



Agenda Report

20-491

Agenda Date: 6/23/2020

REPORT TO COUNCIL

SUBJECT

Action on Monthly Financial Status and Investment Reports for April 2020 and Approve the Related Budget Amendments [Council Pillar: Enhance Community Engagement and Transparency]

BACKGROUND

In compliance with the Charter of the City of Santa Clara and the adopted Investment Policy, the following reports for April 2020 are submitted for your information. The financial review as of April 30, 2020 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 April 30, 2020 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.

In accordance with City Council Policy 051 - Donations to the City, included in this report is a monthly activity and annual summary of donations received by department. Although the requirement of the policy is to report quarterly, in its ongoing effort to streamline reporting, the City includes this information monthly in the financial status report.

DISCUSSION

Monthly Financial Status Report (Attachment 1)

The attached report summarizes the City's financial performances as of April 30, 2020. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, and Capital Improvement Funds.

With ten months or 83.3% of the fiscal year complete, General Fund revenues are trending slightly below budget at 79.1%, largely due to the change in budgeting methodology, moving the City from a cash basis to a modified accrual basis. The impacts associated with COVID-19 are also now starting to be reflected in the revenue collections. General Fund departmental expenditures are at 77.6% of budget which is within budgeted expectations. Total revenues for Enterprise Funds (Electric, Water, Sewer, Cemetery, Solid Waste, and Water Recycling) are at 82.1% while total expenses are at 90.2%.

In the month of April, the City received \$38,460 in donations, bringing the year-to-date donations total to \$163,884.

In the last quarter of FY 2019/20, the COVID-19 response and the current economic downturn are expected to significantly impact the City's revenue collections, particularly transient occupancy tax, sales tax, and fees for services and classes. On a national level, economic conditions have worsened in a very short period of time and many economists are now projecting one of the worst recessions in generations. In April, the U.S. unemployment rate jumped to 14.7% with 20.5 million jobs lost in that month, according to the Labor Department. This decline in employment is at the highest level since the Great Depression. Significant impacts are also expected on the State and local level. In April, the California unemployment rate rose to 15.5%, up from 5.5% in March 2020 and 4.2% in April 2019. With the largest decline on record, over 2.3 million jobs were lost in just one month. The State of California is now projecting a \$54.3 billion impact as a result of COVID-19, including a \$41.2 billion drop in tax revenues and approximately \$13.1 billion in additional costs. Many local jurisdictions are projecting significant shortfalls as well.

While there is limited actual data available, revenues are tracking to end the year \$10 million to \$15 million below the budget, which will be partially offset by expenditure savings in FY 2019/20. In FY 2020/21, a General Fund shortfall of almost \$23 million is projected as presented in the Proposed FY 2020/21 and FY 2021/22 Biennial Capital Budget. In response to this projected drop in revenues, several cost savings/budget balancing measures were implemented April 1, 2020 to generate current year savings as well as savings that will be used in FY 2020/21 and in the development of the FY 2021/22 and FY 2022/23 Biennial Operating Budget. These actions include a hiring freeze and controls around overtime, as-needed staff, marketing, travel, technology and vehicle purchases.

While actions are being taken to reduce the General Fund impact in FY 2019/20, the General Fund may end the year in a negative position and, in that case, would have to draw on the Budget Stabilization Reserve to balance the budget in 2019/20. The City currently has \$80 million in this reserve to address any negative balance, however, the FY 2020/21 Proposed Budget draws on these reserves as an interim strategy to present a balance budget on July 1. Final FY 2019/20 performance, and potential additional impacts to the reserve will be brought forward in late summer/fall 2020 upon final reconciliation and audit of year-end activities. Further discussion is included in Attachment 1.

Monthly Investment Report (Attachment 2)

All securities held by the City of Santa Clara as of April 30, 2020 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 April 2020 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 1.8%.

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 may result in a

potential significant impact on the environment.

FISCAL IMPACT

Approval of the FY 2019/20 Budget Amendments included in Attachment 3 is recommended in this report. From time to time, adjustments to the FY 2019/20 Adopted Budget are required to correct for budgets based on actual tracking, more appropriately align budgets with actual charges and correct for inadvertent errors. As the end of the fiscal year approaches, budget amendments are included to bring appropriations in line with year-end projections in the General Fund and other funds. Attachment 3 details various amendments to align budgets to actual spend and to true-up costs including in the Fire Department, Unemployment Insurance Fund, Vehicle Replacement Fund, Water Utility Capital Fund, as well as the Sports and Open Space Authority Fund and Santa Clara Golf and Tennis Fund. An amendment is also included to reclassify 1.0 vacant Accountant position to 1.0 Management Analyst position in the City Auditor's Office. Several revenue adjustments and the corresponding appropriation adjustments are also included in Attachment 3 including the recognition of bond proceeds related to the Electric Utility Debt Service Fund and a decrease in anticipated greenhouse gas revenue in the Electric Operating Grant Trust Fund. Various departmental budgets are also recommended to be reallocated to the Other City Departments Operating Grant Trust Fund to cover COVID-19 related expenses. Actions are also included to recognize anticipated FEMA reimbursements (\$0.6 million), to partially offset projected COVID-19 costs, estimated at \$3.6 million.

Net Budget Change - FY 2019/20 Budget Amendments		
Fund	Source of Funds	Use of Funds
General Fund	\$2,269,344	\$2,269,344
Information Technology Serv	\$0	\$0
Vehicle Replacement Fund	\$365,397	\$365,397
Unemployment Insurance Fu	\$0	\$0
Electric Utility Fund	(\$1,275,373)	(\$1,275,373)
Water Utility Fund	\$0	\$0
Other City Departments Ope Trust Fund	\$3,633,960	\$3,633,960
Electric Operating Grant Trus	(\$1,721,513)	(\$1,721,513)
Electric Debt Service Fund	\$104,020,000	\$104,020,000
Parks and Recreation Capita	\$5,608,285	\$5,608,285
Electric Utility Capital Fund	\$488,138	\$488,138
Water Utility Capital Fund	\$0	\$0
Sports and Open Space Auth	\$4,979	\$4,979
Santa Clara Golf and Tennis	(\$5,945)	(\$5,945)
Total Net Budget Change	\$113,387,272	\$113,387,272

COORDINATION

This report has been coordinated with the City Attorney's Office.

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>>.

RECOMMENDATION

Note and file the Monthly Financial Status and Investment Reports for April 2020 as presented and Approve Related Budget Amendments.

Reviewed by: Kenn Lee, Director of Finance

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Monthly Financial Status Report April 2020
2. Monthly Investment Report April 2020
3. FY 2019/20 Budget Amendments



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

April 2020

This report summarizes the City's financial performance for the month ended April 30, 2020. 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.

As the end of the fiscal year approaches, budget amendments are included as part of this Monthly Financial Status Report to bring appropriations in line with year-end projections in the General Fund and other funds. This includes adjustments to account for COVID-19-related activities that are recorded in the Other City Department Operating Grant Fund.

General Fund

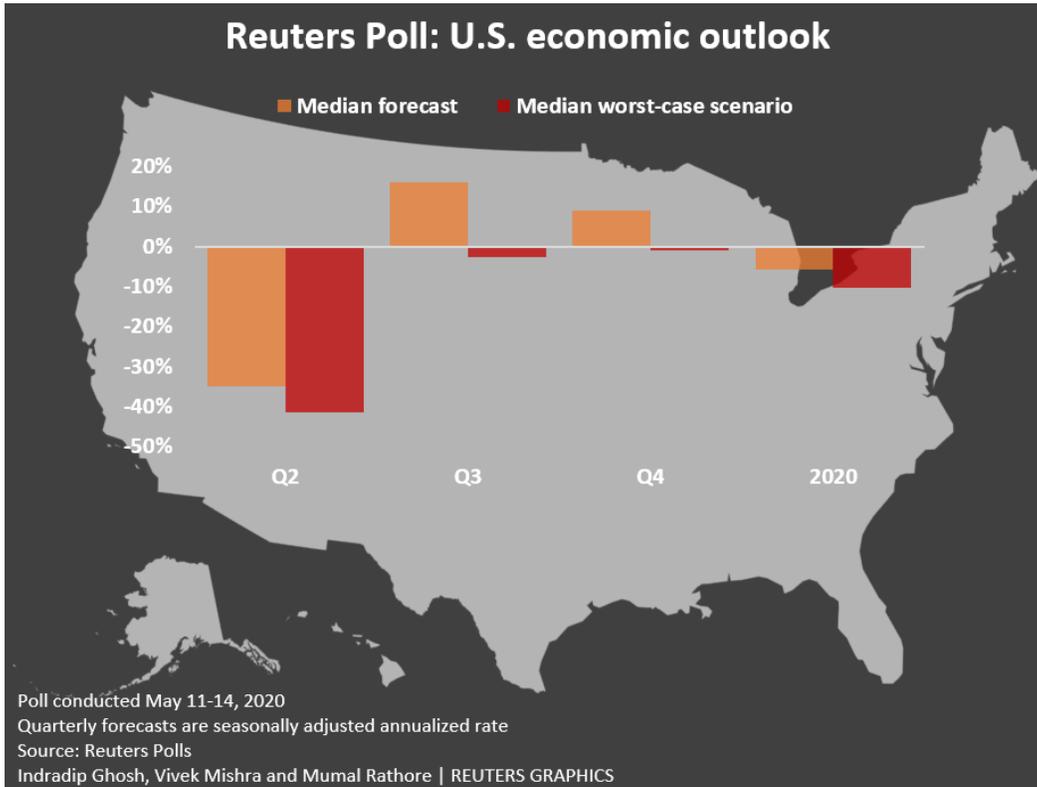
The General Fund is the major operating fund for the City and includes multiple programs, services, and activities for the residents of the City. The adopted budget for both operating revenues and expenditures for fiscal year 2019/20 was \$263.2 million. The amended budget for both was revised to \$274.9 million to reflect carryover appropriations from fiscal year 2018/19 and various budget amendments approved by the City Council through April 2020.

At the end of fiscal year 2018/19, the City implemented an accounting change that 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 were tracking lower than prior year collections and appear below par through April due to the timing of payments. Factoring out these timing differences, revenues were tracking to slightly exceed the budgeted estimate by year end prior to the COVID-19 impacts. Expenditures were also tracking within budgeted expectations through April. However, the General Fund is now expected to be significantly impacted in the last few months of the fiscal year by actions associated with COVID-19.

The virus and associated safety precautions and market reactions will impact revenue collections in areas such as transient occupancy tax, sales tax, fees for services and classes, and interest earnings as well as impact City costs. With the actions residents and businesses have been taking to reduce the spread of the virus and the latest order of the County Health Officer of the County of Santa Clara for residents to shelter in place, it is anticipated that economic activity will experience a significant decline.

On a national level, economic conditions have worsened in a very short period of time and many economists are now projecting one of the worst recessions in generations. In the latest Reuters poll of economists, a recovery is still forecast for the second half of 2020, but the economy is not expected to come close to regaining the ground it lost this year. The economists are now projecting the 2nd quarter 2020 to shrink an unprecedented 35% after contracting 4.8% in the first quarter 2020. According to the poll, growth of 16% and 9% are projected in the last two quarters of 2020, compared with growth of 12% and 9% in the previous poll. In the worst-case scenario, however, declines of 2.5% and 1% are projected for the last two quarters of 2020.¹

¹ <https://www.reuters.com/article/uretuers-usa-economy-poll/near-term-us-economic-outlook-darkens-slow-recovery-to-follow-reuters-poll-idUSKBN22R063>



In April, the unemployment rate jumped to 14.7% with 20.5 million jobs lost in that month, according to the Labor Department. This drop in employment wiped out a decade of job gains in a single month and is at the highest level since the Great Depression.² In May, the unemployment rate remained high at 13.3%. It is important to note that in its May 2020 Employment Situation news release, the Bureau of Labor Statistics discusses a data categorization issue that continues to understate the unemployment rate. “As was the case in March and April, household survey interviewers were instructed to classify employed persons absent from work due to coronavirus-related business closures as unemployed on temporary layoff. However, it is apparent that not all such workers were so classified. BLS and the Census Bureau are investigating why this misclassification error continues to occur and are taking additional steps to address this issue. If the workers who were recorded as employed but absent from work due to “other reasons” (over and above the number absent for other reasons in a typical May), had been classified as unemployed on temporary layoff, the overall unemployment rate would have been about 3 percentage points higher than reported (on a not seasonally adjusted basis).”³

Significant impacts are also expected on the State and local level. In April, the California unemployment rate rose to 15.5%, up from 5.5% in March 2020 and 4.2% in April 2019. With the largest decline on record, over 2.3 million jobs were lost in just one month. Declines were experienced in every sector, with the largest loss of 866,200 jobs in the leisure and hospitality sector.⁴ On a local level, the

² <https://www.washingtonpost.com/business/2020/05/08/april-2020-jobs-report/>

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

⁴ <https://edd.ca.gov/newsroom/unemployment-may-2020.htm>

unemployment rate in the San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) rose to 12.0% in April 2020, up from a revised 3.5% in March 2020. Total employment in this MSA dropped by 128,600 jobs in April, with the largest losses in the leisure and hospitality (44,500), trade, transportation, and utilities (17,800), private educational health services (16,000), construction (15,400), and professional and business services (14,200).⁵

In its latest projections, the Federal Reserve expects unemployment to end 2020 at 9.3% and remain at higher levels with a projection of 5.5% unemployment in 2022. The Fed is also expecting a significant economic contraction with Gross Domestic Product (GDP) projected to decline by 6.5% in 2020. At a press conference following the Fed's two-day policy meeting, Fed Chair Jerome H. Powell commented that the extent of the downturn and pace of recovery remain "extraordinarily uncertain".⁶ According to Powell, "This is the biggest economic shock, in the U.S. and in the world, really, in living memory". "We went from the lowest level of unemployment in 50 years to the highest level in close to 90 years, and we did it in two months."⁷

The State of California is now projecting a \$54.3 billion impact as a result of COVID-19, including a \$41.2 billion drop in tax revenues and approximately \$13.1 billion in additional costs. This includes projected drops of 27.2% in sales taxes and 25.5% in personal income taxes. For context, this impact is three and a half times the State's "rainy day" emergency reserves and is almost as much as the \$57.1 billion spent on K-12 schools and community colleges spent last year. The state also projects the 2020 unemployment rate will increase to 18%, up 50% from the Great Recession.⁸

Many local jurisdictions are now projecting significant shortfalls. For instance, the City of San José is projecting General Fund shortfalls of \$45 million in FY 2019/20 and an additional \$65 million in FY 2020/21, estimates that could get worse depending on the length of the shelter-in-place mandate.⁹ The City of Palo Alto will eliminate 74 full time positions and make cuts to many services and capital funding to address a projected revenue shortfall of almost \$39 million.¹⁰

The City's General Fund revenues will also be significantly impacted immediately and over the longer term based on the declining economic situation. While there is limited data available, revenues are tracking to end the year \$10 million to \$15 million below the budget, which will be partially offset by expenditure savings in FY 2019/20. In FY 2020/21, a General Fund shortfall of almost \$23 million is projected as presented in the Proposed FY 2020/21 and FY 2021/22 Biennial Capital Budget.

Several cost savings measures were implemented April 1, 2020 to generate current year savings as well as savings that will be used in FY 2020/21 and in the development of the FY 2021/22 and FY 2022/23 Biennial Operating Budget. These actions include a hiring freeze and controls around

⁵ [https://www.labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pd.pdf](https://www.labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pd.pdf)

⁶ <https://www.nytimes.com/2020/06/10/business/economy/federal-reserve-economy-coronavirus.html>

⁷ <https://www.politico.com/news/2020/06/10/fed-economy-shrink-65-percent-2020-311212>

⁸ <https://www.mercurynews.com/2020/05/07/california-budget-to-take-54-3-billion-coronavirus-hit/>

⁹ <https://www.mercurynews.com/2020/04/07/san-jose-projects-budget-shortfall-of-110-million-due-to-coronavirus/>

¹⁰ <https://www.mercurynews.com/2020/05/27/palo-alto-will-eliminate-74-full-time-positions-at-city-hall-cut-back-popular-services/>

overtime, as-needed staff, marketing, travel, technology and vehicle purchases. In the current year, the goal will be to generate \$5 million to \$10 million in General Fund savings to help offset anticipated revenue reductions resulting from COVID-19.

While there is significant uncertainty regarding how the COVID-19 will impact the local economy and the City's budget, the General Fund may end the year in a negative position and, in that case, would have to draw on the Budget Stabilization Reserve to balance the budget in 2019/20. The City has \$80 million in this reserve to address any negative balance. The Budget Stabilization Reserve is also proposed to be used as an interim funding source to balance the FY 2020/21 General Fund budget. A high-level General Fund budget balancing strategy is included in the Proposed FY 2020/21 and FY 2021/22 Biennial Capital Budget, and specific budget actions for FY 2020/21 are planned to be brought forward in September 2020.

Staff will closely monitor the City's financial performance during this uncertain time and provide updates as part of future Monthly Financial Reports.

General Fund Revenues

As of April 30, 2020, \$217.4 million or 79.1% of the General Fund estimated revenue was received. Revenue is currently tracking below par of 83.3% and below the prior year. As mentioned above, the change in budgeting methodology to an accrual basis impacted the timing of revenue receipts when compared to FY 2018/19. Factoring out these timing differences, revenues were tracking to slightly exceed the budget prior to the COVID-19 impacts. However, the actions associated with COVID-19 are expected to have a significant impact on certain revenue categories as discussed below.

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

Function	FISCAL YEAR 2019/20				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 04/30/2020	Percentage Received	Actual Through 04/30/2019	\$ Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 58,200,400	\$ 58,200,400	\$ 38,759,529	66.60%	\$ 49,241,396	\$ (10,481,867)	-21.29%
Property Tax	64,438,315	64,438,315	54,206,890	84.12%	51,388,381	2,818,509	5.48%
Transient Occupancy Tax	23,002,500	23,002,500	13,293,385	57.79%	18,836,245	(5,542,860)	-29.43%
Other Taxes	6,080,151	6,080,151	4,236,322	69.67%	4,920,368	(684,046)	-13.90%
Total Taxes	151,721,366	151,721,366	110,496,126	72.83%	124,386,390	(13,890,264)	-11.17%
LICENSES & PERMITS							
Business Licenses	959,500	959,500	710,259	74.02%	2,805,276	(2,095,017)	-74.68%
Fire Operation Permits	2,250,000	2,250,000	1,683,632	74.83%	-	1,683,632	100.00%
Building Permits	4,657,500	4,657,500	4,226,263	90.74%	7,090,327	(2,864,064)	-40.39%
Electric Permits	517,500	517,500	480,060	92.77%	605,639	(125,579)	-20.73%
Plumbing Permits	310,500	310,500	419,851	135.22%	524,938	(105,087)	-20.02%
Mechanical Permits	258,750	258,750	347,695	134.37%	496,235	(148,540)	-29.93%
Miscellaneous Permits	46,575	46,575	52,985	113.76%	81,098	(28,113)	-34.67%
Total Licenses & Permits	9,000,325	9,000,325	7,920,745	88.01%	11,603,513	(3,682,768)	-31.74%
FINES & PENALTIES	1,689,225	1,689,225	1,086,632	64.33%	1,636,958	(550,326)	-33.62%
INTERGOVERNMENTAL	168,755	5,239,529	5,843,229	111.52%	2,081,389	3,761,840	180.74%
CHARGES FOR SERVICES	33,144,722	33,180,892	29,517,338	88.96%	32,645,944	(3,128,606)	-9.58%
CONTRIBUTION IN LIEU	24,333,275	24,333,275	20,277,729	83.33%	19,245,491	1,032,238	5.36%
USE OF MONEY & PROPERTY							
Interest	5,697,500	5,697,500	2,991,459	52.50%	4,177,885	(1,186,426)	-28.40%
Rent	8,658,991	8,658,991	7,245,559	83.68%	7,078,761	166,798	2.36%
Total Use of Money & Property	14,356,491	14,356,491	10,237,018	71.31%	11,256,646	(1,019,628)	-9.06%
MISCELLANEOUS REVENUES	100,001	100,001	1,965,169	1965.15%	458,033	1,507,136	329.05%
LAND PROCEEDS	4,050,000	4,050,000	164,606	4.06%	-	164,606	100.00%
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	14,154,274	14,154,274	100.00%	4,182,281	9,971,993	238.43%
Operating Transfer In - Fund Balances ⁽¹⁾	-	5,338,670	5,338,670	100.00%	10,459,221	(5,120,551)	-48.96%
Operating Transfer In - Miscellaneous	667,885	1,736,115	1,736,115	100.00%	54,250	1,681,865	3100.21%
Total Other Financing Sources	13,356,612	22,627,204	22,627,204	100.00%	16,142,752	6,484,452	40.17%
STADIUM OPERATION							
Charges for Services	7,988,313	7,988,313	6,601,906	82.64%	5,493,026	1,108,880	20.19%
Rent and Licensing	3,333,185	633,185	639,410	100.98%	571,578	67,832	11.87%
Total Stadium Operation	11,321,498	8,621,498	7,241,316	83.99%	6,064,604	1,176,712	19.40%
TOTAL GENERAL FUND	\$ 263,242,270	\$ 274,919,806	\$ 217,377,112	79.07%	\$ 225,521,720	\$ (8,144,608)	-3.61%

(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 April 30, 2020, sales tax collections were \$38.8 million. These collections represent the sales tax revenue generated for the months of July through February 2020. While last year saw collections of \$49.2 million through the same period, these collections were for the months of May 2018 through February 2019. Based on receipts for the first two quarters, collections were projected to slightly exceed the budgeted estimate of \$58.2 million. However, as a result of actions associated with COVID-19, sales tax revenue is now expected to fall well below the budget. In the third quarter, which was only impacted by COVID-19 in the month of March, collections fell 10.9% from the same quarter in the previous year. If receipts drop 25% - 50% in the last quarter of the fiscal year, sales tax revenue will end the year below the budgeted estimate by \$4 million - \$8 million. Data for the fourth quarter will be available in August 2020.

Property Tax: The majority of property tax revenue is collected in January 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 \$65.4 million, slightly exceeding the FY 2019/20 budgeted estimate of \$64.4 million. Property tax collections totaled \$54.2 million through April, which is higher than what was collected last year through the same period. COVID-19 is expected to have minimal potential impacts on 2019/20 revenue collections.

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 April 30, 2020, \$13.3 million has been collected, which is \$5.5 million less than what was collected through April 2019. This variance from last year's collections is attributable to the budget methodology change in which \$4.1 million was accrued to FY 2018/19 at the end of last fiscal year. The revenue through April also reflects some of the impact from COVID-19.

Collections through the end of the year are now expected to be significantly impacted by actions associated with the Coronavirus. Receipts would end the year \$6 million to \$8 million below the budgeted estimate if there is a 50% to 90% decline in receipts in the last couple months of the fiscal year.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$4.2 million, which is 69.7% of the budgeted estimate of \$6.1 million. This decrease in revenue compared to last year's collections through the same period is primarily attributable to the change in budgeting methodology and the timing of payments. Franchise tax collections, budgeted at \$4.4 million, are lower due to prior year accruals and the timing of the receipt of payments; these receipts are expected to end the year close to the budgeted estimate.

Documentary transfer tax revenue of \$1.1 million through April is consistent with prior year collections through the same period as a result of increased activity in the past two months. However, growth of 4% over the prior year actuals is necessary to meet the budgeted estimate of \$1.7 million. Collections are currently tracking to end the year below the budgeted estimate by approximately \$200,000.

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 \$7.9 million, or 88.0% of the budget of \$9.0 million. These collections are 31.7% below the very high collection level experienced through the same period last fiscal year. Even if activity slows through the remainder of the year, this category should meet the budgeted estimate. For the building development revenues, any excess revenues over expenditures will be placed in the Building Inspection Reserve. This reserve is also available to cover any difference if revenues fall below the expenditure level.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category totaled \$1.1 million through April and is lower compared to prior year actual collection level by \$0.6 million as a result of lower activity levels in the collection charges and traffic fines accounts. Receipts are also lower due to accruals at the end of FY 2018/19. Given restricted activity levels as a result of COVID-19, collections in this category may continue to decline in the last two months of the fiscal year and may fall below the budgeted estimate by approximately \$300,000.

Intergovernmental: Includes motor vehicle fees, state homeowner tax relief, state mandated reimbursement and redistribution of land sale proceeds and ground leases from the Successor Agency. Through April 30, 2020, collections totaled approximately \$5.8 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. While collections of \$29.5 million were \$3.1 million lower than collections through the same time last year, revenues in this category are tracking above par at 89.0%. This is mainly attributable to higher plan check and sign fee collections through April. Collections in this category were tracking to exceed the budgeted estimate of \$33.2 million by at least \$2.0 million to \$3.0 million by year-end. However, as a result of the COVID-19 safety precautions, the revenues from various recreational activities are expected to fall well below the budget. Based on an estimate from the Parks and Recreation Department, a net loss of approximately \$600,000 is projected as a result of shutting down Spring/Summer registration. This figure may go up depending on the length of the shutdown of these activities. The higher collections in other fee areas may partially or fully offset the loss in the Parks and Recreation fees.

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 April, \$20.3 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 \$1.0 million.

Use of Money & Property: Includes realized investment income and rental income. Interest income and rent revenue collections totaled \$10.2 million, which is below the budgeted estimate of \$14.4 million due to the timing of payments for interest earnings related to the prior year accrual. Receipts in this category have been tracking to meet the budgeted estimate by year-end. However, with the recent interest rate reductions, interest earnings may fall below the budgeted estimate of \$5.7 million.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of scrap, and one-time miscellaneous revenues. As of April 30, 2020, collections totaled \$2.0 million, which exceeds the budgeted estimate of \$0.1 million. 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. The City also received \$800,000 for damage recoveries resulting from a settlement agreement related to the City's Swim Center. A budget amendment is included in Attachment 3 to recognize this revenue and set it aside in the General Fund's Capital Projects Reserve.

Land Proceeds: Includes revenue from the sale of City-owned land. Through April 30, 2020, proceeds totaled approximately \$0.2 million, resulting from the sale of vacated land located on Fremont Street and Sherman Street. The budgeted estimate for this category included \$4.0 million of proceeds from the sale of property to be used for affordable housing. It is anticipated that this sale will be completed at the end of this calendar year. A budget action will be brought forward to carry this budget into FY 2020/21.

Stadium Operation: The revenue for Stadium Operations totaled approximately \$7.2 million through April 30, 2020, which is higher than collections through the same period last fiscal year. Charges for services, which includes public safety cost reimbursement for NFL and Non-NFL events, is expected to fall under the budgeted \$8.0 million at \$7.7 million. This is mainly due to a significantly lower than anticipated number of Non-NFL events at the Stadium. Due to the lower number of events, the Non-NFL performance-based rent will not meet the FY 2019/20 Adopted Budget estimate. A separate downward adjustment of \$2.7 million was approved as part of the Budgetary Year-End Report to decrease these revenues, which is reflected in the Amended Budget column in the table above. The lease revenue is projected to end the fiscal year at \$639,000 which slightly exceeds the revised budgeted estimate of \$633,000.

General Fund Expenditures

As of April 30, 2020, \$213.4 million or 77.6% of the General Fund operating budget had been expended. Overall, expenditures in the General Fund are within budgeted levels through April. Departmental expenditures totaled \$190.9 million, or 75.8% of the budget, which is below the par level of 83.3% of the budget. Expenditure savings are expected by year-end.

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 04/30/2020	Percentage Used	Actual Through 04/30/2019	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 11,909,566	\$ 13,814,495	\$ 3,152,867	22.82%	\$ 2,197,527	\$ 955,340	43.47%
City Council	894,953	894,953	751,218	83.94%	631,664	119,554	18.93%
City Clerk	1,389,880	1,839,750	976,870	53.10%	1,487,806	(510,936)	-34.34%
City Manager	6,554,276	7,894,294	4,925,343	62.39%	4,497,349	427,994	9.52%
City Attorney	2,260,512	2,376,523	1,775,775	74.72%	1,505,061	270,714	17.99%
Human Resources	4,409,195	4,622,757	3,274,167	70.83%	2,537,380	736,787	29.04%
Finance	15,719,734	16,653,861	11,899,887	71.45%	9,519,337	2,380,550	25.01%
Information Technology	-	-	-	0.00%	7,493,122	(7,493,122)	-100.00%
Total General Government	43,138,116	48,096,633	26,756,127	55.63%	29,869,246	(3,113,119)	-10.42%
PUBLIC WORKS	23,579,460	23,919,037	19,507,989	81.56%	19,676,389	(168,400)	-0.86%
COMMUNITY DEVELOPMENT	14,186,780	17,257,752	11,338,328	65.70%	9,896,040	1,442,288	14.57%
PARKS AND RECREATION	22,401,233	23,011,286	17,258,554	75.00%	15,434,669	1,823,885	11.82%
PUBLIC SAFETY							
Fire	52,783,063	54,209,728	46,132,967	85.10%	42,230,679	3,902,288	9.24%
Police	73,397,279	74,069,459	61,419,378	82.92%	52,519,667	8,899,711	16.95%
Total Public Safety	126,180,342	128,279,187	107,552,345	83.84%	94,750,346	12,801,999	13.51%
LIBRARY	11,310,791	11,346,604	8,533,567	75.21%	8,130,734	402,833	4.95%
DEPARTMENTAL SUBTOTAL	240,796,722	251,910,499	190,946,910	75.80%	177,757,424	13,189,486	7.42%
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 - SCGTC	-	-	-	0.00%	155,020	(155,020)	-100.00%
Operating Transfer Out - Special Liability	-	-	-	0.00%	2,200,000	(2,200,000)	-100.00%
Operating Transfer Out - CIP	11,643,673	11,643,673	11,643,673	100.00%	50,000	11,593,673	23187.35%
Operating Transfer Out - Reserves	344,360	879,200	879,200	100.00%	-	879,200	N/A
Total Other Financing Uses	15,846,016	16,380,856	16,282,613	99.40%	6,424,238	9,858,375	153.46%
STADIUM OPERATION	6,599,532	6,621,340	6,183,274	93.38%	5,591,244	592,030	10.59%
TOTAL GENERAL FUND	\$ 263,242,270	\$ 274,912,695	\$ 213,412,797	77.63%	\$ 189,772,906	\$ 23,639,891	12.46%

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 April 30, 2020, expenditures were at 22.8% 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. It is anticipated that this loan, which will be funded by a property sale, will be processed at the end of the calendar year. A budget action to carry this appropriation over will be brought forward as part of the budgetary year-end report. Additionally, as approved in the FY 2018/19 Budgetary Year-End report, \$1.8 million was added to the Non-Departmental budget to cover costs related to Fair Labor Standards Act (FLSA) requirements for retroactive overtime costs and payouts, which has not yet been fully expended. Then Non-Departmental category is expected to end the year with savings, and a portion of the savings has been reallocated to the Small Business Assistance Program (\$250,000 – 4/28/2020 Council Agenda) and the Food Distribution Program (\$550,000 – 5/12/20 Council Agenda).

City Manager: The actual expenditures through April 30, 2020 were at 62.4% of the budget. This is primarily due to lower than anticipated spending in the salary and benefits and contractual services categories. A portion of the year-end savings anticipated in the City Manager's Office has been reallocated to the Food Distribution Program (\$70,000 – 5/12/20 Council Agenda).

Community Development: This department consists of three divisions: Planning, Building, and Housing and Community Services. Through April, departmental expenditures of \$11.3 million were at 65.7% of the budget, which is below par for this time of year. As part of the November Monthly Financial Report, \$1.5 million was added to the Department's contractual services budget, funded by Building Inspection Reserve. With the recent influx of large-scale development projects, these additional resources were added to address the workload and maintain service levels and turnaround times through the remainder of the year. Contractual services are expected to remain within budget with this adjustment.

Fire Department: Actual expenditures totaled \$46.1 million, or 85.1%, which is slightly above the par level of 83.3% of the budget. Overall salary expenditures are tracking above budget, particularly in the overtime category due to minimum staffing requirements and several Fire Captain vacancies. The overtime expenditures are partially offset by salary savings from the vacancies and 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. Additionally, \$688,000 was added to the Fire Department's budget as a result of negotiated wage increases approved for Units 1 and 9B. Departmental expenditures are also expected to be impacted by COVID-19. The Department is staffing specialized COVID-19 response units to respond to the Federal Medical Station at the Santa Clara Convention Center and other high-risk locations. All COVID-

19 expenditures are being tracked for potential reimbursement. This report includes recommended budget adjustments in the Other City Department Operating Grant Fund to account for the COVID-related expenses and in the General Fund to address projected year-end costs.

Police Department: Expenditures through April 30, 2020 are tracking at expected levels at \$61.4 million, or 82.9% of the budget. 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. The City received a reimbursement related to the staffing costs for the Great America Haunt. 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. Police Department expenditures are expected to remain within budget by year end.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures totaled \$6.2 million through April 30, 2020 and are tracking slightly above budgeted levels, however, are anticipated to come in under budget at year end. The higher expenditures are a result of the purchase of a new public safety insurance policy and higher than anticipated costs for outside agency public safety. Both the insurance premium and public safety costs are reimbursed by the 49ers.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of April 30, 2020. 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 April 2020. The revenues received through the end of April totaled approximately \$3.5 million, while expenditures totaled \$3.2 million.

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

Fund Description	REVENUE - FISCAL YEAR 2019/20				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2020	Percentage received	Actual Through 4/30/2019	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 260,000	\$ 274,831	\$ 280,292	101.99%	\$ 176,136	\$ 104,156	59.13%
City Affordable Housing Fund	696,703	1,084,543	740,056	68.24%	123,132	616,924	501.03%
Housing Successor Fund	12,031,000	12,084,817	857,899	7.10%	1,499,472	(641,573)	-42.79%
Housing and Urban Development	2,626,117	5,238,691	1,586,399	30.28%	1,449,019	137,380	9.48%
TOTAL	\$15,613,820	\$ 18,682,882	\$ 3,464,646	18.54%	\$ 3,247,759	\$ 216,887	6.68%

Fund Description	EXPENDITURES - FISCAL YEAR 2019/20				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2020	Percentage used	Actual through 4/30/2019	\$ Change From Prior Year	Percent Change
Housing Authority Fund	\$ 546,623	\$ 561,454	\$ 93,013	16.57%	\$ 51,382	\$ 41,631	81.02%
City Affordable Housing Fund	1,520,735	7,908,575	549,552	6.95%	286,631	262,921	91.73%
Housing Successor Fund	12,592,389	17,646,206	451,066	2.56%	445,497	5,569	1.25%
Housing and Urban Development	3,846,296	5,238,691	2,086,384	39.83%	1,255,435	830,949	66.19%
TOTAL	\$18,506,043	\$ 31,354,926	\$ 3,180,015	10.14%	\$ 2,038,945	\$ 1,141,070	55.96%

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. Both the revenues and expenditures are expected to increase once the proceeds from the sale of land are received and the loan agreements are executed, which is anticipated to be done next fiscal year. An action to carry over these appropriations will be brought forward for City Council approval.

Governmental Capital Improvement Funds

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 April 2020. As of April 30, 2020, these capital fund expenditures totaled \$31.8 million, or 24.4% of the amended budget. It is anticipated that unspent capital funds will be carried over into next fiscal year for those projects that have not yet been completed.

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.

**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 4/30/2020	Percentage Used	
Parks & Recreation	\$ 6,790,661	\$ 27,507,742	\$ 34,298,403	\$ 16,719,582	48.75%	
Streets & Highways	20,113,555	39,407,535	59,521,090	10,949,269	18.40%	
Storm Drain	4,779,305	3,264,959	8,044,264	678,802	8.44%	
Fire	665,049	635,187	1,300,236	317,151	24.39%	
Library	10,633	234,633	245,266	31,935	13.02%	
Public Buildings	4,097,571	8,335,917	12,433,488	1,426,855	11.48%	
General Gov't - Other	1,511,494	13,051,614	14,563,108	1,716,391	11.79%	
TOTAL	\$ 37,968,268	\$ 92,437,587	\$ 130,405,855	\$ 31,839,985	24.42%	

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of April 30, 2020. 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 April 2020, revenue and expenditures are tracking higher than through the same period last fiscal year. 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	REVENUE - FISCAL YEAR 2019/20				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 4/30/2020	Percentage received	Actual Through 4/30/2019	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 516,210,630	\$ 517,210,920	\$ 480,478,530	92.90%	\$ 414,208,015	\$ 66,270,515	16.00%
Water Utility Fund	53,411,144	56,080,779	39,859,035	71.07%	39,800,279	58,756	0.15%
Sewer Utility Fund	94,169,500	94,259,046	32,266,590	34.23%	33,480,045	(1,213,455)	-3.62%
Cemetery Fund	645,150	645,150	356,226	55.22%	462,886	(106,660)	-23.04%
Solid Waste Utility Fund	28,033,703	28,760,383	21,023,061	73.10%	21,175,094	(152,033)	-0.72%
Water Recycling Fund	6,769,200	7,779,200	4,672,856	60.07%	5,288,600	(615,744)	-11.64%
TOTAL REVENUE	\$ 699,239,327	\$ 704,735,478	\$ 578,656,298	82.11%	\$ 514,414,919	\$ 64,241,379	12.49%

Fund Description	EXPENSES - FISCAL YEAR 2019/20				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual through 4/30/2020	Percentage Used	Actual through 4/30/2019	\$ Change From Prior Year	Percent Change
Electric Utility Fund	\$ 486,468,491	\$ 484,402,005	\$ 460,224,515	95.01%	\$ 370,676,620	\$ 89,547,895	24.16%
Water Utility Fund	46,449,085	49,118,720	34,507,573	70.25%	34,396,130	111,443	0.32%
Sewer Utility Fund	28,451,451	28,540,997	20,112,038	70.47%	23,468,291	(3,356,253)	-14.30%
Cemetery Fund	1,399,333	1,399,333	975,976	69.75%	989,153	(13,177)	-1.33%
Solid Waste Utility Fund	27,470,657	28,197,337	18,917,518	67.09%	18,189,689	727,829	4.00%
Water Recycling Fund	5,349,013	6,359,013	4,823,060	75.85%	5,025,890	(202,830)	-4.04%
TOTAL - Operating Appropriations	\$ 595,588,030	\$ 598,017,405	\$ 539,560,680	90.22%	\$ 452,745,773	\$ 86,814,907	19.18%

Revenues in the electric, 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. In both the 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 Sewer Debt Service Fund, revenues are tracking low because the \$50.0 million in debt proceeds have not been received. A line of credit was approved by Council at the May

26, 2020 Council date. 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 April totaled \$68.6 million, or 25.2% of the amended budget. Similar to the general government capital funds, it is 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 4/30/2020	Percentage Used	Actual Through 4/30/2019
Electric Utility Fund	\$ 48,357,167	\$ 107,739,473	\$ 156,096,640	\$ 23,197,832	14.86%	\$ 18,167,494
Street Lighting ⁽¹⁾	86,855	5,925,185	6,012,040	67,595	1.12%	67,858
Water Utility Fund	13,449,374	12,853,124	26,302,498	1,473,242	5.60%	3,007,206
Sewer Utility Fund	58,953,565	24,614,662	83,568,227	43,515,912	52.07%	19,447,470
Cemetery Fund	-	-	-	-	0.00%	-
Solid Waste Utility Fund	484,367	168,480	652,847	346,090	53.01%	493,683
Water Recycling Fund	50,000	-	50,000	-	0.00%	-
TOTAL - CIP Appropriations	\$ 121,381,328	\$ 151,300,924	\$ 272,682,252	\$ 68,600,671	25.16%	\$ 41,183,711

(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.

DETAIL OF SELECTED FUND RESERVE BALANCES:

	GENERAL FUND	ELECTRIC	WATER	SEWER
Budget Stabilization Reserve	\$ 79,967,166			
Capital Projects Reserve	28,186,138			
Land Sale Reserve	21,531,838			
Building Inspection Reserve	14,105,480			
Technology Fee Reserve	284,129			
Rate Stabilization Fund Reserve		\$ 25,000,000		
Cost Reduction Fund Reserve		98,947,182		
DVR Power Plant Contracts Reserve		78,163		
Replacement & Improvement			\$ 303,090	\$ -
TOTALS	\$ 144,074,751	\$ 124,025,345	\$ 303,090	\$ -

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 April 2020 and for fiscal year 2019/20 are shown in the table below.

Department	Fiscal Year 2019/20		Donor	Designated Use
	Apr-20	Year To Date		
City Manager's Office	\$ 75	\$ 405	Various	Help Your Neighbor
City Manager's Office	-	100	Various	Various Programs
Parks and Recreation	10	34,840	Various	Various Parks and Recreation Programs
Parks and Recreation	-	89,834	Various	Arts, Crafts and Wine Festival
Fire	-	330	Various	Emergency Supplies
Police	7,000	7,000	Various	Police K9 Program
Non-Departmental	31,375	31,375	Various	COVID-19 Relief
TOTALS	\$ 38,460	\$ 163,884		



City of Santa Clara

The Center of What's Possible

MONTHLY INVESTMENT REPORT

April 2020

City of Santa Clara

Monthly Investment Report

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**CITY OF SANTA CLARA
SUMMARY OF INVESTMENT PORTFOLIO**

All securities held by the City of Santa Clara as of April 30, 2020 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 following table provides the breakdown of the total portfolio among the City, the Sports and Open Space Authority (SOSA), and the Housing Authority (HA) as of April 30, 2020.

	<u>BOOK VALUE</u>	<u>PERCENTAGE</u>
City	\$746,003,771	99.56%
SOSA	(156,816)	-0.02%
HA	<u>3,489,036</u>	<u>0.46%</u>
Unrestricted	\$749,335,991	<u>100.00%</u>
Restricted Bond Proceeds	<u>2,145,314</u>	
Total Investments	<u>\$751,481,305</u>	

On April 30, 2020 the book value and market value of the City's unrestricted pooled investment portfolio were \$749,335,991 and \$773,923,688, respectively.

Investment Strategy and Market Update

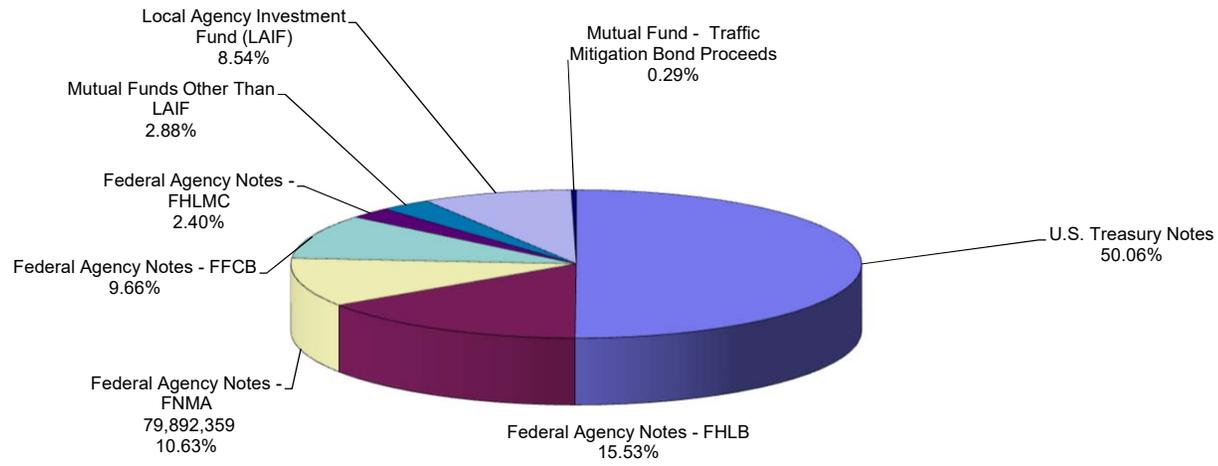
The City's investment strategy for April 2020 was to invest funds not required to meet current obligations, in securities listed in the prevailing Investment Policy Statement, with maturities not to exceed five years from date of purchase. This strategy ensures safety of the City's funds, provides liquidity to meet the City's cash needs, and earns a reasonable portfolio return.

As of April 30, 2020, 38.22% of the City's portfolio consists of securities issued by four different Federal Agencies. In addition, City bond proceeds are invested in separate funds and are not included in the calculation of the City's portfolio yield. The average maturity of the City's portfolio was 2.37 years and the City's portfolio yield vs. the 24-month moving average yield of two-year Treasury Notes (Benchmark Yield*) was as follows:

<u>PERIOD</u>	<u>CITY'S PORTFOLIO YIELD</u>	<u>BENCHMARK YIELD</u>	<u>AVERAGE MATURITY (YEARS)</u>
April 2020	1.80%	1.95%	2.37
March 2020	1.92%	2.04%	2.31
April 2019	2.01%	2.16%	2.11

**CITY OF SANTA CLARA
SUMMARY OF INVESTMENTS APRIL 30, 2020**

<u>INVESTMENT TYPE</u>	<u>BOOK VALUE</u>	<u>% OF PORTFOLIO</u>	<u>PER INVESTMENT POLICY</u>
U.S. Treasury Notes	376,229,096	50.06%	No Limit
Federal Agency Notes - FHLB	116,669,852	15.53%	40%
Federal Agency Notes - FNMA	79,892,359	10.63%	40%
Federal Agency Notes - FFCB	72,621,772	9.66%	40%
Federal Agency Notes - FHLMC	18,037,374	2.40%	40%
Mutual Funds Other Than LAIF	21,679,136	2.89%	10% Per Fund
Local Agency Investment Fund (LAIF)	64,206,402	8.54%	\$65 M
Mutual Fund - Traffic Mitigation Bond Proceeds	2,145,314	0.29%	10% Per Fund
TOTAL INVESTMENTS	\$ 751,481,305	100.00%	

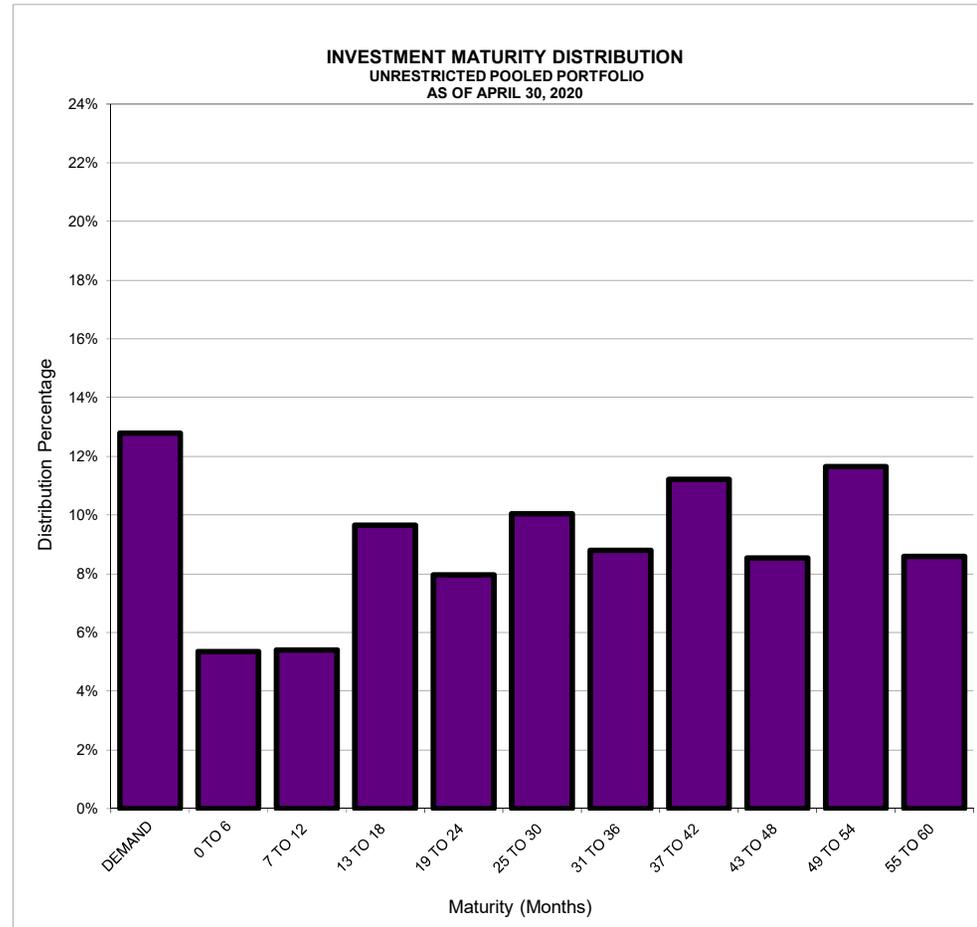


**INVESTMENT MATURITY DISTRIBUTION
AS OF APRIL 30, 2020
UNRESTRICTED POOLED PORTFOLIO**

<u>MATURITY (IN MONTHS)</u>	<u>BOOK VALUE</u>	<u>NUMBER OF INVESTMENTS</u>	<u>DISTRIBUTION</u>
DEMAND	\$ 95,873,149 (a)	3	12.79%
0 TO 6	40,049,195	5	5.35%
7 TO 12	40,493,067	6	5.40%
13 TO 18	72,275,632	13	9.65%
19 TO 24	59,627,687	11	7.96%
25 TO 30	75,280,698	13	10.05%
31 TO 36	65,914,613	9	8.80%
37 TO 42	84,110,047	14	11.22%
43 TO 48	63,980,126	13	8.54%
49 TO 54	87,332,551	16	11.65%
55 TO 60	64,399,226	9	8.59%
TOTAL	\$ 749,335,991	112	100.00%

Average Maturity of Unrestricted Pool: 2.37 Years

(a) \$20 million is earmarked for the City's Electric Utility power-trading.



CITY OF SANTA CLARA

**List of Securities Brokers and Primary Dealers
in U.S. Government Securities and Mutual Funds**

Raymond James

Higgins Capital, Inc.

Wedbush Securities

Mutual Securities, Inc.

UnionBanc Investment Services, LLC.

Ladenburg Thalmann & Co. Inc.

UBS Financial Services

All individuals securities purchased by the City of Santa Clara from Securities Brokers/Primary Dealers are delivered to the City's safekeeping account with Wells Fargo Bank, N.A..



Market Inventory

As Of Date: 04/30/2020

Date Basis: Settlement

Run: 05/06/2020 04:53:35 PM

Reporting Currency: Local

City of Santa Clara

INV	CUSIP	Description	Purchase	Maturity	Coupon	Yield TM	Current Par	Current Book	Market Value	Market Price	Unrealized G/L	PRC Source
Inv Type: 12 TREASURY NOTES												
17383	912828XH8	TREASURY NOTES	01/29/2020	06/30/2020	1.625000	1.529489	10,000,000.00	10,016,852.68	10,025,100.00	100.251000	21,193.75	IDC-FIS
17356	9128282J8	TREASURY NOTES	07/09/2019	07/15/2020	1.500000	1.999197	5,000,000.00	4,987,836.02	5,014,400.00	100.288000	26,563.98	IDC-FIS
17296	912828Q37	TREASURY NOTES	02/14/2017	03/31/2021	1.250000	1.803695	5,000,000.00	4,973,516.87	5,050,400.00	101.008000	76,883.13	IDC-FIS
17322	9128284G2	TREASURY NOTES	06/19/2018	04/15/2021	2.375000	2.662058	5,000,000.00	4,986,277.73	5,106,450.00	102.129000	120,172.27	IDC-FIS
17343	912828WR7	TREASURY NOTES	02/19/2019	06/30/2021	2.125000	2.496231	5,000,000.00	4,973,154.28	5,114,450.00	102.289000	141,295.72	IDC-FIS
17369	912828WY2	TREASURY NOTES	10/24/2019	07/31/2021	2.250000	1.621904	10,000,000.00	10,092,113.73	10,257,800.00	102.578000	165,686.27	IDC-FIS
17338	9128285F3	TREASURY NOTES	01/17/2019	10/15/2021	2.875000	2.543204	5,000,000.00	5,023,776.86	5,196,900.00	103.938000	173,123.14	IDC-FIS
17321	912828U65	TREASURY NOTES	05/22/2018	11/30/2021	1.750000	2.805608	10,000,000.00	9,800,523.46	10,243,000.00	102.430000	442,476.54	IDC-FIS
17306	912828U81	TREASURY NOTES	11/09/2017	12/31/2021	2.000000	1.914991	5,000,000.00	5,008,104.24	5,148,850.00	102.977000	140,745.76	IDC-FIS
17312	912828V72	TREASURY NOTES	02/26/2018	01/31/2022	1.875000	2.530589	5,000,000.00	4,938,000.87	5,145,700.00	102.914000	207,699.13	IDC-FIS
17297	912828J43	TREASURY NOTES	03/03/2017	02/28/2022	1.750000	2.067799	5,000,000.00	4,970,008.23	5,141,400.00	102.828000	171,391.77	IDC-FIS
17334	912828J43	TREASURY NOTES	12/14/2018	02/28/2022	1.750000	2.763338	5,000,000.00	4,903,782.26	5,141,400.00	102.828000	237,617.74	IDC-FIS
17309	912828W89	TREASURY NOTES	01/25/2018	03/31/2022	1.875000	2.368364	5,000,000.00	4,953,347.70	5,159,400.00	103.188000	206,052.30	IDC-FIS
17308	912828X47	TREASURY NOTES	01/22/2018	04/30/2022	1.875000	2.361028	5,000,000.00	4,954,061.22	5,165,650.00	103.313000	211,588.78	IDC-FIS
17300	912828XD7	TREASURY NOTES	06/09/2017	05/31/2022	1.875000	1.772818	5,000,000.00	5,012,156.03	5,173,450.00	103.469000	161,293.97	IDC-FIS
17335	912828XG0	TREASURY NOTES	12/21/2018	06/30/2022	2.125000	2.638411	5,000,000.00	4,939,169.34	5,207,400.00	104.148000	268,230.66	IDC-FIS
17375	912828XG0	TREASURY NOTES	11/25/2019	06/30/2022	2.125000	1.596160	10,000,000.00	10,128,755.03	10,414,800.00	104.148000	286,044.97	IDC-FIS
17394	912828XG0	TREASURY NOTES	03/25/2020	06/30/2022	2.125000	.351460	10,000,000.00	10,449,622.25	10,414,800.00	104.148000	14,800.00	IDC-FIS
17315	9128282P4	TREASURY NOTES	03/27/2018	07/31/2022	1.875000	2.591504	5,000,000.00	4,915,912.25	5,186,700.00	103.734000	270,787.75	IDC-FIS
17303	912828L24	TREASURY NOTES	09/29/2017	08/31/2022	1.875000	1.913317	5,000,000.00	4,995,435.00	5,192,800.00	103.856000	197,365.00	IDC-FIS
17304	912828L57	TREASURY NOTES	10/06/2017	09/30/2022	1.750000	1.958257	5,000,000.00	4,975,336.54	5,184,200.00	103.684000	208,863.46	IDC-FIS
17318	9128282W9	TREASURY NOTES	04/20/2018	09/30/2022	1.875000	2.739970	5,000,000.00	4,898,982.07	5,198,850.00	103.977000	299,867.93	IDC-FIS
17305	912828M49	TREASURY NOTES	10/31/2017	10/31/2022	1.875000	2.071694	5,000,000.00	4,976,757.82	5,204,900.00	104.098000	228,142.18	IDC-FIS
17307	912828M80	TREASURY NOTES	12/18/2017	11/30/2022	2.000000	2.168858	5,000,000.00	4,976,105.55	5,227,150.00	104.543000	251,044.45	IDC-FIS
17320	912828N30	TREASURY NOTES	05/15/2018	12/31/2022	2.125000	2.835579	10,000,000.00	9,801,689.09	10,502,300.00	105.023000	700,610.91	IDC-FIS
17398	912828Z29	TREASURY NOTES	04/21/2020	01/15/2023	1.500000	.237587	10,000,000.00	10,383,722.53	10,340,600.00	103.406000	-3,150.00	IDC-FIS
17311	912828P38	TREASURY NOTES	02/14/2018	01/31/2023	1.750000	2.566484	5,000,000.00	4,885,748.65	5,207,250.00	104.145000	321,501.35	IDC-FIS
17314	912828P79	TREASURY NOTES	02/28/2018	02/28/2023	1.500000	2.682776	10,000,000.00	9,670,481.93	10,356,600.00	103.566000	686,118.07	IDC-FIS
17317	912828Q29	TREASURY NOTES	04/11/2018	03/31/2023	1.500000	2.624318	10,000,000.00	9,686,139.54	10,367,200.00	103.672000	681,060.46	IDC-FIS
17319	912828R28	TREASURY NOTES	05/09/2018	04/30/2023	1.625000	2.824390	10,000,000.00	9,666,968.22	10,410,900.00	104.109000	743,931.78	IDC-FIS
17323	912828R69	TREASURY NOTES	07/17/2018	05/31/2023	1.625000	2.763323	10,000,000.00	9,629,874.58	10,418,800.00	104.188000	788,925.42	IDC-FIS
17339	912828S35	TREASURY NOTES	01/17/2019	06/30/2023	1.375000	2.549274	5,000,000.00	4,807,066.35	5,176,950.00	103.539000	369,883.65	IDC-FIS
17378	912828S35	TREASURY NOTES	12/18/2019	06/30/2023	1.375000	1.682342	5,000,000.00	4,948,031.13	5,176,950.00	103.539000	228,918.87	IDC-FIS
17395	912828S35	TREASURY NOTES	04/01/2020	06/30/2023	1.375000	.285312	10,000,000.00	10,386,705.88	10,353,900.00	103.539000	1,946.87	IDC-FIS
17326	912828Y61	TREASURY NOTES	09/18/2018	07/31/2023	2.750000	2.899455	5,000,000.00	4,975,737.29	5,401,750.00	108.035000	426,012.71	IDC-FIS
17328	912828Y61	TREASURY NOTES	09/28/2018	07/31/2023	2.750000	2.961654	5,000,000.00	4,965,698.92	5,401,750.00	108.035000	436,051.08	IDC-FIS



Market Inventory

As Of Date: 04/30/2020

Date Basis: Settlement

Run: 05/06/2020 04:53:35 PM

Reporting Currency: Local

City of Santa Clara

INV	CUSIP	Description	Purchase	Maturity	Coupon	Yield TM	Current Par	Current Book	Market Value	Market Price	Unrealized G/L	PRC Source
17324	9128282D1	TREASURY NOTES	09/13/2018	08/31/2023	1.375000	2.867264	5,000,000.00	4,758,238.24	5,183,800.00	103.676000	425,561.76	IDC-FIS
17330	912828T26	TREASURY NOTES	11/14/2018	09/30/2023	1.375000	3.011415	7,500,000.00	7,103,612.30	7,780,650.00	103.742000	677,037.70	IDC-FIS
17340	912828T91	TREASURY NOTES	01/28/2019	10/31/2023	1.625000	2.579465	5,000,000.00	4,843,796.55	5,234,200.00	104.684000	390,403.45	IDC-FIS
17345	912828U57	TREASURY NOTES	02/28/2019	11/30/2023	2.125000	2.496362	5,000,000.00	4,930,353.54	5,327,750.00	106.555000	397,396.46	IDC-FIS
17397	912828U57	TREASURY NOTES	04/20/2020	11/30/2023	2.125000	.263467	5,000,000.00	5,375,597.68	5,327,750.00	106.555000	-6,625.00	IDC-FIS
17346	912828V23	TREASURY NOTES	03/14/2019	12/31/2023	2.250000	2.437027	5,000,000.00	4,964,863.80	5,356,250.00	107.125000	391,386.20	IDC-FIS
17342	912828V80	TREASURY NOTES	02/14/2019	01/31/2024	2.250000	2.524589	5,000,000.00	4,948,697.06	5,364,450.00	107.289000	415,752.94	IDC-FIS
17396	9128285Z9	TREASURY NOTES	04/15/2020	01/31/2024	2.500000	.336639	5,000,000.00	5,433,177.37	5,410,150.00	108.203000	2,728.12	IDC-FIS
17347	912828W48	TREASURY NOTES	03/20/2019	02/29/2024	2.125000	2.440257	5,000,000.00	4,940,977.86	5,345,500.00	106.910000	404,522.14	IDC-FIS
17352	912828W71	TREASURY NOTES	04/30/2019	03/31/2024	2.125000	2.319173	5,000,000.00	4,963,502.54	5,354,300.00	107.086000	390,797.46	IDC-FIS
17353	912828X70	TREASURY NOTES	05/17/2019	04/30/2024	2.000000	2.202374	5,000,000.00	4,961,874.14	5,335,950.00	106.719000	374,075.86	IDC-FIS
17359	912828WJ5	TREASURY NOTES	08/16/2019	05/15/2024	2.500000	1.428853	5,000,000.00	5,231,925.40	5,438,500.00	108.770000	206,574.60	IDC-FIS
17367	912828WJ5	TREASURY NOTES	10/11/2019	05/15/2024	2.500000	1.498657	5,000,000.00	5,216,732.63	5,438,500.00	108.770000	221,767.37	IDC-FIS
17361	912828XX3	TREASURY NOTES	08/30/2019	06/30/2024	2.000000	1.414330	5,000,000.00	5,126,755.83	5,346,900.00	106.938000	220,144.17	IDC-FIS
17376	9128286Z8	TREASURY NOTES	12/13/2019	06/30/2024	1.750000	1.739161	7,250,000.00	7,253,359.57	7,679,345.00	105.922000	425,985.43	IDC-FIS
17364	9128282N9	TREASURY NOTES	09/11/2019	07/31/2024	2.125000	1.556000	5,000,000.00	5,122,635.55	5,378,700.00	107.574000	256,064.45	IDC-FIS
17390	9128282U3	TREASURY NOTES	03/11/2020	08/31/2024	1.875000	.621947	5,000,000.00	5,278,582.31	5,332,250.00	106.645000	56,470.00	IDC-FIS
17370	9128282Y5	TREASURY NOTES	10/28/2019	09/30/2024	2.125000	1.630859	5,000,000.00	5,106,312.10	5,392,200.00	107.844000	285,887.90	IDC-FIS
17373	9128283D0	TREASURY NOTES	11/19/2019	10/31/2024	2.250000	1.636035	10,000,000.00	10,264,263.00	10,853,500.00	108.535000	589,237.00	IDC-FIS
17379	9128283J7	TREASURY NOTES	01/07/2020	11/30/2024	2.125000	1.617525	5,000,000.00	5,129,976.73	5,406,250.00	108.125000	287,304.69	IDC-FIS
17380	9128283P3	TREASURY NOTES	01/08/2020	12/31/2024	2.250000	1.618632	10,000,000.00	10,305,726.30	10,882,800.00	108.828000	582,018.75	IDC-FIS
17399	912828Z52	TREASURY NOTES	04/23/2020	01/31/2025	1.375000	.365012	5,000,000.00	5,254,348.39	5,241,800.00	104.836000	3,128.12	IDC-FIS
17389	9128283Z1	TREASURY NOTES	03/09/2020	02/28/2025	2.750000	.605325	10,000,000.00	11,056,334.92	11,150,000.00	111.500000	100,390.62	IDC-FIS
				Subtotal	1.940407	1.919856	374,750,000.00	376,229,095.95	392,992,395.00	104.867884	17,008,752.01	

Inv Type: 21 FHLB MEDIUM TERM NOTES

17256	313370U55	FHLB MEDIUM TERM NO	07/22/2016	09/11/2020	2.875000	1.175915	5,000,000.00	5,041,386.81	5,047,950.00	100.959000	6,563.19	IDC-FIS
17282	3130A1W95	FHLB MEDIUM TERM NO	11/18/2016	06/11/2021	2.250000	1.696591	5,000,000.00	5,039,728.09	5,118,250.00	102.365000	78,521.91	IDC-FIS
17387	3130A1W95	FHLB MEDIUM TERM NO	02/26/2020	06/11/2021	2.250000	1.258135	5,000,000.00	5,086,737.50	5,118,250.00	102.365000	54,950.00	IDC-FIS
17286	3130A8QS5	FHLB MEDIUM TERM NO	11/29/2016	07/14/2021	1.125000	1.814259	5,000,000.00	4,950,753.26	5,052,950.00	101.059000	102,196.74	IDC-FIS
17277	313378JP7	FHLB MEDIUM TERM NO	11/01/2016	09/10/2021	2.375000	1.428993	5,000,000.00	5,068,330.10	5,138,400.00	102.768000	70,069.90	IDC-FIS
17341	3130AFFN2	FHLB MEDIUM TERM NO	02/11/2019	12/10/2021	3.000000	2.497201	5,000,000.00	5,048,124.88	5,218,600.00	104.372000	170,475.12	IDC-FIS
17393	313378CRO	FHLB MEDIUM TERM NO	03/16/2020	03/11/2022	2.250000	.716855	5,000,000.00	5,152,462.50	5,183,350.00	103.667000	32,450.00	IDC-FIS
17333	313383WD9	FHLB MEDIUM TERM NO	12/13/2018	09/09/2022	3.125000	2.898026	5,000,000.00	5,026,601.32	5,325,900.00	106.518000	299,298.68	IDC-FIS
17363	3130A3DL5	FHLB MEDIUM TERM NO	09/06/2019	09/08/2023	2.375000	1.527008	5,000,000.00	5,143,379.72	5,334,400.00	106.688000	191,020.28	IDC-FIS
17336	3130A0F70	FHLB MEDIUM TERM NO	01/09/2019	12/08/2023	3.375000	2.727479	5,000,000.00	5,120,340.13	5,535,050.00	110.701000	414,709.87	IDC-FIS
17392	3130A3VC5	FHLB MEDIUM TERM NO	03/13/2020	12/08/2023	2.250000	.715013	5,000,000.00	5,312,112.50	5,327,400.00	106.548000	44,975.00	IDC-FIS
17350	3130AB3H7	FHLB MEDIUM TERM NO	04/12/2019	03/08/2024	2.375000	2.380001	5,000,000.00	4,999,018.25	5,353,400.00	107.068000	354,381.75	IDC-FIS



Market Inventory

As Of Date: 04/30/2020

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Reporting Currency: Local

City of Santa Clara

INV	CUSIP	Description	Purchase	Maturity	Coupon	Yield TM	Current Par	Current Book	Market Value	Market Price	Unrealized G/L	PRC Source
17374	3130A1XJ2	FHLB MEDIUM TERM NO	11/21/2019	06/14/2024	2.875000	1.641007	5,000,000.00	5,266,314.83	5,473,400.00	109.468000	207,085.17	IDC-FIS
17365	3130AGWK7	FHLB MEDIUM TERM NO	09/19/2019	08/15/2024	1.500000	1.644760	5,000,000.00	4,968,845.98	5,222,150.00	104.443000	253,304.02	IDC-FIS
17368	3130A2UW4	FHLB MEDIUM TERM NO	10/17/2019	09/13/2024	2.875000	1.656994	5,000,000.00	5,262,003.90	5,498,050.00	109.961000	236,046.10	IDC-FIS
17391	3130A3GE8	FHLB MEDIUM TERM NO	03/13/2020	12/13/2024	2.750000	.768165	5,000,000.00	5,495,675.00	5,490,700.00	109.814000	29,400.00	IDC-FIS
17400	3130A4CH3	FHLB MEDIUM TERM NO	04/28/2020	03/14/2025	2.375000	.665003	10,000,000.00	10,848,367.78	10,840,900.00	108.409000	21,560.00	IDC-FIS
		Subtotal			2.469592	1.534576	90,000,000.00	92,830,182.55	95,279,100.00	105.865667	2,567,007.73	

Inv Type: 22 FHLB COUPON NOTES

17235	3130A7CT0	FHLB COUPON NOTES	02/26/2016	08/26/2020	1.560000	1.566931	10,000,000.00	9,999,669.51	10,012,300.00	100.123000	12,630.49	IDC-FIS
17354	3130AGMK8	FHLB COUPON NOTES	06/28/2019	06/28/2024	2.220000	2.220000	5,000,000.00	5,000,000.00	5,085,900.00	101.718000	85,900.00	IDC-FIS
17360	3130AGXF7	FHLB COUPON NOTES	08/26/2019	08/26/2024	1.650000	1.650000	5,000,000.00	5,000,000.00	5,073,700.00	101.474000	73,700.00	IDC-FIS
17371	3130AHGL1	FHLB COUPON NOTES	11/04/2019	11/04/2024	1.875000	1.875000	3,840,000.00	3,840,000.00	3,908,928.00	101.795000	68,928.00	IDC-FIS
		Subtotal			1.768040	1.770947	23,840,000.00	23,839,669.51	24,080,828.00	101.010185	241,158.49	

Inv Type: 23 FNMA COUPON NOTE

17270	3136G4BD4	FNMA COUPON NOTE	09/29/2016	03/29/2021	1.350000	1.350000	5,540,000.00	5,540,000.00	5,591,023.40	100.921000	51,023.40	IDC-FIS
17266	3136G33W3	FNMA COUPON NOTE	08/30/2016	05/28/2021	1.500000	1.500000	5,800,000.00	5,800,000.00	5,804,640.00	100.080000	4,640.00	IDC-FIS
17267	3136G33W3	FNMA COUPON NOTE	08/30/2016	05/28/2021	1.500000	1.500000	4,200,000.00	4,200,000.00	4,203,360.00	100.080000	3,360.00	IDC-FIS
		Subtotal			1.446525	1.446525	15,540,000.00	15,540,000.00	15,599,023.40	100.379816	59,023.40	

Inv Type: 24 FNMA MEDIUM TERM NOTE

17226	3135G0D75	FNMA MEDIUM TERM NO	10/23/2015	06/22/2020	1.500000	1.428035	10,000,000.00	10,003,449.88	10,019,600.00	100.196000	16,150.12	IDC-FIS
17238	3135G0F73	FNMA MEDIUM TERM NO	03/17/2016	11/30/2020	1.500000	1.601110	10,000,000.00	9,990,296.39	10,077,500.00	100.775000	87,203.61	IDC-FIS
17279	3135G0H55	FNMA MEDIUM TERM NO	11/16/2016	12/28/2020	1.875000	1.584161	5,000,000.00	5,014,012.31	5,055,450.00	101.109000	41,437.69	IDC-FIS
17248	3136G02F7	FNMA MEDIUM TERM NO	06/03/2016	05/07/2021	1.600000	1.474085	2,000,000.00	2,003,617.74	2,027,140.00	101.357000	23,522.26	IDC-FIS
17268	3135G0N82	FNMA MEDIUM TERM NO	08/25/2016	08/17/2021	1.250000	1.298063	10,000,000.00	9,993,062.38	10,125,300.00	101.253000	132,237.62	IDC-FIS
17271	3135G0Q89	FNMA MEDIUM TERM NO	10/11/2016	10/07/2021	1.375000	1.450052	5,000,000.00	4,994,596.05	5,082,200.00	101.644000	87,603.95	IDC-FIS
17329	3135G0S38	FNMA MEDIUM TERM NO	10/11/2018	01/05/2022	2.000000	3.012476	5,000,000.00	4,904,303.30	5,146,750.00	102.935000	242,446.70	IDC-FIS
17310	3135G0T78	FNMA MEDIUM TERM NO	01/29/2018	10/05/2022	2.000000	2.496939	5,000,000.00	4,941,733.33	5,201,850.00	104.037000	260,116.67	IDC-FIS
17377	3135G0V75	FNMA MEDIUM TERM NO	12/18/2019	07/02/2024	1.750000	1.732000	5,000,000.00	5,003,862.12	5,257,900.00	105.158000	254,037.88	IDC-FIS
17382	3135G0X24	FNMA MEDIUM TERM NO	01/23/2020	01/07/2025	1.625000	1.627706	7,500,000.00	7,503,426.04	7,878,450.00	105.046000	379,425.00	IDC-FIS
		Subtotal			1.594323	1.699779	64,500,000.00	64,352,359.54	65,872,140.00	102.127349	1,524,181.50	

Inv Type: 26 FFCB MEDIUM TERM NOTES

17234	3133EFYZ4	FFCB MEDIUM TERM NO	02/18/2016	02/10/2021	1.375000	1.490028	10,000,000.00	9,988,963.72	10,093,600.00	100.936000	104,636.28	IDC-FIS
17386	3133EGYS8	FFCB MEDIUM TERM NO	02/05/2020	04/14/2022	1.400000	1.451035	5,000,000.00	4,994,968.17	5,104,950.00	102.099000	109,981.83	IDC-FIS
17357	3133EKVE3	FFCB MEDIUM TERM NO	07/19/2019	07/19/2022	1.850000	1.889266	5,000,000.00	4,995,262.14	5,164,000.00	103.280000	168,737.86	IDC-FIS



Market Inventory

As Of Date: 04/30/2020

Date Basis: Settlement

Run: 05/06/2020 04:53:35 PM

Reporting Currency: Local

City of Santa Clara

INV	CUSIP	Description	Purchase	Maturity	Coupon	Yield TM	Current Par	Current Book	Market Value	Market Price	Unrealized G/L	PRC Source
17358	3133EKYJ9	FFCB MEDIUM TERM NO	08/14/2019	08/05/2022	1.850000	1.643841	5,000,000.00	5,024,974.98	5,166,550.00	103.331000	141,575.02	IDC-FIS
17366	3133EHM91	FFCB MEDIUM TERM NO	10/08/2019	11/01/2022	2.080000	1.440040	1,800,000.00	1,833,630.19	1,879,110.00	104.395000	45,479.81	IDC-FIS
17316	3133EJGU7	FFCB MEDIUM TERM NO	03/29/2018	12/16/2022	2.710000	2.638022	5,000,000.00	5,010,127.00	5,301,200.00	106.024000	291,073.00	IDC-FIS
17332	3133EJSD2	FFCB MEDIUM TERM NO	11/29/2018	06/19/2023	2.890000	2.983126	5,000,000.00	4,984,834.19	5,378,750.00	107.575000	393,915.81	IDC-FIS
17381	3133ELHZ0	FFCB MEDIUM TERM NO	01/17/2020	07/17/2023	1.600000	1.610620	5,000,000.00	4,998,200.00	5,180,900.00	103.618000	182,700.00	IDC-FIS
17327	3133EJWV7	FFCB MEDIUM TERM NO	09/18/2018	08/14/2023	2.900000	3.000958	5,000,000.00	4,983,649.25	5,394,950.00	107.899000	411,300.75	IDC-FIS
17331	3133EJD48	FFCB MEDIUM TERM NO	11/28/2018	10/02/2023	3.050000	3.024022	7,575,000.00	7,581,222.83	8,230,692.00	108.656000	649,469.17	IDC-FIS
17355	3133EHN25	FFCB MEDIUM TERM NO	06/27/2019	11/01/2023	2.200000	1.866116	2,965,000.00	3,002,782.46	3,138,096.70	105.838000	135,314.24	IDC-FIS
17348	3133EKBW5	FFCB MEDIUM TERM NO	03/21/2019	02/27/2024	2.610000	2.466241	5,000,000.00	5,026,828.71	5,388,950.00	107.779000	362,121.29	IDC-FIS
17362	3133EKHV1	FFCB MEDIUM TERM NO	09/05/2019	07/22/2024	2.450000	1.384069	5,000,000.00	5,230,958.08	5,383,500.00	107.670000	152,541.92	IDC-FIS
17372	3133EK4Y9	FFCB MEDIUM TERM NO	11/12/2019	11/01/2024	1.650000	1.806956	5,000,000.00	4,965,370.83	5,230,600.00	104.612000	267,750.00	IDC-FIS
		Subtotal			2.166982	2.075161	72,340,000.00	72,621,772.55	76,035,848.70	105.108997	3,416,596.98	

Inv Type: 28 FHLMC MEDIUM TERM NOTES

17233	3137EADR7	FHLMC MEDIUM TERM N	12/07/2015	05/01/2020	1.375000	1.635015	10,000,000.00	9,987,610.45	10,000,000.00	100.000000	12,389.55	IDC-FIS
17388	3134G9M20	FHLMC MEDIUM TERM N	02/26/2020	07/26/2021	1.875000	1.275218	5,000,000.00	5,049,762.50	5,105,950.00	102.119000	64,000.00	IDC-FIS
		Subtotal			1.542907	1.514190	15,000,000.00	15,037,372.95	15,105,950.00	100.706333	76,389.55	

Inv Type: 29 FHLMC COUPON NOTES

17351	3134GTKG7	FHLMC COUPON NOTES	05/03/2019	05/03/2024	2.600000	2.600000	3,000,000.00	3,000,000.00	3,059,880.00	101.996000	59,880.00	IDC-FIS
		Subtotal			2.600000	2.600000	3,000,000.00	3,000,000.00	3,059,880.00	101.996000	59,880.00	

Inv Type: 99 LOCAL AGENCY INVESTMENT FUND

16059		STATE OF CA DEMAND	09/30/1997	05/01/2020	1.992766	1.992766	64,206,402.35	64,206,402.35	64,206,402.35	100.000000	0.00	BOOK
		Subtotal			1.992766	1.992766	64,206,402.35	64,206,402.35	64,206,402.35	100.000000	0.00	

Inv Type: 305 MUTUAL FUNDS-FIDELITY

17385		FIDELITY PRIME MMKT	12/13/2019	05/01/2020	.521402	.518992	21,672,615.67	21,679,135.75	21,692,121.02	100.090000	12,985.27	USERPR
		Subtotal			.521402	.518992	21,672,615.67	21,679,135.75	21,692,121.02	100.090000	12,985.27	

Inv Type: 315 MUTUAL FUNDS-DREYFUS

16064		DREYFUS TREASURY CA	10/31/1997	05/01/2020	.186396	.186396	2,145,314.23	2,145,314.23	2,145,314.23	100.000000	0.00	BOOK
		Subtotal			.186396	.186396	2,145,314.23	2,145,314.23	2,145,314.23	100.000000	0.00	

Grand Total				Count 113	1.935564	1.809378	746,994,332.25	751,481,305.38	776,069,002.70	103.892221	24,965,974.93	
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FY 2019/20 Budget Amendments

General Fund (001)			
Department	Source of Funds	Use of Funds	Explanation
City Attorney's Office		(75,000)	Reduces the City Attorney's Office budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
City Auditor's Office			0 Reclassifies 1.0 Accountant position to 1.0 Management Analyst position to align with the hybrid model for the City's internal audit function as approved by Council on February 11, 2020.
City Clerk's Office		(100,000)	Reduces the City Clerk's Office budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
City Manager's Office		(300,000)	Reduces the City Manager's Office budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Community Development Department		(250,000)	Reduces the City Community Development Department budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Finance Department		(500,000)	Reduces the Finance Department budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Fire Department - Emergency Response - Revenue from Other Agency	218,675		Increases the revenue from Other Agencies based on the actual receipt for Fire Department mutual aid reimbursements from the State of California.
Fire Department		1,650,000	Increases Fire Department budget to adjust for mutual aid and minimum staffing overtime and separation payout for retirements. Fire Department separation payouts are projected at \$1.2 million for FY 2019/20. Funding for separation payouts is budgeted in the Non-Departmental category and shifted to departments as necessary. There is a corresponding reduction to the Separation Payouts allocation recommended in this report.
Human Resources Department		(100,000)	Reduces the Human Resources Department budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Library Department		(300,000)	Reduces the Library Department budget based on projected year-end savings and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Parks and Recreation Department		(650,000)	Reduces the Parks and Recreation Department budget and reallocates a portion of the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Miscellaneous Revenues / Capital Projects Reserve	800,000	800,000	Recognizes damage recoveries revenue resulting from a settlement agreement related to the City's Swim Center. This funding is recommended to be set aside in the Capital Projects Reserve for future capital needs.
Non-Departmental		(1,904,432)	Reduces the Non-Departmental budget by \$1.9 million to eliminate the funding set aside for separation payouts (\$1.8 million) as well as to account for anticipated year-end savings. The majority of this funding (\$1.2 million) is needed by the Fire Department to offset the separation payout costs in that department.
Transfer from the Parks and Recreation Capital Fund / Land Sale Reserve (Loan Repayment)	1,250,669	1,250,669	Repays the General Fund Land Sale Reserve for a portion of the loan provided to the Youth Soccer Fields and Athletic Facilities Reed and Grant project, as approved by Council on May 22, 2018. Additional Mitigation Fee Act revenues and interest revenues were received during the year that are available for use on the loan repayment (25% of the revenue is allocated for loan repayment until the loan is paid in full).
Transfer to the Other City Departments Operating Grant Fund		2,676,062	Establishes a transfer to the Other City Departments Operating Grant Trust Fund to cover staffing and non-personnel expenditures resulting from COVID-19.
Transfer to the Santa Clara Golf and Tennis Fund		72,045	Increases the transfer to the Santa Clara Golf and Tennis Club Fund (from \$98,243 to \$170,288) to fund the final wind down of activity and close out of this fund.
Total General Fund	2,269,344	2,269,344	

FY 2019/20 Budget Amendments

Information Technology Services Fund (045)

Department	Source of Funds	Use of Funds	Explanation
Transfer to the Other City Departments Operating Grant Trust Fund		334,938	Establishes a transfer to the Other City Departments Operating Grant Trust Fund to cover the Information Technology Department's expenditures related to COVID-19.
Information Technology Department		(334,938)	Reduces the Information Technology Department's budget and reallocates the savings to the Other City Departments Operating Grant Trust Fund to cover expenditures related to COVID-19.
Total Information Technology Services Fund	-	-	

Vehicle Replacement Fund (050)

Department	Source of Funds	Use of Funds	Explanation
Transfer from the Water Utility Fund / Ending Fund Balance	365,397	365,397	Establishes a transfer from the Water Utility Fund and increases the ending fund balance to true up costs related to purchases made on behalf of the Water and Sewer Utilities Department in prior years. This amount represents the additional purchases that were made that were over the original budgeted allocation amount for fleet purchases.
Total Vehicle Replacement Fund	365,397	365,397	

Unemployment Insurance Fund (087)

Department	Source of Funds	Use of Funds	Explanation
Insurance Claims Expense		21,700	Increases insurance claims expense budget to reflect actual spending for matured claims.
Ending Fund Balance		(21,700)	Decreases the ending fund balance to offset the action recommended above
Total Unemployment Insurance Fund	-	-	

Electric Utility Fund (091)

Department	Source of Funds	Use of Funds	Explanation
Customer Development and Project Management - SVP Engineering Program Salaries and Benefits Expense		(488,138)	Reduces the personnel budget by the actual amount incurred by SVP Engineering staff to date on project management for the New Business Estimate Work project in the Electric Utility Capital Fund. The personnel costs to support this capital project are initially budgeted in the operating fund and then transferred to the capital fund based on actual activity.
Transfer to Electric Utility Capital Fund		488,138	Increases the transfer to the Electric Utility Capital Fund to cover the actual SVP Engineering personnel costs to date; this aligns personnel costs with the actual activity as described above.
Transfer from Electric Operating Grant Trust Fund / Ending Fund Balance	(1,275,373)	(1,275,373)	Decreases the transfer from the Electric Operating Grant Trust Fund to reflect the lower actual Greenhouse Gas revenue in that fund that is used to support costs in the Resource/Production category in the Electric Utility Fund. Because of timing differences between revenue generation and resource costs, this action is offset by a reduction to ending fund balance.
Total Electric Utility Fund	(1,275,373)	(1,275,373)	

Water Utility Fund (092)

Department	Source of Funds	Use of Funds	Explanation
Transfer to the Vehicle Replacement Fund		365,397	Establishes a transfer to the Vehicle Replacement Fund to cover costs related to the purchases made by the Fleet Division on behalf of the Water and Sewer Utilities Department. For the past several fiscal years, the purchases made for the Water and Sewer Utilities Department have exceeded their annual allocation. This action trues up all the fleet purchases that have been made over their budgeted allocation.
Ending Fund Balance		(365,397)	Decreases the ending fund balance to offset the action recommended above.
Total Water Utility Fund	-	-	

FY 2019/20 Budget Amendments

Other City Department Operating Grant Trust Fund (101)

Department	Source of Funds	Use of Funds	Explanation
Transfer from the General Fund	2,676,062		Increases the transfer from the General Fund to the Other City Departments Operating Grant Trust Fund. This funding will be used to cover City expenses related to COVID-19 while the City seeks FEMA reimbursements for eligible costs.
Transfer from the Information Technology Services Fund	334,938		Establishes a transfer from the Information Technology Services Fund to the Other City Departments Operating Grant Trust Fund to cover expenses charged in relation to COVID-19.
Revenue from Other Agencies	622,960		Establishes a revenue estimate for FEMA reimbursements for City expenses related to COVID-19. This estimate is based on a reimbursement of 75% of eligible expenses.
COVID-19		3,633,960	Appropriates \$3.6 million to cover City staffing and non-personnel expenditures related to COVID-19, including items such as personal protective equipment, public safety costs, and the Commodities Point of Distribution (CPOD) food program for youth and seniors.
Total Other City Department Operating Grant Trust Fund	3,633,960	3,633,960	

Electric Operating Grant Trust Fund (191)

Department	Source of Funds	Use of Funds	Explanation
Greenhouse Gas Revenue	(1,721,513)		Decreases the Greenhouse Gas revenue estimate based on actual year-to-date receipts and projected activity through the end of the fiscal year.
Greenhouse Gas Program		(446,140)	Decreases the Greenhouse Gas program funding based on the lower revenue collections.
Transfer to Electric Utility Fund		(1,275,373)	Decreases the transfer to Electric Utility Fund based on the lower Greenhouse Gas revenue estimate. These funds are transferred to the Electric Utility Fund to cover costs in the Resource/Production category associated with Greenhouse Gas sales.
Total Electric Operating Grant Trust Fund	(1,721,513)	(1,721,513)	

Electric Debt Service Fund (491)

Department	Source of Funds	Use of Funds	Explanation
Bond Proceeds	104,020,000		Recognizes Bond Proceeds from Series 2020-1, 2020-2, and 2020-3 Loan and Bonds Refunding approved by the City Council on April 7, 2020. Over the life of the bonds, this refunding action will reduce overall interest expenses and debt service costs.
Bond Refunding		113,705,571	Appropriates funding for the refunding of Series 2011A Bond, partial Series 2013A Bond, 2014 Loan and 2014 Subordinate Bond, including principal, interest, and refunding costs.
Ending Fund Balance		(9,685,571)	Decreases the ending fund balance to offset the actions recommended above.
Total Electric Debt Service Fund	104,020,000	104,020,000	

FY 2019/20 Budget Amendments

Parks and Recreation Capital Fund (532)

Project	Source of Funds	Use of Funds	Explanation
Miscellaneous Park Improvements		100	Increases the Miscellaneous Park Improvement project to reflect unanticipated revenue from donations received in FY 2018/19 but not yet allocated to the project.
Mitigation Fee Act Revenue	5,608,285		Recognizes Mitigation Fee Act revenue received through May 2020. These funds are recommended to be allocated to a General Fund loan repayment and the ending fund balance as described below.
Transfer to the General Fund Land Sale Reserve (Loan Repayment)		1,250,669	Transfers \$1.3 million of the Mitigation Fee Act revenue received through May 2020 to the General Fund Land Sale Reserve as partial repayment of the loan from the Land Sale Reserve used to support the Youth Soccer Fields and Athletic Facilities Reed and Grant project, as approved by Council on May 22, 2018. This loan repayment includes 25% of the fee revenue (less program administration and FY 2019/20 project allocations) totaling \$1,073,188 as well as interest earnings on the loan amount earned from the prior year of \$177,481. As a result of this repayment, the outstanding balance for the loan is expected to decrease to \$9.1 million.
Ending Fund Balance		4,357,516	Increases the ending fund balance to offset the action recommended above. The Mitigation Act revenue that has been set aside in the ending fund balance (\$4,357,616) will be allocated to eligible projects. This revenue was assumed in the development of the FY 2020/21 and FY 2021/22 Proposed Biennial Capital Improvement Program Budget.
Total Parks and Recreation Capital Fund	5,608,285	5,608,285	

Electric Utility Capital Fund (591)

Project	Source of Funds	Use of Funds	Explanation
Transfer from Electric Utility Fund/New Business Estimate Work Project	488,138	488,138	Recognizes a transfer from the Electric Utility Fund and increases the New Business Estimate Work Project to cover the personnel costs associated with project management from SVP engineering staff. The personnel costs to support this capital project are initially budgeted in the operating fund and then transferred to the capital fund based on actual activity.
Mitsubishi Steam Turbine Overhaul Project		187,129	Increases the budget for the Mitsubishi Steam Turbine Overhaul project by \$187,129 based on final project costs.
Ending Fund Balance		(187,129)	Decreases the ending fund balance to offset the action recommended above.
Total Electric Utility Capital Fund	488,138	488,138	

Water Utility Capital Fund (592)

Project	Source of Funds	Use of Funds	Explanation
Office Rehabilitation		12,975	Increases the Office Rehabilitation project to fund additional expenditures related to the painting of the department lobby as well as additional furniture and carpet replacements.
Tank Rehabilitation		48,285	Increases the Tank Rehabilitation project to fund additional expenditures not accounted for in the initial budget. These expenditures are related to labor costs, design work, and site surveys.
Ending Fund Balance		(61,260)	Decreases the ending fund balance to offset the actions recommended above.
Total Water Utility Capital Fund	-	-	

FY 2019/20 Budget Amendments

Sports and Open Space Authority Fund (801)

Department	Source of Funds	Use of Funds	Explanation
Beginning Fund Balance	3,977		Reconciles the beginning fund balance based prior year operations.
Interest	1,002		Increases the revenue estimate for interest earnings.
Board Member Stipend		4,740	Adds funding for stipends to Council Members who serve on the Sports and Open Space Authority (SOSA) Board.
Contractual Services		5,220	Adds funding to cover year-end audit costs.
Transfer to Santa Clara Golf and Tennis Club		(28,645)	Decreases the transfer to the Santa Clara Golf and Tennis Club Fund which is being closed out in FY 2019/20. When the FY 2019/20 budget was adopted, it was assumed that the remaining balance in the Sports and Open Space Authority Fund would be transferred to the Santa Clara Golf and Tennis Club Fund as part of the close-out actions and no funds would be allocated in the Sports and Open Space Authority Fund moving forward. Staff now recommends maintaining funding in the Sports and Open Space Authority Fund to support the acquisition and preservation of open space within the City and the development of local sports activities.
Ending Fund Balance		23,664	Increases the ending fund balance to offset the actions recommended above.
Total Sports and Open Space Authority Fund	4,979	4,979	

Santa Clara Golf and Tennis Club Fund (811)

Department	Source of Funds	Use of Funds	Explanation
Beginning Fund Balance	(12,768)		Reconciles the beginning fund balance based prior year operations.
Charges for Services and Other Revenue	(36,577)		Decreases the revenue estimate based on the actual receipts during the final year of operations.
Transfer from the General Fund	72,045		Increases the transfer from the General Fund (from \$98,243 to \$170,288) to fund the final wind down of activity and close out of this fund.
Transfer from Sports and Open Space Authority Fund	(28,645)		Decreases the transfer from the Sports and Open Space Authority Fund. As discussed above, when the FY 2019/20 budget was adopted, it was assumed that the remaining balance in the Sports and Open Space Authority Fund would be transferred to the Santa Clara Golf and Tennis Club Fund as part of the close-out actions and no funds would be allocated in the Sports and Open Space Authority Fund moving forward. Staff now recommends maintaining funding in the Sports and Open Space Authority Fund.
Materials/Services/Supplies		(5,945)	Decreases the expenditure budget based on the actual final costs.
Total Santa Clara Golf and Tennis Club Fund	(5,945)	(5,945)	