

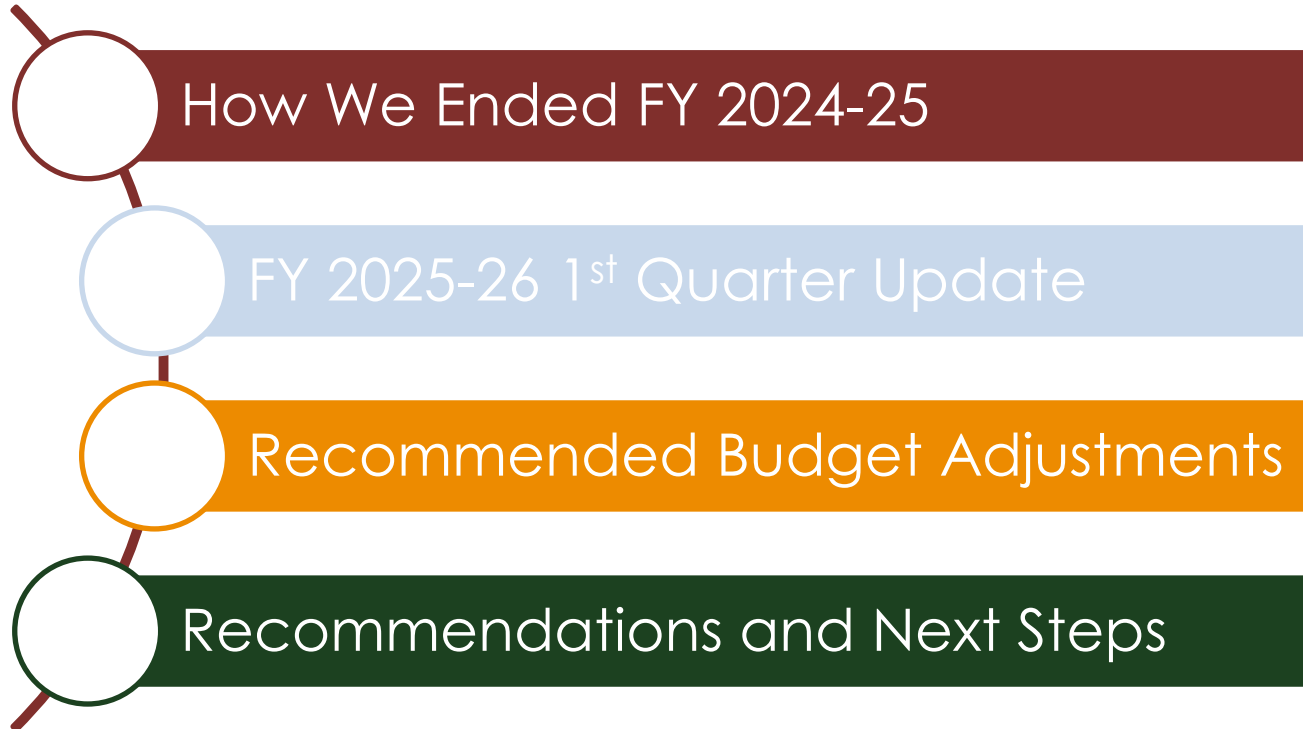
Fiscal Year 2025-26 First Quarter Financial Report

November 18, 2025



**CITY OF
CUPERTINO**

Agenda



How We Ended FY 2024-25



Year-End Actuals – General Fund

(\$ in Millions)

FY 2024-25 Beginning Fund Balance	\$166.1
FY 2024-25 Actual Revenues	\$115.4
FY 2024-25 Actual Expenditures	-\$99.6
Change in Fund Balance	\$15.7
FY 2024-25 Year-End Fund Balance	\$181.8

FY 2025-26 1st Quarter Update



FY 2025-26 Amended Budget – By Fund

(\$ in Millions)

Fund	FY 2025-26 Adopted Budget	Adjustments		FY 2025-26 Amended Budget as of September 30, 2025
		Carryovers	Encumbrances	
General	99,189,741	28,105,391	7,162,543	135,414,841
Special Revenue	10,810,122	17,269,837	1,604,982	29,760,473
Debt Service	2,676,600	-	-	2,676,600
Capital Projects	4,225,000	22,691,140	8,198,536	35,114,676
Enterprise	9,153,170	181,612	535,558	9,898,034
Internal Service	10,011,768	96,963	712,952	10,920,660
Total All Funds	\$ 136,066,401	\$ 68,344,943	\$ 18,214,571	\$ 1,159,369
				\$ 223,785,284

General Fund Revenues – Year over Year

Revenue Category	First Quarter 2025	First Quarter 2026	Variance (\$)	Variance (%)
05 - Sales tax	2,733,793	9,893	(2,723,901)	-100%
10 - Property tax	40,983	39,297	(1,686)	-4%
15 - Transient occupancy	633,478	732,222	98,744	16%
20 - Utility tax	742,741	705,121	(37,620)	-5%
25 - Franchise fees	209,378	227,000	17,622	8%
30 - Other taxes	384,331	311,766	(72,565)	-19%
35 - Licenses and permits	1,456,326	1,452,692	(3,634)	0%
40 - Use of money and property	156,159	1,856,026	1,699,867	1089%
45 - Intergovernmental revenue	12,718	181,007	168,289	1323%
50 - Charges for services	3,244,350	3,448,938	204,588	6%
55 - Fines and forfeitures	40,478	35,996	(4,482)	-11%
60 - Miscellaneous	143,867	183,994	40,127	28%
65 - Transfers in	15,000	15,000	-	0%
70 - Other financing sources	1,330,326	0	(1,330,326)	(1,330,326)
Total	\$ 11,143,927	\$ 9,198,951	\$ (1,944,977)	-17%

General Fund Expenditures – Year over Year

Expenditure Category	First Quarter 2025	First Quarter 2026	Variance (\$)	Variance (%)
05 - Employee compensation	4,850,724	4,796,589	(54,136)	-1%
10 - Employee benefits	2,323,956	2,135,054	(188,901)	-8%
15 - Materials	1,724,239	1,785,910	61,671	4%
20 - Contract services	6,401,334	7,963,667	1,562,333	24%
25 - Cost allocation	2,659,645	2,775,156	115,511	4%
30 - Capital outlays	12,487	-	(12,487)	-100%
31 - Special projects	81,575	613,288	531,712	652%
35 - Contingencies	-	7,400	7,400	N/A
45 - Transfer out	7,349,598	10,594,653	3,245,055	44%
50 - Other financing uses	129,249	87,020	(42,228)	-33%
Total	\$ 25,532,807	\$ 30,758,738	\$ 5,225,931	20%

General Fund - Fund Balance

(in millions)

Classification	Actual 2023-24	Unaudited 2024-25	Adopted Budget 2025-26	1st Quarter Projection 2025-26
Non Spendable	\$ 3.4	\$ 4.0	\$ 3.5	\$ 4.0
Restricted	23.3	25.8	22.1	24.8
Committed	108.6	88.6	87.2	88.6
Assigned	4.7	7.3	-	-
Unassigned	26.0	56.1	43.3	65.5
TOTAL FUND BALANCE	\$ 166.1	\$ 181.8	\$ 156.0	\$ 183.0

Note: Q1 Year-End Projections assume budgeted revenues and expenditures are fully collected and incurred. Fund balances do not consider City Council actions after September 30, 2025.

Proposed First Quarter Budget Adjustments



Budget Requests by Fund

Fund	Revenue	Expense	Fund Balance (use of)
General	\$265,826	(\$195,316)	\$461,142
Special Revenue	-	(\$571,982)	\$571,982
Capital	\$244,316	(\$42,945)	\$287,261
Enterprise	-	(\$29,689)	\$29,689
Internal Service	(\$6,514)	\$165,711	(\$172,225)
Total All Funds	\$503,628	(\$674,221)	\$1,177,849

Recommended Budget Adjustments

Fund	Department	Revenue	Expenditure	Change in Fund Balance	Proposal
GENERAL FUND					
100 General Fund	Multiple Departments	(3,405)	(892,702)	889,297	CAP Reallocation
100 General Fund	Community Development	-	30,000	(30,000)	Citation Processing Center - Fees
100 General Fund	Community Development	-	79,000	(79,000)	GF HSG Grant Contracts
100 General Fund	Community Development	269,231	175,000	94,231	Plan Review Services - Toll Brothers
100 General Fund	Innovation & Technology	-	15,000	(15,000)	CRM Software solution
100 General Fund	Innovation & Technology	-	7,000	(7,000)	I&T - Video - Operational Enhancements - Small Tools
100 General Fund	Parks and Recreation	-	140,000	(140,000)	4th of July
100 General Fund	Public Works	-	20,000	(20,000)	Library HVAC VFD Replacement
100 General Fund	Public Works	-	200,000	(200,000)	Traffic Data Collection
100 General Fund	Public Works	-	7,000	(7,000)	Bridge Fencing
100 General Fund	Public Works	-	24,386	(24,386)	Tree Maintenance
TOTAL GENERAL FUND		265,826	(195,316)	461,142	
SPECIAL REVENUE FUNDS					
230 Env Mgmt Cln Crk Strm	Public Works	-	(55,167)	55,167	CAP Reallocation
270 Transportation Fund	Public Works	-	(131,216)	131,216	CAP Reallocation
270 Transportation Fund	Public Works	-	(425,599)	425,599	PW Defunded CIPs & transfers in and outs
270 Transportation Fund	Public Works	-	40,000	(40,000)	RV Ordinance Signage
TOTAL SPECIAL REVENUE FUNDS		-	(571,982)	571,982	

Recommended Budget Adjustments

CAPITAL IMPROVEMENT FUNDS					
420 Capital Improvement Fund	Public Works	99,632	(42,945)	142,577	PW Defunded CIPs & transfers in and outs
429 Capital Reserve	Public Works	144,684	-	144,684	PW Defunded CIPs & transfers in and outs
TOTAL CAPITAL IMPROVEMENT FUNDS		244,316	(42,945)	287,261	
ENTERPRISE FUNDS					
570 Sports Center	Public Works	-	(29,689)	29,689	CAP Reallocation
TOTAL ENTERPRISE FUNDS		-	(29,689)	29,689	
INTERNAL SERVICE FUNDS					
610 Innovation & Technology	Innovation & Technology	-	15,000	(15,000)	Accessibility, Security, and Operational Updates
610 Innovation & Technology	Innovation & Technology	-	131,100	(131,100)	Control Room Project AV Systems Upgrade
610 Innovation & Technology	Innovation & Technology	-	72,500	(72,500)	Control Room Project Tech Refresh - Reimbursement
610 Innovation & Technology	Innovation & Technology	-	25,000	(25,000)	Operational Enhancements
620 Workers' Compensation	Human Resources	(6,514)	-	(6,514)	CAP Reallocation
630 Vehicle/Equip Replacement	Public Works	-	(77,889)	77,889	CAP Reallocation
TOTAL INTERNAL SERVICE FUNDS		(6,514)	165,711	(172,225)	
TOTAL ALL FUNDS \$ 503,628 \$ (674,221) \$ 1,177,849					



Staffing

- No requested changes to staffing

City Manager Discretionary Fund

- As of September 30, 2025, the City Manager's Discretionary Fund has only been used for Property Appraisal Services for 10480 Finch Avenue at a cost of \$7,400
- Staff will continue to report on the use of this fund

Recommendations

1. Accept the City Manager's First Quarter Financial Report for Fiscal Year 2025-26; and
2. Adopt Resolution No. 25-XXX approving Budget Modification No. 2526-419, decreasing appropriations by \$674,221 and increasing revenues by \$503,628 resulting in a \$1,177,849 increase to unassigned fund balance

Questions?

