Sunnyvale Financing Authority

A Component Unit of the City of Sunnyvale

Sunnyvale, California

Basic Financial Statements and Independent Auditor's Report

Fiscal Year Ended June 30, 2025

Sunnyvale

Sunnyvale Financing Authority
Basic Financial Statements
and Independent Auditor's Report

Fiscal Year Ended June 30, 2025

City of Sunnyvale
456 West Olive Avenue
Sunnyvale, California 94086
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Prepared by the Department of Finance
Matthew Paulin, Director of Finance

Table of Contents
Fiscal Year Ended June 30, 2025

MAZE & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Sunnyvale, California

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Sunnyvale Financing Authority (Authority), a component unit of the City of Sunnyvale, California (City), California, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the Authority as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Maze & Associates

Pleasant Hill, California
November 26, 2025

Management's Discussion and Analysis

Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended June 30, 2025

This analysis of the Sunnyvale Financing Authority (Authority) of the City of Sunnyvale's (City) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the accompanying basic financial statements and the accompanying notes to basic financial statements.

A. FINANCIAL HIGHLIGHTS

- At June 30, 2025, the Authority's net position is $0. The Authority receives lease payments from the City and makes debt service payments to the fiscal agent when due. The fiscal agent (trustee of bond project funds) handles such transactions for the Authority.

- At June 30, 2025, other than the unspent bond proceeds held by the fiscal agent as security for the bondholders, the Authority's major asset includes the lease receivable from the City, which should be sufficient to pay off the outstanding bonds payable in the remaining bond years. Any excess reserve (primarily interest earned and accrued) can be applied by the City to reduce future lease payments to the Authority.

- The carrying amount of the cash and deposits held by the fiscal agent totaled $30,386 as of June 30, 2025.

- The 2020 Civic Center Lease Revenue Bonds was the only outstanding debt of the Authority at the end of fiscal year 2025.

B. OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which consist of three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to basic financial statements.

The Authority's main function is the issuance and service of debt for the benefit of the City. The Authority's revenue sources are lease payments from the City and interest income from cash and deposits held by the fiscal agent.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position.

B. OVERVIEW OF FINANCIAL STATEMENTS, Continued

The statement of activities presents information about how the Authority's net position changed during the year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of timing of related cash flows.

Governmental Fund Financial Statements
The governmental fund financial statements include statements for the governmental funds which are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they become measurable and available. Revenues are considered available when they are collectible within the current period or soon enough (within 60 days of the end of the current fiscal period) thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred except for debt service expenditures which are recorded when payment is due.

The 2020 Civic Center Lease Revenue Bonds is presented as a major debt service fund.

Reconciliation of the fund financial statements to the government-wide financial statements is provided in the basic financial statements to explain the differences created by the integrated approach.

Notes to the Basic Financial Statements
The notes provide additional information that explain the data provided in the government-wide and governmental fund financial statements.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following are the condensed comparative statements of net position at June 30, 2025 and 2024.

Sunnyvale Financing Authority
Condensed Statements of Net Position
(Amounts in Thousands)

	2025	2024
Assets:		
Current Assets	$ 1,238	$ 1,256
Noncurrent Assets	142,854	146,067
Total Assets	144,092	147,323
Liabilities:		
Current Liabilities	1,207	1,233
Noncurrent Liabilities	142,885	146,090
Total Liabilities	144,092	147,323
Net Position:		
Restricted for Debt Service	$ -	$ -

Current assets decreased due to a decrease in lease interest receivable balance. Non-current assets decreased reflecting a corresponding decrease in outstanding lease receivable balance. In 2025, the City made payments towards the principal, as per the lease payment schedule, resulting in a decrease to the outstanding lease receivable balance. The City will continue to make payments accordance to the lease payment schedule. The liabilities will be funded from lease payments by the City, with credits of the interest earned from the reserve funds, and excess reserve.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Statement of Activities

The following are the condensed comparative statements of activities for the fiscal years ended June 30, 2025 and 2024.

Sunnyvale Financing Authority
Condensed Statements of Activities
(Amounts in Thousands)

	2025	2024
Revenues:		
Program Revenues:		
Charges for Services -		
Lease Revenue	$ 5,507	$ 6,884
General Revenues:		
Investment Earnings	8	27
Expenses:		
Intergov Disbusements to the City	-	(1,248)
Interest Expense and Fiscal Charges	(5,515)	(5,663)
Change in Net Position	-	-
Net Position - Beginning of Year	-	-
Net Position - Ending of Year	$ -	$ -

D. GOVERNMENTAL FUND FINANCIAL STATEMENT ANALYSIS

The focus of the Authority's governmental fund is to provide information on the inflows, outflows and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements.

As of the end of fiscal year 2025, the Authority's governmental fund reported an ending fund balance of $30,479. All of the fund balance was restricted for the purposes of meeting future debt service requirements.

E. LONG-TERM OBLIGATIONS

At June 30, 2025, the only outstanding debt issues of the Authority is the 2020 Civic Center Lease Revenue Bonds in the amount of $142.9 million.

For more information on the Authority's long-term debt, see Note 4 to the basic financial statements.

F. REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Finance Department of the City of Sunnyvale, 456 W. Olive Avenue, Sunnyvale, California 94088.

Government-Wide Financial Statements

SUNNYVALE FINANCING AUTHORITY

Statement of Net Position
June 30, 2025

		Governmental Activities
Assets:		
Current Assets:		
Restricted Cash and Investments Held by Fiscal Agent	$	30,386
Interest Receivable		93
Lease Interest Receivable		1,207,369
Total Current Assets		1,237,848
Noncurrent Assets:		
Lease Receivable		142,854,839
Total Assets		144,092,687
Liabilities:		
Current Liabilities:		
Interest Payable		1,207,369
Total Current Liabilities		1,207,369
Noncurrent Liabilities:		
Long-Term Debt - Due in More Than One Year		142,885,318
Total Liabilities		144,092,687
Net Position	$	-

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

Statement of Activities
Year Ended June 30, 2025

		Governmental Activities
Program Expenses:		
Interest Expense and Fiscal Charges	$	5,514,983
Total Program Expenses		5,514,983
Program Revenues:		
Charges for Services - Lease Revenue		5,507,336
General Revenues:		
Investment Earnings		7,647
Change in Net Position		-
Net Position - Beginning of Year		
Net Position - End of Year	$	-

See Accompanying Notes to the Basic Financial Statements.

Governmental Funds Financial Statements

The 2020 Civic Center Lease Revenue Fund is used to account for the resources accumulated for the repayment of the principal and interest of the 2020 Civic Center Lease Revenue Bonds.

SUNNYVALE FINANCING AUTHORITY

Balance Sheet
Governmental Fund
June 30, 2025

	2020 Civic Center Lease Revenue Bonds
Assets:	
Restricted Cash and Investments Held by Fiscal Agent	$ 30,386
Interest Receivable	93
Lease Receivable	142,854,839
Total Assets	$ 142,885,318
Deferred Inflows of Resources:	
Lease Revenue to be Collected	$ 142,854,839
Fund Balances:	
Restricted for Debt Service	30,479
Total Deferred Inflows of Resources and Fund Balances	$ 142,885,318

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2025

Total Fund Balances - Total Governmental Funds	$	30,479
Amounts reported for governmental activities in the statement of net position are different because:		
Interest portion of the lease installment receivable due from the City, which is used to pay the interest payable on long-term debt.		
Lease receivable reported in the funds are not available to pay for current expenditures and are deferred in the fund financial statements.		142,854,839
Long-term debt are not due and payable in the current period and therefore they are not reported in the governmental fund balance sheet.		(142,885,318)
Interest expense accrual does not require the use of current financial resources and therefore are not reported as payable in the fund financials.		(1,207,369)
Lease revenue on interest accrual are not reported as receivable in the fund financials.		1,207,369
Net Position of Governmental Activities	$	-

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	2020 Civic Center Lease Revenue Bonds
Revenues:	
Lease Revenue	$ 7,512,675
Investment Earnings	7,647
Total Revenues	7,520,322
Expenditures:	
Debt Service:	
Principal Retirement	2,580,000
Interest	4,932,675
Total Expenditures	7,512,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,647
Net Change in Fund Balances	7,647
Fund Balances - Beginning of Year	22,832
Fund Balances - End of Year	$ 30,479

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities
Year Ended June 30, 2025

Net Changes in Fund Balances - Total Governmental Funds	$	7,647
Amounts reported for governmental activities in the statement of activities are different because:		
Lease revenues reported in the fund financials reflected the timing of collection revenues which are not includable as revenues in the government-wide financials.		(2,005,338)
Repayment of principal on the bonds is reported in the fund financials as expenditures.		2,580,000
Interest expense accrual does not require the use of current financial resources and therefore are not reported as expenditures in the fund financials.		(582,309)
Change in Net Position of Governmental Activities	$	-

See Accompanying Notes to the Basic Financial Statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sunnyvale Financing Authority (Authority), a component unit of the City of Sunnyvale, California (City), have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

A. Reporting Entity

The Authority was established on September 29, 1992 by the Joint Exercise of Powers Agreement between the City and the former Redevelopment Agency of the City of Sunnyvale.

The Authority is administered by a Board of Directors consisting of seven persons, each serving in his or her individual capacity as a Director of the Authority. The sitting members of the City Council constitute the Directors of the Authority until such time as they cease to be members of the City Council.

Additionally, the Authority shall have four officers as follows:

Chairperson – Mayor of the City
Vice-Chairperson – Vice-Mayor of the City
Executive Director – City Manager
Treasurer – Director of Finance

The City Attorney shall serve as General Counsel to the Authority and the City Clerk shall serve as Secretary. In addition to having the same governing board, the City is financially accountable for the Authority and conducts management activities of the Authority. Though legally a separate entity, the Authority is, in substance, a component unit of the City and is blended into the City's Comprehensive Annual Financial Report.

The Board of Directors of the Authority is required to hold at least one regular meeting each year.

B. Basis of Accounting and Measurement Focus

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Authority resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

Government-Wide Financial Statements

The Authority's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental activities for the Authority. The Authority has no business-type activities.

The government-wide financial statements are presented on an *"economic resources"* measurement focus and the accrual basis of accounting. Accordingly, all current and non-current assets and liabilities are included in the statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Revenues for the Authority includes lease revenues received from the City and investment earnings.

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances. An accompanying schedule is presented to reconcile and to explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements.

All governmental funds are accounted for on a spending or *"current financial resources"* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Revenues are recognized as soon as they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current period. The primary revenue sources, which have been treated as susceptible to accrual by the Authority, are lease revenues from the City and investment earnings. Expenditures are recorded in the accounting period in which the related fund liability is liquidated.

For the year ended June 30, 2025, the Authority reported the following major governmental fund for the activities of its only remaining outstanding debt:

- The *2020 Lease Revenue Bonds Fund* is a debt services fund used to account for the resources accumulated for the repayment of the principal and interest.

Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain their differences.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Restricted Cash and Investments Held by Fiscal Agent

Restricted cash and investments held by the fiscal agent could include unexpended bond proceeds and reserves established in accordance with related bond indentures. The Authority's investments are stated at fair value.

D. Net Position and Fund Balance

Restricted net position and fund balance represent external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The Authority's net position and fund balance are restricted for debt service purposes.

E. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position or fund balances that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. On the governmental funds balance sheet, the unavailable lease revenues from the City corresponding to the lease receivable are recorded as deferred inflows of resources since the balances are not current financial resources.

F. Effects of New Pronouncements

As of July 1, 2024, the Authority implemented the following GASB Statements:

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of this statement did not have a significant impact on the Authority's financial statements for fiscal year ended June 30, 2025.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of government financial statements with essential information about risk related to government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The implementation of this statement did not have a significant impact on the Authority's financial statements for fiscal year ended June 30, 2025.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

The Authority is currently analyzing its accounting practices to identify the potential impact on the financial statements for the GASB statements as follows:

In April 2024, the GASB issued Statement No. 103, *Financial Reportion Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for the City's fiscal year ending June 30, 2026.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. This statement requires certain capital assets to be disclosed separately in the capital assets note disclosures required by statement 34. The requirements of this statement are effective for the City's fiscal year ending June 30, 2026.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenditures and expenses. Actual results could differ from these estimates and assumptions.

NOTE 2 – RESTRICTED CASH AND INVESTMENTS HELD BY CITY AND BY FISCAL AGENT

At June 30, 2025, the Authority had the following cash and investments held in City Treasury Pool and held by fiscal agent, respectively:

	Credit Ratings	Maturity (in years)				Total Fair
Investments	**S&P/Moody's**	**1 year or less**	**1 to 2 years**	**2 to 5 years**	**5 to 10 years**	**Value**
Treasury Obligation Mutual Funds	Not Rated	$ 30,386	$ -	$ -	$ -	$ 30,386
Total		$ 30,386	$ -	$ -	$ -	$ 30,386

* Short-term, highly liquid investments are not subject to the fair value hierarchy disclosure requirements of GASB Statement No. 72.

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any single issuer. The Authority's investment in the corporate note is in excess of 5% of the total cash and investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Authority categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs.

The Authority's investment options for the debt service reserve are specified by the trust indenture.

Notes to Basic Financial Statements, Continued
Fiscal Year Ended June 30, 2025

NOTE 3 - LEASE RECEIVABLE

In accordance with a Lease Agreement for the 2020 Lease Revenue Bonds, debt service is funded with lease payments made by the City to the Authority. The City has covenanted to make payments in amounts corresponding to the Authority's debt service requirements to the extent that funds are unexpended upon completion of the Phase I of the Civic Center Modernization Project, such funds will be used to retire outstanding debt and the lease payments required from the City will be reduced accordingly.

Using fixed interest rates 5.0% until 2024 and 4.0% until 2050 and 2.5% thereafter until the final payment in 2052, the estimated future lease payments from the City as of June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest
2026	$ 2,680,000	$ 4,829,475
2027	2,790,000	4,722,275
2028	2,900,000	4,610,675
2029	3,015,000	4,494,675
2030	3,135,000	4,374,075
2031-2035	17,675,000	19,884,375
2036-2040	21,505,000	16,055,375
2041-2045	26,165,000	11,396,175
2046-2050	31,825,000	5,728,375
2051-2052	14,475,000	545,000
		$76,640,475
Unamortized premium	16,720,318	
Total Outstanding	$142,885,318	
Cash and Deposits Held by Fiscal Agent	(30,479)	
Lease Receivable	$142,854,839	

SUNNYVALE FINANCING AUTHORITY

Notes to Basic Financial Statements, Concluded
Fiscal Year Ended June 30, 2025

NOTE 4 – LONG-TERM DEBT

Following is a summary of long-term debt transactions during the fiscal year ended June 30, 2025:

Description	Balance July 1, 2024	Additions	Reductions	Premium Amortization	Balance June 30, 2025
2020 Lease Revenue Bonds	$ 146,090,378	$ -	$ (2,580,000)	$ (625,060)	$ 142,885,318

$131,200,000 2020 Civic Center Lease Revenue Bonds

Due in original installments of $2,455,000-$4,645,000 until April 1, 2040 and term bonds in the amounts of $26,165,000, $31,825,000, and $14,475,000 due on April 1, 2045, 2050, 2052, respectively. The bonds have fixed interest rates 5.0% in 2024 and 4.0% until 2050 and 2.5% thereafter until the final payment in 2052. Repayments, secured by a first pledge and lien on lease revenue, will be made from the lease revenue received by the Authority under a lease agreement dated November 1, 2020 between the Authority, as lessor and the City, as lessee.

The debt service requirements for the bonds at June 30, 2025 were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 2,680,000	$ 4,829,475	$ 7,509,475
2027	2,790,000	4,722,275	7,512,275
2028	2,900,000	4,610,675	7,510,675
2029	3,015,000	4,494,675	7,509,675
2030	3,135,000	4,374,075	7,509,075
2031-2035	17,675,000	19,884,375	37,559,375
2036-2040	21,505,000	16,055,375	37,560,375
2041-2045	26,165,000	11,396,175	37,561,175
2046-2050	31,825,000	5,728,375	37,553,375
2051-2052	14,475,000	545,000	15,020,000
	$ 126,165,000	$ 76,640,475	$ 202,805,475
Add Unamortized Premium	16,720,318	-	16,720,318
	$ 142,885,318	$ 76,640,475	$ 219,525,793

NOTE 5 – SUBSEQUENT EVENTS

On October 21, 2025, the City Council and Sunnyvale Financing Authority Board adopted resolutions to authorize the issuance of Solid Waste Revenue Bonds, Series 2025 for up to $50,000,000 to provide funds to replace material recovery facility equipment and make related improvements to the Sunnyvale Material Recovery Transfer Station (SMaRT Station). The Bonds are secured by installment payments made by the City to the Authority on a semiannual basis in amounts sufficient to pay the scheduled principal and interest. Those installment payments, in turn, will be secured by Net Revenues of the City's Solid Waste Enterprise Fund. Per the memorandum of understanding (MOU) with the City of Mountain View dated December 22, 2021, for the use and management of the SMaRT Station, the Cities of Sunnyvale and Mountain View are each responsible for a share of debt service on bonds issued to finance capital improvements to the SMaRT Station, based on the percentage of total material delivered to the SMaRT Station at the time of bond issuance. The Cities have determined that Sunnyvale will be responsible for approximately 73.24% of debt service on the Bonds, and Mountain View will be responsible for the remaining 26.76%. The final bond sale in the amount of $38,980,000 took place in November 2025.

On September 9, 2025, the City Council adopted an ordinance declaring the need for the Sunnyvale Industrial Development Authority. Among other benefits to the City, the Industrial Development Authority would be available to act as a second member of the Sunnyvale Financing Authority in the event of the dissolution of the Successor Agency to the Redevelopment Agency of the City of Sunnyvale after it has satisfied all of its enforceable obligations. Concurrently, the City Council adopted a resolution amending the Joint Exercise of Powers Agreement to remove the Successor Agency and add the newly established Industrial Development Authority as a member of the Sunnyvale Financing Authority.

For questions regarding this publication or to request additional copies, contact:

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