

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

The Airport Revenue Bond Improvement Fund is used to account 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 Revenues earned as a result or prior issuance of bonds shall be applied, used, withdrawn, and transferred only for purposes authorized and in accordance with, and as provided in, each such bond issuance supplemental resolution.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 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 by other policies and guidelines, which are 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

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NOTES:

The Airport Revenue Bond Improvement Fund is the legal fund for several memo funds, including: 522, 528, 546, 547, 548 and 554. These memo funds were opened so that expenses for each type of debt obligation can be accounted for, for example: Fund 546 tracks the 2001 Bonds, Series A for Runways 30L and 30R; Fund 547 tracks 2005 Lease Revenue Bonds for the FMC property; Fund 548 tracks 2004 Bonds, Series A, B and, C for North Concourse and other related projects; and Fund 554 tracks commercial paper proceeds for the Terminal Area Improvement projects.