



## Agenda Report

18-1315

Agenda Date: 11/27/2018

### REPORT TO COUNCIL

#### SUBJECT

Action on Monthly Financial Status and Investment Reports for September 2018

#### BACKGROUND

In compliance with the Charter of the City of Santa Clara and the adopted Investment Policy, the following reports for September 2018 are submitted for your information. The financial review as of September 30, 2018 provides a year-to-date financial update to the City Council for the current fiscal year. Analysis of the revenues collected and all expenditures through September 30, 2018 measures the level of adherence to the established resource allocation plan and allows the City to monitor and project revenues and expenditures throughout the year.

The Adopted Budget incorporates the estimated revenues and planned expenditures for all funds. The attached Financial Status Report provides the budget to actual revenue and expenditure summaries for the General Fund, Special Revenue Funds and Enterprise Operating Funds, as well as expenditure summary for Capital Improvement Funds and Fund Reserve Balances. Any significant variances are explained in the report.

These reports provide year-to-date revenue and expenditure summaries and summary investment schedules.

#### DISCUSSION

##### Monthly Financial Status Report

The attached report summarizes the City's financial performance for the month ended September 30, 2018. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds.

With 25% of the year complete, General Fund revenues are at 23% of budget and General Fund expenditures are at 24% of budget, both trending as expected.

Total revenues for Enterprise Funds (Electric, Water, Sewer, Cemetery, Solid Waste, and Water Recycling) are at 25% which is equal to the same time as the prior year. Total expenses are at 24% which is on target with the budget.

##### Monthly Investment Report

All securities held by the City of Santa Clara as of September 30, 2018 were in compliance with the City's Investment Policy Statement regarding current market strategy and long-term goals and objectives. All securities held are rated "A" or higher by two nationally recognized rating agencies. There is adequate cash flow and maturity of investments to meet the City's needs for the next six

months.

The City's investment strategy for September 2018 was to invest funds not required to meet current obligations, in securities listed in the prevailing Investment Policy Statement, with maturities not to exceed five years from the date of purchase. This strategy ensures safety of the City's funds, provides liquidity to meet the City's cash needs, and earns a reasonable portfolio return of 1.75%.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which September result in a potential significant impact on the environment.

### **FISCAL IMPACT**

Costs associated with the regular preparation of these reports are included in the General Fund Operating Budget.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### **RECOMMENDATION**

Note and file the Monthly Financial Status and Investment Reports for September 2018 as presented.

Reviewed by: Angela Kraetsch, Director of Finance

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Monthly Financial Status Report September 2018
2. Monthly Investment Report September 2018