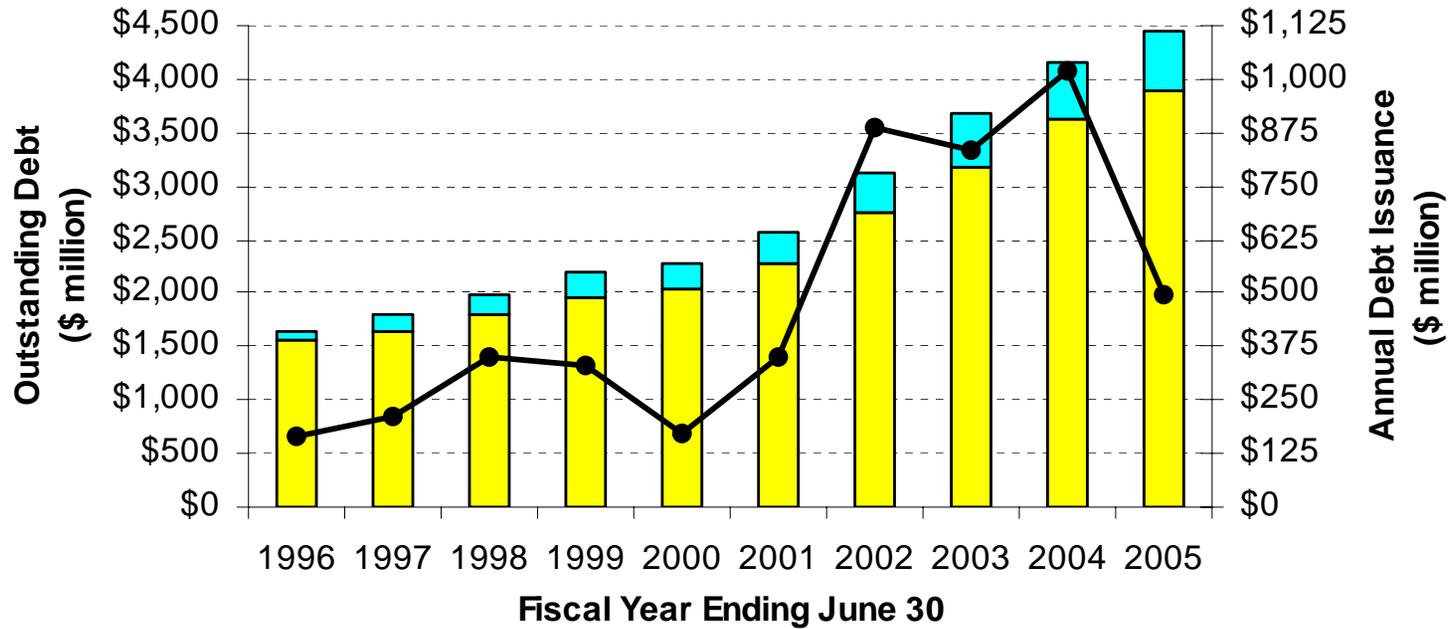

FY 2004-05 Fourth Quarter Debt Report

Making Government Work Better Committee

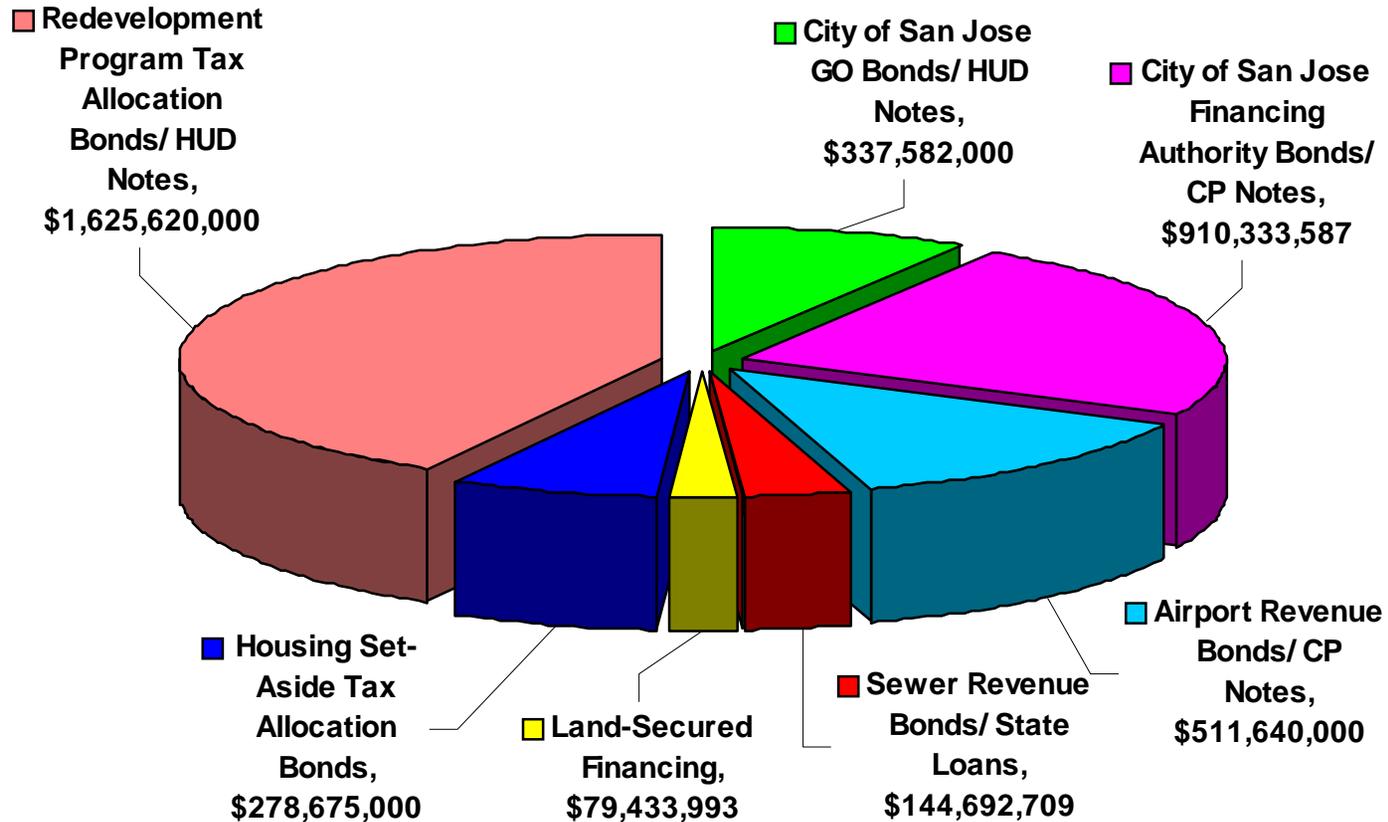
Finance Department
Debt Management Program
September 15, 2005

City Debt Portfolio and Issuance History



Outstanding Bonds Issued by All Agencies

Outstanding Debt as of June 30, 2005: \$3,887,977,289



Debt Issuance and Debt Management Activities during 4th Quarter and in Progress

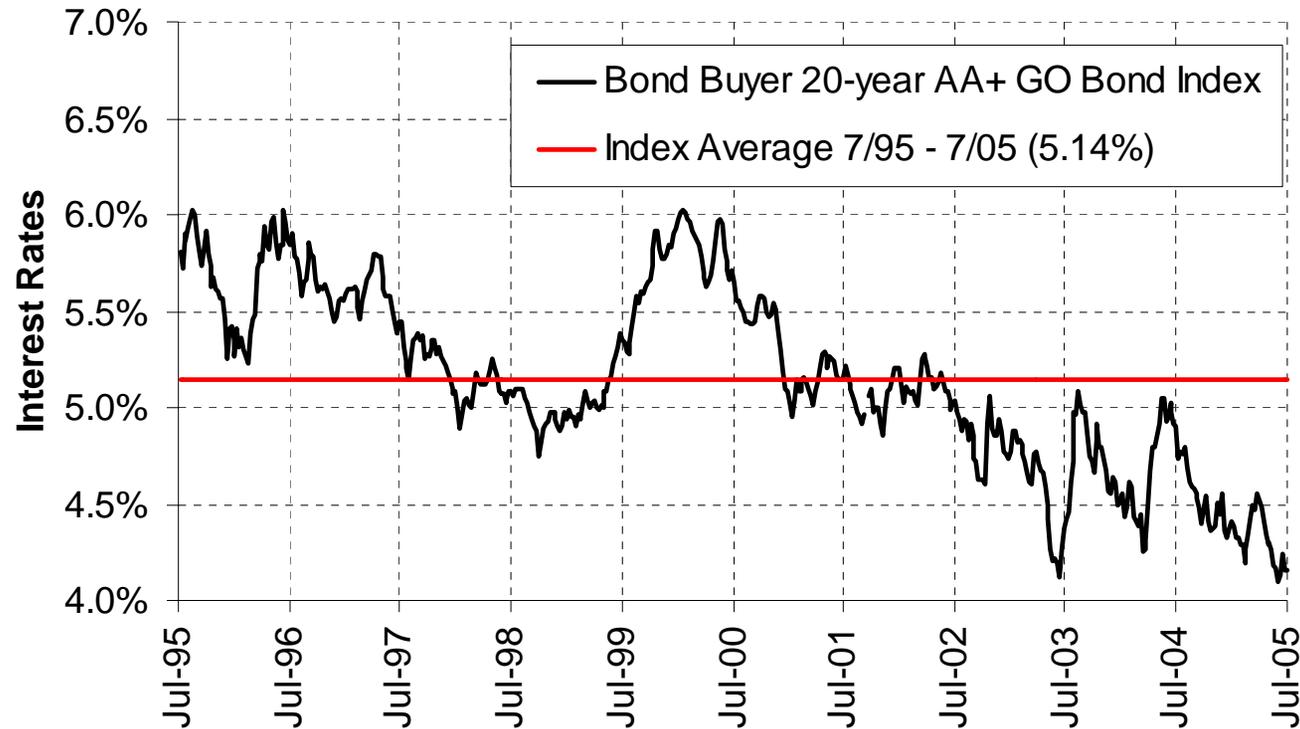
- General Obligation Bonds
 - Libraries and Public Safety projects
 - \$46,300,000, Closed June 23, 2005
- Housing Set-Aside Tax Allocation Bonds (4 Series)
 - Affordable Housing Projects (refunding and new money)
 - \$195,870,000, Closed June 30, 2005
 - Generated \$10,400,000 of present value debt service savings
 - Provided \$35,250,000 for new affordable housing loans
- Redevelopment Tax Allocation Bonds (2 Series)
 - Refund Existing Agency Debt
 - \$220,080,000, Closed July 25, 2005
 - Generated \$6,870,000 of present value debt service savings
- Sewer Revenue Bonds (2 Series)
 - Refund Existing Wastewater System Debt
 - \$83 million, Expected to Close October 2005

City of San Jose – Credit Rating

- Rating presentations in late May, early June 2005
- Aa1/AA+/AA+, confirmed in June 2005
- Demonstrates City's overall strong credit worthiness
- Remain highest rated City with populations of over 250,000 in California
- Ranked higher than State of California (A2/A/A) and County of Santa Clara (Aa2/AA+/-)

Average Fixed Tax-Exempt Rates

- Tax-exempt long-term interest rates declined by 74 basis points in FY 2004-05. Current rates (4.18% as of 8/25/05) remain well below their ten-year average.



Average Variable Taxable and Tax-Exempt Interest Rates

- Tax-exempt weekly interest rates paid by the City averaged 1.90% in fiscal year 2004-05, and are currently at 2.44% (as of 8/30/05)
 - 129 basis point increase from July 1, 2004 to June 30, 2005
- Taxable weekly interest rates paid by the City averaged 2.35% in fiscal year 2004-05, and are currently at 3.52% (as of 8/30/05)
 - 195 basis point increase since July 1, 2004 to June 30, 2005

