



# **City of Santa Clara**

The Center of What's Possible

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## **MONTHLY FINANCIAL STATUS REPORT**

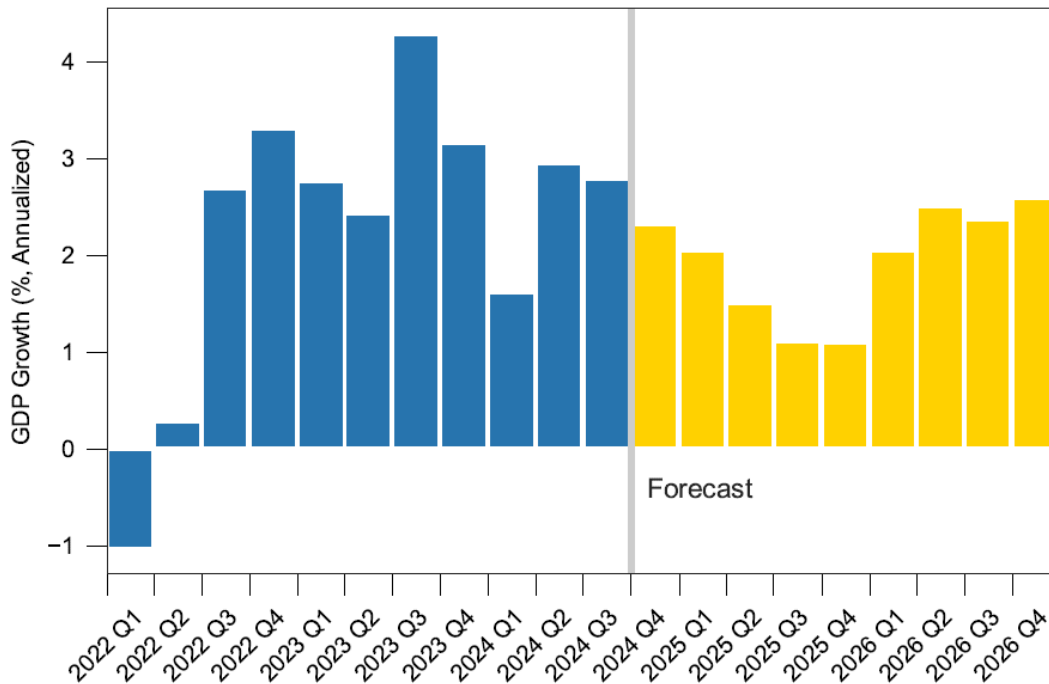
**October 2024**

This report summarizes the City’s financial performance for the month ended October 31, 2024. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds. Financial information included in this report is unaudited.

### Economic Outlook

In its Winter 2024 Forecast, the UCLA Anderson Forecast points to uncertainty regarding the U.S. economic outlook for 2025 and 2026 given the potential impacts of policies regarding tariffs and deportations. “With real GDP growth above two percent, the U.S. economy continues to outshine its global peers. The incoming tariff and deportation policies will put upward pressure on costs and downward pressure on consumption, leading to lower GDP growth, dipping below two percent (SAAR) in the second half of 2025. We expect GDP growth to partially recover by the end of 2026 as the economy adjusts to the tariffs and the changing composition and size of the labor force.”<sup>1</sup>

### U.S. Quarterly Real GDP Growth Forecast (UCLA Winter 2024 Economic Forecast)

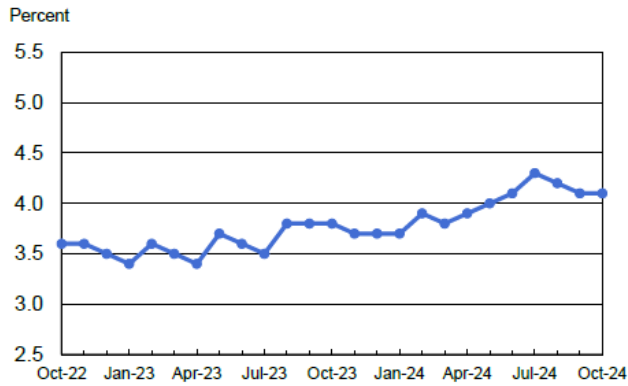


Source: Bureau of Economic Analysis and UCLA Anderson Forecast

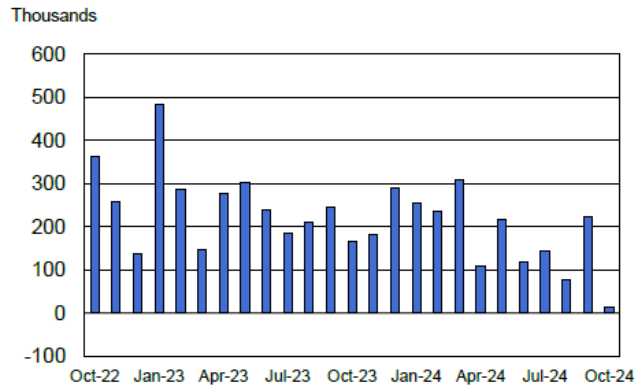
<sup>1</sup> UCLA Anderson Forecast Winter 2024 Economic Forecast, “Cloudy with a Chance of Inflation”, Clement Bohr

On a national level, the unemployment rate remained unchanged at 4.1% between September and October 2024. In October, the number of unemployed persons totaled 7.0 million, an increase from 6.8 million in September.<sup>2</sup>

**Chart 1. Unemployment rate, seasonally adjusted, October 2022 – October 2024**

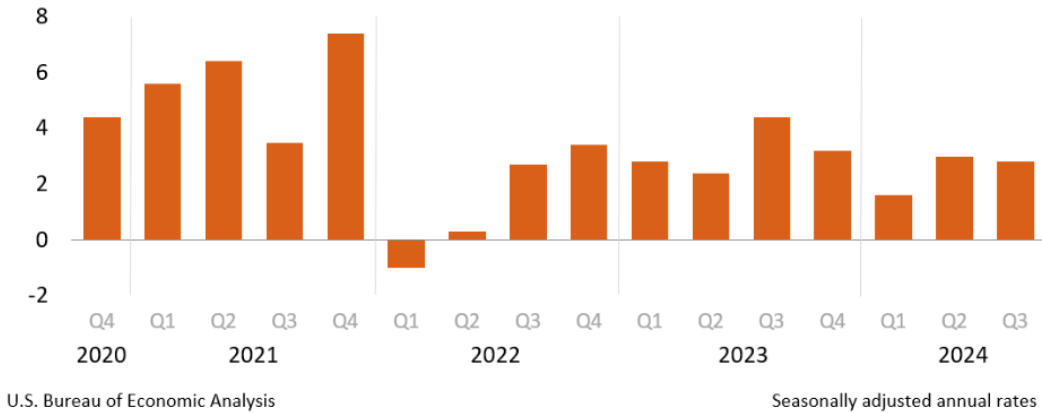


**Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, October 2022 – October 2024**



In the third quarter 2024 second estimate, the Gross Domestic Product (GDP) increased by 2.8%, following a GDP increase of 3.0% in the second quarter. The increase in real GDP primarily reflected increases in consumer spending, exports, nonresidential fixed investment, and federal government spending.<sup>3</sup>

**Real GDP: Percent change from preceding quarter**



At the state level, the California unemployment rate changed little from 5.3% to 5.4% between September and October 2024. This rate is higher compared to the 5.1% rate in October 2023. Over the past year, California employers have added 212,100 nonfarm jobs.<sup>4</sup>

<sup>2</sup> <https://www.bls.gov/news.release/pdf/empsit.pdf>

<sup>3</sup> <https://www.bea.gov/sites/default/files/2024-10/tech3q24-adv.pdf>

<sup>4</sup> [https://edd.ca.gov/en/about\\_edd/news\\_releases\\_and\\_announcements/unemployment-october-2024/](https://edd.ca.gov/en/about_edd/news_releases_and_announcements/unemployment-october-2024/)

The winter 2024 UCLA Anderson Forecast for California assumes the state's economy will grow at about the same rate as the U.S. in 2025 and 2026. "The unemployment rate for the 4th quarter of this year is expected to average 5.3%, and the average for 2025 and 2026 is expected to be 5.5% and 5.0% respectively. Our forecast for 2025 and 2026 is for total employment growth rates to be -0.7% and 1.6%. Non-farm payroll jobs are expected to grow at a 1.5% and 1.3% rate during the same two years. Real personal income is forecast to grow by 2.3% in 2025 and 2.6% in 2026. In spite of the higher interest rates, the continued demand for a limited housing stock coupled with state policies inducing new homebuilding should result in the beginning of a recovery this year followed by slow but solid growth in new home production thereafter."<sup>5</sup>

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 4.2% in October 2024, up slightly from a revised 4.1% in September 2024, and above the October 2023 estimate of 4.0%. Between October 2023 and October 2024, employment in this region increased by 7,200 jobs, or 0.6%. The largest increases were in private education and health services (up 10,900 jobs) and professional and business services (up 3,600 jobs). Notable employment reductions were in information (down 5,900 jobs) and manufacturing (down 5,300 jobs).<sup>6</sup>

### **General Fund**

The General Fund is the major operating fund for the City and includes multiple programs, services, and activities for the residents and businesses of the City. The adopted budget for operating revenues and expenditures for fiscal year 2024/25 was \$310.7 million. The amended budget for revenues and expenditures was adjusted to \$317.9 million to reflect carryover encumbrances from fiscal year 2023/24 and various budget amendments approved by the City Council through October 2024.

While it is very early in the fiscal year and limited data is available, General Fund revenues and expenditures are tracking within estimated levels.

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<sup>5</sup> UCLA Anderson Forecast Winter 2024 Economic Forecast, "California After the Election", Jerry Nickelsburg

<sup>6</sup> [https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pds.pdf](https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pds.pdf)

**General Fund Revenues**

As of October 31, 2024, \$55.3 million or 18.7% of the General Fund estimated revenue (excluding transfers) was received. Collections are tracking below par through October due to the timing of payments. In some categories, a portion of the revenues received through October were accrued to the prior fiscal year because they accounted for activity in FY 2023/24. In other cases, such as property tax, most payments are scheduled to occur later in the fiscal year. Transfers and use of reserves of \$22.1 million have occurred as budgeted.

**CITY OF SANTA CLARA  
GENERAL FUND  
REVENUE OVERVIEW AND COMPARISON BY TYPE**

Function	FISCAL YEAR 2024/25				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Received	Actual Through 10/31/2023	Change From Prior Year	Percentage Change
<b>TAXES</b>							
Sales Tax	\$ 62,900,000	\$ 62,900,000	\$ 8,626,310	13.71%	\$ 10,564,847	\$ (1,938,537)	-18.35%
Property Tax	94,391,000	94,391,000	3,254,255	3.45%	3,289,823	(35,568)	-1.08%
Transient Occupancy Tax	22,850,000	22,850,000	6,175,612	27.03%	2,831,072	3,344,540	118.14%
Other Taxes	6,950,000	6,950,000	943,308	13.57%	1,041,865	(98,557)	-9.46%
<b>Total Taxes</b>	<b>187,091,000</b>	<b>187,091,000</b>	<b>18,999,485</b>	<b>10.16%</b>	<b>17,727,607</b>	<b>1,271,878</b>	<b>7.17%</b>
<b>LICENSES &amp; PERMITS</b>							
Business Licenses	6,000,000	6,000,000	2,569,390	42.82%	1,430,304	1,139,086	79.64%
Fire Operation Permits	2,010,000	2,010,000	771,155	38.37%	479,556	291,599	60.81%
Miscellaneous Permits	55,000	55,000	172,686	313.97%	111,499	61,187	54.88%
<b>Total Licenses &amp; Permits</b>	<b>8,065,000</b>	<b>8,065,000</b>	<b>3,513,231</b>	<b>43.56%</b>	<b>2,021,359</b>	<b>1,491,872</b>	<b>73.81%</b>
<b>FINES &amp; PENALTIES</b>	<b>1,452,000</b>	<b>1,452,000</b>	<b>334,034</b>	<b>23.01%</b>	<b>874,030</b>	<b>(539,996)</b>	<b>-61.78%</b>
<b>INTERGOVERNMENTAL</b>	<b>970,000</b>	<b>970,000</b>	<b>433,437</b>	<b>44.68%</b>	<b>80,186</b>	<b>353,251</b>	<b>440.54%</b>
<b>CHARGES FOR SERVICES</b>	<b>30,829,954</b>	<b>30,829,954</b>	<b>12,069,479</b>	<b>39.15%</b>	<b>9,633,887</b>	<b>2,435,591</b>	<b>25.28%</b>
<b>SILICON VALLEY POWER TRANSFER</b>	<b>34,500,000</b>	<b>34,500,000</b>	<b>11,821,700</b>	<b>34.27%</b>	<b>10,970,083</b>	<b>851,617</b>	<b>7.76%</b>
<b>USE OF MONEY &amp; PROPERTY</b>							
Interest	6,212,000	6,212,000	579,532	9.33%	(409,667)	989,199	-241.46%
Rent	13,028,187	13,028,187	4,431,745	34.02%	4,171,331	260,414	6.24%
<b>Total Use of Money &amp; Property</b>	<b>19,240,187</b>	<b>19,240,187</b>	<b>5,011,277</b>	<b>26.05%</b>	<b>3,761,664</b>	<b>1,249,613</b>	<b>33.22%</b>
<b>MISCELLANEOUS REVENUES</b>	<b>215,550</b>	<b>215,550</b>	<b>289,597</b>	<b>134.35%</b>	<b>101,667</b>	<b>187,930</b>	<b>184.85%</b>
<b>LAND PROCEED</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>N/A</b>
<b>OTHER FINANCING SOURCES</b>							
Operating Transfer In - Storm Drain	1,454,000	1,454,000	1,454,000	100.00%	1,454,000	-	0.00%
Operating Transfer In - Reserves	6,964,827	13,895,239	13,895,239	100.00%	8,012,113	5,883,126	73.43%
Operating Transfer In - Fund Balances <sup>(1)</sup>	6,162,369	6,162,369	6,162,369	100.00%	4,759,683	1,402,686	29.47%
Operating Transfer In - Miscellaneous	575,821	575,821	575,821	100.00%	746,044	(170,223)	-22.82%
<b>Total Other Financing Sources</b>	<b>15,157,017</b>	<b>22,087,429</b>	<b>22,087,429</b>	<b>100.00%</b>	<b>14,971,840</b>	<b>7,115,589</b>	<b>47.53%</b>
<b>STADIUM OPERATION</b>							
Charges for Services	11,705,481	12,023,104	2,779,771	23.12%	715,189	2,064,582	288.68%
Rent and Licensing	1,472,000	1,472,000	-	0.00%	69,313	(69,313)	-100.00%
<b>Total Stadium Operation</b>	<b>13,177,481</b>	<b>13,495,104</b>	<b>2,779,771</b>	<b>20.60%</b>	<b>784,502</b>	<b>1,995,269</b>	<b>254.34%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 310,698,189</b>	<b>\$ 317,946,224</b>	<b>\$ 77,339,440</b>	<b>24.32%</b>	<b>\$ 60,926,825</b>	<b>\$ 16,412,615</b>	<b>26.94%</b>

(1) The Operating Transfer In - Fund Balances includes the carryover encumbrances of open purchase orders as of June 30, 2024 and mid year budget amendment from reserves.

### General Fund Revenues

**Sales Tax:** The City of Santa Clara sales tax rate is 9.125%, of which the City receives 1.0%. As of October 31, 2024, \$8.6 million has been collected, which is 18.4% lower than prior year collection levels. Given the timing of payments, the sales tax payments through October are for the months of July and August 2024 and reflect advances from the State. In November, the City received the true-up payment for the first quarter of FY 2024/25 (July – September activity) that brought collections to \$19.2 million for that quarter. This collection level is well above prior year receipts of \$15.1 million for the first quarter of FY 2023/24. This increase was primarily the result of a 44% increase in the Business-to-Business category, much of which is one time in nature. Growth was also realized in the construction (up 7.5%) and food products (up 1.3%) categories, partially offset by reductions in the general retail (down 4.9%) and transportation (down 9.8%) categories.

**Property Tax:** \$3.3 million in property tax receipts were received in October 2024. The majority of property tax revenue is collected in February and April each year. Based on initial information from the County of Santa Clara, property tax receipts are projected to end the year at \$95.9 million, slightly above the Adopted Budget estimate of \$94.4 million.

**Transient Occupancy Tax (TOT):** TOT is calculated as a percentage of City hotel/motel room charges. The City's current TOT rate is 12.5% and will increase to 13.5% effective January 1, 2025. Through October 31, 2024, approximately \$6.2 million was received, or 27.0% of the budget. This collection level was well above the \$2.8 million received through October of the prior fiscal year due, in part, to the timing of payments. In this fiscal year, there was a large payment in October (\$4.1 million) and a relatively smaller payment in November (\$1.3 million) while last fiscal year, the payment in October was smaller (\$1.5 million) and the November payment was larger (\$2.9 million). After adjusting for the timing of these payments, collections are up approximately 30% in FY 2024/25. A portion of this growth is due to the TOT rate increase from 11.5% to 12.5% effective January 2024.

**Other Taxes:** Includes franchise tax and documentary transfer tax. The City has collected approximately \$0.9 million through October, which is 9.5% lower than last fiscal year's collection levels. Receipts through October primarily reflect franchise tax collections, with minimal documentary transfer tax revenue collected.

**Licenses & Permits:** Includes business licenses, fire operation permits, and miscellaneous permits and fees. Revenue collections are tracking above par with receipts totaling \$3.5 million, or 43.6% of the \$8.1 million budget. This reflects strong growth in all categories with the largest collections in the business license tax category. Effective FY 2023/24, the City implemented a new Business License Tax methodology which is reflected in the receipts recorded this fiscal year totaling \$2.6 million, or 42.8% of the budget. This collection level is above the prior year level of \$1.4 million due, in part, to the timing of payments; last year, collections at the beginning of the year were delayed with the implementation of the new tax structure.

**Fines & Penalties:** Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category through October was \$0.3 million. Collections in this category are tracking below the prior year.

**Intergovernmental:** Includes motor vehicle fees, state homeowner tax relief, state mandated reimbursement and redistribution of land sale proceeds and ground leases from the Successor Agency. Through October 31, 2024, approximately \$0.4 million has been collected, or 44.7% of the \$1.0 million budget.

**Charges for Services:** Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through October, collections totaled approximately \$12.1 million or 39.2% of the budget. This reflects a 25.3% increase compared to last year's collections, primarily due to higher receipts from engineering fees, Emergency Medical Services (EMS) transport fees, and interdepartmental charges.

**Silicon Valley Power Transfer:** In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues to the General Fund. Transfers throughout the year are based on the budgeted estimate and will be trued up at the end of the fiscal year based on actual performance.

**Use of Money & Property:** Includes realized investment income and rental income. Through October, \$5.0 million has been collected, compared to \$3.8 million last fiscal year. This increase is due to higher interest and higher rents, specifically right-of-way, collected in the current year. This is mainly due to the timing of when the right-of-way revenue was recorded, when compared to last fiscal year.

**Miscellaneous Revenues:** Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through October, collections total \$0.3 million, compared to \$0.1 million collected in the prior year.

**Stadium Operation:** Through October 31, 2024, approximately \$2.8 million has been collected through charges for services.

### General Fund Expenditures

As of October 31, 2024, \$115.1 million or 36.2% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$97.1 million, or 32.4% of the budget, which is at par. Transfers of \$18.0 million have occurred as budgeted. Overall, expenditures in the General Fund are at budgeted levels through October.

#### CITY OF SANTA CLARA GENERAL FUND EXPENDITURES OVERVIEW AND COMPARISON BY FUNCTION

Function	FISCAL YEAR 2024/25				PY EXPENDITURES COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Used	Actual Through 10/31/2023	Change From Prior Year	Percentage Change
<b>GENERAL GOVERNMENT</b>							
Non-Departmental	\$ 17,622,136	\$ 17,841,022	\$ 5,798,824	32.50%	\$ 3,156,215	\$ 2,642,609	83.73%
City Council	1,196,923	1,196,923	387,669	32.39%	376,926	10,743	2.85%
City Clerk	2,102,267	2,104,267	699,700	33.25%	554,726	144,974	26.13%
City Manager	8,222,051	9,030,316	1,384,790	15.33%	1,118,432	266,358	23.82%
City Attorney	3,357,661	3,440,037	969,506	28.18%	843,231	126,275	14.98%
Human Resources	4,845,256	5,034,027	1,279,922	25.43%	1,084,556	195,366	18.01%
Finance	21,008,682	21,922,775	7,056,728	32.19%	5,614,387	1,442,341	25.69%
<b>Total General Government</b>	<b>58,354,976</b>	<b>60,569,367</b>	<b>17,577,139</b>	<b>29.02%</b>	<b>12,748,473</b>	<b>4,828,666</b>	<b>37.88%</b>
<b>PUBLIC WORKS</b>	<b>26,347,463</b>	<b>28,132,690</b>	<b>8,206,089</b>	<b>29.17%</b>	<b>7,813,620</b>	<b>392,469</b>	<b>5.02%</b>
<b>COMMUNITY DEVELOPMENT</b>	<b>5,575,313</b>	<b>5,636,381</b>	<b>1,633,072</b>	<b>28.97%</b>	<b>1,668,888</b>	<b>(35,816)</b>	<b>-2.15%</b>
<b>PARKS AND RECREATION</b>	<b>23,172,047</b>	<b>23,931,989</b>	<b>7,465,008</b>	<b>31.19%</b>	<b>7,236,240</b>	<b>228,768</b>	<b>3.16%</b>
<b>PUBLIC SAFETY</b>							
Fire	66,292,191	66,954,133	23,738,480	35.45%	22,262,626	1,475,854	6.63%
Police	92,074,298	92,973,019	30,196,963	32.48%	27,713,868	2,483,095	8.96%
<b>Total Public Safety</b>	<b>158,366,489</b>	<b>159,927,152</b>	<b>53,935,443</b>	<b>33.73%</b>	<b>49,976,494</b>	<b>3,958,949</b>	<b>7.92%</b>
<b>LIBRARY</b>	<b>11,732,505</b>	<b>12,212,058</b>	<b>4,044,800</b>	<b>33.12%</b>	<b>3,347,030</b>	<b>697,770</b>	<b>20.85%</b>
<b>DEPARTMENTAL TOTAL</b>	<b>283,548,793</b>	<b>290,409,637</b>	<b>92,861,551</b>	<b>31.98%</b>	<b>82,790,745</b>	<b>10,070,806</b>	<b>12.16%</b>
<b>OTHER FINANCING USES</b>							
Operating Transfer Out - Miscellaneous	626,778	626,778	626,778	100.00%	1,198,809	(572,031)	-47.72%
Operating Transfer Out - Debt Services	1,405,940	1,405,940	1,405,940	100.00%	1,402,440	3,500	0.25%
Operating Transfer Out - Maintenance Dtrct	977,546	977,546	977,546	100.00%	942,413	35,133	3.73%
Operating Transfer Out - Cemetery	823,000	823,000	823,000	100.00%	796,000	27,000	3.39%
Operating Transfer Out - CIP	14,204,882	14,204,882	14,204,882	100.00%	7,305,499	6,899,383	94.44%
<b>Total Other Financing Uses</b>	<b>18,038,146</b>	<b>18,038,146</b>	<b>18,038,146</b>	<b>100.00%</b>	<b>11,645,161</b>	<b>6,392,985</b>	<b>54.90%</b>
<b>STADIUM OPERATION</b>	<b>9,111,250</b>	<b>9,498,441</b>	<b>4,247,204</b>	<b>44.71%</b>	<b>4,515,793</b>	<b>(268,589)</b>	<b>-5.95%</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 310,698,189</b>	<b>\$ 317,946,224</b>	<b>\$ 115,146,901</b>	<b>36.22%</b>	<b>\$ 98,951,699</b>	<b>\$ 16,195,202</b>	<b>16.37%</b>



### General Fund Expenditures

Below is an explanation of certain budget to actual expenditure variances by program.

**Non-Departmental:** Includes expenditures that are not attributable to a single department, but a function of the City in general. Through October, expenditures totaled \$5.8 million, or 32.5% of the budget. These expenditures are at par of 33.3%, but significantly higher than prior year levels. This increase is primarily due to the timing of the insurance payment; last fiscal year, these expenditures were not reflected until later in the fiscal year.

**City Attorney:** Actual expenditures through October totaled approximately \$1.0 million, which is 28.2% of the budget, which is below par. Spending is 15% higher than the total expenditures through the same time last fiscal year due primarily to increases in the salaries and benefits categories and the outside legal services category.

**City Clerk:** Through October, actual expenditures were tracking at \$0.7 million or approximately 33.3% of the budget. This expenditure level reflects a 26% increase compared to last fiscal year due to one-time Granicus costs that are paid every other year.

**City Council:** Through October, expenditures were at 32.4% of budget, which is at par. Compared to the same period through last fiscal year, this reflects a slight increase in expenditures due to higher salaries and benefits spending, partially offset by lower non-personnel spend.

**City Manager:** The actual expenditures through October totaled \$1.4 million, or 15.3% of the budget, which is below par for this time of the year. Expenditures are 23.8% higher compared with the spending level through the same period last fiscal year. The increase is attributable to higher spend in the salaries and benefits, advertising, and miscellaneous services and supplies categories.

**Community Development Department:** This department consists of three divisions: Planning, Building, and Housing and Community Services. The Building Division of this department is reflected in the Building Development Services Fund, which falls under the special revenue section of this report. Through October, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$1.6 million, or 29% of the budget, which is below par of 33%. This expenditure level is slightly lower than prior year spend.

**Finance Department:** Through October, the Department's expenditures totaled \$7.1 million, or 32.2% of the budget, which is at par. This expenditure level was approximately 25.7% higher than through the same period last year. The current year spend reflects higher salaries and benefits and contractual services costs, primarily related to PeopleSoft and the Questica Budget System.

**Fire Department:** Through October, actual expenditures totaled \$23.7 million, or 35.5% of the budget, which is above par. These expenditures also reflect a 6.6% increase from last fiscal year due to higher expenditures across the salaries and benefits and non-personnel categories including contractual services and capital outlay. Overtime expenditures are tracking over budget at 191% due, in part, to overtime expenditures related to mutual aid deployment efforts. These costs are reimbursable, and

budget actions will be brought forward for City Council approval to recognize the reimbursements and adjust the Department overtime budget as reimbursements are received. Excluding mutual aid-related costs, the overtime budget is 96.4% expended through October. Overtime is used to backfill for shift absences and vacant shift positions to maintain daily minimum staffing. It is anticipated that overtime expenditures will exceed the overtime budget as the current absence rate exceeds the estimate used in the development of the budget.

Through October, absences are down 8% (from 30,101 to 27,576 hours) when compared with the prior fiscal year but remain above historical levels. Absences are trending high in the areas of Family Medical Leave Act (FMLA) leave, sick leave, and vacation usage. It is important to note that employees can elect for compensatory time over overtime pay when backfilling shift absences, which increases the need to backfill when the compensatory time is used. Through October, the compensatory time payouts total \$597,612, which is above historical levels but 43.5% below the payouts of \$1,058,378 experienced through October of last fiscal year. The Department will continue to monitor expenditures throughout the fiscal year and bring forth budget recommendations, as needed.

**Library Department:** Through October, actual expenditures totaled \$4.0 million, or 33% of the budget, which is at par, and 20.8% higher than expenditure levels last fiscal year. The higher spending is primarily in the salaries and benefits and maintenance categories.

**Parks and Recreation Department:** Through October, actual expenditures totaled \$7.5 million, or 31.2% of the budget, which is slightly below par, but slightly above the prior year spend.

**Police Department:** Expenditures through October are tracking at expected levels at \$30.2 million, or 32.5% of the budget; this is approximately 9% higher than prior year spending. The higher spend is primarily in the salaries and benefits and contractual services categories.

**Stadium Operation:** Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures totaled \$4.2 million through October, which is 6.0% lower than the prior year. This is primarily due to fewer ticketed Non-NFL events being held in the current year, resulting in lower as needed and overtime spend. The Stadium hosted four ticketed Non-NFL events and six NFL games through October.

**Special Revenue Funds**

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of October 31, 2024. The amended budget reflects carryover encumbrances from fiscal year 2023/24 and budget amendments approved by the City Council through October 2024.

Revenues totaled approximately \$9.2 million, while expenditures totaled approximately \$7.4 million through the end of October. While revenue is tracking above par, expenditures are tracking below par of 33.3%. In the Building Development Services Fee Fund and Fire Development Services Fee Fund, development-related fees and expenditures are tracking above prior year levels. In the City Affordable Housing Fund and Housing Successor Agency Fund, higher interest earnings have been collected when compared to prior year levels. However, there have been lower interest collections in the Housing Authority Fund.

**CITY OF SANTA CLARA  
SPECIAL REVENUE FUNDS  
REVENUE AND EXPENDITURES - OVERVIEW AND COMPARISON BY FUND**

Fund Description	REVENUE - FISCAL YEAR 2024/25				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Received	Actual Through 10/31/2023	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 16,164,000	\$ 16,164,000	\$ 6,482,617	40.11%	\$ 4,953,806	\$ 1,528,811	30.86%
City Affordable Housing Fund	1,168,177	1,168,177	298,471	25.55%	110,383	188,088	170.40%
Fire Development Services Fee Fund	3,277,500	3,277,500	1,640,551	50.05%	1,243,226	397,325	31.96%
Housing and Urban Development Housing Authority Fund	2,532,068	3,375,068	394,194	11.68%	450,553	(56,359)	-12.51%
Housing Successor Fund	252,496	252,496	21,792	8.63%	68,444	(46,652)	-68.16%
	1,306,326	1,306,326	376,367	28.81%	268,006	108,361	40.43%
<b>TOTAL</b>	<b>\$ 24,700,567</b>	<b>\$ 25,543,567</b>	<b>\$ 9,213,992</b>	<b>36.07%</b>	<b>\$ 7,094,418</b>	<b>\$ 2,119,574</b>	<b>29.88%</b>

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Used	Actual Through 10/31/2023	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 15,044,148	\$ 15,852,488	\$ 5,050,234	31.86%	\$ 4,642,455	\$ 407,779	8.78%
City Affordable Housing Fund	1,593,647	7,207,792	279,700	3.88%	343,555	(63,855)	-18.59%
Fire Development Services Fee Fund	3,387,922	3,387,922	1,218,382	35.96%	1,020,766	197,616	19.36%
Housing and Urban Development Housing Authority Fund	2,532,068	4,071,407	530,263	13.02%	484,518	45,745	9.44%
Housing Successor Fund	468,931	511,389	54,034	10.57%	58,696	(4,662)	-7.94%
	902,579	1,012,590	249,105	24.60%	336,115	(87,010)	-25.89%
<b>TOTAL</b>	<b>\$ 23,929,295</b>	<b>\$ 32,043,588</b>	<b>\$ 7,381,718</b>	<b>23.04%</b>	<b>\$ 6,886,105</b>	<b>\$ 495,613</b>	<b>7.20%</b>

**Governmental Capital Improvement Funds**

The table below lists the revenue for selected capital improvement funds. The amended budget reflects current year appropriations, prior year carryover, and budget amendments approved through October 2024. As of October 31, 2024, the capital fund revenue totaled \$4.3 million.

**CITY OF SANTA CLARA  
GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS  
REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND**

REVENUE - FISCAL YEAR 2024/25						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 10/31/2024	Percentage Used	
City Affordable Housing Capital Fund	\$ -	\$ -	\$ -	\$ 832,997	NA	
Parks & Recreation	-	3,349,489	3,349,489	649,630	19.39%	
Related Santa Clara Developer	795,344	-	795,344	-	0.00%	
Storm Drain	1,454,000	3,000,000	4,454,000	493,636	11.08%	
Streets & Highways	6,098,308	22,490,903	28,589,211	2,257,627	7.90%	
Tasman East Specific Infrastructure Improvement Fund	3,734,932	-	3,734,932	82,144	2.20%	
<b>TOTAL</b>	<b>\$ 12,082,584</b>	<b>\$ 28,840,392</b>	<b>\$ 40,922,976</b>	<b>\$ 4,316,034</b>	<b>10.55%</b>	

The table below lists the total amended budgeted amounts for expenditures in the Capital Improvement Funds. Similar to the revenue table, the amended expenditure budgets consist of current year appropriations, prior year carryover encumbrance balances in Governmental Capital Improvement Funds, and budget amendments approved through October 2024. As of October 31, 2024, capital fund expenditures totaled \$12 million, or 7% of the amended budget, well below par of 33.3%.

As part of the adoption of the FY 2024/25 and FY 2025/26 biennial capital improvement program budget, some capital funds were carried over for projects that were not anticipated to be completed by June 30, 2024. Necessary additional adjustments to the capital carryover amounts were included as part of the FY 2023/24 Budget Year End Report approved on December 3, 2024 and will be reflected in a future monthly financial report.

**CITY OF SANTA CLARA  
GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS  
SUMMARY OF EXPENDITURES**

EXPENDITURES - FISCAL YEAR 2024/25						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 10/31/2024	Percentage Used	
Fire	\$ 1,473,700	1,247,874	\$ 2,721,574	\$ 311,784	11.46%	
General Govt - Other	2,390,820	9,127,697	11,518,517	574,313	4.99%	
Library	471,848	248,407	720,255	7,723	1.07%	
Parks & Recreation	7,654,966	25,525,570	33,180,536	1,592,194	4.80%	
Public Buildings	1,792,207	5,442,248	7,234,455	421,661	5.83%	
Related Santa Clara Developer	795,344	393,992	1,189,336	122,707	10.32%	
Storm Drain	2,161,450	7,135,999	9,297,449	591,621	6.36%	
Streets & Highways	21,441,923	77,468,474	98,910,397	8,345,712	8.44%	
Tasman East Specific Infrastructure Improvement Fund	1,432,193	1,433,994	2,866,187	6,358	0.22%	
<b>TOTAL</b>	<b>\$ 39,614,451</b>	<b>\$ 128,024,255</b>	<b>\$ 167,638,706</b>	<b>\$ 11,974,073</b>	<b>7.14%</b>	

**Enterprise Funds**

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of October 31, 2024. Overall, revenues are tracking slightly above budgeted estimates, while expenditures are tracking below budgeted levels.

**CITY OF SANTA CLARA  
ENTERPRISE OPERATING FUNDS  
REVENUE AND EXPENSES - OVERVIEW AND COMPARISON BY FUND**

Fund Description	REVENUE - FISCAL YEAR 2024/25				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Received	Actual Through 10/31/2023	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 750,000	\$ 750,000	\$ 189,167	25.22%	\$ 153,218	\$ 35,949	23.46%
Electric Utility Fund	893,397,959	893,397,959	345,709,470	38.70%	204,364,823	141,344,647	69.16%
Sewer Utility Fund	46,989,803	46,989,803	15,410,929	32.80%	26,885,699	(11,474,770)	-42.68%
Solid Waste Utility Fund	41,561,372	41,561,372	11,420,020	27.48%	11,054,835	365,185	3.30%
Water Recycling Fund	8,507,338	8,507,338	3,445,005	40.49%	2,945,654	499,351	16.95%
Water Utility Fund	64,096,935	64,096,935	22,297,940	34.79%	18,768,164	3,529,776	18.81%
<b>TOTAL REVENUE</b>	<b>\$ 1,055,303,407</b>	<b>\$ 1,055,303,407</b>	<b>\$ 398,472,531</b>	<b>37.76%</b>	<b>\$ 264,172,393</b>	<b>\$ 134,300,138</b>	<b>50.84%</b>

Fund Description	EXPENSES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 10/31/2024	Percentage Used	Actual Through 10/31/2023	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,628,800	\$ 1,628,800	\$ 425,214	26.11%	\$ 387,520	\$ 37,694	9.73%
Electric Utility Fund	649,513,582	667,335,619	179,186,348	26.85%	183,889,966	(4,703,618)	-2.56%
Sewer Utility Fund	38,762,083	39,278,049	17,088,240	43.51%	10,448,643	6,639,597	63.55%
Solid Waste Utility Fund	40,775,942	43,928,485	12,448,844	28.34%	10,927,569	1,521,275	13.92%
Water Recycling Fund	9,307,289	9,332,389	2,144,571	22.98%	467,666	1,676,905	358.57%
Water Utility Fund	57,614,177	58,830,207	18,252,489	31.03%	16,189,477	2,063,012	12.74%
<b>TOTAL - Operating Appropriations</b>	<b>\$ 797,601,873</b>	<b>\$ 820,333,549</b>	<b>\$ 229,545,706</b>	<b>27.98%</b>	<b>\$ 222,310,841</b>	<b>\$ 7,234,865</b>	<b>3.25%</b>

While revenues are tracking slightly higher than prior years, expenditures are consistent with prior year levels. Revenue in the Electric Utility Fund is tracking above the prior year due primarily to bond proceeds of \$130.6 million received in FY 2024/25. In the Sewer Utility Fund, revenue is tracking below the prior year due to the issuance of debt in FY 2023/24. Additionally, in the Water Recycling Fund, a payment for the 4<sup>th</sup> quarter of last fiscal year was recorded in the current fiscal year due to the timing of receipt of the invoice. A budget adjustment to carryover the budget from FY 2023/24 to FY 2024/25 was included in the FY 2023/24 Budgetary Year-End Report for that payment.

Revenues in the electric (which also includes the Electric Debt Service Fund), water, and sewer utility (which also includes the Sewer Debt Service Fund) and water recycling funds are primarily from customer service charges. The activity levels for these customer service charges also impact the resource and production costs on the expenditure side for these funds. The lower the revenue from customer service charges, the lower the expenditures in the resource and production category.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actual revenue through October 31, 2024, totaled \$6.1 million, consisting primarily of developer contributions and load development fees in the Electric Utility Fund and sewer fees in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$18.9 million, or 3.8% of the amended budget. Similar to the general government capital funds, capital funds were carried over from FY 2023/24 as part of the FY 2024/25 and FY 2025/26 budget adoption process for those projects that were not expected to be completed by June 30, 2024. Necessary additional adjustments to the capital carryover amounts were included as part of the FY 2023/24 Budget Year End Report approved on December 3, 2024 and will be reflected in a future monthly financial report.

**CITY OF SANTA CLARA  
ENTERPRISE CAPITAL IMPROVEMENT FUNDS  
REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND**

REVENUE - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 10/31/2024	Percentage Used
Convention Center Capital Fund	\$ 550,000	\$ -	\$ 550,000	\$ -	0.00%
Electric Utility Fund	25,299,629	26,213,951	51,513,580	5,453,904	10.59%
Sewer Utility Fund	-	-	-	636,048	N/A
Solid Waste Utility Fund	258,000	-	258,000	2,258	0.88%
Street Lighting <sup>(1)</sup>	-	-	-	837	N/A
Water Recycling Fund	-	-	-	-	N/A
Water Utility Fund	-	-	-	30,684	N/A
<b>TOTAL - Revenue</b>	<b>\$ 26,107,629</b>	<b>\$ 26,213,951</b>	<b>\$ 52,321,580</b>	<b>\$ 6,123,731</b>	<b>11.70%</b>

**CITY OF SANTA CLARA  
ENTERPRISE CAPITAL IMPROVEMENT FUNDS  
SUMMARY OF EXPENDITURES**

EXPENDITURES - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 10/31/2024	Percentage Used
Cemetery Fund	\$ 4,689	\$ 17,835	\$ 22,524	\$ 1,563	6.94%
Convention Center Capital Fund	2,700,000	1,726,973	4,426,973	201,166	4.54%
Electric Utility Fund	220,973,144	198,533,383	419,506,527	11,919,091	2.84%
Sewer Utility Fund	20,325,410	28,269,938	48,595,348	4,451,482	9.16%
Solid Waste Utility Fund	788,000	119,873	907,873	199,799	22.01%
Street Lighting <sup>(1)</sup>	5,365,000	3,405,462	8,770,462	40,881	0.47%
Water Recycling Fund	400,000	-	400,000	238	0.06%
Water Utility Fund	5,795,000	6,127,745	11,922,745	2,043,470	17.14%
<b>TOTAL - CIP Appropriations</b>	<b>\$ 256,351,242</b>	<b>\$ 238,201,210</b>	<b>\$ 494,552,452</b>	<b>\$ 18,857,690</b>	<b>3.81%</b>

(1) Street Lighting fund is part of Electric Capital Improvement Funds

### Fund Reserves

By policy, City Council established the City's General Contingency Reserve, under which reserves for Budget Stabilization and Capital Projects were established.

- Budget Stabilization Reserve is set aside for weathering economic downturns, emergency financial crisis, or disaster situations. The reserve target is equal to the expenditures of the City's General Fund operations for three months (90-day or 25% General Fund Adopted Operating Budget). In FY 2024/25, the City Council approved an exception to the policy to allow the Reserve to drop to a minimum of 15% of expenditures.
- Capital Projects Reserve earmarks funds for the Capital Improvement Program.

Other General Reserves and Enterprise Fund Reserves included in this report are highlighted as follows:

- Technology Fee Reserve is set aside to update and/or replace the City's aging technology and to ensure internal controls are in compliance with current business standard and legal requirements.
- Land Sale Reserve is net proceeds from the sale of City-owned land, with interest earned on these funds available to be appropriated for General Fund operating expenditures. This reserve is available for appropriation by City Council action.
- The Electric Utility Rate Stabilization Reserve and Operations and Maintenance Reserve ensures sufficient operating cash is available to cover day-to-day expenses, address unforeseen cost increases or revenue shortfalls, and ensure debt service coverage.
- The Replacement and Improvement Reserve in the Water and Sewer Utility Funds is for future capital improvement.

The table below summarizes select reserve balances.



**CITY OF SANTA CLARA  
RESERVE BALANCES  
October 31, 2024**

**DETAIL OF SELECTED FUND RESERVE BALANCES:**

	<b>GENERAL FUND</b>	<b>ELECTRIC</b>	<b>WATER</b>
Budget Stabilization Reserve	\$ 53,131,576		
Capital Projects Reserve	7,769,117		
Land Sale Reserve	18,481,036		
Technology Fee Reserve	2,488,729		
Electric Rate Stabilization Fund Reserve		\$ 66,000,000	
Electric Operations and Maintenance Reserve		195,000,000	
Replacement & Improvement			\$ 303,090
<b>TOTALS</b>	<b>\$ 81,870,458</b>	<b>\$ 261,000,000</b>	<b>\$ 303,090</b>

**Donations to the City of Santa Clara**

Donations received by department during the month of October 2024 and for fiscal year 2024/25 are shown in the table below.

<b>Department</b>	<b>Fiscal Year 2024/25</b>		<b>Designated Use</b>
	<b>Oct-24</b>	<b>Year To Date</b>	
City Manager's Office	-	2	Help Your Neighbor
Parks & Recreation	2,000	2,500	Case Management
Parks & Recreation	-	632	Reed/Grant Park Soccer Equipment
Parks & Recreation	-	2,781	Roberta Jones Jr. Theatre
Parks & Recreation	14,425	19,375	Wade Brummal
<b>TOTALS</b>	<b>\$ 16,425</b>	<b>\$ 25,290</b>	