



**City of
Santa Clara**
The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

December 2025

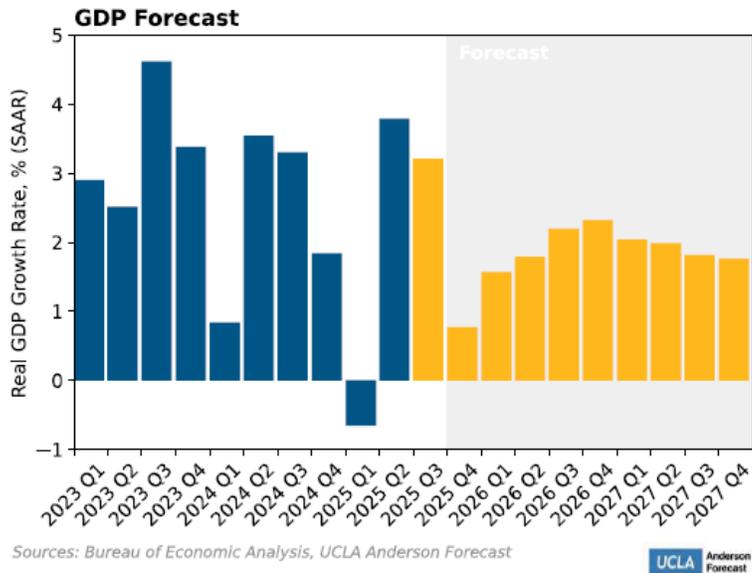
This report summarizes the City’s financial performance for the month ended December 31, 2025. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, Internal Service Funds, and Capital Improvement Funds. Financial information included in this report is unaudited.

Economic Outlook

The December 2025 UCLA Anderson Forecast continues to point to elevated uncertainty regarding the economic trajectory. “Not only does economic policy continue to fluctuate, as evidenced by shifting tariff schedules, but the longest government shutdown in history means that we have been partially blind to how the economy has been unfolding over the Fall. This lack of real-time data introduces a significant risk factor into current forecasting as we are operating with limited information. These include trade uncertainty, concerns about the credibility of our central bank and government statistical agencies, the continued feasibility of the AI boom, and the potential impacts of domestic political strife. Moreover, this presence of such strong, opposing economic forces (massive AI investment and its related wealth effects on one side, and tariff and deportation-induced uncertainty and cost pressures on the other), implies a greater scope for the forecast to miss in either direction.”¹

While the data on the third quarter 2025 Gross Domestic Product (GDP) was not available when the December forecast was produced, the UCLA Forecast assumes robust growth of 3.2% in third quarter of 2025 due to growth in consumption expenditures and continued investment in AI infrastructure. However, the Forecast describes how the strength in these areas masks underlying weakness across the economy. “Poorer households and small businesses are struggling with higher costs of goods due to factors like tariffs as they face a volatile and uncertain economic environment. This uncertainty, stemming partly from tariff and immigration policies, hinders small firms’ ability to accurately make future spending commitments, limiting their hiring and investment decisions. Outside of AI-related investments, capital expenditures are on net contracting.”² Lower GDP growth is expected in the final quarter of 2025 due to a strain on consumption and business investment outside AI, the price impact from tariffs, and the

**Quarterly Real GDP Growth Forecast
(Seasonally Adjusted Annual Rates)**

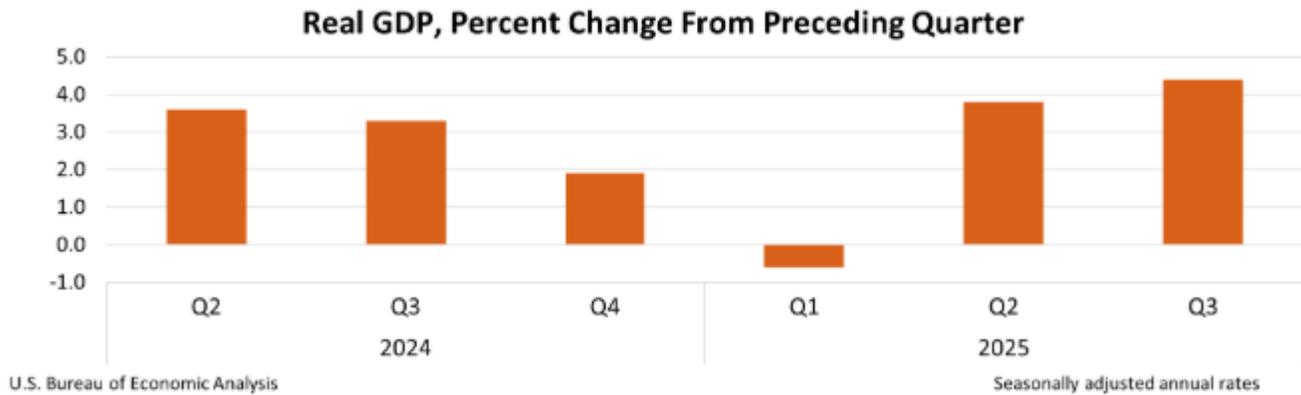


¹ UCLA Anderson Forecast for the Nation, Winter 2025 Report: In the Crosswinds of AI and Tariffs

² UCLA Anderson Forecast for the Nation, Winter 2025 Report: In the Crosswinds of AI and Tariffs

impact of the government shutdown. GDP growth is forecasted to improve in 2026 with continued investment in AI infrastructure spurred on by government fiscal stimulus.

In the third quarter 2025 updated estimate, the Gross Domestic Product (GDP) increased at an annual rate of 4.4%, following a GDP increase of 3.8% in the second quarter. The increase in real GDP primarily reflected increases in consumer spending, exports, government spending, and investments. Imports, which are a subtraction in the calculation of GDP, decreased in the third quarter.³



On a national level, the unemployment rate of 4.3% changed little between December 2025 and January 2026. In January, the number of unemployed persons totaled 7.4 million, a slight decrease of approximately 141,000 from December.⁴

Chart 1. Unemployment rate, seasonally adjusted, January 2024 – January 2026

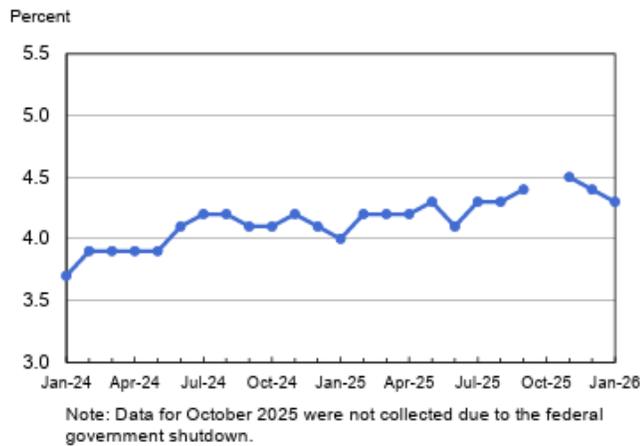
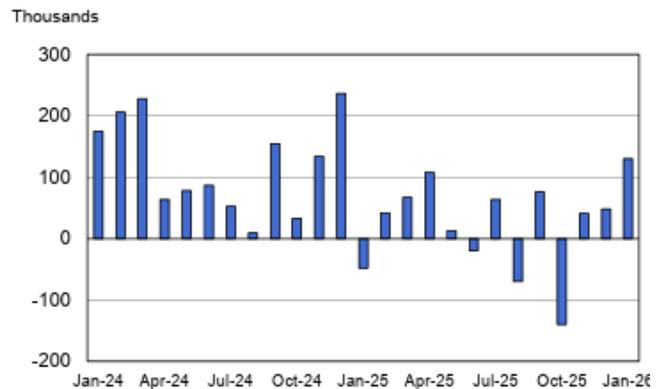


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, January 2024 – January 2026



³ <https://www.bea.gov/news/2026/gross-domestic-product-3rd-quarter-2025-updated-estimate-gdp-industry-and-corporate>

⁴ <https://www.bls.gov/news.release/pdf/empst.pdf>

At the state level, the California unemployment rate changed little from 5.6% to 5.5% between November and December 2025. This rate is unchanged from the 5.5% rate in December 2024. Over the past year, California employers have lost 11,200 nonfarm jobs.⁵

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 4.0% in December 2025, down slightly from a revised 4.3% in November 2025, and unchanged from the December 2024 level of 4.0%. Between December 2024 and December 2025, employment in this region decreased by 1,700 jobs, or 0.1%. The largest decreases were in professional and business services (down 8,600 jobs) and manufacturing (down 3,500 jobs). Notable employment increases were in private education and health services (up 7,100 jobs) and leisure and hospitality (up 1,900 jobs).⁶

General Fund

The General Fund is the major operating fund for the City and includes multiple programs, services, and activities for the residents and businesses of the City. The adopted budget for operating revenues and expenditures for fiscal year 2025/26 was \$353.0 million. The amended budget for revenues and expenditures was adjusted to \$383.7 million to reflect carryover encumbrances from fiscal year 2024/25 and various budget amendments approved by the City Council through December 2025.

General Fund revenues are tracking to exceed the budget and expenditures are tracking within estimated levels.

⁵ https://edd.ca.gov/en/about_edd/news_releases_and_announcements/unemployment-december-2025/

⁶ [https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos\\$pds.pdf](https://labormarketinfo.edd.ca.gov/file/lfmonth/sjos$pds.pdf)

Financial Status Report as of December 31, 2025

General Fund Revenues

As of December 31, 2025, \$134.7 million, or 40%, of General Fund revenue (excluding transfers) was received. Collections are tracking below par through December due to the timing of payments. In some cases, such as property tax, most payments are scheduled to occur later in the fiscal year. Transfers and use of reserves of \$46.9 million have occurred as budgeted.

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

Function	FISCAL YEAR 2025/26				PY REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Received	Actual Through 12/31/2024	Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 65,850,000	\$ 65,850,000	\$ 24,934,153	37.87%	\$ 24,119,462	\$ 814,691	3.38%
Property Tax	101,181,000	101,181,000	29,782,659	29.44%	28,517,469	1,265,190	4.44%
Transient Occupancy Tax	27,500,000	27,500,000	11,757,364	42.75%	7,710,140	4,047,224	52.49%
Other Taxes	7,200,000	7,200,000	1,775,246	24.66%	1,996,086	(220,840)	-11.06%
Total Taxes	201,731,000	201,731,000	68,249,422	33.83%	62,343,157	5,906,265	9.47%
LICENSES & PERMITS							
Business Licenses	6,200,000	6,200,000	3,344,754	53.95%	3,461,966	(117,212)	-3.39%
Building Permits	-	-	845,813	N/A	667,387	178,426	26.74%
Fire Operation Permits	1,998,000	1,998,000	1,450,001	72.57%	1,090,586	359,415	32.96%
Miscellaneous Permits	26,000	26,000	254	0.98%	244,550	(244,296)	-99.90%
Total Licenses & Permits	8,224,000	8,224,000	5,640,822	68.59%	5,464,489	176,333	3.23%
FINES & PENALTIES	1,557,000	1,557,000	1,644,702	105.63%	747,597	897,105	120.00%
INTERGOVERNMENTAL	580,000	1,028,764	563,606	54.78%	781,331	(217,725)	-27.87%
CHARGES FOR SERVICES	35,626,474	35,726,474	19,115,411	53.50%	17,137,464	1,977,947	11.54%
SILICON VALLEY POWER TRANSFER	37,275,000	37,275,000	18,637,506	50.00%	17,732,550	904,956	5.10%
USE OF MONEY & PROPERTY							
Interest	6,247,000	6,247,000	3,876,784	62.06%	1,669,078	2,207,706	132.27%
Rent	13,107,611	13,536,011	7,108,546	52.52%	6,264,642	843,904	13.47%
Total Use of Money & Property	19,354,611	19,783,011	10,985,330	55.53%	7,933,720	3,051,610	38.46%
MISCELLANEOUS REVENUES	380,000	398,700	107,326	26.92%	323,813	(216,487)	-66.86%
OTHER FINANCING SOURCES							
Operating Transfer In - Storm Drain	1,454,000	1,454,000	1,454,000	100.00%	1,454,000	-	0.00%
Operating Transfer In - Reserves	9,556,671	16,973,212	16,973,212	100.00%	13,906,439	3,066,773	22.05%
Operating Transfer In - Fund Balances ⁽¹⁾	5,816,858	28,044,857	28,044,857	100.00%	6,162,369	21,882,488	355.10%
Operating Transfer In - Miscellaneous	405,265	401,746	401,746	100.00%	2,201,534	(1,799,788)	-81.75%
Total Other Financing Sources	17,232,794	46,873,815	46,873,815	100.00%	23,724,342	23,149,473	97.58%
STADIUM OPERATION							
Charges for Services	24,423,380	24,497,380	8,442,446	34.46%	5,813,945	2,628,501	45.21%
Rent and Licensing	6,640,308	6,640,308	1,260,068	18.98%	170,489	1,089,579	639.09%
Total Stadium Operation	31,063,688	31,137,688	9,702,514	31.16%	5,984,434	3,718,080	62.13%
TOTAL GENERAL FUND	\$ 353,024,567	\$ 383,735,452	\$ 181,520,453	47.30%	\$ 142,172,897	\$ 39,347,556	27.68%

(1) The Operating Transfer In - Fund Balances includes the carryover encumbrances of open purchase orders as of June 30, 2024 and mid year budget amendment from reserves.

General Fund Revenues

Sales Tax: The City of Santa Clara sales tax rate is 9.125%, of which the City receives 1.0%. As of December 31, 2025, \$24.9 million has been recorded, which is 3.4% lower than prior year collection levels. Given the timing of payments, the sales tax receipts through December account for actual activity in the first quarter of FY 2025/26 (July through September 2025) totaling \$18.4 million and an advance payment for October 2025 totaling \$6.2 million. In addition, \$0.3 million has been received for the Proposition 172 Public Safety Sales Tax, which is consistent with the prior fiscal year.

In the first quarter of FY 2025/26 (July – September activity) receipts totaled \$18.4 million. This collection level was 3.9% below the prior year receipts of \$19.2 million for the first quarter of FY 2024/25. This decrease was the result of a 16.0% decrease in the Business-to-Business category. This decline was partially offset by growth in the remaining categories: construction (up 6.7%), food products (up 7.2%), general retail (up 6.2%) and transportation (up 6.5%) categories. The County pool receipts in the first quarter of FY 2025/26 were also up 12.0% over the first quarter of FY 2024/25 based on the City's strong sales tax performance; these collection represent approximately 20% of the City's sales tax receipts.

While collections are down from the prior year, receipts continue to track well above historical levels. Sales tax receipts are expected to exceed the budgeted estimate of \$65.9 million given the extremely strong performance in FY 2024/25. Collections may exceed the budget by approximately \$10 million based on preliminary estimates with the limited data available and projections from the City's sales tax consultant.

Property Tax: Property tax receipts totaling \$29.8 million were received in December 2025. The majority of property tax revenue is collected in the second half of the fiscal year. Based on information from the County of Santa Clara, property tax receipts are projected to end the year at \$103.6 million, slightly above the Adopted Budget estimate of \$101.2 million.

Transient Occupancy Tax (TOT): TOT is calculated as a percentage of City hotel/motel room charges. The City's TOT rate is 13.5%. Through December 31, 2025, \$11.8 million has been collected, which reflects a 52.5% increase when compared to the collection level in the prior year. Beginning July 2025, all hotels submit TOT payments monthly rather than a combination of monthly and quarterly payments, which will impact the collection pattern during this fiscal year. For instance, while not yet reflected in the collection figures, TOT receipts were up 17% through January 2026, which remains very strong growth but below the 52.5% increase through December. Based on the higher prior year collection level, current year receipts, and the expected impact from the Super Bowl and FIFA World Cup events, TOT revenue is projected to exceed the budgeted estimate by year-end by \$3 million - \$5 million.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$1.8 million through December, which is slightly below last fiscal year's collection levels of \$2.0 million due to the timing of payments. Receipts reflect franchise tax (\$1.1 million) and documentary transfer tax (\$0.7 million).

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. This category also includes a portion of building permits that are allocated for advanced planning. Licenses and permits revenue collections are tracking above par with receipts totaling \$5.6 million, or 68.6% of the \$8.2 million budget. This collection level is slightly higher than prior year collection levels. Business licenses receipts represent the majority of the collections to date at \$3.3 million. Collections in this category are tracking slightly below the prior year level of \$3.5 million.

Fines & Penalties: Includes collection charges (late fees), vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category through December was \$1.64 million, which is above the budget of \$1.56 million and the prior year level collections of \$0.7 million. The majority of the receipts are comprised of collection charges. The variance from the prior year is primarily due to higher collection charges.

Intergovernmental: Includes motor vehicle fees, state homeowner property tax relief, state mandated reimbursement and redistribution of land sale proceeds and ground leases from the Successor Agency. Through December 31, 2025, \$0.6 million has been collected in this category, which is 28% lower than prior year levels. Collections were higher last year due to wildland reimbursements. Motor vehicle fees total \$0.2 million, slightly exceeding the budget, while miscellaneous other agency revenues total \$0.3 million, which primarily reflects the SB 90 reimbursements from the State for state-mandated programs delivered by the Police Department. These funds were appropriated to the Police Department as part of the July/August Monthly Financial Report actions that were approved by the City Council on October 21, 2025.

Charges for Services: Includes various plan check and zoning-related fees, engineering fees, administrative fees, and community service revenue from various recreational activities. Through December, collections totaled approximately \$19.1 million or 53.5% of the budget. This reflects an 11.5% increase compared to last year's collections, primarily due to higher receipts in miscellaneous charges for services, engineering fees, and planning and zoning fees.

Silicon Valley Power Transfer: In accordance with the City's charter, Silicon Valley Power (SVP) pays 5.0% of gross revenues to the General Fund. Transfers throughout the year are based on the budgeted estimate and will be trued up at the end of the fiscal year based on actual performance. Based on the prior year collections and activity levels in SVP, receipts in this category are expected to exceed the budgeted estimate.

Use of Money & Property: Includes realized investment income and rental income. Collections of \$11.0 million are higher than prior year levels in both categories. The increase in rental income reflects higher right-of-way collections and lease revenues. Interest collections came in nearly 132% higher than prior year levels due, in part, to the timing of payments. Receipts in this category are expected to exceed the budgeted estimate by approximately \$3 million based on current collection trends.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through December 2025, collections of \$0.1 million are tracking at 27% of the budget and below the prior year collections of \$0.3 million.

Stadium Operation: Through December 31, 2025, \$9.7 million has been collected through charges for services and rent. Of this amount, \$3.3 million and \$2.8 million represents public safety cost reimbursements for non-NFL events and NFL games, respectively. The City also received the ground lease payment of \$1.3 million and general and administrative cost reimbursements of \$1.0 million, both from the Stadium Authority. Reimbursements of \$0.6 million have been received from the Bay Area Host Committee. Remaining collections of \$0.7 million reflected parking permits.

General Fund Expenditures

As of December 31, 2025, \$207.5 million or 54.1% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$153.9 million, or 46.6% of the budget, which is slightly below par of 50%. Transfers of \$53.6 million have occurred as budgeted. Overall, expenditures in the General Fund are within budgeted levels through December.

**CITY OF SANTA CLARA
GENERAL FUND
EXPENDITURES OVERVIEW AND COMPARISON BY FUNCTION**

Function	FISCAL YEAR 2025/26				PY EXPENDITURES COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Used	Actual Through 12/31/2024	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 20,501,477	\$ 19,788,144	\$ 8,057,544	40.72%	\$ 8,140,060	\$ (82,516)	-1.01%
City Council	1,268,362	1,273,274	580,781	45.61%	537,978	42,803	7.96%
City Clerk	1,761,474	1,763,949	923,228	52.34%	923,222	6	0.00%
City Manager	5,859,758	6,942,349	2,940,249	42.35%	2,054,177	886,072	43.14%
City Attorney	4,619,355	4,760,193	2,023,509	42.51%	1,443,361	580,148	40.19%
City Auditor	1,075,554	1,167,005	399,949	34.27%	379,353	20,596	5.43%
Human Resources	5,470,869	5,758,815	1,993,191	34.61%	1,906,800	86,391	4.53%
Finance	20,897,522	21,598,708	9,577,282	44.34%	9,962,559	(385,277)	-3.87%
Total General Government	61,454,371	63,052,437	26,495,733	42.02%	25,347,510	1,148,223	4.53%
PUBLIC WORKS	30,216,576	31,460,071	14,137,065	44.94%	12,437,660	1,699,405	13.66%
COMMUNITY DEVELOPMENT	6,039,535	6,237,266	2,585,569	41.45%	2,379,157	206,412	8.68%
PARKS AND RECREATION	24,548,978	25,373,495	11,972,669	47.19%	10,682,449	1,290,220	12.08%
PUBLIC SAFETY							
Fire	70,335,667	70,804,167	35,509,425	50.15%	34,155,652	1,353,773	3.96%
Police	99,261,544	100,299,895	50,200,129	50.05%	44,440,608	5,759,521	12.96%
Total Public Safety	169,597,211	171,104,062	85,709,554	50.09%	78,596,260	7,113,294	9.05%
LIBRARY	12,178,570	12,300,254	5,803,134	47.18%	5,908,177	(105,043)	-1.78%
DEPARTMENTAL TOTAL	304,035,241	309,527,585	146,703,724	47.40%	135,351,213	11,352,511	8.39%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	1,062,675	1,635,973	1,635,973	100.00%	7,408,161	(5,772,188)	-77.92%
Operating Transfer Out - Debt Services	1,406,979	1,406,979	1,406,979	100.00%	1,405,940	1,039	0.07%
Operating Transfer Out - Maintenance Dtrct	1,079,493	1,079,493	1,079,493	100.00%	977,546	101,947	10.43%
Operating Transfer Out - Cemetery	1,078,109	1,078,109	1,078,109	100.00%	823,000	255,109	31.00%
Operating Transfer Out - CIP	6,352,233	30,793,808	30,793,808	100.00%	15,855,042	14,938,766	94.22%
Operating Transfer Out - Reserves	17,649,996	17,649,996	17,649,996	100.00%	-	17,649,996	N/A
Total Other Financing Uses	28,629,485	53,644,358	53,644,358	100.00%	26,469,689	27,174,669	102.66%
STADIUM OPERATION	20,359,841	20,563,508	7,201,824	35.02%	5,938,132	1,263,692	21.28%
TOTAL GENERAL FUND	\$ 353,024,567	\$ 383,735,452	\$ 207,549,906	54.09%	\$ 167,759,034	\$ 39,790,871	23.72%

General Fund Expenditures

Below is an explanation of certain budget to actual expenditure variances by program.

Non-Departmental: Includes expenditures that are not attributable to a single department, but a function of the City in general. Through December, expenditures totaled \$8.1 million, or 40.7% of the budget, which is below par of 50%. Current year spend is consistent with prior year levels.

City Attorney: Actual expenditures through December totaled approximately \$2.0 million, which is 42.5% of the budget, which is below par. Spending is higher than the total expenditures through the same time last fiscal year by 40% due to higher salaries and benefits costs, partially offset by lower spend in outside legal services.

City Clerk: Through December, actual expenditures were tracking slightly above budget at approximately \$0.9 million or 52.3% of the budget, primarily in the salaries and benefits categories. This spend is consistent with prior year levels.

City Council: Through December, expenditures of \$0.6 million were at 45.6% of budget, which is below par. Compared to the same period through last fiscal year, this reflects an increase in expenditures, resulting from higher salary and benefits and conference, training and travel spend. This is partially offset by lower spending for as-needed staff.

City Manager: The actual expenditures through December totaled \$2.9 million, or 42.4% of the budget, which is below par for this time of the year. Expenditures are approximately 43.1% higher compared with the spending level through the same period last fiscal year. This is due to higher spend in the salaries and benefits and contractual services categories.

Community Development Department: This department consists of three divisions: Planning, Building, and Housing and Community Services. The Building Division of this department is reflected in the Building Development Services Fund, which falls under the special revenue section of this report. Through December, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$2.6 million, or 41.5% of the budget, which is below par of 50%. This expenditure level is 8.7% above the prior year as a result of higher salaries and benefits and contractual services spend.

Finance Department: Through December, the Department's expenditures totaled \$9.6 million, or 44.3% of the budget, which is below par. This expenditure level was approximately 3.9% lower compared to the same period last year. Higher salaries and benefits spend is offset by lower contractual services costs.

Fire Department: Through December, actual expenditures totaled \$35.5 million, or 50.2% of the budget, which is at par. These expenditures are 4.0% above the spending level through the same period last fiscal year. Overtime expenditures are tracking at 120.2% of the budget, which is well above par for this time of year. Excluding reimbursable mutual aid-related overtime, the departmental overtime remains at approximately 113.37% of the budget. While this overtime figure is above par, it is important

to note that overtime is used to backfill for vacant positions and the vacancy savings offset a portion of the overtime costs.

Through December, absences are up 15% (from 42,344 to 48,519 hours) when compared with the prior fiscal year and remain above historical levels. Absences are trending high in the areas of compensatory time usage, Family and Medical Leave Act (FMLA) leave, sick leave, and industrial injury time.

Employees can elect for compensatory time over overtime pay when backfilling shift absences, which increases the need to backfill when the compensatory time is used. Through December, the compensatory time payouts total \$1,144,685, which is above historical levels and 32% above the payouts of \$863,390 experienced through December of last fiscal year. The Department will continue to monitor expenditures throughout the fiscal year, and any necessary budget adjustments will be brought forward for City Council consideration.

Library Department: Through December, actual expenditures totaled approximately \$5.8 million, or 47.2% of the budget, which is slightly below par and the prior year expenditure level.

Parks and Recreation Department: Through December, actual expenditures totaled \$12.0 million, or 47.2% of the budget, which is slightly below par, but 12% higher than prior year actuals of \$10.7 million. This increase reflects higher spend in the salaries and benefits categories as well as operating supplies and contractual services costs.

Police Department: Expenditures through December are tracking at \$50.2 million, or 50% of the budget; this is approximately 13% higher than prior year spending levels. The increase is mainly due to higher spend in the salaries and benefits and contractual services categories. The Department will continue to monitor expenditures throughout the fiscal year and any necessary budget amendments will be brought forward for City Council consideration.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures of \$7.2 million through December are tracking at 35% of the budget; this expenditure level is 21.3% above the prior fiscal year due to a greater number of non-NFL events held at the Stadium compared to the prior year. Events at the Stadium through December include two soccer matches, four concerts, two preseason and seven regular season NFL games; these costs are fully reimbursed by the Stadium Manager and the Stadium Authority. The Bay Area Host Committee also provides reimbursement for expenses incurred related to Super Bowl LX and FIFA World Cup 2026 planning costs.

Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of December 31, 2025. The amended budget reflects carryover encumbrances from fiscal year 2024/25 and budget amendments approved by the City Council through December 2025.

Through the end of December, revenues totaled \$16.5 million, or 55.3% of the estimate, which is above par of 50%, while expenditures totaled approximately \$13.2 million, or 33.7%. Revenues in both the Building and Fire Development Services Funds and the Fire CUPA Fund are tracking above par. The Housing Authority Fund is tracking significantly above prior year levels due to additional interest paid on a housing loan, while revenue in the City Affordable Housing Fund is tracking below prior year levels. This is a result of a correction in booking for interest accrued on housing impact fees, which is now recorded in the City Affordable Housing Capital Fund. In the Housing Successor Agency Fund, contractual services spend is higher than prior years, while interest collections on housing loans have come in lower than prior years.

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

Fund Description	REVENUE - FISCAL YEAR 2025/26				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Received	Actual Through 12/31/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$16,736,000	\$ 16,736,000	\$ 10,937,965	65.36%	\$ 8,742,312	\$ 2,195,653	25.12%
City Affordable Housing Fund	1,253,326	502,171	259,099	51.60%	444,574	(185,475)	-41.72%
Fire CUPA Fund	2,019,000	2,019,000	1,467,794	72.70%	0	1,467,794	N/A
Fire Development Services Fee Fund	3,429,000	3,429,000	2,209,771	64.44%	2,276,438	(66,667)	-2.93%
Housing and Urban Development Housing Authority Fund	5,427,794	5,561,800	984,456	17.70%	570,398	414,058	72.59%
Housing Authority Fund	281,088	281,088	364,241	129.58%	29,294	334,947	1143.40%
Housing Successor Fund	1,302,573	1,302,573	277,683	21.32%	443,592	(165,909)	-37.40%
TOTAL	\$30,448,781	\$ 29,831,632	\$ 16,501,009	55.31%	\$ 12,506,608	\$ 3,994,401	31.94%

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Used	Actual Through 12/31/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$17,307,319	\$ 18,457,334	\$ 8,239,392	44.64%	\$ 7,210,418	\$ 1,028,974	14.27%
City Affordable Housing Fund	6,984,995	7,292,572	563,195	7.72%	382,963	180,232	47.06%
Fire CUPA Fund	1,779,867	1,783,637	657,285	36.85%	0	657,285	N/A
Fire Development Services Fee Fund	3,904,315	3,926,714	1,688,155	42.99%	1,760,892	(72,737)	-4.13%
Housing and Urban Development Housing Authority Fund	5,427,794	5,720,995	1,460,397	25.53%	1,205,730	254,667	21.12%
Housing Authority Fund	459,878	501,371	93,815	18.71%	80,293	13,522	16.84%
Housing Successor Fund	1,127,973	1,347,976	448,294	33.26%	337,313	110,981	32.90%
TOTAL	\$36,992,141	\$ 39,030,599	\$ 13,150,533	33.69%	\$ 10,977,609	\$ 2,172,924	19.79%

Internal Service Funds

The table below displays the expenditures in the internal service funds across the City. The amended budget reflects current year appropriations, prior year carryover, and budget amendments approved through December 2025. As of December 31, 2025, the internal service fund expenditures totaled \$23.8 million, or 35.3% of the amended budget. The expenditure fluctuations in the Vehicle Replacement Fund are due to the timing of vehicle purchases throughout the year. The significant decrease in spend in the Communication Acquisitions Fund is a result of the replacement of public safety radios that occurred last fiscal year. In the Information Technology Services Fund is attributable to higher spend in the contractual services category.

**CITY OF SANTA CLARA
INTERNAL SERVICE FUNDS
EXPENDITURES - OVERVIEW AND COMPARISON BY FUND**

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Used	Actual Through 12/31/2024	\$ Change From Prior Year	Percent Change
Communication Acquisitions Fund	\$ 1,064,336	\$ 1,642,638	\$ 473,203	28.81%	\$ 5,920,301	\$ (5,447,098)	-92.01%
Fleet Maintenance and Operations Fund	6,757,227	7,417,317	3,165,789	42.68%	2,991,528	174,261	5.83%
Information Technology Services Fund	18,755,875	23,478,149	6,766,807	28.82%	4,846,577	1,920,230	39.62%
Public Works Capital Projects Management Fund	4,991,087	5,863,020	2,367,791	40.39%	2,016,624	351,167	17.41%
Special Liability Fund	9,152,000	9,209,062	5,100,216	55.38%	4,535,506	564,710	12.45%
Unemployment Insurance Fund	100,000	100,000	48,633	48.63%	55,682	(7,049)	-12.66%
Vehicle Replacement Fund	3,994,000	11,017,019	1,049,282	9.52%	1,926,783	(877,501)	-45.54%
Workers' Compensation Fund	6,858,000	8,858,000	4,874,820	55.03%	3,610,623	1,264,197	35.01%
TOTAL	\$51,672,525	\$ 67,585,205	\$ 23,846,541	35.28%	\$ 25,903,624	\$ (2,057,083)	-7.94%

Governmental Capital Improvement Funds

The table below lists the revenue for selected capital improvement funds. The amended budget reflects current year appropriations, prior year carryover, and budget amendments approved through December 2025. As of December 31, 2025, the capital fund revenue totaled approximately \$17.1 million. In the Parks and Recreation Capital Fund, \$8.6 million represents MFA collections, \$0.9 million represents Quimby Act fees received, with interest earnings accounting for the remaining collections. The revenue collected in the Related Santa Clara Fund represents developer contributions. The revenue shown in the Storm Drain Capital Fund are customer service charges. In the Tasman East Specific Infrastructure Fund, \$2.0 million reflects impact fee collections, with interest earnings as the remaining collections. The collections in the Streets and Highways Capital Fund are comprised of interest earnings, grant funding, fees, and VTA Measure B proceeds.

**CITY OF SANTA CLARA
GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS
REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND**

REVENUE - FISCAL YEAR 2025/26						
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 12/31/2025	Percentage Used	
City Affordable Housing Capital Fund	\$ 211,155	\$ -	\$ 211,155	\$ 211,155	100.00%	
Parks & Recreation	10,197,016	-	10,197,016	10,676,807	104.71%	
Public Buildings	110,027	-	110,027	-	0.00%	
Related Santa Clara Developer	932,667	290,000	1,222,667	235,000	19.22%	
Storm Drain	1,623,993	2,984,107	4,608,100	791,679	17.18%	
Streets & Highways	15,652,769	19,942,011	35,594,780	3,118,774	8.76%	
Tasman East Specific Infrastructure Improvement Fund	217,682	3,517,250	3,734,932	2,100,167	56.23%	
TOTAL	\$ 28,945,309	\$ 26,733,368	\$ 55,678,677	\$ 17,133,582	30.77%	

The table below lists the total amended budgeted amounts for expenditures in the Capital Improvement Funds. Similar to the revenue table, the amended expenditure budgets consist of current year appropriations, prior year carryover encumbrance balances in Governmental Capital Improvement Funds, and budget amendments approved through December 2025. As of December 31, 2025, capital fund expenditures totaled \$28.3 million, or 12% of the amended budget.

As part of the adoption of the FY 2025/26 and FY 2026/27 biennial operating budget, capital funds were carried over for projects that were not anticipated to be completed by June 30, 2025. Necessary additional adjustments to the capital carryover amounts were included as part of the Budgetary Year-End Report for FY 2024/25, which was approved by the City Council in December 2025.

**CITY OF SANTA CLARA
GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS
SUMMARY OF EXPENDITURES**

EXPENDITURES - FISCAL YEAR 2025/26					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 12/31/2025	Percentage Used
City Affordable Housing Capital Fund	\$ 4,944,484	\$ -	\$ 4,944,484	\$ -	0.00%
Fire	500,866	1,854,028	2,354,894	750,596	31.87%
General Gov't - Other	4,437,516	12,674,976	17,112,492	549,028	3.21%
Library	24,642	653,161	677,803	10,902	1.61%
Parks & Recreation	5,717,816	40,887,990	46,605,806	1,970,609	4.23%
Public Buildings	43,412,209	9,327,180	52,739,389	3,369,737	6.39%
Related Santa Clara Developer	723,037	343,370	1,066,407	238,283	22.34%
Storm Drain	911,490	8,707,187	9,618,677	650,817	6.77%
Streets & Highways	20,063,576	76,260,521	96,324,097	19,339,336	20.08%
Tasman East Specific Infrastructure Improvement Fund	1,434,465	2,828,615	4,263,080	1,437,486	33.72%
TOTAL	\$ 82,170,101	\$ 153,537,028	\$ 235,707,129	\$ 28,316,794	12.01%

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of December 31, 2025. Overall, revenues and expenditures are tracking below budgeted levels. Compared to prior year levels, revenues are tracking lower, whereas expenditures are tracking higher.

**CITY OF SANTA CLARA
ENTERPRISE OPERATING FUNDS
REVENUE AND EXPENSES - OVERVIEW AND COMPARISON BY FUND**

Fund Description	REVENUE - FISCAL YEAR 2025/26				PRIOR YEAR REVENUE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage received	Actual Through 12/31/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 600,000	\$ 600,000	\$ 339,047	56.51%	\$ 318,008	\$ 21,039	6.62%
Electric Utility Fund	1,128,195,241	1,128,195,241	407,695,691	36.14%	490,727,966	(83,032,275)	-16.92%
Sewer Utility Fund	52,407,375	52,407,375	26,070,505	49.75%	25,331,409	739,096	2.92%
Solid Waste Utility Fund	42,287,613	42,287,613	19,349,505	45.76%	18,406,241	943,264	5.12%
Water Recycling Fund	9,651,409	9,651,409	4,934,185	51.12%	5,756,937	(822,752)	-14.29%
Water Utility Fund	76,402,644	76,402,644	35,137,895	45.99%	32,973,364	2,164,531	6.56%
TOTAL REVENUE	\$ 1,309,544,282	\$ 1,309,544,282	\$ 493,526,828	37.69%	\$ 573,513,925	\$ (79,987,097)	-13.95%

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 12/31/2025	Percentage Used	Actual Through 12/31/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,757,102	\$ 1,774,177	\$ 560,453	31.59%	\$ 573,056	\$ (12,603)	-2.20%
Electric Utility Fund	712,617,141	723,672,626	330,716,646	45.70%	279,312,796	51,403,850	18.40%
Sewer Utility Fund	43,738,253	44,110,349	21,841,465	49.52%	18,791,266	3,050,199	16.23%
Solid Waste Utility Fund	42,061,065	46,374,375	18,835,417	40.62%	18,313,636	521,781	2.85%
Water Recycling Fund	10,890,055	14,745,574	5,680,827	38.53%	5,103,452	577,375	11.31%
Water Utility Fund	66,793,248	68,017,282	30,053,141	44.18%	28,980,234	1,072,907	3.70%
TOTAL - Operating Appropriations	\$ 877,856,864	\$ 898,694,383	\$ 407,687,949	45.36%	\$ 351,074,440	\$ 56,613,509	16.13%

Revenues in the electric (which also includes the Electric Debt Service Fund), water, sewer (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. In the Electric Utility Fund, the significant decrease in revenue is attributable to bond proceeds received last fiscal year. Revenue in the Water Recycling Fund is lower than prior year levels due to a reimbursement received last fiscal year.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the tables below. Actual revenue through December 31, 2025, totaled \$6.0 million, consisting primarily of developer contributions in the Electric Utility Fund and sewer fees in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$46.9 million, or 5.5% of the amended budget. Similar to the general government capital funds, capital funds were carried over from FY 2024/25 as part of the FY 2025/26 and FY 2026/27 budget adoption process for those projects that were not expected to be completed by June 30, 2025. Additional necessary adjustments to the capital carryover amounts based on actual year-end expenditures were included in the Budgetary Year-End Report for FY 2024/25, which was approved by the City Council in December 2025. These actions are reflected in the table below.

**CITY OF SANTA CLARA
ENTERPRISE CAPITAL IMPROVEMENT FUNDS
REVENUE - OVERVIEW AND COMPARISON BY SELECTED FUND**

REVENUE - FISCAL YEAR 2025/26					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 12/31/2025	Percentage Used
Electric Utility Fund	\$ 27,041,043	\$ 13,091,676	\$ 40,132,719	\$ 2,395,456	5.97%
Sewer Utility Fund	-	-	-	3,600,465	N/A
Solid Waste Utility Fund	260,653	243,847	504,500	2,888	0.57%
Street Lighting ⁽¹⁾	-	-	-	6,817	N/A
Water Recycling Fund	-	-	-	-	N/A
Water Utility Fund	-	-	-	39,760	N/A
TOTAL - Revenue	\$ 27,301,696	\$ 13,335,523	\$ 40,637,219	\$ 6,045,386	14.88%

**CITY OF SANTA CLARA
ENTERPRISE CAPITAL IMPROVEMENT FUNDS
SUMMARY OF EXPENDITURES**

EXPENSES - FISCAL YEAR 2025/26					
Fund Description	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 12/31/2025	Percentage Used
Cemetery Fund	\$ 10	\$ 270,479	\$ 270,489	\$ -	0.00%
Convention Center Capital Fund	1,590,412	2,556,629	4,147,041	-	0.00%
Electric Utility Fund	351,921,281	378,643,486	730,564,767	34,984,740	4.79%
Sewer Utility Fund	47,606,403	37,208,230	84,814,633	3,422,688	4.04%
Solid Waste Utility Fund	821,876	141,354	963,230	506,634	52.60%
Street Lighting ⁽¹⁾	5,837,301	12,872,569	18,709,870	4,824,849	25.79%
Water Recycling Fund	(338,786)	388,786	50,000	1,486	2.97%
Water Utility Fund	15,033,219	6,891,151	21,924,370	3,177,443	14.49%
TOTAL - CIP Appropriations	\$ 422,471,716	\$ 438,972,684	\$ 861,444,400	\$ 46,917,840	5.45%

(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:

- 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 Rate Stabilization Reserve and Operations and Maintenance Reserve ensures sufficient operating cash is available to cover day-to-day expenses, address unforeseen cost increases or revenue shortfalls, and ensure debt service coverage.
- The Replacement and Improvement Reserve in the Water and Sewer Utility Funds is for future capital improvement.

The table below summarizes select reserve balances.

**CITY OF SANTA CLARA
RESERVE BALANCES
December 31, 2025**

DETAIL OF SELECTED FUND RESERVE BALANCES:

	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 81,000,000		
Capital Projects Reserve	21,383,432		
Land Sale Reserve	20,825,559		
Technology Fee Reserve	2,827,685		
Electric Rate Stabilization Fund Reserve		\$ 78,000,000	
Electric Operations and Maintenance Reserve		377,000,000	
Replacement & Improvement			\$ 303,090
TOTALS	\$ 126,036,676	\$ 455,000,000	\$ 303,090

Donations to the City of Santa Clara

Donations received by department during the month of December 2025 and for fiscal year 2025/26 are shown in the table below.

Department	Dec-25	Fiscal Year 2025/26		Designated Use
		Year To Date		
City Manager's Office	50	100		Help Your Neighbor
Parks & Recreation	-	22,000		Case Management
Parks & Recreation	992	2,647		Roberta Jones Jr. Theatre
Parks & Recreation	-	12,125		Wade Brummal
TOTALS	\$ 1,042	\$ 36,872		