



**ADMINISTRATIVE SERVICES DEPARTMENT**

CITY HALL  
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**CITY COUNCIL INFORMATIONAL MEMORANDUM**

Date: July 25, 2024

To: Cupertino City Council

From: Jonathan Orozco, Finance Manager

Re: Receive the Monthly Treasurer's Report for June 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 June 2024. The report is as of July 22, 2024.

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

The City's General Fund ending cash and investment balance was \$170.4 million, increasing by \$518,786 from the prior month. Receipts were \$7.3 million, disbursements were \$(6.5) million, and journal adjustments were \$(352,713) for the month.

The City's total ending cash and investment balance was \$265.8 million, increasing by \$1.9 million from the prior month. Receipts were \$10.0 million, disbursements were \$(8.5) million, and journal adjustments were \$349,722 for the month.

Journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World
- Worker's Compensation transactions
- Cost Allocation Plan Quarterly Charges
- LAIF Transfer
- Park Dedication transfer to Jollyman Park for the All-Inclusive Playground
- Returned checks

*Fund Balance/Net Position*

The City's General Fund ending fund balance was \$133.2 million, decreasing by \$1.6 million from the prior month due to revenues of \$3.1 million and expenditures of \$4.7 million.

The City's total ending fund balance was \$222.8 million, decreasing by \$1.6 million from the prior month due to revenues of \$4.2 million and expenditures of \$5.8 million.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

California Environmental Quality Act

Not applicable.

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Prepared by: 

Jonathan Orozco  
Finance 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 June 2024

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

**June 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 May 31, 2024</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Journal Adjustments</b>	<b>Ending Balance as of June 30, 2024</b>
General Fund	100 General Fund	169,847,289	7,349,016	(6,477,518)	(352,713)	170,366,074
General Fund	130 Investment Fund	397,641	-	-	-	397,641
Special Revenue Funds	210 Storm Drain Improvement	65,654	-	-	-	65,654
Special Revenue Funds	215 Storm Drain AB1600	1,983,118	1,844	-	-	1,984,962
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	604,182	578,228	(62,261)	(86,536)	1,033,614
Special Revenue Funds	260 CDBG	233,182	32,952	(4,111)	-	262,023
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	-	222,016
Special Revenue Funds	265 BMR Housing	4,793,586	-	(24,564)	(23,977)	4,745,045
Special Revenue Funds	270 Transportation Fund	14,615,298	293,160	(606,534)	(194,641)	14,107,283
Special Revenue Funds	271 Traffic Impact	790,668	-	-	-	790,668
Special Revenue Funds	280 Park Dedication	19,058,481	15,000	-	(500,000)	18,573,481
Special Revenue Funds	281 Tree Fund	73,526	1,030	-	-	74,556
Debt Service Funds	365 Public Facilities Corp	250	-	-	-	250
Capital Project Funds	420 Capital Improvement Fund	24,650,595	3,069	(328,275)	500,000	24,825,389
Capital Project Funds	427 Stevens Creek Corridor Park	151,394	-	-	-	151,394
Capital Project Funds	429 Capital Reserve*	10,660,339	-	-	-	10,660,339
Enterprise Funds	520 Resource Recovery	5,001,206	320,042	(171,506)	(66,757)	5,082,985
Enterprise Funds	560 Blackberry Farm	900,474	2,877	(41,896)	56,257	917,712
Enterprise Funds	570 Sports Center	855,663	-	(95,107)	(5,581)	754,976
Enterprise Funds	580 Recreation Program	3,437,966	43,750	(125,702)	30,571	3,386,585
Internal Service Funds	610 Innovation & Technology	2,709,726	-	(264,617)	636,715	3,081,823
Internal Service Funds	620 Workers' Compensation	3,492,418	-	(5,305)	(17,300)	3,469,813
Internal Service Funds	630 Vehicle/Equip Replacement	1,427,733	262	(128,596)	378,800	1,678,199
Internal Service Funds	641 Compensated Absence/LTD	611,721	-	196	(1,618)	610,299
Internal Service Funds	642 Retiree Medical	(2,661,746)	1,385,759	(122,463)	(3,497)	(1,401,947)
<b>Total</b>		<b>\$ 263,922,379</b>	<b>\$ 10,026,990</b>	<b>\$ (8,458,258)</b>	<b>\$ 349,722</b>	<b>\$ 265,840,834</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)

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

Fund Type	Fund Number/Name	Beginning Fund Balance as of May 31, 2024	Revenues	Expenditures	Ending Fund Balance as of June 30, 2024
General Fund	100 General Fund	134,848,683	3,073,073	4,681,113	133,240,643
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	1,823,134	-	-	1,823,134
Special Revenue Funds	215 Storm Drain AB1600	1,919,187	-	-	1,919,187
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	1,130,255	577,541	31,538	1,676,259
Special Revenue Funds	260 CDBG	1,139,291	145	4,111	1,135,325
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	222,016
Special Revenue Funds	265 BMR Housing	5,184,142	-	24,564	5,159,578
Special Revenue Funds	270 Transportation Fund	10,238,089	293,160	478,559	10,052,690
Special Revenue Funds	271 Traffic Impact	770,107	-	-	770,107
Special Revenue Funds	280 Park Dedication	18,700,452	-	-	18,700,452
Special Revenue Funds	281 Tree Fund	78,279	-	-	78,279
Debt Service Funds	365 Public Facilities Corp	(2,354,550)	-	-	(2,354,550)
Capital Project Funds	420 Capital Improvement Fund	20,850,722	3,069	290,355	20,563,437
Capital Project Funds	427 Stevens Creek Corridor Park	157,343	-	-	157,343
Capital Project Funds	429 Capital Reserve*	14,044,638	-	-	14,044,638
Enterprise Funds	520 Resource Recovery	4,684,142	-	(81,689)	4,765,832
Enterprise Funds	560 Blackberry Farm	772,702	67,341	34,552	805,491
Enterprise Funds	570 Sports Center	1,767,650	65,991	33,458	1,800,183
Enterprise Funds	580 Recreation Program	2,764,796	141,837	76,921	2,829,712
Internal Service Funds	610 Innovation & Technology	1,792,743	-	111,811	1,680,932
Internal Service Funds	620 Workers' Compensation	2,128,468	-	3,825	2,124,642
Internal Service Funds	630 Vehicle/Equip Replacement	2,370,286	262	25,599	2,344,949
Internal Service Funds	641 Compensated Absence/LTD	720,889	7	7,962	712,934
Internal Service Funds	642 Retiree Medical	(1,517,778)	-	122,463	(1,640,241)
<b>Total</b>		<b>\$ 224,465,111</b>	<b>\$ 4,222,428</b>	<b>\$ 5,845,141</b>	<b>\$ 222,842,398</b>

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

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