



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

May 2025

City of Santa Clara

Financial Status Report as of May 31, 2025

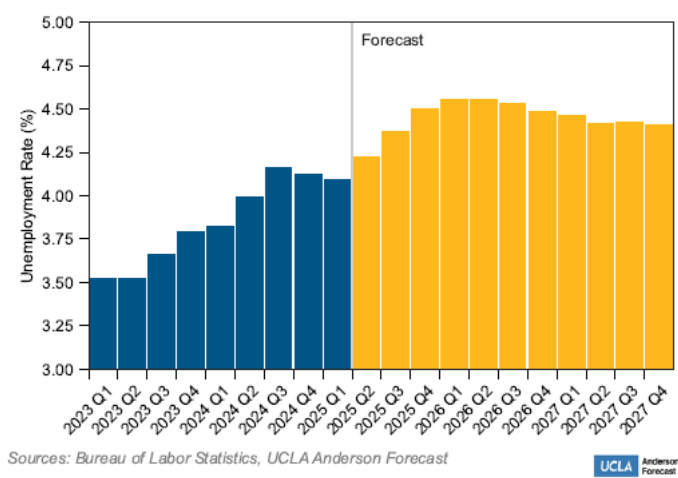
This report summarizes the City’s financial performance for the month ended May 31, 2025. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds. Financial information included in this report is unaudited.

Economic Outlook

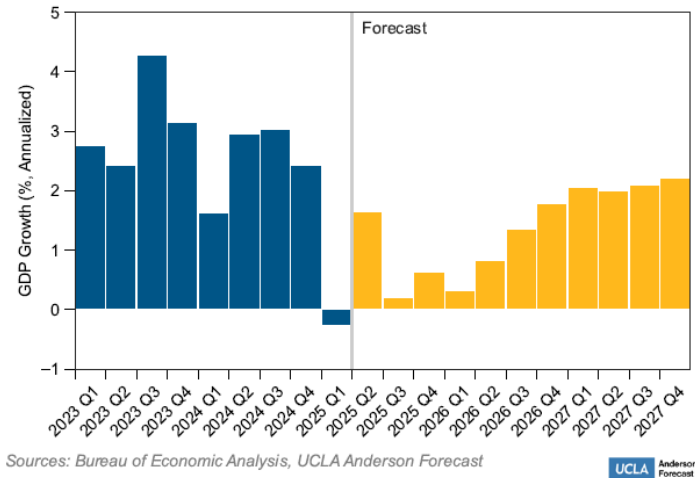
In its Summer 2025 Forecast, the UCLA Anderson Forecast points to unprecedented levels of economic and geopolitical uncertainty with impacts associated with high tariffs and the federal budget reconciliation bill that is not anticipated to improve the U.S. fiscal trajectory. The Forecast predicts a deterioration in the labor market with higher unemployment in 2025 that will remain elevated through 2026 and 2027. “We do not anticipate the current strength of the labor market to persist, given the substantial headwinds facing the U.S. economy. High tariffs, particularly on intermediate inputs such as steel and aluminum, are expected to weaken the manufacturing sector as its products become increasingly costly and uncompetitive. The tariff-induced reduction in trade flows will also curtail economic activity in sectors that facilitate trade, specifically wholesale and retail trade, and transportation and warehousing. The elevated level of general economic uncertainty and the rise in long-term U.S. interest rates dampens hiring and investment activity. Lastly, the preemptive build-up of inventories to mitigate the impact of tariffs will result in a classic inventory overhang as these stockpiles are unwound.”¹ Given these economic factors, Gross Domestic Product (GDP) growth is also expected to slow.

UCLA Summer 2025 Economic Forecast

U.S. Unemployment Rate



U.S. Quarterly Real GDP Growth Forecast

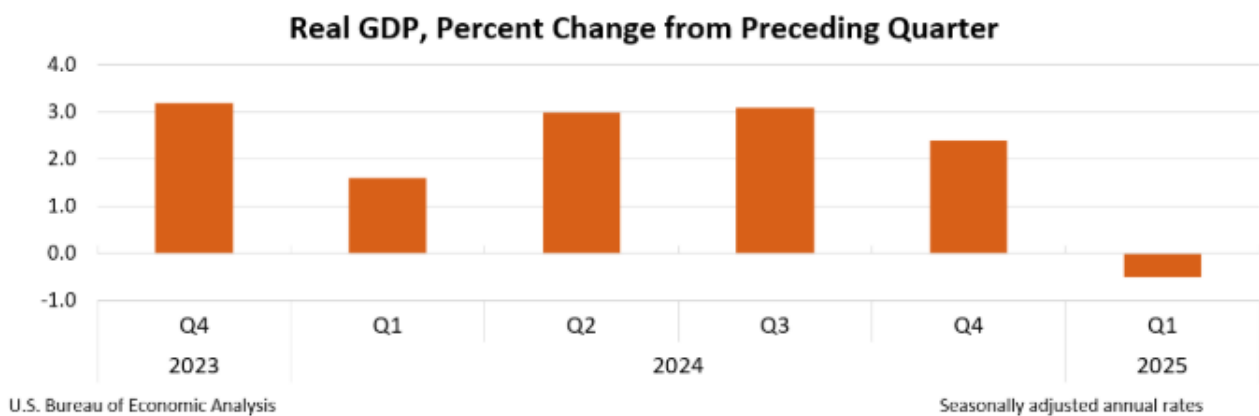


¹ UCLA Anderson Forecast Summer 2025 Economic Forecast, “A Tariffing Amount of Uncertainty”, Clement Bohr

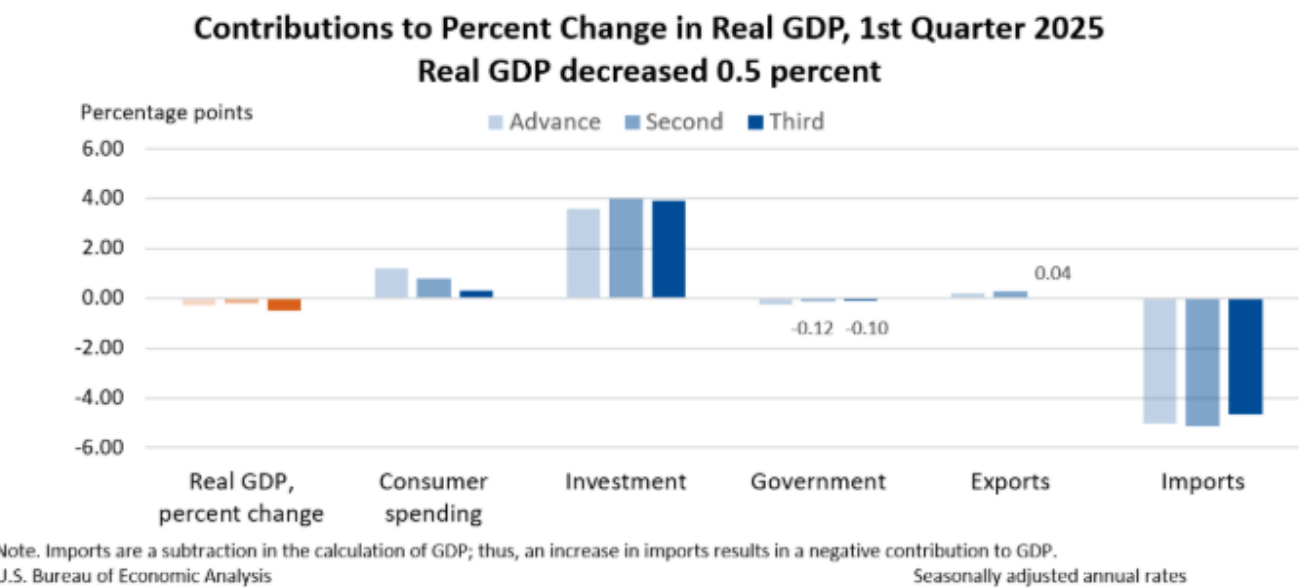
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In the first quarter 2025 third estimate, the GDP decreased at an annual rate of 0.5%, following a GDP increase of 2.4% in the fourth quarter.



The decrease in the real GDP is a result of an increase in imports and decrease in government spending, partially offset by increases in investment and consumer spending.²

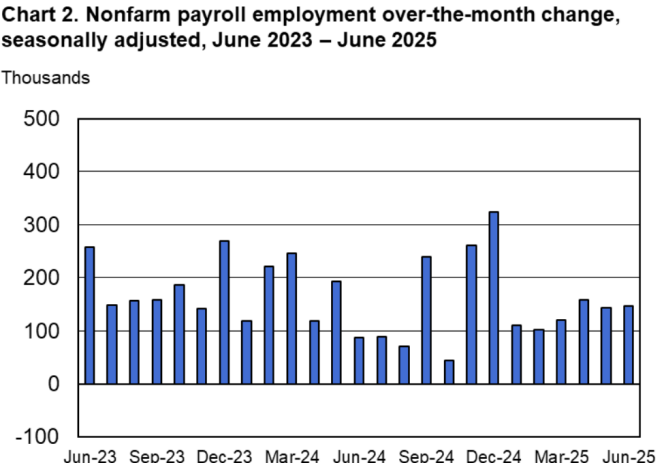
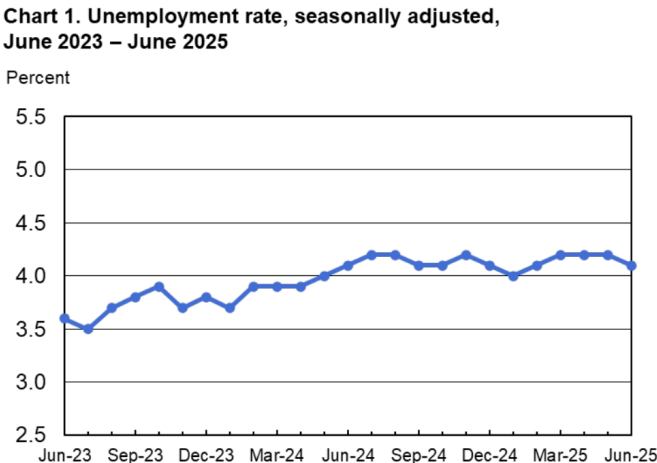


² <https://www.bea.gov/news/2025/gross-domestic-product-1st-quarter-2025-third-estimate-gdp-industry-and-corporate-profits>

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On a national level, the unemployment rate changed little from 4.2% in May 2025 to 4.1% in June 2025. In June, the number of unemployed persons totaled 7.0 million, consistent with May levels.³



At the state level, the California unemployment rate remained unchanged at 5.3% between April and May 2025. This rate is slightly higher compared to the 5.2% rate in May 2024. Over the past year, California employers have added 92,900 nonfarm jobs.⁴

The Summer 2025 UCLA Anderson Forecast for California assumes the state's economy will grow at a slower rate than the U.S. in 2025 with a recovery beginning in 2026 and slightly faster growth in 2027. "The unemployment rate is expected to hit a peak of 6.1% this year. The average for 2025, 2026 and 2027 is expected to be 5.8%, 5.6% and 4.4% respectively. Our forecast for 2025, 2026 and 2027 is for total employment growth rates to be 0.1%, 0.8%, and 2.5%. Non-farm payroll jobs are expected to grow at a -0.1%, 0.4% and 1.9% rate during the same three years. Real personal income is forecast to grow by 1.6% in 2025, 1.3% in 2026 and 2.7% in 2027. Higher interest rates, shortages of construction labor and the rebuilding of damaged and destroyed homes lowered our residential construction forecast from March. Our expectation is for permitted new units to be 102K this year and grow to 115K by the end of 2027. Needless to say, this level of home building means that the prospect for 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 3.9% in May 2025, down slightly from a revised 4.0% in April 2025, but above the May 2024 estimate of 3.6%. Between May 2024 and May 2025, employment in this region decreased by 5,100 jobs, or 0.4%. Notable employment reductions were in professional and business services (down 5,000 jobs), manufacturing (down 3,200 jobs), and leisure and hospitality (down 3,000 jobs). The

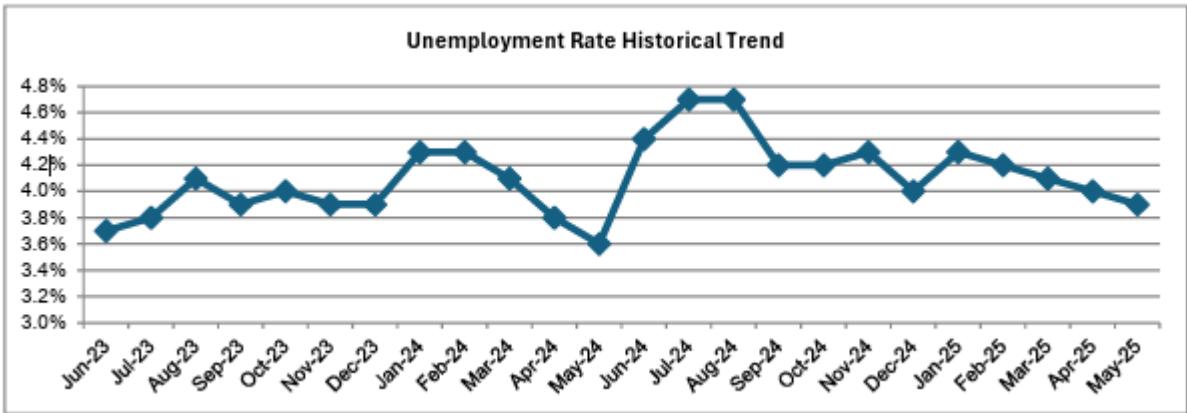
³ <https://www.bls.gov/news.release/pdf/empsit.pdf>
⁴ <https://edd.ca.gov/en/about-edd/news-releases-and-announcements/unemployment-may-2025/>
⁵ UCLA Anderson Forecast Spring 2025 Economic Forecast, "California's Growth Doldrums", Jerry Nickelsburg

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largest increases were in private education and health services (up 7,300 jobs) and government (up 2,600 jobs).⁶

San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area



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 \$328.8 million to reflect carryover encumbrances from fiscal year 2023/24 and various budget amendments approved by the City Council through May 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 are tracking to exceed the budget and expenditures are tracking to end the year with savings.

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

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General Fund Revenues

As of May 31, 2025, \$290.4 million or 95.3% of the General Fund estimated revenue (excluding transfers) was received. Transfers and use of reserves of \$24 million have occurred as budgeted. Overall, revenues are projected to exceed the budget due to strong performance in several categories as discussed below.

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 05/31/2025	Percentage Received	Actual Through 05/31/2024	\$ Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 62,900,000	\$ 62,900,000	\$ 60,546,921	96.26%	\$ 44,862,592	\$ 15,684,329	34.96%
Property Tax	94,391,000	94,391,000	83,105,896	88.04%	78,490,469	4,615,427	5.88%
Transient Occupancy Tax	22,850,000	22,850,000	20,397,214	89.27%	17,096,035	3,301,179	19.31%
Other Taxes	6,950,000	6,950,000	5,338,351	76.81%	5,483,764	(145,413)	-2.65%
Total Taxes	187,091,000	187,091,000	169,388,382	90.54%	145,932,860	23,455,522	16.07%
LICENSES & PERMITS							
Business Licenses	6,000,000	6,000,000	4,904,489	81.74%	4,388,345	516,144	11.76%
Fire Operation Permits	2,010,000	2,010,000	1,916,730	95.36%	1,699,765	216,965	12.76%
Miscellaneous Permits	55,000	55,000	74,227	134.96%	18,210	56,017	307.62%
Total Licenses & Permits	8,065,000	8,065,000	6,895,446	85.50%	6,106,320	789,126	12.92%
FINES & PENALTIES	1,452,000	1,452,000	2,231,794	153.70%	2,245,356	(13,562)	-0.60%
INTERGOVERNMENTAL	970,000	2,323,853	4,639,119	199.63%	675,223	3,963,896	587.05%
CHARGES FOR SERVICES	30,829,954	31,136,862	31,568,237	101.39%	30,052,531	1,515,706	5.04%
SILICON VALLEY POWER TRANSFER	34,500,000	34,500,000	32,509,674	94.23%	30,167,730	2,341,944	7.76%
USE OF MONEY & PROPERTY							
Interest	6,212,000	6,212,000	5,326,646	85.75%	2,645,712	2,680,934	101.33%
Rent	13,028,187	13,028,187	11,240,502	86.28%	11,239,890	612	0.01%
Total Use of Money & Property	19,240,187	19,240,187	16,567,148	86.11%	13,885,602	2,681,546	19.31%
MISCELLANEOUS REVENUES	215,550	215,550	512,828	237.92%	563,588	(50,760)	-9.01%
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	14,156,089	14,156,089	100.00%	8,097,132	6,058,957	74.83%
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	23,973,992	23,973,992	100.00%	15,056,859	8,917,133	59.22%
STADIUM OPERATION							
Charges for Services	11,705,481	12,023,104	18,510,233	153.96%	11,777,236	6,732,997	57.17%
Rent and Licensing	1,472,000	8,796,722	7,612,194	86.53%	250,000	7,362,194	2944.88%
Total Stadium Operation	13,177,481	20,819,826	26,122,427	125.47%	12,027,236	14,095,191	117.19%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 328,818,270	\$ 314,409,048	95.62%	\$ 256,713,305	\$ 57,695,743	22.47%

(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 May 31, 2025, \$60.5 million has been collected, which is 35% higher than prior year collection levels. Given the timing of payments, the sales tax payments through May account for actual activity from July 2024 through March 2025. In addition, \$0.6 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. General sales tax receipts in the third quarter totaled \$20.5 million and were up 40% from the same quarter in the prior fiscal year. Overall, through the first three quarters of the fiscal year, collections were up an unprecedented 35% from the prior fiscal year. To better understand this performance, staff has been working with the City's sales tax consultant, Avenu Insights/MuniServices and also contacted the California Department of Tax and Fee Administration for feedback. This growth reflects large one-time transactions from multiple taxpayers in each of the three quarters. In addition, there are a few top taxpayers that had significantly increased revenues in those quarters. The City also received larger proportional shares from the countywide pool as a result the increased allocations.

Given the very strong performance to date, collections are tracking to significantly exceed the adopted budget estimate of \$62.9 million by \$15 million - \$18 million. A portion of this excess revenue was assumed for use in the development of the FY 2025/26 and FY 2026/27 Adopted Operating Budget and a portion was also used to support FY 2024/25 budget needs. To recognize these funds, an increase to the budget of \$5.9 million (from \$62.8 million to \$68.8 million) was approved in June 2025 as part of the April Monthly Financial Report; this adjustment is not yet reflected in the table above.

Property Tax: \$83.1 million in property tax receipts were received through May 2025, or 88% of the budget. Based on latest information from the County of Santa Clara, property tax receipts are projected to end the year at \$96.9 million, which is above the Adopted Budget estimate of \$94.4 million. The revenue from the Successor Agency sale of the Hyatt Hotel parcel that generated approximately \$2.3 million for the City of Santa Clara is reflected in the Intergovernmental category below.

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 May 31, 2025, approximately \$20.4 million was received, or 89.3% of the budget. This collection level was 19.3% above the \$17.1 million received through May of the prior fiscal year. Growth of 2.2% is needed to meet the budgeted estimate of \$22.9 million. Receipts are tracking to exceed the budget estimate by approximately \$3 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected approximately \$5.3 million through May, including \$4.2 million in franchise taxes and \$1.1 million in

documentary transfer taxes. This collection level is consistent with last fiscal year levels and is tracking close to the budget estimate.

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Revenues are tracking below par with receipts totaling \$6.9 million, or 85.5% of the \$8.1 million budget. This collection level, however, is 12.9% above the prior year level with growth in each category. The largest collections were in business license taxes. Effective FY 2023/24, the City implemented a new business license tax methodology which is reflected in the receipts recorded this fiscal year totaling \$4.9 million, or 81.7% of the budget. This collection level is lower than the amount recorded in the April Monthly Financial Report due to some corrections in booking. Business license tax receipts are tracking to end the year below the estimate of \$6.0 million.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. Through May, revenue in this category totaled \$2.2 million which is consistent with prior year collection levels and above 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 May, approximately \$4.6 million has been collected, exceeding the \$2.3 million budget. The significant increase in collections in this category is due to the sale of the Hyatt land, accounting for \$2.3 million. Additionally, a portion of the revenue in this category is attributed to Fire wildland deployment reimbursements. As part of the April Monthly Financial Report, actions to allocate the \$2.3 million to the Land Sale Reserve and actions to recognize wildland reimbursements and appropriate them to the Fire Department were approved by the City Council. These actions are not yet reflected in this report.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through May, collections totaled approximately \$31.6 million or 98.4% of the budget. This reflects a 5% increase compared to last year's collections, primarily due to higher receipts from 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 May, \$16.6 million has been collected, or 86.1% of the budget. This collection level is 19.3% above the \$13.9 million received last fiscal year primarily due to higher interest earnings collected in the current year.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through May, collections total \$0.5 million, which is slightly lower than prior year collection levels but above the budget estimate of \$0.2 million.

Stadium Operation: Through May 31, 2025, approximately \$26.1 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 and \$6.2 million represents the Stadium Authority’s year-end excess revenue distribution to the City’s General Fund. The use of the excess revenue was assumed in the development of the FY 2025/26 and FY 2026/27 Adopted Operating Budget, and an associated budget action was approved in the April Monthly Financial Report to recognize those funds. Receipts through May also include reimbursements of \$435,000 from the Bay Area Host Committee for planning costs incurred for Super Bowl LX and FIFA World Cup 2026 events. Of that amount, \$380,000 was recognized and appropriated as part of the April Monthly Financial Report. The adjustments from the April Monthly Financial Report are not yet reflected in the Amended Budget in the table above.

General Fund Expenditures

As of May 31, 2025, \$283.4 million or 86.2% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$256.6 million, or 85% of the budget, which is below par (91.7% through May). Transfers of \$26.8 million have occurred as budgeted. Overall, expenditures in the General Fund are tracking to end the year with savings.

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 05/31/2025	Percentage Used	Actual Through 05/31/2024	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 17,622,136	\$ 18,852,222	\$ 12,478,805	66.19%	\$ 10,962,858	\$ 1,515,947	13.83%
City Council	1,196,923	1,196,923	1,009,742	84.36%	1,035,760	(26,018)	-2.51%
City Clerk	2,102,267	2,186,267	2,042,764	93.44%	1,664,253	378,511	22.74%
City Manager	8,222,051	8,080,316	4,171,654	51.63%	4,067,965	103,689	2.55%
City Attorney	3,357,661	3,440,037	2,774,948	80.67%	2,612,955	161,993	6.20%
Human Resources	4,845,256	5,377,027	3,761,263	69.95%	3,137,874	623,389	19.87%
Finance	21,008,682	21,875,123	19,470,971	89.01%	16,104,862	3,366,109	20.90%
Total General Government	58,354,976	61,007,915	45,710,147	74.92%	39,586,527	6,123,620	15.47%
PUBLIC WORKS	26,347,463	28,226,582	23,561,071	83.47%	22,083,195	1,477,876	6.69%
COMMUNITY DEVELOPMENT	5,575,313	5,774,721	4,386,799	75.97%	4,517,254	(130,455)	-2.89%
PARKS AND RECREATION	23,172,047	23,956,989	19,267,775	80.43%	18,958,054	309,721	1.63%
PUBLIC SAFETY							
Fire	66,292,191	68,569,407	63,048,472	91.95%	59,506,157	3,542,315	5.95%
Police	92,074,298	92,776,102	82,454,712	88.87%	77,461,929	4,992,783	6.45%
Total Public Safety	158,366,489	161,345,509	145,503,184	90.18%	136,968,086	8,535,098	6.23%
LIBRARY	11,732,505	12,230,197	10,716,803	87.63%	9,385,496	1,331,307	14.18%
DEPARTMENTAL TOTAL	283,548,793	292,541,913	249,145,779	85.17%	231,498,612	17,647,167	7.62%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	626,778	1,742,520	1,742,520	100.00%	1,353,809	388,711	28.71%
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	14,504,188	14,504,188	100.00%	7,305,499	7,198,689	98.54%
Operating Transfer Out - Reserves	-	7,324,722	7,324,722	100.00%	-	7,324,722	N/A
Total Other Financing Uses	18,038,146	26,777,916	26,777,916	100.00%	11,800,161	14,977,755	126.93%
STADIUM OPERATION	9,111,250	9,498,441	7,495,219	78.91%	9,210,285	(1,715,066)	-18.62%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 328,818,270	\$ 283,418,915	86.19%	\$ 252,509,058	\$ 30,909,856	12.24%

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 May, expenditures totaled \$12.5 million, or 66.2% of the budget. These expenditures are below par of 91.7%, 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 May totaled approximately \$2.8 million, which is 80.7% of the budget, which is below par. Spending is 6% higher than the total expenditures through the same time last fiscal year.

City Clerk: Through May, actual expenditures were tracking at \$2.0 million or approximately 93.4% of the budget, which is slightly above par. This expenditure level reflects a 22.7% increase compared to last fiscal year due to costs that are incurred every other year, such as election costs. A budget amendment to increase the elections budget by \$29,000 (from \$502,000 to \$531,000) was approved through the April Monthly Financial Report to account for the higher costs; this adjustment is not yet reflected in the table above.

City Council: Through May, expenditures of \$1.0 million were at 84.4% 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 May totaled \$4.2 million, or 51.6% of the budget, which is below par for this time of the year. Expenditures are slightly above 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 May, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$4.4 million, or 76% of the budget, which is below par of 91.7%. This expenditure level is slightly below the prior year spend levels.

Finance Department: Through May 31, 2025, the Department's expenditures totaled \$19.5 million, or 89% of the budget, which is slightly below par. This expenditure level was approximately 20.9% 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 Questica Budget System. A budget adjustment of \$550,000 for one-time licensing costs for Peoplesoft that are tied to the City's budget size was approved as part of the April Monthly Financial Report, which is not yet reflected.

Fire Department: Through May, actual expenditures totaled \$63.0 million, or 92% of the budget, which is close to par. These expenditures reflect a 6% increase from last fiscal year due to higher expenditures across the overtime and non-personnel categories including operating supplies, contractual services, and capital outlay. Overtime expenditures are tracking over budget at 99% due, in part, to overtime expenditures related to mutual aid deployment efforts. These costs are reimbursable, and budget actions have been approved by City Council as part of the FY 2023/24 Budget Year-End Report and Monthly Financial Reports to recognize and appropriate these reimbursements. A budget action was also approved in the April Monthly Financial Report to recognize and appropriate additional revenue received, but this adjustment is not yet reflected in the table. Excluding mutual aid-related costs, the overtime budget is 160% expended through May. Overtime is used to backfill for shift absences and vacant shift positions to maintain daily minimum staffing. Overtime expenditures have exceeded the overtime budget as the current absence rate exceeds the estimate used in the development of the budget.

Through May, absences are down 3% (from 77,906 to 75,230 hours) when compared with the prior fiscal year but remain above historical levels. Absences are trending high in the areas of injury, 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 May, the compensatory time payouts total \$1.66 million, which is above historical levels but 20% below the payouts of \$2.07 million experienced through May of last fiscal year.

Expenditures were tracking to end the year above budget by approximately \$2.1 million to \$2.7 million. Additional funding of \$2.65 million was added to the departmental budget as part of the April Monthly Financial Report to conservatively address this potential overage. Of this amount, \$952,000 was offset by ambulance transport revenue. The adjustments from the April Monthly Financial Report are not yet reflected in the Amended Budget in the table above.

Library Department: Through May, actual expenditures totaled \$10.7 million, or 87.6% of the budget, which is below par, but 14% 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 May, actual expenditures totaled \$19.3 million, or 80.4% of the budget, which is below par and consistent with last fiscal year spend.

Police Department: Expenditures through May are tracking below par at \$82.5 million, or 88.9% of the budget; this is approximately 6.4% higher than prior year spending. The higher spend is primarily in the salaries and benefits and IT subscription 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 \$7.5 million through May, which is 18.6% 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

May, 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. An action was approved in the April Monthly Financial Report to recognize and appropriate costs already incurred and anticipated through the end of the fiscal year for the planning and training costs associated with the 2026 major events; this action is not reflected in the table.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of May 31, 2025. The amended budget reflects carryover encumbrances from fiscal year 2023/24 and budget amendments approved by the City Council through May 2025.

Revenues totaled approximately \$25.8 million, while expenditures totaled approximately \$22.1 million through the end of May. Both revenue and expenditures are tracking below par of 91.7%. 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. The variance in revenue in the Housing funds reflects changes in the interest collections compared to the previous year. 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 5/31/2025	Percentage Received	Actual Through 5/31/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 16,164,000	\$ 16,185,431	\$ 16,952,627	104.74%	\$ 15,202,594	\$ 1,750,033	11.51%
City Affordable Housing Fund	1,168,177	1,168,177	1,135,854	97.23%	577,137	558,717	96.81%
Fire CUPA Fund	0	0	182,961	N/A	0	182,961	N/A
Fire Development Services Fee Fund	3,277,500	3,277,500	3,844,315	117.29%	3,473,176	371,139	10.69%
Housing and Urban Development	2,532,068	7,247,563	2,422,412	33.42%	1,002,060	1,420,352	141.74%
Housing Authority Fund	252,496	252,496	50,629	20.05%	397,739	(347,110)	-87.27%
Housing Successor Fund	1,306,326	1,306,326	1,166,346	89.28%	402,909	763,437	189.48%
TOTAL	\$ 24,700,567	\$ 29,437,493	\$ 25,755,144	87.49%	\$ 21,055,615	\$ 4,699,529	22.32%

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 5/31/2025	Percentage Used	Actual Through 5/31/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 15,044,148	\$ 17,323,919	\$ 14,700,565	84.86%	\$ 13,087,043	\$ 1,613,522	12.33%
City Affordable Housing Fund	1,593,647	12,242,276	873,526	7.14%	3,236,938	(2,363,412)	-73.01%
Fire CUPA Fund	0	535,696	87,586	16.35%	0	87,586	N/A
Fire Development Services Fee Fund	3,387,922	3,387,922	3,216,785	94.95%	2,859,390	357,395	12.50%
Housing and Urban Development	2,532,068	8,192,912	2,557,173	31.21%	1,099,313	1,457,860	132.62%
Housing Authority Fund	468,931	511,389	147,077	28.76%	154,099	(7,022)	-4.56%
Housing Successor Fund	902,579	1,012,590	525,126	51.86%	687,094	(161,968)	-23.57%
TOTAL	\$ 23,929,295	\$ 43,206,704	\$ 22,107,838	51.17%	\$ 21,123,877	\$ 983,961	4.66%

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 May 2025. As of May 31, 2025, the internal service fund expenditures totaled \$48.1 million, or 74% 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. In the Special Liability Insurance Fund, a large settlement paid by the City was incurred in March.

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 5/31/2025	Percentage Used	Actual Through 5/31/2024	\$ Change From Prior Year	Percent Change
Communication Acquisitions Fund	\$ 1,067,904	\$ 7,126,624	\$ 5,926,859	83.17%	\$ 311,831	\$ 5,615,028	1800.66%
Fleet Maintenance and Operations Fund	5,939,015	6,172,901	5,304,264	85.93%	5,219,588	84,676	1.62%
Information Technology Services Fund	15,439,338	17,045,167	11,209,915	65.77%	11,187,293	22,622	0.20%
Public Works Capital Projects Management Fund	4,373,674	5,157,651	3,671,556	71.19%	3,470,461	201,095	5.79%
Special Liability Fund	6,530,000	12,230,306	10,456,862	85.50%	4,989,208	5,467,654	109.59%
Unemployment Insurance Fund	110,000	135,000	74,713	55.34%	54,056	20,657	38.21%
Vehicle Replacement Fund	5,827,284	10,702,070	6,449,397	60.26%	4,908,439	1,540,958	31.39%
Workers' Compensation Fund	6,437,000	6,437,000	5,011,749	77.86%	5,600,375	(588,626)	-10.51%
TOTAL	\$ 45,724,215	\$ 65,006,719	\$ 48,105,315	74.00%	\$ 35,741,251	\$ 12,364,064	34.59%

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 May 2025. As of May 31, 2025, the capital fund revenue totaled \$20.7 million, or 52.8% 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 \$2.9 million collected in Quimby Fee Act revenue, \$1.5 million collected in Mitigation Fee Act revenue as well as \$1.5 million interest earnings. The remaining \$2.6 million reflects grant 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 5/31/2025	Percentage Used
City Affordable Housing Capital Fund	\$ -	\$ -	\$ -	\$ 3,479,128	NA
General Govt - Other	11,574	-	11,574	11,574	100.00%
Parks & Recreation	-	3,349,489	3,349,489	8,439,938	251.98%
Related Santa Clara Developer	795,344	-	795,344	500,344	62.91%
Storm Drain	1,786,902	3,000,000	4,786,902	1,541,374	32.20%
Streets & Highways	6,933,849	19,534,183	26,468,032	6,514,791	24.61%
Tasman East Specific Infrastructure Improvement Fund	3,734,932	-	3,734,932	187,238	5.01%
TOTAL	\$ 13,262,601	\$ 25,883,672	\$ 39,146,273	\$ 20,674,387	52.81%

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 May 2025. As of May 31, 2025, capital fund expenditures totaled \$29.4 million, or 16% 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

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 5/31/2025	Percentage Used
Fire	\$ 2,360,137	\$ 550,295	\$ 2,910,432	\$ 869,938	29.89%
General Gov't - Other	5,024,583	9,675,140	14,699,723	1,690,362	11.50%
Library	412,660	261,190	673,850	19,068	2.83%
Parks & Recreation	21,061,911	22,186,879	43,248,790	3,089,132	7.14%
Public Buildings	6,886,276	3,933,806	10,820,082	1,706,469	15.77%
Related Santa Clara Developer	1,189,335	19,828	1,209,163	699,695	57.87%
Storm Drain	3,794,643	6,658,409	10,453,052	1,418,023	13.57%
Streets & Highways	50,361,556	46,415,359	96,776,915	19,843,701	20.50%
Tasman East Specific Infrastructure Improvement Fund	1,432,193	1,424,215	2,856,408	24,619	0.86%
TOTAL	\$ 92,523,294	\$ 91,125,121	\$ 183,648,415	\$ 29,361,007	15.99%

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of May 31, 2025. 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 5/31/2025	Percentage Received	Actual Through 5/31/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 750,000	\$ 750,000	\$ 624,410	83.25%	\$ 510,765	\$ 113,645	22.25%
Electric Utility Fund	893,397,959	893,397,959	842,492,692	94.30%	636,031,646	206,461,046	32.46%
Sewer Utility Fund	46,989,803	46,989,803	50,795,621	108.10%	78,280,275	(27,484,654)	-35.11%
Solid Waste Utility Fund	41,561,372	41,561,372	35,435,787	85.26%	33,671,304	1,764,483	5.24%
Water Recycling Fund	8,507,338	8,507,338	9,432,197	110.87%	6,157,039	3,275,158	53.19%
Water Utility Fund	64,096,935	64,096,935	56,823,556	88.65%	48,805,109	8,018,447	16.43%
TOTAL REVENUE	\$ 1,055,303,407	\$ 1,055,303,407	\$ 995,604,263	94.34%	\$ 803,456,138	\$ 192,148,125	23.92%

Fund Description	EXPENSES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 5/31/2025	Percentage Used	Actual Through 5/31/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,628,800	\$ 1,628,800	\$ 1,044,190	64.11%	\$ 875,427	\$ 168,763	19.28%
Electric Utility Fund	649,513,582	672,335,619	526,223,463	78.27%	495,076,747	31,146,716	6.29%
Sewer Utility Fund	38,762,083	39,278,049	38,149,734	97.13%	53,673,944	(15,524,210)	-28.92%
Solid Waste Utility Fund	40,775,942	43,928,485	34,257,375	77.98%	30,570,154	3,687,221	12.06%
Water Recycling Fund	9,307,289	10,982,389	9,547,764	86.94%	5,842,560	3,705,204	63.42%
Water Utility Fund	57,614,177	58,830,207	51,679,344	87.84%	47,874,464	3,804,880	7.95%
TOTAL - Operating Appropriations	\$ 797,601,873	\$ 826,983,549	\$ 660,901,870	79.92%	\$ 633,913,296	\$ 26,988,574	4.26%

Both revenues and expenditures are tracking above the prior year. 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.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actual revenue through May 31, 2025, totaled \$33.6 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 José for the Regional Wastewater Facility in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$74.6 million, or 14.1% 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 5/31/2025	Percentage Used
Convention Center Capital Fund	\$ 550,000	\$ -	\$ 550,000	\$ 550,000	100.00%
Electric Utility Fund	26,660,625	26,030,596	52,691,221	29,723,602	56.41%
Sewer Utility Fund	-	-	-	3,296,477	N/A
Solid Waste Utility Fund	258,000	-	258,000	12,301	4.77%
Street Lighting ⁽¹⁾	-	-	-	837	N/A
Water Utility Fund	-	-	-	30,684	N/A
TOTAL - Revenue	\$ 27,468,625	\$ 26,030,596	\$ 53,499,221	\$ 33,613,901	62.83%

EXPENDITURES - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 5/31/2025	Percentage Used
Cemetery Fund	\$ 22,524	\$ 252,644	\$ 275,168	\$ 4,298	1.56%
Convention Center Capital Fund	2,699,999	1,723,150	4,423,149	1,866,520	42.20%
Electric Utility Fund	264,128,146	184,117,774	448,245,920	55,571,152	12.40%
Sewer Utility Fund	24,421,888	24,213,217	48,635,105	11,354,483	23.35%
Solid Waste Utility Fund	907,874	24,569	932,443	668,493	71.69%
Street Lighting ⁽¹⁾	10,374,952	3,524,758	13,899,710	1,014,422	7.30%
Water Recycling Fund	400,000	-	400,000	3,015	0.75%
Water Utility Fund	9,178,391	2,692,753	11,871,144	4,130,560	34.79%
TOTAL - CIP Appropriations	\$ 312,133,774	\$ 216,548,865	\$ 528,682,639	\$ 74,612,943	14.11%

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

City of Santa Clara

Financial Status Report as of May 31, 2025

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 May 31, 2025

CITY OF SANTA CLARA
RESERVE BALANCES
May 31, 2025

DETAIL OF SELECTED FUND RESERVE BALANCES:			
	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 68,933,228		
Capital Projects Reserve	7,834,572		
Land Sale Reserve	10,343,105		
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	\$ 89,588,434	\$ 327,000,000	\$ 303,090

Donations to the City of Santa Clara

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

Department	May-25	Fiscal Year 2024/25	
		Year To Date	Designated Use
City Manager's Office	-	122	Help Your Neighbor
Parks & Recreation	2,100	7,570	Case Management
Parks & Recreation	-	20	Community Garden
Parks & Recreation	-	632	Reed/Grant Park Soccer Equipment
Parks & Recreation	-	5,687	Roberta Jones Jr. Theatre
Parks & Recreation	-	19,925	Wade Brummal
TOTALS	\$ 2,100	\$ 33,956	