



ADMINISTRATIVE SERVICES DEPARTMENT

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CITY COUNCIL INFORMATIONAL MEMORANDUM

Date: September 26, 2024

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

Re: Receive the Monthly Treasurer's Report for August 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 August 2024. The report is as of September 24, 2024.

Receipts, Disbursements, and Cash Balance

The City's General Fund ending cash and investment balance was \$164.7 million, increasing by \$2.3 million from the prior month. Receipts were \$8.3 million, disbursements were \$(6.1) million, and journal adjustments were \$90,070 for the month.

The City's total ending cash and investment balance was \$264.6 million, increasing by \$1.5 million from the prior month. Receipts were \$9.1 million, disbursements were \$(8.3) million, and journal adjustments were \$643,593 for the month.

Journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World
- Worker's Compensation transactions
- Returned checks

Fund Balance/Net Position

The City's General Fund ending fund balance was \$126.0 million, decreasing by \$3.3 million from the prior month due to revenues of \$1.5 million and expenditures of \$4.8 million.

The City's total ending fund balance was \$231.4 million, decreasing by \$4.0 million from the prior month due to revenues of \$2.3 million and expenditures of \$6.2 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 August 2024

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

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

Fund Type	Fund Number/Name	Beginning Balance as of July 31, 2024	Receipts	Disbursements	Journal Adjustments	Ending Balance as of August 31, 2024
General Fund	100 General Fund	162,412,005	8,310,598	(6,120,069)	90,070	164,692,604
General Fund	130 Investment Fund	1,157,343	-	-	-	1,157,343
Special Revenue Funds	210 Storm Drain Improvement	66,044	-	-	-	66,044
Special Revenue Funds	215 Storm Drain AB1600	2,002,188	1,548	-	-	2,003,736
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	917,685	57	(96,045)	-	821,697
Special Revenue Funds	260 CDBG	245,129	74,524	(52,251)	-	267,403
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	-	222,016
Special Revenue Funds	265 BMR Housing	4,715,457	-	(40,654)	-	4,674,803
Special Revenue Funds	270 Transportation Fund	16,332,374	305,496	(485,000)	-	16,152,870
Special Revenue Funds	271 Traffic Impact	792,853	-	-	-	792,853
Special Revenue Funds	280 Park Dedication	18,563,876	-	(2,969)	-	18,560,907
Special Revenue Funds	281 Tree Fund	61,823	1,511	-	-	63,334
Debt Service Funds	365 Public Facilities Corp	2,676,450	-	-	-	2,676,450
Capital Project Funds	420 Capital Improvement Fund	31,625,881	-	(454,524)	-	31,171,357
Capital Project Funds	427 Stevens Creek Corridor Park	151,394	-	-	-	151,394
Capital Project Funds	429 Capital Reserve*	2,112,759	-	-	-	2,112,759
Enterprise Funds	520 Resource Recovery	5,025,849	385,296	(64,030)	-	5,347,116
Enterprise Funds	560 Blackberry Farm	1,022,550	2,583	(36,680)	65,053	1,053,506
Enterprise Funds	570 Sports Center	1,117,151	-	(109,743)	86,408	1,093,816
Enterprise Funds	580 Recreation Program	3,205,279	13,488	(315,590)	405,685	3,308,862
Internal Service Funds	610 Innovation & Technology	2,738,311	-	(290,337)	-	2,447,974
Internal Service Funds	620 Workers' Compensation	3,316,015	-	(7,583)	(3,621)	3,304,811
Internal Service Funds	630 Vehicle/Equip Replacement	1,562,955	-	(64,266)	-	1,498,689
Internal Service Funds	641 Compensated Absence/LTD	1,022,981	-	(7,844)	-	1,015,137
Internal Service Funds	642 Retiree Medical	72,059	-	(118,084)	-	(46,025)
Total		\$ 263,138,427	\$ 9,095,101	\$ (8,265,667)	\$ 643,593	\$ 264,611,454

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

Printed September 24, 2024

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

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

Fund Type	Fund Number/Name	Beginning Fund Balance as of July 31, 2024	Revenues	Expenditures	Ending Fund Balance as of August 31, 2024
General Fund	100 General Fund	129,269,709	1,520,732	4,822,476	125,967,965
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	2,123,134	-	-	2,123,134
Special Revenue Funds	215 Storm Drain AB1600	1,870,538	1,548	-	1,872,086
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	1,272,573	-	64,571	1,208,002
Special Revenue Funds	260 CDBG	1,686,568	141	2,191	1,684,518
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	222,016
Special Revenue Funds	265 BMR Housing	9,565,425	-	22,550	9,542,875
Special Revenue Funds	270 Transportation Fund	12,694,838	305,496	99,848	12,900,486
Special Revenue Funds	271 Traffic Impact	770,107	-	-	770,107
Special Revenue Funds	280 Park Dedication	18,697,483	-	53	18,697,431
Special Revenue Funds	281 Tree Fund	65,339	1,511	-	66,850
Debt Service Funds	365 Public Facilities Corp	2,677,950	-	-	2,677,950
Capital Project Funds	420 Capital Improvement Fund	28,727,342	-	281,257	28,446,085
Capital Project Funds	427 Stevens Creek Corridor Park	157,343	-	-	157,343
Capital Project Funds	429 Capital Reserve*	5,197,058	-	-	5,197,058
Enterprise Funds	520 Resource Recovery	4,659,880	143,391	121,958	4,681,314
Enterprise Funds	560 Blackberry Farm	892,251	73,084	32,889	932,446
Enterprise Funds	570 Sports Center	2,307,255	79,673	90,937	2,295,991
Enterprise Funds	580 Recreation Program	3,261,058	183,129	275,498	3,168,689
Internal Service Funds	610 Innovation & Technology	1,755,461	-	210,579	1,544,882
Internal Service Funds	620 Workers' Compensation	1,981,301	-	11,204	1,970,097
Internal Service Funds	630 Vehicle/Equip Replacement	2,409,386	-	45,169	2,364,217
Internal Service Funds	641 Compensated Absence/LTD	1,303,554	9	7,853	1,295,710
Internal Service Funds	642 Retiree Medical	1,474,006	-	118,084	1,355,922
Total		\$ 235,270,999	\$ 2,308,714	\$ 6,207,116	\$ 231,372,598

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

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