



ADMINISTRATIVE SERVICES DEPARTMENT

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CITY COUNCIL INFORMATIONAL MEMORANDUM

Date: December 12, 2024

To: Cupertino City Council
From: Jonathan Orozco, Finance Manager

Re: Receive the Monthly Treasurer's Report for October 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 October 2024. The report is as of November 25, 2024.

Note: Beginning balances have been updated to account for any final adjustments made as part of the month-end close that could not be completed before the prior report's preparation. These adjustments were necessary due to time constraints associated with both completing the month-end close process and generating the report.

Receipts, Disbursements, and Cash Balance

The City's General Fund ending cash and investment balance was \$166.6 million, increasing by \$1.3 million from the prior month. Receipts were \$6.9 million, disbursements were \$(6.4) million, and journal adjustments were \$664,651 for the month.

The City's total ending cash and investment balance was \$271.3 million, increasing by \$673,741 from the prior month. Receipts were \$7.5 million, disbursements were \$(7.9) million, and journal adjustments were \$1.1 million for the month.

Journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World

- LAIF Interest
- Returned Checks

Fund Balance/Net Position

The City's General Fund ending fund balance was \$135.7 million, increasing by \$1.8 million from the prior month due to revenues of \$7.9 million and expenditures of \$6.1 million.

The City's total ending fund balance was \$234.3 million, increasing by \$1.3 million from the prior month due to revenues of \$8.9 million and expenditures of \$7.6 million.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

California Environmental Quality Act


Not applicable.

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 October 2024

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

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

Fund Type	Fund Number/Name	Beginning Balance			Ending Balance		
		as of September 30, 2024	Receipts	Disbursements	Journal Adjustments	as of October 31, 2024	
General Fund	100 General Fund	165,350,806	6,946,313	(6,356,300)	664,651	166,605,470	
General Fund	130 Investment Fund	0	-	-	-	0	
Special Revenue Funds	210 Storm Drain Improvement	142,558	-	-	460	143,018	
Special Revenue Funds	215 Storm Drain AB1600	2,069,124	2,268	-	6,526	2,077,918	
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	648,500	49,198	(70,555)	2,530	629,672	
Special Revenue Funds	260 CDBG	284,970	1,324	(2,432)	1,620	285,482	
Special Revenue Funds	261 HCD Loan Rehab	226,287	-	-	-	226,287	
Special Revenue Funds	265 BMR Housing	4,820,261	-	(22,668)	15,366	4,812,959	
Special Revenue Funds	270 Transportation Fund	16,378,893	301,291	(134,101)	52,881	16,598,964	
Special Revenue Funds	271 Traffic Impact	812,815	-	-	2,577	815,392	
Special Revenue Funds	280 Park Dedication	19,056,176	-	(5,539)	60,421	19,111,059	
Special Revenue Funds	281 Tree Fund	65,854	-	-	209	66,063	
Debt Service Funds	365 Public Facilities Corp	2,676,450	-	-	-	2,676,450	
Capital Project Funds	420 Capital Improvement Fund	36,416,242	-	(349,633)	-	36,066,609	
Capital Project Funds	427 Stevens Creek Corridor Park	154,548	-	-	-	154,548	
Capital Project Funds	429 Capital Reserve*	2,438,876	-	-	-	2,438,876	
Enterprise Funds	520 Resource Recovery	5,390,476	146,225	(263,366)	17,411	5,290,746	
Enterprise Funds	560 Blackberry Farm	1,069,252	1,596	(90,181)	51,743	1,032,411	
Enterprise Funds	570 Sports Center	1,026,326	43,750	(83,504)	69,414	1,055,986	
Enterprise Funds	580 Recreation Program	3,250,478	13,108	(63,457)	83,451	3,283,580	
Internal Service Funds	610 Innovation & Technology	3,198,782	-	(210,091)	7,585	2,996,277	
Internal Service Funds	620 Workers' Compensation	3,388,032	-	(2,912)	10,675	3,395,795	
Internal Service Funds	630 Vehicle/Equip Replacement	1,079,462	-	(112,587)	4,057	970,933	
Internal Service Funds	641 Compensated Absence/LTD	833,045	-	270	3,270	836,585	
Internal Service Funds	642 Retiree Medical	(169,305)	-	(119,124)	-	(288,429)	
Total		\$ 270,608,910	\$ 7,505,072	\$ (7,886,180)	\$ 1,054,848	\$ 271,282,651	

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

Printed November 25, 2024

For more information on funds, please see cupertino.org/fund-structure

October 2024 Report of City-wide Fund Balances/Net Position

Fund Type	Fund Number/Name	Beginning Fund Balance as of September 30, 2024	Revenues	Expenditures	Ending Fund Balance as of October 31, 2024
General Fund	100 General Fund	133,916,392	7,864,836	6,090,104	135,691,124
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	2,123,559	460	-	2,124,020
Special Revenue Funds	215 Storm Drain AB1600	1,893,664	8,794	-	1,902,458
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	1,043,235	6,247	66,239	983,243
Special Revenue Funds	260 CDBG	1,690,234	1,898	2,432	1,689,700
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	222,016
Special Revenue Funds	265 BMR Housing	9,590,710	15,366	22,668	9,583,408
Special Revenue Funds	270 Transportation Fund	10,448,229	354,172	116,350	10,686,052
Special Revenue Funds	271 Traffic Impact	772,491	2,577	-	775,068
Special Revenue Funds	280 Park Dedication	18,741,343	60,421	5,539	18,796,226
Special Revenue Funds	281 Tree Fund	78,954	209	-	79,163
Debt Service Funds	365 Public Facilities Corp	1,750	-	-	1,750
Capital Project Funds	420 Capital Improvement Fund	20,851,288	-	362,741	20,488,547
Capital Project Funds	427 Stevens Creek Corridor Park	157,343	-	-	157,343
Capital Project Funds	429 Capital Reserve*	13,744,638	-	-	13,744,638
Enterprise Funds	520 Resource Recovery	4,630,626	160,802	247,601	4,543,828
Enterprise Funds	560 Blackberry Farm	675,086	56,946	48,695	683,336
Enterprise Funds	570 Sports Center	1,747,089	117,546	92,952	1,771,683
Enterprise Funds	580 Recreation Program	2,897,124	200,195	92,896	3,004,422
Internal Service Funds	610 Innovation & Technology	2,497,879	7,585	221,802	2,283,663
Internal Service Funds	620 Workers' Compensation	2,126,864	10,675	2,912	2,134,628
Internal Service Funds	630 Vehicle/Equip Replacement	2,595,456	4,057	113,362	2,486,152
Internal Service Funds	641 Compensated Absence/LTD	508,435	11,510	7,971	511,975
Internal Service Funds	642 Retiree Medical	(123,286)	-	119,124	(242,409)
Total		\$ 233,060,546	\$ 8,884,297	\$ 7,613,386	\$ 234,331,457

* 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