

This Financial Report is interactive. Click on a chart to learn more.

The amended budget at the end of third quarter is \$238.2 million, funded with \$183.3 million in revenue and \$55.0 million in fund balance, of which \$24.1 million is from CIP related projects. The amended budget is the adopted budget, plus encumbrances, carryovers, and Council-approved budget adjustments. The reflection of carryovers and encumbrances in the amended budget is a standard practice in municipal budgeting. Carryovers and encumbrances are appropriations approved in prior years but have not yet been spent and are still required for ongoing projects or obligations.

The chart illustrates the budget breakdown for the City of San Jose across different fiscal years and budget versions. The Y-axis represents the amount in Dollars, ranging from 0.0 to 200.0M. The X-axis shows the Fiscal Year and the specific budget version (Adopted Budget, Amended Budget Q2, Amended Budget Q3, Amended Budget Q4).

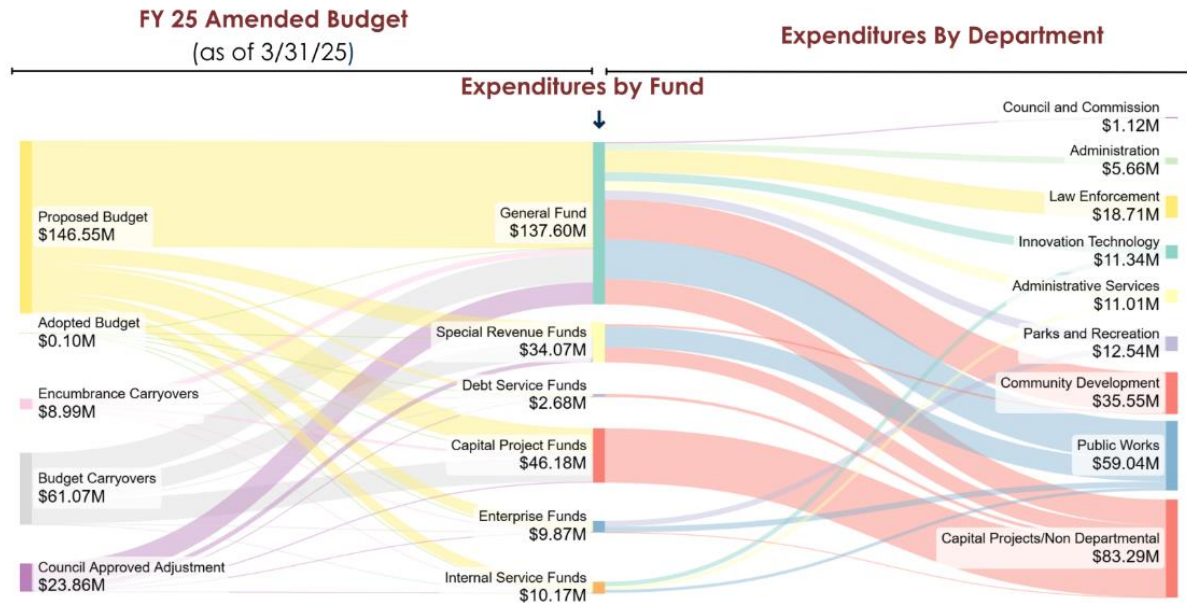
The budget is broken down into the following categories (from top to bottom in the stack):

- Public Works
- Capital Projects
- Community Development
- Non Departmental
- Law Enforcement
- Parks and Recreation
- Administrative Services
- Innovation & Technology
- Administration
- Council and Commissions
- Community Development

Key observations from the chart:

- The total budget for 2023-24 (Adopted Budget) is approximately \$120M.
- The total budget for 2023-24 (Amended Budget Q2) is approximately \$205M.
- The total budget for 2023-24 (Amended Budget Q3) is approximately \$205M.
- The total budget for 2023-24 (Amended Budget Q4) is approximately \$140M.
- The total budget for 2024-25 (Amended Budget Q1) is approximately \$215M.
- The total budget for 2024-25 (Amended Budget Q3) is approximately \$225M.

Flow of Funds Chart (in Millions)

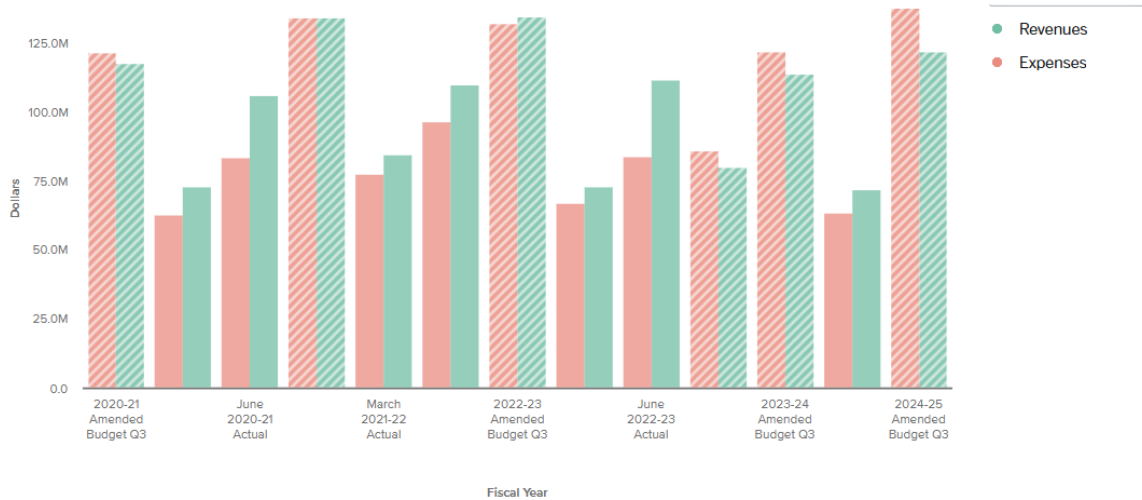


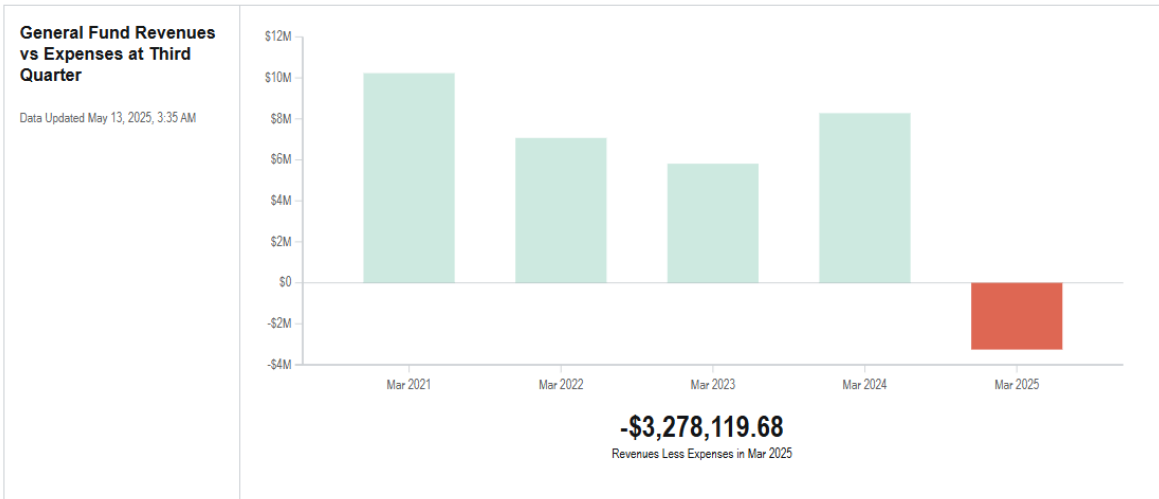
General Fund Revenues, Expenditures, and Fund Balance

The chart below shows amended budget, third quarter, and year-end revenues and expenditures.

The General Fund's historical financial data indicates that amended expenditures have often exceeded amended revenues, leading to a decrease in fund balance. However, when we look at actual revenues and expenditures, we have historically seen an increase in fund balance.

By continuing to monitor and manage its financial resources effectively, the City can ensure that it maintains a healthy fund balance in the General Fund.





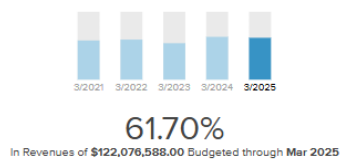
General Fund Revenue and Expenditure Trends

As of March 31, 2025, General Fund revenues are \$122.1 million, which represents 61% of the budgeted revenue. This revenue level is higher than the range of revenues at the Third Quarter point of the prior three years, which were between 59% and 63% of the budgeted revenues.

General Fund expenditures are \$137.6 million, which accounts for 57% of the total budgeted appropriations. This spending level is higher than the range of expenditures at the Third Quarter point of the prior three years, which were between 52% and 73% of the budgeted expenditures.

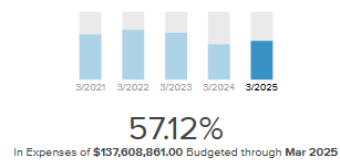
General Fund Revenues - Third Quarter Budget vs Actuals

Data Updated May 13, 2025, 3:35 AM



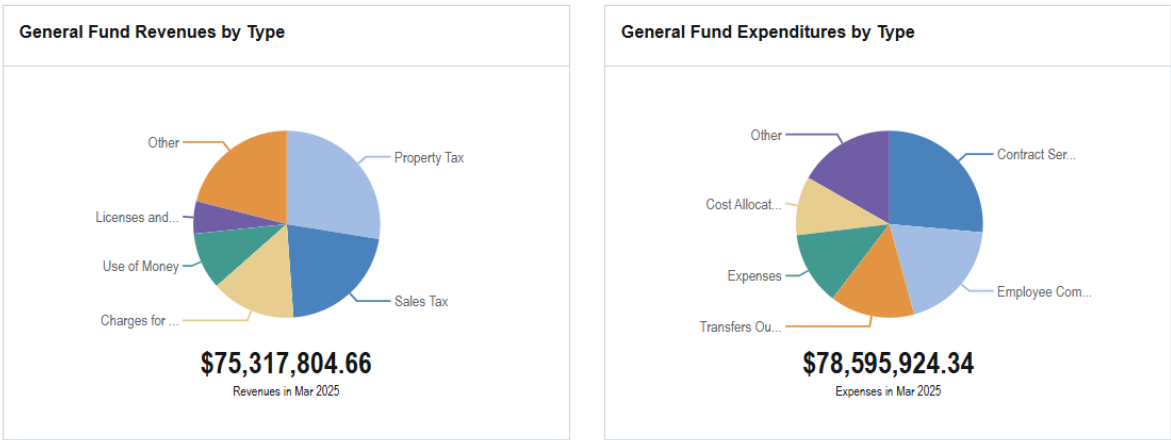
General Fund Expenditures - Third Quarter Budget vs Actuals

Data Updated May 13, 2025, 3:35 AM



As of third quarter, revenue was \$3.3 million, or 5% higher than last year, primarily attributed to changes in the City's revenue sources, while expenditures were \$14.9 million, or 23% higher than last year, primarily due to employee benefits, increases in transfers and salaries and benefits.

As of third quarter, revenue was \$3.3 million, or 5% higher than last year, primarily attributed to changes in the City's revenue sources, while expenditures were \$14.9 million, or 23% higher than last year, primarily due to employee benefits, increases in transfers and salaries and benefits.



General Fund Classification of Fund Balance

The General Fund ended FY 2023-24 with total fund balance of \$166.1 million. Staff anticipates the General Fund will end FY 2024-25 with \$150.8 million in fund balance, a decrease of \$15.3 million from the prior year due to FY 2023-24 ending with revenues higher than expenditures.

As of third quarter, staff anticipates the General Fund will end FY 2023-24 with \$150.6 million in fund balance. It's important to note that the only portion available for use, according to City policy, is unassigned funds. Committed funds, such as the Sales Tax Repayment Reserve, are set aside for specific purposes determined by City Council resolution. Restricted funds, such as the Section 115 Pension Trust, are allocated for specific purposes stipulated by external resource providers. Assigned funds are reserved for encumbrances. Of the total fund balance, \$26.4 million is unassigned and available to be used.

Classification	Actual 2022-23	Actual 2023-24	Adopted Budget 2024-25	1st Quarter Projection 2024-25	Mid-Year Year End Projection 2024-25	3rd Quarter Year End Projection 2024-25
Non Spendable	\$ 0.9	\$ 3.4	\$ 0.4	\$ 4.7	\$ 3.4	\$ 3.4
Restricted	20.7	23.3	20.7	20.7	20.7	22.1
Committed	34.1	108.6	99.0	31.1	98.6	98.6
Assigned	9.7	4.7	7.0	7.0	4.7	-
Unassigned	73.1	26.0	23.6	106.2	25.3	26.4
TOTAL FUND BALANCE	\$ 138.6	\$ 166.1	\$ 150.8	\$ 169.8	\$ 152.8	\$ 150.6

Recommended Adjustments

As of the third quarter, some departments are requesting budget adjustments to ensure that they stay within their budget appropriations by year-end. In addition, staff is also recommending defunding some projects and adjusting sales tax to align the budget with year-end actuals. The recommended adjustments are summarized below.

Fund	Department	Revenue	Expenditure	Change in Fund Balance	Proposal
GENERAL FUND					
100 General Fund	Non-Departmental	4,451,038	-	4,451,038	Sales Tax Projection Increase
100 General Fund	Community Development	158,000	158,000	-	Bank Charges
100 General Fund	Community Development	-	87,000	(87,000)	Building On-Call Contract for Inspections
100 General Fund	Community Development	-	33,000	(33,000)	Code Enforcement - Citation Processing Center Fees
100 General Fund	Parks & Recreation	-	26,000	(26,000)	Bank Charges
100 General Fund	Parks & Recreation	301,543	-	301,543	Increased Revenue from Rentals and Programs
100 General Fund	Parks & Recreation	-	15,487	(15,487)	Part-Time Staffing
100 General Fund	Public Works	-	50,000	(50,000)	Material Bunker Wall Replacement
100 General Fund	Public Works	-	9,200	(9,200)	Portal Park Emergency Tree Removal
100 General Fund	Public Works	-	9,828	(9,828)	Civic Center Tree Grates Replacement
100 General Fund	Public Works	-	9,194	(9,194)	McClellan Ranch Park Entrance Sign Replacement
100 General Fund	Public Works	-	(336,894)	336,894	Defund - Various Projects
TOTAL GENERAL FUND		4,910,581	60,815	4,849,766	
SPECIAL REVENUE FUNDS					
210 Storm Drain Improvement	Public Works	-	(54,239)	54,239	Defund - Pumpkin/Fiesta Storm Drain Project
TOTAL SPECIAL REVENUE FUNDS		-	(54,239)	54,239	
CAPITAL FUNDS					
420 Capital Improvement Fund	Public Works	-	(498,355)	498,355	Defund - Various Projects
429 Capital Reserve	Public Works	290,354	290,354	-	Transfers in and outs for the defund of various projects
TOTAL CAPITAL FUND		290,354	(208,001)	498,355	
ENTERPRISE FUNDS					
520 Resource Recovery	Public Works	-	(20,000)	20,000	Defund - CAP Dashboard Pilot
560 Blackberry Farm	Parks & Recreation	5,500	15,000	(9,500)	Bank Charges
580 Recreation Program	Parks & Recreation	205,000	49,000	156,000	Bank Charges
TOTAL ENTERPRISE FUNDS		210,500	44,000	166,500	
TOTAL ALL FUNDS		\$5,411,435	\$ (157,425)	\$ 5,568,860	

Summary

The Third Quarter Financial Report shows the City is positioned as anticipated. City staff recommends adjustments of \$5,411,435 in revenues and a net decrease of \$(157,425) in appropriations. The City will continue to monitor its revenue and expenditure trends closely to ensure it remains on track toward achieving its budgetary goals and objectives.

City of Cupertino, California

Cupertino City Hall
10300 Torre Avenue
Cupertino, CA 95014-3202

[View the City Council Meeting Agendas](#)

[View the City's Budgets](#)

[View the City's Financial Transparency Portal](#)