



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

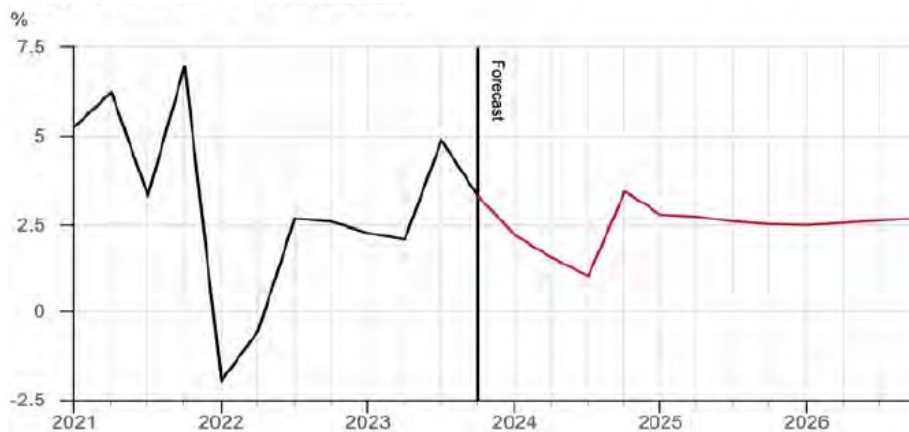
April 2024

This report summarizes the City's financial performance for the month ended April 30, 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

While there are varying forecasts, economic growth continues but is expected to be constrained in 2024. The March 2024 UCLA Anderson Forecast assumes no recession but does expect slower growth in 2024 as a result of the impact of higher interest rates on consumption, housing and business investment. The UCLA Forecast also identified risks to the Forecast, including the potential shutdown of the government, the impact of geopolitical events, and the impact of the election of national economic policies.¹

Quarterly Real GDP Growth, Seasonally Adjusted Annual Rates



Source: UCLA Anderson Forecast and U.S. Bureau of Economic Analysis

The Conference Board Economic Forecast for the US Economy also no longer forecasts a recession for 2024 but does expect consumer spending growth to cool further and for the overall GDP growth to slow to under 1% over the second and third quarters of 2024. After that point, inflation is expected to gradually normalize to the Fed's 2-percent target in 2025. In late 2024, interest rates are expected to fall but may stabilize at levels exceeding the pre-pandemic average.²

¹ UCLA Anderson Forecast, March 2024, The U.S. Economic Outlook and the 2024 Consumer Sentiment Consumption Disconnect

² <https://www.conference-board.org/research/us-forecast>, The Conference Board Economic Forecast for the US Economy, Updated May 16, 2024

On a national level, the unemployment rate slightly increased from 3.8% in March 2024 to 3.9% in April 2024. In April, the number of unemployed persons was 6.5 million, a slight increase from 6.4 in March 2024.³

Chart 1. Unemployment rate, seasonally adjusted, April 2022 – April 2024

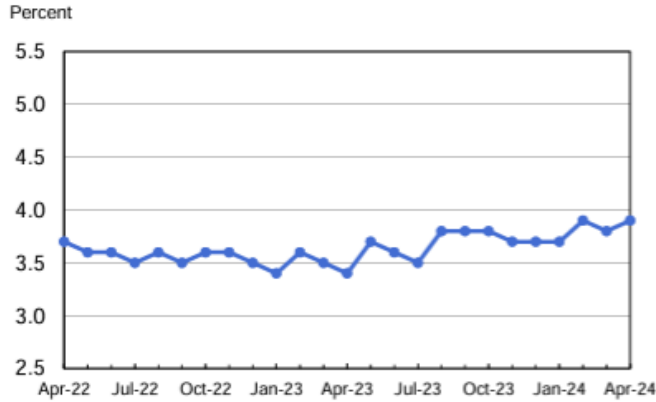
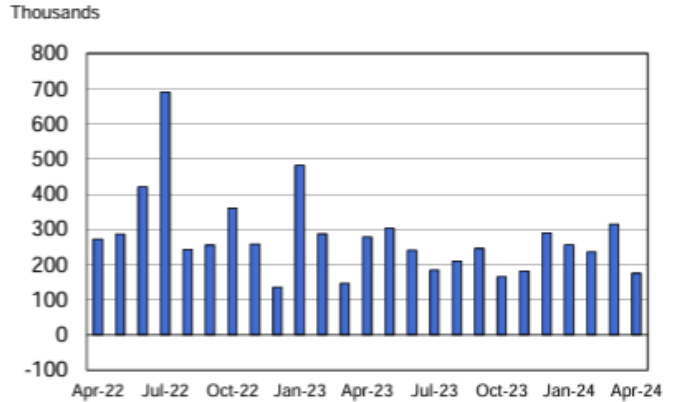
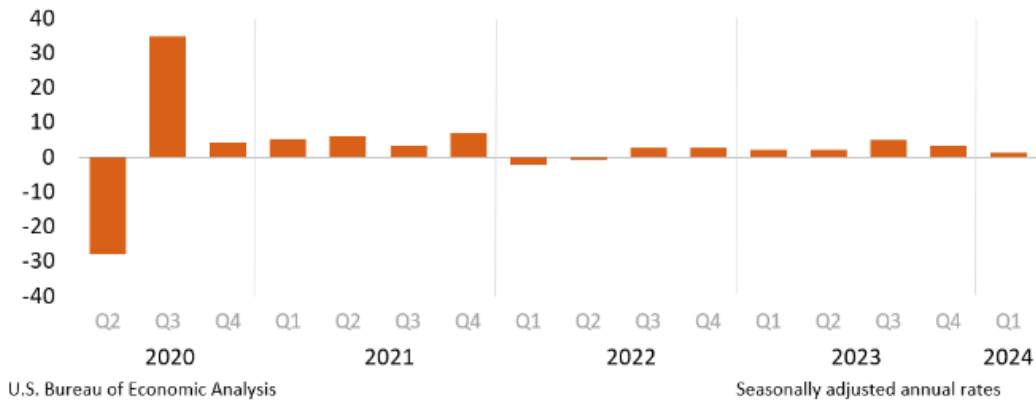


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, April 2022 – April 2024



In the first quarter 2024, the Gross Domestic Product (GDP) increased at an annual rate of 1.3% according to the second estimate released by the Bureau of Economic Analysis. This follows a GDP increase of 3.4% in the fourth quarter 2023. The GDP increase primarily reflected increases in consumer spending, state and local government spending, nonresidential fixed investment, and residential fixed investment that were partially offset by a decrease in private inventory investment. Compared to the fourth quarter, the GDP deceleration in the fourth quarter primarily reflected slowdowns in consumer spending, exports, state and local government spending, and federal government spending.⁴

Real GDP: Percent change from preceding quarter



³ <https://www.bls.gov/news.release/pdf/empsit.pdf>

⁴ <https://www.bea.gov/sites/default/files/2024-05/tech1q24-2nd.pdf>

At the state level, the California unemployment remained unchanged at 5.3% between March and April 2024. This rate is higher compared to the 4.5% rate in April 2023. From April 2023 to April 2024, California added 206,500 nonfarm jobs, an increase of 1.8%.⁵

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 3.9% in April 2024, down slightly from a revised 4.2% in March 2024, but above the April 2023 level of 2.9%. Between April 2023 and April 2024, employment in this region increased by 1,200 jobs, or 0.1%. Notable employment increases were in private education and health services (up 11,200 jobs), and leisure and hospitality (up 2,200 jobs), while information was down 6,500 jobs and manufacturing was down 5,200 jobs.⁶

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 2023/24 was \$281.8 million. The amended budget for revenues and expenditures was adjusted to \$290.4 million to reflect carryover encumbrances from fiscal year 2022/23 and various budget amendments approved by the City Council through April 2024. This budget also accounts for items approved by the City Council on December 12, 2023, as part of the FY 2022/23 Budget Year-End Report.

⁵ https://edd.ca.gov/en/about_edd/news_releases_and_announcements/unemployment-april-2024/

⁶ [https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pd.pdf](https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pd.pdf)

General Fund Revenues

As of April 30, 2024, \$226.3 million or 82.2% of the General Fund estimated revenue (excluding transfers) was received. Transfers and use of reserves of \$15.1 million have occurred as budgeted.

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

Function	FISCAL YEAR 2023/24				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 04/30/2024	Percentage Received	Actual Through 04/30/2023	Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 60,524,000	\$ 60,524,000	\$ 39,772,451	65.71%	\$ 40,966,901	\$ (1,194,450)	-2.92%
Property Tax	85,800,000	87,143,000	78,272,203	89.82%	72,706,598	5,565,605	7.65%
Transient Occupancy Tax	21,275,000	21,275,000	16,169,243	76.00%	13,084,947	3,084,296	23.57%
Other Taxes	6,750,000	6,750,000	4,636,976	68.70%	4,743,025	(106,049)	-2.24%
Total Taxes	174,349,000	175,692,000	138,850,873	79.03%	131,501,471	7,349,402	5.59%
LICENSES & PERMITS							
Business Licenses	6,000,000	6,000,000	3,918,700	65.31%	701,261	3,217,439	458.81%
Fire Operation Permits	2,000,000	2,000,000	1,482,991	74.15%	1,567,554	(84,563)	-5.39%
Miscellaneous Permits	69,000	69,000	18,210	26.39%	40,719	(22,509)	-55.28%
Total Licenses & Permits	8,069,000	8,069,000	5,419,901	67.17%	2,309,534	3,110,367	134.68%
FINES & PENALTIES	1,225,000	1,225,000	2,101,618	171.56%	569,706	1,531,912	268.90%
INTERGOVERNMENTAL	520,000	587,306	597,356	101.71%	1,112,320	(514,964)	-46.30%
CHARGES FOR SERVICES	29,314,768	30,179,768	27,302,279	90.47%	26,727,974	574,306	2.15%
SILICON VALLEY POWER TRANSFER	32,000,000	32,000,000	27,425,209	85.70%	23,869,906	3,555,303	14.89%
USE OF MONEY & PROPERTY							
Interest	3,500,000	3,500,000	2,195,628	62.73%	2,091,994	103,634	4.95%
Rent	12,397,660	13,431,960	10,216,907	76.06%	9,813,484	403,423	4.11%
Total Use of Money & Property	15,897,660	16,931,960	12,412,535	73.31%	11,905,478	507,057	4.26%
MISCELLANEOUS REVENUES	180,000	180,000	530,923	294.96%	2,672,294	(2,141,371)	-80.13%
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	2,772,275	8,097,132	8,097,132	100.00%	36,719,079	(28,621,947)	-77.95%
Operating Transfer In - Fund Balances ⁽¹⁾	4,759,683	4,759,683	4,759,683	100.00%	4,484,726	274,957	6.13%
Operating Transfer In - Miscellaneous	746,044	746,044	746,044	100.00%	7,968,589	(7,222,545)	-90.64%
Total Other Financing Sources	9,732,002	15,056,859	15,056,859	100.00%	50,626,394	(35,569,535)	-70.26%
STADIUM OPERATION							
Charges for Services	9,278,128	9,278,128	11,410,102	122.98%	8,888,626	2,521,476	28.37%
Rent and Licensing	1,230,000	1,230,000	250,000	20.33%	710,000	(460,000)	-64.79%
Total Stadium Operation	10,508,128	10,508,128	11,660,102	110.96%	9,598,626	2,061,476	21.48%
TOTAL GENERAL FUND	\$ 281,795,558	\$ 290,430,021	\$ 241,357,654	83.10%	\$ 260,893,703	\$ (19,536,048)	-7.49%

(1) The Operating Transfer In - Fund Balances includes the carryover encumbrances of open purchase orders as of June 30, 2023 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 April 30, 2024, approximately \$39.8 million has been collected, which is 2.9% lower than prior year collection levels.

While not yet fully reflected in the cash receipts through March, sales tax collections through three quarters of FY 2023/24 were down 7% compared to the prior fiscal year. Receipts were down 6.2% in the third quarter 2023, down 10.6% in the fourth quarter 2023, and down 4.5% in the first quarter 2024 when compared to the same quarters last fiscal year. The declines in the last three quarters follow four quarters of growth experienced in FY 2022/23. Given the strong performance last fiscal year, receipts can decline by 4% in the remaining quarter of FY 2023/24 and still meet the budgeted estimate of \$59.6 million. Internet sales represents a sizeable amount of the City's sales tax revenue. The County pool, which includes internet sales, accounts for approximately 15%-20% of the sales tax the City receives. The allocation from the County pool in the four quarter of 2023 was down 5.3% from the first quarter 2023.

Property Tax: Property tax receipts totaling \$78.3 million were received through April 2024, which is 7.6% higher than prior year collection levels. The majority of property tax revenue is collected in February and April each year. Based on the latest information from the County of Santa Clara, property tax receipts are projected to end the year at \$90.7 million, which is \$3.6 million above the Amended Budget estimate of \$87.1 million.

Transient Occupancy Tax (TOT): TOT is calculated as a percentage of City hotel/motel room charges. The City's TOT rate increased from 11.5% to 12.5% effective January 1, 2024. This rate increase was factored into the development of the FY 2023/24 Adopted Budget. Through April 30, 2024, approximately \$16.2 million was received, which is 23.6% above prior year receipts. Collections in the second half of the year are expected to be higher as a result of the rate increase. Growth of 12% from the prior year is needed to meet the budgeted estimate of \$21.3 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$4.6 million through April, which is 2.2% below last fiscal year's collection levels. Growth of 6% from the prior year is needed to meet the budgeted estimate of \$6.75 million. Receipts through April reflect franchise tax collections of \$3.8 million and approximately \$0.8 million in documentary transfer tax revenue. The documentary transfer tax is tracking to end the year below budget, which reflects the drop in the number of property sales. In calendar year 2023, the number of single-family residence sales was down approximately 26% from calendar year 2022.

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Licenses and permits revenue collections total \$5.4 million, or 67.2% of the \$8.1 million budget. This represents a nearly 134.7% increase compared to prior year collection levels, primarily in the business tax category. Business tax receipts total \$3.9 million through April, which is up from \$0.7 million in the prior year. The updated Business License Tax is being implemented this fiscal year with the new methodology. This transition has necessitated the re-registration of every business that

establishes the amount of taxes due. After the first full year of implementation, the City will have a baseline for this tax. Based on collections through April, receipts may end the year below the budgeted estimate of \$6.0 million.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category through April was \$2.1 million, which exceeds the budgeted estimate of \$1.2 million. Collections in this category are tracking above prior year levels due to the resumption of the assessment of late fees that had previously been waived due to COVID-19.

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 April 30, 2024, \$0.6 million was collected in this category, which is lower than prior year collection levels. Revenues have slightly exceeded the budgeted estimate of \$0.6 million.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through April, collections of approximately \$27.3 million are tracking above par at 90.5% of the budget and are expected to slightly exceed the budgeted estimate by year-end. Revenues in this category are consistent with last year's collections through the same period of \$26.7 million. While collections in EMS transport and engineering fees are higher than prior years, collections in the technology fee are lower. Additionally, effective July 1, 2023, the Fire Development Services Fund was established and fire construction permitting fees are now booked in that fund, instead of the General Fund.

Silicon Valley Power Transfer: In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues to the General Fund. Through April, \$27.4 million has been transferred. 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 April, \$12.4 million has been collected, compared to \$11.9 million last fiscal year. This increase is primarily due to higher rental income revenues, including right-of-way and Related lease payments.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through April 30, 2024, collections of \$0.5 million have exceeded the budgeted estimate of \$0.2 million but are significantly lower than prior year levels. This lower collection level is attributable to the one-time settlement between the City, the Santa Clara Stadium Authority, and the Forty-Niners SC Stadium Company LLC and Forty Niners Stadium Management Company LLC (collectively, the Forty-Niners) recorded last fiscal year.

Stadium Operation: Through April 2024, revenues of \$11.7 million have exceeded the revenue estimate of \$10.5 million largely due to the receipt of reimbursements for General and Administrative and public safety overhead costs above estimates. This reflects large reimbursements received in March for public safety costs related to both NFL and non-NFL events. Reimbursements can take between three to six months from the event date due to the timing of third-party invoices and payment

from the Stadium Manager, however all reimbursements not received by year end are accrued. The original budget included estimates based on ten NFL games and eight non-NFL Events. Since the San Francisco 49ers made it into the playoffs, a total of 12 NFL games were held. Additionally, a total of ten non-NFL events were held in the current fiscal year. Therefore, a budget amendment is recommended as part of this report to recognize reimbursements for two additional NFL games and two additional non-NFL events, offset by an increase to the Stadium Operation appropriation.

General Fund Expenditures

As of April 30, 2024, \$230.1 million or 79.2% of the General Fund operating budget had been expended. Overall, expenditures in the General Fund are within budgeted levels through April. Excluding transfers, expenditures totaled \$218.3 million, or 78.3% of the budget, which is below the par level of 83.3% of the budget. Transfers of \$11.8 million have occurred as budgeted.

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

Function	FISCAL YEAR 2023/24				PY EXPENDITURES COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 04/30/2024	Percentage Used	Actual Through 04/30/2023	Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 15,123,531	\$ 15,990,480	\$ 10,416,504	65.14%	\$ 3,815,202	\$ 6,601,302	173.03%
City Council	1,124,281	1,131,037	937,748	82.91%	553,351	384,397	69.47%
City Clerk	1,947,261	2,121,865	1,235,820	58.24%	1,655,618	(419,798)	-25.36%
City Manager	5,410,204	7,709,087	3,573,767	46.36%	4,262,582	(688,815)	-16.16%
City Attorney	3,076,516	3,196,951	2,365,821	74.00%	2,661,949	(296,128)	-11.12%
City Auditor	948,445	1,087,660	635,518	58.43%	573,754	61,764	10.76%
Human Resources	4,300,090	4,464,113	2,808,608	62.92%	3,020,325	(211,717)	-7.01%
Finance	18,192,257	19,102,116	13,966,463	73.11%	14,239,007	(272,544)	-1.91%
Total General Government	50,122,585	54,803,309	35,940,249	65.58%	30,781,788	5,158,461	16.76%
PUBLIC WORKS	24,857,521	26,270,541	20,038,010	76.28%	17,999,915	2,038,094	11.32%
COMMUNITY DEVELOPMENT	5,121,256	5,227,061	4,086,107	78.17%	3,698,027	388,080	10.49%
PARKS AND RECREATION	21,933,152	22,711,221	17,354,552	76.41%	16,437,472	917,080	5.58%
PUBLIC SAFETY							
Fire	62,616,032	63,647,842	53,820,617	84.56%	55,688,674	(1,868,057)	-3.35%
Police	85,598,562	85,946,468	70,136,982	81.61%	67,015,288	3,121,694	4.66%
Total Public Safety	148,214,594	149,594,310	123,957,599	82.86%	122,703,962	1,253,637	1.02%
LIBRARY	11,135,937	11,229,696	8,451,127	75.26%	8,582,377	(131,250)	-1.53%
DEPARTMENTAL TOTAL	261,385,045	269,836,138	209,827,643	77.76%	200,203,541	9,624,103	4.81%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	1,198,809	1,353,809	1,353,809	100.00%	38,809	1,315,000	3388.39%
Operating Transfer Out - Debt Services	1,402,440	1,402,440	1,402,440	100.00%	1,402,275	165	0.01%
Operating Transfer Out - Maintenance Dtrct	942,413	942,413	942,413	100.00%	842,700	99,713	11.83%
Operating Transfer Out - Cemetery	796,000	796,000	796,000	100.00%	870,000	(74,000)	-8.51%
Operating Transfer Out - CIP	7,305,499	7,305,499	7,305,499	100.00%	8,817,613	(1,512,114)	-17.15%
Operating Transfer Out - Reserves	-	-	-	N/A	5,598,215	(5,598,215)	-100.00%
Total Other Financing Uses	11,645,161	11,800,161	11,800,161	100.00%	17,569,612	(5,769,451)	-32.84%
STADIUM OPERATION	8,765,352	8,793,722	8,425,751	95.82%	7,393,974	1,031,777	13.95%
TOTAL GENERAL FUND	\$ 281,795,558	\$ 290,430,021	\$ 230,053,555	79.21%	\$ 225,167,127	\$ 4,886,428	2.17%

General Fund Expenditures

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

Non-Departmental: Includes expenditures that are not attributable to a single department, but a function of the City in general. Through April 30 2024, expenditures totaled \$10.4 million, or 65.1% of the budget. These expenditures are below the par level of 83.3%, but significantly above prior year levels. This is a result of higher property insurance costs that have been directly budgeted under Non-Departmental, as opposed to allocated out amongst the departments citywide.

City Attorney: Actual expenditures through April totaled approximately \$2.4 million, which is 74% of the budget, which is below par. Spending is 11.1% below the prior fiscal year due to lower outside legal counsel services costs.

City Clerk: Through April, actual expenditures were tracking below budget at \$1.2 million or approximately 58.2% of the budget. This expenditure level reflects a 25.4% decrease in spending compared to last fiscal year due to one-time Granicus costs that are paid every other year.

City Council: Through April, expenditures were at 82.9% of budget, which is at par. This expenditure level is significantly above the prior year due to the reallocation of 1.0 Assistant to the City Manager position from the City Manager's Office as approved as part of the FY 2023/24 and FY 2024/25 Adopted Operating Budget. While expenditures are currently tracking at par, a small budget adjustment is recommended as part of this report to increase the City Council budget to ensure that the expenditures remain within the budgeted level. This adjustment addresses slightly higher than anticipated personnel costs and additional conference costs expected by year-end.

City Manager: Expenditures through April 30, 2024 totaled \$3.6 million, or 46.4% of the budget, which is below par for this time of the year. Expenditures are approximately 16.2% lower compared with the spending level through the same period last fiscal year. This is a result of vacancy savings within the department and the reallocation of 1.0 Assistant to the City Manager position to the City Council as mentioned above and lower spend in the maintenance category, partially offset with higher spend in miscellaneous supplies and services.

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 April, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$4.1 million, or 78.2% of the budget, which is below par. This expenditure level is 10.5% above the prior year is a result of higher salaries and benefits costs, separation payouts, and higher contractual services spending in the current year.

Finance Department: Through April, the Department's expenditures totaled \$14 million, or 73.1% of the budget, which is below par. This expenditure level is consistent with prior year levels.

Fire Department: Through April 30, 2024, actual expenditures totaled \$53.8 million, or 84.6% of the budget, which is above par. These expenditures reflect a 3.4% decrease from expenditures through the same period last fiscal year. This is primarily because, as approved as part of the FY 2023/24 and FY 2024/25 Adopted Operating Budget, approximately 9.0 FTE were reallocated to the newly established Fire Development Services Fee Fund. These charges are reflected under the special revenue section of this report.

Expenditures are tracking over budget primarily due to higher overtime that totals 95.3% of the budget through April as well as compensatory time payout expenditures. Overtime is used to backfill for shift absences and vacant shift positions to maintain daily minimum staffing. When the budget was developed, it was assumed that overtime costs would be higher in the first half of the year while firefighters in the recruit academy were in training. These newly trained firefighters began providing relief staffing effective December 8, 2023. With these relief positions, overtime costs are expected to be lower in the second half of the fiscal year. However, it is anticipated that overtime expenditures will exceed the budget as the current absence rate exceeds the estimate used in the development of the budget.

When compared to the prior fiscal year, absences are up 31% through April (from 54,241 to 71,001 hours). This reflects increases in workers' compensation/injury leave, modified duty, Family Medical Leave Act leave, sick leave, and compensatory time used. 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 April, the compensatory time payouts are also up 24% from the prior year and significantly above historical levels.

Expenditures are currently tracking to end the year approximately \$1.25 million to \$1.75 million above budget. A budget amendment of \$1.75 million is included in this report to conservatively address the projected year-end overage.

Library Department: Through April, actual expenditures totaled \$8.5 million, or 75.3% of the budget, which is below par, but consistent with expenditure levels last fiscal year. The Library continues to hire staff and fill vacancies to restore library hours, with higher spend in the as-needed and contractual services categories.

Parks and Recreation Department: Through April, actual expenditures totaled \$17.4 million, or 76.4% of the budget, which is below par but higher than prior year actuals of \$16.4 million. This is primarily due to higher spend in the salaries and benefits, contractual services, advertising and maintenance categories.

Police Department: Expenditures through April 30, 2024 are tracking slightly below par at \$70.1 million, or 81.6% of the budget. This expenditure level is 4.7% above the prior year, primarily due to higher personnel costs, contractual services, and operating supplies costs.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis. Stadium expenditures totaled \$8.4 million through April 30, 2024, which is higher than prior year

levels. This is primarily due to higher personnel spend, particularly in overtime. The original budget included estimates based on ten NFL games and eight non-NFL Events. Since the San Francisco 49ers made it into the playoffs, a total of 12 NFL games were held in the current fiscal year. Additionally, a total of ten non-NFL events were held in the current Fiscal Year. Therefore, a budget amendment is recommended as part of this report to increase the Stadium Operation appropriation which covers the costs associated with two additional NFL games and two additional non-NFL events, offset by an increase to the revenue estimate for Stadium reimbursements.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of April 30, 2024. The amended budget reflects carryover encumbrances from fiscal year 2022/23 and budget amendments approved by the City Council through April 2024. Effective July 1, 2023, development related services in the Fire Department have been reallocated from the General Fund to the newly established Fire Development Services Fund, reflected below.

Revenues totaled approximately \$18.5 million, while expenditures totaled \$19.4 million through the end of April. Overall, both revenues and expenditures are tracking below the par level of 83.3%. The Building Development Services Fee Fund has seen a large decrease on the revenue side due to lower activity levels in the permitting categories. Expenditures; however, are tracking higher when compared to last year due to the filling of vacancies in the Building Division. In the Housing Successor Fund, the expenditures are significantly lower compared to last fiscal year due to a one-time special disbursement for a housing loan that occurred in July 2022. The drop in revenue and expenditures in the City Affordable Housing Fund are due to a one-time developer loan being disbursed in full.

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

Fund Description	REVENUES - FISCAL YEAR 2023/24				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2024	Percentage Received	Actual Through 4/30/2023	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 252,495	\$ 252,495	\$ 394,757	156.34%	\$ 390,403	\$ 4,354	1.12%
City Affordable Housing Fund	1,166,720	1,166,720	551,399	47.26%	6,290,674	(5,739,275)	-91.23%
Housing Successor Fund	1,306,326	1,306,326	385,983	29.55%	619,706	(233,723)	-37.72%
Housing and Urban Development	3,106,041	5,712,147	846,589	14.82%	964,270	(117,681)	-12.20%
Building Development Services Fee Fund	15,611,000	15,611,000	13,346,362	85.49%	16,098,227	(2,751,865)	-17.09%
Fire Development Services Fee Fund	2,935,000	3,073,827	3,016,329	98.13%	-	3,016,329	N/A
TOTAL	\$24,377,582	\$ 27,122,515	\$ 18,541,419	68.36%	\$ 24,363,280	\$ (5,821,861)	-23.90%

Fund Description	EXPENDITURES - FISCAL YEAR 2023/24				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2024	Percentage Used	Actual through 4/30/2023	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 457,193	\$ 518,659	\$ 140,684	27.12%	\$ 183,604	\$ (42,920)	-23.38%
City Affordable Housing Fund	6,683,926	15,379,987	3,150,331	20.48%	6,777,826	(3,627,495)	-53.52%
Housing Successor Fund	873,227	1,216,887	648,689	53.31%	5,432,420	(4,783,731)	-88.06%
Housing and Urban Development	3,993,723	6,673,020	1,020,466	15.29%	1,495,705	(475,239)	-31.77%
Building Development Services Fee Fund	13,689,592	17,218,230	11,896,804	69.09%	11,059,318	837,486	7.57%
Fire Development Services Fee Fund	3,109,073	3,247,900	2,567,182	79.04%	-	2,567,182	N/A
TOTAL	\$28,806,734	\$ 44,254,683	\$ 19,424,156	43.89%	\$ 24,948,873	\$ (5,524,717)	-22.14%

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 April 2024. As of April 30, 2024, the capital fund revenue totaled \$17.7 million. In the Parks and Recreation Capital Fund, \$3.4 million has been collected, which includes approximately \$2.1 million in Mitigation Fee Act revenue.

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

REVENUES - FISCAL YEAR 2023/24					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2024	Percentage Received
Parks & Recreation	\$ -	\$ 4,189,995	\$ 4,189,995	\$ 3,420,178	81.63%
Streets & Highways	15,684,432	17,422,990	33,107,422	10,881,928	32.87%
Storm Drain	4,454,000	-	4,454,000	1,217,789	27.34%
Related Santa Clara Developer	977,582	1,707,737	2,685,319	2,137,720	79.61%
Patrick Henry Drive Infrastructure Improvement Fund	140,486	-	140,486	-	0.00%
Tasman East Specific Infrastructure Improvement Fund	-	-	-	(6,269)	N/A
TOTAL	\$ 21,256,500	\$ 23,320,722	\$ 44,577,222	\$ 17,651,200	39.60%

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 April 2024. As of April 30, 2024, capital fund expenditures totaled \$36.0 million, or 21.4% of the amended budget, well below par of 83.3%.

As part of the adoption of the FY 2023/24 and FY 2024/25 biennial operating budget, some capital funds were carried over for projects that were not anticipated to be completed by June 30, 2023. Necessary additional adjustments to the capital carryover amounts were included as part of the Budgetary Year-End Report for FY 2022/23 approved by the City Council approval on December 12, 2023. These adjustments are reflected in the tables referenced.

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

EXPENDITURES - FISCAL YEAR 2023/24						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2024	Percentage Used	
Parks & Recreation	\$ 16,074,144	\$ 24,181,336	\$ 40,255,480	\$ 11,240,537	27.92%	
Streets & Highways	51,126,802	43,717,468	94,844,270	19,680,720	20.75%	
Storm Drain	5,433,900	3,134,592	8,568,492	1,160,116	13.54%	
Fire	1,251,428	482,826	1,734,254	501,204	28.90%	
Library	49,658	251,447	301,105	33,677	11.18%	
Public Buildings	5,803,976	3,047,706	8,851,682	1,348,179	15.23%	
General Gov't - Other	4,403,201	6,651,782	11,054,983	1,565,851	14.16%	
City Affordable Housing Capital Fund	-	1,600,000	-	-	NA	
Related Santa Clara Developer	1,500,691	-	1,500,691	493,022	32.85%	
Patrick Henry Drive Infrastructure Improvement Fund	71,281	-	71,281	4,266	5.98%	
Tasman East Specific Infrastructure Improvement Fund	27,330	1,423,145	1,450,475	22,052	1.52%	
TOTAL	\$ 85,742,411	\$ 84,490,302	\$ 168,632,713	\$ 36,049,624	21.38%	

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of April 30, 2024. Overall, revenues and expenditures are tracking below budgeted levels.

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

Fund Description	REVENUES - FISCAL YEAR 2023/24				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2024	Percentage Received	Actual Through 4/30/2023	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 1,008,222,211	\$1,008,222,211	\$ 575,009,435	57.03%	\$ 487,337,579	\$ 87,671,856	17.99%
Water Utility Fund	60,726,490	60,726,490	44,195,305	72.78%	38,696,918	5,498,387	14.21%
Sewer Utility Fund	73,500,825	78,500,825	74,681,145	95.13%	37,232,331	37,448,814	100.58%
Cemetery Fund	750,000	750,000	480,836	64.11%	515,690	(34,854)	-6.76%
Solid Waste Utility Fund	39,577,957	39,577,957	30,390,912	76.79%	28,323,184	2,067,728	7.30%
Water Recycling Fund	7,668,868	7,668,868	5,731,530	74.74%	4,888,206	843,324	17.25%
TOTAL REVENUE	\$ 1,190,446,351	\$1,195,446,351	\$ 730,489,163	61.11%	\$ 596,993,908	\$ 133,495,255	22.36%

Fund Description	EXPENSES - FISCAL YEAR 2023/24				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2024	Percentage Used	Actual through 4/30/2023	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 681,590,706	\$ 687,147,483	\$ 449,695,751	65.44%	\$ 474,903,194	\$ (25,207,443)	-5.31%
Water Utility Fund	54,015,131	56,447,989	43,331,121	76.76%	36,979,737	6,351,384	17.18%
Sewer Utility Fund	53,980,961	55,447,527	47,490,411	85.65%	23,870,779	23,619,632	98.95%
Cemetery Fund	1,534,349	1,534,349	801,770	52.25%	1,276,193	(474,423)	-37.17%
Solid Waste Utility Fund	38,782,622	42,490,732	27,948,742	65.78%	26,137,141	1,811,601	6.93%
Water Recycling Fund	8,234,584	8,234,584	5,722,377	69.49%	5,498,838	223,539	4.07%
TOTAL - Operating Appropriations	\$ 838,138,353	\$ 851,302,664	\$ 574,990,172	67.54%	\$ 568,665,882	\$ 6,324,290	1.11%

Overall, revenues and expenditures are tracking above the prior year. 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.

In the Electric Utility Fund, revenues from customer service charges, interest, greenhouse gases, renewable energy, and wholesale power collections are tracking above the prior year. On the expenditure side, maintenance and generation and pumping expenses are lower than prior year levels. The garbage collection expenditures in the Solid Waste Fund are higher than prior year levels. In the Sewer Utility Fund, costs related to the operations and maintenance of the Regional Wastewater Facility, co-owned with the City of San Jose, and debt retirement costs are tracking higher than prior year levels, while the high revenue collection is due to the bond proceeds collected in the debt service

fund. Revenue and expenditures are tracking higher than prior year levels in the Water Utility Fund due to activity levels.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actual revenue through April 30, 2024 totaled \$30.6 million, consisting primarily of developer contributions in the Electric Utility Fund and sewer fees in the Sewer Utility Fund. The slight drop in revenue in the Sewer Utility Fund is due to a booking correction. Enterprise capital fund expenses totaled \$71.2 million, or 11.9% of the amended budget. Similar to the general government capital funds, capital funds were carried over from FY 2022/23 as part of the FY 2023/24 and FY 2024/25 budget adoption process for those projects that were not expected to be completed by June 30, 2023. Additional necessary adjustments to the capital carryover amounts based on actual year-end expenditures were brought forward as part of the budgetary year-end report for FY 2022/23 approved by the City Council on December 12, 2023. These adjustments are reflected in the tables below.

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

REVENUES - FISCAL YEAR 2023/24					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2024	Percentage Received
Electric Utility Fund	\$ 40,400,092	\$ 10,071,673	\$ 50,471,765	\$ 29,181,342	57.82%
Water Utility Fund	-	-	-	55,605	N/A
Sewer Utility Fund	-	-	-	1,348,228	N/A
Solid Waste Utility Fund	258,000	430,000	688,000	9,152	1.33%
Convention Center Capital Fund	-	-	-	6,032	N/A
TOTAL - Revenue	\$ 40,658,092	\$ 10,501,673	\$ 51,159,765	\$ 30,600,359	59.81%

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

EXPENSES - FISCAL YEAR 2023/24					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 4/30/2024	Percentage Used
Electric Utility Fund	\$ 395,633,333	\$ 135,149,829	\$ 530,783,162	\$ 51,794,714	9.76%
Street Lighting ⁽¹⁾	139,007	3,527,530	3,666,537	77,019	2.10%
Water Utility Fund	9,671,923	2,839,914	12,511,837	2,960,010	23.66%
Sewer Utility Fund	22,879,160	24,967,761	47,846,921	14,650,053	30.62%
Cemetery Fund	23,835	228,809	252,644	6,000	2.37%
Solid Waste Utility Fund	1,389,757	15,085	1,404,842	1,160,614	82.62%
Water Recycling Fund	50,000	-	50,000	28,200	56.40%
Convention Center Capital Fund	215,000	2,141,755	2,356,755	509,985	21.64%
TOTAL - CIP Appropriations	\$ 430,002,015	\$ 168,870,683	\$ 598,872,698	\$ 71,186,595	11.89%

(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 2023/24, the City Council approved an exception to the policy to allow the Reserve 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 assures 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
April 30, 2024**

DETAIL OF SELECTED FUND RESERVE BALANCES:

	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 54,299,298		
Capital Projects Reserve	23,860,843		
Reserve for Programmed Capital Projects	986,657		
Land Sale Reserve	18,481,037		
Technology Fee Reserve	2,581,146		
Electric Rate Stabilization Fund Reserve		\$ 56,776,613	
Electric Operations and Maintenance Reserve		150,765,556	
Replacement & Improvement			\$ 303,090
TOTALS	\$ 100,208,981	\$ 207,542,169	\$ 303,090

Donations to the City of Santa Clara

Donations totaling \$2,284 were received in April 2024. The total donations of \$121,566 for fiscal year 2023/24 are shown in the table below.

Department	Fiscal Year 2023/24		Designated Use
	Apr-24	Year To Date	
City Manager's Office	-	301	Help Your Neighbor
Parks & Recreation	-	6,420	Case Management
Parks & Recreation	-	50	Community Garden
Parks & Recreation	2,284	4,945	Roberta Jones Jr. Theatre
Parks & Recreation	-	4,350	Senior Nutrition Donation
Parks & Recreation	-	30,500	Wade Brummal
Police	-	75,000	TEAM 200
TOTALS	\$ 2,284	\$ 121,566	