



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

February 2025

City of Santa Clara

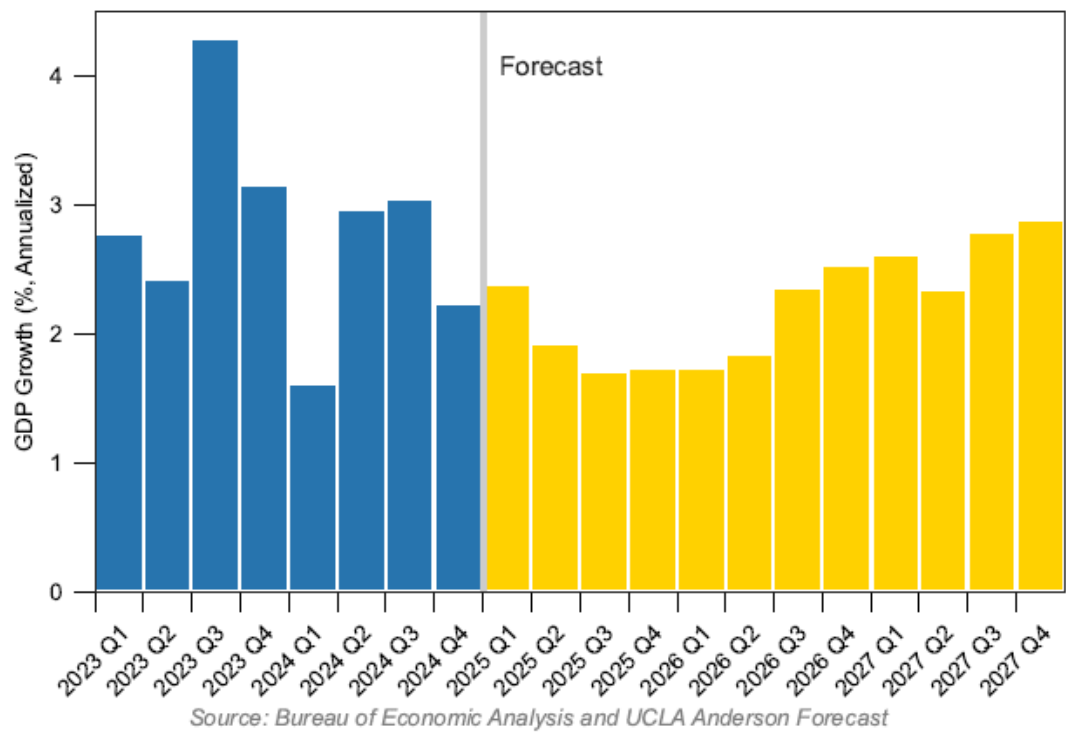
Financial Status Report as of February 28, 2025

This report summarizes the City’s financial performance for the month ended February 28, 2025. 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 Spring 2025 Forecast, the UCLA Anderson Forecast points to significant uncertainty related to trade, fiscal policy, and geopolitical risk with the new administration. The Forecast predicts higher unemployment and higher prices in 2025 with some potential upside in 2027 and beyond. “As a result of the combined effects of deportations and tariffs, we expect GDP and productivity growth to decline in late 2025 by about 1 percentage point and to recover by the end of 2026. (2025Q1 negative productivity growth is due to U.S. Census data adjustment to the size of the labor supply.) The unemployment rate will simultaneously rise and hit 4.5% by the first quarter of 2026 and gradually recover afterwards to 4.0% in 2027. We expect Inflation to remain elevated around 3 percent throughout 2025 and 2026. Tariffs will be the main cause of higher prices in 2025, while deportations will drive prices in 2026 via higher food and wage inflation of around 4 percent.”¹

U.S. Quarterly Real GDP Growth Forecast (UCLA Spring 2025 Economic Forecast)



¹ UCLA Anderson Forecast Spring 2025 Economic Forecast, “A Tariff Amount of Uncertainty”, Clement Bohr

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On a national level, the unemployment rate changed little from 4.1% in February 2025 to 4.2% in March 2025. In March, the number of unemployed persons totaled 7.1 million, consistent with February levels.²

Chart 1. Unemployment rate, seasonally adjusted, March 2023 – March 2025

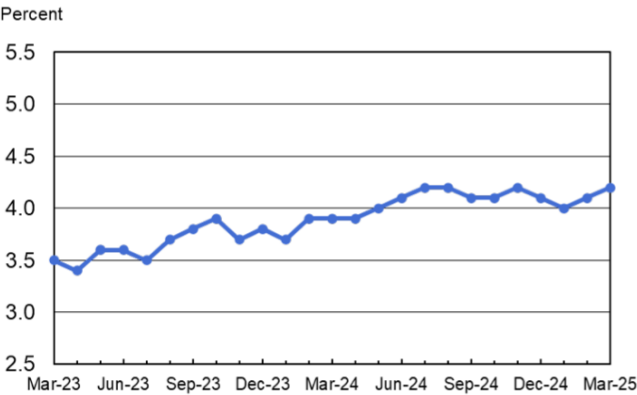
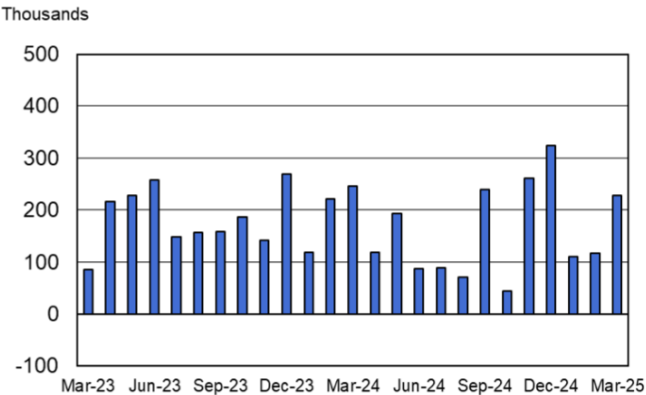
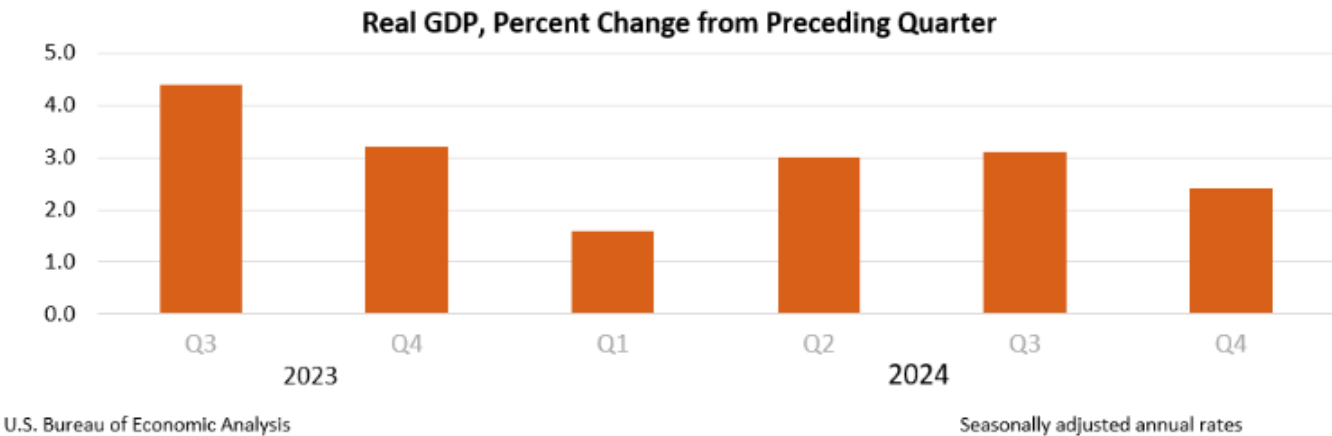


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, March 2023 – March 2025



In the fourth quarter 2024 third estimate, the Gross Domestic Product (GDP) increased by 2.4%, following a GDP increase of 3.1% in the third quarter. The increase in real GDP primarily reflected increases in consumer spending and government spending that were partially offset by a decrease in investment.³



² <https://www.bls.gov/news.release/pdf/empst.pdf>
³ <https://www.bea.gov/news/2025/gross-domestic-product-4th-quarter-and-year-2024-third-estimate-gdp-industry-and>

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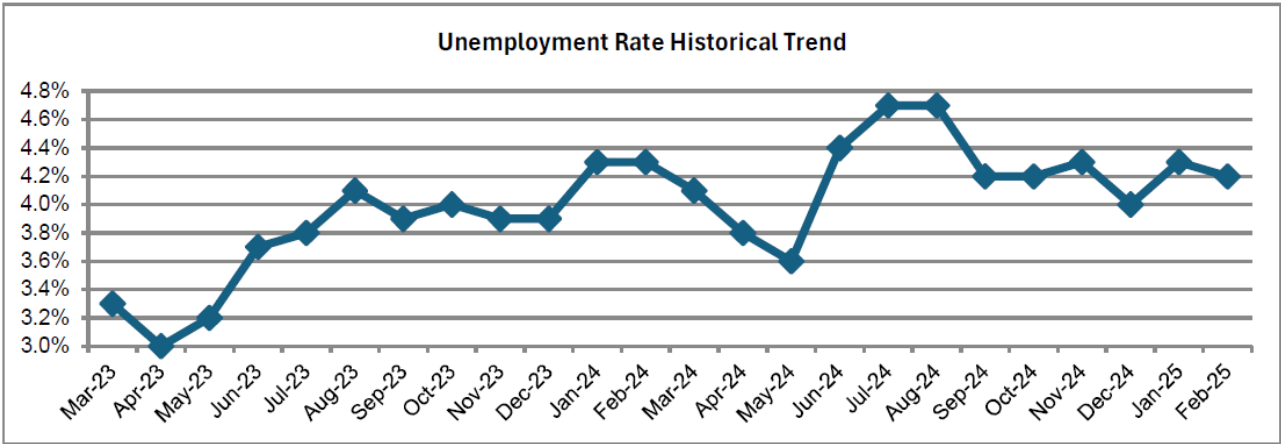
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At the state level, the California unemployment rate remained unchanged between January 2025 and February 2025 at 5.4%. This rate is higher compared to the 5.1% rate in February 2024. Over the past year, California employers have added 78,200 nonfarm jobs.⁴

The Spring 2025 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 and slightly faster in 2027. “The unemployment rate for the 1st quarter of this year is expected to average 5.5%, and the average for 2025, 2026 and 2027 is expected to be 5.7%, 5.2% and 4.8% respectively. Our forecast for 2025, 2026, and 2027 is for total employment growth rates to be 0.5%, 1.2%, and 1.1%. Non-farm payroll jobs are expected to grow at a 1.1%, 0.9%, and 1.7% rate during the same three years. Real personal income is forecast to grow by 2.5% in 2025, 2.4% in 2026 and 2.9% in 2027. Higher interest rates, shortages of construction labor, and the rebuilding of damaged and destroyed homes lowered our residential construction forecast from December. Our expectation is for permitted new units to be 102K this year and grow to 127K by the end of 2027. Needless to say, this level of home building means that the prospect of the private sector building out of the housing affordability problem over the next three years is nil.”⁵

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 4.2% in February 2025, down slightly from a revised 4.3% in January 2025, and below the February 2024 estimate of 4.3%. Between February 2024 and February 2025, employment in this region decreased by 5,300 jobs, or 0.5%. Notable employment reductions were in professional and business services (down 5,100 jobs), manufacturing (down 3,000 jobs), information (down 3,000 jobs), and leisure and hospitality (down 2,200 jobs). The largest increases were in private education and health services (up 8,900 jobs).⁶

San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area



⁴ https://edd.ca.gov/en/about_edd/news_releases_and_announcements/unemployment-january-2025/
⁵ UCLA Anderson Forecast Spring 2025 Economic Forecast, “California After the Election: Part Duex”, Jerry Nickelsburg
⁶ [https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pd.pdf](https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pd.pdf)<https://labormarketinfo.edd.ca.gov/>

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 \$327.9 million to reflect carryover encumbrances from fiscal year 2023/24 and various budget amendments approved by the City Council through February 2025. Amendments approved by the City Council as part of the FY 2023/24 Budget Year-End Report are also reflected in the tables of this report.

General Fund revenues and expenditures are tracking within estimated levels.

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General Fund Revenues

As of February 28, 2025, \$190.3 million or 62.5% of the General Fund estimated revenue (excluding transfers) was received. Transfers and use of reserves of \$23.8 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 02/28/2025	Percentage Received	Actual Through 02/29/2024	\$ Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 62,900,000	\$ 62,900,000	\$ 39,805,276	63.28%	\$ 30,036,934	\$ 9,768,342	32.52%
Property Tax	94,391,000	94,391,000	48,817,629	51.72%	46,456,158	2,361,471	5.08%
Transient Occupancy Tax	22,850,000	22,850,000	13,077,398	57.23%	11,094,200	1,983,198	17.88%
Other Taxes	6,950,000	6,950,000	3,342,104	48.09%	3,215,744	126,360	3.93%
Total Taxes	187,091,000	187,091,000	105,042,407	56.15%	90,803,036	14,239,371	15.68%
LICENSES & PERMITS							
Business Licenses	6,000,000	6,000,000	4,420,311	73.67%	3,139,137	1,281,174	40.81%
Fire Operation Permits	2,010,000	2,010,000	1,503,844	74.82%	1,212,716	291,128	24.01%
Miscellaneous Permits	55,000	55,000	74,112	134.75%	17,231	56,881	330.11%
Total Licenses & Permits	8,065,000	8,065,000	5,998,267	74.37%	4,369,084	1,629,183	37.29%
FINES & PENALTIES	1,452,000	1,452,000	1,533,214	105.59%	1,660,811	(127,597)	-7.68%
INTERGOVERNMENTAL	970,000	2,006,149	1,201,740	59.90%	502,382	699,358	139.21%
CHARGES FOR SERVICES	30,829,954	31,136,862	22,985,416	73.82%	21,354,680	1,630,736	7.64%
SILICON VALLEY POWER TRANSFER	34,500,000	34,500,000	23,643,399	68.53%	21,940,167	1,703,232	7.76%
USE OF MONEY & PROPERTY							
Interest	6,212,000	6,212,000	2,862,383	46.08%	1,380,169	1,482,214	107.39%
Rent	13,028,187	13,028,187	8,449,672	64.86%	8,238,642	211,030	2.56%
Total Use of Money & Property	19,240,187	19,240,187	11,312,055	58.79%	9,618,811	1,693,244	17.60%
MISCELLANEOUS REVENUES	215,550	215,550	552,035	256.11%	236,935	315,100	132.99%
OTHER FINANCING SOURCES							
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	13,950,549	13,950,549	100.00%	8,097,132	5,853,417	72.29%
Operating Transfer In - Fund Balances ⁽¹⁾	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	2,201,534	2,201,534	100.00%	746,044	1,455,490	195.09%
Total Other Financing Sources	15,157,017	23,768,452	23,768,452	100.00%	15,056,859	8,711,593	57.86%
STADIUM OPERATION							
Charges for Services	11,705,481	12,023,104	10,373,922	86.28%	2,368,686	8,005,236	337.96%
Rent and Licensing	1,472,000	8,796,722	7,612,194	86.53%	216,108	7,396,086	3422.40%
Total Stadium Operation	13,177,481	20,819,826	17,986,116	86.39%	2,584,794	15,401,322	595.84%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 328,295,026	\$ 214,023,102	65.19%	\$ 168,127,558	\$ 45,895,543	27.30%

(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 February 28, 2025, \$39.8 million has been collected, which is 32.5% higher than prior year collection levels. Given the timing of payments, the sales tax payments through February account for actual activity from July through December 2024. In addition, \$0.4 million has been received for the Proposition 172 Public Safety Sales Tax, which is consistent with the prior fiscal year.

In the first quarter of FY 2024/25 (July – September activity) receipts totaled \$19.2 million, which was well above the prior year receipts of \$15.1 million for the first quarter of FY 2023/24. Receipts of \$20.2 million in the second quarter of FY 2024/25 (October – December 2024 activity) also significantly exceeded the \$14.5 million collected in the same quarter last fiscal year. The performance in the second quarter reflected strong growth in the business-to-business (up 54.2%), construction (up 14.3%), food products (up 7.0%), and transportation (up 4.9%) sectors, partially offset a reduction in general retail (down 4.7%). Given the strong performance to date, collections are tracking to significantly exceed the budget estimate of \$62.0 million. It is important to note that sales tax receipts can vary significantly from quarter to quarter.

Property Tax: \$48.8 million in property tax receipts were received through February 2025, or 51.7% of the budget. The majority of property tax revenue is collected in the second half of the fiscal year. Based on latest information from the County of Santa Clara, property tax receipts are projected to end the year at \$96.6 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. On January 1, 2025, the City's TOT rate was increased from 12.5% to 13.5%. Through February 28, 2025, approximately \$13.1 million was received, or 57.2% of the budget. This collection level was 17.9% above the \$11.1 million received through February of the prior fiscal year. Receipts are currently tracking to exceed the budget estimate of \$22.9 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected approximately \$3.3 million through February, including \$2.6 million in franchise taxes and \$0.7 million in documentary transfer taxes. This collection level is 3.9% higher than last fiscal year levels due to higher documentary transfer tax receipts.

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Revenue collections are tracking above par with receipts totaling \$6.0 million, or 74.4% of the \$8.1 million budget. This reflects strong growth in the majority of the 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 \$4.4 million, or 73.7% of the budget.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. Through February, revenue in this category totaled \$1.5 million which is slightly lower than prior year collection

levels. The collections primarily reflect municipal fines and collection charges. Collections in this category have exceeded the annual budget of \$1.5 million.

Intergovernmental: Includes motor vehicle fees, state homeowner tax relief, state mandated reimbursement, fire-related grants and reimbursements, and redistribution of land sale proceeds and ground leases from the Successor Agency. Through February, approximately \$1.2 million has been collected, or 60% of the \$2.0 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 February, collections totaled approximately \$23 million or 73.8% of the budget. This reflects a 7.6% increase compared to last year's collections, primarily due to higher receipts from engineering fees, miscellaneous 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 February, \$11.3 million has been collected, or 58.8% of the budget. This collection level is 17.6% above the \$9.6 million received last fiscal year primarily due to higher right of way and interest earnings collected in the current year.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through February, collections total \$0.5 million, compared to \$0.2 million collected in the prior year. Receipts have also exceeded the budget estimate of \$0.2 million.

Stadium Operation: Through February 28, 2025, approximately \$18 million has been collected through charges for services and rent. Of this amount, \$7.3 million represents settlement funds related to performance-based rent from FY 2022/23 and FY 2023/24.

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General Fund Expenditures

As of February 28, 2025, \$214.6 million or 65.4% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$187.9 million, or 62.3% of the budget, which is slightly below par. Transfers of \$26.7 million have occurred as budgeted. Overall, expenditures in the General Fund are at budgeted levels, with par at 66.7%, through February.

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 02/28/2025	Percentage Used	Actual Through 02/29/2024	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 17,622,136	\$ 18,852,222	\$ 9,706,364	51.49%	\$ 8,801,779	\$ 904,585	10.28%
City Council	1,196,923	1,196,923	702,546	58.70%	748,269	(45,723)	-6.11%
City Clerk	2,102,267	2,186,267	1,701,449	77.82%	1,024,787	676,662	66.03%
City Manager	8,222,051	8,080,316	2,829,150	35.01%	2,800,187	28,963	1.03%
City Attorney	3,357,661	3,440,037	1,911,136	55.56%	1,876,448	34,688	1.85%
Human Resources	4,845,256	5,377,027	2,732,494	50.82%	2,208,950	523,544	23.70%
Finance	21,008,682	21,922,775	13,666,722	62.34%	11,155,857	2,510,865	22.51%
Total General Government	58,354,976	61,055,567	33,249,861	54.46%	28,616,277	4,633,584	16.19%
PUBLIC WORKS	26,347,463	28,226,582	16,691,226	59.13%	16,217,945	473,282	2.92%
COMMUNITY DEVELOPMENT	5,575,313	5,636,381	3,137,319	55.66%	3,292,243	(154,924)	-4.71%
PARKS AND RECREATION	23,172,047	23,931,989	14,154,514	59.14%	14,068,719	85,795	0.61%
PUBLIC SAFETY							
Fire	66,292,191	68,247,190	45,871,554	67.21%	43,492,959	2,378,595	5.47%
Police	92,074,298	92,776,102	59,995,316	64.67%	55,966,440	4,028,876	7.20%
Total Public Safety	158,366,489	161,023,292	105,866,870	65.75%	99,459,399	6,407,471	6.44%
LIBRARY	11,732,505	12,212,058	7,845,887	64.25%	6,806,747	1,039,140	15.27%
DEPARTMENTAL TOTAL	283,548,793	292,085,869	180,945,678	61.95%	168,461,330	12,484,348	7.41%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	626,778	1,742,520	1,742,520	100.00%	1,198,809	543,711	45.35%
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	14,436,988	14,436,988	100.00%	7,305,499	7,131,489	97.62%
Operating Transfer Out - Reserves	-	7,324,722	7,324,722	100.00%	-	7,324,722	N/A
Total Other Financing Uses	18,038,146	26,710,716	26,710,716	100.00%	11,645,161	15,065,555	129.37%
STADIUM OPERATION	9,111,250	9,498,441	6,946,133	73.13%	8,007,601	(1,061,468)	-13.26%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 328,295,026	\$ 214,602,527	65.37%	\$ 188,114,092	\$ 26,488,435	14.08%

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 February, expenditures totaled \$9.7 million, or 51.5% of the budget. These expenditures are below par of 66.7%, but higher than prior year levels. This increase is primarily due to higher spend in the salaries and benefits categories, miscellaneous services and supplies, and citywide insurance payments.

City Attorney: Actual expenditures through February totaled approximately \$1.9 million, which is 55.6% of the budget, which is below par. Spending is consistent with the total expenditures through the same time last fiscal year.

City Clerk: Through February, actual expenditures were tracking at \$1.7 million or approximately 77.8% of the budget. This expenditure level reflects a 66% increase compared to last fiscal year due to one-time Granicus costs that are paid every other year. Additionally, the costs for the general November 2024 election were incurred in February.

City Council: Through February, expenditures of \$0.7 million were at 58.7% of budget, which is below par. Expenditures are slightly below spend when compared to prior fiscal year levels due to lower operating supplies and as-needed spend.

City Manager: The actual expenditures through February totaled \$2.8 million, or 35% of the budget, which is below par for this time of the year. Expenditures are consistent with the spending level through the same period last fiscal year.

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 February, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$3.1 million, or 55.7% of the budget, which is below par of 66.7%. This expenditure level is slightly lower than prior year spend primarily due to lower expenditures in the salaries and benefits categories.

Finance Department: Through February 28, 2025, the Department's expenditures totaled \$13.7 million, or 62.3% of the budget, which is slightly below par. This expenditure level was approximately 23% higher than through the same period last year. The current year spend reflects higher salaries and benefits, operating supplies, and contractual services costs, primarily related to PeopleSoft and the Qwestica Budget System.

Fire Department: Through February, actual expenditures totaled \$45.9 million, or 67.2% of the budget, which is slightly above par. These expenditures also reflect a 5.8% increase from last fiscal year due to higher expenditures across the salaries and benefits and non-personnel categories including operating supplies, contractual services, and capital outlay. Overtime expenditures are tracking over budget at

200% due, in part, to overtime expenditures related to mutual aid deployment efforts. These costs are reimbursable, and a budget action was approved by the City Council on December 3, 2024, to recognize reimbursements received to date and increase the Department's overtime budget. Further actions will be brought forward for City Council approval to recognize reimbursements and adjust the Department overtime budget as additional reimbursements are received. Excluding mutual aid-related costs, the overtime budget is 117% expended through February. 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 February, absences are down 7% (from 53,772 to 58,119 hours) when compared with the prior fiscal year but remain above historical levels. Absences are trending high in the areas of injury, FMLA usage, 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 February, the compensatory time payouts total \$1.18 million, which is above historical levels but 31% below the payouts of \$1.72 million experienced through February of last fiscal year. The Department will continue to monitor expenditures throughout the fiscal year, and any necessary budget adjustments will be brought forward for City Council consideration.

Library Department: Through February, actual expenditures totaled \$7.8 million, or 64.3% of the budget, which is slightly below par, but 15.3% higher than expenditure levels last fiscal year. The higher spending is primarily in the salaries and benefits, contractual services, and maintenance categories.

Parks and Recreation Department: Through February, actual expenditures totaled \$14.2 million, or 59.1% of the budget, which is below par, and consistent with last fiscal year spend.

Police Department: Expenditures through February are tracking at expected levels at \$60.0 million, or 64.7% of the budget; this is approximately 7.2% higher than prior year spending. The higher spend is primarily in the salaries and benefits, contractual services, and IT subscription 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 \$6.9 million through February, which is 13.3% lower when compared to prior year levels. This is primarily due to fewer ticketed Non-NFL events and NFL games being held in the current year, resulting in lower as needed and overtime spend. The Stadium hosted four ticketed Non-NFL events and ten NFL games through February, and these costs are fully reimbursed by the Stadium Manager and the Stadium Authority. The Bay Area Host Committee also provides reimbursement for expenses incurred related to Super Bowl LX and FIFA World Cup 2026 planning costs. Expenditures are tracking at about 73% of the annual budget but are expected to level out for the remainder of the year.

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Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of February 28, 2025. The amended budget reflects carryover encumbrances from fiscal year 2023/24 and budget amendments approved by the City Council through February 2025.

Revenues totaled approximately \$17.5 million, while expenditures totaled approximately \$15.5 million through the end of February. Both revenue and expenditures are tracking below par of 66.7%. 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, the lower spend compared to the prior year is due to a loan disbursement that occurred in FY 2023/24. Higher grant receipts and spend have been recorded in the Housing and Urban Development Fund, which reflects activity in CDBG and HOME grant funded projects.

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 2/28/2025	Percentage Received	Actual Through 2/29/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$16,164,000	\$ 16,164,000	\$ 11,371,413	70.35%	\$ 9,938,436	\$ 1,432,977	14.42%
City Affordable Housing Fund	1,168,177	1,168,177	539,663	46.20%	489,280	50,383	10.30%
Fire CUPA Fund	0	0	153,680	N/A	0	153,680	N/A
Fire Development Services Fee Fund	3,277,500	3,277,500	2,831,095	86.38%	2,507,566	323,529	12.90%
Housing and Urban Development	2,532,068	7,023,563	1,693,123	24.11%	840,218	852,905	101.51%
Housing Authority Fund	252,496	252,496	36,318	14.38%	387,988	(351,670)	-90.64%
Housing Successor Fund	1,306,326	1,306,326	851,686	65.20%	349,883	501,803	143.42%
TOTAL	\$24,700,567	\$ 29,192,062	\$ 17,476,978	59.87%	\$ 14,513,371	\$ 2,963,607	20.42%

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 2/28/2025	Percentage Used	Actual Through 2/29/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$15,044,148	\$ 17,302,488	\$ 10,173,268	58.80%	\$ 9,649,819	\$ 523,449	5.42%
City Affordable Housing Fund	1,593,647	12,242,276	580,123	4.74%	3,029,776	(2,449,653)	-80.85%
Fire CUPA Fund	0	535,696	56,018	10.46%	0	56,018	N/A
Fire Development Services Fee Fund	3,387,922	3,387,922	2,361,463	69.70%	2,050,680	310,783	15.16%
Housing and Urban Development	2,532,068	7,968,912	1,806,098	22.66%	789,351	1,016,747	128.81%
Housing Authority Fund	468,931	511,389	108,935	21.30%	113,176	(4,241)	-3.75%
Housing Successor Fund	902,579	1,012,590	425,882	42.06%	556,128	(130,246)	-23.42%
TOTAL	\$23,929,295	\$ 42,961,273	\$ 15,511,787	36.11%	\$ 16,188,930	\$ (677,143)	-4.18%

Internal Service Funds

The table below displays the expenditures in the internal service funds across the City. The amended budget reflects current year appropriations, prior year carryover, and budget amendments approved through February 2025. As of February 28, 2025, the internal service fund expenditures totaled \$34.0 million, or 54% of the amended budget. The significant increase in spend in the Communication Acquisitions Fund is due to the purchase of new public safety radios to replace the inventory that had reached the end of its useful life. The Vehicle Replacement Fund's increase in expenditures reflect additional vehicle replacements in the City's fleet.

CITY OF SANTA CLARA INTERNAL SERVICE FUNDS EXPENDITURES - OVERVIEW AND COMPARISON BY FUND

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 2/28/2025	Percentage Used	Actual Through 2/29/2024	\$ Change From Prior Year	Percent Change
Communication Acquisitions Fund	\$ 1,067,904	\$ 7,126,624	\$ 5,920,301	83.07%	\$ 311,831	\$ 5,608,470	1798.56%
Fleet Maintenance and Operations Fund	5,939,015	6,172,901	3,899,001	63.16%	3,754,223	144,778	3.86%
Information Technology Services Fund	15,439,338	17,045,167	7,199,061	42.24%	7,454,642	(255,581)	-3.43%
Public Works Capital Projects Management Fund	4,373,674	5,157,651	2,666,178	51.69%	2,546,784	119,394	4.69%
Special Liability Fund	6,530,000	10,914,698	4,803,551	44.01%	4,656,534	147,017	3.16%
Unemployment Insurance Fund	110,000	135,000	55,682	41.25%	37,987	17,695	46.58%
Vehicle Replacement Fund	5,827,284	9,945,320	5,422,376	54.52%	4,170,654	1,251,722	30.01%
Workers' Compensation Fund	6,437,000	6,437,000	4,073,663	63.29%	3,891,764	181,899	4.67%
TOTAL	\$45,724,215	\$ 62,934,361	\$ 34,039,813	54.09%	\$ 26,824,419	\$ 7,215,394	26.90%

City of Santa Clara

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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 February 2025. As of February 28, 2025, the capital fund revenue totaled \$13.0 million, or 33.6% of the amended budget. In the City Affordable Housing Capital Fund, revenue collected reflects housing impact fees. In the Streets and Highways Capital Fund, the majority of the revenue collected reflects revenue from other agencies, grant funding, as well as VTA Measure B funds. The Parks and Recreation Capital Fund total reflects \$1.5 million collected in Mitigation Fee Act revenue as well as \$0.9 million interest earnings. The remaining \$0.8 million reflects granting funding received for the Central Park Magical Bridge project.

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

Fund Description	REVENUE - FISCAL YEAR 2024/25				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 2/28/2025	Percentage Used
City Affordable Housing Capital Fund	\$ -	\$ -	\$ -	\$ 2,968,732	NA
Parks & Recreation	-	3,349,489	3,349,489	3,355,755	100.19%
Related Santa Clara Developer	795,344	-	795,344	145,344	18.27%
Storm Drain	1,786,902	3,000,000	4,786,902	1,131,408	23.64%
Streets & Highways	6,505,068	19,534,183	26,039,251	5,278,531	20.27%
Tasman East Specific Infrastructure Improvement Fund	3,734,932	-	3,734,932	131,850	3.53%
TOTAL	\$ 12,822,246	\$ 25,883,672	\$ 38,705,918	\$13,011,620	33.62%

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 February 2025. As of February 28, 2025, capital fund expenditures totaled \$21.5 million, or 12.4% of the amended budget.

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 are reflected in the tables below.

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 2/28/2025	Percentage Used
Fire	\$ 2,360,137	\$ 550,295	\$ 2,910,432	\$ 486,114	16.70%
General Gov't - Other	5,013,009	9,675,140	14,688,149	1,026,480	6.99%
Library	475,929	261,190	737,119	14,206	1.93%
Parks & Recreation	12,423,980	22,186,879	34,610,859	2,451,077	7.08%
Public Buildings	5,805,328	3,933,806	9,739,134	945,779	9.71%
Related Santa Clara Developer	1,189,335	19,828	1,209,163	347,333	28.73%
Storm Drain	3,794,643	6,658,409	10,453,052	1,012,027	9.68%
Streets & Highways	49,505,747	46,415,359	95,921,106	15,230,867	15.88%
Tasman East Specific Infrastructure Improvement Fund	1,432,193	1,424,215	2,856,408	16,374	0.57%
TOTAL	\$ 82,000,301	\$ 91,125,121	\$ 173,125,422	\$21,530,257	12.44%

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Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of February 28, 2025. Overall, revenues are tracking 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 2/28/2025	Percentage Received	Actual Through 2/29/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 750,000	\$ 750,000	\$ 397,885	53.05%	\$ 357,008	\$ 40,877	11.45%
Electric Utility Fund	893,397,959	893,397,959	625,098,067	69.97%	445,628,772	179,469,295	40.27%
Sewer Utility Fund	46,989,803	46,989,803	38,406,665	81.73%	46,862,494	(8,455,829)	-18.04%
Solid Waste Utility Fund	41,561,372	41,561,372	25,253,223	60.76%	23,944,437	1,308,786	5.47%
Water Recycling Fund	8,507,338	8,507,338	7,875,808	92.58%	5,044,526	2,831,282	56.13%
Water Utility Fund	64,096,935	64,096,935	42,401,163	66.15%	36,169,959	6,231,204	17.23%
TOTAL REVENUE	\$ 1,055,303,407	\$ 1,055,303,407	\$ 739,432,811	70.07%	\$ 558,007,196	\$ 181,425,615	32.51%

Fund Description	EXPENSES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 2/28/2025	Percentage Used	Actual Through 2/29/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,628,800	\$ 1,628,800	\$ 751,227	46.12%	\$ 664,008	\$ 87,219	13.14%
Electric Utility Fund	649,513,582	672,335,619	358,842,108	53.37%	368,529,287	(9,687,179)	-2.63%
Sewer Utility Fund	38,762,083	39,278,049	28,763,345	73.23%	25,271,326	3,492,019	13.82%
Solid Waste Utility Fund	40,775,942	43,928,485	24,788,600	56.43%	22,491,161	2,297,439	10.21%
Water Recycling Fund	9,307,289	10,982,389	7,889,507	71.84%	5,458,992	2,430,515	44.52%
Water Utility Fund	57,614,177	58,830,207	38,342,773	65.18%	34,599,174	3,743,599	10.82%
TOTAL - Operating Appropriations	\$ 797,601,873	\$ 826,983,549	\$ 459,377,560	55.55%	\$ 457,013,948	\$ 2,363,612	0.52%

While revenues are tracking 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.

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. As the Water Recycling Fund is tracking high on both revenue and expenditure categories, staff will continue to monitor and bring forward a budget amendment for Council approval at later date if necessary.

Financial Status Report as of February 28, 2025

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actual revenue through February 28, 2025, totaled \$26.7 million, consisting primarily of developer contributions and load development fees in the Electric Utility Fund and sewer fees and reimbursements from the City of San Jose for the Regional Wastewater Facility in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$43.2 million, or 8.3% 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 are reflected below.

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

REVENUE - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 2/28/2025	Percentage Used
Convention Center Capital Fund	\$ 550,000	\$ -	\$ 550,000	\$ 550,000	100.00%
Electric Utility Fund	25,282,233	26,030,596	51,312,829	23,828,856	46.44%
Sewer Utility Fund	-	-	-	2,321,754	N/A
Solid Waste Utility Fund	258,000	-	258,000	9,195	3.56%
Street Lighting ⁽¹⁾	-	-	-	837	N/A
Water Utility Fund	-	-	-	30,684	N/A
TOTAL - Revenue	\$ 26,090,233	\$ 26,030,596	\$ 52,120,829	\$ 26,741,326	51.31%
EXPENDITURES - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 2/28/2025	Percentage Used
Cemetery Fund	\$ 22,524	\$ 252,644	\$ 275,168	\$ 3,126	1.14%
Convention Center Capital Fund	2,699,999	1,723,150	4,423,149	827,109	18.70%
Electric Utility Fund	259,249,754	184,117,774	443,367,528	32,524,288	7.34%
Sewer Utility Fund	24,421,888	24,213,217	48,635,105	6,035,044	12.41%
Solid Waste Utility Fund	907,874	24,569	932,443	515,498	55.28%
Street Lighting ⁽¹⁾	5,374,952	3,524,758	8,899,710	174,083	1.96%
Water Recycling Fund	400,000	-	400,000	1,053	0.26%
Water Utility Fund	8,731,864	2,692,753	11,424,617	3,123,211	27.34%
TOTAL - CIP Appropriations	\$ 301,808,855	\$ 216,548,865	\$ 518,357,720	\$ 43,203,412	8.33%

(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

Financial Status Report as of February 28, 2025

CITY OF SANTA CLARA
RESERVE BALANCES
February 28, 2025

DETAIL OF SELECTED FUND RESERVE BALANCES:			
	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 69,138,768		
Capital Projects Reserve	7,834,572		
Land Sale Reserve	18,481,036		
Technology Fee Reserve	2,477,529		
Electric Rate Stabilization Fund Reserve		\$ 70,000,000	
Electric Operations and Maintenance Reserve		257,000,000	
Replacement & Improvement			\$ 303,090
TOTALS	\$ 97,931,905	\$ 327,000,000	\$ 303,090

Donations to the City of Santa Clara

Donations received by department during the month of February 2025 and for fiscal year 2024/25 are shown in the table below.

Department	Feb-25	Fiscal Year 2024/25		Designated Use
		Year To Date		
City Manager's Office	30	32		Help Your Neighbor
Parks & Recreation	-	4,000		Case Management
Parks & Recreation	-	632		Reed/Grant Park Soccer Equipment
Parks & Recreation	-	3,915		Roberta Jones Jr. Theatre
Parks & Recreation	-	19,375		Wade Brummal
TOTALS	\$ 30	\$ 27,954		