

CC 05-11-2026

#1

Initial Study Session on
Fiscal Year (FY) 2026-27
Proposed Budget

Presentation

Fiscal Year 2026-27 Proposed Budget

May 11, 2026



**CITY OF
CUPERTINO**

Study Session Objectives



Present City Manager's Proposed Budget



Receive comments and questions from Council and Public



Gather feedback and return with updates for Final Budget Hearing on June 16th

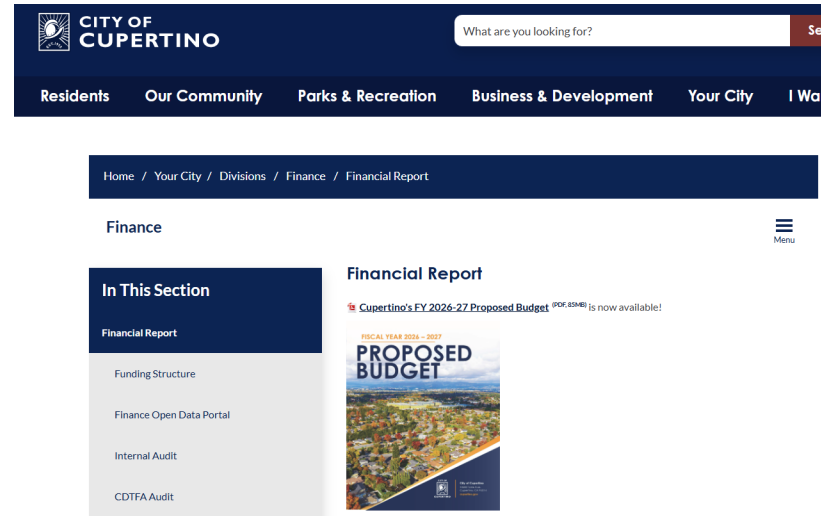
Roadmap to FY 2026-27 Budget Adoption and Balancing

Proposed Budget Roadmap FY 2026-27



Accessing the Budget

- City Website
cupertino.gov/budget
- Interactive Financial Transparency Portal
cupertino.gov/opengov
- Budget Learning Library
cupertino.gov/budgetlearninglibrary



Agenda

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- General Fund Forecast
 - General Fund Overview
 - All Funds Overview
 - Proposed Budget Requests
 - Issues and Challenges
 - Next Steps

Financial Overview by Fund

Fund	Revenues	Expenditures	Change in Fund Balance/ Net Position ¹
General Fund	109,727,857	109,696,957	30,900
Special Revenue Funds	12,399,553	9,766,776	2,632,777
Debt Service Funds	2,675,100	2,675,100	0
Capital Projects Funds	9,330,000	14,235,000	(4,905,000)
Enterprise Funds	6,679,600	8,514,580	(1,834,980)
Internal Service Funds	9,775,989	10,639,732	(863,743)
Total All Funds	150,588,099	155,528,145	(4,940,046)

¹A negative change in fund balance/net position () is due to the use of fund balance

General Fund Forecast



Forecast Revenue Assumptions¹

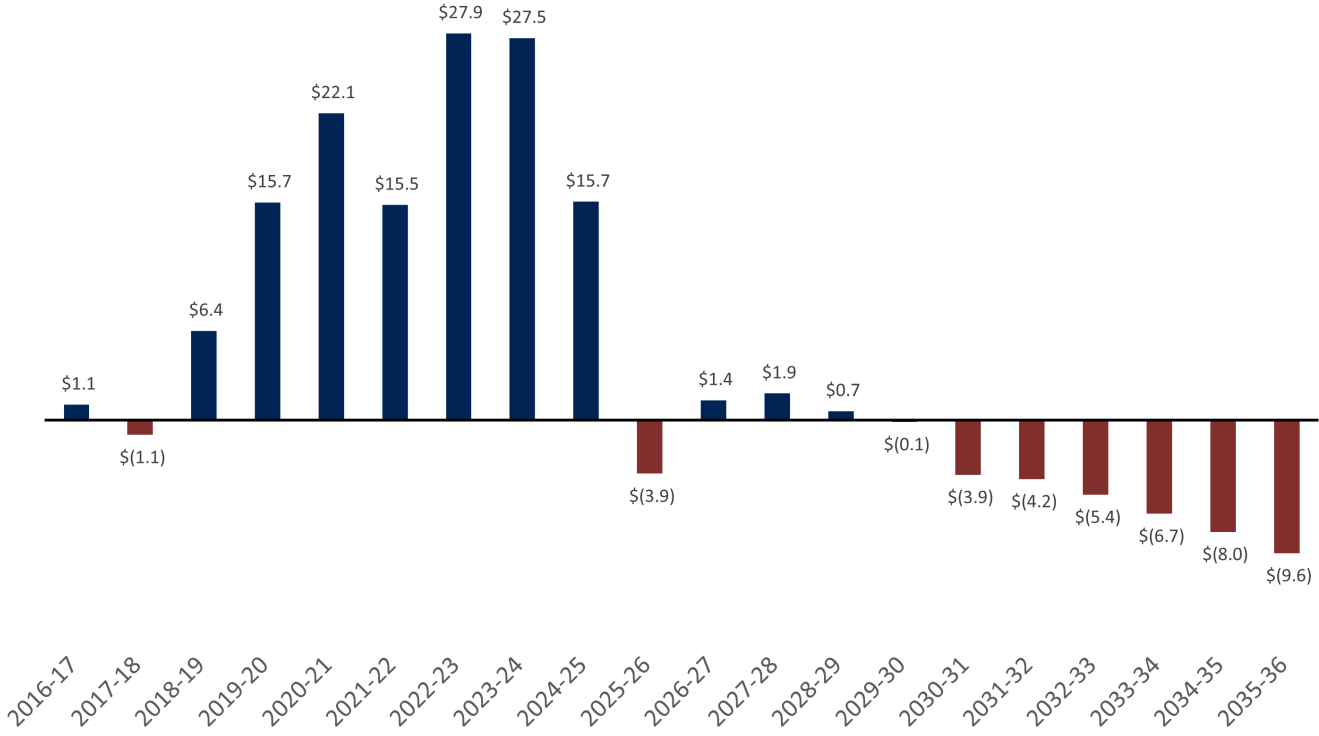
Account	Assumption	Description
Sales Tax	Moderate (2.58% AAGR)	HdL's forecast in FY 2025-26 Moderate trend after
Property Tax	Moderate (2.58% AAGR)	HdL's forecast in FY 2025-26 Moderate trend after
Transient Occupancy Tax	Moderate (0.89% AAGR)	Based on historical trends Moderate trend after

¹Forecasts assume recession (no growth) in FY 2027-28 for all revenue categories except Property Tax

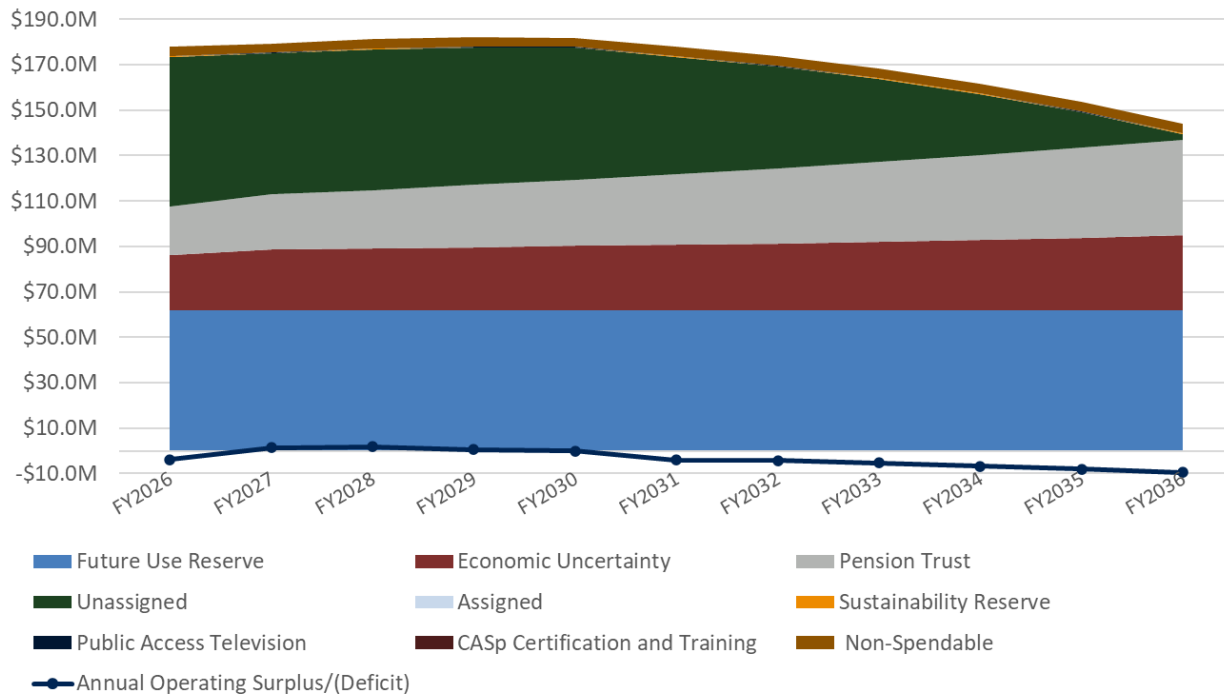
Forecast Expenditure Assumptions

Account	Assumption	Description
Compensation	3.38% AAGR	Negotiated increases (5-3-3) 4% vacancy savings in out-years
Benefits	3.17% AAGR	Based on CalPERS projections Increases to health insurance contributions
Materials	2.37% AAGR	CPI
Contracts	3.67% AAGR	CPI Law enforcement contract = CPI + 2%
Contingencies	0.0% AAGR	1.25% of Materials and Contracts
Transfers	-4.8% AAGR	Facility debt paid off in FY 2029-30

General Fund Annual Operating Surplus/(Deficit)



10-Year General Fund Fund Balance and Reserves



Fund Balance – General Fund

Classification	Year End Projection 2025-26	Proposed 2026-27	Projected 2035-36
Restricted	21,935,307	24,592,503	42,241,682
Committed	86,127,891	88,645,785	94,943,456
Economic Uncertainty Reserve	24,000,000	26,517,894	32,815,565
Reserve for Future Use	62,000,000	62,000,000	62,000,000
Sustainability Reserve	127,891	127,891	127,891
Unassigned	65,879,182	60,734,992	2,728,200
Other Classifications	4,037,435	4,037,435	4,037,435
Total Fund Balance	177,979,815	178,010,715	143,950,773

General Fund Overview



General Fund Revenues

Category	FY 2025-26 Adopted	FY 2026-27 Proposed	\$ Change	% Change
Sales Tax	11,983,958	16,903,174	4,919,216	41.0
Property Tax	35,413,310	35,939,222	525,912	1.5
Transient Occupancy	7,500,000	7,676,155	176,155	2.3
Utility Tax	4,206,907	4,102,431	(104,476)	(2.5)
Franchise Fees	4,394,563	4,475,281	80,718	1.8
Other Taxes	1,736,718	1,763,401	26,683	1.5
Licenses & Permits	4,261,859	6,528,411	2,266,552	53.2
Use of Money & Property	6,538,880	8,476,479	1,937,599	29.6
Intergovernmental	3,569,332	5,231,221	1,661,889	46.6
Charges for Services	15,162,032	15,616,424	454,392	3.0
Fines & Forfeitures	410,760	413,760	3,000	0.7
Miscellaneous	1,668,815	2,219,898	551,083	33.0
Transfers in	15,000	15,000	0	0
Other financing sources	367,000	367,000	0	0
Total Revenues	97,229,134	109,727,857	12,498,723	12.9

General Fund Expenditures

Category	FY 2025-26 Adopted	FY 2026-27 Proposed	\$ Change	% Change
Employee Compensation	24,200,418	26,098,310	1,897,892	7.8
Employee Benefits	10,643,927	11,206,493	562,566	5.3
Total Personnel Costs	34,844,345	37,304,803	2,460,458	7.1
Materials	6,174,481	6,801,762	627,281	10.2
Contract Services	31,499,502	41,772,223	10,272,721	32.6
Cost Allocation	11,993,327	12,168,069	174,742	1.5
Capital Outlays & Special Projects	2,968,433	753,000	(2,215,433)	(74.6)
Contingencies	50,000	50,000	0	0
Transfers Out	10,594,653	9,005,100	(1,589,553)	(15)
Other Financing Uses	1,065,000	1,842,000	777,000	73
Total Expenditures	99,189,741	109,696,957	10,507,216	10.6

All Funds Overview



All Funds Revenues

Category	FY 2025-26 Adopted	FY 2026-27 Proposed	\$ Change	% Change
Sales Tax	11,983,958	16,903,174	4,919,216	41.0
Property Tax	35,413,310	35,939,222	525,912	1.5
Transient Occupancy	7,500,000	7,676,155	176,155	2.3
Utility Tax	4,206,907	4,102,431	(104,476)	(2.5)
Franchise Fees	4,394,563	4,475,281	80,718	1.8
Other Taxes	6,374,421	6,296,327	(78,094)	(1.2)
Licenses & Permits	4,261,859	6,528,411	2,266,552	53.2
Use of Money & Property	7,919,861	9,855,823	1,935,962	24.4
Intergovernmental	8,935,865	10,184,080	1,248,215	14.0
Charges for Services	27,042,351	29,397,537	2,355,186	8.7
Fines & Forfeitures	420,760	416,760	(4,000)	(1.0)
Miscellaneous	1,670,334	2,225,531	555,197	33.2
Transfers in	12,609,653	15,750,100	3,140,447	24.9
Other financing sources	920,531	837,267	(83,264)	(9.0)
Total Revenues	133,654,373	150,588,099	16,933,726	12.7

All Funds Expenditures

Category	FY 2025-26 Adopted	FY 2026-27 Proposed	\$ Change	% Change
Employee Compensation	29,534,061	31,855,227	2,321,166	7.9
Employee Benefits	14,536,113	15,157,616	621,503	4.3
Total Personnel Costs	44,070,174	47,012,843	2,942,669	6.7
Materials	9,244,887	9,498,066	253,179	2.7
Contract Services	37,725,800	47,694,222	9,968,422	26.4
Cost Allocation	16,816,347	17,004,486	188,139	1.1
Capital Outlays & Special Projects	10,658,920	13,085,940	2,427,020	22.8
Contingencies	50,000	50,000	0	0
Debt Service	2,676,600	2,673,600	(3000)	(0.1)
Transfers Out	12,609,653	15,750,100	3,140,447	24.9
Other Financing Uses	2,214,020	2,758,888	544,868	24.6
Total Expenditures	136,066,401	155,528,145	19,461,744	14.3

Proposed Budget Requests



One-Time versus Recurring Costs

- One-time cost – occur only once and are not included in ongoing base costs
- Recurring costs – occur in the budget year in which they are requested and then added to department base budget. Lastly, they are incorporated into the 10-year forecast.

City Work Program

Final FY 2025-2027 City Work Program

#	Project Title	Project Description	Council Goal	Allocated budget (Not including staff costs)	Project Size	Lead Department(s)	Estimated Timeline
New Projects - Added March 2025							
1	Economic Development for Retail and Small Businesses	1.1 Streamline permitting process for small businesses 1.2 Retention and recruitment of retail and small businesses: Explore options to support small businesses/startups, fill empty storefronts, and encourage entry of new forms of retail to promote revitalization • Explore more themed events like restaurant week, and other festivals to bring vitality to Cupertino businesses • Improve placemaking in the city and the city's revenue stream	Quality of Life, Fiscal Strategy	\$200,000	Large	City Manager's Office	Year 1 start
2	Small Business Council/Economic Development	1.3 Create a small business council, provide regulatory support. 1.4 Restore the EDC	Quality of Life, Fiscal Strategy	\$0	Small	City Manager's Office	Year 1
3	Grants Analyst	1.5 Explore a Grants Analyst Position	Fiscal Strategy	\$0	Small	Administrative Services	Year 1
4	Permit Streamlining and Simplification for Small Home Upgrades	Develop a suite of improvements to (1) improve access to, and (2) speed the processing of permits for small home upgrades so as to enhance compliance and improve overall efficiency. Improve turnaround times. Set SLA's for staff and outsourced reviewers, customer service KPI's, templates to reduce back and forth, internal staff expertise to reduce consulting expenses.	Quality of Life	\$250,000	Medium	Community Development	Year 1 start Year 2 end
5	Financial, Investment, and Cashflow Policy Review	Review and assess the City's investment policy and best practices with an analysis of quarterly treasurers report. Establish a cashflow management policy with the goal to reduce the total percentage in cash from 20% to 2% and to reduce the total percentage in cash and cash-equivalent to at most 10%, on par with other cities.	Fiscal Strategy	\$25,000	Small	Administrative Services	Year 1
6	Defensible Impact Fee Nexus Study for Traffic Impact Fee, Retail Impact Fee, BMR Impact Fee, and Parkland Impact Fee	Conduct nexus studies to review a range of impact fees, such as Traffic Impact Fee, Retail Impact Fee, BMR Impact Fee, and Parkland Impact Fee, and other means of offsetting conversion of commercial land uses to residential to ensure the impact fees are defensible against legal challenges.	Fiscal Strategy	\$1 Million	Large	City Attorney's Office	Year 2 Start
7	Water Conservation Policies	Reduce irrigation while increasing pollinator supporting vegetation (turf conversion). Optimize irrigation systems including CUSD use agreement sites.	Environmental Sustainability	\$250,000	Medium	Public Works	Year 1 start Year 2 end
8	Enhance Senior Services	6.1 Due to the high cost of senior centers, many seniors have to "age in place", but do still need services typically provided in senior centers, in addition to common home maintenance. 6.2 Utilizing the survey results conducted in 2022 and 2023 to meet the needs of Cupertino seniors 6.3 Consider consultant services similar to Palo Alto or Saratoga Senior Center to enhance services, while reducing cost to the city. NOTE: Cupertino Age-Friendly could make a presentation on the result of 2023 survey, in collaboration with the city staff. NOTE: Successful Aging Solutions & Community Consulting (SASCC), who runs the Saratoga Senior Center could provide a free gap analysis and feasibility analysis	Quality of Life	\$65,000	Large	Parks & Recreation	Year 1 start Year 2 end

City Work Program

9	City Properties: Planning for Optimal Use	Future planning strategies for Stockmeir house/garages, Blech House, Blue Pheasant. Goal of judicial use of city-owned properties. Investigate potential purchase of CUSD Finch/Phil property. Include the McClellan Barn and the house at the entrance of Blackberry Farm.	Quality of Life	\$200,000	Medium	Public Works	Year 1 start Year 2 end
10	5G Ordinance	Prepare an ordinance that regulates small cellular facilities in the public right of way.	Quality of Life	\$0	Small	Public Works	Year 1
11	Emergency Operations Readiness	Review fire, earthquake tornado, active shooter, Tsunami, hazardous transport accident policies; and ensure EOC is active and functioning with a permanent position not consultant running the program.	Quality of Life	\$40,000	Medium	Parks & Recreation	Year 1 start Beyond for completion.
12	Urban Forest Program	Create an Urban Forest Master Plan that includes an updated and expanded tree list which will increase the number of trees, enhance the City's tree canopy, and promote landscaping throughout the City.	Environmental Sustainability	\$250,000 (\$110,000 is already allocated for the tree list item under the current CWP.)	Medium	Public Works	Year 1 start Year 2 end
13	Add notifications for SB 330 and other projects during the application and approval process	11.1 Consider a community meeting requirement for any major project application, especially those requiring a general plan amendment, as some other cities have adopted. 11.2 Consider increasing notification radius from 300 feet to 500 feet (or even 1000 feet for major projects) for any project application, especially those requiring a general plan amendment. 11.3 Improve notification methods for SB 330 preliminary applications, streamlined projects, not requiring planning/council approval and other projects	Public Engagement and Transparency, Housing	\$10,000	Small	Community Development	Year 1 start
14	Unhoused Policies	Determine best practices for limited budget smaller cities to manage the unhoused. Review RV practices in surrounding cities for impacts and potential adoption. Review transitional housing outcomes in surrounding cities. Policies to include nimble contingency plans.	Quality of Life	\$100,000	Large	Community Development	Year 1 start Year 2 end
15	City Hall Annex Renovation including the EOC	Implement City Hall Annex renovation (including the EOC).	Quality of Life	\$0	Small	Public Works	Year 1
16	City Hall Retrofit	Implement the previously approved 2022 City Hall Retrofit.	Quality of Life	\$0	Small	Public Works	Year 1

City Work Program

Ongoing Projects - Added March 2025							
17	Preserve existing and develop new BMR/ELI Housing	Explore opportunities to preserve existing expiring BMR housing. Develop ELI (Extremely Low Income) and BMR housing units for Developmentally Disabled individuals (IDD) on City-owned property as well as the County-owned sites.	Housing	\$250,000	N/A	Community Development	Year 1 start Year 2 end
18	Residential and Mixed Use Residential Design Standards	Create objective design standards for residential projects, including ensuring adequate buffers from neighborhood low-density residential development	Housing, Quality of Life	\$240,000	N/A	Community Development	Year 1
19	Speed Limit Lowering (AB 43)	Lower speed limits where feasible pursuant to state adopted Assembly Bill 43	Transportation	\$0	N/A	Public Works	Year 1
20	Sign Ordinance	Update Sign Ordinance <i>CANCELED at December 1, 2025 CC Meeting</i>	Quality of Life	\$200,000	N/A	Community Development	Year 1 Start, Year 2 end
21	Active Transportation Plan	This item is a consolidation of existing and new transportation efforts aiming to further goals outlined in the City's Vision Zero Initiative, including: 18.1 Review and update the bike plan 18.2 Review and update the pedestrian plan 18.3 Review current Complete Streets Policy and propose adjustments to create a better interface between all modes of transportation	Transportation	\$330,000	N/A	Public Works	Year 1
22	Bicycle Facilities	Increase the inventory of bicycle facilities and amenities, such as bike racks, citywide.	Transportation	\$50,000	N/A	Public Works	Year 1
23	Art in Public and Private Areas	Revisit Municipal Code Standards for art in public and private development, including the standards in the Municipal Code and developing an Art-in-lieu fee policy.	Quality of Life	\$50,000	N/A	Community Development	Year 1
24	Electrification Study	Conduct public outreach, policy research, and coordinate with regional efforts to develop policy options for electrification of Cupertino's buildings in light of recent legal rulings inhibiting certain electrification efforts.	Environmental Sustainability	\$50,000	N/A	Public Works	Year 1

City Work Program

New Projects - Added December 2025							
#	Project Title	Project Description	Council Goal	Budget (Not including staff costs)	Project Size	Lead Department(s)	Estimated Timeline
25	Memorial Park Study Session	A study session on Memorial Park and the proposed design. Most people I've spoken to love Memorial Park the way it is now where it is mostly naturally space, rather than one jam packed with stuff in the proposed plan. I hope to consider a minimalist option with upgrade of existing features and only include some low impact features. And reduce the cost. Maybe we might refer it to Parks and Rec Commission to consider options.	Quality of Life	\$0	N/A	Public Works	Year 1
26	Preserving Retail in the City	Study session regarding potential ballot measure to protect frontage retail or consider rezoning of mixed-use sites to preserve retail	Quality of Life	\$0	N/A	Community Development	Year 1
27	Protections for Parkland	Consider establishing protections for parkland, similar to those adopted by the cities of Sunnyvale and Milpitas	Environmental Sustainability	\$475,000 already allocated (includes both Parkland Rezoning and Tax Revenue Ballot Measures for 2026 Midterm Election)	N/A	Administrative Services	Year 1
28	Red Light Cameras	Explore Red Light Cameras in Cupertino	Quality of Life	\$0	N/A	Public Works	Year 1
29	Housing Site Inventory	Options for Expanding Housing Element Site Inventory to Address Potential Shortfall in Zoned Capacity	Housing	\$660,000 already allocated for contract with PlaceWorks to address No Net Loss requirements.	N/A	Community Development	Year 1
30	Public outreach and engagement strategy	Establish citywide standards to embed meaningful engagement into every city project	Public Engagement and Transparency	\$25,000 (Requesting as part of adopted budget for FY 2026-2027)	N/A	City Manager's Office	Year 1 Start, Year 2 end

Budget Requests by Fund

Fund	One-Time Request	Ongoing Recurring Request	Total Proposals
General Funds	1,068,000	80,205	1,148,205
Special Revenue Funds	0	0	0
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Enterprise Funds	0	8,404	8,404
Internal Service Funds	1,305,000	0	1,305,000
Total All Funds	2,373,000	88,609	2,461,609

Budget Requests by Department

Department	One-Time Request	Ongoing Recurring Request	Total Proposals
Council & Commissions	32,500	0	32,500
Administration	0	0	0
Law Enforcement	0	0	0
Innovation & Technology	565,000	0	565,000
Administrative Services	0	0	0
Parks & Recreation	15,500	0	15,500
Community Development	117,000	0	117,000
Public Works	1,643,000	88,609	1,731,609
Capital Projects	0	0	0
Total All Departments	2,373,000	88,609	2,461,609

All Other Department Request – City Council

Fund	Department	Request	Frequency	Expense Recurring	Expense One-time
100	City Council	Community Funding	One Time	\$ -	\$ 32,500
City Council Total				\$ -	\$ 32,500

All Other Department Request – I&T

Fund	Department	Request	Frequency	Expense Recurring	Expense One-time
100	I&T	Video - AJA Ki Pro Ultra	One Time	\$ -	\$ 6,500
100	I&T	Video - City Hall Lobby Monitor Replacements	One Time	\$ -	\$ 7,500
100	I&T	Video - Tally system for Ross Carbonite Switcher	One Time	\$ -	\$ 12,000
100	I&T	Video - Panasonic PTZ Cameras and Controller	One Time	\$ -	\$ 115,000
100	I&T	Video - Tiger Technology	One Time	\$ -	\$ 17,000
100	I&T	Applications - Doc Access	One Time	\$ -	\$ 15,000
100	I&T	Applications - Open Counter	One Time	\$ -	\$ 37,000
610	I&T	Infrastructure - Regional vCISO	One Time	\$ -	\$ 45,000
610	I&T	Infrastructure - MFPs	One Time	\$ -	\$ 150,000
610	I&T	Infrastructure - Network Access Control and Wi-Fi refresh	One Time	\$ -	\$ 150,000
610	I&T	GIS - Ichi Plan	One Time	\$ -	\$ 10,000
I&T Total				\$ -	\$ 565,000

All Other Department Request – Community Development¹

Fund	Department	Request	Frequency	Expense Recurring	Expense One-time
100	CDD	Planning - On Call Contract for Design Review	One Time	\$ -	\$ 35,000
100	CDD	Planning - On Call Contract for Environmental Review	One Time	\$ -	\$ 82,000
CDD Total				\$ -	\$ 117,000

All Other Department Request – Parks and Recreation

Fund	Department	Request	Frequency	Expense Recurring	Expense One-time
100	P&R	QCC Round Table Replacement	One Time	\$ -	\$ 15,500

All Other Department Request – Public Works¹

Fund	Department	Request	Frequency	Expense Recurring	Expense One-time
100	PW	Sustainability Intern - 81-122 and 520-81-801	Recurring	\$ 25,205	\$ -
100	PW	Grounds Memorial Park Asphalt Repairs - 84-809	One Time	\$ -	\$ 36,000
100	PW	Trees/ROW Median Sleave - 86-824	One Time	\$ -	\$ 95,000
100	PW	Facilities - Library VAV HVAC Upgrade - 87-828	One Time	\$ -	\$ 130,000
100	PW	Facilities - QCC - Control Valves & Circuit Setters - 87-830	One Time	\$ -	\$ 52,000
100	PW	Facilities - Wilson Park - Dry Rot and New Roof - 87-834	One Time	\$ -	\$ 80,000
100	PW	Facilities - BBF Painting - 87-841	One Time	\$ -	\$ 60,000
100	PW	Transportation - DeAnza Traffic Signal Sync 88-844	One Time	\$ -	\$ 110,000
100	PW	Transportation - SCB Traffic Signal Sync - 88-844	One Time	\$ -	\$ 115,000
100	PW	Transportation - Traffic Signal Video Detection Upgrade - 88-844	Recurring	\$ 50,000	\$ -
100	PW	Transportation Bike Ped Education - 88-846	One Time	\$ -	\$ 15,000
100	PW	Transportation - eBike education 88-846	Recurring	\$ 5,000	\$ -
520	PW	Sustainability Intern - 81-122 and 520-81-801	Recurring	\$ 8,404	\$ -
630	PW	Fleet - Replace Fuel Dispensers - 85-849	One Time	\$ -	\$ 60,000
630	PW	Fleet - Vehicle and Equipment Replacement List - 90-985	One Time	\$ -	\$ 890,000
PW Total				\$ 88,609	\$ 1,643,000

Festival Costs

Festival	Date	Festival Producer	Waived Fees 26-27			City Paid Expenses 26-27		Total Costs 26-27	Waived Fees FY 25-26			City Paid Actuals FY 25-26	
			Recreation	Facility/Park/Road Permits	Public Works	Sheriff	Materials		Recreation	Facility/Park/Road Permits	Public Works	Sheriff	Materials
Kids N Fun Festival	Saturday, August 22, 2026	Taiwanese Cultural & Sports Associaton	\$2,152	\$4,843	\$3,885	\$5,844	\$0	\$16,723	\$1,861	\$5,177	\$3,447	\$4,438	\$0
Bobateeno	Sunday, August 30, 2026	Amazing Taiwan	\$99	\$1,000	\$42	\$0	\$0	\$1,141	\$0	\$0	\$0	\$0	\$0
Day N Night Fun Fest	Saturday, September 12, 2026	Cupertino Rotary	\$3,287	\$7,760	\$5,111	\$6,247	\$0	\$22,404	\$2,977	\$7,760	\$4,495	\$5,146	\$0
Bhubaneswar Sister City City Initiative (CBSCI)	Sunday, September 27, 2026	Cupertino Bhubaneswar Sister City	\$2,337	\$6,635	\$4,473	\$5,642	\$0	\$19,087	\$2,543	\$5,690	\$3,967	\$0	\$0
Diwali Festival	Saturday, October 17, 2026	Cupertino Chamber of Commerce	\$2,624	\$5,123	\$4,256	\$6,650	\$0	\$18,652	\$2,419	\$5,123	\$3,404	\$0	\$0
Kung Fu Festival	Saturday, October 31, 2026	NCCCAF	\$197	\$1,000	\$0	\$0	\$0	\$1,197	\$0	\$0	\$0	\$0	\$0
Veterans Day	November 11, 2026	Veteren's Memorial	\$1,336	\$0	\$0	\$0	\$2,918	\$4,253	\$1,312	\$0	\$0	\$0	\$1,050
Ikebana	March 8 to 14, 2027	WAFU Ikebana Society	\$3,031	\$25,427	\$17	\$0	\$0	\$28,475	\$3,031	\$25,427	\$17	\$0	\$0
Holi	March 21, 2027	Cupertino Chamber of Commerce	\$1,503	\$2,000	\$3,808	\$4,433	\$0	\$11,744	\$1,476	\$2,000	\$2,605	\$3,577	\$0
Cherry Blossom	Sat.-Sun., April 24-25, 2027	Toyokawa Sister City	\$6,508	\$20,560	\$11,927	\$15,314	\$0	\$54,309	\$6,693	\$20,956	\$11,633	\$11,780	\$0
AAPA	May 22, 2027	AAPA	\$177.30	\$1,000	\$39.20	\$0	\$0	\$1,216.50	\$0	\$0	\$0	\$0	\$0
Dilli Haat	September 12 or 19, 2027	Empower Uplift Inc.	\$2,292	\$3,288	\$3,420	\$7,254	\$0	\$16,254	\$2,406	\$3,288	\$3,505	\$13,230	\$0
Costs for FY 26/27 Events			\$25,542	\$78,634	\$36,978	\$51,383	\$2,918	\$195,454	\$24,718	\$75,421	\$33,073	\$38,171	\$1,050
			TOTAL Waived Fees	\$141,154.03		TOTAL City Paid	\$54,300.00	TOTAL Festival Costs	\$195,454	TOTAL Waived Fees FY 25/26	\$133,212	TOTAL City Paid Actuals FY 25/26	\$39,221

These are the budgeted amounts for FY 25/26. Invoices are in process or event has yet to occur

This table was updated to include year-to-date actuals

Community Funding

Non-Profit Organization	FY 2025-26 Funding	FY 2025-26 Program/Project/Event	FY 2026-27 Funding	FY 2026-27 Program/Project/Event
Active Circle	2,000	All Inclusive Family Picnic	2,000	Neuro-Inclusive Picnic with Purpose
AINAK	4,000	Eyecare and Eyeglasses	1,550	Eyecare and Eyeglasses
Asian American Parents Association	3,000	AAPI Multicultural Festival		
Colorful Minds	0		1,500	Colorful Minds
Cupertino Symphonic Band	3,000	Band Equipment	2,000	Music, Bank equipment, Rental Venue
ElderAid	5,000	Background Verification Integration and Support	0	
Fremont Union High Schools Foundation	0		8,500	Environmental Education Classroom for the Fremont Union High Schools District
Friends of Deer Hollow Farm	2,000	The Tule House Shelter	0	
iTalented	900	iSpark	0	
Mind4Youth			2,500	HeartCare
No Time to Waste	5,000	5/1000:Feed the Need	4,000	GRoW: Grocery Rescue Weekly
Remember the ToothFairy	1,000	Dental Treatment Program	2,000	Dental Education Outreach Program
Rotary Club of Cupertino	1,600	Thanksgiving Meal Sharing Program	3,000	Pollinator Garden and McClellan Ranch Park
Special Olympics Northern California	5,000	2025 Cupertino Bowling Team Program	0	
Teens Talk	0		450	Cuper-Teens Got Laughs!
Via Rehabilitation Services	1,000	STEAM & Outdoor Education	0	
West Valley Community Services	2,000	Gift of Gope 2025	5,000	Gifts of Hope 2026
Total	35,500		32,500	

Community Funding

Applicant	Commission Ranking	Amount Request by Applicant	Current Recommended Award Amount	Recommended if Extra Funding Available
West Valley Community Services	1	\$5,000	\$5,000	0
Fremont Union High Schools Foundation	2	\$15,000	\$8,500	\$6,500
No Time to Waste	3	\$5,000	\$4,000	\$1,000
Teens Talk	4	\$450	\$450	0
Colorful Minds	5	\$1,500	\$1,500	0
Remember the ToothFairy	6	\$2,000	\$2,000	0
Cupertino Symphonic Band	7	\$4,870	\$2,000	\$2,870
Mind4Youth	8	\$2,500	\$2,500	0
Active Circle	9	\$2,000	\$2,000	0
AINAK	10	\$6,500	\$1,550	\$4,950
Rotary Club of Cupertino	11	\$4,000	\$3,000	\$1,000
Cupertino Host Lions Club	12	\$5,000	0	\$5,000
Bay Area Cats	13	\$19,050	0	\$19,050
Tessellations School	14	\$20,000	0	\$20,000
American Legion Post 642 Cupertino	15	\$20,000	0	\$20,000
Institute for the Study of Western Civilization	16	\$5,000	0	\$5,000
SunflowerMagic	17	\$1,000	0	\$1,000
TOTAL		\$118,870	\$32,500	\$86,370

Staffing

- No new full-time positions are requested in FY 2027

Capital Improvement Program (CIP)



FY 2026-27 Proposed CIP Projects

Project	Program	External Funding	City Funding	Total Proposed Budget
Citywide Building Conditions FCA Implementation (annually funded)	420-99-063		1,250,000	1,250,000
City Hall Annex	420-99-248	-	5,000,000	5,000,000
BBG Golf Course Pro Shop Renovation	420-99-277	-	120,000	120,000
Sports Center Courts Resurfacing	420-99-278	-	210,000	210,000
SCB/SR 85 NB Ramp Intersection Improvements	420-99-279	600,000	-	600,000
Memorial Park Pickleball Sound Attenuation	420-99-280		150,000	150,000
Blesch Property Improvements	420-99-281	TBD	TBD	TBD
CIP Preliminary Planning & Design	420-99-047		125,000	125,000
Capital Project Support	420-99-048		50,000	50,000
TOTAL		\$ 600,000	\$ 6,905,000	\$ 7,505,000

Issues and Challenges



Issues and Challenges

- Structural deficit - Expenditures outpacing revenues
- Sheriff's Contract - Unknown growth



Next Steps



Next Steps¹

Proposed
Budget Study
Session



May 11, 2026

June 16, 2026



Final Budget
Hearing
and
Adoption

1st Quarter
Financial
Report



Nov 2026

¹Additional meetings to be added if needed

Questions?



CUPERTINO