



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

September 2024

This report summarizes the City’s financial performance for the month ended September 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

Economic news remains positive. At the national level, the UCLA Anderson Forecast predicts strong GDP growth in the third quarter 2024 estimated at 2.5% on a seasonally adjusted annual rate, followed by lower growth in the fourth quarter 2024. Banner growth is then projected for 2025 and 2026 driven in part by growth in residential development. For California, the economists for the UCLA Forecast predict sub-par growth in 2024, followed by two years of growth rates higher than the U.S., led by technology and aerospace¹.

According to The Conference Board, “US economic data continue to surprise to the upside, revealing ongoing resilience despite looming uncertainties and persistent shocks. We now expect real GDP to expand by 2.6 percent year-over-year in 2024, an upward revision from 2.4 percent. Some moderate growth at yearend and early next year may constrain annual 2025 growth to 1.7 percent despite expectations of stronger quarterly annualized growth over the course of that year. Slowing inflation and a healthy labor market should support measured interest rate cuts over the course of the next year, lowering the Fed Funds rate target range to 3.00-3.25 percent in 2025.”²

On a national level, the unemployment rate changed little from 4.2% to 4.1% between August and September 2024. In September, the number of unemployed persons totaled 6.8 million, a decrease from 7.1 million in August.³

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

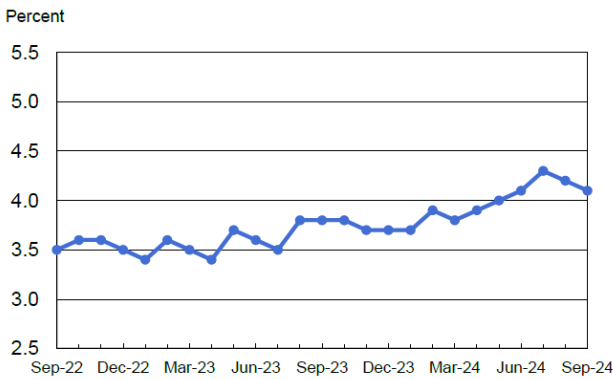
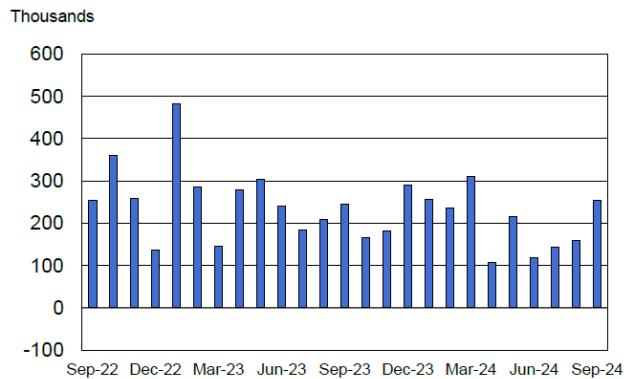


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, September 2022 – September 2024

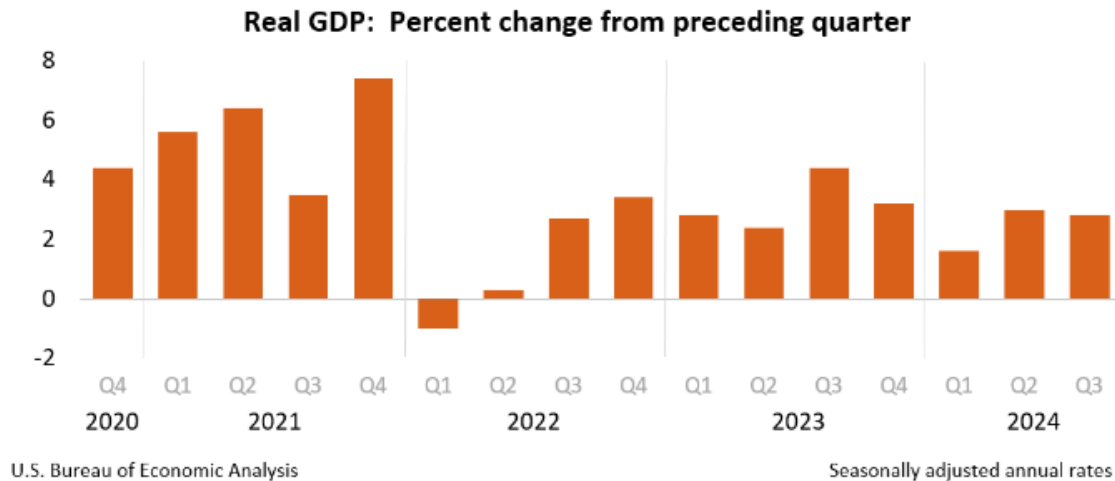


¹ <https://www.anderson.ucla.edu/news-and-events/press-releases/sub-par-growth-for-california-followed-by-banner-years-for-state-and-us-gdps>

² <https://www.conference-board.org/research/us-forecast>, The Conference Board Economic Forecast for the US Economy, October 23, 2024

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

In the third quarter 2024 advance estimate, the Gross Domestic Product (GDP) increased by 2.8%, following a GDP increase of 3.0% in the second quarter. The increase in real GDP primarily reflected increases in consumer spending, exports, and federal government spending.⁴



At the state level, the California unemployment rate remained unchanged at 5.3% between August and September 2024. This rate is higher compared to the 5.0% rate in September 2023. Over the past year, California employers have added 265,300 nonfarm jobs.⁵

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 4.1% in September 2024, down from a revised 4.6% in August 2024, but above the September 2023 estimate of 3.9%. Between September 2023 and September 2024, employment in this region increase by 3,700 jobs, or 0.3%. The largest increases were in private education and health services (up 9,600 jobs), professional and business services (up 4,800 jobs), and leisure and hospitality (up 2,300 jobs). Notable employment reductions were in information (down 6,700 jobs) and manufacturing (down 5,400 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 2024/25 was \$310.7 million. The amended budget for revenues and expenditures was adjusted to \$317.9 million to reflect carryover encumbrances from fiscal year 2023/24 and various budget amendments approved by the City Council through September 2024.

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

⁴ <https://www.bea.gov/sites/default/files/2024-10/tech3q24-adv.pdf>

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

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

General Fund Revenues

As of September 30, 2024, \$34.2 million or 11.6% of the General Fund estimated revenue (excluding transfers) was received. Transfers and use of reserves of \$22.1 million have occurred as budgeted. This low collection level through September is largely due to the timing of payments. In some categories, the revenues received in September account for activity that occurred in FY 2023/24 and those revenues are accrued back to that year. In other cases, such as property tax, most payments are scheduled to occur later in the fiscal year.

**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 9/30/2024	Percentage Received	Actual Through 9/30/2023	Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 62,900,000	\$ 62,900,000	\$ 4,714,363	7.50%	\$ 5,013,575	\$ (299,212)	-5.97%
Property Tax	94,391,000	94,391,000	123,179	0.13%	184,513	(61,334)	-33.24%
Transient Occupancy Tax	22,850,000	22,850,000	2,049,094	8.97%	1,319,673	729,421	55.27%
Other Taxes	6,950,000	6,950,000	493,594	7.10%	667,689	(174,095)	-26.07%
Total Taxes	187,091,000	187,091,000	7,380,230	3.94%	7,185,450	194,780	2.71%
LICENSES & PERMITS							
Business Licenses	6,000,000	6,000,000	2,179,914	36.33%	1,029,725	1,150,189	111.70%
Fire Operation Permits	2,010,000	2,010,000	591,820	29.44%	340,223	251,597	73.95%
Miscellaneous Permits	55,000	55,000	137,851	250.64%	98,442	39,409	40.03%
Total Licenses & Permits	8,065,000	8,065,000	2,909,585	36.08%	1,468,390	1,441,195	98.15%
FINES & PENALTIES	1,452,000	1,452,000	291,043	20.04%	604,657	(313,614)	-51.87%
INTERGOVERNMENTAL	970,000	970,000	366,762	37.81%	9,654	357,108	3699.07%
CHARGES FOR SERVICES	30,829,954	30,829,954	9,277,938	30.09%	7,270,797	2,007,140	27.61%
SILICON VALLEY POWER TRANSFER	34,500,000	34,500,000	8,866,275	25.70%	8,227,562	638,713	7.76%
USE OF MONEY & PROPERTY							
Interest	6,212,000	6,212,000	(486,666)	-7.83%	(677,143)	190,477	-28.13%
Rent	13,028,187	13,028,187	3,265,867	25.07%	3,157,866	108,001	3.42%
Total Use of Money & Property	19,240,187	19,240,187	2,779,201	14.44%	2,480,723	298,478	12.03%
MISCELLANEOUS REVENUES	215,550	215,550	267,609	124.15%	79,362	188,247	237.20%
LAND PROCEED	-	-	-	N/A	-	-	N/A
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	13,895,239	13,895,239	100.00%	8,012,113	5,883,126	73.43%
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	575,821	575,821	100.00%	746,044	(170,223)	-22.82%
Total Other Financing Sources	15,157,017	22,087,429	22,087,429	100.00%	14,971,840	7,115,589	47.53%
STADIUM OPERATION							
Charges for Services	11,705,481	12,023,104	2,058,397	17.12%	561,121	1,497,276	266.84%
Rent and Licensing	1,472,000	1,472,000	-	0.00%	-	-	N/A
Total Stadium Operation	13,177,481	13,495,104	2,058,397	15.25%	561,121	1,497,276	266.84%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 317,946,224	\$ 56,284,469	17.70%	\$ 42,859,556	\$ 13,424,913	31.32%

(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 September 30, 2024, \$4.7 million has been collected, which is 6.0% lower than prior year collection levels. Given the timing of payments, the sales tax payments reflected are for the month of July 2024.

Property Tax: \$0.1 million in property tax receipts were received in September 2024. The majority of property tax revenue is collected in February and April each year. Based on initial information from the County of Santa Clara, property tax receipts are projected to end the year at \$95.9 million, slightly above the Adopted Budget estimate of \$94.4 million.

Transient Occupancy Tax (TOT): TOT is calculated as a percentage of City hotel/motel room charges. The City's current TOT rate is 12.5% and will increase to 13.5% effective January 1, 2025. Through September 30, 2024, approximately \$2.0 million was received, which reflects a 55.3% increase when compared through the same period last fiscal year.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected approximately \$0.5 million through September, which is 27% lower than last fiscal year's collection levels. Receipts through September primarily reflect franchise tax collections, with minimal documentary transfer tax revenue collected.

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Revenue collections are tracking above par with receipts totaling \$2.9 million, or 36.1% of the \$8.1 million budget. This reflects strong growth in all categories with the largest collections in the business license tax category. Effective FY 2023/24, the City implemented a new Business License Tax methodology which is reflected in the receipts recorded this fiscal year totaling \$2.2 million, or 36.3% of the budget. This collection level is above the prior year level of \$1.0 million due, in part, to the timing of payments; last year, collections at the beginning of the year were delayed with the implementation of the new tax structure.

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

Intergovernmental: Includes motor vehicle fees, state homeowner tax relief, state mandated reimbursement and redistribution of land sale proceeds and ground leases from the Successor Agency. Through September 30, 2024, approximately \$0.4 million has been collected, or 37.8% of the \$1.0 million budget.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through September, collections totaled approximately \$9.3 million or 30.1% of the budget. This reflects a 27.6% increase compared to last year's collections, primarily due to higher receipts from engineering fees, Emergency Medical Services (EMS) transport fees, and interdepartmental charges.

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

Use of Money & Property: Includes realized investment income and rental income. Through September, \$2.8 million has been collected, compared to \$2.5 million last fiscal year. This increase is due to higher rents, specifically right-of-way, collected in the current year. This is mainly due to the timing of when the right-of-way revenue was recorded, when compared to last fiscal year. The negative amount under the interest category reflects an accrual to the prior year.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through September, collections total \$0.3 million, compared to \$79,362 collected in the prior year.

Stadium Operation: Through September, approximately \$2.1 million has been collected through charges for services.

General Fund Expenditures

As of September 30, 2024, \$91.1 million or 28.7% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$73.1 million, or 24.4% of the budget, which is at par. Transfers of \$18.0 million have occurred as budgeted. Overall, expenditures in the General Fund are at budgeted levels through September.

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 9/30/2024	Percentage Used	Actual Through 9/30/2023	Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 17,622,136	\$ 17,841,022	\$ 5,094,715	28.56%	\$ 2,499,761	\$ 2,594,954	103.81%
City Council	1,196,923	1,196,923	305,664	25.54%	282,965	22,699	8.02%
City Clerk	2,102,267	2,104,267	567,840	26.99%	344,072	223,768	65.04%
City Manager	8,222,051	9,030,316	1,186,788	13.14%	852,846	333,942	39.16%
City Attorney	3,357,661	3,440,037	730,921	21.25%	630,789	100,132	15.87%
Human Resources	4,845,256	5,019,594	927,839	18.48%	785,034	142,805	18.19%
Finance	21,008,682	21,937,208	5,459,590	24.89%	4,176,852	1,282,738	30.71%
Total General Government	58,354,976	60,569,367	14,273,357	23.57%	9,572,319	4,701,038	49.11%
PUBLIC WORKS	26,347,463	28,132,690	6,197,081	22.03%	5,702,914	494,167	8.67%
COMMUNITY DEVELOPMENT	5,575,313	5,636,381	1,237,071	21.95%	1,277,915	(40,844)	-3.20%
PARKS AND RECREATION	23,172,047	23,931,989	5,347,557	22.34%	5,306,810	40,747	0.77%
PUBLIC SAFETY							
Fire	66,292,191	66,954,133	17,833,066	26.63%	16,697,448	1,135,618	6.80%
Police	92,074,298	92,973,019	22,240,589	23.92%	20,669,417	1,571,172	7.60%
Total Public Safety	158,366,489	159,927,152	40,073,655	25.06%	37,366,865	2,706,790	7.24%
LIBRARY	11,732,505	12,212,058	3,046,574	24.95%	2,498,581	547,993	21.93%
DEPARTMENTAL TOTAL	283,548,793	290,409,637	70,175,295	24.16%	61,725,404	8,449,891	13.69%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	626,778	626,778	626,778	100.00%	1,198,809	(572,031)	-47.72%
Operating Transfer Out - Debt Services	1,405,940	1,405,940	1,405,940	100.00%	1,402,440	3,500	0.25%
Operating Transfer Out - Maintenance Dtrct	977,546	977,546	977,546	100.00%	942,413	35,133	3.73%
Operating Transfer Out - Cemetery	823,000	823,000	823,000	100.00%	796,000	27,000	3.39%
Operating Transfer Out - CIP	14,204,882	14,204,882	14,204,882	100.00%	7,305,499	6,899,383	94.44%
Total Other Financing Uses	18,038,146	18,038,146	18,038,146	100.00%	11,645,161	6,392,985	54.90%
STADIUM OPERATION	9,111,250	9,498,441	2,918,720	30.73%	3,239,740	(321,020)	-9.91%
TOTAL GENERAL FUND	\$ 310,698,189	\$ 317,946,224	\$ 91,132,161	28.66%	\$ 76,610,304	\$ 14,521,857	18.96%

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 September 30, 2024, expenditures totaled \$5.1 million, or 28.6% of the budget. These expenditures are above the par level of 25%, and significantly higher than prior year levels. This increase is due to the timing of the insurance payment; last fiscal year, these expenditures were not reflected until later in the fiscal year.

City Attorney: Actual expenditures through September totaled approximately \$0.7 million, which is 21.3% of the budget, which is below par. Spending is significantly higher than the total expenditures through the same time last fiscal year by 15.9%. This increase is a result of higher spend primarily in the salaries and benefits categories and the outside legal services category.

City Clerk: Through September 30, 2024, actual expenditures were tracking at \$0.6 million or approximately 27% of the budget. This expenditure level reflects a 65% increase compared to last fiscal year due to one-time Granicus costs that are paid every other year.

City Council: Through September, expenditures were at 25.5% of budget, which is slightly above par. Compared to the same period through last fiscal year, this reflects an increase in expenditures due to higher salaries and benefits spending.

City Manager: The actual expenditures through September totaled \$1.2 million, or 13.1% of the budget, which is below par for this time of the year. Expenditures are approximately 39% higher compared with the spending level through the same period last fiscal year. The increase is attributable to higher spend in the salaries and benefits and advertising and miscellaneous services and supplies categories.

Community Development Department: This department consists of three divisions: Planning, Building, and Housing and Community Services. The Building Division of this department is reflected in the Building Development Services Fund, which falls under the special revenue section of this report. Through September, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$1.2 million, or 22% of the budget, which is below par of 25%. This expenditure level is consistent with prior year spend.

Finance Department: Through September, the Department's expenditures totaled \$5.5 million, or 24.9% of the budget, which is at par. This expenditure level was approximately 30.7% higher than through the same period last year. The current year spend reflects higher salaries and benefits and contractual services costs, primarily related to PeopleSoft and the Questica Budget System.

Fire Department: Through September 30, 2024, actual expenditures totaled \$17.8 million, or 26.6% of the budget, which is above par. These expenditures also reflect a 6.8% increase from last fiscal year due to higher expenditures across the salaries and benefits, interfund services, and non-personnel categories. Overtime expenditures are tracking over budget at 155% due, in part, to overtime

expenditures related to mutual aid deployment efforts. These costs are reimbursable, and budget actions will continue to be brought forward for City Council approval to recognize the reimbursements and adjust the Department overtime budget throughout the fiscal year as reimbursements are received. Excluding mutual aid-related costs, the overtime budget is 73.8% expended through September. 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.

Absences are significantly above historical levels at 20,648 hours through September. This level, however, is down 7% from the 22,299 hours through September of the prior fiscal year. Absences that are trending high are in the areas of workers' compensation/injury leave, Family Medical Leave Act leave, sick leave, and vacation usage. It is important to note that employees can elect for compensatory time over overtime pay when backfilling shift absences, which increases the need to backfill when the compensatory time is used. Through September, the compensatory time payouts total \$472,099, which is above historical levels but 40% below the payouts of \$787,792 experienced through September of last fiscal year. The Department will continue to monitor the overtime expenditures throughout the fiscal year and bring forth budget recommendations, as needed.

Library Department: Through September, actual expenditures totaled \$3.0 million, or 25% of the budget, which is at par, and 21.9% higher than expenditure levels last fiscal year. The higher spending is primarily in the salaries and benefits and maintenance categories.

Parks and Recreation Department: Through September 30, 2024, actual expenditures totaled \$5.3 million, or 22.3% of the budget, which is slightly below par, but consistent with prior year spend.

Police Department: Expenditures through September are tracking at expected levels at \$22.2 million, or 23.9% of the budget; this is approximately 7.6% higher than prior year spending. The higher spend is primarily in the salaries and benefits and contractual services categories.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures totaled \$2.9 million through September, which is lower than the prior year. This is primarily due to fewer ticketed Non-NFL events being held in the current year, resulting in lower as needed and overtime spend. The Stadium hosted four ticketed Non-NFL events and three NFL games through September.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of September 30, 2024. The amended budget reflects carryover encumbrances from fiscal year 2023/24 and budget amendments approved by the City Council through September 2024.

Revenues totaled approximately \$7.4 million, while expenditures totaled approximately \$5.6 million through the end of September. While revenue is tracking above par, expenditures are tracking slightly below par of 25%. In the Building Development Services Fee Fund and Fire Development Services Fee Fund, development-related fees are tracking above budget and the prior year. In the City Affordable Housing Fund and Housing Successor Agency Fund, higher interest earnings have been collected when compared to prior year levels.

**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 9/30/2024	Percentage Received	Actual Through 9/30/2023	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 16,164,000	\$ 16,164,000	\$ 5,055,368	31.28%	\$ 4,024,759	\$ 1,030,609	25.61%
City Affordable Housing Fund	1,168,177	1,168,177	208,904	17.88%	50,231	158,673	315.89%
Fire Development Services Fee Fund	3,277,500	3,277,500	1,353,308	41.29%	877,639	475,669	54.20%
Housing and Urban Development	2,532,068	3,375,068	385,632	11.43%	382,263	3,369	0.88%
Housing Authority Fund	252,496	252,496	14,749	5.84%	63,247	(48,498)	-76.68%
Housing Successor Fund	1,306,326	1,306,326	335,132	25.65%	170,252	164,880	96.84%
TOTAL	\$ 24,700,567	\$ 25,543,567	\$ 7,353,093	28.79%	\$ 5,568,391	\$ 1,784,702	32.05%

Fund Description	EXPENDITURES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 9/30/2024	Percentage Used	Actual Through 9/30/2023	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 15,044,148	\$ 15,852,488	\$ 3,921,073	24.73%	\$ 3,632,981	\$ 288,092	7.93%
City Affordable Housing Fund	1,593,647	1,983,423	235,782	11.89%	277,139	(41,357)	-14.92%
Fire Development Services Fee Fund	3,387,922	3,387,922	909,483	26.84%	767,376	142,107	18.52%
Housing and Urban Development	2,532,068	4,071,407	350,021	8.60%	399,273	(49,252)	-12.34%
Housing Authority Fund	468,931	511,389	41,549	8.12%	42,189	(640)	-1.52%
Housing Successor Fund	902,579	1,012,590	184,747	18.24%	257,090	(72,343)	-28.14%
TOTAL	\$ 23,929,295	\$ 26,819,219	\$ 5,642,655	21.04%	\$ 5,376,048	\$ 266,607	4.96%

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 September 2024. As of September 30, 2024, the capital fund revenue totaled \$2.2 million.

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

REVENUE - FISCAL YEAR 2024/25						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 9/30/2024	Percentage Used	
Parks & Recreation	\$ -	\$ 3,349,489	\$ 3,349,489	\$ 423,344	12.64%	
Related Santa Clara Developer	795,344	-	795,344	-	0.00%	
Storm Drain	1,454,000	3,000,000	4,454,000	368,282	8.27%	
Streets & Highways	5,951,458	22,490,903	28,442,361	1,364,912	4.80%	
Tasman East Specific Infrastructure Improvement Fund	3,734,932	-	3,734,932	53,421	1.43%	
TOTAL	\$ 11,935,734	\$ 28,840,392	\$ 40,776,126	\$ 2,209,959	5.42%	

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 September 2024. As of September 30, 2024, capital fund expenditures totaled \$10 million, or 6% of the amended budget, well below par of 25%.

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 are included as part of the Budgetary Year-End Report for FY 2023/24.

**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 9/30/2024	Percentage Used
Fire	\$ 1,473,700	1,247,874	\$ 2,721,574	\$ 247,074	9.08%
General Govt - Other	2,390,820	9,127,697	11,518,517	365,492	3.17%
Library	471,848	248,407	720,255	8,601	1.19%
Parks & Recreation	7,654,966	25,525,570	33,180,536	1,430,884	4.31%
Public Buildings	1,792,207	5,442,248	7,234,455	353,617	4.89%
Related Santa Clara Developer	795,344	393,992	1,189,336	82,911	6.97%
Storm Drain	2,161,450	7,135,999	9,297,449	338,666	3.64%
Streets & Highways	21,295,073	77,468,474	98,763,547	7,144,166	7.23%
Tasman East Specific Infrastructure Improvement Fund	1,432,193	1,433,994	2,866,187	4,928	0.17%
TOTAL	\$ 39,467,601	\$ 128,024,255	\$ 167,491,856	\$ 9,976,339	5.96%

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of September 30, 2024. Overall, revenues and 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 9/30/2024	Percentage Received	Actual Through 9/30/2023	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 750,000	\$ 750,000	\$ 124,806	16.64%	\$ 112,497	\$ 12,309	10.94%
Electric Utility Fund	893,397,959	893,397,959	148,886,032	16.67%	144,823,775	4,062,257	2.80%
Sewer Utility Fund	46,989,803	46,989,803	10,499,589	22.34%	8,947,880	1,551,709	17.34%
Solid Waste Utility Fund	41,561,372	41,561,372	8,059,470	19.39%	7,740,949	318,521	4.11%
Water Recycling Fund	8,507,338	8,507,338	2,260,300	26.57%	2,038,776	221,524	10.87%
Water Utility Fund	64,096,935	64,096,935	15,745,533	24.57%	13,272,180	2,473,353	18.64%
TOTAL REVENUE	\$ 1,055,303,407	\$ 1,055,303,407	\$ 185,575,730	17.59%	\$ 176,936,057	\$ 8,639,673	4.88%

Fund Description	EXPENSES - FISCAL YEAR 2024/25				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 9/30/2024	Percentage Used	Actual Through 9/30/2023	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,628,800	\$ 1,628,800	\$ 276,838	17.00%	\$ 294,071	\$ (17,233)	-5.86%
Electric Utility Fund	649,513,582	667,335,619	129,516,954	19.41%	138,554,412	(9,037,458)	-6.52%
Sewer Utility Fund	38,762,083	39,278,049	10,066,852	25.63%	9,342,530	724,322	7.75%
Solid Waste Utility Fund	40,775,942	43,928,485	9,619,028	21.90%	7,603,240	2,015,788	26.51%
Water Recycling Fund	9,307,289	9,332,389	2,007,432	21.51%	343,078	1,664,354	485.12%
Water Utility Fund	57,614,177	58,830,207	12,715,673	21.61%	8,756,636	3,959,037	45.21%
TOTAL - Operating Appropriations	\$ 797,601,873	\$ 820,333,549	\$ 164,202,777	20.02%	\$ 164,893,967	\$ (691,190)	-0.42%

While revenues are tracking slightly higher than prior years, expenditures are consistent with prior year levels. In the Water Utility Fund, there have been higher customer service charges collected, along with higher personnel, resource and maintenance costs charged. Additionally, in the Water Recycling Fund, a payment for the 4th quarter of last fiscal year was recorded in the current fiscal year due to the timing of receipt of the invoice. A budget adjustment to carryover the budget from FY 2023/24 to FY 2024/25 is included in the FY 2023/24 Budgetary Year-End Report for that payment.

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

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actual revenue through September 30, 2024, totaled \$5.4 million, consisting primarily of developer contributions and load development fees in the Electric Utility Fund and sewer fees in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$14.7 million, or 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. Additional necessary adjustments to the capital carryover amounts based on actual year-end expenditures are included in the FY 2023/24 Budgetary Year-End Report for that payment.

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

REVENUE - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 9/30/2024	Percentage Used
Convention Center Capital Fund	\$ 550,000	\$ -	\$ 550,000	\$ -	0.00%
Electric Utility Fund	21,659,000	26,213,951	47,872,951	5,101,505	10.66%
Sewer Utility Fund	-	-	-	247,661	N/A
Solid Waste Utility Fund	258,000	-	258,000	2,258	0.88%
Street Lighting ⁽¹⁾	-	-	-	837	N/A
Water Recycling Fund	-	-	-	-	N/A
Water Utility Fund	-	-	-	30,684	N/A
TOTAL - Revenue	\$ 22,467,000	\$ 26,213,951	\$ 48,680,951	\$ 5,382,945	11.06%

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

EXPENDITURES - FISCAL YEAR 2024/25					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 9/30/2024	Percentage Used
Cemetery Fund	\$ 4,689	\$ 17,835	\$ 22,524	\$ 1,172	5.20%
Convention Center Capital Fund	2,700,000	1,726,973	4,426,973	144,926	3.27%
Electric Utility Fund	217,332,515	198,533,383	415,865,898	9,444,478	2.27%
Sewer Utility Fund	20,325,410	28,269,938	48,595,348	3,187,049	6.56%
Solid Waste Utility Fund	788,000	119,873	907,873	140,329	15.46%
Street Lighting ⁽¹⁾	5,365,000	3,405,462	8,770,462	32,749	0.37%
Water Recycling Fund	400,000	-	400,000	238	0.06%
Water Utility Fund	5,795,000	6,127,745	11,922,745	1,764,264	14.80%
TOTAL - CIP Appropriations	\$ 252,710,613	\$ 238,201,210	\$ 490,911,823	\$ 14,715,205	3.00%

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

Fund Reserves

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

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

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

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

The table below summarizes select reserve balances.

**CITY OF SANTA CLARA
RESERVE BALANCES
September 30, 2024**

DETAIL OF SELECTED FUND RESERVE BALANCES:

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

Donations to the City of Santa Clara

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

Department	Sep-24	Fiscal Year 2024/25		Designated Use
		Year To Date		
City Manager's Office	0	2		Help Your Neighbor
Electric Utility	25	25		Neighborhood Solar
Parks & Recreation	0	500		Case Management
Parks & Recreation	632	632		Reed/Grant Park Soccer Equipment
Parks & Recreation	1,250	2,781		Roberta Jones Jr. Theatre
Parks & Recreation	875	4,950		Wade Brummal
TOTALS	\$ 2,782	\$ 8,890		