



**ADMINISTRATIVE SERVICES DEPARTMENT**

CITY HALL  
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**CITY COUNCIL INFORMATIONAL MEMORANDUM**

Date: June 27, 2024

To: Cupertino City Council  
From: Thomas Leung, Budget Manager

Re: Receive the Monthly Treasurer's Report for May 2024

Background

California Government Code Section 41004 states:

Regularly, at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body.

The City's Municipal Code Section 2.24.030 Monthly Reports states:

The Treasurer shall make monthly reports which conform to the requirements of Government Code Section 41004. Said reports shall be delivered to the City Council, the City Manager and made available for review by such other persons who may so request.

The Treasurer's Report (report and accounting of all receipts, disbursements, and fund balances) is made available to City Council in compliance with the aforementioned requirements.

### **Cash vs. Accrual Basis Accounting**

Cash basis accounting and accrual basis accounting differ in the way revenues and expenses are recognized and recorded, primarily with regard to their timing.

Under cash basis accounting, revenues are recorded when payment is received, and expenses are recorded when payment is made. This method of accounting recognizes transactions only when cash changes hands. In contrast, accrual basis accounting recognizes revenues when they are earned (but not necessarily received) and expenses when they are incurred (but not necessarily paid). This method of accounting recognizes transactions as they occur, regardless of whether cash has been exchanged.

Receipts, disbursements, and cash balance are measured on a cash basis. The cash balance shows the total cash and investments in the City's accounts. The ending balance is the beginning balance plus receipts minus disbursements. Journal adjustments generally include transactions recorded in other systems and imported into New World, Council-approved budget adjustments, quarterly Cost Allocation Plan (CAP) charges, and quarterly interest earnings.

Revenues, expenditures, and fund balance are measured on an accrual basis. As a result, the amount in fund balance does not mean the City has that much cash on hand. Instead, fund balance is the difference between assets and liabilities. The ending balance is the beginning balance plus revenues minus expenditures.

### **Treasurer's Report**

The report provides an update on the City's cash and fund balances for May 2024. The report is as of June 24, 2024.

#### *Receipts, Disbursements, and Cash Balance*

The City's General Fund ending cash and investment balance was \$170.0 million, decreasing by \$89,506 from the prior month. Receipts were \$6.1 million, disbursements were \$(6.2) million, and journal adjustments were \$68,286 for the month.

The City's total ending cash and investment balance was \$263.7 million, decreasing by \$4.0 million from the prior month. Receipts were \$6.6 million, disbursements were \$(8.3) million, and journal adjustments were \$2.3 million for the month.

Journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World
- Worker's Compensation transactions
- BNY Mellon Debt service payment
- Accela transaction reclassification
- Storm Drain Improvement transfers to the Capital Reserve

*Fund Balance/Net Position*

The City's General Fund ending fund balance was \$144.3 million, decreasing by \$3.7 million from the prior month due to revenues of \$2.6 million and expenditures of \$6.3 million.

The City's total ending fund balance was \$232.8 million, decreasing by \$7.2 million from the prior month due to revenues of \$3.7 million and expenditures of \$10.9 million.

Sustainability Impact

No sustainability impact.

Fiscal Impact

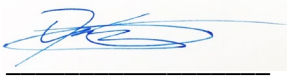
No fiscal impact.

California Environmental Quality Act

Not applicable.

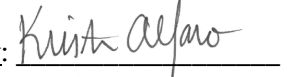
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Prepared by:



Thomas Leung  
Budget Manager

Reviewed by:



Kristina Alfaro  
Director of Administrative Services

Approved for Submission by:



Pamela Wu  
City Manager

Attachments:

A – Report of City-wide Receipts, Disbursements, and Cash Balances May 2024

B – Report of City-wide Fund Balances/Net Position May 2024

**May 2024 Report of City-wide Receipts, Disbursements, and Cash Balances**  
**Cash and Investments**

<b>Fund Type</b>	<b>Fund Number/Name</b>	<b>Beginning Balance as of April 30, 2024</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Journal Adjustments</b>	<b>Ending Balance as of May 31, 2024</b>
General Fund	100 General Fund	170,099,561	6,087,956	(6,245,747)	68,286	170,010,055
General Fund	130 Investment Fund	397,641	-	-	-	397,641
Special Revenue Funds	210 Storm Drain Improvement	365,654	-	-	(300,000)	65,654
Special Revenue Funds	215 Storm Drain AB1600	1,934,469	24,042	-	24,607	1,983,118
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	702,187	1,500	(99,505)	-	604,182
Special Revenue Funds	260 CDBG	266,897	662	(34,377)	-	233,182
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	-	222,016
Special Revenue Funds	265 BMR Housing	4,863,958	-	(70,372)	-	4,793,586
Special Revenue Funds	270 Transportation Fund	14,979,034	256,047	(619,783)	-	14,615,298
Special Revenue Funds	271 Traffic Impact	790,668	-	-	-	790,668
Special Revenue Funds	280 Park Dedication	19,043,481	15,000	-	-	19,058,481
Special Revenue Funds	281 Tree Fund	73,526	-	-	-	73,526
Debt Service Funds	365 Public Facilities Corp	2,356,550	-	-	(2,356,300)	250
Capital Project Funds	420 Capital Improvement Fund	24,742,171	-	(244,081)	-	24,498,090
Capital Project Funds	427 Stevens Creek Corridor Park	151,394	-	-	-	151,394
Capital Project Funds	429 Capital Reserve*	10,365,872	-	-	-	10,365,872
Enterprise Funds	520 Resource Recovery	4,928,379	155,979	(83,152)	-	5,001,206
Enterprise Funds	560 Blackberry Farm	862,114	2,737	(23,078)	61,110	902,883
Enterprise Funds	570 Sports Center	880,385	43,750	(125,973)	60,175	858,336
Enterprise Funds	580 Recreation Program	3,428,663	-	(112,317)	130,513	3,446,859
Internal Service Funds	610 Innovation & Technology	3,054,363	-	(344,637)	-	2,709,726
Internal Service Funds	620 Workers' Compensation	3,503,066	-	(6,741)	(3,907)	3,492,418
Internal Service Funds	630 Vehicle/Equip Replacement	1,608,088	-	(180,355)	-	1,427,733
Internal Service Funds	641 Compensated Absence/LTD	603,157	-	8,564	-	611,721
Internal Service Funds	642 Retiree Medical	(2,539,625)	-	(122,121)	-	(2,661,746)
<b>Total</b>		<b>\$ 267,683,667</b>	<b>\$ 6,587,673</b>	<b>\$ (8,303,675)</b>	<b>\$ (2,315,517)</b>	<b>\$ 263,652,148</b>

\* For reporting purposes, this fund rolls up/combines with Fund 420

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For more information on funds, please see [cupertino.org/fund-structure](http://cupertino.org/fund-structure)

## May 2024 Report of City-wide Fund Balances/Net Position

Fund Type	Fund Number/Name	Beginning Fund Balance as of April 30, 2024	Revenues	Expenditures	Ending Fund Balance as of May 31, 2024
General Fund	100 General Fund	148,034,490	2,559,407	6,299,297	144,294,600
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	2,123,134	-	300,000	1,823,134
Special Revenue Funds	215 Storm Drain AB1600	1,871,813	48,649	-	1,920,462
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	1,119,180	1,065	90,944	1,029,301
Special Revenue Funds	260 CDBG	1,168,339	146	34,377	1,134,108
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	222,016
Special Revenue Funds	265 BMR Housing	5,137,636	-	33,585	5,104,050
Special Revenue Funds	270 Transportation Fund	10,380,786	256,047	601,612	10,035,220
Special Revenue Funds	271 Traffic Impact	770,107	-	-	770,107
Special Revenue Funds	280 Park Dedication	18,700,452	15,000	-	18,715,452
Special Revenue Funds	281 Tree Fund	78,760	-	-	78,760
Debt Service Funds	365 Public Facilities Corp	1,750	-	2,356,300	(2,354,550)
Capital Project Funds	420 Capital Improvement Fund	20,721,594	-	246,264	20,475,330
Capital Project Funds	427 Stevens Creek Corridor Park	157,343	-	-	157,343
Capital Project Funds	429 Capital Reserve*	13,744,638	300,000	-	14,044,638
Enterprise Funds	520 Resource Recovery	4,663,302	155,059	79,149	4,739,213
Enterprise Funds	560 Blackberry Farm	730,139	77,906	21,249	786,796
Enterprise Funds	570 Sports Center	1,736,912	117,501	114,752	1,739,661
Enterprise Funds	580 Recreation Program	2,748,044	139,392	113,682	2,773,753
Internal Service Funds	610 Innovation & Technology	1,837,247	-	321,326	1,515,921
Internal Service Funds	620 Workers' Compensation	2,126,405	-	10,648	2,115,757
Internal Service Funds	630 Vehicle/Equip Replacement	2,506,555	-	177,964	2,328,591
Internal Service Funds	641 Compensated Absence/LTD	712,571	16,570	8,006	721,135
Internal Service Funds	642 Retiree Medical	(1,516,673)	-	122,121	(1,638,794)
<b>Total</b>		<b>\$ 240,005,964</b>	<b>\$ 3,686,743</b>	<b>\$ 10,931,276</b>	<b>\$ 232,761,431</b>

\* For reporting purposes, this fund rolls up/combines with Fund 420

Printed June 24, 2024

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