

**CITY OF SAN JOSE
2009-2010 PROPOSED OPERATING BUDGET**

SUMMARY OF INTERFUND LOANS IN CAPITAL AND OPERATING FUNDS

Receiving Fund	Lending Fund	Amount of Loan/ Issue Date	Loan Description and Terms	Amount Outstanding Est. 6/30/09	2009-2010 Loan Payment to Fund Receiving Loan	2009-2010 Repayment to Fund that Provided Loan
Fiber Optics Development Fund (007)	Sewage Treatment Connection Fee Fund (539)	\$5,152,000 June 1996	Long-term loan to finance fiber optic conduit network with a loan term of up to 15 years. The loan will be repaid with interest at the City's pooled investment rate. The loan will be due and payable immediately if funds needed by the Sewage Treatment Connection Fee Fund.	\$2,981,000	\$0	\$50,000
Storm Sewer Operating Fund (446)	Sewage Treatment Connection Fee Fund (539)	\$9,640,000 Oct. 1990	Long-term loan to finance the establishment of a storm sewer program. The loan is projected to be paid off in 2009-2010. The loan will be repaid with interest at the City's pooled investment rate. The loan will be due and payable immediately if funds needed by the Sewage Treatment Connection Fee Fund.	\$1,800,000	\$0	\$1,800,000* *Estimated interest due on loan; principal balance paid in 08-09.
Water Utility Capital Fund (500)	Sewage Treatment Connection Fee Fund (539)	\$5,100,000 Nov. 2000	Long-term loan to finance the Coyote Valley Water Project. In the 2010-2014 Proposed Capital Improvement Program, this loan is scheduled to be paid off during 2012-2013. The loan will be repaid with interest at the City's pooled investment rate. The loan will be due and payable immediately if funds needed by the Sewage Treatment Connection Fee Fund.	\$2,826,000	\$0	\$700,000

**CITY OF SAN JOSE
2009-2010 PROPOSED OPERATING BUDGET**

SUMMARY OF INTERFUND LOANS IN CAPITAL AND OPERATING FUNDS (CONT'D.)

Receiving Fund	Lending Fund	Amount of Loan/ Issue Date	Loan Description and Terms	Amount Outstanding Est. 6/30/09	2009-2010 Loan Payment to Fund Receiving Loan	2009-2010 Repayment to Fund that Provided Loan
Sewer Service and Use Charge Fund (541)	Sewage Treatment Connection Fee Fund (539)	\$4,000,000 July 2009	<p>Short-term loan to provide cash flow to fully fund operating and capital needs in 2009-2010. Additional funding to support the Treatment Plant was required in 2008-2009 due to the credit/bond insurance market turmoil which required the setting aside of bond balance to reserves (\$5.4 million).</p> <p>The loan will be repaid with interest at the City's pooled investment rate in 2010-2011. The loan will be due and payable immediately if funds needed by the Sewage Treatment Connection Fee Fund.</p>	N/A	\$4,000,000	\$0
Public Works Program Support Fund (150)/ Development Fee Program (001)	General Fund (001)	<p>\$550,000 Total</p> <p>\$350,000 in July 2007 and \$200,000 in July 2008</p>	<p>Long-term loan to cover the update to the City's Standard Plans and Specifications.</p> <p>The loan will be repaid with interest at the City's pooled investment rate, with the principal repayment being \$100,000 per year (85% by the PW Program Support Fund exclusive of certain restricted funds, 15% by the Public Works Fee Program).</p>	\$465,000	\$0	<p>\$87,900 (Public Works Program Support Fund)</p> <p>\$15,390 (Development Fee Program)</p>