all financial transactions from the State for front line law enforcement services, pursuant to State Assembly Bill 3229. The SLES Fund was created to adhere to Assembly Bill 3229 that requires that all moneys allocated to local agencies for the purpose of front line law enforcement services be deposited in a separate fund. The money shall be expended exclusively to provide front line law enforcement services, which includes, but is not limited to, intervention, anti-gang, and community crime prevention activities. The City annually reports on spending plans and corresponding expenditures of the allocated moneys to the Santa Clara County Oversight Committee (SCCOC), which consists of a Santa Clara County Executive, City Manager, District Attorney, and Sheriff. The SCCOC is required to provide an audit report to the State Controller before July 30 each year.

AUTHORITY FOR THE FUND:

Ordinance 25197, adopted in accordance with Charter Sections 605 (c) and 1208. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- The State allocates funds in accordance with the proportionate share of the State's total population that resides in the City, as determined by the most recent estimate developed by the State's Department of Finance.
- Interest earnings

FUND RESTRICTIONS:

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted by other policies and guidelines, which are described below.

The SLES Fund shall be expended exclusively to provide front line law enforcement services, and in no event shall any money be expended for the following:

- Administrative overhead costs in excess of 0.5 percent of the City allocated moneys for that year
- The costs of any capital project that do not directly support front line law enforcement services

LEAD RESPONSIBILITY:

Police Department

**Supplemental Law Enforcement
Services Fund**

Fund 414

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 14.02

Transient Occupancy Tax Fund**Fund 461****PURPOSE OF THE FUND:**

The Transient Occupancy Tax Fund accounts for all taxes collected from transient occupancy. The revenue in this fund is to be used to fund the cultural development program, a convention and visitors bureau, and to support the convention and cultural facilities of the City of San José.

The City's Transient Occupancy Tax ("TOT"), sometimes referred to as the "hotel tax," imposes a tax of 10% of the rent charged by the hotel operator to the transient for occupying a hotel room. A "transient" is defined as any person who exercises occupancy or is entitled to occupancy for a period of 30 consecutive calendar days or less.

The City's hotel tax consists of a General Fund and a special fund tax. Chapter 4.74 authorizes the collection of a 4% tax which is deposited into the City's General Fund. Chapter 4.72 of the San José Municipal Code authorizes the collection of a 6% tax which is deposited into this special fund for expenditure on specified art, cultural, and convention purposes.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.1900 through 4.80.1920 and 4.72.010 through 4.72.160. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- All revenues derived from the collection of transient occupancy tax
- Interest earnings

FUND RESTRICTIONS:

According to San José Municipal Code Sections 4.72.060 and 4.72.065, moneys from the special Transient Occupancy Tax shall be expended as follows:

- Funding of a convention and visitors bureau for the City of San José, including a rental subsidy of city facilities for convention purposes;
- Funding of the cultural grant program and the fine arts division;
- Funding of the City's operating subsidy to the convention and cultural facilities of the City of San José.

Transient Occupancy Tax Fund

Fund 461

LEAD RESPONSIBILITY:

City Manager's Office
Finance Department

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Government Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Appropriation Ordinance Location:

19.01

Underground Utility Fund**Fund 416****PURPOSE OF THE FUND:**

The Underground Utility Fund accounts for fees collected from developers in lieu of the developer placing utility facilities underground at the time of development. The fund is then used to establish Rule 20B Underground Utility Districts. These districts combine several smaller undergrounding projects into one large project so as to minimize the piecemeal undergrounding of utility facilities throughout the City. The Underground Utility Program implements the City's General Plan goals and policies, which state that the City should encourage the undergrounding of existing overhead utilities.

The Underground Utility Fund is also used for the administration of the Rule 20A Program. Through Rule 20A, the California Public Utilities Commission requires Pacific Gas and Electric (PG&E) to annually set aside funds to finance the undergrounding of overhead facilities located on public streets within the City of San José. AT&T and Comcast also budget funds to participate in projects in which PG&E Rule 20A funds are programmed. City staff oversees the underground utility districts, reviews plans and designs, and coordinates and inspects undergrounding projects.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.1950 through 4.80.1980. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

All revenues received as assessment and fees for the City's costs and expenses related to undergrounding overhead utilities underground (Underground Utility Fees).

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.

The City Council may only use interest earnings in the fund for the direct payment to or reimbursement to the General Fund for the costs and expenses related to the performance of work necessary to place certain utility facilities underground.

LEAD RESPONSIBILITY:

Public Works Department

Underground Utility Fund

Fund 416

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Developer Assisted Projects Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 26.01

Vehicle Maintenance and Operations Fund	Fund 552
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PURPOSE OF THE FUND:

The Vehicle Maintenance and Operations Fund accounts for the operation, maintenance, and replacement costs of City vehicles and equipment. All related expenditures are made from the Vehicle Maintenance and Operations Fund, with the fund being reimbursed by transfers from the funding source which benefited from the expenditure.

Surcharges are applied to parts and fuel costs to recover associated staffing and other related expenses for providing fuel and parts. An internal labor rate is charged to departments for services rendered in order to recover staffing and associated costs.

AUTHORITY OF THE FUND:

San José Municipal Code Sections 4.80.1600 through 4.80.1620. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfers from the General Fund for vehicle replacement (except for fire engines)
- Charges to user departments for the goods and services they receive
- Grants
- Moneys received from other agencies as reimbursement for maintenance and repair of non-City owned vehicles and equipment

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.

The City Council may transfer or appropriate funding to the Vehicle Maintenance and Operations Fund for the purpose of purchasing and acquiring city motor vehicles, or may transfer moneys from the fund to any other fund. The City Council has approved the transfer of interest earnings in this fund to the General Fund, as the San José Municipal Code contains no restrictions on the disposition of interest earnings in this fund.

LEAD RESPONSIBILITY:

General Services Department

Vehicle Maintenance and Operations Fund	Fund 552
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FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.02

Water Utility Capital Fund**Fund 500****PURPOSE OF THE FUND:**

The Water Utility Capital Fund accounts for the acquisition, construction, and installation of water system capital improvements. The purpose of the Water Utility Capital Fund is to ensure reliable utility infrastructure for the San José Municipal Water System in accordance with the Water Utility System Capital Program.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.600 through 4.80.630. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Transfer from Water Utility Fund
- Developer fees
- Interest earnings

FUND RESTRICTIONS:

The restrictions on the revenue that is transferred from the Water Utility Fund to the Water Utility Capital Fund are set forth in Part 12 of Chapter 4.80 of Title 4 of the San José Municipal Code.

Notice of rate increases should be provided in accordance with Proposition 218 requirements. Use of developer fee revenue that is credited to the Water Utility Capital Fund is subject to the limitations of Government Code Section 66013, including the requirement that interest earned on such fee revenue shall be credited to and expended for the uses for which the fees were collected.

LEAD RESPONSIBILITY:

Environmental Services Department

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

Government Fund-Special Revenue

Budget Location:

Adopted Capital Budget and Capital Improvement Program (Water Utility System Capital Program)

Funding Sources Resolution and Appropriation Ordinance Location:

Section 11.02

Water Utility Fund**Fund 515****PURPOSE OF THE FUND:**

The Water Utility Fund accounts for revenues derived from operations conducted in the Consolidated Potable Water Service Area which includes areas in Edenvale, Evergreen, Coyote, Alviso, and North San José.

Monies in the Water Utility Fund shall be expended for the costs of water system operations, including, but not limited to, payment of required debt service, repair, on-going capital improvements, maintenance, and for the purchase of supplies, materials, and equipment attributable to or necessary for the operation, improvement and maintenance of the potable water system.

AUTHORITY FOR THE FUND:

San José Municipal Code Sections 4.80.600 through 4.80.630. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Revenue associated with operations within the Consolidated Potable Water Service Area
- Grant revenues
- Interest earnings

FUND RESTRICTIONS:

Pursuant to Part 12 of Chapter 4.80 of Title 4 of the San José Municipal Code, an amount not to exceed eight percent of revenue derived from the operation of potable water service within the Consolidated Potable Water Service Area may be transferred to the General Fund.

Notice of fee increases should be given in accordance with Proposition 218 requirements.

LEAD RESPONSIBILITY:

Environmental Services 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 11.01

Workforce Investment Act Fund**Fund 290****PURPOSE OF THE FUND:**

The Workforce Investment Act Fund accounts for the administration of a federal program that provides primary employment and training services to dislocated and low-income residents.

AUTHORITY FOR THE FUND:

This fund was established pursuant to the Workforce Investment Act of 1998 as part of the 2000-2001 budget process. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

Reimbursements from State and federal grants

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.

Interest earnings are retained in the fund and are used to fund activities for the programs supported by the fund.

LEAD RESPONSIBILITY:

Office of Economic Development

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

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 29.01

Workforce Investment Act Fund**Fund 290****NOTES:**

The Workforce Investment Act approved by Congress in August 1998 replaces the Job Training Partnership Act (JTPA) as the program for administering federal funds for training and placement of dislocated and economically disadvantaged workers.

The following funds are memo fund to the Workforce Investment Act Fund:

- San José One-Stop Fund (Fund 291)
- Morgan Hill One-Stop Fund (Fund 292)
- South County One-Stop Fund (Fund 293)
- 60 South Market Street Fund (Fund 294)
- ARRA- Workforce Investment Act Fund (Fund 299)

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