

Miscellaneous

Introduction

This section contains the following items of interest:

1. The **Resolutions** adopted by City Council, authorizing the FY 2009-2010 Adopted Budget for the General Fund and the Redevelopment Agency Fund
2. The **Resolution** establishing the Appropriation Limit for FY2009-2010
3. The **Redevelopment Agency Debt Schedules**.
4. The **Glossary** explains and defines key terms, titles and acronyms frequently used throughout the document.

RESOLUTION NO. 2925

**RESOLUTION ADOPTING THE REVISED FY 2008-09 AND THE PROPOSED
FY 2009-10 REVENUE AND APPROPRIATIONS BUDGETS FOR THE CITY OF
EAST PALO ALTO**

WHEREAS, the City Council desires to have a fiscal plan for the City of East Palo Alto in order to plan for anticipated revenues and control expenditures; and

WHEREAS, the revised revenue and appropriation plan for the City of East Palo Alto for fiscal year 2008-09 and the proposed revenue and expenditure plan for fiscal 2009-10 are expressed in the budget document entitled “City of East Palo Alto 2009-10 Budget”; and

WHEREAS, the City Council has held Public Hearings on the programs and fiscal policies to obtain public comments regarding the Revised FY08-09 and Proposed Fy09-10 Budget document.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the revised Revenue and Appropriations budgets for Fiscal Year 2008-09 and the proposed Revenue and Appropriations budgets for Fiscal Year 2009-10 shall be adopted as follows:

**TABLE 1: CITY OF EAST PALO ALTO
FY 2008-09 AMENDED BUDGET SUMMARY BY FUND**

Fund	Description	REVISED 2008-09		Operating Transfers @	
		Revenues	Expenditures	Transfer In	Transfer Out
010	General Fund	\$ 13,583,499	\$ (14,514,443)	\$ 1,336,000	\$ (2,807,569)
011	GF-Information Services	\$ -	\$ (371,430)	\$ 405,000	\$ -
012	GF-Equipment Vehicle Replacemen	\$ -	\$ (98,000)	\$ 95,000	\$ -
013	GF-Self-Insurance	\$ -	\$ (602,375)	\$ 600,000	\$ -
201	State Gas Tax	\$ 858,459	\$ (914,117)	\$ -	\$ -
202	Measure A	\$ 358,030	\$ (120,611)	\$ -	\$ -
203	NPDES	\$ 124,800	\$ (126,135)	\$ -	\$ -
204	Rent Stabilization	\$ 277,883	\$ (666,244)	\$ -	\$ -
206	Park In Lieu	\$ -	\$ -	\$ -	\$ -
207	Housing In Lieu	\$ (10,998)	\$ (133,590)	\$ 183,600	\$ -
208	Public Improvements In Lieu	\$ -	\$ -	\$ -	\$ -
209	Housing Assistance Program	\$ -	\$ -	\$ -	\$ -
211	USEPA	\$ 46,100	\$ (46,100)	\$ -	\$ -
212	ISTEA	\$ -	\$ -	\$ -	\$ -
213	Police Grants	\$ 2,104,707	\$ (2,193,875)	\$ -	\$ -
215	Misc Federal and State Grants	\$ 900,841	\$ (988,455)	\$ -	\$ -
221	Lighting District	\$ 316,030	\$ (453,154)	\$ -	\$ -
222	Drainage District	\$ 70,185	\$ (119,360)	\$ 37,669	\$ -
230	Local Grants	\$ -	\$ (121,037)	\$ -	\$ -
231	CYSFF Grant Fund	\$ (12,000)	\$ (165,688)	\$ 183,600	
232	Parcel Tax (Measure C)	\$ 634,730	\$ 106,743		
301	Capital Improvement Fund		\$ (8,575)	\$ -	\$ -
510	Water Service Fund	\$ 154,155	\$ (268,345)	\$ -	\$ -
520	Total Garbage Service Fund	\$ 1,639,950	\$ (1,715,550)	\$ -	\$ -

@The operating transfer in & outs includes cash basis transfers between funds that will not be reflected in a GAAP basis statement.

*Budget assumptions are subject to change at City Council direction.

**TABLE 2: CITY OF EAST PALO ALTO
FY 2009-10 ADOPTED BUDGET SUMMARY BY FUND**

Fund	Description	PROJECTED FY 2009-10		Operating Transfers @	
		Revenues	Expenditures	Transfer In	Transfer Out
010	Unrestricted General Fund Balance	\$ 12,820,865	\$ (14,740,031)	\$ 1,275,000	\$ (2,909,210)
011	GF-Information Services	\$ -	\$ (599,540)	\$ 460,000	\$ -
012	GF-Equipment Vehicle Replacement	\$ -	\$ (65,000)	\$ -	\$ -
013	GF-Self-Insurance	\$ -	\$ (575,000)	\$ 900,000	\$ -
201	State Gas Tax	\$ 578,200	\$ (915,775)	\$ -	\$ -
202	Measure A	\$ 460,200	\$ (111,014)	\$ -	\$ -
203	NPDES	\$ 124,800	\$ (128,823)	\$ -	\$ -
204	Rent Stabilization	\$ 307,077	\$ (675,976)	\$ 357,708	\$ -
206	Park In Lieu	\$ -	\$ -	\$ -	\$ -
207	Housing In Lieu	\$ -	\$ (13,000)	\$ 177,500	\$ (357,708)
208	Public Improvements In Lieu	\$ -	\$ -	\$ -	\$ -
209	Housing Assistance Program	\$ -	\$ -	\$ -	\$ -
211	USEPA	\$ -	\$ -	\$ -	\$ -
212	ISTEA	\$ -	\$ -	\$ -	\$ -
213	Police Grants	\$ 2,321,958	\$ (2,336,638)	\$ -	\$ -
215	Misc Federal and State Grants	\$ 697,891	\$ (697,891)	\$ -	\$ -
221	Lighting District	\$ 353,840	\$ (592,074)	\$ -	\$ -
222	Drainage District	\$ 71,400	\$ (101,663)	\$ 30,263	\$ -
230	Local Grants	\$ 135,488	\$ (145,488)	\$ -	\$ -
231	CYSFF Grant Fund	\$ -	\$ (119,197)	\$ 177,500	
232	Parcel Tax (Measure C)	\$ 668,580	\$ (461,302)		
301	Capital Improvement Fund		\$ -	\$ -	\$ -
510	Water Service Fund	\$ 357,000	\$ (324,905)	\$ -	\$ -
520	Garbage Service Fund	\$ 1,654,000	\$ (1,691,444)	\$ -	\$ -

@The operating transfer in & outs includes cash basis transfers between funds that will not be reflected in a GAAP basis statement.

*Budget assumptions are subject to change at City Council direction.

PASSED AND APPROVED on this 29th day of June, 2009.

RESOLUTION NO. 661

RESOLUTION ADOPTING THE REVISED FY 2008-09 AND THE PROPOSED FY 2009-10 REVENUE AND EXPENDITURE BUDGETS FOR THE EAST PALO ALTO REDEVELOPMENT AGENCY

WHEREAS, the Council desires to have a fiscal plan for the City of East Palo Alto Redevelopment Agency’s capital funds, low/moderate funds and debt in order to plan for anticipated revenues and control expenditures; and

WHEREAS, the Council has authorized necessary administrative services for the production, improvement, or preservation of low and moderate income housing per Health & Safety code section 33334.3 (d); and

WHEREAS, the revised revenue and expenditure plan for the City of East Palo Alto Redevelopment Agency for fiscal year 2008-09 and the proposed revenue and expenditure plan for fiscal 2009-10 are expressed in the budget document entitled “City of East Palo Alto 2009-10 Budget”; and

WHEREAS, the City Council has held Budget Study Sessions and a Public Hearing on the programs and fiscal policies to obtain public comments regarding the Proposed Budget document;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the revised Revenue and Expenditure budgets for Fiscal Year 2008-09 and the proposed Revenue and Expenditure budgets for Fiscal Year 2009-10 shall be adopted as follows.

**TABLE 3: EAST PALO ALTO REDVELOPMENT AGENCY
FY 2008-09 AMENDED BUDGET SUMMARY BY FUND**

Fund	Description	REVISED 2008-09		Operating Transfers @	
		Revenues	Expenditures	Transfer In *	Transfer Out *
930	RDA Administration Fund	\$ -	\$ (2,023,696)	\$ 3,359,696	\$ (1,336,000)
931	Gateway Capital Projects	\$ 2,563,930	\$ (1,021,180)	\$ -	\$ (864,010)
932	University Circle Capital Projects	\$ 3,077,565	\$ (1,282,805)	\$ -	\$ (2,462,316)
933	Ravenswood Capital Projects	\$ 476,751	\$ (672,280)	\$ 1,302,700	\$ (1,193,758)
936	Gateway Low /Mod	\$ 558,902	\$ -	\$ -	\$ (324,914)
937	University Circle Low /Mod	\$ 761,895	\$ -	\$ -	\$ (401,142)
938	Ravenswood Low /Mod	\$ 83,820	\$ (60,000)	\$ -	\$ (63,630)
941	UC/Gateway Debt Service		\$ (1,952,570)	\$ 1,950,072	\$ -

*amounts subject to change at City Council direction.

@The operating transfer in & outs includes cash basis transfers between funds that will not be reflected in a GAAP basis statement.

TABLE 4: CITY OF EAST PALO ALTO
FY 2009-10 ADOPTED BUDGET SUMMARY BY FUND

Fund	Description	PROJECTED FY 2009-10		Operating Transfers @	
		Revenues	Expenditures	Transfer In	Transfer Out
930	RDA Administration Fund	\$ -	\$ (2,008,015)	\$ 3,283,015	\$ (1,275,000)
931	Gateway Capital Projects	\$ 2,443,175	\$ (571,050)	\$ -	\$ (871,560)
932	University Circle Capital Projects	\$ 3,250,400	\$ (885,642)	\$ -	\$ (2,386,716)
933	Ravenswood Capital Projects	\$ 477,520	\$ (460,845)	\$ 1,163,947	\$ (1,182,550)
936	Gateway Low/Mod	\$ 610,800	\$ -	\$ -	\$ (330,941)
937	University Circle Low/Mod	\$ 812,600	\$ -	\$ -	\$ (397,894)
938	Ravenswood Low/Mod	\$ 117,400	\$ (60,000)	\$ -	\$ (64,161)
944	Public Financing Authority Debt Service		\$ (1,954,855)	\$ 1,950,806	\$ -

***amounts subject to change at City Council direction.**

@The operating transfer in & outs includes cash basis transfers between funds that will not be reflected in a GAAP basis statement.

PASSED AND APPROVED on this 29th day of June, 2009.

RESOLUTION NO. 2926

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ESTABLISHING THE APPROPRIATION LIMIT
FOR FISCAL YEAR 2009-10

WHEREAS, the City is required to adopt a limit on appropriations subject to a formula outlined in the State Constitution Article XIII B; and

WHEREAS, the California Constitution also requires that a method of inflation be chosen.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO AS FOLLOWS:

1. The appropriation limit for 2009-10 shall be and is hereby determined to be \$20,374,116 pursuant to Exhibit A attached hereto.

2. For fiscal year 2009-10, the annual adjustment factors used to measure inflation are the growth in the non-residential assessed valuation due to new construction within the city and the population growth within the County of San Mateo.

PASSED AND APPROVED this 29th day of June, 2009.

CITY OF EAST PALO ALTO
CALCULATION OF APPROPRIATIONS SUBJECT TO LIMITATION
2009-10

Total Revenue Sources For Appropriations (Schedule 1)	<u>\$ 23,092,953</u>
<u>Exclusions:</u>	
Non-Proceeds of Taxes (Schedule 1)	(8,841,257)
Court Ordered Payment	-
Total Exclusions	<u>(8,841,257)</u>
Net Revenue Sources Subject to Limitation	<u><u>\$ 14,251,696</u></u>

CITY OF EAST PALO ALTO
SUMMARY OF REVENUES-BY CATEGORY
2009-10

Exhibit A
Schedule 2
Page 1

	<u>Proceeds of Taxes</u>	<u>Non-Proceeds of Taxes</u>	
		<u>User Fees</u>	<u>Fed & Exempt</u>
<u>Taxes</u>			
Property Taxes	\$ 7,524,450		
Sales and Use Tax	2,379,945		
Business License Tax	420,000		
Real Property Transfer Tax	81,000		
Franchise Tax	663,300		
Utility Users Tax	1,470,030		
Transient Occupancy Tax	500,000		
Other Taxes			
 <u>Licenses and Permits</u>			
Building Permits		\$ 146,300	
 <u>Fines, Forfeitures and Penalties</u>			
Vehicle Code and Parking Fines			\$ 155,000
 <u>Revenues from Other Agencies</u>			
State Motor Vehicle In Lieu Tax	89,300		
Federal Grants			1,025,641
Special State Grants			2,008,888
State Gas Tax			889,400
State Mandated Reimb./Other			51,000
Measure A			460,200
Lighting District	353,840		
Storm Drain District	101,251		
Asset Seizure			-
State POST Reimbursements			45,000
Local Grants			135,488
 <u>Charges for Current Services</u>			
Recreation Fees		-	
Special Police Services		11,200	
Engineering Fees		35,500	
Development Service Fees		68,500	
Building Fees		73,100	
NPDES		124,800	
Rent Stabilization		300,000	
Solid Waste and Recycling Fees		1,654,000	
Other		-	17,000

City of East Palo Alto
 Summary of Revenues by Category

	<u>Proceeds of Taxes</u>	<u>Non-Proceeds of Taxes</u>	
<u>Revenues from Use of Money & Property</u>			
Rents and Concessions		35,700	
Investment Earnings	\$0		244,540
<u>Other Revenues</u>			
Gifts and Donations			
Unclassified		85,000	
Loan Repayments			
Reimbursements			1,275,000
Proceeds of Debt			
Measure C Parcel Tax	668,580		
<u>Interdepartmental Revenue</u>			
Operating Transfers In		-	-
Administration & Overhead Charges		-	
<u>Total City Revenue</u>	<u>\$ 14,251,696</u>	<u>\$ 2,534,100</u>	<u>\$ 6,307,157</u>

Proceeds of Taxes	\$ 14,251,696
Non-Proceeds of Taxes	<u>8,841,257</u>
<u>Total</u>	<u>\$ 23,092,953</u>

CITY OF EAST PALO ALTO
APPROPRIATIONS LIMIT COMPUTATION
CUMULATIVE GROWTH RATE
2009-10

<u>FISCAL YEAR</u>	<u>BEGINNING LIMIT</u>	<u>POPULATION FACTOR</u>	<u>PER CAPITA INCOME FACTOR</u>	<u>ASSESSED VALUATION CHANGE FACTOR</u>	<u>ENDING LIMIT</u>
1999-00	4,886,747	1.0038	1.0453	N/A	5,127,527
2000-01	5,127,527	1.1744 (1)	1.0491	N/A	6,317,437
2001-02	6,317,437	1.0099	1.0782	N/A	6,878,894
2002-03	6,878,894	1.047	N/A	1.1408	8,216,272
2003-04	8,216,272	0.9956	N/A	1.0262	8,394,440
2004-05	8,394,440	1.006	N/A	1.2956	10,941,091
2005-06	10,941,091	1.0123	N/A	1.3297	14,727,314
2006-07	14,727,314	1.01	1.0396	N/A	15,463,621
2007-08	15,463,621	1.0139	1.0442	N/A	16,371,558
2008-09	16,371,558	1.0126	N/A	1.092	18,103,000
2009-10	18,103,000	1.0121	N/A	1.112	20,374,116

Sources: State Dept. of Finance, Budget Resolutions & Prior Year Appropriation Limits, San Mateo County Assessor's Office

(1) Corrected population growth based on Dept of Finance population of 25,568 for 1/1/99 and 30,027 for 1/1/00

N/A = Not applicable; calculation formula uses the higher of per capita or assessed valuation factors multiplied by population factor.

\$22,785,000

**Redevelopment Agency of the City of East Palo Alto
Tax Allocation Bonds, Series 1999**

Debt Service Schedule

Page 1 of 2

Date	Principal	Coupon	Interest	Total P+I
04/01/2004	-	-	\$562,219	\$562,219
10/01/2004	\$305,000	4.875%	\$562,219	\$867,219
04/01/2005	-	-	\$554,785	\$554,785
10/01/2005	\$320,000	5.000%	\$554,785	\$874,785
04/01/2006	-	-	\$546,785	\$546,785
10/01/2006	\$335,000	5.100%	\$546,785	\$881,785
04/01/2007	-	-	\$538,243	\$538,243
10/01/2007	\$350,000	5.250%	\$538,243	\$888,243
04/01/2008	-	-	\$529,055	\$529,055
10/01/2008	\$370,000	5.375%	\$529,055	\$899,055
04/01/2009	-	-	\$519,111	\$519,111
10/01/2009	\$390,000	5.500%	\$519,111	\$909,111
04/01/2010	-	-	\$508,386	\$508,386
10/01/2010	\$410,000	5.700%	\$508,386	\$918,386
04/01/2011	-	-	\$496,701	\$496,701
10/01/2011	\$435,000	5.900%	\$496,701	\$931,701
04/01/2012	-	-	\$483,869	\$483,869
10/01/2012	\$460,000	6.000%	\$483,869	\$943,869
04/01/2013	-	-	\$470,069	\$470,069
10/01/2013	\$490,000	6.000%	\$470,069	\$960,069
04/01/2014	-	-	\$455,369	\$455,369
10/01/2014	\$520,000	6.000%	\$455,369	\$975,369
04/01/2015	-	-	\$439,769	\$439,769
10/01/2015	\$550,000	6.500%	\$439,769	\$989,769
04/01/2016	-	-	\$421,894	\$421,894
10/01/2016	\$585,000	6.500%	\$421,894	\$1,006,894
04/01/2017	-	-	\$402,881	\$402,881
10/01/2017	\$620,000	6.500%	\$402,881	\$1,022,881
04/01/2018	-	-	\$382,731	\$382,731
10/01/2018	\$665,000	6.500%	\$382,731	\$1,047,731
04/01/2019	-	-	\$361,119	\$361,119

\$22,785,000

Redevelopment Agency of the City of East Palo Alto

Tax Allocation Bonds, Series 1999

Debt Service Schedule

Page 2 of 2

Date	Principal	Coupon	Interest	Total P+I
10/01/2019	\$705,000	6.500%	\$361,119	\$1,066,119
04/01/2020	-	-	\$338,206	\$338,206
10/01/2020	\$755,000	6.625%	\$338,206	\$1,093,206
04/01/2021	-	-	\$313,197	\$313,197
10/01/2021	\$800,000	6.625%	\$313,197	\$1,113,197
04/01/2022	-	-	\$286,697	\$286,697
10/01/2022	\$855,000	6.625%	\$286,697	\$1,141,697
04/01/2023	-	-	\$258,375	\$258,375
10/01/2023	\$910,000	6.625%	\$258,375	\$1,168,375
04/01/2024	-	-	\$228,231	\$228,231
10/01/2024	\$975,000	6.625%	\$228,231	\$1,203,231
04/01/2025	-	-	\$195,934	\$195,934
10/01/2025	\$1,035,000	6.625%	\$195,934	\$1,230,934
04/01/2026	-	-	\$161,650	\$161,650
10/01/2026	\$1,105,000	6.625%	\$161,650	\$1,266,650
04/01/2027	-	-	\$125,047	\$125,047
10/01/2027	\$1,180,000	6.625%	\$125,047	\$1,305,047
04/01/2028	-	-	\$85,959	\$85,959
10/01/2028	\$1,255,000	6.625%	\$85,959	\$1,340,959
04/01/2029	-	-	\$44,388	\$44,388
10/01/2029	\$1,340,000	6.625%	\$44,388	\$1,384,388
Total	\$17,720,000		\$19,421,340	\$37,141,340

\$5,155,000

Redevelopment Agency of the City of East Palo Alto
Tax Allocation Refunding Bonds, Series 2003 A
{Refunding - Tax Exempt}

Debt Service Schedule

Page 1 of 2

Date	Principal	Coupon	Interest	Total P+I
04/01/2004	-	-	69,512	69,512
10/01/2004	65,000	4.000%	127,675	192,675
04/01/2005	-	-	126,375	126,375
10/01/2005	10,000	4.000%	126,375	136,375
04/01/2006	-	-	126,175	126,175
10/01/2006	10,000	4.000%	126,175	136,175
04/01/2007	-	-	125,975	125,975
10/01/2007	10,000	4.000%	125,975	135,975
04/01/2008	-	-	125,775	125,775
10/01/2008	15,000	4.000%	125,775	140,775
04/01/2009	-	-	125,475	125,475
10/01/2009	15,000	4.000%	125,475	140,475
04/01/2010	-	-	125,175	125,175
10/01/2010	15,000	4.000%	125,175	140,175
04/01/2011	-	-	124,875	124,875
10/01/2011	15,000	4.000%	124,875	139,875
04/01/2012	-	-	124,575	124,575
10/01/2012	15,000	4.000%	124,575	139,575
04/01/2013	-	-	124,275	124,275
10/01/2013	15,000	4.000%	124,275	139,275
04/01/2014	-	-	123,975	123,975
10/01/2014	15,000	4.750%	123,975	138,975
04/01/2015	-	-	123,619	123,619
10/01/2015	15,000	4.750%	123,619	138,619
04/01/2016	-	-	123,263	123,263
10/01/2016	15,000	4.750%	123,263	138,263
04/01/2017	-	-	122,906	122,906
10/01/2017	20,000	4.750%	122,906	142,906
04/01/2018	-	-	122,431	122,431
10/01/2018	20,000	4.750%	122,431	142,431
04/01/2019	-	-	121,956	121,956
10/01/2019	20,000	4.750%	121,956	141,956

\$5,155,000

Redevelopment Agency of the City of East Palo Alto
Tax Allocation Refunding Bonds, Series 2003 A
{Refunding - Tax Exempt}

Debt Service Schedule

Page 2 of 2

Date	Principal	Coupon	Interest	Total P+I
04/01/2020	-	-	121,481	121,481
10/01/2020	20,000	4.750%	121,481	141,481
04/01/2021	-	-	121,006	121,006
10/01/2021	20,000	4.750%	121,006	141,006
04/01/2022	-	-	120,531	120,531
10/01/2022	25,000	4.750%	120,531	145,531
04/01/2023	-	-	119,938	119,938
10/01/2023	25,000	4.750%	119,938	144,938
04/01/2024	-	-	119,344	119,344
10/01/2024	25,000	4.750%	119,344	144,344
04/01/2025	-	-	118,750	118,750
10/01/2025	25,000	5.000%	118,750	143,750
04/01/2026	-	-	118,125	118,125
10/01/2026	25,000	5.000%	118,125	143,125
04/01/2027	-	-	117,500	117,500
10/01/2027	30,000	5.000%	117,500	147,500
04/01/2028	-	-	116,750	116,750
10/01/2028	30,000	5.000%	116,750	146,750
04/01/2029	-	-	116,000	116,000
10/01/2029	30,000	5.000%	116,000	146,000
04/01/2030	-	-	115,250	115,250
10/01/2030	1,465,000	5.000%	115,250	1,580,250
04/01/2031	-	-	78,625	78,625
10/01/2031	1,535,000	5.000%	78,625	1,613,625
04/01/2032	-	-	40,250	40,250
10/01/2032	1,610,000	5.000%	40,250	1,650,250
Total	5,155,000	-	6,777,937	11,932,937

\$3,600,000

Redevelopment Agency of the City of East Palo Alto
Tax Allocation Refunding Bonds, Series 2003 B
{Housing Set Aside - Taxable}

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
04/01/2004	-	-	59,349	59,349
10/01/2004	100,000	4.120%	109,008	209,008
04/01/2005	-	-	106,948	106,948
10/01/2005	55,000	4.120%	106,948	161,948
04/01/2006	-	-	105,815	105,815
10/01/2006	55,000	4.120%	105,815	160,815
04/01/2007	-	-	104,682	104,682
10/01/2007	60,000	4.120%	104,682	164,682
04/01/2008	-	-	103,446	103,446
10/01/2008	60,000	4.120%	103,446	163,446
04/01/2009	-	-	102,210	102,210
10/01/2009	65,000	5.420%	102,210	167,210
04/01/2010	-	-	100,448	100,448
10/01/2010	70,000	5.420%	100,448	170,448
04/01/2011	-	-	98,551	98,551
10/01/2011	70,000	5.420%	98,551	168,551
04/01/2012	-	-	96,654	96,654
10/01/2012	75,000	5.420%	96,654	171,654
04/01/2013	-	-	94,622	94,622
10/01/2013	80,000	5.420%	94,622	174,622
04/01/2014	-	-	92,454	92,454
10/01/2014	85,000	6.200%	92,454	177,454
04/01/2015	-	-	89,819	89,819
10/01/2015	90,000	6.200%	89,819	179,819
04/01/2016	-	-	87,029	87,029
10/01/2016	95,000	6.200%	87,029	182,029
04/01/2017	-	-	84,084	84,084
10/01/2017	100,000	6.200%	84,084	184,084
04/01/2018	-	-	80,984	80,984
10/01/2018	105,000	6.200%	80,984	185,984
04/01/2019	-	-	77,729	77,729
10/01/2019	115,000	6.200%	77,729	192,729

\$3,600,000

Redevelopment Agency of the City of East Palo Alto
Tax Allocation Refunding Bonds, Series 2003 B
{Housing Set Aside - Taxable}

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
04/01/2020	-	-	74,164	\$74,164
10/01/2020	120,000	6.200%	74,164	\$194,164
04/01/2021	-	-	70,444	\$70,444
10/01/2021	125,000	6.200%	70,444	\$195,444
04/01/2022	-	-	66,569	\$66,569
10/01/2022	135,000	6.200%	66,569	\$201,569
04/01/2023	-	-	62,384	\$62,384
10/01/2023	145,000	6.200%	62,384	\$207,384
04/01/2024	-	-	57,889	\$57,889
10/01/2024	155,000	6.450%	57,889	\$212,889
04/01/2025	-	-	52,890	\$52,890
10/01/2025	165,000	6.450%	52,890	\$217,890
04/01/2026	-	-	47,569	\$47,569
10/01/2026	175,000	6.450%	47,569	\$222,569
04/01/2027	-	-	41,925	\$41,925
10/01/2027	185,000	6.450%	41,925	\$226,925
04/01/2028	-	-	35,959	\$35,959
10/01/2028	195,000	6.450%	35,959	\$230,959
04/01/2029	-	-	29,670	\$29,670
10/01/2029	210,000	6.450%	29,670	\$239,670
04/01/2030	-	-	22,898	\$22,898
10/01/2030	225,000	6.450%	22,898	\$247,898
04/01/2031	-	-	15,641	\$15,641
10/01/2031	235,000	6.450%	15,641	\$250,641
04/01/2032	-	-	8,063	\$8,063
10/01/2032	250,000	6.450%	8,063	\$258,063
Total	3,600,000	-	4,191,427	\$7,791,427

Glossary

ADOPTED BUDGET - The City budget for a fiscal year, adopted by the City Council by resolution following the close of budget hearings.

APPROPRIATION - Legal authorization granted by City Council or other policy body to make expenditures and incur obligations for a specific purpose within a specific time frame.

ASSESSED VALUATION - A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

AUDIT - A review of the City's accounts by an independent auditing firm to substantiate fiscal year-end balances and assure compliance with generally accepted standards for financial accounting and reporting.

AVAILABLE FUND BALANCE - The amount of fund balance available to finance appropriation requirements after deducting reserves.

BOND PROCEEDS - The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BONDS - A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

BUDGET - A plan of financial operation, embodying an estimate of proposed expenditures/expenses for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). Upon approval by the City Council, the budget appropriation resolution is the legal basis for expenditures in the fiscal year.

BUDGET AUTHORITY - Under certain circumstances, the City Council may adjust the budgeted appropriations for reasons unforeseen at the time of the adoption of the original budget. Such amendments are made by Council resolution. The City Manager may make transfers of appropriations within a fund.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

BUSINESS LICENSE TAX - This is a general tax on businesses for the privilege of conducting business within the city. Rates are set at each city's discretion but may not be discriminatory or confiscatory.

CAPITAL IMPROVEMENT BUDGET - Annual appropriations for capital improvement projects such as street improvements, building construction and various kinds of major facility maintenance. Capital projects are outlined in a five-year expenditure plan which details funding sources and expenditure amounts. They often are multi-year projects which require funding beyond the one-year period of the annual budget.

CAPITAL OUTLAY - Expenditures which result in the acquisition of, or addition to, fixed assets.

CAPITAL PROJECT - Any project having assets of significant value and a useful life of five years or more. Capital projects include the purchase of land, design, engineering, and construction of buildings, infrastructure such as streets, bridges, drainage, street lighting, water/sewer systems, etc. Capital projects may include the acquisition of heavy equipment management control technique of formal budgetary and machinery or rolling stock using capital funding sources.

CAPITAL PROJECTS FUND - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CAPITALIZATION POLICY - The criteria used by a government to determine which outlays should be reported as fixed assets.

CASH WITH FISCAL AGENT - An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

CAPITAL INVESTMENT PROGRAM (CIP) - A section in the five-year capital plan listing projects for which some level of funding is available.

COMMUNITY ORIENTED POLICING SERVICES (COPS) - A grant program supporting community involvement offered by the U.S. Department of Justice.

CONSUMER PRICE INDEX (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

CONTINGENCY - An amount of money appropriated for unforeseen expenditures. It is limited to not more than 15% of the appropriations in any fund.

CURRENT SERVICE CHARGES - These are charges imposed to support services provided to individuals. These charges may not exceed the cost of providing the service plus overhead. The rationale behind service charges is that certain services are primarily for the benefit of individuals rather than the general public.

DEBT SERVICE - Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources for, and the payment of, general long term debt principal and interest.

DEFICIT - An excess of expenditures or expenses over revenues (resources).

DEPARTMENT - An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

DEPRECIATION - (1) Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a fixed asset, other than wasting assets, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

DESIGNATED FUND BALANCE- A portion of an unreserved fund balance that has been "earmarked" by the City Manager or the City Council for specified purposes.

DESIGNATION - An account containing money set aside by the City Council for a specific future use. Money in a designation is earmarked for specific use, but may not be legally restricted to that use.

DEVELOPMENT IMPACT FEES - Fees placed on the development of land or conditions required for the approval of a development project such as the donation ("dedication" or "exaction") of certain

lands (or money) to specific public uses. The fees are typically justified as an offset to the future impact that development will have on existing infrastructure.

DIVISION - A sub-section (or activity) within a department which furthers the objectives of the City by providing specific services or programs.

ENCUMBRANCE - An anticipated expenditure committed for the payment of goods and services not yet received or paid for. Used in budgeting, encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

ENTERPRISE FUND - A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities, airports, parking garages, or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. A fund established because the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

ERAF - Educational Revenue Augmentation Fund. The state enacted legislation in 1992 whereby partial responsibility of funding education was shifted to local governments, directing specified amounts of local agency property taxes be deposited into such funds to support schools.

EXPENDITURES - Monies spent, including current operating expenses, debt service and capital outlays.

EXPENSE - The actual spending of funds by an enterprise fund set aside by an appropriation.

FINES FORFEITURES AND PENALTIES - Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

FISCAL YEAR - In accounting terms, it is the net of a twelve-month period used for budgeting and accounting purposes. For the City of East Palo Alto, the fiscal year is from July 1 to June 30.

FIXED ASSETS - Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant and equipment.

FORFEITURE- See Fines, forfeitures, and penalties.

FRANCHISES FEES- Fees paid to a municipality from a franchisee for "rental" or as a "toll" for the use of city streets and rights-of-way. The businesses required to pay franchise fees in East Palo Alto include utilities such as water, gas, electricity, cable television and solid waste collection and disposal. Telephone utilities are specifically exempted from franchise fees by State law.

FULL-TIME EQUIVALENT (FTE) - The amount of time a regular full or part-time position has been budgeted for in terms of the amount of time an employee works in a year. Except as noted, part-time services provided by casual/seasonal employees, such as those for summer recreation programs, are not included.

FUND - An independent fiscal and accounting entity with a self-balancing set of accounts. Examples are the General Fund, Special Revenue Funds, Capital Projects, Enterprise, and Internal Service Funds.

FUND BALANCE - The amount of financial resources available for use. Generally, this represents a summary of all the annual operating surpluses and deficits since the fund's inception.

FY - Fiscal year.

GASOLINE TAX (HIGHWAY USERS TAX) - The Gasoline Tax is an 26-cent per gallon tax on fuel used to propel a motor vehicle or aircraft. The use of these revenues is restricted to "research, planning, construction, improvement, maintenance, and operation of public streets and highways or public mass transit guideways". The basic means of distribution to cities is population. The allocation formula is very complicated.

GENERAL FUND - The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general operations. Examples of departments financed by the General Fund include the Police and

Administrative Support Services Departments, such as the City Manager's Office.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GRANT - Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

HOMEOWNER'S PROPERTY TAX RELIEF - Revenue from the state to offset city loss of property tax for state-imposed \$7,000 per dwelling homeowner exemption.

INFRASTRUCTURE - Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public buildings, parks, etc.

INTRAFUND TRANSFERS - A transfer of moneys between departments in the same fund.

INVESTMENT EARNINGS - Revenue earned from the investment of idle public funds.

JOINING POWERS AUTHORITY - The Joint Exercise of Powers Act authorizes local public agencies to exercise common powers and to form joint powers authorities (JPAs) for the purpose of jointly receiving or providing specific services.

LEGAL LEVEL OF BUDGETARY CONTROL - The level at which spending in excess of budgeted amounts would be a violation of law.

LEVEL OF BUDGETARY CONTROL - One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These levels of budgetary control are: (a) appropriated budget, (b) legally authorized non-appropriated budget review and approval process, which is outside the appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

LEVY - (Verb) to impose taxes, special assessments or service charges for the support of governmental activities; (noun) the total amounts of taxes, and/or special assessments and/or

service charges imposed by a governmental agency.

LICENSES AND PERMITS - Charge designed to reimburse City for costs of regulating activities being licensed, such as licensing of animals and bicycles, etc.

LIEN - A claim on assets, especially property, for the payment of taxes or utility service charges.

LIQUIDITY - Refers to the ability to rapidly convert an investment into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF) - Was established by the state to enable treasurers to place idle funds in a pool for investment. Each agency is currently limited to LAIF to an investment of \$20 million plus any bond proceeds.

MISSION STATEMENT - A succinct description of the scope and purpose of a City department.

MEASURE C PARCEL TAX – a measure pass by the voters on the November 2006 ballot that calls for a 10 year special tax on all City parcels. Revenue generated from such tax will be used for public safety and crime prevention programs.

MOTOR VEHICLE IN-LIEU FEES - State residents pay a fee to the State each year that is computed as a percent of the depreciated value of their motor vehicles. Each city and county in California receives a portion, based on population, of the total motor vehicle license fees collected by the State. In 2004, the State reduced local government allocation from 2.0% to 0.67%. The difference of 1.33% was a swap for local property tax, now known as Property Tax in Lieu of VLF.

OBJECTIVES - The expected results or achievements of a budget activity which can be measured and achieved within a given time frame. Achievement of the objective advances the organization towards a corresponding goal.

OPERATING BUDGET - Annual appropriation of funds for on-going program costs, including salaries and benefits, services and supplies, debt service and capital outlay.

ORDINANCE - A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless preempted by a higher form of law. An ordinance has a higher legal

OTHER EXPENDITURES- This category reflects transfer outs of the General Fund and excise tax

settlement payments. Transfers are used to move funds to other operating funds in order to finance the operations of another fund or to reimburse the other fund for certain services provided to the General Fund.

OTHER FINANCING SOURCES - Governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets, and operating transfers in.

OTHER FINANCING USES - Governmental fund operating transfers out and the amount of refunding bond proceeds deposited with the escrow agent. Such amounts are classified separately from expenditures on the governmental operating statement.

OTHER REVENUES - This category includes reimbursements from other government agencies, interest earned on investments and contributions. This category also includes some loan repayments made to the General Fund, i.e., from the Redevelopment Agency for budget purposes only.

OVERHEAD ALLOCATION - A methodology for identifying and allocating overhead, (indirect) costs incurred by central services departments to the direct cost programs.

PERFORMANCE MEASURE - An annual indicator of achievement or measures of prediction for a program of work unit as defined in the organization of the budget. Measures may be expressed as a number count, fraction, or a percent of achievement related to the size of the problem or service being provided.

PERMITS, FEES AND CHARGES FOR SERVICES- This category includes the City's charges and fees for licenses and permits issued by the City; as well as, the community development services of staff, provided to customers. The license and permit revenues are designed to reimburse the City for costs of regulating the activities being licensed. Fees and charges for services are imposed to support services provided to individuals and businesses.

PERS - Public Employees' Retirement System.

P.O.S.T - Peace Officer Standards and Training - a State reimbursement program for Police Officer Training.

PROPERTY TAX - Homes, businesses, and other taxable real and personal property are subject to a

property tax rate of 1% of assessed value. Since Proposition 13 was enacted in 1978, the assessed valuation of real property in the "base year" of 1975-1976 may increase each year by the change in the Consumer Price Index (CPI), not to exceed 2% as long as it is held by the same owner. When there is a transfer of property ownership, or when property is newly constructed, it is reappraised at its current full market value. The property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (movable property) located within the state. By definition, this ad valorem tax is based on the property value, as defined in law, rather than on a fixed amount or benefit.

PROPOSED BUDGET - The financial and operating document submitted by the City Manager to the City Council for consideration.

PROPOSITION 13 - Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to 1% of the full cash value of such property.

PURCHASED SERVICES - This category covers a wide-range of services such as consulting services, outside professional, legal, and auditing services, county services, i.e., supplemental police patrol, and animal control services; City facilities maintenance services, etc.

RDA - Redevelopment Agency.

RECEIVABLES-REDEVELOPMENT AGENCY - This receivable sets out amounts due the City from the Redevelopment Agency making those funds unavailable for appropriations until received.

REGULAR POSITION - Any permanent position in the classified service that is required to be filled through certification, or by provisional appointment.

REIMBURSEMENT FOR STATE MANDATED COSTS - Article XIII B, Section 6 of the California Constitution which requires the State to reimburse local agencies for the cost of state-imposed programs. Process is commonly called "SB 90" after its original 1972 legislation.

RESERVE - An account used to record a portion of the fund balance as legally segregated for a specific use, usually at a future time.

RESOLUTION - A special order of the City Council which has a lower legal standing than an ordinance.

REVENUES - Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year.

SALARIES AND BENEFITS - This major category accounts for full-time and part-time employees, overtime expenses and all employee benefits, such as medical, dental, retirement, life insurance, long term disability, and workers compensation. Where applicable, uniform allowance is also included in this category.

SALES TAX - This tax is levied on goods and services at the point-of-sale. Sales tax in San Mateo County is 8.25% of which approximately 1% is returned to East Palo Alto for those sales which take place in East Palo Alto.

SB 90 - Reimbursement process for state mandated costs, named after its original 1972 legislation.

SERVICE CHARGES - Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

SERVICES - Expenditures/expenses for services.

SINGLE AUDIT - An audit performed in accordance with the Single Audit Act of 1984 and the Office of Management & Budget (OMB) Circular A-128, Audits of State and Local Governments. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of the federal agencies.

SPECIAL REVENUE FUND - A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

SUPPLEMENTAL PROPERTY TAX - In the event a property changes ownership, the county collects a supplemental property tax assessment in the current tax year by determining a supplemental value. In future tax periods, the property carries the full cash value.

SUPPLIES AND MATERIALS - This category of expenses relates to supplies needed and required to operate as a cost of doing business. Some of the major supplies consist of general office supplies, safety supplies, utilities and fuel for City vehicles, etc.

TAX - Compulsory charge levied by a government for the purpose of financing services performed for the common benefit.

TAX ALLOCATED BONDS - Bonds issued by redevelopment agencies to revitalize blighted and economically depressed areas of the community and to promote economic growth.

TAX BASE - The objects or transactions to which a tax is applied (e.g., parcels of property, retail sales, etc.). State law or local ordinances define the tax base and the objects or transactions exempted from taxation.

TAX INCREMENT FINANCING - A tax incentive designed to attract business investment by dedicating to the project area the new property tax revenues generate by redevelopment. The increase in revenues (increment) is used to finance development-related costs in that district.

TAX RATE - The amount of tax applied to the tax base. The rate may be flat, incremental or a percentage of the tax base, or any other reasonable method.

TEMPORARY POSITION - A non-regular, temporary position created to meet a peak workload or other unusual work situation; can include seasonal or recurrent intermittent employment.

TRANSIENT OCCUPANCY TAX (TOT) - This is a general tax imposed on occupants for the privilege of occupying rooms in hotels, motels, inns, or other lodging facilities for 30 days or less. The current tax rate in East Palo Alto is 12%. Of the total tax anticipated to be received by the City, there is a 10% set-aside for children, youth, senior and families services and another 10% for housing services for the residents of East Palo Alto.

TRUST FUNDS - Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

UNDESIGNATED FUND BALANCE - The City will maintain an Undesignated General Fund Balance to help mitigate the effects of such unanticipated situations as the following:

- a) Economic downturns
- b) Loss of revenues to or imposition of additional costs by other governmental agencies
- c) Errors in financial forecasting
- d) Natural disasters

UNRESERVED FUND BALANCE - That portion of a fund balance available for spending or appropriation in the future.

UTILITY USER'S TAX - This tax is imposed on the consumer (residential or commercial) of utilities – electric, gas, cable television, and telephone services. The current tax rate is 5%. The tax is collected by the companies providing the service as part of their billing process and is issued to the City.

VLF - See Motor Vehicle In-Lieu Fee.