



ADMINISTRATIVE SERVICES DEPARTMENT

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CITY COUNCIL INFORMATIONAL MEMORANDUM

Date: June 26, 2025

To: Cupertino City Council

From: Jonathan Orozco, Finance Manager

Re: Receive the Monthly Treasurer's Report for May 2025

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 2025. The report is as of June 24, 2025.

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 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 \$209.6 million, increasing by \$3.2 million from the prior month. Receipts were \$8.2 million, disbursements were \$(5.1) million, and journal adjustments were \$86,452 for the month.

The City's total ending cash and investment balance was \$311.7 million, increasing by \$1.3 million from the prior month. Receipts were \$10.4 million, disbursements were \$(9.2) million, and journal adjustments were \$104,547 for the month.

Journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World
- Investment Earnings & Interest Allocations
- Worker's Compensation Journals
- LAIF Interest
- Accela Transaction GL reclassification

Fund Balance/Net Position

The City's General Fund ending fund balance was \$148.5 million, increasing by \$3.0 million from the prior month due to revenues of \$8.4 million and expenditures of \$5.4 million.

The City's total ending fund balance was \$244.0 million, increasing by \$1.5 million from the prior month due to revenues of \$11.2 million and expenditures of \$9.6 million.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

California Environmental Quality Act

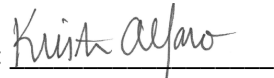
Not applicable.

Prepared by:



Jonathan Orozco
Finance Manager

Reviewed by:



Kristina Alfaro
Director of Administrative Services

Approved for Submission by:



Tina Kapoor
Interim City Manager

Attachments:

A – Report of City-wide Receipts, Disbursements, and Cash Balances May 2025

B – Report of City-wide Fund Balances/Net Position May 2025

May 2025 Report of City-wide Receipts, Disbursements, and Cash Balances
Cash and Investments

Fund Type	Fund Number/Name	Beginning Balance as of April 30, 2025	Receipts	Disbursements	Journal Adjustments	Ending Balance as of May 31, 2025
General Fund	100 General Fund	206,405,882	8,216,200	(5,142,374)	86,452	209,566,161
General Fund	130 Investment Fund	0	-	-	-	0
Special Revenue Funds	210 Storm Drain Improvement	147,797	-	-	13	147,809
Special Revenue Funds	215 Storm Drain AB1600	2,196,156	16,993	-	191	2,213,339
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	685,533	1,208	(108,850)	60	577,950
Special Revenue Funds	260 CDBG	345,797	80,021	(96,938)	50	328,930
Special Revenue Funds	261 HCD Loan Rehab	230,372	-	-	-	230,372
Special Revenue Funds	265 BMR Housing	5,123,952	-	(102,272)	445	5,022,125
Special Revenue Funds	270 Transportation Fund	14,188,259	207,071	(366,446)	1,231	14,030,114
Special Revenue Funds	271 Traffic Impact	889,347	13,262	-	77	902,686
Special Revenue Funds	280 Park Dedication	20,407,516	255,000	(35,736)	1,771	20,628,551
Special Revenue Funds	281 Tree Fund	78,620	2,052	-	7	80,679
Debt Service Funds	365 Public Facilities Corp	2,394,350	-	(2,395,600)	-	(1,250)
Capital Project Funds	420 Capital Improvement Fund	32,877,840	1,448,201	(108,203)	(290,354)	33,927,484
Capital Project Funds	427 Stevens Creek Corridor Park	157,338	-	-	-	157,338
Capital Project Funds	429 Capital Reserve*	6,707,212	-	-	-	6,707,212
Enterprise Funds	520 Resource Recovery	5,404,843	140,397	(172,000)	469	5,373,710
Enterprise Funds	560 Blackberry Farm	904,177	1,771	(60,347)	79,965	925,567
Enterprise Funds	570 Sports Center	864,354	-	(90,585)	72,660	846,429
Enterprise Funds	580 Recreation Program	3,289,284	15,318	(118,050)	154,440	3,340,993
Internal Service Funds	610 Innovation & Technology	3,126,954	13,718	(232,555)	271	2,908,389
Internal Service Funds	620 Workers' Compensation	3,769,449	-	(6,804)	(3,323)	3,759,322
Internal Service Funds	630 Vehicle/Equip Replacement	1,245,756	-	(76,870)	108	1,168,994
Internal Service Funds	641 Compensated Absence/LTD	138,705	-	8,476	12	147,193
Internal Service Funds	642 Retiree Medical	(1,100,504)	-	(143,527)	-	(1,244,031)
Total		\$ 310,478,990	\$ 10,411,212	\$ (9,248,682)	\$ 104,547	\$ 311,746,066

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

Printed June 24, 2025

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

May 2025 Report of City-wide Fund Balances/Net Position

Fund Type	Fund Number/Name	Beginning Fund Balance as of April 30, 2025	Revenues	Expenditures	Ending Fund Balance as of May 31, 2025
General Fund	100 General Fund	145,494,970	8,352,116	5,385,083	148,462,003
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	2,123,538	13	-	2,123,551
Special Revenue Funds	215 Storm Drain AB1600	1,885,989	17,184	-	1,903,173
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	1,097,463	60	108,850	988,672
Special Revenue Funds	260 CDBG	1,686,822	79,007	96,938	1,668,891
Special Revenue Funds	261 HCD Loan Rehab	222,016	-	-	222,016
Special Revenue Funds	265 BMR Housing	9,927,492	445	102,272	9,825,665
Special Revenue Funds	270 Transportation Fund	10,607,430	232,384	377,551	10,462,263
Special Revenue Funds	271 Traffic Impact	772,543	13,339	-	785,882
Special Revenue Funds	280 Park Dedication	18,741,364	256,771	35,736	18,962,399
Special Revenue Funds	281 Tree Fund	79,518	2,059	-	81,577
Debt Service Funds	365 Public Facilities Corp	1,750	-	2,395,600	(2,393,850)
Capital Project Funds	420 Capital Improvement Fund	18,556,875	1,465,297	398,557	19,623,615
Capital Project Funds	427 Stevens Creek Corridor Park	157,343	-	-	157,343
Capital Project Funds	429 Capital Reserve*	13,744,638	290,354	-	14,034,992
Enterprise Funds	520 Resource Recovery	4,794,088	140,866	172,000	4,762,955
Enterprise Funds	560 Blackberry Farm	740,528	83,228	60,347	763,408
Enterprise Funds	570 Sports Center	1,932,021	78,735	90,074	1,920,683
Enterprise Funds	580 Recreation Program	3,039,915	132,209	118,014	3,054,111
Internal Service Funds	610 Innovation & Technology	1,564,589	2,471	209,296	1,357,765
Internal Service Funds	620 Workers' Compensation	2,139,171	324	10,451	2,129,044
Internal Service Funds	630 Vehicle/Equip Replacement	2,406,590	108	76,870	2,329,828
Internal Service Funds	641 Compensated Absence/LTD	712,973	16,448	7,960	721,461
Internal Service Funds	642 Retiree Medical	(141,033)	-	-	(141,033)
Total		\$ 242,518,019	\$ 11,163,416	\$ 9,645,597	\$ 244,035,838

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

Printed June 24, 2025

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