



City of Santa Clara

The Center of What's Possible

MONTHLY FINANCIAL STATUS REPORT

September 2025

City of Santa Clara

Financial Status Report as of September 30, 2025

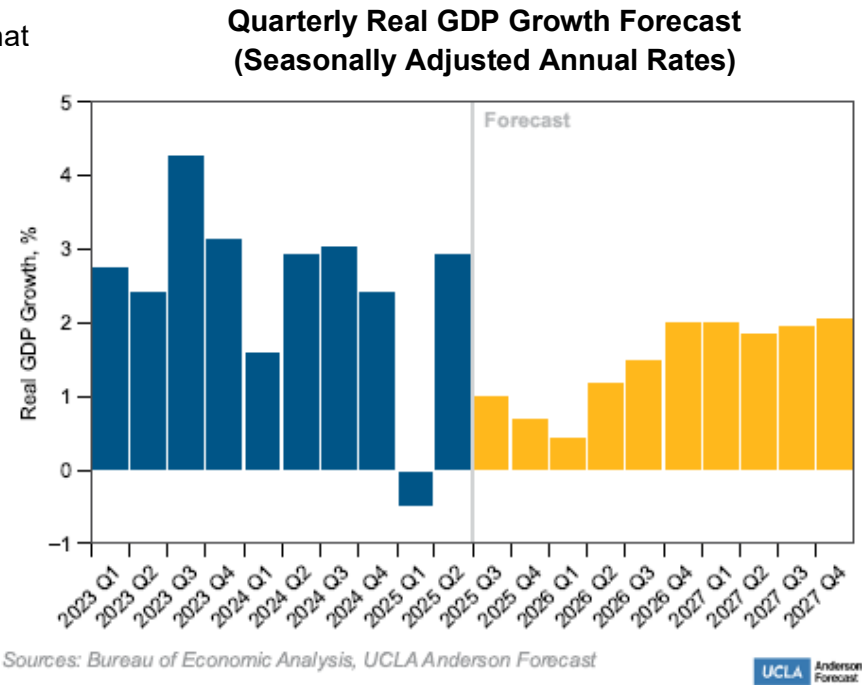
This report summarizes the City’s financial performance for the month ended September 30, 2025. Financial analysis for the report is provided for the General Fund, select Special Revenue Funds, Enterprise Operating Funds, Internal Service Funds, and Capital Improvement Funds. Financial information included in this report is unaudited.

Economic Outlook

While the October 2025 UCLA Anderson Forecast assumes no recession, it continues to identify significant risks to the forecast during this period of unprecedented change and uncertainty. 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.

“The summer months have brought about a series of significant inflection points for the U.S. economy. The labor market deteriorated notably, marked by an outright decline in payroll employment in June. The inflationary trend pivoted, moving away from a path of gradual normalization and onto a rising trajectory. Finally, at his last Jackson Hole symposium as chairman of the Federal Open Market Committee, Jerome Powell signaled a stark change in monetary policy. In what is referred to as the “Powell Pivot”, the Federal Reserve’s focus has shifted to place a stronger emphasis on its employment mandate relative to its inflation mandate. This forecast is being produced at a time when more extreme scenarios have become increasingly plausible, even though they do not yet represent our baseline outlook. The risk of rising layoffs leading to a recession is now a tangible possibility. Even if a recession is avoided, the current pivot toward monetary easing sets the stage for what we anticipate will be a “stagflation-lite” regime, marking a period where both inflation and unemployment remain modestly elevated. Lastly, should the current administration’s attempt to undermine the Federal Reserve’s independence succeed, a full-blown stagflation scenario becomes a more significant risk.”¹

The UCLA Forecast assumes Gross Domestic Product (GDP) growth of 1% in third quarter of 2025, followed by lower growth in the winter as the cost of tariffs fully take hold. Growth is expected to recover in mid-2026 and reach 2% by the fourth quarter of 2026.



¹ UCLA Anderson Forecast for the Nation, Fall 2025 Report: A Summer of Inflection Points

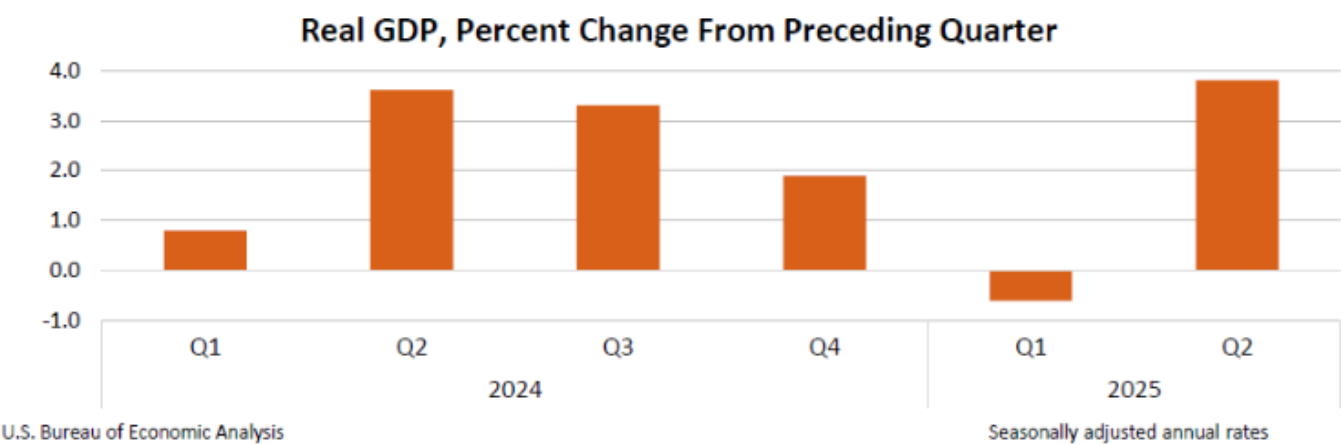
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The Conference Board (TCB) Economic Forecast for the US Economy also assumes a slowdown in GDP growth, with 1.9% growth projected for the third quarter 2025, 0.5% growth projected for the fourth quarter 2025, and quarterly growth ranging from 1.3% to 1.6% in 2026. “Higher tariffs and uncertainty are expected to weigh on real GDP growth in late 2025 and early 2026, despite economic activity appearing to be on a somewhat firmer trajectory earlier this year. Consumers will bear the brunt of higher prices, with the largest impacts projected in Q4 2025 through Q3 2026. Fiscal policy is expected to only modestly offset these effects. While the unemployment rate remains low, the sharp decline in employment gains over the last few months creates downside risks to the labor market.”²

In the second quarter 2025 third estimate, the Gross Domestic Product (GDP) increased at an annual rate of 3.8%, following a GDP decrease of 0.6% in the first quarter. The increase in real GDP primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investments and exports.³

Official data for the third quarter 2025 is currently not available due to the government shutdown.



On a national level, the unemployment rate changed little from 4.2% to 4.3% between July and August 2025. In August, the number of unemployed persons totaled 7.4 million, an increase of 148,000 from July.⁴ Official data for September 2025 is not yet available due to the federal government shutdown.

² <https://www.conference-board.org/research/us-forecast>, The Conference Board Economic Forecast for the US Economy, Updated October 16, 2025

³ <https://www.bea.gov/news/2025/gross-domestic-product-2nd-quarter-2025-third-estimate-gdp-industry-corporate-profits>

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

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Chart 1. Unemployment rate, seasonally adjusted, August 2023 – August 2025

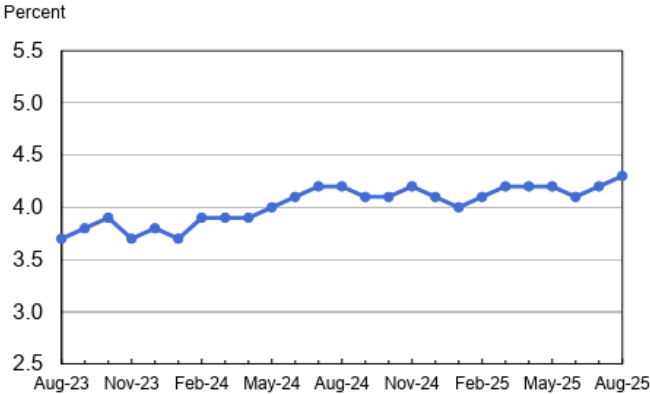
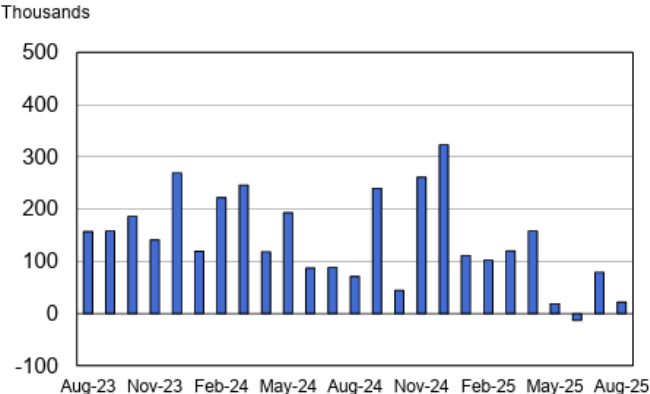


Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, August 2023 – August 2025



At the state level, the California unemployment rate remained unchanged at 5.5% between July and August 2025. This rate is slightly higher compared to the 5.4% rate in August 2024. Over the past year, California employers have added 69,500 nonfarm jobs.⁵ The California Employment Development Department has delayed the release of the September 2025 unemployment data for California as a result of the federal government shutdown as the California labor market information is produced in partnership with the U.S. Department of Labor’s Bureau of Labor Statistics.

The unadjusted unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) was 4.7% in August 2025, down slightly from a revised 4.9% in July 2025, and unchanged from the August 2024 level of 4.7%. Between August 2024 and August 2025, employment in this region decreased by 2,300 jobs, or 0.2%. The largest decreases were in professional and business services (down 8,100 jobs) and manufacturing (down 3,800 jobs). Notable employment increases were in private education and health services (up 8,600 jobs) and government (up 1,900 jobs).⁶ Data for September 2025 is not yet available.

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 \$359.4 million to reflect carryover encumbrances from fiscal year 2024/25 and various budget amendments approved by the City Council through September 2025.

While it is very early in the fiscal year and limited data is available, General Fund revenues and expenditures are tracking within estimated levels.

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

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

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General Fund Revenues

As of September 30, 2025, \$44.2 million of General Fund revenue (excluding transfers) was received. This low collection level through September is largely due to the timing of payments. In some categories, the revenues received in the first couple of months account for activity that occurred in FY 2024/25 and those revenues are accrued back to that year. In other cases, such as property tax, most payments are scheduled to occur later in the fiscal year. Transfers and use of reserves of \$23.6 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 9/30/2025	Percentage Received	Actual Through 9/30/2024	\$ Change From Prior Year	Percentage Change
TAXES							
Sales Tax	\$ 65,850,000	\$ 65,850,000	\$ 5,376,062	8.16%	\$ 4,714,363	\$ 661,699	14.04%
Property Tax	101,181,000	101,181,000	95,424	0.09%	123,179	(27,755)	-22.53%
Transient Occupancy Tax	27,500,000	27,500,000	4,100,245	14.91%	2,049,094	2,051,151	100.10%
Other Taxes	7,200,000	7,200,000	509,817	7.08%	493,594	16,223	3.29%
Total Taxes	201,731,000	201,731,000	10,081,548	5.00%	7,380,230	2,701,318	36.60%
LICENSES & PERMITS							
Business Licenses	6,200,000	6,200,000	1,971,753	31.80%	2,179,914	(208,161)	-9.55%
Fire Operation Permits	1,998,000	1,998,000	1,021,207	51.11%	591,820	429,387	72.55%
Miscellaneous Permits	26,000	26,000	90	0.35%	137,851	(137,761)	-99.93%
Total Licenses & Permits	8,224,000	8,224,000	2,993,050	36.39%	2,909,585	83,465	2.87%
FINES & PENALTIES	1,557,000	1,557,000	1,023,587	65.74%	291,043	732,544	251.70%
INTERGOVERNMENTAL	580,000	580,000	501,773	86.51%	366,762	135,011	36.81%
CHARGES FOR SERVICES	35,626,474	35,626,474	11,589,081	32.53%	9,277,938	2,311,143	24.91%
SILICON VALLEY POWER TRANSFER	37,275,000	37,275,000	9,318,759	25.00%	8,866,275	452,484	5.10%
USE OF MONEY & PROPERTY							
Interest	6,247,000	6,247,000	309,569	4.96%	(486,666)	796,235	-163.61%
Rent	13,107,611	13,107,611	3,773,926	28.79%	3,265,867	508,059	15.56%
Total Use of Money & Property	19,354,611	19,354,611	4,083,495	21.10%	2,779,201	1,304,294	46.93%
MISCELLANEOUS REVENUES	380,000	380,000	70,403	18.53%	267,609	(197,206)	-73.69%
LAND PROCEED	-	-	-	N/A	-	-	N/A
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	15,886,222	15,886,222	100.00%	13,895,239	1,990,983	14.33%
Operating Transfer In - Fund Balances ⁽¹⁾	5,816,858	5,816,858	5,816,858	100.00%	6,162,369	(345,511)	-5.61%
Operating Transfer In - Miscellaneous	405,265	405,265	405,265	100.00%	575,821	(170,556)	-29.62%
Total Other Financing Sources	17,232,794	23,562,345	23,562,345	100.00%	22,087,429	1,474,916	6.68%
STADIUM OPERATION							
Charges for Services	24,423,380	24,423,380	3,558,510	14.57%	2,058,397	1,500,113	72.88%
Rent and Licensing	6,640,308	6,640,308	1,000,000	15.06%	-	1,000,000	N/A
Total Stadium Operation	31,063,688	31,063,688	4,558,510	14.67%	2,058,397	2,500,113	121.46%
TOTAL GENERAL FUND	\$ 353,024,567	\$ 359,354,118	\$ 67,782,551	18.86%	\$ 56,284,469	\$ 11,498,082	20.43%

(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 September 30, 2025, \$5.4 million has been recorded, which is 14% higher than prior year collection levels. Given the timing of payments, the sales tax payments received are for the month of July 2025.

Property Tax: Property tax receipts totaling \$0.1 million were received in September 2025. The majority of property tax revenue is collected in the second half of the fiscal year. Based on initial information from the County of Santa Clara, property tax receipts are projected to end the year at \$103.3 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 September 30, 2025, \$4.1 million has been collected, which reflects a 100% increase when compared to the collection level in the prior year. This increase is primarily due to a change in the collection of TOT receipts. Beginning July 2025, all hotels submit TOT payments monthly rather than a combination of monthly and quarterly payments. This has resulted in an increase in collections at the beginning of the fiscal year when compared to the prior year that received a larger quarterly payment in October 2024.

Other Taxes: Includes franchise tax and documentary transfer tax. The City has collected \$0.5 million through September, which is slightly above last fiscal year's collection levels. Receipts reflect franchise tax (\$0.2 million) and documentary transfer tax (\$0.3 million).

Licenses & Permits: Includes business licenses, fire operation permits, and miscellaneous permits and fees. Licenses and permits revenue collections are tracking above par with receipts totaling \$3.0 million, or 36.4% of the \$8.2 million budget. This collection level is consistent with prior year collection levels. Business licenses receipts represent the majority of the collections to date at \$2.0 million. Collections in this category are tracking slightly below the prior year level of \$2.2 million.

Fines & Penalties: Includes vehicle, parking, court fines, and miscellaneous penalty fines. The revenue collected in this category through September was \$1.0 million, which is above prior year level collections of \$0.3 million. The majority of the receipts are comprised of collection charges.

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 September 30, 2025, \$0.5 million has been collected in this category, which is 36.8% higher than prior year levels. Motor vehicle fees total \$0.2 million, slightly exceeding the budget while miscellaneous other agency revenues total \$0.3 million, which 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

September, collections totaled approximately \$11.3 million or 31.9% of the budget. This reflects a 22.3% increase compared to last year's collections, primarily due to higher receipts in miscellaneous charges for services, engineering fees, and planning and zoning fees. However, a portion of the miscellaneous charges for services was booked in error and will be reversed.

Silicon Valley Power Transfer: In accordance with the City's charter, Silicon Valley Power 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.

Use of Money & Property: Includes realized investment income and rental income. Collections of \$4.1 million are higher than prior year levels in both categories. The increase in rental income reflects higher right-of-way collections and lease payments.

Miscellaneous Revenues: Includes developer fees, donations, damage recovery, sale of surplus, and one-time miscellaneous revenues. Through September 2025, collections of \$70,403 are tracking below the prior year collections of \$267,909.

Stadium Operation: Through September 30, 2025, \$4.6 million has been collected through charges for services and rent. Of this amount, \$2.4 million and \$0.5 million represents public safety cost reimbursements for non-NFL events and NFL games, respectively. The City also received the ground lease payment of \$1.0 million and general and administrative cost reimbursements of \$0.3 million, both from the Stadium Authority. Reimbursements of \$0.1 million have been received from the Bay Area Host Committee.

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General Fund Expenditures

As of September 30, 2025, \$111.5 million or 31.0% of the General Fund operating budget had been expended, which is higher than prior year expenditure levels. Excluding transfers, expenditures totaled \$80.5 million, or 24.5% of the budget, which is at par of 25%. Transfers of \$31.0 million have occurred as budgeted. Overall, expenditures in the General Fund are within budgeted levels through September.

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 9/30/2025	Percentage Used	Actual Through 9/30/2024	\$ Change From Prior Year	Percentage Change
GENERAL GOVERNMENT							
Non-Departmental	\$ 20,501,477	\$ 18,610,625	\$ 5,166,272	27.76%	\$ 5,094,715	\$ 71,557	1.40%
City Council	1,268,362	1,273,274	295,058	23.17%	305,664	(10,606)	-3.47%
City Clerk	1,761,474	1,763,949	471,703	26.74%	567,840	(96,137)	-16.93%
City Manager	5,859,758	6,642,349	1,602,239	24.12%	1,186,788	415,451	35.01%
City Attorney	4,619,355	4,760,193	995,917	20.92%	730,921	264,996	36.26%
City Auditor	1,075,554	1,167,005	194,731	16.69%	155,152	39,579	25.51%
Human Resources	5,470,869	5,734,767	1,115,446	19.45%	927,839	187,607	20.22%
Finance	20,897,522	21,598,708	4,837,068	22.40%	5,304,438	(467,370)	-8.81%
Total General Government	61,454,371	61,550,870	14,678,434	23.85%	14,273,357	405,077	2.84%
PUBLIC WORKS	30,216,576	31,422,593	6,827,703	21.73%	6,197,081	630,622	10.18%
COMMUNITY DEVELOPMENT	6,039,535	6,237,266	1,271,415	20.38%	1,237,071	34,344	2.78%
PARKS AND RECREATION	24,548,978	25,373,495	5,957,664	23.48%	5,347,557	610,107	11.41%
PUBLIC SAFETY							
Fire	70,335,667	70,804,167	18,471,996	26.09%	17,833,066	638,930	3.58%
Police	99,261,544	100,126,131	25,862,557	25.83%	22,240,589	3,621,968	16.29%
Total Public Safety	169,597,211	170,930,298	44,334,553	25.94%	40,073,655	4,260,898	10.63%
LIBRARY	12,178,570	12,300,254	2,988,997	24.30%	3,046,574	(57,577)	-1.89%
DEPARTMENTAL TOTAL	304,035,241	307,814,776	76,058,766	24.71%	70,175,295	5,883,471	8.38%
OTHER FINANCING USES							
Operating Transfer Out - Miscellaneous	1,062,675	1,062,675	1,062,675	100.00%	626,778	435,897	69.55%
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	8,772,581	8,772,581	100.00%	14,204,882	(5,432,301)	-38.24%
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	31,049,833	31,049,833	100.00%	18,038,146	13,011,687	72.13%
STADIUM OPERATION	20,359,841	20,489,508	4,416,432	21.55%	2,918,720	1,497,712	51.31%
TOTAL GENERAL FUND	\$ 353,024,567	\$ 359,354,118	\$ 111,525,031	31.03%	\$ 91,132,161	\$ 20,392,870	22.38%

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 September, expenditures totaled \$5.2 million, or 27.8% of the budget. These expenditures are above the par level of 25% due to insurance costs that were recorded at the beginning of the fiscal year. The payment recorded was for the City's property insurance premium, which came in lower than budgeted; the spending in Non-Departmental is anticipated to level out through the year.

City Attorney: Actual expenditures through September totaled approximately \$1.0 million, which is 20.1% of the budget, which is below par. Spending is higher than the total expenditures through the same time last fiscal year by 36.3% due to higher salaries and benefits costs.

City Clerk: Through September, actual expenditures were tracking slightly above budget at approximately \$0.5 million or 26.7% of the budget, primarily in the salaries and benefits and contractual services categories. This expenditure level reflects a 17% decrease compared to last fiscal year due to the lower software subscription costs.

City Council: Through September, expenditures of \$0.3 million were at 23.2% of budget, which is slightly below par. Compared to the same period through last fiscal year, this reflects a decrease in expenditures, resulting from lower spending for as-needed staff and operating supplies.

City Manager: The actual expenditures through September totaled \$1.6 million, or 24.1% of the budget, which is at par for this time of the year. Expenditures are approximately 35% 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 September, departmental expenditures for the Planning and Housing and Community Services divisions totaled \$1.3 million, or 20.4% of the budget, which is below par of 25%. This expenditure level is 2.8% above the prior year as a result of higher salaries and benefits spend.

Finance Department: Through September, the Department's expenditures totaled \$4.8 million, or 22.4% of the budget, which is below par. This expenditure level was approximately 8.8% lower compared to the same period last year. Higher salaries and benefits spend is offset by lower contractual services costs.

Fire Department: Through September, actual expenditures totaled \$18.5 million, or 26.1% of the budget, which is slightly above par. These expenditures are slightly above the spending level through the same period last fiscal year. Overtime expenditures are tracking at 61.6% 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 55.6% of the budget. While this overtime figure is still 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 September, absences are up 13% (from 20,648 to 23,238 hours) when compared with the prior fiscal year and remain above historical levels. Absences are trending high in the areas of compensation time usage, sick leave, and industrial injury time. It is important to note that 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 September, the compensatory time payouts total \$644,198, which is above historical levels and 36% above the payouts of \$472,099 experienced through September 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 September, actual expenditures totaled approximately \$3.0 million, or 24.3% of the budget, which is at par, but 1.9% lower than expenditure levels last fiscal year.

Parks and Recreation Department: Through September, actual expenditures totaled \$5.9 million, or 23.5% of the budget, which is slightly below par, but 11.4% higher than prior year actuals of \$5.3 million. This increase reflects higher spend in the salaries and benefits categories as well as maintenance and utilities costs.

Police Department: Expenditures through September are tracking at \$25.9 million, or 25.8% of the budget; this is approximately 16.9% higher prior year spending. The increase is mainly due to higher spend in the salaries and benefits categories.

Stadium Operation: Stadium operating expenditures are incurred first and billed on a reimbursement basis creating a timing difference in revenue recognition. Stadium expenditures of \$4.4 million through September are tracking at 21.6% of the budget; this expenditure level is 51.3% 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 September include two soccer matches, four concerts, two preseason and two 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.

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Special Revenue Funds

The table below is a summary of revenues and expenditures of select Special Revenue Funds as of September 30, 2025. The amended budget reflects carryover encumbrances from fiscal year 2024/25 and budget amendments approved by the City Council through September 2025.

Through the end of September, revenues totaled \$8.4 million, or 27.5% of the estimate, which is slightly above par of 25%, while expenditures totaled approximately \$7.0 million, or 17.3%. 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. The Housing and Urban Development Fund shows higher revenue collections and higher spend than last fiscal year as the Housing Division continues to spend down grant funding. In the Housing Successor Agency Fund, contractual services spend is higher than prior years, while interest collections 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 9/30/2025	Percentage Received	Actual Through 9/30/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 16,736,000	\$ 16,736,000	\$ 5,295,644	31.64%	\$ 5,055,368	\$ 240,276	4.75%
City Affordable Housing Fund	1,253,326	1,253,326	211,538	16.88%	208,904	2,634	1.26%
Fire CUPA Fund	2,019,000	2,019,000	558,455	27.66%	0	558,455	N/A
Fire Development Services Fee Fund	3,429,000	3,429,000	1,073,983	31.32%	1,353,308	(279,325)	-20.64%
Housing and Urban Development	5,427,794	5,427,794	708,810	13.06%	385,632	323,178	83.80%
Housing Authority Fund	281,088	281,088	344,696	122.63%	14,749	329,947	2237.08%
Housing Successor Fund	1,302,573	1,302,573	182,511	14.01%	335,132	(152,621)	-45.54%
TOTAL	\$ 30,448,781	\$ 30,448,781	\$ 8,375,637	27.51%	\$ 7,353,093	\$ 1,022,544	13.91%

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				PRIOR YEAR EXPENDITURE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 9/30/2025	Percentage Used	Actual Through 9/30/2024	\$ Change From Prior Year	Percent Change
Building Development Services Fee Fund	\$ 17,307,319	\$ 18,457,334	\$ 4,374,530	23.70%	\$ 3,921,073	\$ 453,457	11.56%
City Affordable Housing Fund	6,984,995	7,292,572	301,573	4.14%	235,782	65,791	27.90%
Fire CUPA Fund	1,779,867	1,779,867	284,835	16.00%	0	284,835	N/A
Fire Development Services Fee Fund	3,904,315	3,906,214	890,993	22.81%	909,483	(18,490)	-2.03%
Housing and Urban Development	5,427,794	7,126,175	869,768	12.21%	350,021	519,747	148.49%
Housing Authority Fund	459,878	501,371	46,367	9.25%	41,549	4,818	11.60%
Housing Successor Fund	1,127,973	1,347,976	236,274	17.53%	184,747	51,527	27.89%
TOTAL	\$ 36,992,141	\$ 40,411,509	\$ 7,004,340	17.33%	\$ 5,642,655	\$ 1,361,685	24.13%

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 September 2025. As of September 30, 2025, the internal service fund expenditures totaled \$13.4 million, or 23% of the amended budget. The change in spend in the Special Liability Fund is due to higher insurance premium costs that were assumed in the development of the budget. The expenditure fluctuations in the Vehicle Replacement Fund are due to the timing of vehicle purchases throughout the year.

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 9/30/2025	Percentage Used	Actual Through 9/30/2024	\$ Change From Prior Year	Percent Change
Communication Acquisitions Fund	\$ 1,064,336	\$ 1,642,638	\$ 444,737	27.07%	\$ 309,113	\$ 135,624	43.88%
Fleet Maintenance and Operations Fund	6,757,227	7,116,065	1,594,541	22.41%	1,367,052	227,489	16.64%
Information Technology Services Fund	18,755,875	21,088,465	2,558,314	12.13%	2,415,936	142,378	5.89%
Public Works Capital Projects Management Fund	4,991,087	5,863,020	1,092,022	18.63%	1,049,535	42,487	4.05%
Special Liability Fund	9,152,000	9,209,062	4,815,472	52.29%	3,330,731	1,484,741	44.58%
Unemployment Insurance Fund	100,000	100,000	0	0.00%	24,637	(24,637)	-100.00%
Vehicle Replacement Fund	3,994,000	6,223,153	456,192	7.33%	1,004,321	(548,129)	-54.58%
Workers' Compensation Fund	6,858,000	6,858,000	2,417,183	35.25%	2,385,035	32,148	1.35%
TOTAL	\$ 51,672,525	\$ 58,100,403	\$ 13,378,461	23.03%	\$ 11,886,360	\$ 1,492,101	12.55%

City of Santa Clara

Financial Status Report as of September 30, 2025

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 September 2025. As of September 30, 2025, the capital fund revenue totaled approximately \$13.4 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. The amount collected in the Tasman East Specific Infrastructure Fund is interest earnings, while the collections in the Streets and Highways Capital Fund are comprised of interest earnings, fees, and VTA Measure B proceeds.

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

Fund Description	REVENUE - FISCAL YEAR 2025/26				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 9/30/2025	Percentage Used
Parks & Recreation	\$ 500,000	\$ 284,469	\$ 784,469	\$ 9,983,283	1272.62%
Related Santa Clara Developer	803,406	-	803,406	235,000	29.25%
Storm Drain	1,454,000	3,154,100	4,608,100	409,872	8.89%
Streets & Highways	7,308,458	21,158,544	28,467,002	2,751,567	9.67%
Tasman East Specific Infrastructure Improvement Fund	-	3,734,932	3,734,932	58,049	1.55%
TOTAL	\$ 10,065,864	\$ 28,332,045	\$ 38,397,909	\$ 13,437,771	35.00%

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 September 2025. As of September 30, 2025, capital fund expenditures totaled \$9.7 million, or 5.5% of the amended budget, well below par of 25%.

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 will be included as part of the Budgetary Year-End Report for FY 2024/25, anticipated to be brought forward for City Council approval in December 2025.

CITY OF SANTA CLARA GOVERNMENTAL CAPITAL IMPROVEMENT FUNDS SUMMARY OF EXPENDITURES

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				
	Current Year Appropriation	Prior Year Carryforward	Total Amended Budget	Actual Through 9/30/2025	Percentage Used
Fire	\$ 528,065	1,843,700	\$ 2,371,765	\$ 100,405	4.23%
General Govt - Other	2,776,902	13,044,393	15,821,295	223,897	1.42%
Library	21,804	650,322	672,126	5,451	0.81%
Parks & Recreation	8,182,875	36,311,156	44,494,031	1,072,368	2.41%
Public Buildings	497,511	7,897,509	8,395,020	1,796,407	21.40%
Related Santa Clara Developer	803,406	263,001	1,066,407	207,166	19.43%
Storm Drain	660,357	8,743,063	9,403,420	331,986	3.53%
Streets & Highways	18,310,538	72,157,339	90,467,877	5,914,328	6.54%
Tasman East Specific Infrastructure Improvement Fund	1,433,038	2,827,188	4,260,226	4,560	0.11%
TOTAL	\$ 33,214,496	\$ 143,737,671	\$ 176,952,167	\$ 9,656,568	5.46%

Enterprise Funds

The table below is a summary of revenues and expenses for the Enterprise Operating Funds as of September 30, 2025. Overall, revenues and expenditures are tracking below budgeted levels, but above prior year levels.

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 9/30/2025	Percentage received	Actual Through 9/30/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 600,000	\$ 600,000	\$ 182,402	30.40%	\$ 124,806	\$ 57,596	46.15%
Electric Utility Fund	1,128,195,241	1,128,195,241	171,001,580	15.16%	148,886,032	22,115,548	14.85%
Sewer Utility Fund	52,407,375	52,407,375	11,211,320	21.39%	10,499,589	711,731	6.78%
Solid Waste Utility Fund	42,287,613	42,287,613	8,562,138	20.25%	8,059,470	502,668	6.24%
Water Recycling Fund	9,651,409	9,651,409	2,405,606	24.92%	2,260,300	145,306	6.43%
Water Utility Fund	76,402,644	76,402,644	16,855,890	22.06%	15,745,533	1,110,357	7.05%
TOTAL REVENUE	\$ 1,309,544,282	\$1,309,544,282	\$ 210,218,936	16.05%	\$ 185,575,730	\$ 24,643,206	13.28%

Fund Description	EXPENDITURES - FISCAL YEAR 2025/26				PRIOR YEAR EXPENSE COMPARISON		
	Adopted Budget	Amended Budget	Actual Through 9/30/2025	Percentage Used	Actual Through 9/30/2024	\$ Change From Prior Year	Percent Change
Cemetery Fund	\$ 1,757,102	\$ 1,774,177	\$ 277,951	15.67%	\$ 276,838	\$ 1,113	0.40%
Electric Utility Fund	712,617,141	723,672,626	165,843,690	22.92%	129,516,954	36,326,736	28.05%
Sewer Utility Fund	43,738,253	44,110,349	11,127,813	25.23%	10,066,852	1,060,961	10.54%
Solid Waste Utility Fund	42,061,065	46,374,375	8,178,071	17.63%	9,619,028	(1,440,957)	-14.98%
Water Recycling Fund	10,890,055	10,927,484	2,315,828	21.19%	2,007,432	308,396	15.36%
Water Utility Fund	66,793,248	68,017,282	12,994,351	19.10%	12,715,673	278,678	2.19%
TOTAL - Operating Appropriations	\$ 877,856,864	\$ 894,876,293	\$ 200,737,704	22.43%	\$ 164,202,777	\$ 36,534,927	22.25%

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 Water Recycling Fund, higher customer service charges have been collected, with higher spend in the resource/production category due to timing of payments. In the Electric Utility Fund, the significant increase in spend is attributable to the salaries and benefits and resource/production categories, with revenue also tracking higher than prior years. The Cemetery Fund has seen higher activity in the sales category. In the Solid Waste Fund, there have been lower expenditures in the garbage collection and disposal category.

A summary of revenue and expenses in the Enterprise Capital Improvement Funds is detailed in the tables below. Actual revenue through September 30, 2025, totaled \$5.3 million, consisting primarily of developer contributions in the Electric Utility Fund and sewer fees in the Sewer Utility Fund. Enterprise capital fund expenses totaled \$19.8 million, or 2.5% 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 will be brought forward for City Council approval in December 2025, as part of the budgetary year-end report for FY 2024/25.

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 9/30/2025	Percentage Used
Electric Utility Fund	\$ 25,505,075	\$ 24,039,903	\$ 49,544,978	\$ 2,569,446	5.19%
Sewer Utility Fund	-	-	-	2,661,404	N/A
Solid Waste Utility Fund	258,000	246,500	504,500	-	0.00%
Street Lighting ⁽¹⁾	-	-	-	3,429	N/A
Water Recycling Fund	-	-	-	-	N/A
Water Utility Fund	-	-	-	39,760	N/A
TOTAL - Revenue	\$ 25,763,075	\$ 24,286,403	\$ 50,049,478	\$ 5,274,039	10.54%

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 9/30/2025	Percentage Used
Cemetery Fund	\$ -	\$ 270,489	\$ 270,489	\$ -	0.00%
Convention Center Capital Fund	-	2,509,218	2,509,218	-	0.00%
Electric Utility Fund	369,266,575	351,029,528	720,296,103	14,617,331	2.03%
Sewer Utility Fund	18,147,399	35,573,235	53,720,634	2,220,013	4.13%
Solid Waste Utility Fund	812,000	131,477	943,477	261,630	27.73%
Street Lighting ⁽¹⁾	125,000	7,161,945	7,286,945	408,508	5.61%
Water Recycling Fund	50,000	-	50,000	129	0.26%
Water Utility Fund	8,539,100	7,255,804	15,794,904	2,294,476	14.53%
TOTAL - CIP Appropriations	\$ 396,940,075	\$ 403,931,695	\$ 800,871,770	\$ 19,802,087	2.47%

(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
September 30, 2025**

DETAIL OF SELECTED FUND RESERVE BALANCES:

	GENERAL FUND	ELECTRIC	WATER
Budget Stabilization Reserve	\$ 80,900,000		
Capital Projects Reserve	8,414,224		
Land Sale Reserve	10,343,105		
Technology Fee Reserve	2,355,271		
Electric Rate Stabilization Fund Reserve		\$ 78,000,000	
Electric Operations and Maintenance Reserve		377,000,000	
Replacement & Improvement			\$ 303,090
TOTALS	\$ 102,012,600	\$ 455,000,000	\$ 303,090

Donations to the City of Santa Clara

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

Department	Sep-25	Fiscal Year 2025/26 Year To Date	Designated Use
City Manager's Office	-	50	Help Your Neighbor
Parks & Recreation	2,000	22,000	Case Management
Parks & Recreation	-	1,467	Roberta Jones Jr. Theatre
Parks & Recreation	725	1,825	Wade Brummal
TOTALS	\$ 2,725	\$ 25,342	