



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

November 2019

This report summarizes the City's financial performance for the month ended November 30, 2019. 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. It is also early in the fiscal year and year-end performance is difficult to predict at this time.

General Fund

The General Fund is the major operating fund for the City and includes multiple programs, services, and activities for the residents of the City.

Effective fiscal year 2019/20, the City switched from a cash basis to a modified-accrual basis, which is reflected in the tables of this report. As a result of this change, a number of revenues appear to be significantly lower than prior year collections and below par through November due to the timing of payments. Overall, departmental expenditures are tracking within budgeted expectations at this time of the year. However, personnel-related costs for a few departments are tracking above budgeted levels through November. For fiscal year 2019/20, the City is still anticipated to maintain a positive operating position.

The adopted budget for both operating revenues and expenditures for fiscal year 2019/20 was \$263.2 million. The amended budget for both was revised to \$272.5 million to reflect carryover appropriations from fiscal year 2018/19 and various budget amendments approved by the City Council through November 2019.

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General Fund Revenues

As of November 30, 2019, \$92.6 million or 34.0% of the General Fund estimated revenue was received. Revenue is currently tracking below par of 41.7% and is also lower compared to collections through the same time last year. As mentioned above, effective July 1, 2019, the City transitioned to a modified accrual basis from a cash basis. This change in budgeting methodology resulted in a timing difference for when revenue is recognized when comparing to FY 2018/19. The largest accruals are for sales tax, transient occupancy tax and other agency revenues.

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

Function	FISCAL YEAR 2019/20				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 11/30/2019	Percentage Received	Actual Through 11/30/2018	\$ Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 58,200,400	\$ 58,200,400	\$ 15,828,977	27.20%	\$ 25,991,134	\$ (9,994,845)	-219.23%
Property Tax	64,438,315	64,438,315	8,951,445	13.89%	8,555,315	396,130	4.63%
Transient Occupancy Tax	23,002,500	23,002,500	6,516,524	28.33%	10,795,794	(4,279,270)	-39.64%
Other Taxes	6,080,151	6,080,151	1,079,669	17.76%	2,587,166	(1,507,497)	-58.27%
Total Taxes	151,721,366	151,721,366	32,376,615	21.34%	47,929,409	(15,385,482)	-32.10%
LICENSES & PERMITS							
Business Licenses	959,500	959,500	376,371	39.23%	399,016	(22,645)	-5.68%
Fire Operation Permits	2,250,000	2,250,000	950,144	42.23%	3,441,426	(2,491,282)	100.00%
Building Permits	4,657,500	4,657,500	2,600,010	55.82%	317,117	2,282,893	719.89%
Electric Permits	517,500	517,500	213,290	41.22%	253,389	(40,099)	-15.83%
Plumbing Permits	310,500	310,500	193,169	62.21%	243,787	(50,618)	-20.76%
Mechanical Permits	258,750	258,750	175,973	68.01%	37,068	138,905	374.74%
Miscellaneous Permits	46,575	46,575	33,919	72.83%	-	33,919	0.00%
Total Licenses & Permits	9,000,325	9,000,325	4,542,876	50.47%	4,691,803	(148,926)	-3.17%
FINES & PENALTIES	1,689,225	1,689,225	547,824	32.43%	797,222	(249,398)	-31.28%
INTERGOVERNMENTAL	168,755	5,228,755	5,258,920	100.58%	1,315,741	3,943,179	299.69%
CHARGES FOR SERVICES	33,144,722	33,180,892	12,999,127	39.18%	17,405,501	(4,406,374)	-25.32%
CONTRIBUTION IN LIEU	24,333,275	24,333,275	10,138,864	41.67%	9,622,745	516,119	5.36%
USE OF MONEY & PROPERTY							
Interest	5,697,500	5,697,500	788,314	13.84%	1,852,307	(1,063,993)	-57.44%
Rent	8,658,991	8,658,991	3,699,910	42.73%	3,359,492	340,418	10.13%
Total Use of Money & Property	14,356,491	14,356,491	4,488,224	31.26%	5,211,799	(723,575)	-13.88%
MISCELLANEOUS REVENUES	100,001	100,001	947,199	947.19%	236,087	711,112	301.21%
LAND PROCEEDS	4,050,000	4,050,000	164,606	4.06%	-	-	0.00%
OTHER FINANCING SOURCES							
Operating Transfer In - Storm Drain	1,398,145	1,398,145	1,398,145	100.00%	1,447,000	(48,855)	-3.38%
Operating Transfer In - Reserves	11,290,582	11,645,812	11,290,582	96.95%	3,629,538	7,661,044	211.07%
Operating Transfer In - Fund Balances ⁽¹⁾	-	5,338,670	5,338,670	100.00%	5,835,921	(497,251)	-8.52%
Operating Transfer In - Miscellaneous	667,885	1,879,011	277,350	14.76%	54,250	223,100	411.24%
Total Other Financing Sources	13,356,612	20,261,638	18,304,747	90.34%	10,966,709	7,338,038	66.91%
STADIUM OPERATION							
Charges for Services	7,988,313	7,496,688	2,359,183	31.47%	2,310,829	48,354	2.09%
Rent and Licensing	3,333,185	1,124,810	466,795	41.50%	489,457	(22,662)	-4.63%
Total Stadium Operation	11,321,498	8,621,498	2,825,978	32.78%	2,800,286	25,692	0.92%
TOTAL GENERAL FUND	\$ 263,242,270	\$ 272,543,466	\$ 92,594,980	33.97%	\$ 100,977,302	\$ (8,379,616)	-8.30%

(1) The Operating Transfer In - Fund Balances includes the carryover encumbrances of open purchase orders as of June 30, 2019 and mid-year budget amendment from reserves.

General Fund Revenues

Sales Tax: The City of Santa Clara sales tax rate is 9.0%, of which the City receives 1.0%. Through November 30, 2019, sales tax collections were \$15.8 million. These collections represent the sales tax revenue generated for the months of July, August, and September 2019. While last year saw collections of \$26.0 million through the same period, these collections were for the months of May through September 2018. Based on receipts for the first quarter and the estimates from the City's Sales Tax consultant, MuniServices, collections are projected to total \$60.3 million in FY 2019/20, exceeding the budgeted estimate of \$58.2 million.

Property Tax: The majority of property tax revenue is collected in December and April each year. Based on the latest estimates from the County of Santa Clara, it is anticipated that collections in this category will reach \$65.3 million, slightly exceeding the FY 2019/20 budgeted estimate of \$64.4 million. Property tax collections totaled \$8.9 million through November, which is slightly higher than what was collected last year through the same period.

Transient Occupancy Tax (TOT): TOT is calculated as a percentage of City hotel/motel room charges. The City's current TOT rate is 9.5%. Through November 30, 2019, \$6.5 million has been collected, which is \$4.3 million less than what was collected through November 2018. This variance from last year's collections is attributable to the budget methodology change. Based on receipts through November, collections are tracking to meet or slightly exceed the budgeted estimate of \$23.0 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$1.1 million, which is 17.8% of the budgeted estimate of \$6.1 million. This decrease in revenue compared to last year's collections through the same period is mainly attributable to the change in budgeting methodology. Receipts in this category are tracking close to the budgeted estimate.

Licenses & Permits: Includes business licenses, building permits, and other building and planning permits and fees. Overall licenses and permits revenue collections are above par and totaled \$4.5 million, or 50.5% of the modified budget of \$9.0 million. These collections are consistent with what was collected through the same period last fiscal year. If current collection trends continue, receipts are projected to exceed the budgeted estimate by approximately \$2 million. For the building development revenues, any excess revenues over expenditures will be placed in the Building Inspection Reserve.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category totaled just over \$0.5 million. This revenue category had revenue that was accrued in fiscal year 2018/19, resulting in lower current year collections through November 30, 2019. Additionally, activity levels in the collection charges and traffic fines accounts are lower compared to last fiscal year. Collections are tracking close to the budgeted estimate of \$1.7 million, which is below the prior year actual collection level of \$2.1 million.

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 November 30, 2019, collections totaled approximately \$5.3 million, meeting this year's budgeted estimate and exceeding last fiscal year's collections through the same period. This increase is due to a Santana West settlement payment in the amount of \$5.0 million for the Related project received from the City of San José. These funds are restricted for affordable housing and transportation improvements and have been set aside in a separate reserve.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Revenue collections of approximately \$13.0 million through November were \$4.4 million below prior year receipts through the same period due to lower plan check and sign fees and fire construction permits collections as well as lower budgeted administrative payments. Collections through November were slightly below par at 39.2% due to a large accrual in the prior year that impacted the timing of payments. The development-related fees in this category are tracking above the budget. If current collection trends continue, receipts are projected to exceed the budgeted estimate by at least \$2 million by year-end.

Contribution in Lieu: In accordance with the City's charter, Silicon Valley Power pays 5.0% of gross revenues as contribution-in-lieu of taxes. These revenues provide funding for general government services such as public safety, public works, parks and recreation, library, and administration. Through November, \$10.1 million has been received, which is consistent with the budgeted estimate of \$24.3 million. However, these payments were based on the budgeted estimate and will be trued up later in the fiscal year. Based on prior year activity and current estimates, collections in this category may fall below the budgeted estimate by over \$1 million.

Use of Money & Property: Includes realized investment income and rental income. Interest income and rent revenue collections totaled \$4.5 million, which is below the budgeted estimate at 31.3% due to the timing of payments for interest earnings related to the prior year accrual. Receipts in this category are tracking to meet or slightly exceed the budgeted estimate by year-end.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of scrap, and one-time miscellaneous revenues. As of November 30, 2019, collections totaled \$0.9 million, which exceeds the budgeted estimate. This is a result of proceeds from the sale the right-of-way related to the vacated land sale on Fremont Street and Sherman Street.

Land Proceeds: Includes revenue for the sale of City-owned land. Through November 30, 2019, proceeds totaled approximately \$0.2 million, resulting from the sale of vacated land located on Fremont Street and Sherman Street.

Stadium Operation: The revenue for Stadium Operations totaled approximately \$2.8 million through November 30, 2019, which is consistent with collections through the same period last fiscal year. This is well below par due to the timing of invoices and payments by the Forty Niners Management Company. In addition, Non-NFL performance-based rent is not projected to meet the FY 2019/20 Adopted Budget estimate due to a significantly lower than anticipated number of Non-NFL events at the Stadium. A separate downward adjustment of \$2.7 million was approved as part of the Budgetary Year-

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End Report to decrease these revenues, which is reflected in the Amended Budget column in the table above.

General Fund Expenditures

As of November 30, 2019, \$116.2 million or 42.6% of the General Fund operating budget had been expended. Overall, expenditures in the General Fund are within budgeted levels at this time of the year. However, there are a few departments that are tracking above estimated levels through November.

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

Function	FISCAL YEAR 2019/20				PY EXPENDITURES COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 11/30/2019	Percentage Used	Actual Through 11/30/2018	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 11,909,566	\$ 14,232,673	\$ 1,526,510	10.73%	\$ 744,471	\$ 782,039	105.05%
City Council	894,953	894,953	382,203	42.71%	306,221	75,982	24.81%
City Clerk	1,389,880	1,662,880	533,755	32.10%	805,300	(271,545)	-33.72%
City Manager	6,554,276	7,406,171	2,157,336	29.13%	2,387,730	(230,394)	-9.65%
City Attorney	2,260,512	2,279,523	814,048	35.71%	726,619	87,429	12.03%
Human Resources	4,409,195	4,622,757	1,534,445	33.19%	1,216,597	317,848	26.13%
Finance	15,719,734	16,653,861	5,809,325	34.88%	4,771,963	1,037,362	21.74%
Information Technology	-	-	-	0.00%	3,080,221	(3,080,221)	-100.00%
Total General Government	43,138,116	47,752,818	12,757,622	26.72%	14,039,122	(1,281,500)	-9.13%
PUBLIC WORKS	23,579,460	23,809,037	9,901,417	41.59%	10,302,594	(401,177)	-3.89%
COMMUNITY DEVELOPMENT	14,186,780	15,797,068	5,532,857	35.02%	4,818,436	714,421	14.83%
PARKS AND RECREATION	22,401,233	23,011,286	9,540,490	41.46%	8,029,655	1,510,835	18.82%
PUBLIC SAFETY							
Fire	52,783,063	53,521,728	23,219,270	43.38%	22,096,304	1,122,966	5.08%
Police	73,397,279	74,009,459	31,422,659	42.46%	27,335,755	4,086,904	14.95%
Total Public Safety	126,180,342	127,531,187	54,641,929	42.85%	49,432,059	5,209,870	10.54%
LIBRARY	11,310,791	11,346,604	4,399,160	38.77%	4,303,964	95,196	2.21%
DEPARTMENTAL SUBTOTAL	240,796,722	249,248,000	96,773,475	38.83%	90,925,830	5,847,645	6.43%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	526,688	526,688	428,445	81.35%	885,578	(457,133)	-51.62%
Operating Transfer Out - Rental Income	-	-	-	0.00%	14,065	(14,065)	-100.00%
Operating Transfer Out - Debt Services	1,710,474	1,710,474	1,710,474	100.00%	2,501,494	(791,020)	-31.62%
Operating Transfer Out - Maintenance Districts	917,331	917,331	917,331	100.00%	-	917,331	N/A
Operating Transfer Out - Cemetery	703,490	703,490	703,490	100.00%	618,081	85,409	13.82%
Operating Transfer Out - CIP	11,643,673	11,643,673	11,643,673	100.00%	-	11,643,673	N/A
Operating Transfer Out - Reserves	344,360	1,172,470	1,172,470	100.00%	-	-	N/A
Total Other Financing Uses	15,846,016	16,674,126	16,575,883	99.41%	4,019,218	11,384,195	283.24%
STADIUM OPERATION	6,599,532	6,621,340	2,837,889	42.86%	2,480,826	357,063	14.39%
TOTAL GENERAL FUND	\$ 263,242,270	\$ 272,543,466	\$ 116,187,247	42.63%	\$ 97,425,874	\$ 17,588,903	18.05%

General Fund Expenditures

Below is an explanation of certain budget to actual expenditure variances by program. Other program expenditures not described below are within expectations. Effective fiscal year 2019/20, the Information Technology budget was shifted from the General Fund to a newly established internal services fund.

Non-Departmental: Includes expenditures that are not attributable to a single department, but a function of the City in general. Through November 30, 2019, expenditures were at 10.7% of budget, primarily due to lower expenditures in the salary and benefits and materials, services and supplies categories. The Non-Departmental budget also includes a \$4.0 million loan to fund an affordable housing project that was approved by the City Council on January 29, 2019, which has not yet been expended. As approved as part of the Budgetary Year-End Report, \$1.8 million was added to the Non-Departmental budget. Of this amount, \$1.2 million was carried over from the prior fiscal year and \$0.6 million was additional funding provided to cover costs related to Fair Labor Standards Act (FLSA) requirements for retroactive overtime costs and payouts.

City Manager: The actual expenditures through November 30, 2019 were at 29.1% of the budget. This is primarily due to lower than anticipated spending in the contractual services category. The contractual services spend is expected to increase as the year progresses.

Community Development: This department consists of three divisions: Planning, Building, and Housing and Community Services. Departmental expenditures totaled \$5.5 million as of November 30, 2019, which is below par for this time of year. This is primarily a result of vacancy savings.

Fire Department: Actual expenditures totaled \$23.2 million, which is slightly above par at 43.4%. Overall salary and benefits expenditures in the Fire Department are tracking above budget, particularly in the overtime category due to minimum staffing requirements. This is partially offset by lower than budgeted expenditures in the materials, services, and supplies category. Funding of \$350,000 was added to the Fire Department budget to account for estimated FLSA eligible overtime costs. A budget amendment will be brought forward to increase the overtime budget at a later date as staff will continue to monitor this expenditure category.

Police Department: Expenditures through November 30, 2019 totaled \$31.4 million, which is slightly above budgeted levels at 42.5%. The salary expenditures were above budget primarily in the as-needed and overtime categories, resulting from additional staffing needs for events including Great America's Halloween Haunt and mutual aid provided to the Gilroy Garlic Festival shooting and investigation. There have also been new City events that have required Police staffing such as the Parade of Champions and Comic Con. These higher expenditures are partially offset by lower than budgeted expenses in the materials, services, and supplies category.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures totaled \$2.8 million through November 30, 2019 and are tracking slightly above budgeted levels, primarily attributable to higher expenses in the salary and benefits categories.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of November 30, 2019. The amended budget for both reflects carryover appropriations from fiscal year 2018/19 in addition to various budget amendments approved by the City Council through November 2019. The revenues received through the end of November totaled approximately \$1.2 million, while expenditures totaled \$1.6 million.

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

Fund Description	REVENUES - FISCAL YEAR 2019/20				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 11/30/2019	Percentage received	Actual Through 11/30/2018	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 260,000	\$ 274,831	\$ 127,603	46.43%	\$ 126,708	\$ 895	0.71%
City Affordable Housing Fund	696,703	1,084,543	74,456	6.87%	61,609	12,847	20.85%
Housing Successor Fund	12,031,000	12,084,817	434,742	3.60%	1,059,284	(624,542)	-58.96%
Housing and Urban Development	2,626,117	3,418,900	598,146	17.50%	558,803	39,343	7.04%
TOTAL	\$15,613,820	\$ 16,863,091	\$ 1,234,947	7.32%	\$ 1,806,404	\$ (571,457)	-31.64%

Fund Description	EXPENDITURES - FISCAL YEAR 2019/20				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 11/30/2019	Percentage used	Actual through 11/30/2018	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 546,623	\$ 561,454	\$ 50,116	8.93%	\$ 11,140	\$ 38,976	349.87%
City Affordable Housing Fund	1,520,735	6,908,575	290,595	4.21%	154,475	136,120	88.12%
Housing Successor Fund	12,592,389	12,646,206	154,301	1.22%	187,074	(32,773)	-17.52%
Housing and Urban Development	3,846,296	3,418,900	1,154,617	33.77%	465,407	689,210	148.09%
TOTAL	\$18,506,043	\$ 23,535,135	\$ 1,649,629	7.01%	\$ 818,096	\$ 831,533	101.64%

The majority of the budget in the housing funds account for two development loans, which would allow for the construction of affordable housing projects, referred to as the Corvin Supportive Housing and the Agrihood Mixed-Use Development projects. Pending the receipt of proceeds from the sale of land and execution of the loan agreements, both the revenues and expenditures are expected to increase.

Governmental Capital Improvement Funds

The carryover of prior year budget amounts is necessary when services or projects are started but not completed at the end of the fiscal year. This is especially true for the Capital Improvement Program (CIP) that typically spans several years.

The table below lists the total amended budget amounts for the Capital Improvement Funds, which consist of current year appropriations, prior year carryover balances in Governmental Capital Improvement Funds, and budget amendments approved through November 2019. As of November 30, 2019, these capital fund expenditures totaled \$21.2 million, or 16.6% of the amended budget. Expenditures are anticipated to increase through the remainder of the year as departments continue to make progress on approved capital projects. It is also anticipated that unspent capital funds will be carried over into next fiscal year for those projects that have not yet been completed.

CITY OF SANTA CLARA GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS SUMMARY OF EXPENDITURES

EXPENDITURES - FISCAL YEAR 2019/20						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 11/30/2019	Percentage Used	
Parks & Recreation	\$ 4,822,471	\$ 27,755,989	\$ 32,578,460	\$ 11,433,894	35.10%	
Streets & Highways	18,897,298	39,683,426	58,580,724	7,997,877	13.65%	
Storm Drain	4,950,506	3,356,378	8,306,884	414,770	4.99%	
Fire	665,050	676,627	1,341,677	250,643	18.68%	
Library	10,633	272,238	282,871	26,504	9.37%	
Public Buildings	3,954,676	7,902,803	11,857,479	554,613	4.68%	
General Gov't - Other	1,466,483	12,938,675	14,405,158	516,133	3.58%	
TOTAL	\$ 34,767,117	\$ 92,586,136	\$ 127,353,253	\$ 21,194,434	16.64%	

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Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of November 30, 2019. Overall, revenues and expenditures are tracking below budgeted levels.

Effective fiscal year 2019/20, the City switched from a cash basis budgetary reporting to an accrual basis, which is reflected in the tables of this report. At the end of November 2019, revenues appear to be lower than prior year collections and below par due to revenue accruals booked in fiscal year 2018/19 and received in fiscal year 2019/20. As a result, the comparison of prior year revenue and expenditure in this report will display variances. For fiscal year 2019/20, the City is still anticipated to maintain a positive operating position for each of its Enterprise Operating Funds.

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

Fund Description	REVENUES - FISCAL YEAR 2019/20				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 11/30/2019	Percentage received	Actual Through 11/30/2018	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 516,210,630	\$ 517,124,077	\$ 178,062,128	34.43%	\$ 183,408,441	\$ (5,346,313)	-2.91%
Water Utility Fund	53,411,144	56,080,779	22,889,047	40.81%	23,218,329	(329,282)	-1.42%
Sewer Utility Fund	94,169,500	94,259,046	15,868,984	16.84%	17,396,351	(1,527,367)	-8.78%
Cemetery Fund	645,150	645,150	199,191	30.88%	249,798	(50,607)	-20.26%
Solid Waste Utility Fund	28,033,703	28,760,383	9,739,283	33.86%	10,566,780	(827,497)	-7.83%
Water Recycling Fund	6,769,200	7,779,200	3,015,211	38.76%	3,687,607	(672,396)	-18.23%
TOTAL REVENUE	\$ 699,239,327	\$ 704,648,635	\$ 229,773,844	32.61%	\$ 238,527,306	\$ (8,753,462)	-3.67%

Fund Description	EXPENSES - FISCAL YEAR 2019/20				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 11/30/2019	Percentage Used	Actual through 11/30/2018	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 486,468,491	\$ 487,466,938	\$ 175,751,719	36.05%	\$ 161,849,568	\$ 13,902,151	8.59%
Water Utility Fund	46,449,085	49,118,720	18,597,106	37.86%	19,875,518	(1,278,412)	-6.43%
Sewer Utility Fund	28,451,451	28,540,997	12,149,005	42.57%	11,726,539	422,466	3.60%
Cemetery Fund	1,399,333	1,399,333	563,890	40.30%	526,999	36,891	7.00%
Solid Waste Utility Fund	27,470,657	28,197,337	8,275,792	29.35%	9,281,950	(1,006,158)	-10.84%
Water Recycling Fund	5,349,013	6,359,013	1,391,458	21.88%	3,138,388	(1,746,930)	-55.66%
TOTAL - Operating Appropriations	\$ 595,588,030	\$ 601,082,338	\$ 216,728,970	36.06%	\$ 206,398,962	\$ 10,330,008	5.00%

Revenues in the electric, water, and sewer utility (which also includes sewer debt service) 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. Across water, sewer, and water recycling funds, contractual services expenditures are higher than budgeted levels; however, this is primarily offset by savings in the salary and benefits categories. In the Electric Utility Fund, the revenue received in this fund dictates the contribution in-lieu expenditure.

A summary of expenses in the Enterprise Capital Improvement Funds is detailed in the table below. Actuals through November totaled \$28.2 million, or 10.5% of the amended budget. Similar to the general government capital funds, expenditures are anticipated to increase through the remainder of the year as departments continue to make progress on approved capital projects. It is also anticipated that unspent capital funds will be carried over into next fiscal year for those projects that have not yet been completed.

CITY OF SANTA CLARA ENTERPRISE CAPITAL IMPROVEMENT FUNDS SUMMARY OF EXPENSES

Fund Description	EXPENSES - FISCAL YEAR 2019/20					Prior Year
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 11/30/2019	Percentage Used	Actual Through 11/30/2018
Electric Utility Fund	\$ 42,201,913	\$ 109,524,615	\$ 151,726,528	\$ 10,999,750	7.25%	\$ 9,545,178
Street Lighting ⁽¹⁾	50,000	5,927,148	5,977,148	14,409	0.24%	22,428
Water Utility Fund	13,585,735	13,953,550	27,539,285	770,565	2.80%	2,053,900
Sewer Utility Fund	57,309,651	26,007,778	83,317,429	16,236,916	19.49%	10,523,328
Solid Waste Utility Fund	490,000	360,338	850,338	209,710	24.66%	176,793
Water Recycling Fund	50,000	-	50,000	-	-	-
TOTAL - CIP Appropriations	\$ 113,687,299	\$ 155,773,429	\$ 269,460,728	\$ 28,231,350	10.48%	\$ 22,321,627

(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).
- 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:

- Building Inspection Reserve accounts for surplus funds from user fees in the Community Development Department's Building Inspection Division and is restricted to fund Building Division costs.
- 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 Reserve assures sufficient operating cash is available to ensure debt service coverage.
- The Replacement and Improvement Reserve in the Water and Sewer Utility Funds is for future capital improvement.
- The Water Conservation Reserve is to enhance water conservation activities in response to the drought.

The table below summarizes select reserve balances. All budget amendments approved as part of the Budgetary Year-End Report that was presented to the City Council on November 5, 2019, are reflected in this monthly financial report.

DETAIL OF SELECTED FUND RESERVE BALANCES:

	GENERAL FUND	ELECTRIC	WATER	SEWER
Budget Stabilization Reserve	\$ 81,069,146			
Capital Projects Reserve	28,339,551			
Land Sale Reserve	21,531,838			
Building Inspection Reserve	15,605,480			
Technology Fee Reserve	284,129			
Rate Stabilization Fund Reserve		\$ 25,000,000		
Cost Reduction Fund Reserve		98,947,182		
DVR Power Plant Contracts Reserve		5,078,163		
Replacement & Improvement			\$ 303,090	\$ 1,507,553
TOTALS	\$ 146,830,144	\$ 129,025,345	\$ 303,090	\$ 1,507,553

Long-Term Interfund Advances

The funds below have made advances/loans which are not expected to be repaid within the next year. The loan from the General Fund to for Parks and Recreation Facilities reflects proceeds from the Land Sale Reserve for the purchase of property at the Reed and Grant Sports Park. This loan is anticipated to be repaid by 25% of future Mitigation Fee Act revenue until the loan is paid in full.

DETAIL OF LONG TERM INTERFUND ADVANCE BALANCES:			
Fund Receiving Advance/Loan	Fund Making Advance/Loan	Type	Amount of Advance / Commitment
Cemetery	General Fund	Advance	\$ 6,339,380
Santa Clara Golf & Tennis Club	General Fund	Advance	4,224,134
Parks and Recreation Facilities	General Fund	Loan	10,130,273
TOTALS			\$ 20,693,787

Donations to the City of Santa Clara

Donations received by department during the month of November 2019 and for fiscal year 2019/20 are shown in the table below.

Department	Nov-19	Fiscal Year 2019/20 Year To Date	Donor	Designated Use
City Manager's Office	\$ 25	\$ 225	Various	Help Your Neighbor
Parks and Recreation	12,050	30,070	Various	Various Parks and Recreation Programs
Parks and Recreation	-	89,834	Various	Arts, Crafts and Wine Festival
Fire	-	330	Various	Emergency Supplies
TOTALS	\$ 12,075	\$ 120,459		