



CITY OF CUPERTINO

AGENDA

AUDIT COMMITTEE

10185 North Stelling Road, Quinlan Conference Room

Monday, July 28, 2025

4:00 PM

Regular Meeting

Members of the public wishing to observe the meeting may do so in one of the following ways:

- 1) Attend in person at Quinlan Community Center, 10185 North Stelling Road
- 2) The meeting will also be streamed live on and online at <https://youtube.com/@cupertinocitycommission>

Members of the public wishing to comment on an item on the agenda may do so in the following ways:

- 1) Appear in person at Quinlan Community Center.
- 2) E-mail comments by 4:00 p.m. on Monday, July 28 to the legislative body at Auditcommittee@cupertino.gov. These e-mail comments will also be posted to the City's website after the meeting.

Oral public comments may be made during the public comment period for each agenda item.

ROLL CALL

ORDERS OF THE DAY

APPROVAL OF MINUTES

1. Subject: Approve Minutes of Regular Meeting on April 28, 2025
Recommended Action: Approve Minutes of Regular Meeting on April 28, 2025
[A - Draft Minutes](#)
2. Subject: Approve Minutes of Special Meeting on May 12, 2025
Recommended Action: Approve Minutes of Special Meeting on May 12, 2025
[A - Draft Minutes](#)

POSTPONEMENTS

ORAL COMMUNICATIONS

This portion of the meeting is reserved for persons wishing to address the Committee on any matter within the jurisdiction of the Committee and not on the agenda. Speakers are limited to three (3) minutes. In most cases, State law will prohibit the Commission from making any decisions with respect to a matter not on the agenda.

OLD BUSINESS**NEW BUSINESS**

3. Subject: INFORMATIONAL ITEM Fiscal Year 2024-25 ACFR Interim Testing Update
Recommended Action: Receive the Fiscal Year 2024-25 ACFR Interim Testing Update
Presenter: The Pun Group
4:15(10)
4. Subject: INFORMATIONAL ITEM Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending June 30, 2025
Recommended Action: Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending June 30, 2025
Presenter: PARS and US Bank
4:25(10)
[A - OPEB Pension Section 115 Trust Performance Report for Quarter Ending June 30 2025](#)
5. Subject: INFORMATIONAL ITEM Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025
Recommended Action: Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025
Presenter: Jonathan Orozco, Finance Manager, and Chandler
4:35(15)
[Staff Report](#)
[A – Chandler Investment Report June 2025](#)
[B – Chandler Custodial Statement June 2025](#)
[C – PARS Pension and OPEB Account Statement June 2025](#)
[D – LAIF Account Statement June 2025](#)
6. Subject: INFORMATIONAL ITEM Receive the Internal Audit and Fraud, Waste, and Abuse programs update
Recommended Action: Receive the Internal Audit and Fraud, Waste, and Abuse programs update
Presenter: Baker Tilly
4:50(10)
[A - Internal Audit Status Report 07-21-25](#)
[B - Audit Validation Report - July 2025](#)

7. Subject: ACTION ITEM Discuss Audit Committee Duties, Powers, and Responsibilities
Recommended Action: Provide recommendation (if any) to City Council for an Audit Committee municipal code Government Code Section 2.88.100 update
Presenter: Jonathan Orozco, Finance Manager
5:00(25)
[Staff Report](#)
[A – Audit Committee Work Plan and duties and responsibilities 2025](#)
[B - Chapter 2.88 Audit Committee](#)
8. Subject: ACTION ITEM Special Revenue Fund Process Audit Update
Recommended Action: Receive Special Revenue Fund Process Audit Update and forward to City Council
Presenter: Baker Tilly
5:25(15)
[A - Special Revenue Fund Process Review FINAL 7-10-25](#)
[B - Special Revenue Funds Process Review Powerpoint](#)
9. Subject: ACTION ITEM Budget Format Review Presentation and Formation of Budget Format Review Subcommittee
Recommended Action: 1. Receive Budget Format Review presentation as outlined in the Budget Format Implementation Action Plan (IAP) recommendation #30
2. Form Budget Format Review subcommittee
Presenter: Kristina Alfaro, Director of Administrative Services
5:40(15)
[Staff report](#)
[A - Budget Format Implementation Action Plan](#)
[B – Opengov Budget Examples Presentation](#)
10. Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2025 Schedule and Workplan
Recommended Action: Receive the proposed Audit Committee 2025 Schedule and Workplan
Presenter: Jonathan Orozco, Finance Manager
5:55(5)
[A - Proposed Audit Committee 2025 Schedule and Work Plan](#)

STAFF AND COMMITTEE REPORTS

COMMITTEEMEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

FUTURE AGENDA SETTING

ADJOURNMENT

In compliance with the Americans with Disabilities Act (ADA), anyone who is planning to attend this meeting who is visually or hearing impaired or has any disability that needs special assistance should call the City Clerk's Office at 408-777-3223, at least 48 hours in advance of the meeting to arrange for assistance. In addition, upon request in advance by a person with a disability, meeting agendas and writings distributed for the meeting that are public records will be made available in the appropriate alternative format.

Any writings or documents provided to a majority of the members after publication of the agenda will be made available for public inspection. Please contact the City Clerk's Office in City Hall located at 10300 Torre Avenue, Cupertino, California 95014, during normal business hours.

IMPORTANT NOTICE: Please be advised that pursuant to Cupertino Municipal Code section 2.08.100 written communications sent to the City Council, Commissioners or staff concerning a matter on the agenda are included as supplemental material to the agenda item. These written communications are accessible to the public through the City website and kept in packet archives. Do not include any personal or private information in written communications to the City that you do not wish to make public, as written communications are considered public records and will be made publicly available on the City website.



CITY OF CUPERTINO

Agenda Item

25-14184

Agenda Date: 7/28/2025
Agenda #: 1.

Subject: Approve Minutes of Regular Meeting on April 28, 2025

Approve Minutes of Regular Meeting on April 28, 2025

City of Cupertino
Audit Committee Regular Meeting
DRAFT Minutes
April 28, 2025

CALL TO ORDER

At 4:00 p.m., Chair Eno Schmidt called the special meeting to order in the City of Cupertino Quinlan Conference Room, 10185 North Stelling Road.

ROLL CALL

Committee Members Present: Chair Eno Schmidt, Vice Chair Hanyan Wu , Vice Mayor Kitty Moore, Councilmember Sheila Mohan

City Staff Present: Janet Liang, Jonathan Orozco, Kristina Alfaro, Richard Wong

Absent:

Guests: Jennifer Meza (PARS), Dennis Mullins (BPFM), Chelsea Ritchie (Moss Adams), Maria Stroth (Moss Adams), Colleen Rozillis (Moss Adams), Carlos Oblites (Chandler), Sophia Kuo (The Pun Group)

ORDERS OF THE DAY

1. Subject: Approve Minutes of Special Meeting on February 28, 2025
Recommended Action: Approve Minutes of Special Meeting on February 28, 2025

MOTION: Vice Mayor Moore motioned to approve the minutes, Councilmember Mohan seconded. The motion passed unanimously.

POSTPONEMENTS

ORAL COMMUNICATIONS

OLD BUSINESS

NEW BUSINESS

2. Subject: ACTION ITEM Appoint Audit Committee Chair and Vice Chair
Recommended Action: Appoint Audit Committee Chair and Vice Chair

Toler provided an overview.

No public comment.

MOTION: Councilmember Mohan motioned to nominate Chair Schmidt as chair again, Vice Mayor Moore seconded. Chair Schmidt nominated Committee member Hanyan as Vice Chair. An amendment was made to the motion to nominate Committee member Hanyan Wu as Vice Chair. The motion passed unanimously.

3. **Subject: INFORMATIONAL ITEM Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending March 31, 2025**
Recommended Action: Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending March 31, 2025

Dennis Mullins provided a presentation and overview.

Committee members asked questions and made comments.

No public comment.

Audit Committee received the report.

4. **Subject: INFORMATIONAL ITEM Receive the Internal Audit and Fraud, Waste, and Abuse programs update**
Recommended Action: Receive the Internal Audit and Fraud, Waste, and Abuse programs update

Chelsea Ritchie and Colleen Adams provided a presentation and overview.

Committee members asked questions and made comments.

No public comment.

Audit Committee received the report.

5. **Subject: ACTION ITEM Internal Audit Work Program Review**
Recommended Action: Receive the Internal Audit Work Program and forward to City Council for approval

Maria Stroth provided a presentation and overview.

Committee members asked questions and made comments.

No public comment.

MOTION: Vice Mayor Moore motioned to receive the report and forward to City Council for approval, Committee member Wu seconded. The motion passed unanimously.

6. **Subject: ACTION ITEM Annual Review of the City's Investment Policy**
Recommended Action: Annual Review of the City's Investment Policy and forward to City Council for Adoption

Jonathan Orozco provided an overview.

Committee members asked questions and made comments.

No public comment.

Chair Schmidt requested staff update the policy to spell out that there is an OPEB policy and a Pension Trust policy to provide more clarity and update the date of when the policy was approved by City Council on December 3, 2025.

MOTION: Vice Mayor Moore motioned to receive the report and forward to City Council for Adoption, Councilmember Mohan seconded. The motion passed unanimously.

7. **Subject: INFORMATIONAL ITEM Receive the Single Audit and Agreed Upon Procedures (AUP) Reviews - GANN Limit, Investment Policy, Storm Drain**
Recommended Action: Receive the Single Audit and Agreed Upon Procedures (AUP) Reviews - GANN Limit, Investment Policy, Storm Drain

Jonathan Orozco and Sophia Kuo provided an overview.

Committee members asked questions and made comments.

No public comment.

Audit Committee received the report.

8. **Subject: ACTION ITEM Updated Budget Format Implementation Action Plan (IAP)**
Recommended Action: Receive the Updated Budget Format Implementation Action Plan (IAP) and forward to City Council for approval.

Kristina Alfaro provided an overview.

Committee members asked questions and made comments.

No public comment.

MOTION: Councilmember Mohan motioned to receive the Updated Budget Format Implementation Action Plan (IAP) and forward to City Council for approval Committee member Wu seconded. The motion passed unanimously.

9. **Subject:** INFORMATIONAL ITEM Receive the proposed Audit Committee 2025 Schedule and Workplan
Recommended Action: Receive the proposed Audit Committee 2025 Schedule and Workplan

Jonathan Orozco provided an overview.

Committee members asked questions and made comments.

No public comment.

Audit Committee received the report.

STAFF AND COMMITTEE REPORTS

COMMITTEE MEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

FUTURE AGENDA SETTING

ADJOURNMENT

The meeting adjourned at 6:16 p.m.

Recording Secretary:

Janet Liang, Senior Management Analyst



CITY OF CUPERTINO

Agenda Item

25-14185

Agenda Date: 7/28/2025
Agenda #: 2.

Subject: Approve Minutes of Special Meeting on May 12, 2025

Approve Minutes of Special Meeting on May 12, 2025

City of Cupertino
Audit Committee Special Meeting
DRAFT Minutes
May 12, 2025

CALL TO ORDER

At 3:03 p.m., Chair Eno Schmidt called the special meeting to order in the City of Cupertino Quinlan Conference Room, 10185 North Stelling Road.

ROLL CALL

Committee Members Present: Chair Eno Schmidt, Vice Mayor Kitty Moore, Councilmember Sheila Mohan

City Staff Present: Janet Liang, Jonathan Orozco, Kristina Alfaro

Absent: Vice Chair Hanyan Wu

Guests: Carlos Oblites (Chandler)

ORDERS OF THE DAY

POSTPONEMENTS

ORAL COMMUNICATIONS

OLD BUSINESS

NEW BUSINESS

1. Subject: INFORMATIONAL ITEM Receive the Treasurer's Investment Report for the Quarter Ending March 31, 2025
Recommended Action: Receive the Treasurer's Investment Report for the Quarter Ending March 31, 2025

Mullins provided an overview.

Committee members asked questions and made comments.

Audit Committee received the report.

STAFF AND COMMITTEE REPORTS

COMMITTEE MEMBER ATTENDANCE AT UPCOMING MEETINGS AND EVENTS

FUTURE AGENDA SETTING

ADJOURNMENT

The meeting adjourned at 3:47 p.m.

Recording Secretary:

Janet Liang, Senior Management Analyst



CITY OF CUPERTINO

Agenda Item

25-14187

Agenda Date: 7/28/2025

Agenda #: 3.

Subject: INFORMATIONAL ITEM Fiscal Year 2024-25 ACFR Interim Testing Update

Receive the Fiscal Year 2024-25 ACFR Interim Testing Update

Presenter: The Pun Group

4:15(10)



CITY OF CUPERTINO

Agenda Item

25-14188

Agenda Date: 7/28/2025

Agenda #: 4.

Subject: INFORMATIONAL ITEM Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending June 30, 2025

Receive OPEB & Pension Section 115 Trust Performance Report for Quarter Ending June 30, 2025

Presenter: PARS and US Bank

4:25(10)



CITY OF CUPERTINO

PARS 115 Trust – OPEB Prefunding Program &
Pension Rate Stabilization Program Plan Client Review
July 28, 2025

PARS 115 TRUST TEAM

As of March 31, 2025

Trust Administrator & Consultant*

PARS

PUBLIC AGENCY
RETIREMENT SERVICES

- Serves as record-keeper, consultant, and central point of contact
- Sub-trust accounting
- Coordinates all agency services
- Monitors plan compliance (IRS/GASB/State Government Code)
- Processes contributions/disbursements
- Hands-on, dedicated support teams

41

Years of Experience
(1984-2025)

2,000+

Plans under
Administration

1,000+

Public Agency
Clients

500+

115 Trust Clients

500k+

Plan Participants

\$9.2B+

Assets under
Administration

* See important information regarding PARS in the Disclaimer page at the end of the presentation.

Trustee

usbank

- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

162

Years of Experience
(1863-2025)

\$11.0T

Assets under
Administration

Investment Manager

pfm asset
management

- A division of U.S. Bancorp Asset Management, Inc.
- Fixed income and multi asset portfolios
- Active and passive platform options
- Customized portfolios (with minimum asset level)

40+

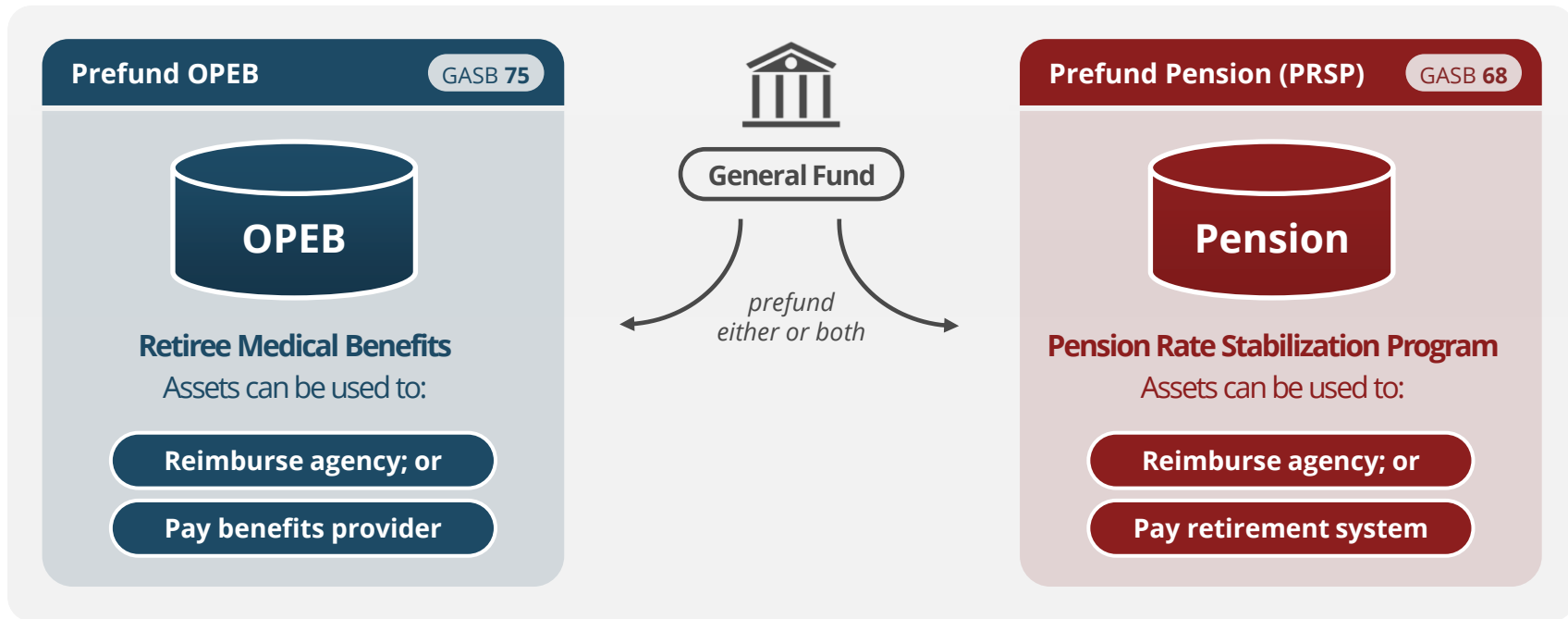
Years of Investment
Experience
(As of 12/31/2024)

\$256.5B+ *

Assets under Management
& Advisement

*Please see disclosures at the end of this presentation

PARS IRS-APPROVED SECTION 115 TRUST



Subaccounts

OPEB and pension assets are individually sub-accounted, and can be divided by dept., bargaining group, or cost center.



Financial Stability

Assets in the PARS Section 115 Combination Trust can be used to address unfunded liabilities.



Flexible Investing

Allows separate investment strategies for OPEB and pension subaccounts.



Anytime Access

Trust funds are available anytime; OPEB for OPEB and pension for pension.



Economies-of-Scale

OPEB and pension assets aggregate and reach lower fees on tiered schedule sooner – saving money!



No Set Up Cost or Minimums

No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.



PARS/CITY OF CUPERTINO 115P

OPEB & PENSION ACCOUNTS

June 30, 2025 Review

Your Team

Dennis Mullins
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Senior Institutional Client Portfolio Manager
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For more information regarding PFMAM’s services please visit www.pfmam.com.

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 - PARS/CITY OF CUPERTINO 115P - OPEB (X9600)
 - Portfolio Overview
 - Equity Analysis
 - Fixed Income Analysis
 - Performance (AGG460596)
 - Holdings
 - PARS/CITY OF CUPERTINO 115P – PENSION (X9601)
 - Portfolio Overview
 - Equity Analysis
 - Fixed Income Analysis
 - Performance
 - Holdings
- Page 20 – INVESTMENT POLICIES
- Page 33 – MARKET REVIEW
- Page 36 – DISCLOSURES, DEFINITIONS, DESCRIPTIONS

Portfolio Review - OPEB

Provided by U.S Bank





Account: XXXXXX9600

Holdings Method: Direct

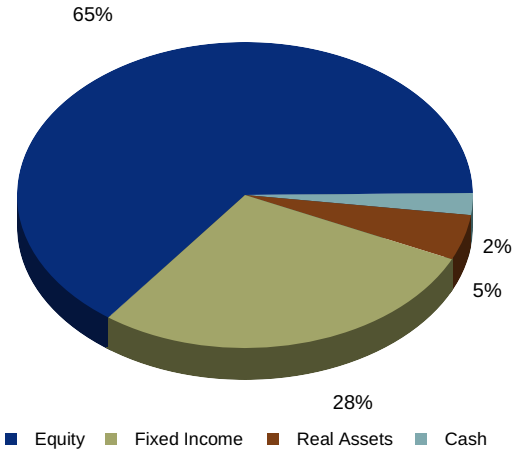
Report Date: 06/30/2025

Portfolio Summary

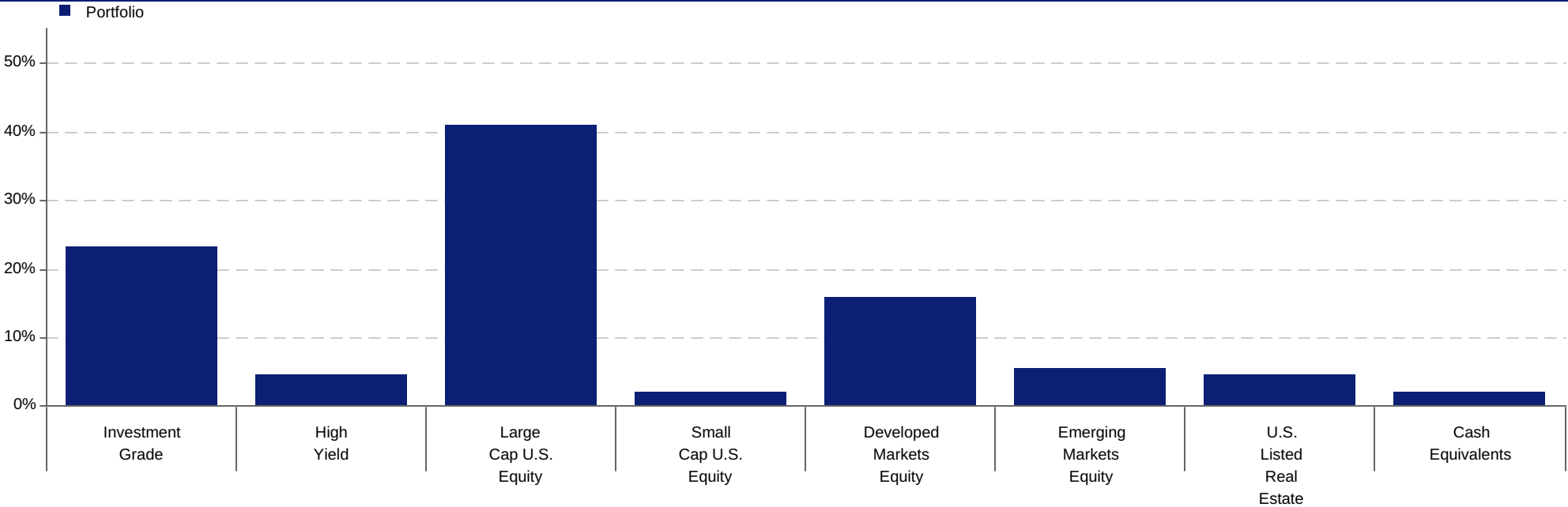
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$42,689,285
Net Realized Cap Gains YTD	\$5,844,596
Annual Income Projected	\$1,033,501
Current Yield	2.42%
Number of Securities	8
Portfolio Mgr.	Dennis S. Mullins, CFA

Portfolio Asset Allocation

Equity	\$27,686,935	64.86%
Fixed Income	\$12,025,680	28.17%
Real Assets	\$2,014,724	4.72%
Cash	\$961,947	2.25%
Invested Total	\$42,689,285	100.00%



Portfolio Model Allocation





Account: XXXXXX9600

Holdings Method: Direct

Report Date: 06/30/2025

Fixed Income Summary

Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$12,025,680
Current Yield	4.05%
Annual Income Projected	\$487,024
Number of Securities	2
Portfolio Mgr.	Dennis S. Mullins, CFA

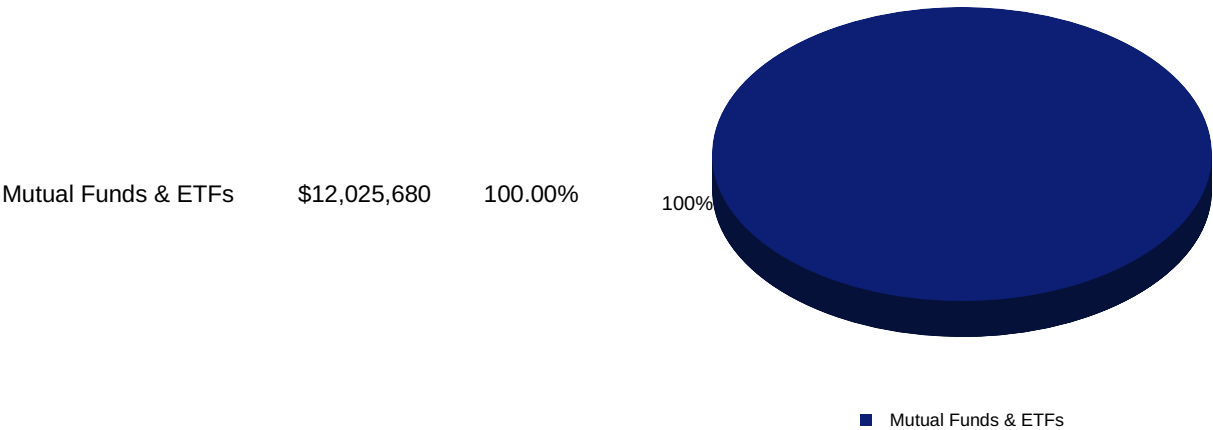
Fixed Income Asset Allocation

Investment Grade	\$9,988,156	83.06%
High Yield	\$2,037,524	16.94%

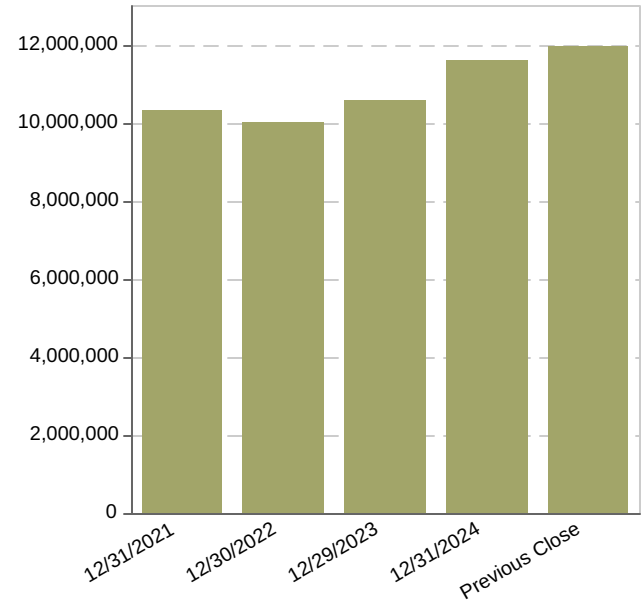
83% 17%

■ Investment Grade ■ High Yield

Fixed Income Sector Exposures



Fixed Income Market Value





Account: XXXXXX9600

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

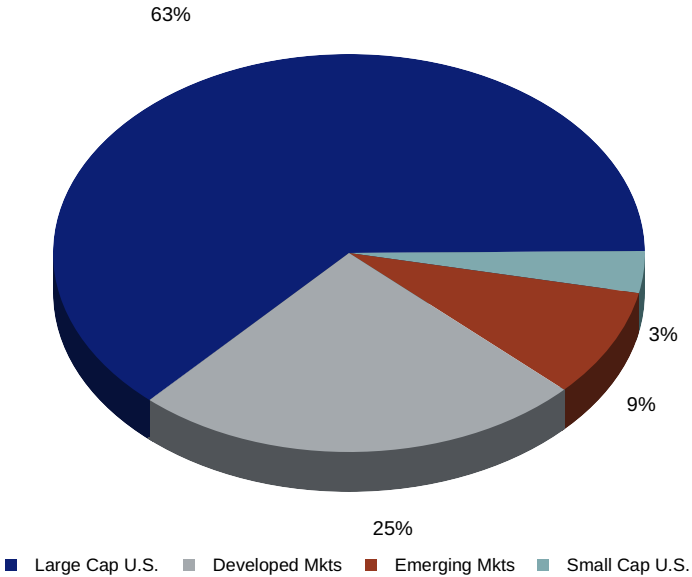
Report Date: 06/30/2025

Equity Summary

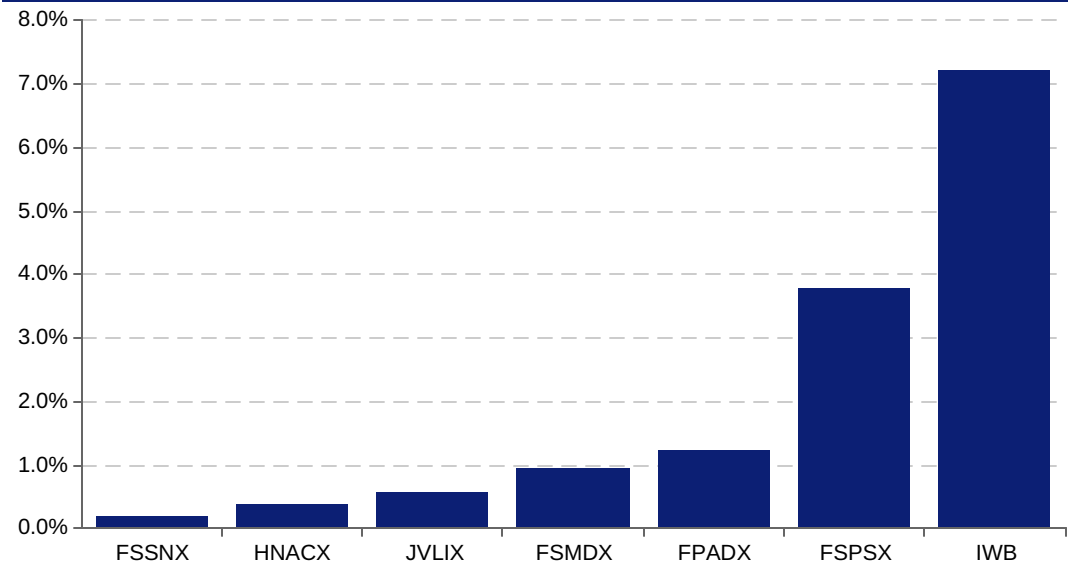
Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$27,686,935
Current Yield	1.60%
Annual Income Projected	\$443,977
Number of Securities	4
Portfolio Mgr.	Dennis S. Mullins, CFA

Equity Asset Allocation

Large Cap U.S.	\$17,532,678	63.32%
Developed Mkts	\$6,820,516	24.63%
Emerging Mkts	\$2,401,265	8.67%
Small Cap U.S.	\$932,476	3.37%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



Equity Country Distribution





Account: XXXXXX9600

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

Report Date: 06/30/2025

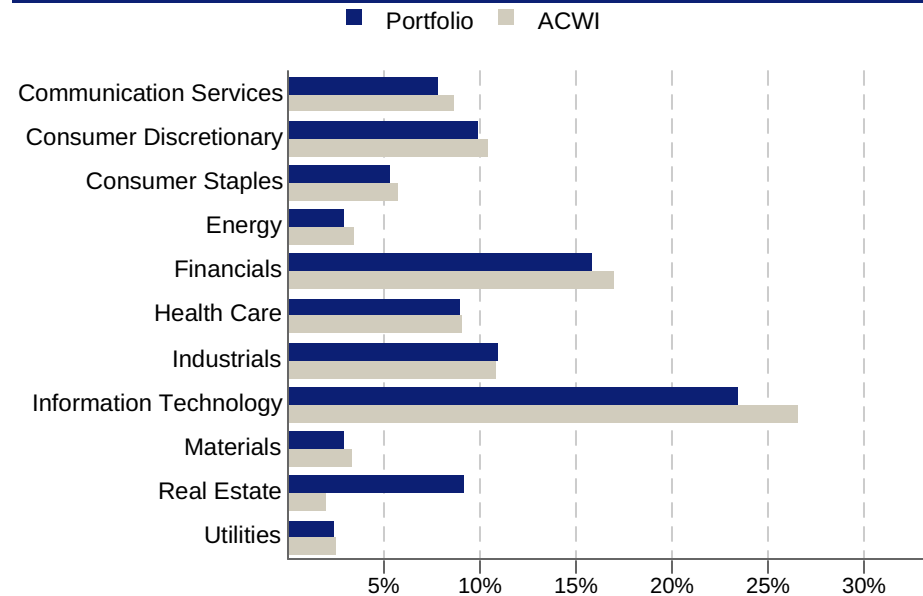
Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return* (%)	52 Wk Return* (%)
NVIDIA Corporation	3.96	2.65	0.03	17.7	27.9
Microsoft Corporation	3.95	2.64	0.67	18.5	12.1
Apple Inc.	3.24	2.17	0.49	-17.9	-2.1
Amazon.com, Inc.	2.25	1.51	0.00	0.0	13.5
Meta Platforms Inc Class A	1.73	1.15	0.29	26.3	46.9
Broadcom Inc.	1.36	0.91	0.86	19.5	73.6
Alphabet Inc. Class A	1.10	0.73	0.45	-6.7	-2.8
Berkshire Hathaway Inc. Class...	0.96	0.64	0.00	7.2	19.4
Tesla, Inc.	0.96	0.64	0.00	-21.3	60.5
Alphabet Inc. Class C	0.90	0.60	0.45	-6.6	-2.8

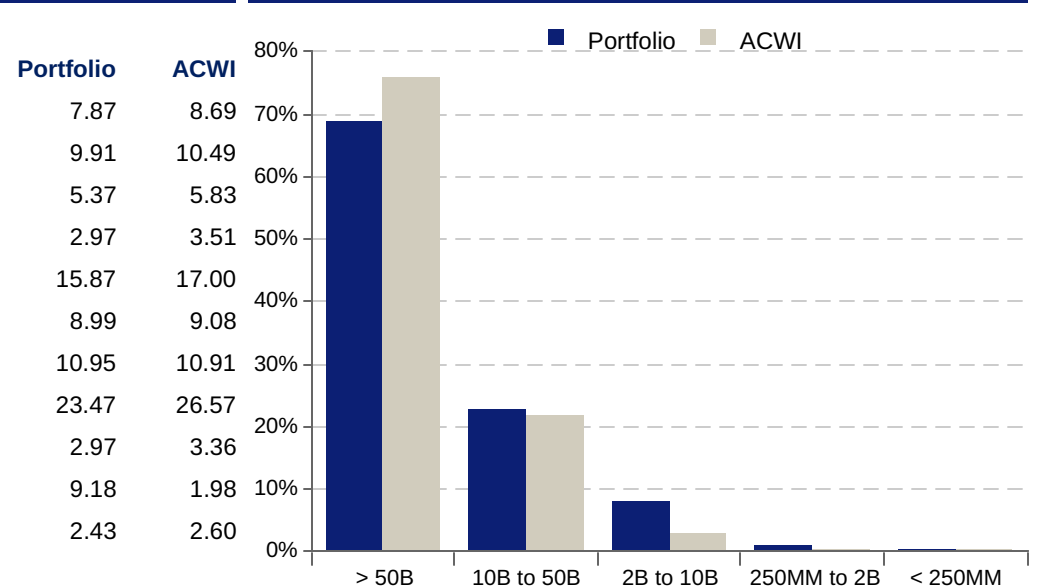
Common Stock Characteristics

	Portfolio	ACWI
Market Cap - Wtd Avg	\$659.0B	\$750.9B
Market Cap - Median	\$6.2B	\$18.0B
Dividend Yield	1.89	1.75
P/E NTM	18.8	18.4
P/E LTM	21.5	21.5
ROE (%)	20.5	22.2
1 Yr Beta vs. S&P Composite	.84	.84
Est 3-5 Yr EPS Growth (%)	10.8	11.1
Hist 3 Yr EPS Growth (%)	16.6	18.0
Number of Securities	4829	2234

Common Stock Sector Exposures



Common Stock Market Cap Distribution



*Specific to the security - does not represent performance in the portfolio.

Custom Benchmark

CITY OF CUPERTINO OPEB

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI ACWI Index (net)	50%-70%	63%	64.9%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	28.2%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4.7%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	2.2%

Selected Period Performance

	Market Value	Year to Date (6 Months)	3 Months	1 Year	3 Years	5 Years	Inception to Date 03/01/2019
Total Portfolio Gross of Fees	42,734,042	7.73	8.21	12.80	12.59	8.93	7.68
Total Portfolio Net of Fees	42,734,042	7.64	8.17	12.61	12.40	8.74	7.49
City of Cupertino		8.83	8.67	13.47	11.98	9.01	8.12
Total Equity	27,686,935	9.91	12.02	15.76	17.35	12.90	11.61
MSCI ACWI (Net)		10.05	11.53	16.17	17.35	13.65	11.84
Russell 3000 Index		5.75	10.99	15.30	19.08	15.96	14.51
S&P 500 Index (Total Return)		6.20	10.94	15.16	19.71	16.64	15.33
S&P MidCap 400 Index		.20	6.71	7.53	12.83	13.44	9.69
S&P SmallCap 600 Index		-4.46	4.90	4.60	7.65	11.68	6.81
MSCI EAFE Index (Net)		19.45	11.78	17.73	15.97	11.16	8.54
MSCI Emerging Markets Index (Net)		15.27	11.99	15.29	9.70	6.81	5.00
Total Fixed Income	12,067,206	4.16	1.65	6.82	3.87	.72	.84
BBARC US Aggregate Bond Index		4.02	1.21	6.08	2.55	-.73	1.54
BBARC Global Aggregate Index		7.27	4.52	8.91	2.75	-1.16	.44
Total Real Assets	2,014,724	.03	-.95	8.95	5.41	7.50	4.82
S&P Global REIT Index (Gross)		4.76	3.06	11.18	5.06	7.31	3.80
S&P GSCI Index		1.94	-2.81	.25	-.37	17.69	6.55
Total Cash Equivalents	965,177	2.12	1.06	4.66	4.55	2.74	2.46
FTSE 3 Month Treasury Bill Index		2.21	1.09	4.88	4.75	2.88	2.65
Pending Cash	0	.00	.00	.00	.00	.00	.00



Account: XXXXXX9600

Holdings Method: Direct

Report Date: 06/30/2025

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			42,689,285	38,955,613	3,733,673	2.42	1,033,501
Cash		2.25			961,947	961,947	0	4.26	40,983
Cash Equivalents		2.25			961,947	961,947	0	4.26	40,983
FIRST AM GOVT OB FD CL X	31846V336	2.25	1.00	961,947	961,947	961,947	0	4.26	40,983
Fixed Income		28.17			12,025,680	11,897,311	128,369	4.05	487,024
Investment Grade		23.40			9,988,156	9,788,246	199,910	3.45	344,419
Mutual Funds & ETFs		23.40			9,988,156	9,788,246	199,910	3.45	344,419
Fidelity U.S. Bond Index Fund	FXNAX	23.40	10.44	956,720	9,988,156	9,788,246	199,910	3.45	344,419
High Yield		4.77			2,037,524	2,109,065	-71,541	7.00	142,605
Mutual Funds & ETFs		4.77			2,037,524	2,109,065	-71,541	7.00	142,605
Artisan High Income Fund - Institutional Sh...	APHFX	4.77	9.23	220,750	2,037,524	2,109,065	-71,541	7.00	142,605
Equity		64.86			27,686,935	24,059,068	3,627,867	1.60	443,977
Large Cap U.S. Equity		41.07			17,532,678	15,560,589	1,972,089	1.10	193,207
Mutual Funds & ETFs		41.07			17,532,678	15,560,589	1,972,089	1.10	193,207
iShares Russell 1000 ETF	IWB	41.07	339.57	51,632	17,532,678	15,560,589	1,972,089	1.10	193,207
Small Cap U.S. Equity		2.18			932,476	836,017	96,458	1.04	9,736
Mutual Funds & ETFs		2.18			932,476	836,017	96,458	1.04	9,736
Fidelity Small Cap Index Fund	FSSNX	2.18	27.20	34,282	932,476	836,017	96,458	1.04	9,736
Developed Markets Equity		15.98			6,820,516	5,707,045	1,113,471	2.71	185,116
Mutual Funds & ETFs		15.98			6,820,516	5,707,045	1,113,471	2.71	185,116
Fidelity International Index Fund	FSPSX	15.98	57.33	118,969	6,820,516	5,707,045	1,113,471	2.71	185,116
Emerging Markets Equity		5.62			2,401,265	1,955,417	445,848	2.33	55,917
Mutual Funds & ETFs		5.62			2,401,265	1,955,417	445,848	2.33	55,917
Fidelity Emerging Markets Index Fund	FPADX	5.62	12.11	198,288	2,401,265	1,955,417	445,848	2.33	55,917
Real Assets		4.72			2,014,724	2,037,287	-22,563	3.05	61,517
U.S. Listed Real Estate		4.72			2,014,724	2,037,287	-22,563	3.05	61,517
iShares Core U.S. REIT ETF	USRT	4.72	56.56	35,621	2,014,724	2,037,287	-22,563	3.05	61,517

Portfolio Review - Pension

Provided by U.S Bank





Account: XXXXXX9601

Holdings Method: Direct

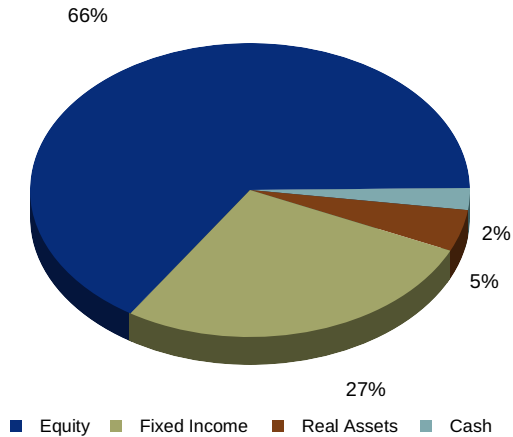
Report Date: 06/30/2025

Portfolio Summary

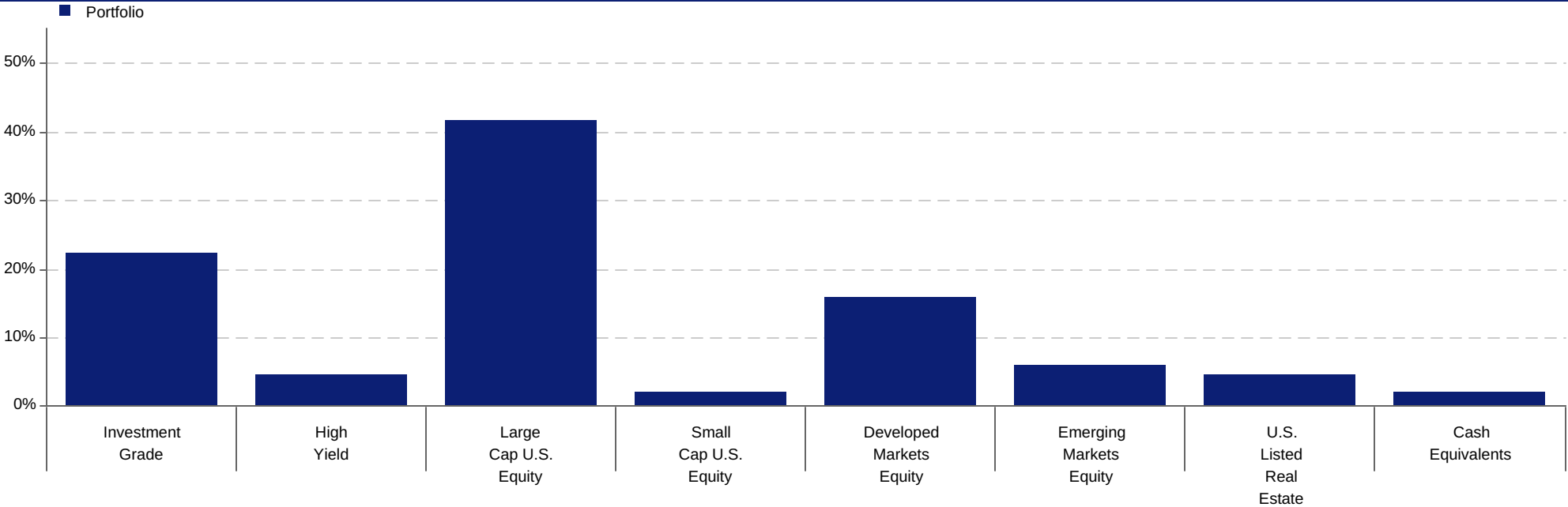
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$24,296,317
Net Realized Cap Gains YTD	\$2,490,860
Annual Income Projected	\$581,587
Current Yield	2.39%
Number of Securities	8
Portfolio Mgr.	Dennis S. Mullins, CFA

Portfolio Asset Allocation

Equity	\$16,039,389	66.02%
Fixed Income	\$6,576,020	27.07%
Real Assets	\$1,146,415	4.72%
Cash	\$534,493	2.20%
Invested Total	\$24,296,317	100.00%



Portfolio Model Allocation





Account: XXXXXX9601

Holdings Method: Direct

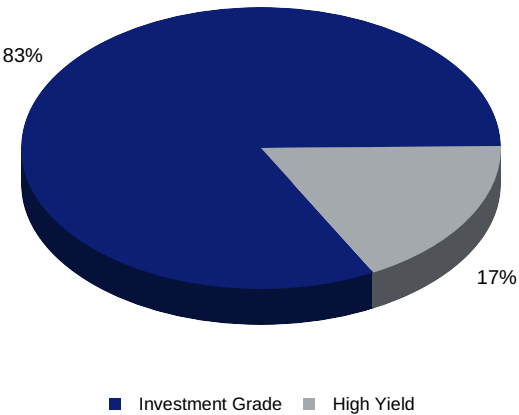
Report Date: 06/30/2025

Fixed Income Summary

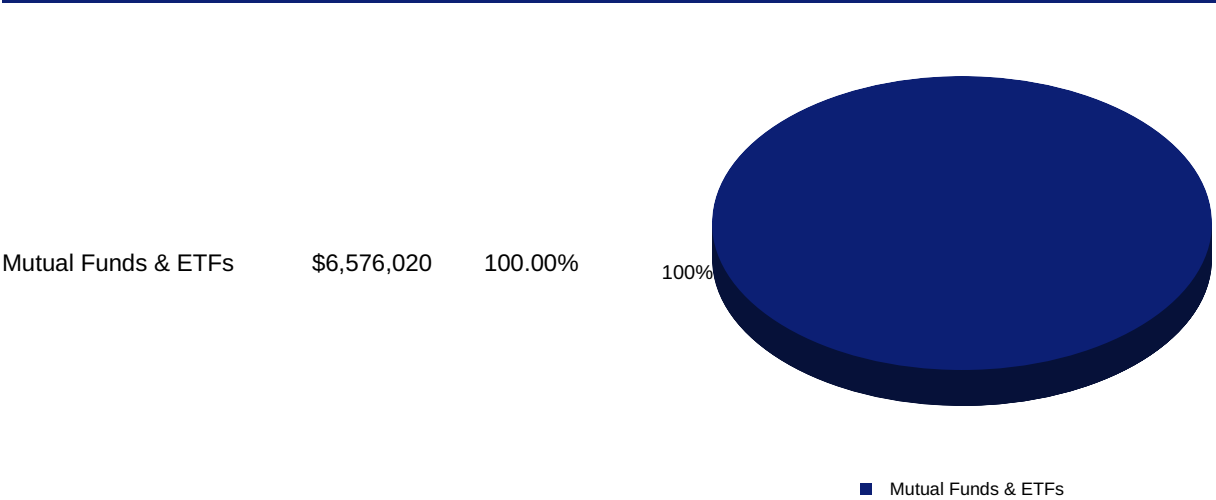
Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$6,576,020
Current Yield	4.06%
Annual Income Projected	\$266,868
Number of Securities	2
Portfolio Mgr.	Dennis S. Mullins, CFA

Fixed Income Asset Allocation

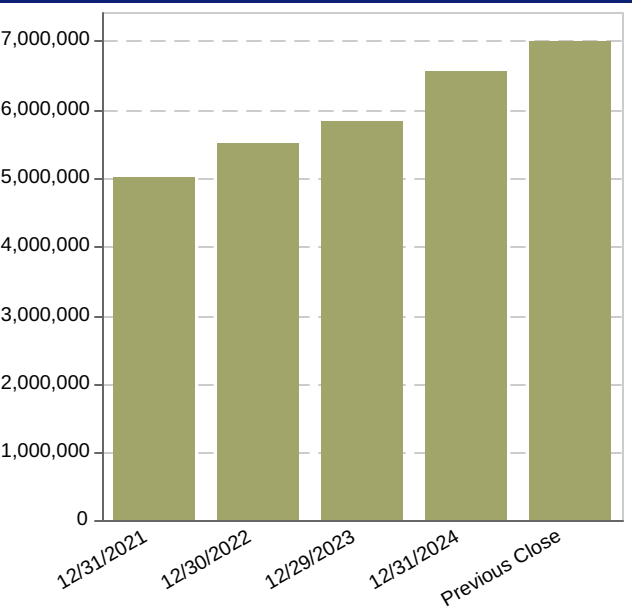
Investment Grade	\$5,446,398	82.82%
High Yield	\$1,129,621	17.18%



Fixed Income Sector Exposures



Fixed Income Market Value





Account: XXXXXX9601

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

Report Date: 06/30/2025

Equity Summary

Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$16,039,389
Current Yield	1.60%
Annual Income Projected	\$256,942
Number of Securities	4
Portfolio Mgr.	Dennis S. Mullins, CFA

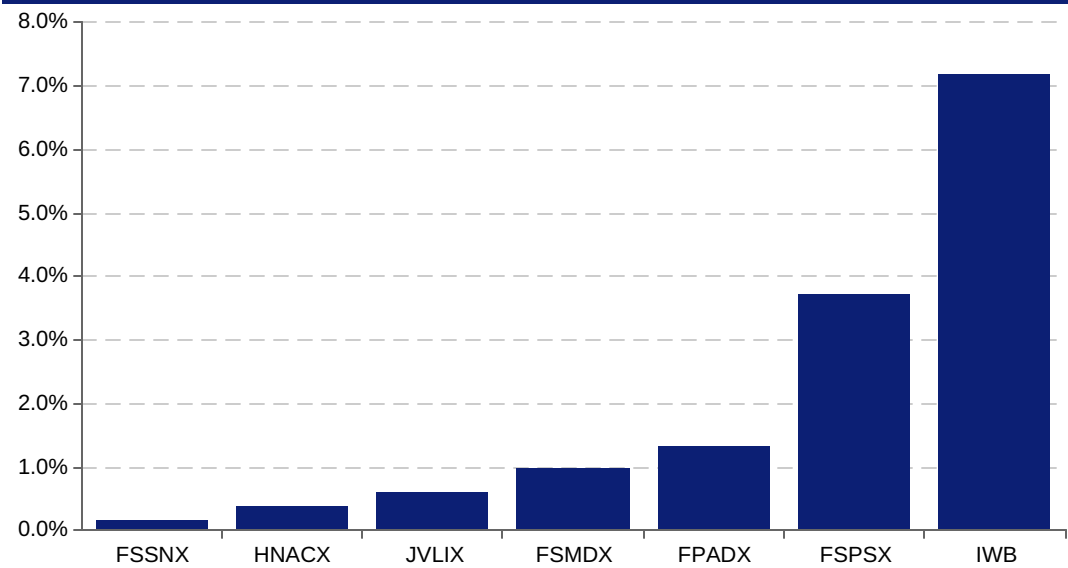
Equity Asset Allocation

Large Cap U.S.	\$10,163,330	63.36%
Developed Mkts	\$3,872,392	24.14%
Emerging Mkts	\$1,473,099	9.18%
Small Cap U.S.	\$530,568	3.31%

Pie Chart

Category	Percentage
Large Cap U.S.	63%
Developed Mkts	24%
Emerging Mkts	9%
Small Cap U.S.	3%

Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



Equity Country Distribution





Account: XXXXXX9601

Holdings Method: Direct and Indirect (securities held in mutual funds & ETFs)

Report Date: 06/30/2025

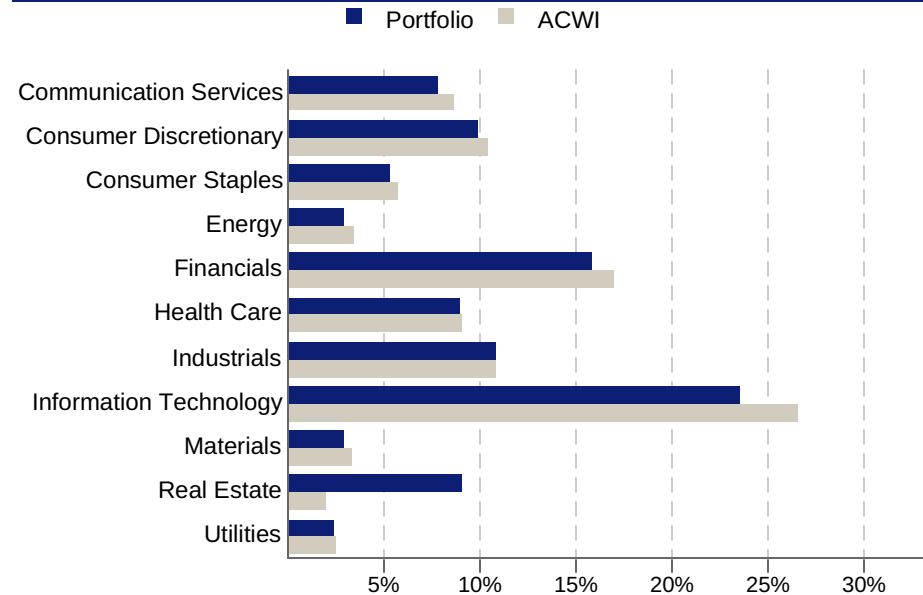
Top 10 Common Stock Holdings

	Stock Wt. (%)	Full Port Wt. (%)	Yield (%)	YTD Return* (%)	52 Wk Return* (%)
NVIDIA Corporation	3.97	2.70	0.03	17.7	27.9
Microsoft Corporation	3.96	2.69	0.67	18.5	12.1
Apple Inc.	3.25	2.21	0.49	-17.9	-2.1
Amazon.com, Inc.	2.26	1.54	0.00	0.0	13.5
Meta Platforms Inc Class A	1.73	1.18	0.29	26.3	46.9
Broadcom Inc.	1.37	0.93	0.86	19.5	73.6
Alphabet Inc. Class A	1.10	0.75	0.45	-6.7	-2.8
Berkshire Hathaway Inc. Class...	0.96	0.65	0.00	7.2	19.4
Tesla, Inc.	0.96	0.65	0.00	-21.3	60.5
Alphabet Inc. Class C	0.90	0.61	0.45	-6.6	-2.8

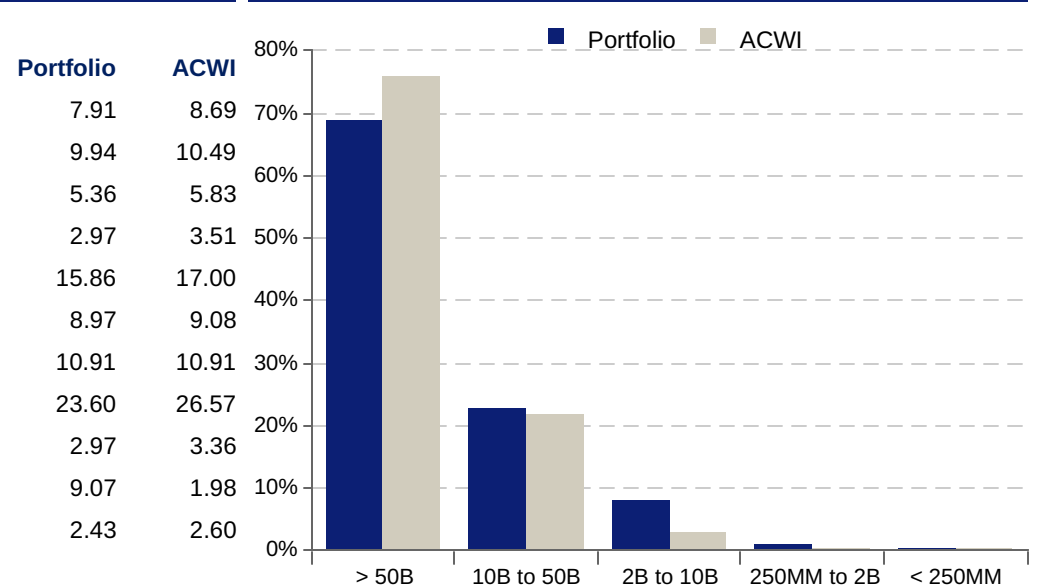
Common Stock Characteristics

	Portfolio	ACWI
Market Cap - Wtd Avg	\$660.6B	\$750.9B
Market Cap - Median	\$6.2B	\$18.0B
Dividend Yield	1.89	1.75
P/E NTM	18.8	18.4
P/E LTM	21.5	21.5
ROE (%)	20.6	22.2
1 Yr Beta vs. S&P Composite	.84	.84
Est 3-5 Yr EPS Growth (%)	10.8	11.1
Hist 3 Yr EPS Growth (%)	16.6	18.0
Number of Securities	4829	2234

Common Stock Sector Exposures



Common Stock Market Cap Distribution



*Specific to the security - does not represent performance in the portfolio.

Custom Benchmark

CITY OF CUPERTINO PENSION

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI ACWI Index (net)	50%-70%	63%	66.0%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	27.1%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4.7%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	2.2%

Selected Period Performance

	Market Value	Year to Date (6 Months)	3 Months	1 Year	3 Years	5 Years	Inception to Date 05/01/2019
Total Portfolio Gross of Fees	24,320,860	7.73	8.19	12.64	12.53	8.86	8.03
Total Portfolio Net of Fees	24,320,860	7.64	8.15	12.46	12.33	8.67	7.84
City of Cupertino		8.83	8.67	13.47	11.98	9.01	7.74
Total Equity	16,039,389	9.91	12.00	15.68	17.33	12.88	11.36
MSCI ACWI (Net)		10.05	11.53	16.17	17.35	13.65	11.35
Russell 3000 Index		5.75	10.99	15.30	19.08	15.96	13.94
S&P 500 Index (Total Return)		6.20	10.94	15.16	19.71	16.64	14.68
S&P MidCap 400 Index		.20	6.71	7.53	12.83	13.44	9.36
S&P SmallCap 600 Index		-4.46	4.90	4.60	7.65	11.68	6.93
MSCI EAFE Index (Net)		19.45	11.78	17.73	15.97	11.16	8.18
MSCI Emerging Markets Index (Net)		15.27	11.99	15.29	9.70	6.81	4.64
Total Fixed Income	6,598,771	4.17	1.64	6.83	3.87	.71	.68
BBARC US Aggregate Bond Index		4.02	1.21	6.08	2.55	-.73	1.26
BBARC Global Aggregate Index		7.27	4.52	8.91	2.75	-1.16	.30
Total Real Assets	1,146,415	-.03	-.97	8.90	5.43	7.53	4.65
S&P Global REIT Index (Gross)		4.76	3.06	11.18	5.06	7.31	3.46
S&P GSCI Index		1.94	-2.81	.25	-.37	17.69	5.98
Total Cash Equivalents	536,286	2.12	1.05	4.66	4.52	2.71	2.46
FTSE 3 Month Treasury Bill Index		2.21	1.09	4.88	4.75	2.88	2.65
Pending Cash	0	.00	.00	.00	.00	.00	.00



PARS/CITY OF CUPERTINO 115P- PENSION

Portfolio Holdings

Account: XXXXXX9601

Holdings Method: Direct


Report Date: 06/30/2025

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			24,296,317	22,189,935	2,106,382	2.39	581,587
Cash		2.20			534,493	534,493	0	4.26	22,772
Cash Equivalents		2.20			534,493	534,493	0	4.26	22,772
FIRST AM GOVT OB FD CL X	31846V336	2.20	1.00	534,493	534,493	534,493	0	4.26	22,772
Fixed Income		27.07			6,576,020	6,664,104	-88,084	4.06	266,868
Investment Grade		22.42			5,446,398	5,498,223	-51,824	3.45	187,807
Mutual Funds & ETFs		22.42			5,446,398	5,498,223	-51,824	3.45	187,807
Fidelity U.S. Bond Index Fund	FXNAX	22.42	10.44	521,686	5,446,398	5,498,223	-51,824	3.45	187,807
High Yield		4.65			1,129,621	1,165,881	-36,259	7.00	79,061
Mutual Funds & ETFs		4.65			1,129,621	1,165,881	-36,259	7.00	79,061
Artisan High Income Fund - Institutional Sh...	APHFX	4.65	9.23	122,386	1,129,621	1,165,881	-36,259	7.00	79,061
Equity		66.02			16,039,389	13,833,098	2,206,292	1.60	256,942
Large Cap U.S. Equity		41.83			10,163,330	9,020,151	1,143,179	1.10	111,998
Mutual Funds & ETFs		41.83			10,163,330	9,020,151	1,143,179	1.10	111,998
iShares Russell 1000 ETF	IWB	41.83	339.57	29,930	10,163,330	9,020,151	1,143,179	1.10	111,998
Small Cap U.S. Equity		2.18			530,568	453,131	77,437	1.04	5,540
Mutual Funds & ETFs		2.18			530,568	453,131	77,437	1.04	5,540
Fidelity Small Cap Index Fund	FSSNX	2.18	27.20	19,506	530,568	453,131	77,437	1.04	5,540
Developed Markets Equity		15.94			3,872,392	3,178,510	693,882	2.71	105,101
Mutual Funds & ETFs		15.94			3,872,392	3,178,510	693,882	2.71	105,101
Fidelity International Index Fund	FSPSX	15.94	57.33	67,546	3,872,392	3,178,510	693,882	2.71	105,101
Emerging Markets Equity		6.06			1,473,099	1,181,306	291,793	2.33	34,303
Mutual Funds & ETFs		6.06			1,473,099	1,181,306	291,793	2.33	34,303
Fidelity Emerging Markets Index Fund	FPADX	6.06	12.11	121,643	1,473,099	1,181,306	291,793	2.33	34,303
Real Assets		4.72			1,146,415	1,158,241	-11,826	3.05	35,005
U.S. Listed Real Estate		4.72			1,146,415	1,158,241	-11,826	3.05	35,005
iShares Core U.S. REIT ETF	USRT	4.72	56.56	20,269	1,146,415	1,158,241	-11,826	3.05	35,005

Investment Policies

Provided by U.S Bank



 Other Post-Employment Benefits (OPEB) Investment Policy	Citywide Policy Manual
	Attachments: N/A
Effective Date: December 3, 2024	Responsible Department: Administrative Services
Related Policies & Notes: City Investment Policy, Pension Investment Policy	

Overview

In response to the Government Accounting Standards Board (GASB) Statement No. 45, replaced by GASB Statement No. 74 and GASB Statement No. 75, new disclosure requirements for Other Post-employment Benefit (OPEB) Plans, the City of Cupertino has adopted a Section 115 Trust and Plan that seeks to satisfy these liabilities for certain eligible employees

Executive Summary

Account Name: City of Cupertino OPEB Trust
Account Number: 6746035000
Investment Authority: Full Investment Authority
Current Assets: \$40.7 million (September 2024)
Time Horizon: Long-Term
Target Rate of Return: 6.5%
Communication Schedule: Meetings will be conducted at least quarterly

U.S. Bank Portfolio Manager: Dennis Mullins
Dennis.mullins@usbank.com
513-304-0398

U.S. Bank Relationship Manager: Ryan Maxey
ryan.maxey@usbank.com
503-464-3789

Investment Objective: ‘Balanced’

This investment objective is designed to provide a moderate amount of current income with moderate growth of capital. Investors should have sufficient tolerance for price and return volatility and substantial periodic declines in investment value. This objective is recommended for investors with a long-term time horizon.

The strategic asset allocation ranges and tactical targets for this objective are listed below:

Asset Class	Range	Benchmark Target
Fixed Income	20-40%	29%
Equities	50-70%	63%
Real Estate	0-15%	5%
Commodities	0-10%	2%
Cash	0-10%	1%

Investment Guidelines

Overview

This document defines the investment policy, guidelines and performance objectives applicable to the assets of The City of Cupertino’s OPEB Trust. The goal of this Policy is to create an investment framework within which the assets can be actively yet prudently managed.

The purpose of this document is threefold.

- First, it will set forth an investment structure for managing the Portfolio assets. This structure is expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
- Second, it will serve as to encourage effective communications between the organization and parties involved with investment management decisions.
- Third, these guidelines will provide a framework to measure ongoing investment performance.

Within the constraints imposed by these policies, Investment Managers are expected to comply with all applicable fiduciary and due diligence requirements under the “prudent investor” rules, which state: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.” All applicable laws, rules and regulations from various local, state, federal and international political entities that may impact the Portfolio are to be adhered to.

Diversification

Your Portfolio Manager is responsible for maintaining the balance between the various asset classes based on the investment objective's strategic asset allocation. As a general policy, the Investment Manager will maintain reasonable diversification at all times by asset class, credit quality, issuer, sector, industry, and country.

The following parameters shall be adhered to in managing the portfolio:

Fixed Income Assets

- The fixed income investments are to maintain intermediate-term average weighted duration, between three-seven years.
- At the time of purchase, no single fixed income issuer shall exceed 2% of the total market value of the Portfolio, with the exception of U.S. Treasury or Agency obligations.
- The direct high-yield portion shall constitute no more than 10% of the total market value of the Portfolio.
- Hedged fixed income positions shall constitute no more than 10% of the total market value of the Portfolio.

Equity & Growth Assets

- The domestic equity investments are expected to be diversified at all times by size, industry, sector, and style (Large Cap, Mid Cap, and Small Cap).
- At the time of purchase, no individual equity security shall exceed 2% of the total market value of the Portfolio.
- The real estate investments shall be captured through the use of diversified mutual funds or ETFs investing in REITs; and shall constitute no more than 15% of the total market value of the Portfolio.
- The commodities investments shall be captured through the use of diversified mutual funds or ETFs; and shall constitute no more than 10% of the total market value of the Portfolio.
- Hedged equity positions shall constitute no more than 10% of the total market value of the Portfolio

Permitted Asset Classes and Security Types

Fixed Income & Cash Equivalent Investments:

- Domestic Certificates of Deposit (rated A-1/P-1 or better)
- Domestic Commercial Paper (rated A-1/P-1 or better)
- Floating Rate Notes
- Money Market Mutual Funds
- U.S. Treasury Bonds, Bills and Notes
- U.S. Agency (and Instrumentality) Discount Notes, Notes, and Bonds
- Treasury Inflation-Protected Securities (TIPS)
- Municipal Bonds and Notes
- Corporate Bonds
- Mortgage-Backed Bonds (MBS)

- Asset-Backed Bonds (ABS)
- High-Yield Bonds (rated B-/B3 or better)
- Dollar denominated Foreign Bonds and Notes
- Bond Mutual Funds

Equity Investments:

- Common & Preferred Stocks
- American Depositary Receipts (ADRs)
- Domestic and International Equity Mutual Funds (Open and Closed)
- Emerging Market Equity Funds or Exchange Traded Funds (ETFs)

Alternative Investments:

- Commodities Mutual Funds or Exchange Traded Notes (ETNs)
- REIT Investment or Pooled Strategy or Fund of REITs
- Registered Hedge Funds or Hedge Fund of Funds

Prohibited Asset Classes and Transactions

The Investment Manager is prohibited from purchasing or holding any of the following types of investments:

- Partnerships unless investing in Master Limited Partnerships invested in a mutual fund and limited in scope and allocation of Portfolio based on asset class limitations of table above
- Letter stock and other unregistered securities; physical commodities or other commodity contracts; and short sales or margin transactions
- Investments in the equity securities of any company with a record of less than three years continuous operation, including the operation of any predecessor
- Investments for the purpose of exercising control of management
- Direct or indirect exposure to cryptocurrencies
- Leveraged securities, other than registered Hedged Equity and Hedged Fixed Income positions

Duties and Responsibilities

- 1) CITY OF CUPERTINO AUDIT COMMITTEE
 - a) Establish, approve, and maintain investment objectives, guidelines, and policies (including this Policy).
 - b) Appoint Investment Managers who can be reasonably expected to adhere to the investment guidelines and meet the investment objectives as established.
 - c) Monitor the investment performance of the Portfolio and compare actual investment performance relative to an appropriate benchmark index given the stated investment guidelines and objectives set forth in this Policy.
 - d) Conduct a formal review of the Portfolio's asset allocation, investment structure and performance annually or more frequently as the need arises.
 - e) Periodically review the Portfolio performance against objectives.

2) CITY OF CUPERTINO CITY COUNCIL

- a) Adopt the Policy by resolution of the City Council on an annual basis.

3) PORTFOLIO MANAGER

The Portfolio Manager will be responsible for carrying out the activities related to the Portfolio in accordance with the Policy including:

- a) Manage the day-to-day investment of Portfolio assets in accordance with the Policy guidelines and objectives included herein.
- b) Exercise full investment discretion and prudence in the selection and diversification of investments.
- c) Promptly bring to the attention of the City Treasurer or designee any investment that is subsequently downgraded and fails to meet the quality guidelines, along with a recommendation of retention or disposal.
- d) Provide on a quarterly basis the following investment reporting:
 - (i) Year-to-date rate of return
 - (ii) Annualized one, three, five, etc. rates of return
- e) Provide annually to the City's Audit Committee a commentary and analysis of investment performance to include an evaluation of the current and future investment environment and potential impact of the investment environment on achievement of investment objectives.

Investment Policy Statement Review

The City's Audit Committee will review and the Cupertino City Council will adopt this Investment Policy Statement at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the Policy will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the Policy.

If at any time the Portfolio Manager finds the above guidelines too restrictive or possibly injurious to investment returns, they should communicate that information immediately to the City's Audit Committee.


City Manager's signature: _____

Date: _____

Director of Administrative Services' signature: _____

Date: _____

Revisions: 6.5.2018, 11.19.2019, 11.17.2020, 12.7.2021, 12.06.2022, 12.05.2023, 12.03.2024

 Pension Trust Investment Policy	Citywide Policy Manual
	Attachments: N/A
Effective Date: December 3, 2024	Responsible Department: Administrative Services
Related Policies & Notes: N/A	

Investment Policy Statement

Overview

The City has established a Section 115 Trust with PARS to assist in stabilizing the potential impact of pension cost volatility on the City's operating budget. The City intends to use the Section 115 Trust to pre-fund pension costs and proactively address the unfunded liability. The City's goal is to have sufficient assets in the trust to increase the funded status to over 80% within 20 years, as well as fund the difference between a 7.0% and 6.25% discount rate.

Executive Summary

Account Name:	City of Cupertino Pension Trust
Account Number:	6746050100
Investment Authority:	Full Investment Authority
Current Assets:	\$23.0 Million (September 2024)
Time Horizon:	Long-Term
Target Rate of Return:	6.25%
Communication Schedule:	Meetings will be conducted at least quarterly

U.S. Bank Portfolio Manager:	Dennis Mullins
	Dennis.mullins@usbank.com
	513-304-0398

U.S. Bank Relationship Manager:	Ryan Maxey
	ryan.maxey@usbank.com
	503-464-3789

Investment Objective: ‘Balanced’

This investment objective is designed to provide a moderate amount of current income with moderate growth of capital. Investors should have sufficient tolerance for price and return volatility and substantial periodic declines in investment value. This objective is recommended for investors with a long-term time horizon.

The strategic asset allocation ranges and tactical targets for this objective are listed below:

Asset Class	Range	Benchmark Target
Fixed Income	20-40%	29%
Equities	50-70%	63%
Real Estate	0-15%	5%
Commodities	0-10%	2%
Cash	0-10%	1%

Investment Guidelines

Overview

This document defines the investment policy, guidelines and performance objectives applicable to the assets of The City of Cupertino’s Pension Trust. The goal of this Policy is to create an investment framework within which the assets can be actively yet prudently managed.

The purpose of this document is threefold.

- First, it will set forth an investment structure for managing the Portfolio assets. This structure is expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
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Your Portfolio Manager is responsible for maintaining the balance between the various asset classes based on the investment objective's strategic asset allocation. As a general policy, the Investment Manager will maintain reasonable diversification at all times by asset class, credit quality, issuer, sector, industry, and country.

The following parameters shall be adhered to in managing the portfolio:

Fixed Income Assets

- The fixed income investments are to maintain intermediate-term average weighted duration, between three-seven years.
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- The direct high-yield portion shall constitute no more than 10% of the total market value of the Portfolio.
- Hedged fixed income positions shall constitute no more than 10% of the total market value of the Portfolio

Equity & Growth Assets

- The domestic equity investments are expected to be diversified at all times by size, industry, sector, and style (Large Cap, Mid Cap, and Small Cap).
- At the time of purchase, no individual equity security shall exceed 2% of the total market value of the Portfolio.
- The real estate investments shall be captured through the use of diversified mutual funds or ETFs investing in REITs; and shall constitute no more than 15% of the total market value of the Portfolio.
- The commodities investments shall be captured through the use of diversified mutual funds or ETFs; and shall constitute no more than 10% of the total market value of the Portfolio.
- Hedged equity positions shall constitute no more than 10% of the total market value of the Portfolio

Permitted Asset Classes and Security Types

Fixed Income & Cash Equivalent Investments:

- Domestic Certificates of Deposit (rated A-1/P-1 or better)
- Domestic Commercial Paper (rated A-1/P-1 or better)
- Floating Rate Notes
- Money Market Mutual Funds
- U.S. Treasury Bonds, Bills and Notes
- U.S. Agency (and Instrumentality) Discount Notes, Notes, and Bonds
- Treasury Inflation-Protected Securities (TIPS)
- Municipal Bonds and Notes
- Corporate Bonds
- Mortgage-Backed Bonds (MBS)

- Asset-Backed Bonds (ABS)
- High-Yield Bonds (rated B-/B3 or better)
- Dollar denominated Foreign Bonds and Notes
- Bond Mutual Funds

Equity Investments:

- Common & Preferred Stocks
- American Depositary Receipts (ADRs)
- Domestic and International Equity Mutual Funds (Open and Closed)
- Emerging Market Equity Funds or Exchange Traded Funds (ETFs)

Alternative Investments:

- Commodities Mutual Funds or Exchange Traded Notes (ETNs)
- REIT Investment or Pooled Strategy or Fund of REITs
- Registered Hedge Funds or Hedge Fund of Funds

Prohibited Asset Classes and Transactions

The Investment Manager is prohibited from purchasing or holding any of the following types of investments:

- Partnerships unless investing in Master Limited Partnerships invested in a mutual fund and limited in scope and allocation of Portfolio based on asset class limitations of table above
- Letter stock and other unregistered securities; physical commodities or other commodity contracts; and short sales or margin transactions
- Investments in the equity securities of any company with a record of less than three years continuous operation, including the operation of any predecessor
- Investments for the purpose of exercising control of management
- Direct or indirect exposure to cryptocurrencies
- Leveraged securities, other than registered Hedged Equity and Hedged Fixed Income positions

Duties and Responsibilities

- 1) CITY OF CUPERTINO AUDIT COMMITTEE
 - a) Establish, approve, and maintain investment objectives, guidelines, and policies (including this Policy).
 - b) Appoint Investment Managers who can be reasonably expected to adhere to the investment guidelines and meet the investment objectives as established.
 - c) Monitor the investment performance of the Portfolio and compare actual investment performance relative to an appropriate benchmark index given the stated investment guidelines and objectives set forth in this Policy.
 - d) Conduct a formal review of the Portfolio's asset allocation, investment structure and performance annually or more frequently as the need arises.
 - e) Periodically review the Portfolio performance against objectives.

2) CITY OF CUPERTINO CITY COUNCIL

- a) Adopt the Policy by resolution of the City Council on an annual basis.

3) PORTFOLIO MANAGER

The Portfolio Manager will be responsible for carrying out the activities related to the Portfolio in accordance with the Policy including:

- a) Manage the day-to-day investment of Portfolio assets in accordance with the Policy guidelines and objectives included herein.
- b) Exercise full investment discretion and prudence in the selection and diversification of investments.
- c) Promptly bring to the attention of the City Treasurer or designee any investment that is subsequently downgraded and fails to meet the quality guidelines, along with a recommendation of retention or disposal.
- d) Provide on a quarterly basis the following investment reporting:
 - (i) Year-to-date rate of return
 - (ii) Annualized one, three, five, etc. rates of return
- e) Provide annually to the City's Audit Committee a commentary and analysis of investment performance to include an evaluation of the current and future investment environment and potential impact of the investment environment on achievement of investment objectives.

Investment Policy Statement Review

The City's Audit Committee will review and the Cupertino City Council will adopt this Investment Policy Statement at least annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that the Policy will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the Policy.

If at any time the Portfolio Manager finds the above guidelines too restrictive or possibly injurious to investment returns, they should communicate that information immediately to the City's Audit Committee.

City Manager's signature: _____

Date: _____

Director of Administrative Services' signature: _____

Date: _____

Revisions: 11.19.2019, 11.17.2020, 12.7.2021, 12.06.2022, 12.05.2023, 12.03.2024

Market Review

Provided by Sub-Advisor - PFM Asset Management



U.S. Equity

- Domestic equity markets, as represented by the S&P 500 Index (S&P) and the Russell 3000 Index, returned 6.29%¹ and 6.34% respectively in May. These strong returns were powered by the “Magnificent Seven” group of stocks (Microsoft, NVIDIA, Apple, Amazon, Alphabet, Meta and Tesla) which jumped 13.36% during the month (as measured by the Bloomberg Magnificent 7 ETF).
- This outperformance was reflected in the sector returns, as the Information Technology sector returned 10.89% for the month, followed closely by Telecom and Consumer Discretionary. The Healthcare sector was the only one of the 11 with negative returns for the month, returning -5.55% in May.
- Positive returns were seen across all capitalizations, with small-caps (Russell 2000 Index) returning 5.34%, mid-caps (Russell Midcap Index) returning 5.72% and large-caps (Russell 1000 Index) returning 6.38%. Growth stocks outperformed value stocks across all capitalizations during the month.
- According to FactSet Earnings Insight (as of May 30, 2025), the blended year-over-year (YoY) earnings growth for the S&P in Q1 was 13.3%, significantly outpacing analysts’ forecast of 7.2%. The Magnificent Seven companies reported robust earnings growth of 27.7%, though this is slightly lower than the average growth rate of the last three quarters. For Q2, analysts are projecting a more moderate earnings growth of 5.0%. For the calendar year 2025 overall, analysts are projecting YoY earnings growth of 9.1%.

Non-U.S. Equity

- Non-U.S. equity markets, represented by the MSCI ACWI ex USA Index returned 4.58% in May. Developed markets, represented by the MSCI EAFE Index returned 4.58%. Emerging markets (EM), as represented by the MSCI Emerging Markets Index, returned 4.27% with Chinese equities (MSCI China Index) returning 2.47%.
- Within the MSCI ACWI ex USA Index, all 11 sectors posted positive returns. Information Technology was also the best performing sector for the month, returning 8.64%, while the Industrials sector was the second-best performer, returning 7.73%. Healthcare was the worst performing sector, posting a return of 0.26%.

Fixed Income

- Tariff concerns eased somewhat during May while concerns over the U.S. fiscal deficit flared up following the House’s passage of the administration’s latest tax cut and spending bill. Treasury yields rose along the curve in May, with the 2- and 5-year yields rising 29 and 23 basis points (bps) respectively. The yield on the 10-year also rose 24 bps, while the 30-year U.S. Treasury rose 25 bps, leading to a slightly steeper curve on the long end.

- The Bloomberg U.S. Aggregate Bond Index returned -0.72% in May. Investment-grade (IG) credit returned -0.07%, AAA-rated bonds returned -0.61%, AA-rated bonds returned -0.59%, A-rated bonds returned -0.22%, while BBB-rated bonds saw a positive return of 0.26%. High-yield corporates, as represented by ICE BofA U.S. High Yield Index, returned 1.68% during the month, while the Ice BofA US Treasury Index returned -1.07%. Spreads compressed over the month across the ratings spectrum.

Diversifying Assets

- During May, Real Estate Investment Trusts (REITs), as represented by the MSCI US REIT Index and the FTSE NAREIT All Equity REITs Index returned 2.05% and 2.12% respectively. The Lodging and Resorts sector saw the strongest performance for the month while the Healthcare sector was the most challenged. Listed Infrastructure, represented by the MSCI World Core Infrastructure Index, returned 1.19% for the month. This positive performance came despite rising rates, supported by strong equity market performance.

Items to Watch

- We continue to watch the evolving tariff landscape and evaluate possible impacts on markets, both domestically and internationally. While the legal standing of the current tariffs imposed under the International Emergency Economic Powers Act remains under review by the courts, trade deal negotiations are slowly being made with various partners, including the UK.
- The health of the consumer remains top of mind as “soft data,” such as sentiment, continues to hover near a three-year low. In May, the University of Michigan’s consumer sentiment survey registered at 52.2 as consumers deal with uncertainty around tariffs and interest rates. Positive signs remain, however, as the YoY inflation rate eased to 2.3%, the lowest since February 2021, and the unemployment rate remained steady at 4.2% in April. Job openings rose 191,000 in April, above market expectations, and personal income rose 0.8% month over month, pointing to a slightly rosier picture for the consumer than surveys may convey.

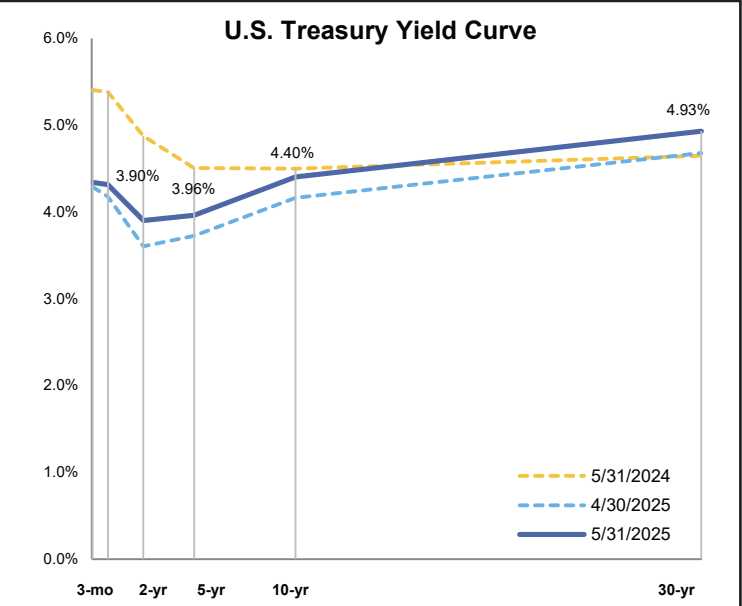
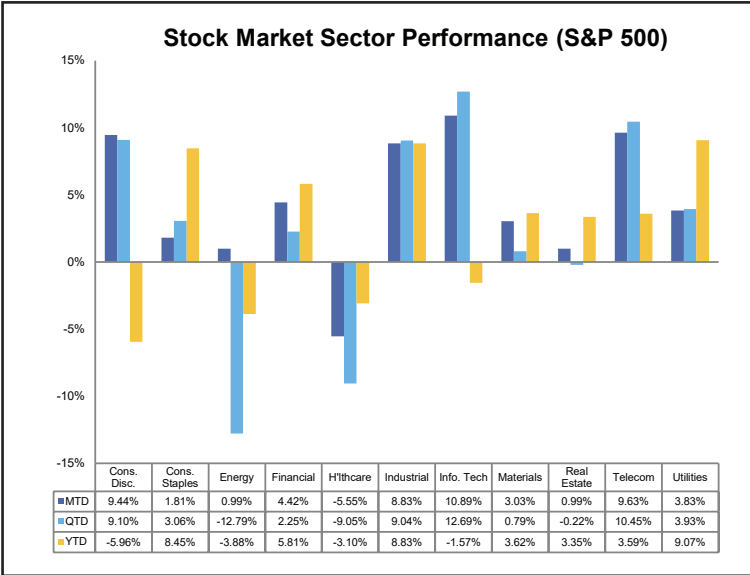
Sources

- Bloomberg
- FactSet
- BEA [U.S. Bureau of Economic Analysis](#)
- https://www.ca9.uscourts.gov/opinions-orders/25-1812-ORDER.5-29-2025_2522636.pdf

1 - All returns are expressed as total returns (price returns net of dividends).

Total Return of Major Indices				
Domestic Equity	MTD	QTD	YTD	1 YR
S&P 500	6.29%	5.57%	1.06%	13.50%
Russell 3000	6.34%	5.63%	0.63%	13.10%
Russell 2000	5.34%	2.90%	-6.85%	1.17%
Russell 1000	6.38%	5.75%	1.00%	13.72%
International Equity	MTD	QTD	YTD	1 YR
MSCI ACWI ex-U.S.	4.58%	8.36%	14.03%	13.75%
MSCI EAFE	4.58%	9.37%	16.87%	13.33%
MSCI Emerging Markets	4.27%	5.64%	8.73%	13.04%
Fixed Income	MTD	QTD	YTD	1 YR
Bloomberg Barclays U.S. Agg	-0.72%	-0.33%	2.45%	5.46%
Bloomberg Barclays Global Agg	-0.36%	2.57%	5.28%	7.03%
Bloomberg Barclays U.S. HY	1.68%	1.68%	2.64%	9.28%
Alternatives and Diversifying	MTD	QTD	YTD	1 YR
MSCI U.S. REIT	2.05%	-0.64%	0.11%	11.41%
FTSE NAREIT Index	2.12%	-0.62%	0.29%	12.35%
MSCI World Core Infrastructure	1.19%	4.10%	11.99%	17.56%
Bloomberg Commodity	-0.58%	-5.36%	3.05%	1.69%

Economic Indicators		
Domestic	Current	Previous Month
Unemployment Rate (%)	4.2%	4.2%
Initial Jobless Claims (4 week average)	231 K	231 K
CB Leading Economic Indicators	-1.0	-0.8
Capacity Utilization	77.7%	77.8%
GDP (annual growth rate)	-0.2%	2.4%
University of Michigan Consumer Confidence	52.2	52.2
New Home Starts	743 K	670 K
Existing Home Sales	4 MM	4 MM
Retail Sales (YoY)	5.2%	5.2%
U.S. Durable Goods (MoM)	-6.3%	7.6%
Consumer Price Index (YoY)	2.3%	2.4%
Producer Price Index (MoM)	-0.1%	-1.3%
Developed International*	3/31/2025	12/31/2024
Market GDP (annual rate)	1.6%	1.5%
Market Unemployment	4.6%	4.6%



Source: Bloomberg. Data as of May 31, 2025, unless otherwise noted.

*Developed market data is calculated with respect to the weightings in the MSCI World ex-U.S. Index. Most current data is as of March 31, 2025 due to release dates of numerous countries.

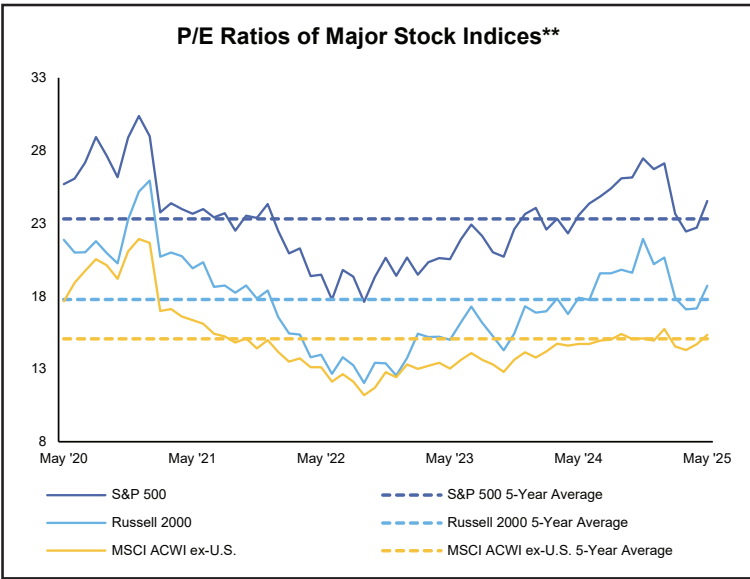
**P/E ratios are calculated based on one-year-forward estimates and adjusted to include only positive earning results for consistency.

Indices shown are not available for investment. The index data reference herein is the property of the index provider and/or its licensors. The index provider assumes no liability in connections with its use and does not sponsor, endorse or recommend the products or services contained herein. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of U.S. Bancorp Asset Management, Inc. at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.

PFM Asset Management serves clients in the public sector and is a division of U.S. Bancorp Asset Management, Inc., which is the legal entity providing investment advisory services. U.S. Bancorp Asset Management, Inc. is a registered investment adviser, a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bank N.A. is not responsible for and does not guarantee the products, services, or performance of U.S. Bancorp Asset Management, Inc.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE



Important disclosures, definitions of terms and index descriptions

Provided by U.S. Bank

If you have questions regarding this information or wish to receive definitions of any additional terms or indexes used in this report, please contact your team.



Important disclosures (page 1 of 4)

The information provided here is not intended to replace your account statement. Your account statement is the official record of your account.



Equal Housing Lender. Credit products are offered by U.S. Bank National Association and subject to normal credit approval. Deposit products offered by U.S. Bank National Association. Member FDIC.

For use in one-on-one meetings/presentations.

This information represents the opinion of U.S. Bank. The views are subject to change at any time based on market or other conditions and are current as of the date indicated on the materials. This is not intended to be a forecast of future events or guarantee of future results. The factual information provided has been obtained from sources believed to be reliable but is not guaranteed as to accuracy or completeness.

U.S. Bank and its representatives do not provide tax or legal advice. Your tax and financial situation is unique. You should consult your tax and/or legal advisor for advice and information concerning your particular situation.

Past performance is no guarantee of future results. All performance data, while obtained from sources deemed to be reliable, are not guaranteed for accuracy. Indexes shown are unmanaged and are not available for direct investment, nor are they subject to fees and expenses.

Performance reports included may show performance results gross of fees and expenses. If fees and expenses were included, the performance would be lower. If you have any questions, please speak with your relationship manager for additional information.

Based on our strategic approach to creating diversified portfolios, guidelines are in place concerning the construction of portfolios and how investments should be allocated to specific asset classes based on client goals, objectives and tolerance for risk. Not all recommended asset classes will be suitable for every portfolio. **Diversification and asset allocation do not guarantee returns or protect against losses.**



Important disclosures (page 2 of 4)

Equity securities are subject to stock market fluctuations that occur in response to economic and business developments. **Stocks of small-capitalization companies** involve substantial risk. These stocks historically have experienced greater price volatility than stocks of larger companies and may be expected to do so in the future. **Stocks of mid-capitalization companies** can be expected to be slightly less volatile than those of small-capitalization companies, but still involve substantial risk and may be subject to more abrupt or erratic movements than large-capitalization companies. The value of **large-capitalization stocks** will rise and fall in response to the activities of the company that issued them, general market conditions and/or economic conditions. **Growth investments** focus on stocks of companies whose earnings/profitability are accelerating in the short term or have grown consistently over the long term. Such investments may provide minimal dividends, which could otherwise cushion stock prices in a market decline. Stock value may rise and fall significantly based, in part, on investors' perceptions of the company, rather than on fundamental analysis of the stocks. Investors should carefully consider the additional risks involved in growth investments. **Value investments** focus on stocks of income-producing companies whose price is low relative to one or more valuation factors, such as earnings or book value. Such investments are subject to risks that their intrinsic values may never be realized by the market, or such stocks may turn out not to have been undervalued. Investors should carefully consider the additional risks involved in value investments.

International investing involves special risks, including foreign taxation, currency risks, risks associated with possible differences in financial standards and other risks associated with future political and economic developments. Investing in **emerging markets** may involve greater risks than investing in more developed countries. In addition, concentration of investments in a single region may result in greater volatility.

Investments in **real estate securities** can be subject to fluctuations in the value of the underlying properties, the effect of economic conditions on real estate values, changes in interest rates and risks related to renting properties (such as rental defaults). There are special risks associated with an investment in **commodities**, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors.

Investments in **fixed income securities** are subject to various risks, including changes in interest rates, credit quality, market valuations, liquidity, prepayments, early redemption, corporate events, tax ramifications and other factors. Investment in fixed income securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term securities. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investments in **high yield bonds** offer the potential for high current income and attractive total return, but involve certain risks. Changes in economic conditions or other circumstances may adversely affect a bond issuer's ability to make principal and interest payments.

Important disclosures (page 3 of 4)

The **municipal bond** market is volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issues of municipal securities. Interest rate increases can cause the price of a bond to decrease. Income on municipal bonds is free from federal taxes, but may be subject to the federal alternative minimum tax (AMT), state and local taxes. **Treasury Inflation-Protected Securities (TIPS)** offer a lower return compared to other similar investments and the principal value may increase or decrease with the rate of inflation. Gains in principal are taxable in that year, even though not paid out until maturity.

Non-financial **specialty assets**, such as real estate, farm, ranch and timber properties, oil, gas and mineral interests or closely-held business interests are complex and involve unique risks specific to each asset type, including the total loss of value. Special risk considerations may include natural events or disasters, complex tax considerations and lack of liquidity. Specialty assets may not be suitable for all investors.

Alternative investments very often use speculative investment and trading strategies. There is no guarantee that the investment program will be successful. Alternative investments are designed only for investors who are able to tolerate the full loss of an investment. These products are not suitable for every investor even if the investor does meet the financial requirements. It is important to consult with your investment professional to determine how these investments might fit your asset allocation, risk profile and tax situation. **Hedge funds** are speculative and involve a high degree of risk. An investment in a hedge fund involves a substantially more complicated set of risk factors than traditional investments in stocks or bonds, including the risks of using derivatives, leverage and short sales, which can magnify potential losses or gains. Restrictions exist on the ability to redeem or transfer interests in a fund. **Exchange-traded funds (ETFs)** are baskets of securities that are traded on an exchange like individual stocks at negotiated prices and are not individually redeemable. ETFs are designed to generally track a market index and shares may trade at a premium or a discount to the net asset value of the underlying securities. **Private equity** investments provide investors and funds the potential to invest directly into private companies or participate in buyouts of public companies that result in a delisting of the public equity. Investors considering an investment in private equity must be fully aware that these investments are illiquid by nature, typically represent a long-term binding commitment and are not readily marketable. The valuation procedures for these holdings are often subjective in nature. **Private debt** investments may be either direct or indirect and are subject to significant risks, including the possibility of default, limited liquidity and the infrequent availability of independent credit ratings for private companies. **Structured products** are subject to market risk and/or principal loss if sold prior to maturity or if the issuer defaults on the security. Investors should request and review copies of Structured Products Pricing Supplements and Prospectuses prior to approving or directing an investment in these securities.

Important disclosures (page 4 of 4)

Mutual fund investing involves risk and principal loss is possible. Investing in certain funds involves special risks, such as those related to investments in small- and mid-capitalization stocks, foreign, debt and high-yield securities and funds that focus their investments in a particular industry. Please refer to the fund prospectus for additional details pertaining to these risks. An investment in **money market funds** is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although these funds seek to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in these funds.

Holdings of First American Funds: U.S. Bancorp Asset Management, Inc. is a registered investment advisor and subsidiary of U.S. Bank National Association. U.S. Bank National Association is a separate entity and wholly owned subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, performance or services of U.S. Bancorp Asset Management. U.S. Bancorp Asset Management, Inc. serves as an investment advisor to First American Funds. **Holdings of Nuveen mutual funds:** Firststar Capital Corporation (Firststar Capital), an affiliate of U.S. Bancorp, holds a less-than-10 percent ownership interest in Windy City Investments Holdings, LLC which was formerly the parent of Windy City Investment Inc. and the indirect parent of Nuveen Fund Advisors, LLC which is the investment advisor to the Nuveen Mutual Funds. On October 1, 2014, Windy City Investments, Inc. was sold to Teachers Insurance and Annuity Association of America. As a result of the sale, U.S. Bancorp no longer has an indirect ownership interest in Nuveen Fund Advisors, LLC. Depending on the outcome of certain factors, Firststar Capital might in the future receive an earn-out payment in respect of its interest in Windy City Investment Holdings, LLC, under the terms of the sale. **Non-proprietary mutual funds:** U.S. Bank may enter into agreements with other non-proprietary mutual funds or their service providers whereby U.S. Bank provides shareholder services and/or sub-transfer agency, custodial and other administrative support services and receives compensation for these services. Compensation received by U.S. Bank directly or indirectly from mutual funds does not increase fund fees and expenses beyond what is disclosed in the fund prospectuses. For more information, review the fund prospectus.

Definitions of report and statement terms (page 1 of 5)

Accredited Investor: Private placement securities generally require that investors be accredited due to the additional risks and speculative nature of the securities. For natural persons, the criteria is met by a net worth of more than \$1 million (excluding primary residence) or an income of more than \$200,000 individually (\$300,000 jointly) for the two most recent years and a reasonable expectation for the same in the current year. For other entities, such as corporations, partnerships, trusts and employee benefit plans, the criteria is met with at least \$5 million in assets. See full definition in Rule 501 of Regulation D under the Securities Act of 1933.

Alpha: A measure of risk-adjusted performance. A statistic measuring that portion of a stock, fund or composite's total return attributable to specific or non-market risk. Alpha measures non-market return and indicates how much value has been added or lost. A positive Alpha indicates the fund or composite has performed better than its Beta would predict (i.e., the manager has added value above the benchmark). A negative Alpha indicates a fund or composite has underperformed given the composite's Beta.

Alternative Investments: As used by U.S. Bank, an investment considered to be outside of the traditional asset classes of long-only stocks, bonds and cash. Examples of alternative investments include hedge funds, private equity, options and financial derivatives.

Annualized Excess Return: Shows the difference between the annualized linked returns of a portfolio and the model benchmark. Performance reports provided annualize only periods greater than one year.

Annualized or Annual Rate of Return: Represents the average annual change in the value of an investment over the periods indicated.

Batting Average: Shows how consistently the portfolio return met or beat the market.

Beta: A measure of your portfolio's risk relative to a benchmark. A portfolio with a beta of 1.5, for example, would be expected to return roughly 1.5 times the benchmark's return. A high Beta indicates a riskier portfolio.

Bond Credit Rating: A grade given to bonds by a private independent rating service that indicates their credit quality. Ratings are the opinion of Standard & Poor's or other agencies as noted and not the opinion of U.S. Bank.

Consumer Price Index (CPI): A measure of the average change in prices over time in a market basket of goods and services and is one of the most frequently used statistics for identifying periods of inflation and deflation.

Convexity to Stated Maturity: A measure of the curvature in the relationship between bond prices and bond yields that demonstrates how the duration of a bond changes as the interest rate changes. Convexity is used as a risk-management tool and helps to measure and manage the amount of market risk to which a portfolio of bonds is exposed. This version of convexity measures the rate change in duration of a bond as the yield to (stated) maturity changes.

Definitions of report and statement terms (page 2 of 5)

Cost basis/book value: The original value of an asset at the time it was acquired. This is normally the purchase price or appraised value at the time of acquisition. This data is for information purposes only.

Cumulative Excess Return: Shows the difference between the annualized linked returns of a portfolio and the model benchmark. Performance reports provided use unannualized returns in periods up to one year, but annualized returns for periods exceeding one year.

Downside Capture: The downside capture ratio reflects how a portfolio compares to a benchmark during periods when the benchmark is down. A downside capture ratio of 0.80 (or 80 percent) means the portfolio has historically declined only 80 percent as much as the benchmark during down markets.

Downside Deviation: The deviation of returns that fall below a minimum acceptable return (MAR). Although the numerator includes only returns below the MAR, the denominator includes all returns in the performance period. This risk statistic is similar to the downside standard deviation except the sum is restricted to returns less than the MAR instead of the mean.

Downside Standard Deviation: The deviation of returns that fall below the mean return. Although the numerator includes only returns below the mean, the denominator includes all returns in the performance period. This risk statistic is similar to the downside deviation except the sum is restricted to returns less than the mean instead of the minimum acceptable return (MAR).

Effective Maturity: The date of a bond's most likely redemption, given current market conditions, taking into consideration the optional and mandatory calls, the optional, mandatory and recurring puts, and the stated maturity.

Estimated annual income: The amount of income a particular asset is anticipated to earn over the period indicated. The shares multiplied by the annual income rate.

Gain/loss calculation: If an asset was sold, the difference between the proceeds received from the sale compared to the cost of acquiring the asset. If the value of the proceeds is the higher of the two numbers, then a gain was realized. If the value of the proceeds is the lower of the two numbers, a loss was incurred. This data is for information purposes only.

Information Ratio: The information ratio compares the average excess return of the portfolio over its associated benchmark divided by the tracking error.

M-Squared: The hypothetical return of the portfolio after its risk has been adjusted to match a benchmark.

Definitions of report and statement terms (page 3 of 5)

Market Value: Publicly traded assets are valued using market quotations or valuation methods from financial industry services believed by us to be reliable. Assets, that are not publicly traded, may be reflected at values from other external sources or special valuations prepared by us. Assets for which a current value is not available may be reflected as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could have been bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

Market Value Over Time: Many factors can impact the portfolio value over time, such as contributions to the account, distributions from the account, the investment of dividends and interest, the deduction of fees and expenses, and market performance.

Modified Duration to Effective Maturity: A formula that expresses the measurable change in the value of a security in response to a change in interest rates. This version of Modified Duration takes into consideration a “horizon date/price” that is, given current conditions, the most likely redemption date/price using the set of calls/puts, as well as stated maturity.

Modified Duration to Stated Maturity: A formula that expresses the measurable change in the value of a security in response to a change in interest rates. This version of Modified Duration uses stated maturity as the “horizon date/price” and ignores any potential call/put/pre-refunding, even if they are mandatory.

Price/Earnings Ratio (P/E): The P/E ratio of a company is calculated by dividing the price of the company’s stock by its trailing 12-month earnings per share. A high P/E usually indicates that the market is paying a premium for current earnings because it believes in the firm’s ability to grow its earnings. A low P/E indicates the market has less confidence that the company’s earnings will increase. Within a portfolio, P/E is the weighted average of the price/earnings ratios of the stocks in the portfolio.

Qualified Purchaser: Some private placement securities require that investors be Qualified Purchasers in addition to being Accredited Investors. For natural persons, the criteria is generally met when the client (individually or jointly) owns at least \$5 million in investments. For other entities, such as corporations, partnerships, trusts and employee benefit plans, the criteria is met with at least \$25 million in investments though there are other eligibility tests that may apply. See full definition in Section 2(a)(51) of the Investment Company Act of 1940.

R-Squared: Measures the portion of the risk in your portfolio that can be attributed to the risk in the benchmark.

Realized and Unrealized Gains/Losses: Are calculated for individual tax lots based on the records we have available. Some data may be incomplete or differ from what you are required to report on your tax return. Some data used in these calculations may have been obtained from outside sources and cannot be verified by U.S. Bank. The data is intended for informational purposes only and should not be used for tax reporting purposes. Please consult with your tax or legal advisor for questions concerning your personal tax or financial situation.

Definitions of report and statement terms (page 4 of 5)

Residual Risk: The amount of risk specific to the assets in a portfolio distinct from the market, represented by a benchmark.

Return: An indication of the past performance of your portfolio.

Sharpe Ratio: Measures of risk-adjusted return that calculates the return per unit of risk, where risk is the Standard Deviation of your portfolio. A high Sharpe ratio indicates that the portfolio is benefiting from taking risk.

Sortino Ratio: Intended to differentiate between good and bad volatility. Similar to the Sharpe ratio, except it uses downside deviation for the denominator instead of standard deviation, the use of which doesn't discriminate between up and down volatility.

Spread: The difference between the yields of two bonds with differing credit ratings (most often, a corporate bond with a certain amount of risk is compared to a standard traditionally lower risk Treasury bond). The bond spread will show the additional yield that could be earned from a bond which has a higher risk.

Standard Deviation: A measure of the volatility and risk of your portfolio. A low standard deviation indicates a portfolio with less volatile returns and therefore less inherent risk.

Time-weighted Return: The method used to calculate performance. Time-weighted return calculates period by period returns that negates the effect of external cash flows. Returns for periods of greater than one year are reported as an annualized (annual) rate of return. Returns of less than one year are reported on a cumulative return basis. Cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period involved.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. This is often in the context of a hedge or mutual fund that did not work as effectively as intended, creating an unexpected profit or loss instead.

Traditional Investments: As used by U.S. Bank, an investment made in equity, fixed income or cash securities, mutual funds or exchange-traded funds (ETFs) where the investor buys at a price with the goal that the investment will go up in value.

Top 10 Holdings: The 10 assets with the highest market values in the account.

Total Portfolio Gross of Fees: Represents all assets included in the calculation of the portfolio, before the deduction of trust and asset management fees, and is inclusive of all applicable third-party security fees and expenses. Details of those fees and expenses are provided in the security's prospectus or offering documents.

Definitions of report and statement terms (page 5 of 5)

Total Return: The rate of return that includes the realized and unrealized gains and losses plus income for the measurement period.

Treynor Ratio: Measures the performance of a sector relative to risk by dividing the return of the sector in excess of the risk-free return by the sector's Beta. The higher the Treynor ratio, the better the return relative to risk.

Turnover Percent: Indicates how frequently asset are bought and sold within a portfolio.

Turnover Ratio: The percentage of a mutual fund's or other investment vehicle's holdings that have been "turned over" or replaced with other holdings in a given year.

Unrealized gain (loss) — The difference between the current market value (at the end of the statement period) and the cost to acquire the asset. If the current market value is higher than the cost, a gain is reflected. If the current market value is lower than the cost paid, a loss is reflected. This data is for information purposes only.

Upside Capture: The upside capture ratio reflects how a portfolio compares to the selected model benchmark during periods when the benchmark is up. An upside capture ratio of 1.15 (or 115 percent) means the portfolio has historically beat the benchmark by 15 percent during up markets.

Yield: The annual rate of return on an investment, expressed as a percentage. For bonds, it is the coupon rate divided by the market price. For stocks, it is the annual dividend divided by the market price.

Frequently used indexes (page 1 of 5)

Bloomberg Barclays 1-3 year U.S. Treasury Index: Measures the performance of the U.S. government bond market and includes public obligations of the U.S. Treasury with a maturity between one year and up to (but not including) three years.

Bloomberg Barclays 1-5 year U.S. Treasury Index: Includes all publicly issued, U.S. Treasury securities that have a remaining maturity of greater than or equal to one year and less than five years, are rated investment grade and have \$250 million or more of outstanding face value.

The Bloomberg Barclays 1-5 year Municipal Index: Measures the performance of municipal bonds with time to maturity of more than one year and less than five years.

Bloomberg Barclays 7-year Municipal Index: Includes municipal bonds with a minimum credit rating of Baa that have been issued as part of a transaction of at least \$50 million, have a maturity value of at least \$5 million and a maturity range of four to six years.

Bloomberg Barclays Global Aggregate Index ex-U.S. Index: Measure of global investment grade debt from 24 local currency markets. This multi-currency benchmark includes Treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Bloomberg Barclays Global Treasury ex-U.S. Index: Includes government bonds issued by investment-grade countries outside the United States, in local currencies, that have a remaining maturity of one year or more and are rated investment grade.

Bloomberg Barclays High Yield Municipal Bond Index: An unmanaged index made up of bonds that are non-investment grade, unrated or below Ba1 bonds.

Bloomberg Barclays Intermediate Aggregate Index: Consists of one- to 10-year governments, one- to 10-year corporate bonds, all mortgages and all asset-backed securities within the Aggregate Index.

Bloomberg Barclays Mortgage-Backed Securities Index: Covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid adjustable-rate mortgages) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Bloomberg Barclays U.S. Aggregate Bond Index: Measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities.

Bloomberg Barclays U.S. Corporate Bond Index: Measures the investment grade, fixed-rate, taxable corporate bond market and includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Frequently used indexes (page 2 of 5)

Bloomberg Barclays U.S. Corporate High Yield Bond Index: Measures the U.S. dollar denominated, high yield, fixed-rate corporate bond market.

Bloomberg Barclays U.S. Municipal Bond Index: Measures the investment grade, U.S. dollar-denominated, fixed tax-exempt bond market. The index includes state and local general obligation, revenue, insured and pre-refunded bonds.

Bloomberg Barclays U.S. Treasury Index: Measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury.

Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) Index: An unmanaged index includes all publicly issued, U.S. TIPS that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value.

Cambridge U.S. Private Equity Index: This index is based on returns data compiled for U.S. private equity funds (including buyout, growth equity and mezzanine funds) that represent the majority of institutional capital raised by private equity partnerships formed since 1986. Returns may be delayed by up to six months. Quarterly performance is prorated based on the cube root for the months of the quarter.

Citigroup 3-Month Treasury Bills: An unmanaged index and represents monthly return equivalents of yield averages of the last three-month Treasury Bill issues.

Citigroup 6-Month Treasury Bills: An unmanaged index and represents monthly return equivalents of yield averages of the last six-month Treasury Bill issues.

Credit Suisse Leverage Loan Index: Represents tradable, senior-secured, U.S. dollar-denominated non-investment grade loans.

Dow Jones Industrial Average (DJIA): The price-weighted average of 30 significant U.S. stocks traded on the New York Stock Exchange and NASDAQ. The DJIA is the oldest and single most watched index in the world.

Dow Jones Select REIT Index: Measures the performance of publicly traded REITs and REIT-like securities in the U.S. and is a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate.

HFRI Indices: The Hedge Fund Research, Inc. (HFRI) indexes are a series of benchmarks designed to reflect hedge fund industry performance by constructing composites of constituent funds, as reported by the hedge fund managers listed within the HFR Database.

Frequently used indexes (page 3 of 5)

HFR Equity Hedge Total Index: Uses the HFR (Hedge Fund Research) database and consists only of equity hedge funds with a minimum of \$50 million assets under management or a 12-month track record and that reported assets in U.S. dollars.

HFR Relative Value Fixed Income Corporate Index: Uses the HFR (Hedge Fund Research) database and consists of only relative value fixed income corporate funds with a minimum of \$50 million assets under management or a 12-month track record and that reported assets in U.S. dollars.

ICE BofAML 1-3 Year Corporate Index: Tracks U.S. dollar-denominated investment grade public debt issued in the U.S. bond market with maturities of one to three years.

ICE BofAML 1-5 Year Corporate and Government Index: Tracks the performance of short-term U.S. investment grade government and corporate securities with maturities between one and five years.

ICE BofAML U.S. 7-10 Year Index: Tracks the performance of U.S. dollar denominated investment grade rated corporate debt publicly issued in the U.S. domestic market and includes all securities with a remaining term to maturity of greater than or equal to seven years and less than 10 years.

ICE BofAML Global Broad Market Index: Tracks the performance of investment grade public debt issued in the major domestic and Eurobond markets, including global bonds.

ICE BofAML U.S. High Yield Master II Index: Commonly used benchmark index for high yield corporate bonds and measures the broad high yield market.

J.P. Morgan Emerging Markets Bond Index Global (EMBI Global): Tracks total returns for traded external debt instruments in the emerging markets.

London Interbank Offered Rate (LIBOR) 3-months: The interest rate offered by a specific group of London banks for U.S. dollar deposits with a three-month maturity.

London Interbank Offered Rate (LIBOR) 9-months: The interest rate offered by a specific group of London banks for U.S. dollar deposits with a nine-month maturity.

MSCI All Country World Index (ACWI): Designed to measure the equity market performance of developed and emerging markets.

Frequently used indexes (page 4 of 5)

Russell 2000 Value Index: Measures companies in the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2,000 firms from the Russell 3000 Index with the smallest market capitalizations.

Russell 3000 Index: Measures the performance of the 3,000 largest U.S. securities based on total market capitalization.

Russell Midcap Index: Measures the 800 smallest companies in the Russell 3000 Index.

Russell Midcap Growth Index: Measures companies in the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Value Index: Measures companies in the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values.

MSCI All County World ex-U.S. Index (ACWI, excluding United States): Tracks the performance of stocks representing developed and emerging markets around the world that collectively comprise most foreign stock markets. U.S. stocks are excluded from the index.

MSCI EAFE Index: Includes approximately 1,000 companies representing the stock markets of 21 countries in Europe, Australasia and the Far East.

MSCI Emerging Markets (EM) Index: Designed to measure equity market performance in global emerging markets.

MSCI World Index: Tracks equity market performance of developed markets through individual country indices.

NAREIT Index: Includes REITs (Real Estate Investment Trusts) listed on the New York Stock Exchange, NASDAQ and American Stock Exchange.

NASDAQ Composite Index: A market capitalization-weighted average of roughly 5,000 stocks that are electronically traded in the NASDAQ market.

NCREIF Property Index (NPI): Measures the investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

Russell 1000 Index: Measures the performance of the 1,000 largest companies in the Russell 3000 Index and is representative of the U.S. large capitalization securities market.

Frequently used indexes (page 5 of 5)

Russell 1000 Growth Index: Measures companies in the Russell 1000 Index with higher price-to-book ratios and higher forecasted growth values. It includes the largest 1,000 firms in the Russell 3000 Index.

Russell 1000 Value Index: Measures companies in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. It includes the largest 1,000 firms in the Russell 3000 Index.

Russell 2000 Index: Measures the performance of the 2,000 smallest companies in the Russell 3000 Index and is representative of the U.S. small capitalization securities market.

Russell 2000 Growth Index: Measures companies in the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values, and is representative of U.S. securities exhibiting growth characteristics. The Russell 2000 Index includes the 2,000 firms from the Russell 3000 Index with the smallest market capitalizations.

S&P 500 Index: Consists of 500 widely traded stocks that are considered to represent the performance of the U.S. stock market.

S&P Global ex-U.S. Property Index: Measures the investable universe of publicly traded property companies domiciled in developed and emerging markets excluding the United States. The companies included are engaged in real estate related activities such as property ownership, management, development, rental and investment.

S&P GSCI: A composite index of commodity sector returns, representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities.

S&P/Case-Shiller Home Price Indexes: A group of indexes that track changes in home prices throughout the United States. Case-Shiller produces indexes representing certain metropolitan statistical areas (MSA) as well as a national index.

Swiss Re Global Cat Bond Total Return Index: Tracks the aggregate performance of all U.S. dollar-denominated euros and Japanese yen-denominated catastrophe bonds, capturing all ratings, perils and triggers.

U.S. Dollar Index: Indicates the general international value of the U.S. dollar by averaging the exchange rates between the U.S. dollar and six major world currencies.

Wilshire 5000 Index: Composed of more than 6,700 publicly-traded U.S. companies and is designed to track the overall performance of the American stock markets.



CITY OF CUPERTINO

Agenda Item

25-14189

Agenda Date: 7/28/2025

Agenda #: 5.

Subject: INFORMATIONAL ITEM Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025

Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025

Presenter: Jonathan Orozco, Finance Manager, and Chandler

4:35(15)



ADMINISTRATIVE SERVICES DEPARTMENT

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AUDIT COMMITTEE STAFF REPORT

Meeting: July 28, 2025

Subject

Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025

Recommended Action

Receive the Treasurer's Investment Report for the Quarter Ending June 30, 2025

Reasons for Recommendation

Background

On May 14, 2024, the City Council approved the City Investment Policy. Per the City's Investment Policy, the Treasurer shall submit a quarterly investment report to the City Council approximately 45 days following the end of the quarter. In addition to the quarterly investment reports, monthly transaction reports are submitted to the City Council within 30 days of the end of the reporting period per California Government Code Section 53607. The quarterly investment report offers a more extensive discussion of the City's economy, cash flow, and investments.

The City's Municipal Code Section 2.24.050 Investment Authority states that the Treasurer shall make a monthly report of all investment transactions to the City Council. The City's Municipal Code Section 2.48.020(A)(3) states that the Director of Administrative Services shall be appointed Treasurer and also shall act as ex officio Assessor and shall assess and collect all City taxes save and except for those collected by State and County officers for the City. Lastly, the City's Municipal Code Section 2.88.100 Duties-Powers-Responsibilities lists one of the powers and functions of the Audit Committee is "to review the quarterly Treasurer's Investment report."

Per the referenced code provisions, a Treasurer's Investment Report is made available to the City Council quarterly.

Treasurer's Investment Report

The report provides an update on the City's investment portfolio for the month ending June 30, 2025. The report is as of July 21, 2025.

The attached statements include balances and transactions of the City's investments with the Local Agency Investment Fund (LAIF) and Chandler Asset Management. The Chandler investment report provides information on the investment type, issuer, purchase date, maturity date, cost value, par value, and market value for each security, as well as the weighted average maturity and weighted average yield of all investments.

While not governed by the City's Investment Policy, statements for the Public Agency Retirement Services (PARS) Section 115 Trusts are also attached per a request from the Treasurer's Report subcommittee.

The City's General Ledger cash and investments balance is \$312.1 million, a \$9.0 million increase from the prior quarter.

Cash and Investments – General Ledger Balance		
Fund Type	Quarter Ending March 31, 2025	Quarter Ending June 30, 2025
General Fund	197,105,425	208,590,133
Special Revenue	43,883,238	44,390,349
Debt Service	2,394,350	0
Capital Projects	42,091,140	41,841,019
Enterprise	10,315,657	10,030,919
Internal Service	7,591,730	7,228,079
Total	\$303,381,540	\$312,080,500

The City pools cash for all funds except restricted funds. However, the City accounts for interest earnings, revenues, and expenditures separately for each fund to adequately meet the purpose and restrictions of each funding source. Pooling funds is a common and appropriate practice used in public agencies. By pooling funds, the City can benefit from economies of scale, diversification, liquidity, and ease of administration.

The table below shows the bank balances for the City's cash and investments. Bank and General Ledger balances differ due to timing. Bank balances do not include outstanding checks and deposits in transit. The General Ledger is updated quarterly with interest earnings and annually with the year-end investment market values.

Cash and Investments – Bank Balance

	Quarter Ending March 31, 2025	Quarter Ending June 30, 2025	% of Portfolio
Cash in banks and on hand			
Operating Checking (Wells Fargo)	44,830,424	51,674,890	16%
Workers' Compensation Checking (Wells Fargo)	15,882	40,923	0%
Payroll Checking (Wells Fargo)	-	-	0%
Restricted for Bond Repayments ¹ (BNY Mellon)	-	-	0%
Cash Equivalents			
Local Agency Investment Fund	67,313,421	68,055,207	21%
Investments			
Investments (Chandler)	171,577,357	172,701,432	55%
Restricted for Pension ² (PARS)	22,496,818	24,320,860	8%
Total Cash and Investments³	\$306,509,578	\$316,793,313	100%

¹ Cash held by fiscal agent for bond repayments

² In accordance with GASB 67/68, the assets in the Section 115 Pension Trust are reported as restricted cash and investments in the General Fund. The assets can only be used to fund CalPERS costs.

³ Assets in the Section 115 OPEB Trust are excluded as the City cannot use these assets to fund its own operations. The assets are held in trust for retirees' post-employment health benefits.

⁴ Beginning December 31, 2024, Investment amount reflect cost value.

Wells Fargo Accounts

The City, in collaboration with Chandler and Wells Fargo's relationship manager, continues to evaluate options to maximize investment opportunities for excess funds held in the City's operating account. As previously reported, the operating account was converted to a "Government Advantage Checking" account, which offers full FDIC insurance and an interest rate of 3% through March 31, 2025. As of the end of the June 2025 quarter, there has been no change to the interest rate. Staff will continue to monitor market conditions and evaluate whether it remains beneficial to retain funds in the account or to transfer them into other eligible investment vehicles.

A notable disbursement from this account occurred on May 28, 2025, when the City remitted \$2,395,600 to The Bank of New York Mellon. This payment covered debt service obligations covering \$2,115,000 principal and \$280,600 accrued interest.

Local Agency Investment Fund (LAIF)

LAIF is an investment pool administered by the State of California Treasurer and governed by California Government Code. The City can withdraw funds from LAIF at any time. As a result, the City uses LAIF for short-term investment, liquidity, and yield. The City's LAIF account had a balance of \$68.1 million. The quarterly interest rate was 4.40%.

Investment Portfolio

In FY 2018-19, the City conducted a Request for Proposal (RFP) for investment management services and selected Chandler Asset Management. Under the City's Treasurer's direction, Chandler Asset Management manages the City's investment portfolio in accordance with the City's investment objectives. The City's investment objectives, in order of priority, are to provide:

- Safety to ensure the preservation of capital in the overall portfolio
- Sufficient liquidity for cash needs
- A market rate of return consistent with the investment program

The performance objective is to earn a total rate of return through a market cycle equal to or above the return on the benchmark index. Chandler Asset Management invests in high-quality fixed-income securities consistent with the City's Investment Policy and California Government Code to achieve the objective.

The portfolio's market value was \$173.8 million, compared to \$171.4 million at the end of the previous quarter. The portfolio's market value fluctuates depending on interest rates. When interest rates decrease after an investment is purchased, the market value of the investment increases. In contrast, when interest rates increase after an investment is purchased, the market value of the investment decreases. At the time of purchase, the City intends to hold all investments until maturity, meaning that changes in market value will not impact the City's investment principal. If the market value decreases, the City will incur an unrealized loss. However, the loss will only be realized if the City sells its investments before their maturity. The market values for the portfolio were provided by Chandler Asset Management.

Section 115 Trust Investment Portfolio

The City established Section 115 Trusts to reduce pension rate volatility and pre-fund Other Post-Employment Benefits (OPEB) costs. These trusts are a tax-exempt investment tool that local governments can use to set aside funds for pension and retiree health costs. Contributions made to the trust can only be used to fund retirement plans.

Investments in the Section 115 Trusts are governed by separate investment policies, which are distinct from the City's Investment Policy. On December 3, 2024, City Council approved the Pension Trust Investment Policy and OPEB Trust Investment Policy. Public Agency Retirement Services (PARS) administers the trust, while US Bank manages the investments in accordance with the approved investment policies.

Both Section 115 Trusts are invested in "balanced" portfolios. The investment objective is designed to provide a moderate amount of current income with moderate growth of capital. This type of investment strategy is generally recommended for investors with a long-term horizon. The strategic asset allocation ranges for this investment objective are:

The Section 115 Pension Trust had a balance of \$24.3 million, an increase of \$1.8 million from the prior quarter due to investment gains. The Section 115 OPEB Trust had a balance of \$42.7 million, an increase of \$3.0 million from the prior quarter mainly due to investment losses. The quarterly investment return for OPEB Trust was 8.21% and Pension Trust was 8.19%.

Compliance

All of the City's investments comply with state law and the City's Investment Policy. In compliance with California Government Code 53646 (b)(3), the City maintains the ability to meet its expenditure requirements for the next six months.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

City Work Program Item/Description

None

City Council Goal

Fiscal Strategy

California Environmental Quality Act

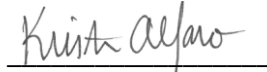
Not applicable.

Prepared by:



Jonathan Orozco
Finance Manager

Reviewed by:



Kristina Alfaro
Director of Administrative Services and City Treasurer

Approved for Submission by:



Tina Kapoor
Interim City Manager

Attachments:

A – Chandler Investment Report June 2025

B – Chandler Custodial Statement June 2025

C – PARS Pension and OPEB Account Statement June 2025

D – LAIF Account Statement June 2025

INVESTMENT REPORT

City of Cupertino | As of June 30, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

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City of Cupertino | As of June 30, 2025

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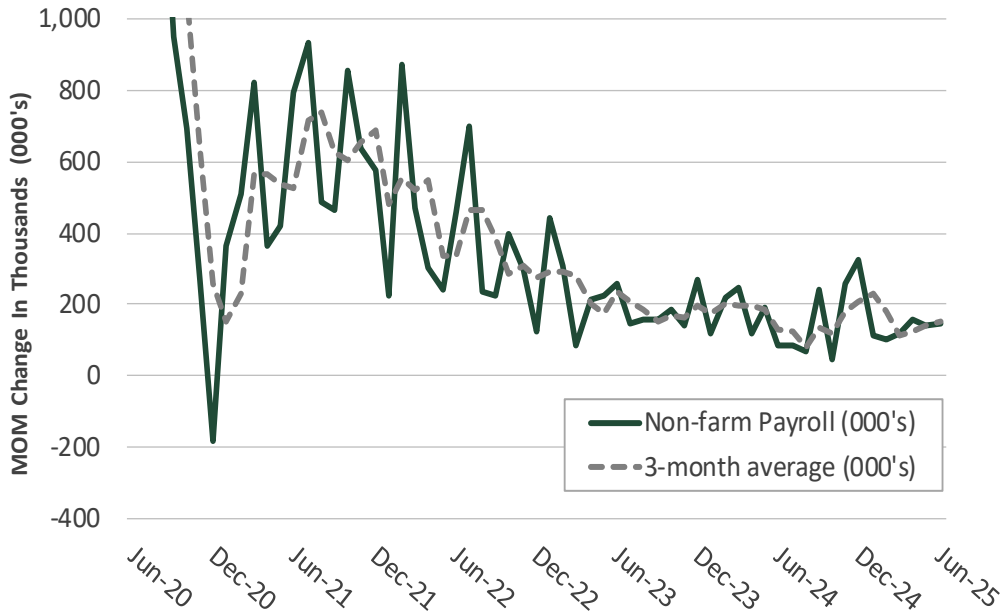
ECONOMIC UPDATE

- Recent economic data suggest slower growth in 2025 and greater market uncertainty as the effects of fiscal policy unfold. Inflationary trends have subsided, but some components remain sticky, and core levels remain above the Fed's target. The labor market reflects improved balance between supply and demand for workers. While job creation has moderated, the unemployment rate remains low; however, continuing jobless claims remain elevated implying a less robust labor market. Given the economic outlook, we expect gradual normalization of monetary policy and a steepening yield curve.

- As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the June meeting. Fed Chair Powell continued to emphasize the Committee's "wait and see" approach amidst economic uncertainty that remains elevated but diminished. Federal Reserve officials continued to pencil in two rate cuts in 2025.

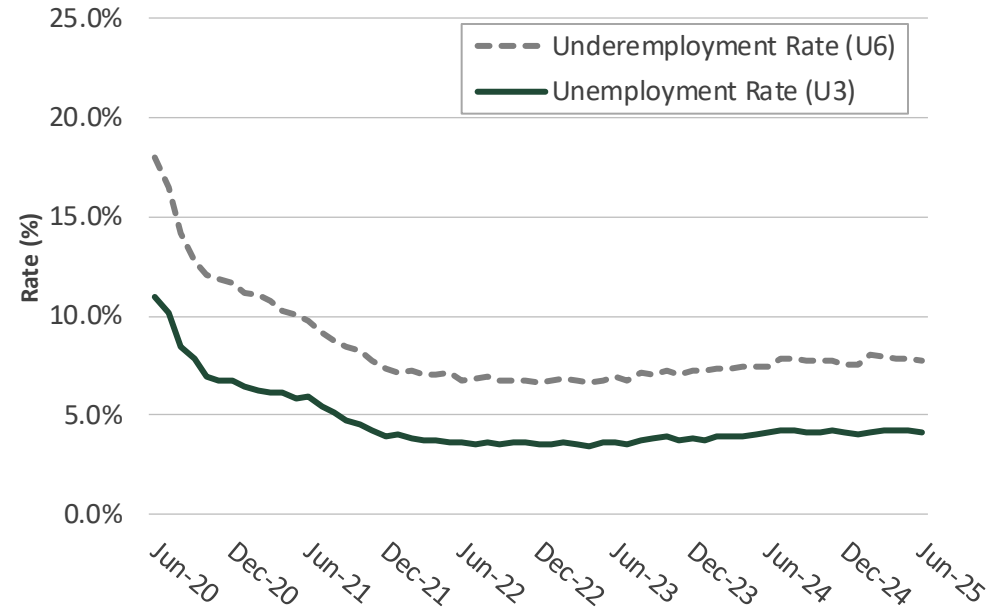
- US Treasury yields declined in June. The 2-year Treasury yield fell 18 basis points to 3.72%, the 5-year Treasury dropped 17 basis points to 3.80%, and the 10-year Treasury yield also declined 17 basis points to 4.23%. The spread between the 2-year and 10-year Treasury yield points on the curve edged up to +51 basis points at June month-end versus +50 basis points at May month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -36 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -7 basis points in June, versus -6 basis points in May.

Nonfarm Payroll (000's)



Source: US Department of Labor

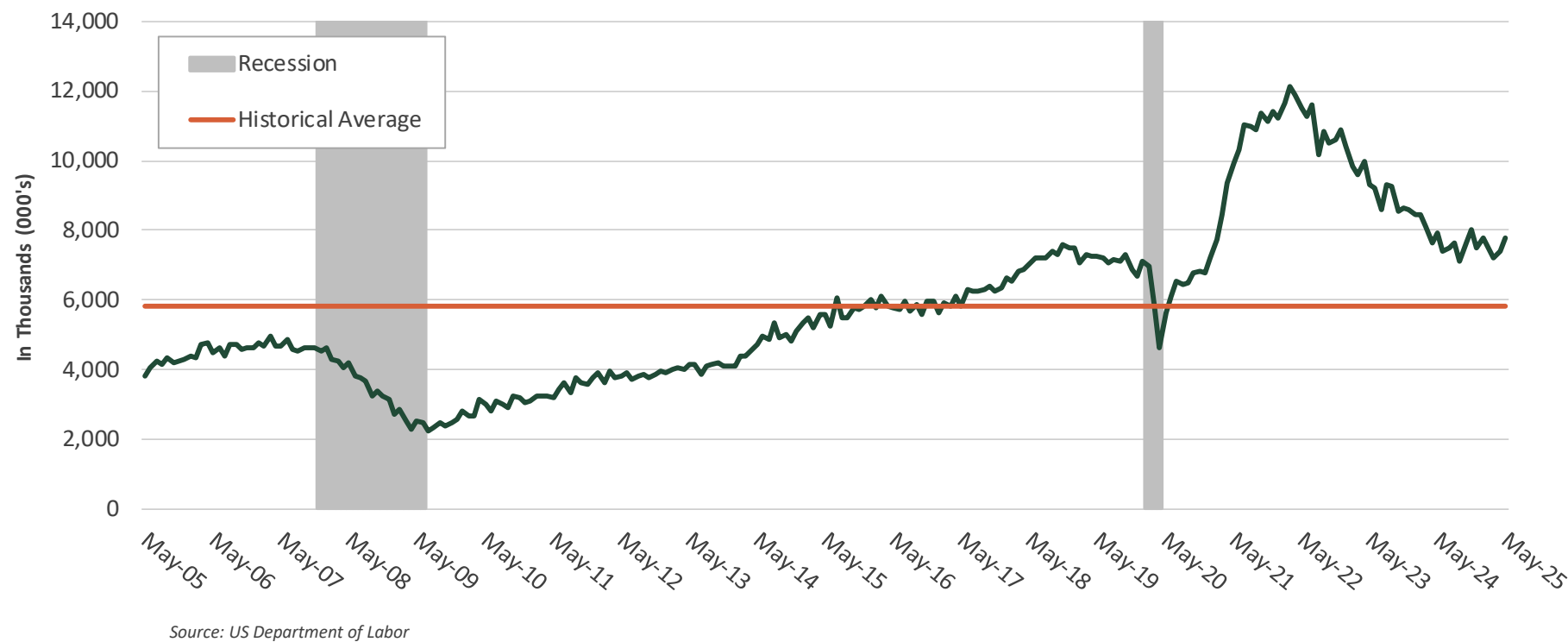
Unemployment Rate



Source: US Department of Labor

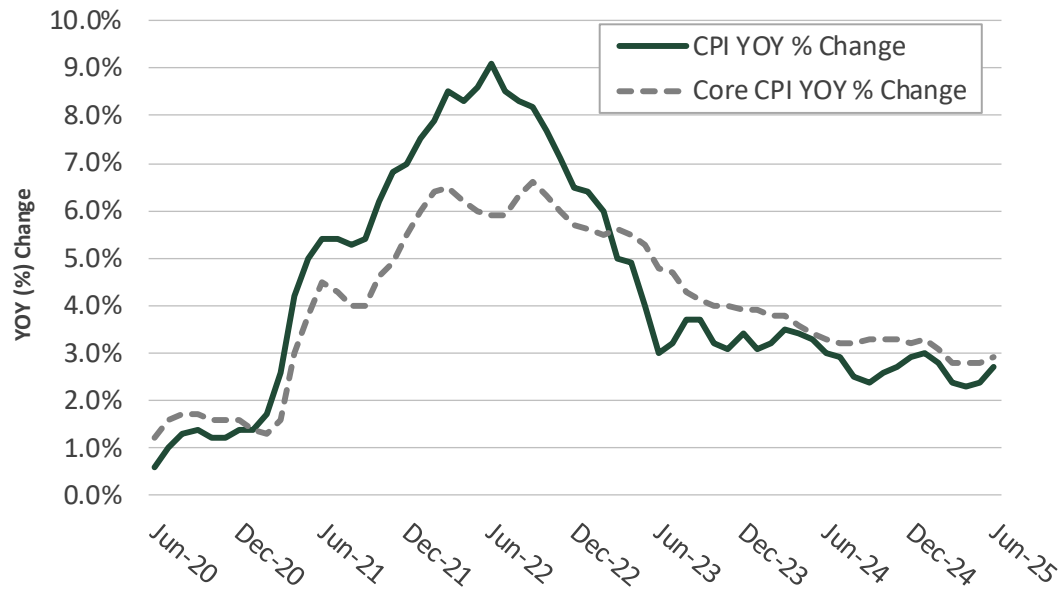
The U.S. economy added 147,000 jobs in June, exceeding consensus expectations, and the last two months were revised up by 16,000. Gains were primarily driven by state and local government education, while job growth in service sectors languished. The three-month moving average and six-month moving average payrolls totaled 150,000 and 130,000 respectively. The unemployment rate declined to 4.1% in June from 4.2% in May, due to a shrinking labor force. The labor participation rate dipped to 62.3%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons dropped to 7.7% in June. Average hourly earnings fell slightly, marking a 3.7% year-over-year increase.

Job Openings



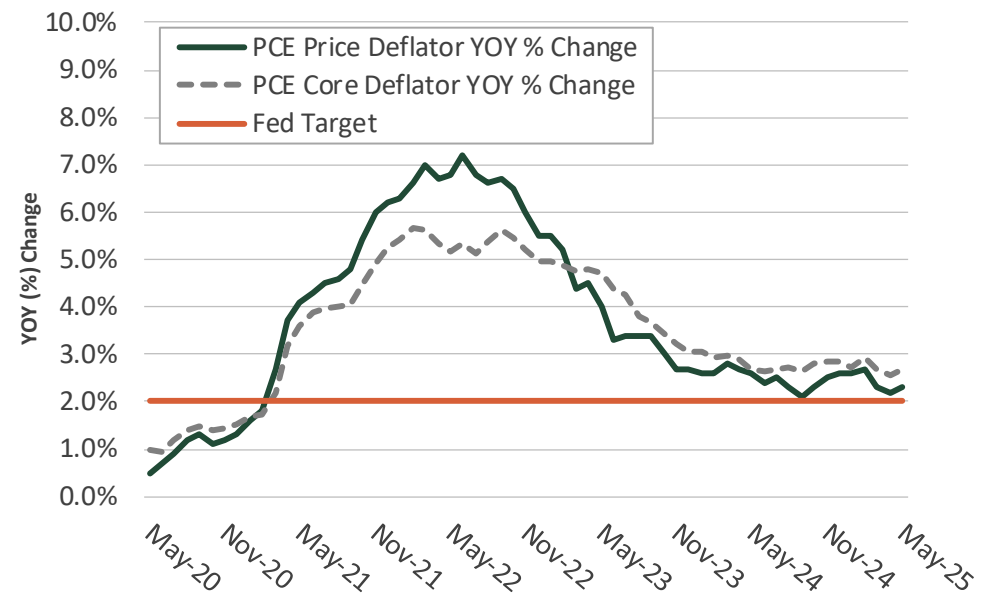
The Labor Department’s Job Openings and Labor Turnover Survey (JOLTS) unexpectedly rose to 7.77 million new job openings in May from 7.40 million in April. Layoffs declined and the quits rate increased. Job openings indicate a ratio of approximately 1.1 jobs for each unemployed individual, representing a relatively balanced labor market.

Consumer Price Index (CPI)



Source: US Department of Labor

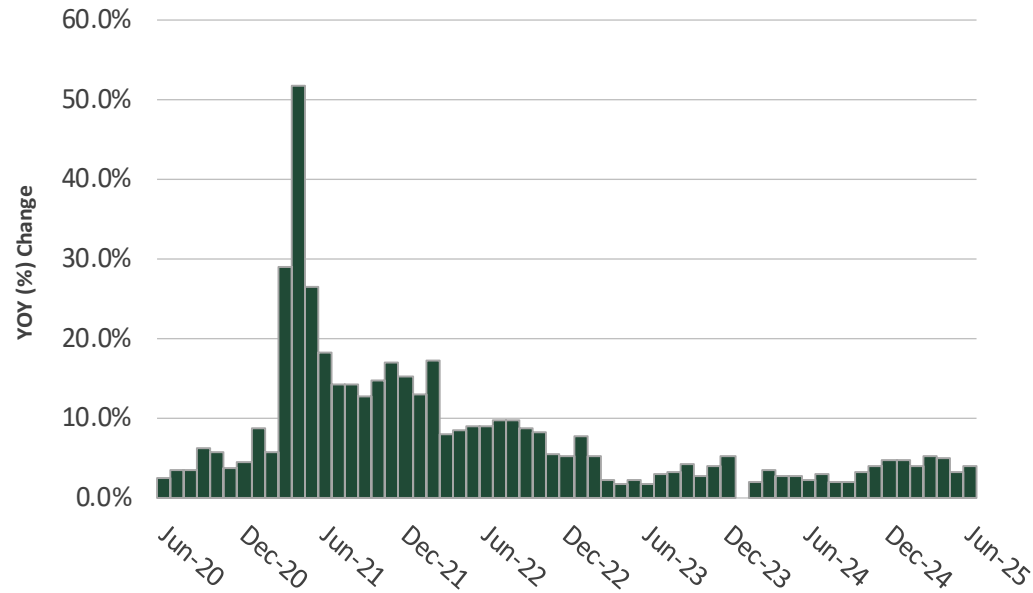
Personal Consumption Expenditures (PCE)



Source: US Department of Commerce

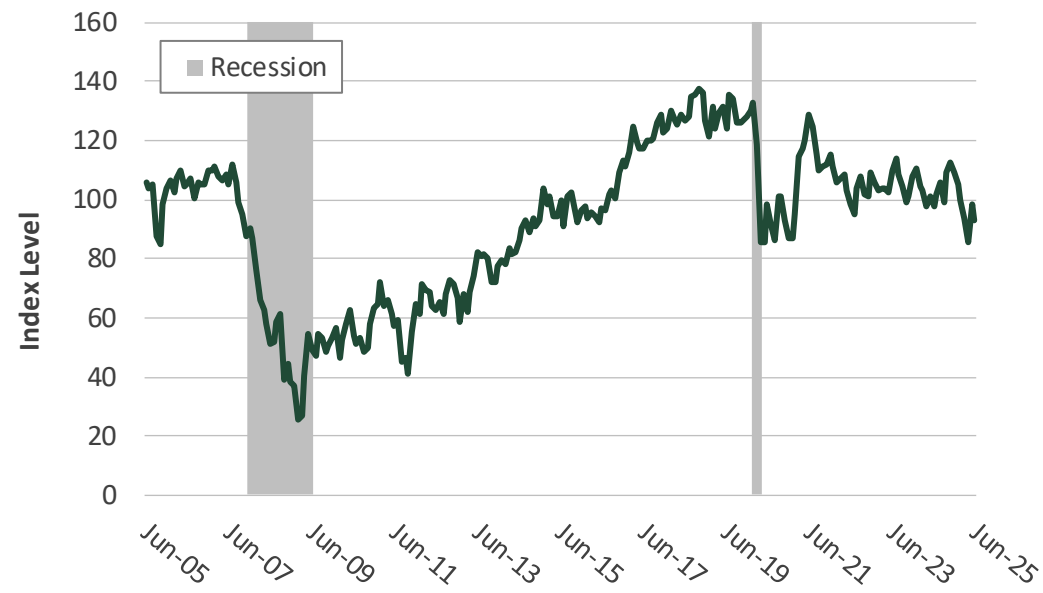
In June, the Consumer Price Index (CPI) increased 0.3% month-over-month and rose 2.7% year-over-year, while the Core CPI rose 0.2% month-over-month and 2.9% year-over-year. The Personal Consumption Expenditures (PCE) price index increased 0.1% month-over-month and rose 2.3% year-over-year in May. The Core PCE deflator, which excludes food and energy and is the Fed's preferred gauge, increased 0.2% month-over-month and 2.7% year-over-year, up from April's 2.6% year-over-year increase. Although inflation has trended toward the Federal Reserve's 2% target, the overall impact of tariff policy has not yet fully flowed through to the US economy.

Retail Sales YOY % Change



Source: US Department of Commerce

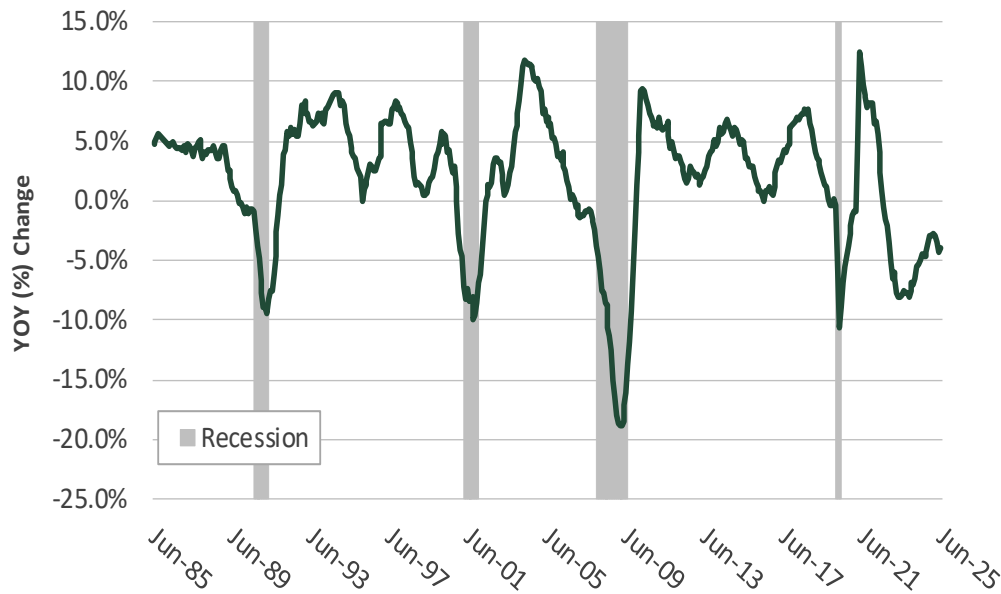
Consumer Confidence



Source: The Conference Board
 All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

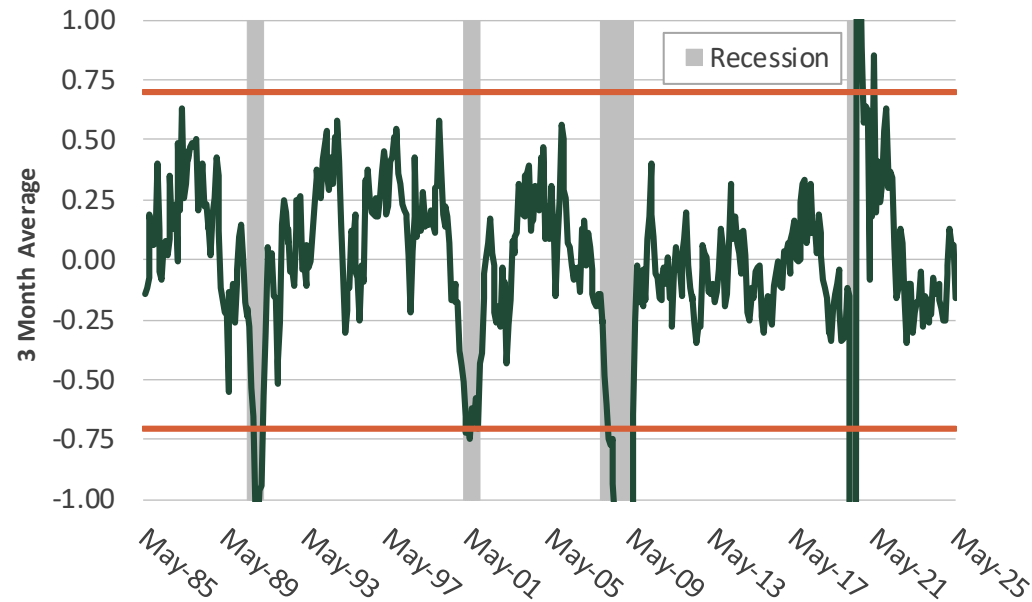
Advance Retail Sales were up 0.6% month-over-month in June, rebounding from a 0.9% decline in May and exceeding consensus forecasts. Auto sales led the increase. Control group sales, which feed into GDP, increased by 0.5%. On a year-over-year basis, Retail Sales grew 3.9% in June, following a 3.3% increase in May. The Conference Board's Consumer Confidence Index dropped to 93.0 in June from 98.4 in May, as consumers' assessment of both the current situation and future expectations for income and labor markets soured. While the consumer has been resilient, elevated inflation expectations, concerns about trade policies and tariffs, and general economic and policy uncertainty could pose potential risks to future spending.

Leading Economic Indicators (LEI)



Source: The Conference Board

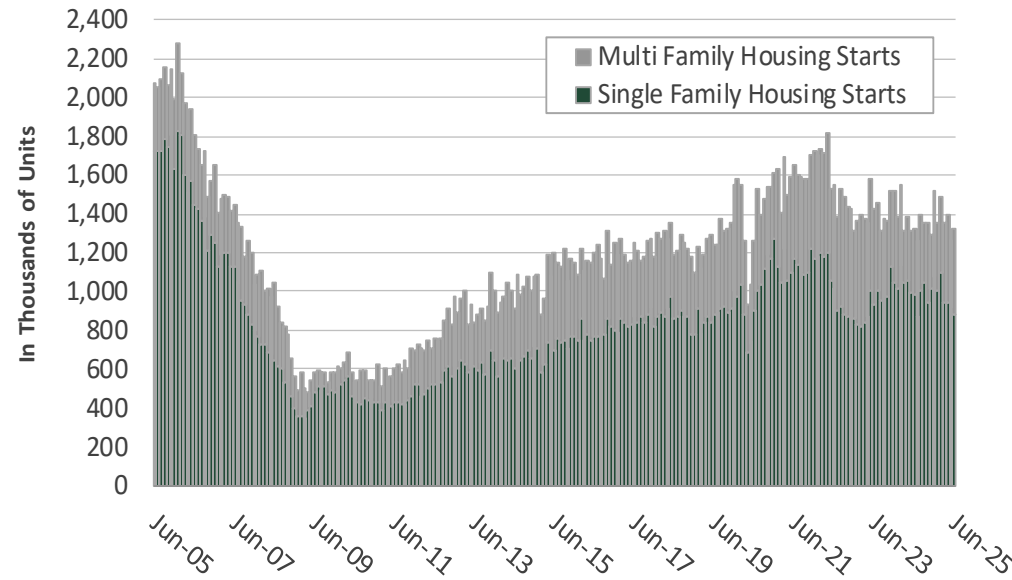
Chicago Fed National Activity Index (CFNAI)



Source: Federal Reserve Bank of Chicago

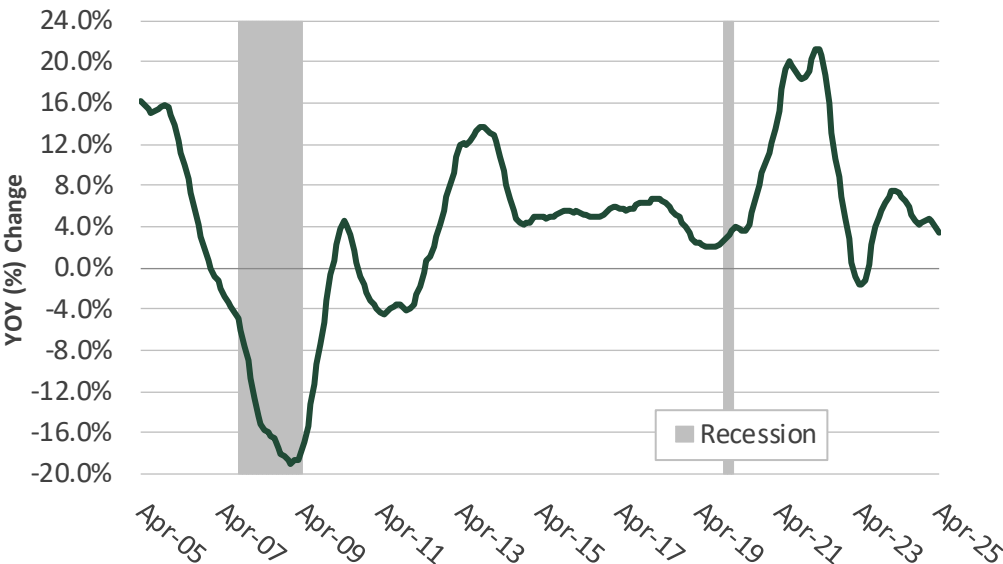
The Conference Board's Leading Economic Index (LEI) fell by 0.3% in June, following a flat reading in May. The LEI decreased by 4.0% year-over-year. The Conference Board is expecting economic growth to slow substantially in 2025 due to consumer pessimism, persistently soft manufacturing new orders, and rising first-time jobless claims. The Chicago Fed National Activity Index (CFNAI) improved to -0.28 in May from a downwardly revised -0.36 in April. The three-month moving average dropped to -0.16 in May from 0.06 in April, indicating slightly below trend growth.

Annualized Housing Starts



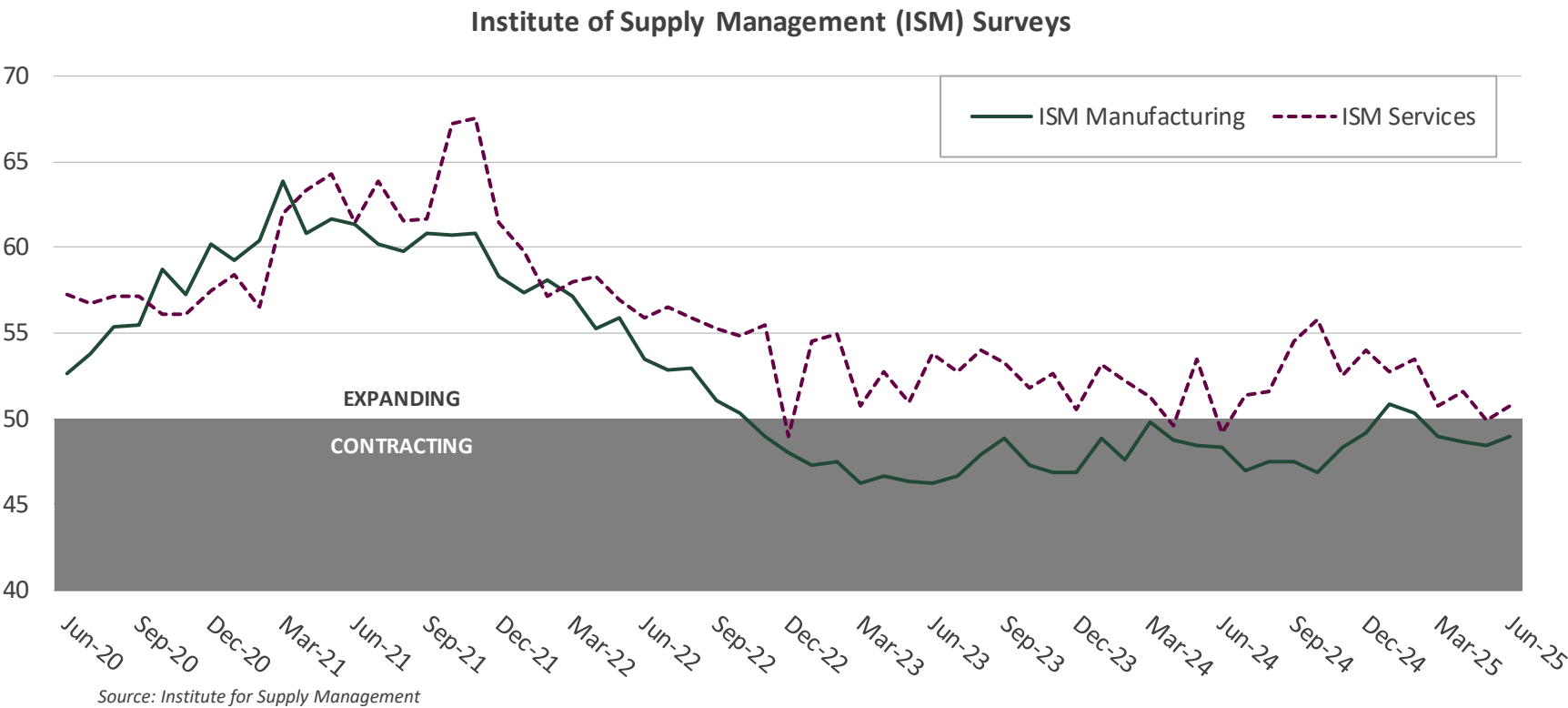
Source: US Department of Commerce

S&P/Case-Shiller 20 City Composite Home Price Index



Source: S&P

Housing starts increased 4.6% month-over-month in June to a seasonally adjusted annual rate of 1.321 million units. Multi-family starts drove the gain, while single-family starts fell on weak buyer demand. The Freddie Mac 30-year fixed rate mortgage averaged approximately 6.8% in June. According to the Case-Shiller 20-City Home Price Index, housing prices rose 3.4% year-over-year in April, compared to 4.1% in March. Limited inventory, elevated mortgage rates, and lack of affordability continue to weigh on the housing market.



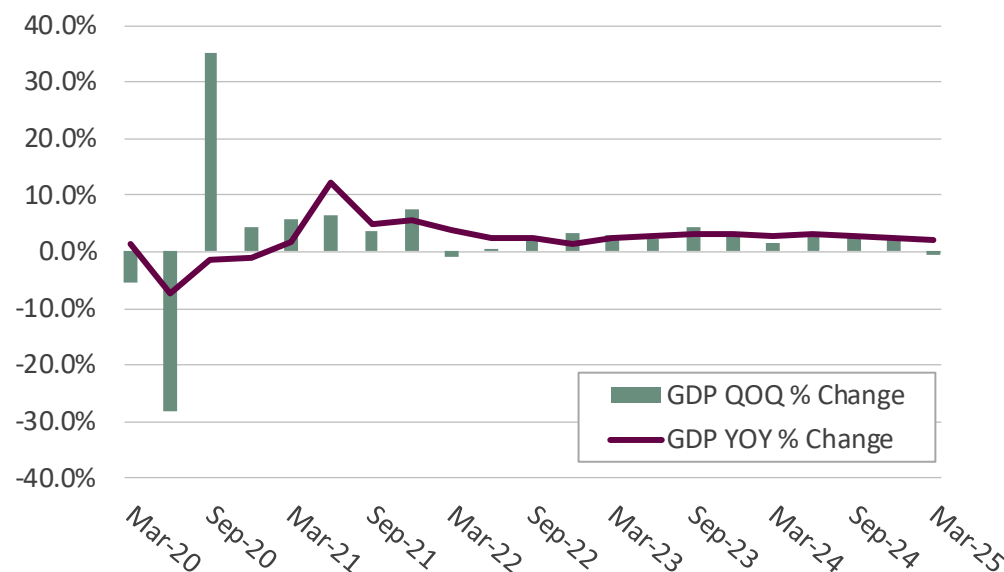
The Institute for Supply Management (ISM) Manufacturing index edged up to 49.0 in June from 48.5 in May, indicating a continuation of modest contraction in the sector. Inventories and production improved as companies worked through backlogs, while employment and new orders contracted. The ISM Services index increased to 50.8 in June from 49.9 in May, as new orders improved. However, ongoing concerns about the impact of tariffs remain. A reading over 50 indicates expansion, while a reading under 50 indicates contraction.

GROSS DOMESTIC PRODUCT (GDP)

Components of GDP	6/24	9/24	12/24	3/25
Personal Consumption Expenditures	1.9%	2.5%	2.7%	0.3%
Gross Private Domestic Investment	1.5%	0.2%	-1.0%	3.9%
Net Exports and Imports	-0.9%	-0.4%	0.3%	-4.6%
Federal Government Expenditures	0.3%	0.6%	0.3%	-0.3%
State and Local (Consumption and Gross Investment)	0.3%	0.3%	0.3%	0.2%
Total	3.0%	3.1%	2.5%	-0.5%

Source: US Department of Commerce

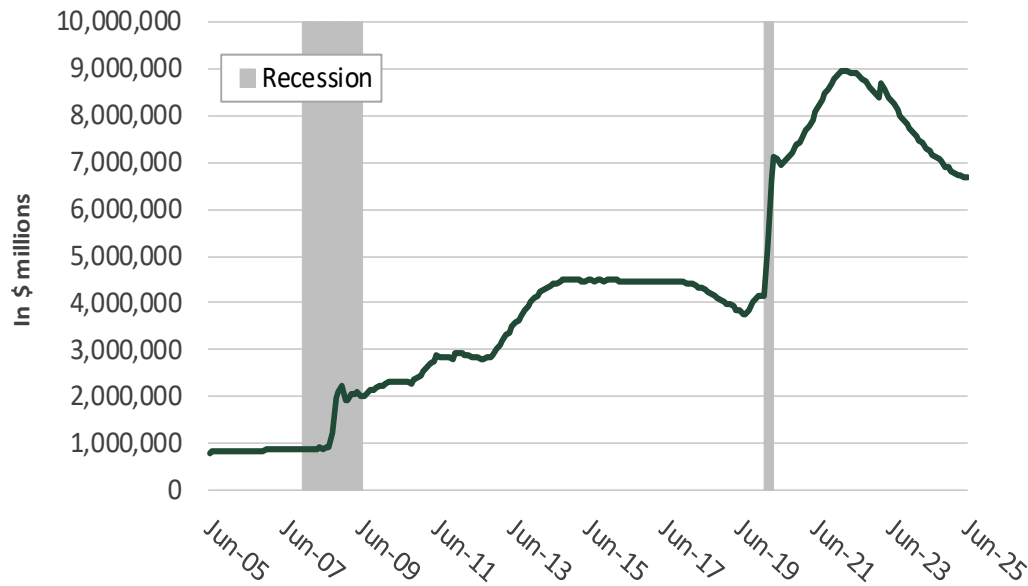
Gross Domestic Product (GDP)



Source: US Department of Commerce

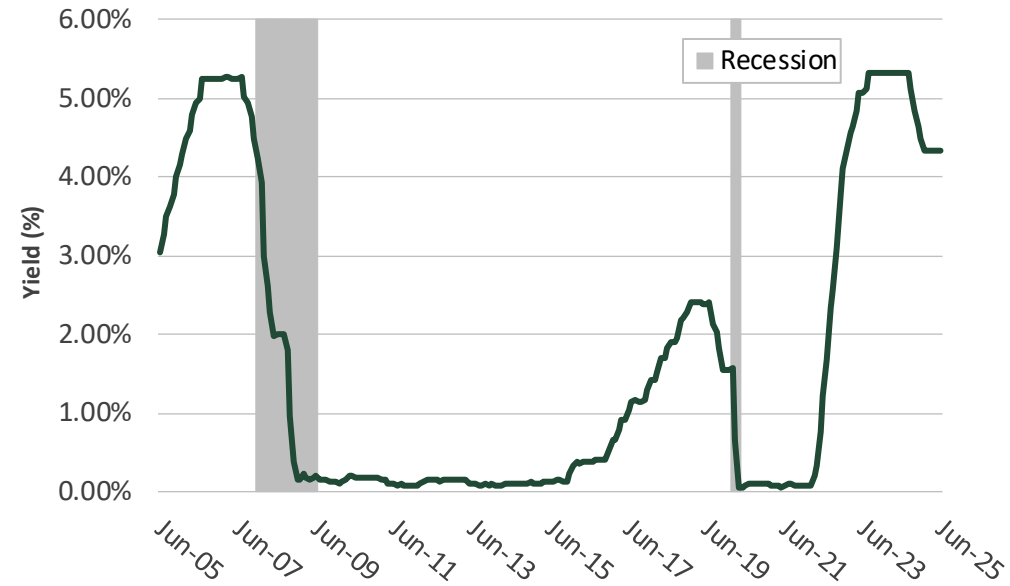
Real GDP decreased at an annualized rate of 0.5% in the first quarter of 2025, according to the third and final estimate from the Bureau of Economic Analysis, a downward revision from the previously estimated 0.2% decline. This marks the first negative quarter since 2022. The primary driver of the downward revision was weaker personal consumption expenditures. Net exports remained the primary drag on growth, as imports rose sharply in anticipation of higher tariffs. Gross investment contributed positively, powered by business decisions to get ahead of possible cost increases. The consensus projection calls for 2.1% growth for the second quarter and 1.5% for the full year 2025.

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

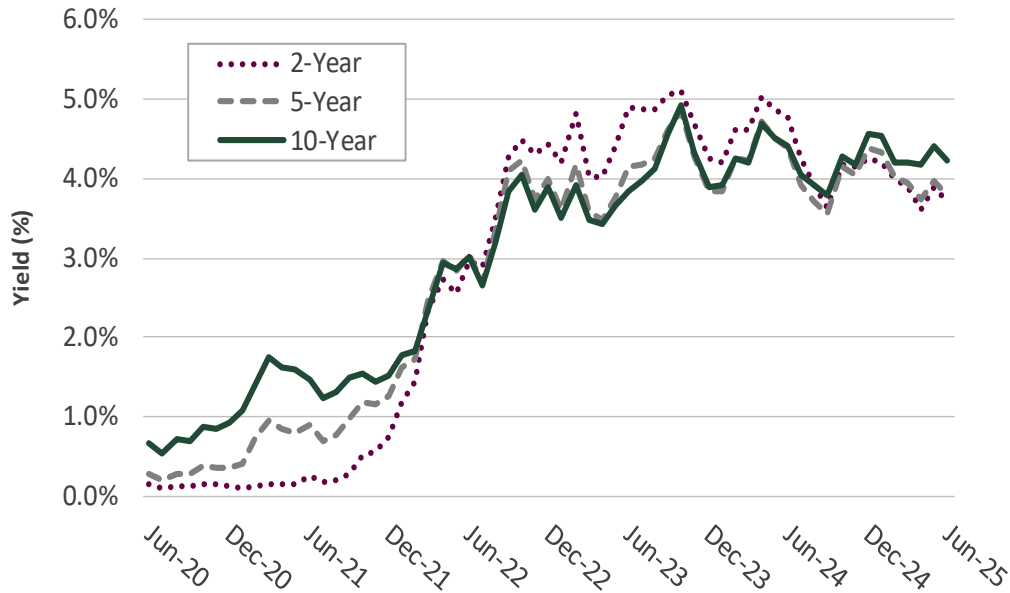
Effective Federal Funds Rate



Source: Bloomberg

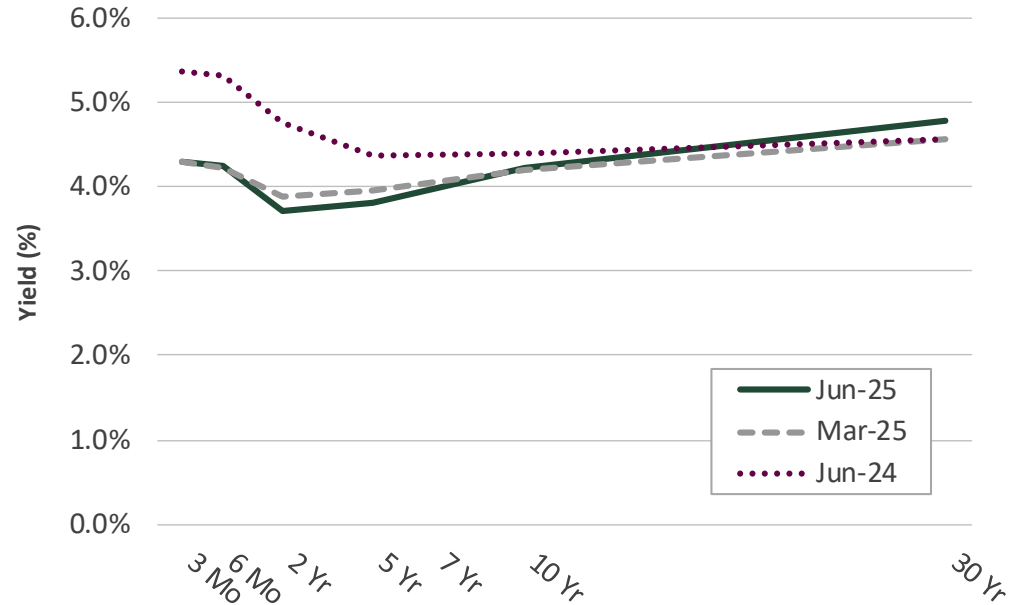
As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the June meeting. In the Summary of Economic Projections (SEP), Federal Reserve officials continued to pencil in two rate cuts in 2025, while downgrading estimates for economic growth and raising forecasts for both unemployment and inflation this year. The statement indicated that uncertainty about the economic outlook remained elevated but had diminished. The monthly redemption cap on Treasuries will remain at \$5 billion, while the cap on agencies and mortgage-backed securities will be maintained at \$35 billion. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by about \$2.2 trillion to approximately \$6.7 trillion.

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of June, the 2-year Treasury yield was 103 basis points lower, and the 10-Year Treasury yield was 17 basis points lower, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve edged up to +51 basis points at June month-end versus +50 basis points at May month-end. The recent yield curve inversion which began in July 2022 was historically long. The average historical spread (since 2005) is about +99 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -7 basis points in June, versus -6 basis points in May.

ACCOUNT PROFILE

Investment Objectives

The City of Cupertino's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed incomes securities consistent with the investment policy and California Government Code.

STATEMENT OF COMPLIANCE

City of Cupertino | Account #10659 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	100.0	11.8	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	25.0	3.0	Compliant	
Max Maturity (Years)	5.0	4.6	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	20.0	8.1	Compliant	
Max % Issuer (MV)	5.0	1.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV; FDIC & Collateralized CD)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				

STATEMENT OF COMPLIANCE

City of Cupertino | Account #10659 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV)	30.0	26.4	Compliant	
Max % Issuer (MV)	5.0	1.7	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV; FDIC & Collateralized CD)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	5.9	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	25.0	3.0	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	2	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.5	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	1.0	Compliant	
Max % Issuer (MV)	5.0	1.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				

STATEMENT OF COMPLIANCE

City of Cupertino | Account #10659 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max % (MV)	10.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	4.7	Compliant	
Max % Issuer (MV)	10.0	3.4	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	41.6	Compliant	
Max Maturity (Years)	5	4	Compliant	

PORTFOLIO SUMMARY

City of Cupertino | Account #10659 | As of June 30, 2025

Portfolio Characteristics

Average Modified Duration	2.54
Average Coupon	3.47%
Average Purchase YTM	3.73%
Average Market YTM	4.03%
Average Credit Quality*	AA+
Average Final Maturity	2.98
Average Life	2.62

Account Summary

	End Values as of 03/31/2025	End Values as of 06/30/2025
Market Value	171,361,909.10	173,784,957.99
Accrued Interest	1,079,026.09	1,267,966.53
Total Market Value	172,440,935.19	175,052,924.52
Income Earned	1,469,440.75	1,570,445.77
Cont/WD	0.00	0.00
Par	173,051,310.32	174,552,255.38
Book Value	171,853,033.61	173,154,444.93
Cost Value	171,577,356.86	172,701,432.17

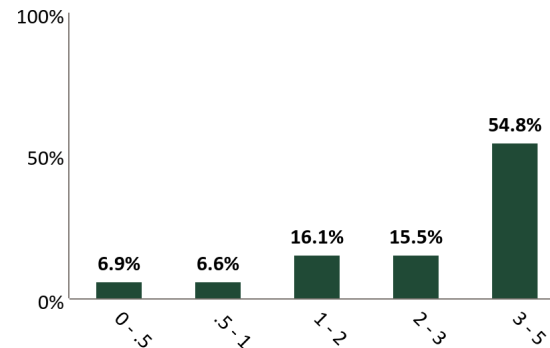
Top Issuers

Government of The United States	41.62%
FHLMC	11.78%
International Bank for Recon and Dev	3.36%
Farm Credit System	3.04%
UnitedHealth Group Incorporated	1.67%
Toyota Motor Corporation	1.62%
The Home Depot, Inc.	1.50%
FNMA	1.42%

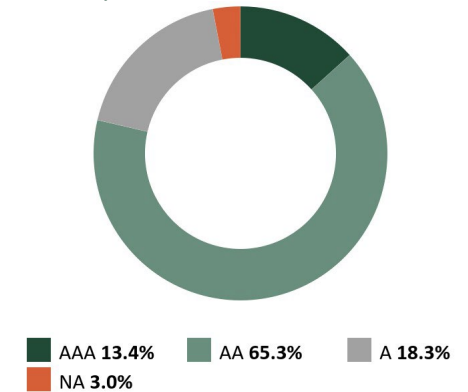
Sector Allocation

US Treasury	41.62%
Corporate	26.43%
Agency CMBS	11.78%
ABS	8.06%
Agency	5.90%
Supras	4.74%
Muni Bonds	1.02%
Money Mkt Fd	0.45%

Maturity Distribution



Credit Quality



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (02/01/19)
City of Cupertino	0.80%	1.53%	3.58%	6.20%	5.53%	3.78%	1.34%	--	2.21%
Benchmark Return	0.74%	1.36%	3.39%	5.54%	5.03%	3.28%	0.95%	--	1.96%

**Periods over 1 year are annualized.

Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index Secondary Benchmark:

PORTFOLIO CHARACTERISTICS



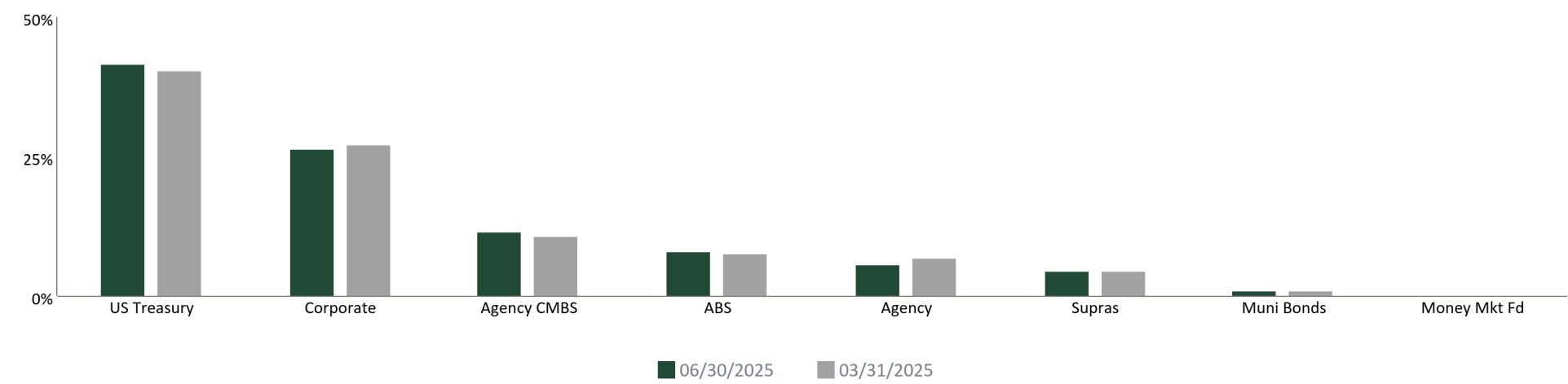
City of Cupertino | Account #10659 | As of June 30, 2025

	Benchmark*	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	2.65	2.98	2.97
Average Modified Duration	2.48	2.54	2.56
Average Purchase Yield		3.73%	3.59%
Average Market Yield	3.78%	4.03%	4.18%
Average Quality**	AA+	AA+	AA+
Total Market Value		175,052,925	172,440,935

*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Cupertino | Account #10659 | As of June 30, 2025

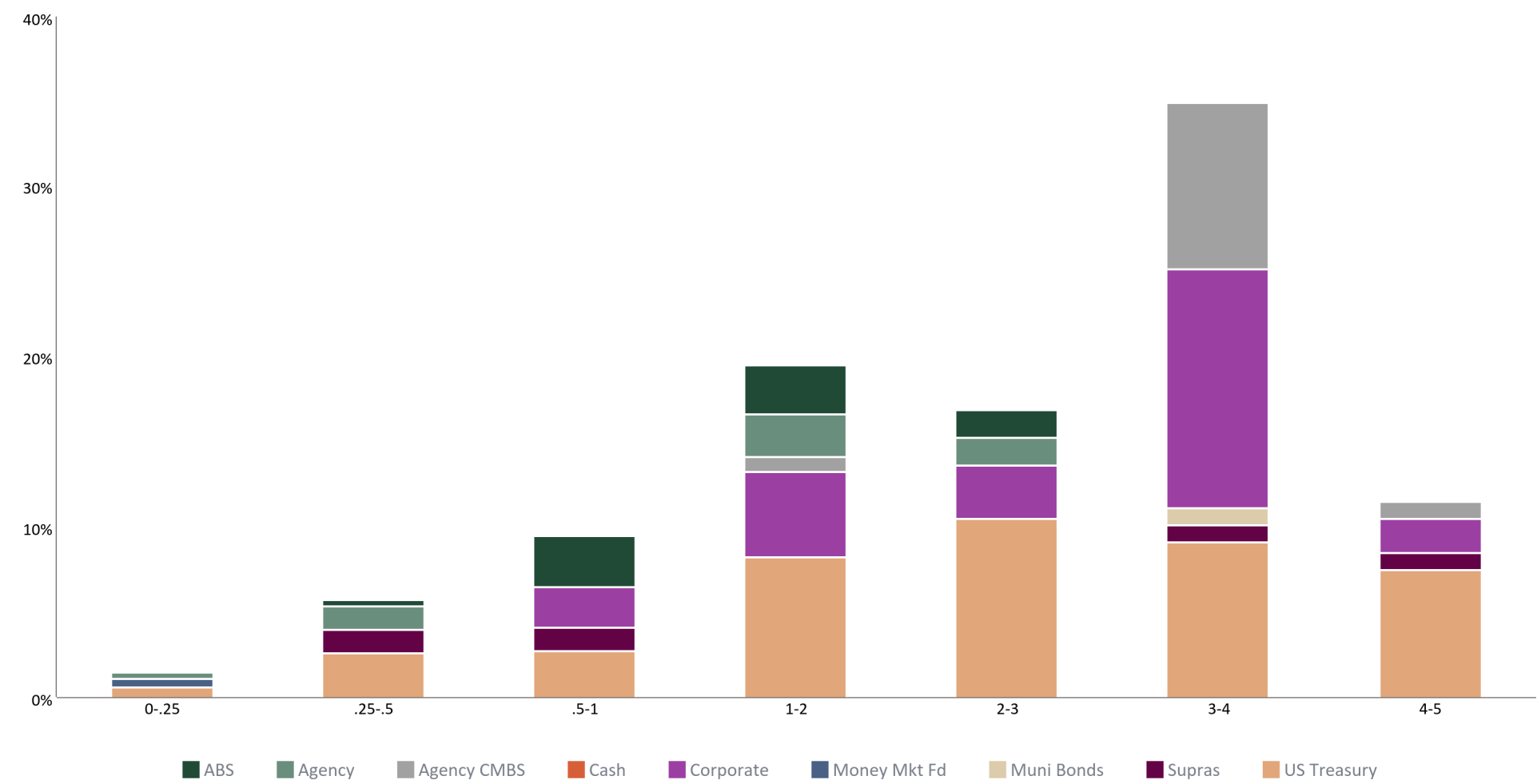


Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
US Treasury	41.62%	40.45%
Corporate	26.43%	27.47%
Agency CMBS	11.78%	11.05%
ABS	8.06%	7.80%
Agency	5.90%	7.05%
Supras	4.74%	4.77%
Muni Bonds	1.02%	1.03%
Money Mkt Fd	0.45%	0.38%

DURATION ALLOCATION

City of Cupertino | Account #10659 | As of June 30, 2025



	0-25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
06/30/2025	1.6%	5.8%	9.5%	19.6%	16.9%	35.0%	11.6%	0.0%	0.0%

ISSUERS

City of Cupertino | Account #10659 | As of June 30, 2025

Issuer	Investment Type	% Portfolio
Government of The United States	US Treasury	41.62%
FHLMC	Agency CMBS	11.78%
International Bank for Recon and Dev	Supras	3.36%
Farm Credit System	Agency	3.04%
UnitedHealth Group Incorporated	Corporate	1.67%
Toyota Motor Corporation	Corporate	1.62%
The Home Depot, Inc.	Corporate	1.50%
FNMA	Agency	1.42%
New York Life Insurance Company	Corporate	1.38%
Inter-American Development Bank	Supras	1.38%
Caterpillar Inc.	Corporate	1.29%
Royal Bank of Canada	Corporate	1.18%
Massachusetts Mutual Life Insurance	Corporate	1.14%
Morgan Stanley	Corporate	1.14%
Federal Home Loan Banks	Agency	1.10%
Amazon.com, Inc.	Corporate	1.05%
Chubb Limited	Corporate	1.02%
State of California	Muni Bonds	1.02%
Honda Motor Co., Ltd.	Corporate	1.00%
Chase Issuance Trust	ABS	0.98%
Bank of America Credit Card Trust	ABS	0.95%
Berkshire Hathaway Inc.	Corporate	0.91%
PepsiCo, Inc.	Corporate	0.88%
Prologis, Inc.	Corporate	0.87%
Bank of America Corporation	Corporate	0.86%
JPMorgan Chase & Co.	Corporate	0.86%
The Progressive Corporation	Corporate	0.86%
Deere & Company	Corporate	0.84%
Realty Income Corporation	Corporate	0.83%
American Express Credit Master Trust	ABS	0.82%

ISSUERS

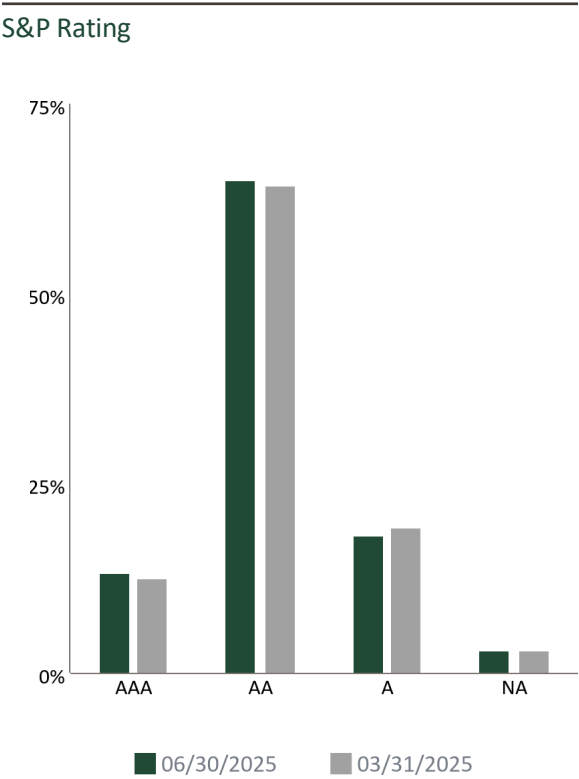
City of Cupertino | Account #10659 | As of June 30, 2025

Issuer	Investment Type	% Portfolio
Marsh & McLennan Companies, Inc.	Corporate	0.81%
GM Financial Securitized Term	ABS	0.81%
Honda Auto Receivables Owner Trust	ABS	0.81%
WF Card Issuance Trust	ABS	0.79%
Toyota Auto Receivables Owner Trust	ABS	0.73%
John Deere Owner Trust	ABS	0.70%
Guardian Life Global Funding	Corporate	0.69%
Mercedes-Benz Auto Receivables Trust	ABS	0.64%
Metropolitan Life Global Funding I	Corporate	0.62%
National Rural Utilities Cooperative	Corporate	0.59%
Northwestern Mutual Global Funding	Corporate	0.58%
Mastercard Incorporated	Corporate	0.56%
The Charles Schwab Corporation	Corporate	0.54%
Meta Platforms, Inc.	Corporate	0.53%
BMW Vehicle Owner Trust	ABS	0.43%
Met Tower Global Funding	Corporate	0.43%
Wells Fargo & Company	Money Mkt Fd	0.42%
Hyundai Auto Lease Securitization Tr	ABS	0.35%
Federal Home Loan Mortgage Corp	Agency	0.34%
Walmart Inc.	Corporate	0.19%
Hyundai Auto Receivables Trust	ABS	0.04%
WC MMF Sweep	Money Mkt Fd	0.03%
Cash	Cash	0.00%
TOTAL		100.00%

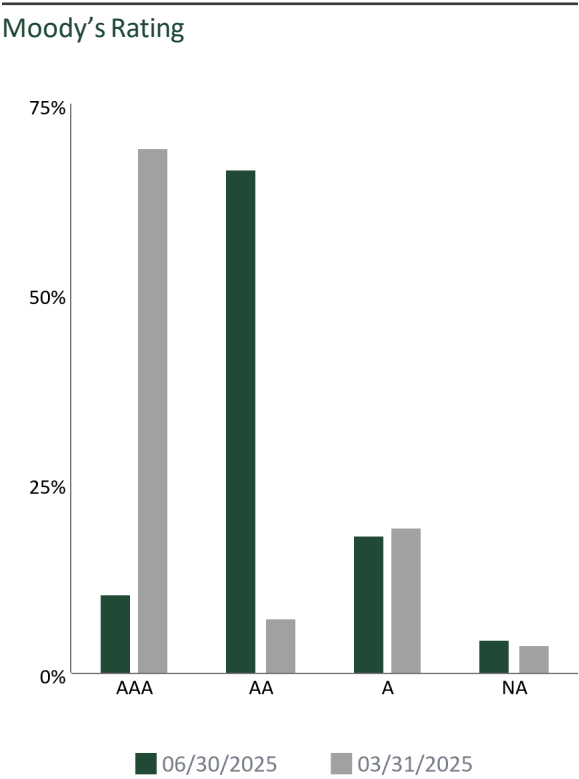
QUALITY DISTRIBUTION



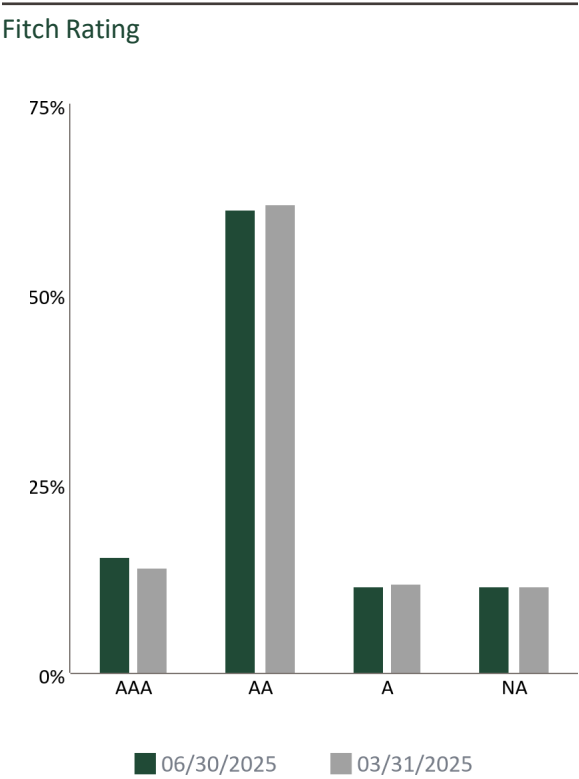
City of Cupertino | Account #10659 | As of June 30, 2025



Rating	06/30/2025	03/31/2025
AAA	13.3%	12.8%
AA	65.2%	64.5%
A	18.4%	19.4%
NA	3.0%	3.3%



Rating	06/30/2025	03/31/2025
AAA	10.52%	69.30%
AA	66.43%	7.27%
A	18.37%	19.38%
NA	4.68%	4.05%



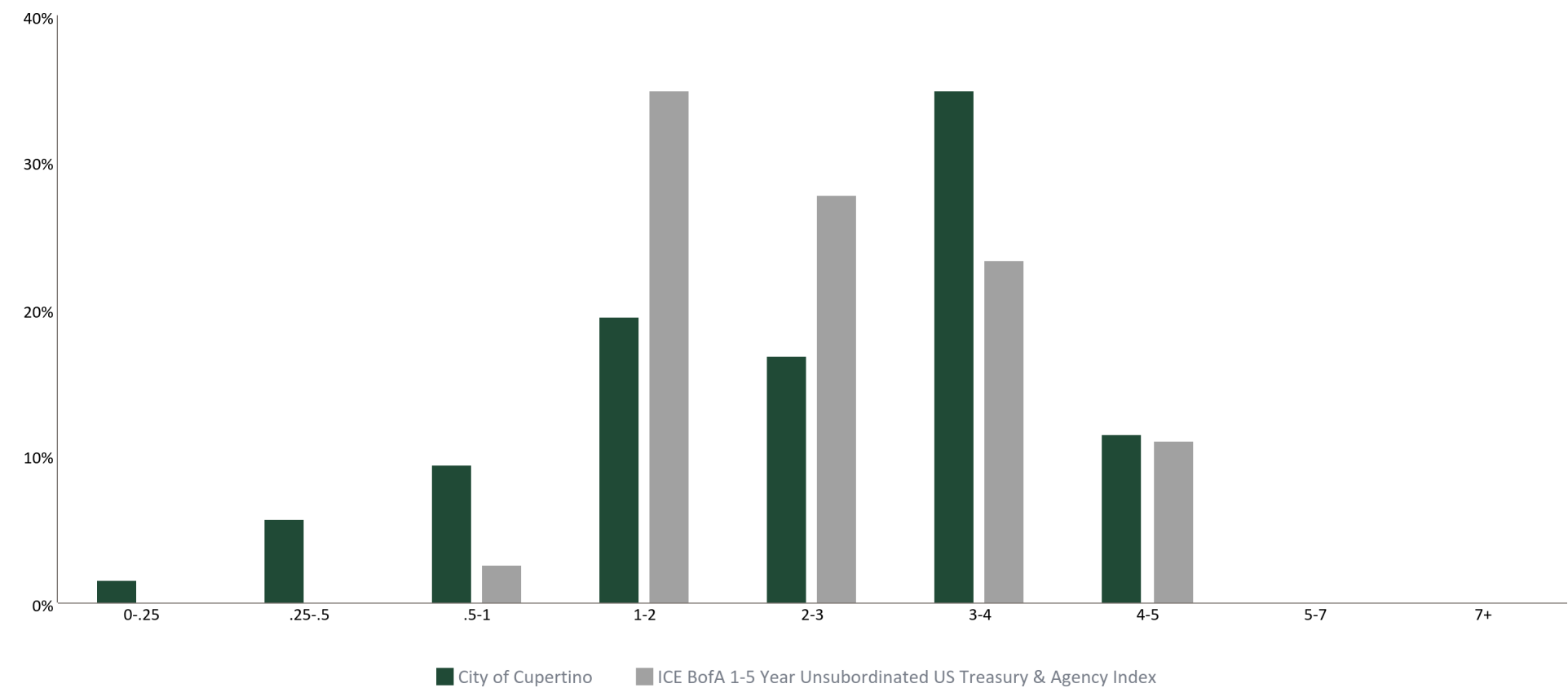
Rating	06/30/2025	03/31/2025
AAA	15.47%	14.25%
AA	61.31%	62.00%
A	11.68%	12.12%
NA	11.54%	11.62%

DURATION DISTRIBUTION



City of Cupertino | Account #10659 | As of June 30, 2025

Portfolio Compared to the Benchmark



	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	1.6%	5.8%	9.5%	19.6%	16.9%	35.0%	11.6%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.0%	0.1%	2.6%	34.9%	27.8%	23.4%	11.1%	0.0%	0.0%

INVESTMENT PERFORMANCE



City of Cupertino | Account #10659 | As of June 30, 2025

Total and Realized Rate of Return : Inception | 02/01/2019



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
City of Cupertino Gross of Fees	1.53%	6.20%	5.53%	3.78%	1.34%		2.21%
City of Cupertino Net of Fees	1.51%	6.12%	5.47%	3.72%	1.27%		2.14%
Benchmark	1.36%	5.54%	5.03%	3.28%	0.95%		1.96%

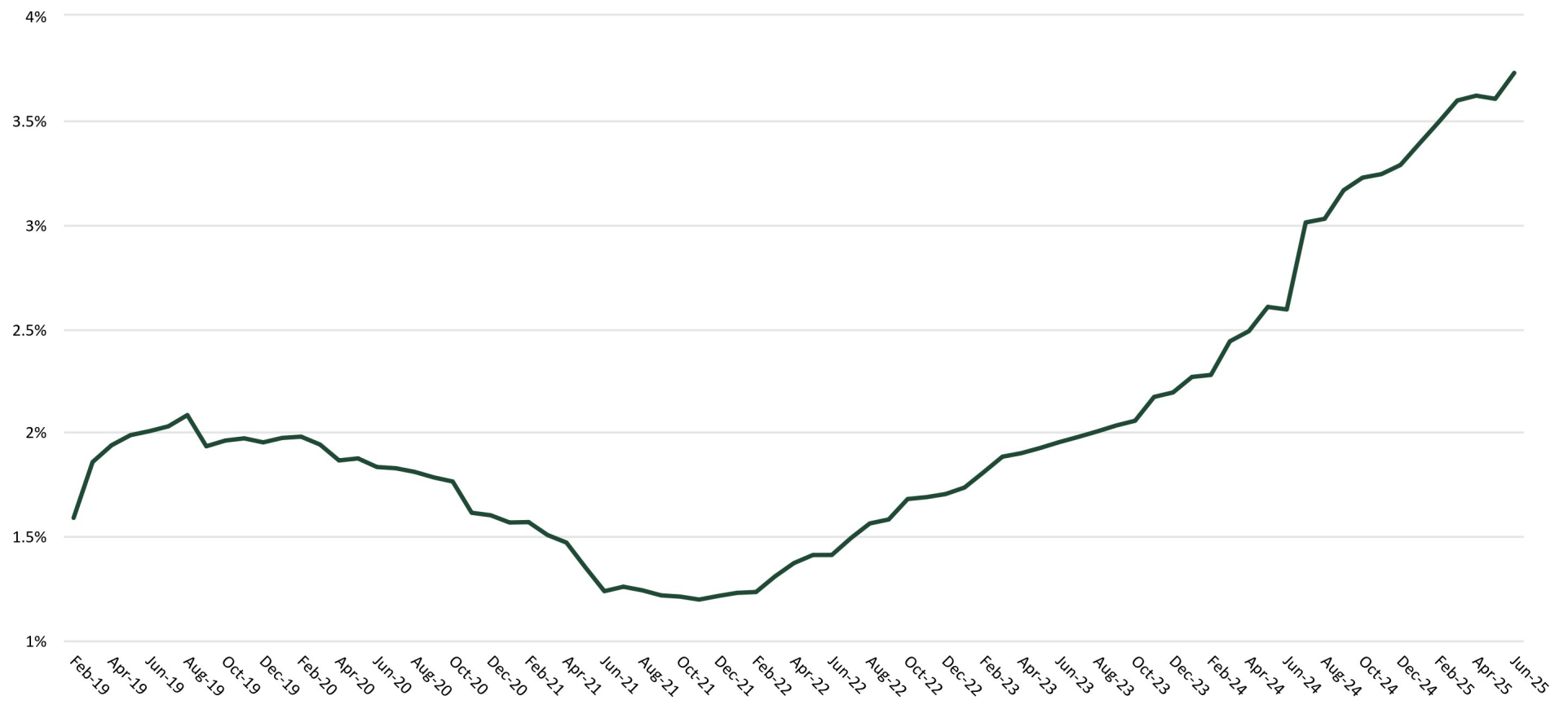
*Periods over 1 year are annualized.
Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index
Total rate of return: A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio’s return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD



City of Cupertino | Account #10659 | As of June 30, 2025

Purchase Yield as of 06/30/25 = 3.73%



PORTFOLIO CHARACTERISTICS



City of Cupertino Reporting | Account #10663 | As of June 30, 2025

	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	0.00	0.00
Average Modified Duration	0.00	0.00
Average Purchase Yield	2.43%	2.59%
Average Market Yield	2.41%	2.57%
Average Quality**	AAA	AAA
Total Market Value	120,488,632	112,885,409

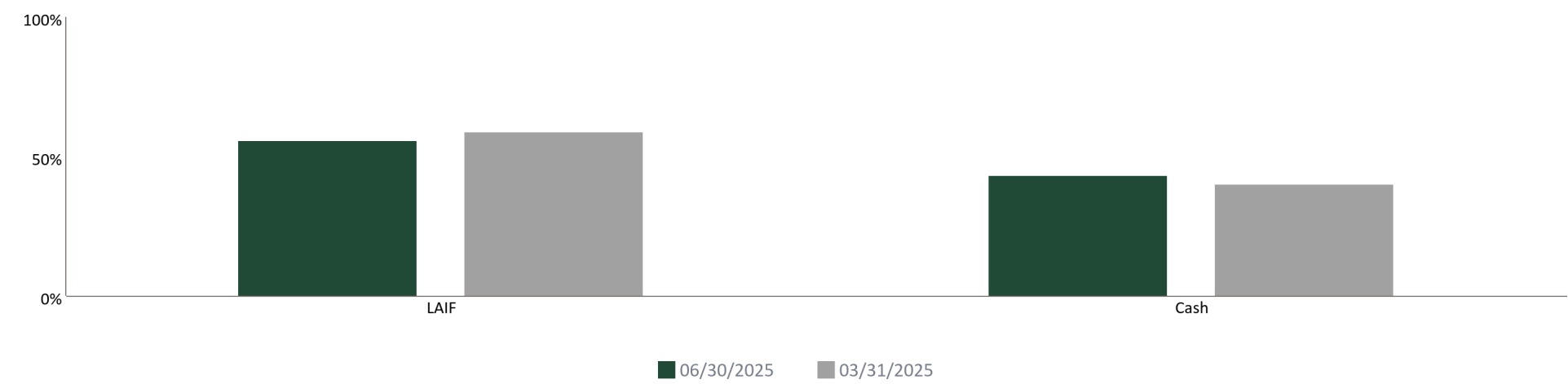
*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody’s and Fitch.

SECTOR DISTRIBUTION



City of Cupertino Reporting | Account #10663 | As of June 30, 2025



Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
LAIF	56.48%	59.63%
Cash	43.52%	40.37%

CONSOLIDATED INFORMATION

PORTFOLIO CHARACTERISTICS



City of Cupertino Cons | Account #10664 | As of June 30, 2025

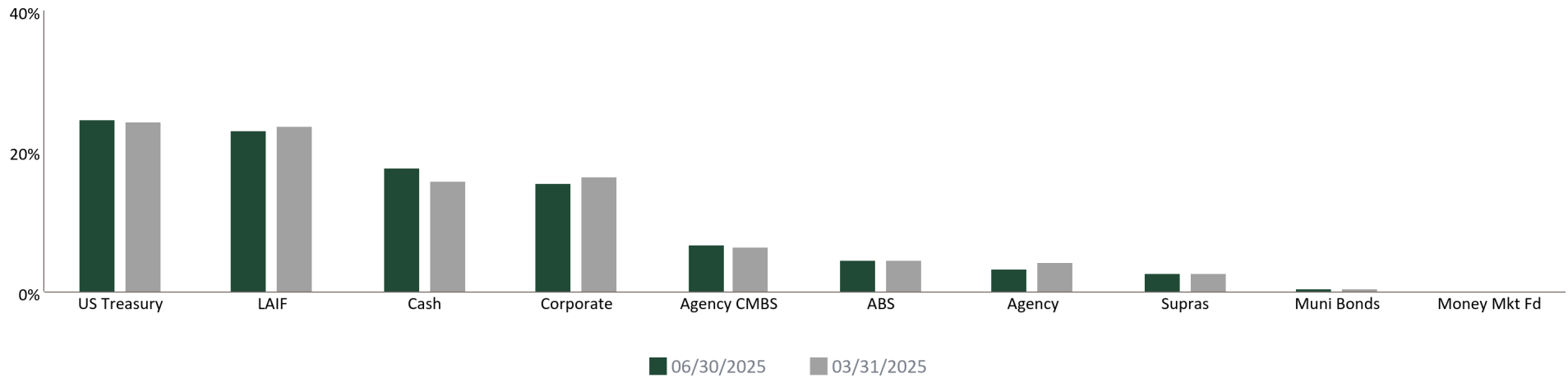
	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	1.76	1.79
Average Modified Duration	1.50	1.54
Average Purchase Yield	3.20%	3.19%
Average Market Yield	3.37%	3.54%
Average Quality**	AA+	AA+
Total Market Value	295,541,556	285,326,344

*Benchmark: NO BENCHMARK REQUIRED

**The credit quality is a weighted average calculation of the highest of S&P, Moody’s and Fitch.

SECTOR DISTRIBUTION

City of Cupertino Cons | Account #10664 | As of June 30, 2025



Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
US Treasury	24.58%	24.39%
LAIF	23.13%	23.68%
Cash	17.82%	16.03%
Corporate	15.61%	16.56%
Agency CMBS	6.96%	6.66%
ABS	4.76%	4.70%
Agency	3.49%	4.25%
Supras	2.80%	2.87%
Muni Bonds	0.60%	0.62%
Money Mkt Fd	0.27%	0.23%

PORTFOLIO HOLDINGS

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	45,267.43	02/15/2022 1.89%	45,260.62 45,266.13	99.80 4.77%	45,175.75 37.82	0.03% (90.39)	Aaa/AAA NA	0.87 0.07
05602RAD3	BMWOT 2022-A A3 3.21 08/25/2026	46,253.11	05/10/2022 3.23%	46,250.71 46,252.51	99.82 4.56%	46,169.60 24.75	0.03% (82.91)	Aaa/AAA NA	1.15 0.14
47787JAC2	JDOT 2022 A3 2.32 09/15/2026	46,593.40	03/10/2022 2.34%	46,583.09 46,590.80	99.72 4.16%	46,460.88 48.04	0.03% (129.92)	Aaa/NA AAA	1.21 0.15
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	882.14	10/13/2021 0.68%	882.12 882.13	99.84 4.51%	880.75 0.25	0.00% (1.39)	Aaa/AAA NA	1.21 0.04
448977AD0	HART 2022-A A3 2.22 10/15/2026	65,901.31	03/09/2022 2.23%	65,898.78 65,900.66	99.83 4.49%	65,791.40 65.02	0.04% (109.26)	NA/AAA AAA	1.29 0.07
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	9,082.94	01/11/2022 1.27%	9,082.15 9,082.74	99.86 4.72%	9,070.06 4.77	0.01% (12.68)	NA/AAA AAA	1.38 0.04
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	192,472.55	07/12/2022 3.77%	192,454.17 192,466.21	99.68 4.66%	191,849.50 319.93	0.11% (616.71)	Aaa/NA AAA	1.63 0.36
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	78,678.25	04/05/2022 3.13%	78,661.81 78,673.12	99.65 4.83%	78,406.51 101.63	0.05% (266.61)	Aaa/AAA NA	1.63 0.20
44934FAD7	HALST 2024-B A3 5.41 05/17/2027	610,000.00	05/14/2024 5.41%	609,983.04 609,989.34	100.79 4.55%	614,844.25 1,466.71	0.35% 4,854.91	NA/AAA AAA	1.88 0.86
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	469,547.23	10/12/2022 5.15%	469,510.79 469,532.11	100.27 4.59%	470,807.07 1,062.22	0.27% 1,274.95	Aaa/NA AAA	1.96 0.48
89231FAD2	TAOT 2023-C A3 5.16 04/17/2028	1,266,273.20	11/21/2023 5.65%	1,261,128.97 1,263,002.80	100.54 4.42%	1,273,120.45 2,903.99	0.73% 10,117.65	NA/AAA AAA	2.80 0.67
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	805,000.00	-- 5.64%	806,992.67 806,143.47	101.07 4.39%	813,585.33 1,267.88	0.47% 7,441.85	Aaa/NA AAA	2.98 0.78
58769FAC9	MBART 2023-2 A3 5.95 11/15/2028	1,100,000.00	11/29/2023 3.88%	1,123,289.06 1,114,068.85	101.30 4.30%	1,114,288.01 2,908.89	0.64% 219.16	NA/AAA AAA	3.38 0.75
05522RDH8	BACCT 2023-2 A 4.98 11/16/2026	850,000.00	01/24/2024 4.58%	858,798.83 854,317.59	101.06 4.22%	858,991.22 1,881.33	0.49% 4,673.62	Aaa/NA AAA	1.38 1.30
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	500,000.00	03/25/2024 5.13%	499,765.63 499,829.41	100.92 4.29%	504,618.80 1,102.22	0.29% 4,789.39	Aaa/NA AAA	3.38 1.27
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	535,000.00	05/14/2024 5.27%	534,935.00 534,951.05	101.20 4.30%	541,394.64 1,018.13	0.31% 6,443.59	NA/AAA AAA	3.39 1.16

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	1,310,000.00	-- 4.97%	1,307,922.66 1,308,455.50	100.50 4.32%	1,316,546.20 2,647.29	0.76% 8,090.70	Aaa/NA AAA	3.47 0.85
161571HV9	CHAIT 241 A 4.6 01/16/2029	1,690,000.00	01/24/2024 4.61%	1,689,742.61 1,689,816.05	100.73 4.14%	1,702,377.22 3,455.11	0.98% 12,561.17	NA/AAA AAA	3.55 1.46
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	695,000.00	06/04/2024 5.18%	694,894.43 694,918.05	101.26 4.11%	703,762.56 600.02	0.40% 8,844.51	Aaa/AAA NA	3.66 1.12
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	785,000.00	06/06/2024 4.93%	784,955.96 784,965.47	101.48 4.14%	796,628.28 1,720.02	0.46% 11,662.81	Aaa/AAA NA	3.87 1.75
02582JKP4	AMXCA 2025-2 A 4.28 04/15/2030	1,420,000.00	05/06/2025 4.28%	1,419,974.30 1,419,975.00	100.61 4.08%	1,428,685.71 2,701.16	0.82% 8,710.71	NA/AAA AAA	4.79 2.58
92970QAJ4	WFCIT 2025-1 A 4.34 05/15/2030	1,365,000.00	06/03/2025 4.33%	1,364,977.34 1,364,977.60	100.78 4.09%	1,375,690.41 3,455.73	0.79% 10,712.80	NA/AAA AAA	4.87 2.65
Total ABS		13,885,951.56	4.77%	13,911,944.72 13,900,056.61	100.82 4.26%	13,999,144.59 28,792.91	8.06% 99,087.98		3.36 1.33

AGENCY									
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	600,000.00	-- 0.46%	597,447.07 599,879.97	99.09 4.41%	594,533.15 612.50	0.34% (5,346.82)	Aa1/AA+ AA+	0.23 0.23
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	2,500,000.00	-- 0.56%	2,492,700.00 2,499,482.72	98.68 4.32%	2,467,003.68 1,875.00	1.42% (32,479.04)	Aa1/AA+ AA+	0.36 0.34
3130B0TY5	FEDERAL HOME LOAN BANKS 4.75 04/09/2027	1,875,000.00	04/10/2024 4.85%	1,870,050.00 1,872,069.85	101.70 3.75%	1,906,833.28 20,286.46	1.10% 34,763.43	Aa1/AA+ AA+	1.77 1.67
3133ERDS7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 05/06/2027	2,400,000.00	06/20/2024 4.55%	2,412,552.00 2,408,064.87	101.70 3.79%	2,440,710.94 17,416.67	1.40% 32,646.07	Aa1/AA+ AA+	1.85 1.75
3133EPC60	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 11/15/2027	2,800,000.00	11/09/2023 4.73%	2,789,612.00 2,793,835.46	101.74 3.85%	2,848,663.66 16,547.22	1.64% 54,828.21	Aa1/AA+ AA+	2.38 2.22
Total Agency		10,175,000.00	3.46%	10,162,361.07 10,173,332.87	100.83 3.96%	10,257,744.70 56,737.85	5.90% 84,411.84		1.53 1.44

AGENCY CMBS									
3137BSP72	FHMS K-058 A2 2.653 08/25/2026	650,000.00	11/12/2021 1.36%	687,451.17 658,632.52	98.16 4.23%	638,009.19 1,437.04	0.37% (20,623.33)	Aa1/AA+ AAA	1.15 1.07

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3137FBBX3	FHMS K-068 A2 3.244 08/25/2027	1,000,000.00	09/28/2022 4.36%	950,664.06 978,704.11	98.27 4.04%	982,744.00 2,703.33	0.57% 4,039.89	Aaa/AA+ AA+	2.15 1.98
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	2,000,000.00	07/01/2024 4.86%	1,913,359.38 1,932,786.25	99.12 4.01%	1,982,438.40 6,285.00	1.14% 49,652.15	Aa1/AAA AA+	3.49 3.04
3137FL6P4	FHMS K-089 A2 3.563 01/25/2029	1,288,000.00	07/03/2024 4.70%	1,228,178.44 1,241,224.44	98.34 4.03%	1,266,556.47 3,824.29	0.73% 25,332.04	Aa1/AA+ AA+	3.57 3.26
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	2,000,000.00	07/03/2024 4.74%	1,801,718.75 1,844,960.29	94.13 4.06%	1,882,569.40 3,766.67	1.08% 37,609.11	Aa1/AA+ AAA	3.57 3.28
3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	2,550,000.00	07/17/2024 4.50%	2,465,830.08 2,483,659.18	98.76 4.03%	2,518,407.03 7,841.25	1.45% 34,747.85	Aaa/AA+ AA+	3.57 3.21
3137FLN91	FHMS K-091 A2 3.505 03/25/2029	2,500,000.00	03/20/2025 4.25%	2,431,738.28 2,436,393.57	98.06 4.05%	2,451,509.00 7,302.08	1.41% 15,115.43	Aa1/AAA AA+	3.73 3.34
3137FMCR1	FHMS K-093 A2 2.982 05/25/2029	1,985,462.82	09/19/2024 3.82%	1,915,506.28 1,927,165.70	96.30 4.05%	1,912,066.61 4,933.88	1.10% (15,099.09)	Aa1/AA+ AAA	3.90 3.40
3137FNAEO	FHMS K-095 A2 2.785 06/25/2029	2,200,000.00	07/17/2024 4.47%	2,039,382.82 2,070,802.03	95.37 4.06%	2,098,124.16 5,105.83	1.21% 27,322.13	Aa1/AA+ AAA	3.99 3.60
3137FPHK4	FHMS K-098 A2 2.425 08/25/2029	1,600,000.00	09/03/2024 4.00%	1,488,375.00 1,506,958.38	93.83 4.07%	1,501,262.56 3,233.33	0.86% (5,695.82)	Aa1/AA+ AAA	4.15 3.78
3137FPJG1	FHMS K-099 A2 2.595 09/25/2029	1,500,000.00	06/05/2025 4.21%	1,407,011.72 1,408,276.46	94.30 4.09%	1,414,560.15 3,243.75	0.81% 6,283.69	Aa1/AA+ AAA	4.24 3.84
3137FRUT6	FHMS K-106 A2 2.069 01/25/2030	2,000,000.00	06/06/2025 4.37%	1,810,078.13 1,812,359.47	91.55 4.12%	1,831,017.80 3,448.33	1.05% 18,658.33	Aa1/AA+ AAA	4.57 4.24
Total Agency CMBS		21,273,462.82	4.30%	20,139,294.11 20,301,922.40	96.33 4.06%	20,479,264.78 53,124.79	11.78% 177,342.38		3.69 3.33
CASH									
CCYUSD	Receivable	130.32	--	130.32 130.32	1.00 0.00%	130.32 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		130.32		130.32 130.32	1.00 0.00%	130.32 0.00	0.00% 0.00		0.00 0.00
CORPORATE									

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023135BX3	AMAZON.COM INC 1.0 05/12/2026	1,875,000.00	05/10/2021 1.09%	1,866,900.00 1,873,602.68	97.38 4.11%	1,825,920.45 2,552.08	1.05% (47,682.23)	A1/AA AA-	0.87 0.84
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	1,035,000.00	-- 1.37%	1,025,051.35 1,033,019.36	97.21 4.45%	1,006,078.45 1,520.88	0.58% (26,940.91)	A2/A+ A	0.87 0.85
89236TJK2	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	1,385,000.00	06/15/2021 1.13%	1,384,390.60 1,384,882.53	97.05 4.28%	1,344,191.94 562.66	0.77% (40,690.58)	A1/A+ A+	0.97 0.94
57629WDE7	MASSMUTUAL GLOBAL FUNDING II 1.2 07/16/2026	1,000,000.00	08/19/2021 1.15%	1,002,230.00 1,000,473.94	96.93 4.24%	969,302.24 5,500.00	0.56% (31,171.70)	Aa3/AA+ AA+	1.04 1.01
58989V2D5	MET TOWER GLOBAL FUNDING 1.25 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,829.30	96.43 4.33%	742,477.10 2,860.76	0.43% (27,352.20)	Aa3/AA- AA-	1.21 1.17
931142ERO	WALMART INC 1.05 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,839.52	96.64 3.91%	338,256.41 1,061.67	0.19% (11,583.11)	Aa2/AA AA	1.22 1.18
59217GER6	METROPOLITAN LIFE GLOBAL FUNDING I 1.875 01/11/2027	1,115,000.00	01/03/2022 1.90%	1,113,728.90 1,114,610.87	96.65 4.16%	1,077,643.21 9,872.40	0.62% (36,967.67)	Aa3/AA- AA-	1.53 1.47
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	960,000.00	03/01/2022 2.46%	959,729.90 959,906.41	97.18 4.21%	932,950.67 7,709.33	0.54% (26,955.75)	A2/A- A	1.67 1.60
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	1,615,000.00	03/07/2022 2.30%	1,614,693.15 1,614,895.48	97.49 3.83%	1,574,474.11 10,937.14	0.91% (40,421.37)	Aa2/AA A+	1.71 1.64
14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP 5.0 05/14/2027	1,000,000.00	05/10/2024 5.04%	998,930.00 999,332.96	101.70 4.04%	1,017,024.22 6,527.78	0.59% 17,691.26	A2/A A+	1.87 1.76
24422EXZ7	JOHN DEERE CAPITAL CORP 4.65 01/07/2028	1,430,000.00	01/06/2025 4.66%	1,429,571.00 1,429,638.90	101.51 4.01%	1,451,594.89 31,769.83	0.84% 21,955.99	A1/A A+	2.52 2.31
57636QAW4	MASTERCARD INC 4.875 03/09/2028	945,000.00	03/06/2023 4.90%	944,083.35 944,507.31	102.26 3.98%	966,353.23 14,332.50	0.56% 21,845.92	Aa3/A+ NA	2.69 2.40
61690U8E3	MORGAN STANLEY BANK NA 4.968 07/14/2028	1,950,000.00	07/17/2024 4.97%	1,950,000.00 1,950,000.00	101.20 4.66%	1,973,358.39 44,939.70	1.14% 23,358.39	Aa3/A+ AA-	3.04 1.88
74340XBL4	PROLOGIS LP 4.375 02/01/2029	1,500,000.00	07/18/2024 4.68%	1,481,235.00 1,485,162.29	100.69 4.17%	1,510,280.49 27,343.75	0.87% 25,118.20	A2/A NA	3.59 3.02
78016HZV5	ROYAL BANK OF CANADA 4.95 02/01/2029	2,000,000.00	10/31/2024 4.69%	2,019,920.00 2,016,815.92	102.29 4.25%	2,045,811.40 41,250.00	1.18% 28,995.48	A1/A AA-	3.59 3.20
743315AV5	PROGRESSIVE CORP 4.0 03/01/2029	1,500,000.00	07/16/2024 4.72%	1,455,495.00 1,464,696.57	99.40 4.18%	1,490,925.45 20,000.00	0.86% 26,228.88	A2/A A	3.67 3.33
64952WFG3	NEW YORK LIFE GLOBAL FUNDING 5.0 06/06/2029	1,000,000.00	07/01/2024 5.12%	994,880.00 995,915.38	102.29 4.36%	1,022,880.96 3,472.22	0.59% 26,965.58	Aa1/AA+ AAA	3.93 3.53

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437076BY7	HOME DEPOT INC 2.95 06/15/2029	1,663,000.00	09/17/2024 3.93%	1,593,203.89 1,604,735.77	95.69 4.14%	1,591,375.14 2,180.38	0.92% (13,360.63)	A2/A A	3.96 3.68
437076DC3	HOME DEPOT INC 4.75 06/25/2029	1,000,000.00	07/01/2024 4.93%	992,260.00 993,808.85	102.07 4.18%	1,020,732.62 791.67	0.59% 26,923.77	A2/A A	3.99 3.53
756109CB8	REALTY INCOME CORP 4.0 07/15/2029	1,463,000.00	08/08/2024 4.69%	1,419,212.41 1,427,138.43	98.73 4.35%	1,444,359.17 26,984.22	0.83% 17,220.75	A3/A- NA	4.04 3.62
713448FX1	PEPSICO INC 4.5 07/17/2029	1,500,000.00	07/15/2024 4.53%	1,497,675.00 1,498,119.37	101.59 4.07%	1,523,912.34 30,750.00	0.88% 25,792.97	A1/A+ NA	4.05 3.53
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	1,500,000.00	09/17/2024 4.27%	1,496,610.00 1,497,300.56	99.58 4.69%	1,493,663.55 27,669.75	0.86% (3,637.01)	A1/A AA-	4.06 2.79
06051GHM4	BANK OF AMERICA CORP 4.271 07/23/2029	1,500,000.00	09/17/2024 4.29%	1,498,710.00 1,498,972.78	99.67 4.73%	1,495,058.82 28,117.42	0.86% (3,913.96)	A1/A- AA-	4.06 2.79
30303M8S4	META PLATFORMS INC 4.3 08/15/2029	912,000.00	08/12/2024 4.33%	910,584.09 910,832.22	100.91 4.06%	920,314.75 14,814.93	0.53% 9,482.53	Aa3/AA- NA	4.13 3.62
171239ALO	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	1,750,000.00	-- 4.44%	1,765,746.34 1,763,253.10	101.70 4.19%	1,779,826.25 30,741.67	1.02% 16,573.15	A2/A A	4.13 3.59
91324PDS8	UNITEDHEALTH GROUP INC 2.875 08/15/2029	2,000,000.00	09/17/2024 3.94%	1,906,080.00 1,921,069.46	94.39 4.38%	1,887,713.62 21,722.22	1.09% (33,355.84)	A2/A+ A	4.13 3.78
02665WFO9	AMERICAN HONDA FINANCE CORP 4.4 09/05/2029	1,750,000.00	10/02/2024 4.29%	1,758,102.50 1,756,881.27	99.53 4.52%	1,741,752.20 24,811.11	1.00% (15,129.07)	A3/A- NA	4.18 3.72
40139LBJ1	GUARDIAN LIFE GLOBAL FUNDING 4.179 09/26/2029	1,205,000.00	09/23/2024 4.18%	1,205,000.00 1,205,000.00	99.55 4.29%	1,199,605.13 13,288.64	0.69% (5,394.87)	Aa1/AA+ NA	4.24 3.80
14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP 4.7 11/15/2029	1,200,000.00	11/14/2024 4.74%	1,198,092.00 1,198,330.24	101.85 4.23%	1,222,143.07 7,206.67	0.70% 23,812.83	A2/A A+	4.38 3.90
64952WFK4	NEW YORK LIFE GLOBAL FUNDING 4.6 12/05/2029	1,365,000.00	12/02/2024 4.61%	1,364,221.95 1,364,310.58	101.11 4.32%	1,380,218.51 4,534.83	0.79% 15,907.93	Aa1/AA+ AAA	4.43 3.96
89236TNA9	TOYOTA MOTOR CREDIT CORP 4.95 01/09/2030	1,445,000.00	01/06/2025 5.00%	1,441,907.70 1,442,200.67	102.26 4.39%	1,477,693.20 34,174.25	0.85% 35,492.52	A1/A+ A+	4.53 3.93
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	1,000,000.00	02/05/2025 4.88%	1,002,873.61 1,002,643.08	102.28 4.40%	1,022,838.47 19,800.00	0.59% 20,195.39	A2/NA A	4.61 3.94
571748CA8	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	1,400,000.00	03/11/2025 4.69%	1,397,340.00 1,397,494.58	101.13 4.38%	1,415,789.27 19,168.33	0.81% 18,294.69	A3/A- A-	4.71 4.07

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
57629TBX4	MASSMUTUAL GLOBAL FUNDING II 4.55 05/07/2030	1,000,000.00	05/01/2025 4.58%	998,670.00 998,710.06	100.71 4.38%	1,007,139.17 6,825.00	0.58% 8,429.11	Aa3/AA+ AA+	4.85 4.29
66815L2W8	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.6 06/03/2030	1,000,000.00	06/12/2025 4.51%	1,004,040.00 1,003,999.96	101.05 4.36%	1,010,528.81 3,577.78	0.58% 6,528.85	Aa1/AA+ AAA	4.93 4.35
Total Corporate		46,083,000.00	3.93%	45,809,797.84 45,871,930.39	99.71 4.28%	45,924,187.68 549,371.56	26.43% 52,257.30		3.35 2.90
MONEY MARKET FUND									
992995944	WC MMF SWEEP	52,202.85	-- 2.25%	52,202.85 52,202.85	1.00 2.25%	52,202.85 0.00	0.03% 0.00	NA/NA NA	0.00 0.00
VP4520004	WF ADV 100% TREAS MM FD-SVC CL #008	732,507.83	-- 3.81%	732,507.83 732,507.83	1.00 3.81%	732,507.83 0.00	0.42% 0.00	Aaa/AAAm NA	0.00 0.00
Total Money Market Fund		784,710.68	3.71%	784,710.68 784,710.68	1.00 3.71%	784,710.68 0.00	0.45% 0.00		0.00 0.00
MUNICIPAL BONDS									
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	1,740,000.00	10/30/2024 4.38%	1,749,169.80 1,747,908.29	101.77 4.02%	1,770,876.30 32,625.00	1.02% 22,968.01	Aa2/AA- AA	4.09 3.64
Total Municipal Bonds		1,740,000.00	4.38%	1,749,169.80 1,747,908.29	101.77 4.02%	1,770,876.30 32,625.00	1.02% 22,968.01		4.09 3.64
SUPRANATIONAL									
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	2,400,000.00	-- 0.60%	2,388,859.25 2,399,227.79	98.74 4.43%	2,369,755.70 2,100.00	1.36% (29,472.09)	Aaa/AAA NA	0.33 0.32
4581X0DV7	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026	2,460,000.00	04/13/2021 0.97%	2,448,733.20 2,458,192.13	97.47 4.11%	2,397,693.34 4,245.21	1.38% (60,498.79)	Aaa/AAA NA	0.80 0.78
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	1,750,000.00	12/12/2024 4.25%	1,721,510.00 1,724,732.85	100.24 3.81%	1,754,113.52 14,127.60	1.01% 29,380.66	Aaa/AAA NA	4.30 3.89

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
459058LR2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	1,700,000.00	03/14/2025 4.20%	1,694,220.00 1,694,546.04	101.23 3.84%	1,720,826.60 19,673.96	0.99% 26,280.56	Aaa/AAA NA	4.72 4.21
Total Supranational		8,310,000.00	2.24%	8,253,322.45 8,276,698.81	99.21 4.08%	8,242,389.16 40,146.77	4.74% (34,309.65)		2.23 2.03
US TREASURY									
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	1,200,000.00	-- 0.56%	1,183,070.32 1,199,077.96	99.00 4.31%	1,188,015.62 754.10	0.68% (11,062.34)	Aa1/AA+ AA+	0.25 0.25
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	2,450,000.00	-- 0.49%	2,422,492.19 2,448,076.36	98.67 4.33%	2,417,293.46 1,031.93	1.39% (30,782.90)	Aa1/AA+ AA+	0.34 0.33
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	2,250,000.00	03/26/2021 0.76%	2,209,658.20 2,246,407.76	98.39 4.31%	2,213,854.99 714.65	1.27% (32,552.77)	Aa1/AA+ AA+	0.42 0.41
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,494,546.11	97.80 4.24%	2,444,946.30 3,910.57	1.41% (49,599.81)	Aa1/AA+ AA+	0.59 0.57
91282CBW0	UNITED STATES TREASURY 0.75 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,498,930.29	97.29 4.10%	2,432,250.98 3,158.97	1.40% (66,679.31)	Aa1/AA+ AA+	0.83 0.81
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	1,400,000.00	10/18/2021 1.19%	1,379,054.68 1,394,714.41	96.33 3.92%	1,348,593.75 3,079.24	0.78% (46,120.66)	Aa1/AA+ AA+	1.25 1.22
91282CDG3	UNITED STATES TREASURY 1.125 10/31/2026	1,400,000.00	11/15/2021 1.25%	1,391,468.75 1,397,703.31	96.43 3.90%	1,350,070.32 2,653.53	0.78% (47,632.99)	Aa1/AA+ AA+	1.34 1.30
91282CJP7	UNITED STATES TREASURY 4.375 12/15/2026	2,500,000.00	12/28/2023 4.01%	2,525,097.66 2,512,340.07	100.75 3.84%	2,518,652.35 4,781.42	1.45% 6,312.28	Aa1/AA+ AA+	1.46 1.40
91282CKJ9	UNITED STATES TREASURY 4.5 04/15/2027	2,300,000.00	04/17/2024 4.77%	2,283,109.38 2,289,899.66	101.25 3.77%	2,328,660.16 21,774.59	1.34% 38,760.51	Aa1/AA+ AA+	1.79 1.69
91282CKR1	UNITED STATES TREASURY 4.5 05/15/2027	3,200,000.00	05/08/2024 4.65%	3,186,500.00 3,191,579.45	101.32 3.76%	3,242,124.99 18,391.30	1.87% 50,545.54	Aa1/AA+ AA+	1.87 1.77
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	3,250,000.00	-- 3.18%	3,260,312.50 3,254,012.13	99.11 3.72%	3,220,927.74 287.02	1.85% (33,084.38)	Aa1/AA+ AA+	2.00 1.91
91282CFB2	UNITED STATES TREASURY 2.75 07/31/2027	400,000.00	08/22/2022 3.12%	393,218.75 397,141.57	98.05 3.73%	392,203.12 4,588.40	0.23% (4,938.44)	Aa1/AA+ AA+	2.08 1.98
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	4,500,000.00	-- 3.28%	4,468,902.34 4,486,457.20	98.77 3.72%	4,444,628.90 47,002.38	2.56% (41,828.30)	Aa1/AA+ AA+	2.17 2.05

HOLDINGS REPORT

City of Cupertino | Account #10659 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	3,450,000.00	-- 4.31%	3,421,152.34 3,436,818.34	100.91 3.70%	3,481,400.38 35,772.54	2.00% 44,582.05	Aa1/AA+ AA+	2.25 2.11
91282CFZ9	UNITED STATES TREASURY 3.875 11/30/2027	850,000.00	12/05/2022 3.81%	852,656.25 851,287.26	100.38 3.71%	853,253.90 2,789.79	0.49% 1,966.64	Aa1/AA+ AA+	2.42 2.28
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	2,750,000.00	-- 3.67%	2,775,107.42 2,762,749.25	100.42 3.70%	2,761,601.56 289.57	1.59% (1,147.69)	Aa1/AA+ AA+	2.50 2.36
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	3,000,000.00	02/07/2023 3.81%	2,957,929.69 2,978,154.91	99.49 3.71%	2,984,765.64 43,798.34	1.72% 6,610.73	Aa1/AA+ AA+	2.59 2.41
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	3,700,000.00	-- 4.01%	3,699,113.28 3,699,598.42	100.76 3.70%	3,728,039.04 49,467.39	2.15% 28,440.63	Aa1/AA+ AA+	2.67 2.48
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	2,300,000.00	04/17/2024 4.62%	2,249,867.19 2,262,039.92	101.35 3.73%	2,331,085.93 23,848.36	1.34% 69,046.00	Aa1/AA+ AA+	3.75 3.42
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	2,000,000.00	07/01/2024 4.41%	1,985,546.88 1,988,431.16	101.86 3.74%	2,037,187.50 230.98	1.17% 48,756.34	Aa1/AA+ AA+	4.00 3.65
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	3,500,000.00	09/11/2024 3.45%	3,527,480.47 3,523,069.65	99.50 3.75%	3,482,636.71 42,406.59	2.00% (40,432.94)	Aa1/AA+ AA+	4.17 3.79
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	5,000,000.00	-- 3.83%	4,925,039.06 4,935,849.11	98.99 3.76%	4,949,609.40 43,989.07	2.85% 13,760.29	Aa1/AA+ AA+	4.25 3.88
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	3,000,000.00	10/31/2024 4.17%	2,993,789.06 2,994,612.65	101.43 3.76%	3,042,890.64 20,849.18	1.75% 48,277.99	Aa1/AA+ AA+	4.34 3.91
91282CMD0	UNITED STATES TREASURY 4.375 12/31/2029	4,400,000.00	-- 4.53%	4,369,171.88 4,372,009.36	102.48 3.77%	4,509,140.64 523.10	2.59% 137,131.28	Aa1/AA+ AA+	4.50 4.06
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	4,000,000.00	02/07/2025 4.34%	3,983,906.25 3,985,155.82	101.97 3.78%	4,078,906.24 70,911.60	2.35% 93,750.42	Aa1/AA+ AA+	4.59 4.07
91282CGQ8	UNITED STATES TREASURY 4.0 02/28/2030	4,500,000.00	-- 4.01%	4,496,958.99 4,497,092.47	100.97 3.77%	4,543,769.52 60,163.04	2.61% 46,677.05	Aa1/AA+ AA+	4.67 4.17
Total US Treasury		72,300,000.00	3.42%	71,890,701.18 72,097,754.56	100.06 3.83%	72,326,509.78 507,167.66	41.62% 228,755.21		2.77 2.54
Total Portfolio		174,552,255.38	3.73%	172,701,432.17 173,154,444.93	99.16 4.03%	173,784,957.99 1,267,966.53	100.00% 630,513.06		2.98 2.54
Total Market Value + Accrued						175,052,924.52			

HOLDINGS REPORT

City of Cupertino Reporting | Account #10663 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
90CASH\$02	Cash	40,923.05	--	40,923.05 40,923.05	1.00	40,923.05 0.00	0.03% 0.00	NA/NA NA	0.00 0.00
90CASH\$00	Custodial Cash Account	51,674,890.48	-- 0.00%	51,674,890.48 51,674,890.48	1.00 0.00%	51,674,890.48 0.00	42.89% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Receivable	717,610.97	--	717,610.97 717,610.97	1.00 0.00%	717,610.97 0.00	0.60% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		52,433,424.50	0.00%	52,433,424.50	1.00 0.00%	52,433,424.50 0.00	43.52% 0.00		0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	68,055,207.44	-- 4.27%	68,055,207.44 68,055,207.44	1.00 4.27%	68,055,207.44 0.00	56.48% 0.00	NA/NA NA	0.00 0.00
Total LAIF		68,055,207.44	4.27%	68,055,207.44	1.00 4.27%	68,055,207.44 0.00	56.48% 0.00		0.00 0.00
Total Portfolio		120,488,631.94	2.43%	120,488,631.94	1.00 2.41%	120,488,631.94 0.00	100.00% 0.00		0.00 0.00
Total Market Value + Accrued						120,488,631.94			

TRANSACTIONS

TRANSACTION LEDGER

City of Cupertino | Account #10659 | 04/01/2025 Through 06/30/2025 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/11/2025	91282CGQ8	1,650,000.00	UNITED STATES TREASURY 4.0 02/28/2030	100.000	4.00%	(1,650,000.00)	(7,532.61)	(1,657,532.61)	0.00
Purchase	05/07/2025	57629TBX4	1,000,000.00	MASSMUTUAL GLOBAL FUNDING II 4.55 05/07/2030	99.867	4.58%	(998,670.00)	0.00	(998,670.00)	0.00
Purchase	05/13/2025	02582JKP4	1,420,000.00	AMXCA 2025-2 A 4.28 04/15/2030	99.998	4.28%	(1,419,974.30)	0.00	(1,419,974.30)	0.00
Purchase	06/04/2025	91282CGQ8	2,000,000.00	UNITED STATES TREASURY 4.0 02/28/2030	99.949	4.01%	(1,998,984.38)	(20,869.57)	(2,019,853.95)	0.00
Purchase	06/10/2025	92970QAJ4	1,365,000.00	WFCIT 2025-1 A 4.34 05/15/2030	99.998	4.33%	(1,364,977.34)	0.00	(1,364,977.34)	0.00
Purchase	06/10/2025	3137FPJG1	1,500,000.00	FHMS K-099 A2 2.595 09/25/2029	93.801	4.21%	(1,407,011.72)	(973.13)	(1,407,984.85)	0.00
Purchase	06/11/2025	3137FRUT6	2,000,000.00	FHMS K-106 A2 2.069 01/25/2030	90.504	4.37%	(1,810,078.13)	(1,149.44)	(1,811,227.57)	0.00
Purchase	06/13/2025	66815L2W8	1,000,000.00	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.6 06/03/2030	100.404	4.51%	(1,004,040.00)	(1,277.78)	(1,005,317.78)	0.00
Total Purchase			11,935,000.00				(11,653,735.87)	(31,802.53)	(11,685,538.40)	0.00
TOTAL ACQUISITIONS			11,935,000.00				(11,653,735.87)	(31,802.53)	(11,685,538.40)	0.00
DISPOSITIONS										
Maturity	05/15/2025	02582JIT8	(1,375,000.00)	AMXCA 2022-2 A 3.39 05/17/2027	100.000	3.42%	0.00	0.00	0.00	0.00
Total Maturity			(1,375,000.00)				0.00	0.00	0.00	0.00
Sale	04/11/2025	91282CAM3	(1,100,000.00)	UNITED STATES TREASURY 0.25 09/30/2025	98.160	0.56%	1,079,761.72	82.65	1,079,844.37	(18,640.75)
Sale	05/02/2025	57629W4S6	(1,000,000.00)	MASSMUTUAL GLOBAL FUNDING II 5.1 04/09/2027	101.866	4.99%	1,018,660.00	3,258.33	1,021,918.33	16,835.26
Sale	05/09/2025	3137EAEX3	(500,000.00)	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	98.539	0.46%	492,695.00	239.58	492,934.58	(7,141.87)

TRANSACTION LEDGER

City of Cupertino | Account #10659 | 04/01/2025 Through 06/30/2025 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	06/04/2025	89115A2W1	(1,000,000.00)	TORONTO-DOMINION BANK 4.98 04/05/2027	100.868	4.98%	1,008,680.00	8,161.67	1,016,841.67	8,680.00
Sale	06/06/2025	3137EAEX3	(1,400,000.00)	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	98.820	0.46%	1,383,480.00	1,064.58	1,384,544.58	(16,156.58)
Sale	06/09/2025	665859AW4	(670,000.00)	NORTHERN TRUST CORP 4.0 05/10/2027	99.294	4.03%	665,269.80	2,158.89	667,428.69	(4,314.11)
Sale	06/11/2025	3137BLMZ8	(1,000,000.00)	FHMS K-049 A2 3.01 07/25/2025	99.617	0.87%	135,397.65	113.64	135,511.29	(669.19)
Sale	06/11/2025	3137BLW95	(950,000.00)	FHMS K-050 A2 3.334 08/25/2025	99.625	1.22%	388,308.56	360.98	388,669.54	(2,516.89)
Sale	06/11/2025	3137BLMZ8	1,000,000.00	FHMS K-049 A2 3.01 07/25/2025	99.617	0.87%	(135,397.65)	(113.64)	(135,511.29)	669.19
Sale	06/11/2025	3137BLMZ8	(1,000,000.00)	FHMS K-049 A2 3.01 07/25/2025	99.609	0.87%	135,397.65	113.64	135,511.29	(669.19)
Sale	06/13/2025	66815L2A6	(850,000.00)	NORTHWESTERN MUTUAL GLOBAL FUNDING 0.8 01/14/2026	97.872	1.46%	831,912.00	2,814.44	834,726.44	(14,851.45)
Total Sale			(8,470,000.00)				7,004,164.73	18,254.76	7,022,419.49	(38,775.57)
TOTAL DISPOSITIONS			(9,845,000.00)				7,004,164.73	18,254.76	7,022,419.49	(38,775.57)

TRANSACTION LEDGER



City of Cupertino Reporting | Account #10663 | 04/01/2025 Through 06/30/2025 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	06/30/2025	90LAIF\$00	741,786.47	Local Agency Investment Fund State Pool	1.000	4.27%	(741,786.47)	0.00	(741,786.47)	0.00
Total Purchase			741,786.47				(741,786.47)	0.00	(741,786.47)	0.00
TOTAL ACQUISITIONS			741,786.47				(741,786.47)	0.00	(741,786.47)	0.00

IMPORTANT DISCLOSURES



City of Cupertino | As of June 30, 2025

2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc (“IDS”), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client’s Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody’s, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities (“MBS”) reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

BENCHMARK DISCLOSURES



City of Cupertino | Account #10659 | As of June 30, 2025

Benchmark	Disclosure
ICE BofA 1-5 Yr US Treasury & Agency Index	The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody’s, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

**CITY OF CUPERTINO -
CHANDLER ASSET MANAGEMENT**

ACCOUNT NUMBER [REDACTED]
MONTHLY STATEMENT
JUNE 1, 2025 THROUGH JUNE 30, 2025

ACCOUNT MANAGER: MICHAEL J WADE
TELEPHONE NUMBER: 515-878-6110

PFGEDD

INVESTMENT CONTACT: IMR/DEREK JOHNSON
TELEPHONE NUMBER:

ADMINISTRATOR: BELINDA CONWAY
TELEPHONE NUMBER: 254-265-6137

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INVESTMENT AND INSURANCE PRODUCTS ARE:
• NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) OR ANY FEDERAL GOVERNMENT AGENCY
• NOT A DEPOSIT, OBLIGATION OF, OR GUARANTEED BY ANY BANK OR BANKING AFFILIATE
• SUBJECT TO INVESTMENT RISKS AND MAY LOSE VALUE, INCLUDING POSSIBLE LOSS OF PRINCIPAL AMOUNT INVESTED

Custody and trust services are provided by Principal Bank®, Member FDIC, and/or Principal Trust Company®. These services are provided under the trade name Principal® Custody Solutions. Principal Trust Company is a trade name of Delaware Charter Guarantee & Trust Company. Principal Bank and Principal Trust Company are members of the Principal Financial Group®, Des Moines, IA 50392.

ASSET VALUATION PRACTICES

VALUES REFLECTED FOR PUBLICLY TRADED ASSETS ARE OBTAINED FROM UNAFFILIATED SOURCES. IN SITUATIONS WHERE AN ASSET VALUE CANNOT BE PROVIDED BY OUR UNAFFILIATED PRICING SOURCES, SUCH AS BUT NOT LIMITED TO NON-PUBLICLY TRADED ASSETS, THE CUSTOMER OR THEIR DESIGNATED REPRESENTATIVE MUST PROVIDE THE UPDATED VALUE. IF PRINCIPAL CUSTODY SOLUTIONS DOES NOT RECEIVE AN UPDATED VALUE, OR IS UNABLE TO USE THE VALUE PROVIDED, THE LAST REPORTED VALUE WILL CONTINUE TO BE REPORTED.

TRADE CONFIRMS

PURSUANT TO FEDERAL REGULATION, MONTHLY OR QUARTERLY ACCOUNT STATEMENTS THAT INCLUDE INVESTMENT TRANSACTION DETAILS MAY BE PROVIDED IN LIEU OF SEPARATE TRADE CONFIRMATIONS. SEPARATE TRADE CONFIRMS MAY BE OBTAINED AT NO ADDITIONAL COST UPON WRITTEN REQUEST TO THE ACCOUNT MANAGER.

UNCLAIMED PROPERTY DESIGNATED REPRESENTATIVE NOTIFICATION

YOUR PROPERTY MAY BE TRANSFERRED TO THE APPROPRIATE STATE IF NO ACTIVITY OCCURS IN THE ACCOUNT WITHIN THE TIME PERIOD SPECIFIED BY STATE LAW. IF YOUR STATE OF RESIDENCE ALLOWS, YOU MAY DESIGNATE A REPRESENTATIVE FOR THE PURPOSE OF RECEIVING NOTICE OF ACCOUNT INACTIVITY BY PROVIDING THE NAME AND MAILING OR EMAIL ADDRESS OF A REPRESENTATIVE. THE DESIGNATED REPRESENTATIVE DOES NOT HAVE ANY RIGHTS TO YOUR ACCOUNT. PLEASE REFER TO YOUR STATE'S UNCLAIMED PROPERTY WEBSITE FOR MORE INFORMATION AND INSTRUCTIONS ON HOW TO DESIGNATE A REPRESENTATIVE FOR NOTICE.

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ASSET SUMMARY
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

ASSET SUMMARY							
INVESTMENT CATEGORY	COST VALUE	MARKET VALUE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD	ACCRUED INCOME
CASH	0.00	0.00	0.00				
CASH EQUIVALENTS	784,710.68	784,710.68	0.45	0.00	29,107	3.71	3,167.50
BONDS AND NOTES	171,916,591.28	173,000,218.62	99.55	1,083,627.34	6,023,611	3.48	1,268,006.88
=====	=====	=====	=====	=====	=====	=====	=====
TOTAL INVESTMENTS	172,701,301.96	173,784,929.30	100.00	1,083,627.34	6,052,718	3.48	1,271,174.38
TOTAL ACCRUALS	1,271,174.38	1,271,174.38					
=====	=====	=====	=====	=====	=====	=====	=====
TOTAL ACCRUALS AND INVESTMENTS	173,972,476.34	175,056,103.68		1,083,627.34	6,052,718	3.48	1,271,174.38

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
CASH EQUIVALENTS						
732,507.83	ALLSPRING 100% TREASURY MONEY MARKET FUND - #008	732,507.83 1.0000	732,507.83 1.0000	0.42	0.00	3,070.96
52,202.85	PRINCIPAL PUBLIC DEPOSIT SWEEP PROGRAM	52,202.85 1.0000	52,202.85 1.0000	0.03	0.00	96.54
=====						
TOTAL CASH EQUIVALENTS		784,710.68	784,710.68	0.45	0.00	3,167.50
BOND & NOTES						
1,875,000	AMAZON.COM INC DTD 05/12/21 1.000 05/12/2026 MOODY'S RATING A1 CUSIP 023135BX3	1,866,900.00 99.5680	1,825,912.50 97.3820	1.05	40,987.50-	2,552.08
1,420,000	AMERICAN EXPRESS CREDIT ACCOUNT ASSET BCKD SEC SER 2025-2 CL A DTD 05/13/2025 4.280% 04/15/2030 NON CALLABLE CUSIP 02582JKP4	1,419,974.30 99.9982	1,428,690.40 100.6120	0.82	8,716.10	2,701.16
1,750,000	AMERICAN HONDA FINANCE MEDIUM TERM NOTE DTD 09/05/2024 4.400% 09/05/2029 NON CALLABLE MOODY'S RATING A3 CUSIP 02665WFQ9	1,758,102.50 100.4630	1,741,757.50 99.5290	1.00	16,345.00-	24,811.11
1,500,000	BANK OF AMERICA CORP DTD 07/23/18 07/23/2029 MOODY'S RATING A1 CUSIP 06051GHM4	1,498,710.00 99.9140	1,495,065.00 99.6710	0.86	3,645.00-	28,117.42
850,000	BANK OF AMERICA CREDIT CARD TRUST ASSET BCKD SEC SER 2023-A2 CL A2 DTD 12/14/2023 4.980% 11/15/2028 NON CALLABLE MOODY'S RATING AAA CUSIP 05522RDH8	858,798.83 101.0352	858,993.00 101.0580	0.49	194.17	1,881.33

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
785,000	BANK OF AMERICA CREDIT CARD TRUST ASSET BCKD SEC SER 2024-A1 CL A DTD 06/13/2024 4.930% 05/15/2029 NON CALLABLE MOODY'S RATING AAA CUSIP 05522RDJ4	784,955.96 99.9944	796,625.85 101.4810	0.46	11,669.89	1,720.02
1,615,000	BERKSHIRE HATHAWAY FIN DTD 03/15/2022 2.300% 03/15/2027 CALLABLE MOODY'S RATING AA2 CUSIP 084664CZ2	1,614,693.15 99.9810	1,574,479.65 97.4910	0.91	40,213.50-	10,937.14
46,253.13	BMW VEHICLE OWNER TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 05/18/2022 3.210% 08/25/2026 CALLABLE MOODY'S RATING AAA CUSIP 05602RAD3	46,250.73 99.9948	46,169.41 99.8190	0.03	81.32-	24.75
695,000	BMW VEHICLE OWNER TRUST ASSET BCKD SEC SER 2024-A CL A3 DTD 06/11/2024 5.180% 02/26/2029 CALLABLE MOODY'S RATING AAA CUSIP 096919AD7	694,894.43 99.9848	703,763.95 101.2610	0.40	8,869.52	600.02
1,740,000	CALIFORNIA STATE GENERAL OBLIGATION DTD 11/05/2024 4.500% 08/01/2029 NON CALLABLE MOODY'S RATING AA2 CUSIP 13063EGT7	1,749,169.80 100.5270	1,770,885.00 101.7750	1.02	21,715.20	32,625.00
1,000,000	CATERPILLAR FINL SERVICE MEDIUM TERM NOTE DTD 05/14/2024 5.000% 05/14/2027 NON CALLABLE MOODY'S RATING A2 CUSIP 14913UAL4	998,930.00 99.8930	1,017,020.00 101.7020	0.59	18,090.00	6,527.78

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,200,000	CATERPILLAR FINL SVCS DTD 11/15/2024 4.700% 11/15/2029 NON CALLABLE MOODY'S RATING A2 CUSIP 14913UUA4	1,198,092.00 99.8410	1,222,140.00 101.8450	0.70	24,048.00	7,206.67
960,000	CHARLES SCHWAB CORP DTD 03/03/2022 2.450% 03/03/2027 CALLABLE MOODY'S RATING A2 CUSIP 808513BY0	959,729.90 99.9719	932,947.20 97.1820	0.54	26,782.70-	7,709.33
1,690,000	CHASE ISSUANCE TRUST ASSET BCKD SEC SER 2024-A1I CL A DTD 01/31/2024 4.600% 01/16/2029 NON CALLABLE CUSIP 161571HV9	1,689,742.61 99.9848	1,702,370.80 100.7320	0.98	12,628.19	3,455.11
1,750,000	CHUBB INA HOLDINGS LLC DTD 07/31/2024 4.650% 08/15/2029 CALLABLE MOODY'S RATING A2 CUSIP 171239AL0	1,765,746.34 100.8998	1,779,820.00 101.7040	1.02	14,073.66	30,741.67
600,000	FED HOME LN MTG CORP DTD 09/25/20 0.375 09/23/2025 MOODY'S RATING AA1 CUSIP 3137EAEX3	597,447.07 99.5745	594,534.00 99.0890	0.34	2,913.07-	612.50
1,288,000	FED HOME LN MTG CORP SER K089 CL A2 *24 DAY DELAY* DTD 03/01/19 3.563 01/25/2029 CUSIP 3137FL6P4	1,228,178.44 95.3555	1,266,554.80 98.3350	0.73	38,376.36	3,824.29
1,985,462.82	FED HOME LN MTG CORP SER K093 CL A2 *24 DAY DELAY* DTD 06/01/19 2.982 05/25/2029 CUSIP 3137FMCR1	1,915,506.28 96.4766	1,912,060.26 96.3030	1.10	3,446.02-	4,933.88

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,500,000	FED HOME LN MTG CORP SER K099 CL A2 *24 DAY DELAY* DTD 10/01/19 2.595 09/25/2029 CUSIP 3137FPJG1	1,407,011.72 93.8008	1,414,560.00 94.3040	0.81	7,548.28	3,243.75
2,500,000	FED NATL MTG ASSN DTD 11/12/20 0.500 11/07/2025 MOODY'S RATING AA1 CUSIP 3135G06G3	2,492,700.00 99.7080	2,467,000.00 98.6800	1.42	25,700.00-	1,875.00
2,800,000	FEDERAL FARM CREDIT BANK DTD 11/15/2023 4.625% 11/15/2027 NON CALLABLE MOODY'S RATING AA1 CUSIP 3133EPC60	2,789,612.00 99.6290	2,848,664.00 101.7380	1.64	59,052.00	16,547.22
2,400,000	FEDERAL FARM CREDIT BANK DTD 05/06/2024 4.750% 05/06/2027 NON CALLABLE MOODY'S RATING AA1 CUSIP 3133ERDS7	2,412,552.00 100.5230	2,440,704.00 101.6960	1.40	28,152.00	17,416.67
1,875,000	FEDERAL HOME LOAN BANK DTD 04/11/2024 4.750% 04/09/2027 NON CALLABLE MOODY'S RATING AA1 CUSIP 3130B0TY5	1,870,050.00 99.7360	1,906,837.50 101.6980	1.10	36,787.50	20,286.46
2,000,000	FEDERAL HOME LOAN MORTGAGE CORP CMO SER K748 CL A2 DTD 03/01/2022 2.260% 01/25/2029 NON CALLABLE CUSIP 3137H5YC5	1,801,718.75 90.0860	1,882,560.00 94.1280	1.08	80,841.25	3,766.67
650,000	FHLMC MULTIFAMILY STRUCTURED P SER K058 CL A2 *24 DAY DELAY* DTD 11/01/16 2.653 08/25/2026 CUSIP 3137BSP72	687,451.17 105.7617	638,007.50 98.1550	0.37	49,443.67-	1,437.04

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K068 CL A2 *24 DAY DELAY* DTD 10/01/17 3.244 08/25/2027 MOODY'S RATING AAA CUSIP 3137FBBX3	950,664.06 95.0664	982,740.00 98.2740	0.57	32,075.94	2,703.33
2,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K087 CL A2 *24 DAY DELAY* DTD 01/01/19 3.771 12/25/2028 CUSIP 3137FKUP9	1,913,359.38 95.6680	1,982,440.00 99.1220	1.14	69,080.62	6,285.00
2,550,000	FHLMC MULTIFAMILY STRUCTURED P SER K088 CL A2 *24 DAY DELAY* DTD 03/01/19 3.690 01/25/2029 MOODY'S RATING AAA CUSIP 3137FKZZ2	2,465,830.08 96.6992	2,518,405.50 98.7610	1.45	52,575.42	7,841.25
2,500,000	FHLMC MULTIFAMILY STRUCTURED P SER K091 CL A2 *24 DAY DELAY* DTD 04/01/19 3.505 03/25/2029 CUSIP 3137FLN91	2,431,738.28 97.2695	2,451,500.00 98.0600	1.41	19,761.72	7,302.08
2,200,000	FHLMC MULTIFAMILY STRUCTURED P SER K095 CL A2 *24 DAY DELAY* DTD 08/01/19 2.785 06/25/2029 CUSIP 3137FNAE0	2,039,382.82 92.6992	2,098,118.00 95.3690	1.21	58,735.18	5,105.83
1,600,000	FHLMC MULTIFAMILY STRUCTURED P SER K098 CL A2 *24 DAY DELAY* DTD 10/01/19 2.425 08/25/2029 CUSIP 3137FPHK4	1,488,375.00 93.0235	1,501,264.00 93.8290	0.86	12,889.00	3,233.33
2,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K106 CL A2 *24 DAY DELAY* DTD 03/01/20 2.069 01/25/2030 CUSIP 3137FRUT6	1,810,078.13 90.5039	1,831,020.00 91.5510	1.05	20,941.87	3,448.33

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
882.14	GM FINANCIAL SECURITIZED TERM SER 2021-4 CL A3 *0 DAY DELAY* DTD 10/21/21 0.680 09/16/2026 MOODY'S RATING AAA CUSIP 362554AC1	882.12 99.9977	880.75 99.8420	0.00	1.37-	0.25
78,678.28	GM FINANCIAL SECURITIZED TERM ASSET BCKD SEC SER 2022-2 CL A3 DTD 04/13/2022 3.100% 02/16/2027 CALLABLE MOODY'S RATING AAA CUSIP 362585AC5	78,661.84 99.9791	78,406.84 99.6550	0.05	255.00-	101.63
1,310,000	GM FINANCIAL SECURITIZED TERM ASSET BCKD SEC SER 2024-1 CL A3 DTD 01/17/2024 4.850% 12/18/2028 CALLABLE MOODY'S RATING AAA CUSIP 36268GAD7	1,307,922.66 99.8414	1,316,550.00 100.5000	0.76	8,627.34	2,647.29
9,082.95	GM FINANCIAL SECURITIZED TERM SER 2022-1 CL A3 *0 DAY DELAY* DTD 01/19/22 1.260 11/16/2026 CUSIP 380146AC4	9,082.16 99.9913	9,070.05 99.8580	0.01	12.11-	4.77
1,205,000	GUARDIAN LIFE GLOBAL FDG MEDIUM TERM NOTE DTD 09/26/2024 4.179% 09/26/2029 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AA1 CUSIP 40139LBJ1	1,205,000.00 100.0000	1,199,601.60 99.5520	0.69	5,398.40-	13,288.64
1,663,000	HOME DEPOT INC DTD 06/17/19 2.950 06/15/2029 MOODY'S RATING A2 CUSIP 437076BY7	1,593,203.89 95.8030	1,591,374.59 95.6930	0.92	1,829.30-	2,180.38

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,000,000	HOMER DEPOT INC DTD 06/25/2024 4.750% 06/25/2029 CALLABLE MOODY'S RATING A2 CUSIP 437076DC3	992,260.00 99.2260	1,020,730.00 102.0730	0.59	28,470.00	791.67
535,000	HONDA AUTO RECEIVABLES OWNER ASSET BCKD SEC SER 2024-2 CL A3 DTD 05/21/2024 5.270% 11/20/2028 CALLABLE CUSIP 437930AC4	534,935.00 99.9879	541,393.25 101.1950	0.31	6,458.25	1,018.13
805,000	HONDA AUTO RECEIVABLES OWNER ASSET BCKD SEC SER 2023-4 CL A3 DTD 11/08/2023 5.670% 06/21/2028 NON CALLABLE MOODY'S RATING AAA CUSIP 438123AC5	806,992.67 100.2476	813,589.35 101.0670	0.47	6,596.68	1,267.88
45,267.43	HONDA AUTO RECEIVABLES OWNER T SER 2022-1 CL A3 *0 DAY DELAY* DTD 02/23/22 1.000 05/15/2026 MOODY'S RATING AAA CUSIP 43815BAC4	45,260.62 99.9850	45,175.54 99.7970	0.03	85.08-	37.82
610,000	HYUNDAI AUTO LEASE SECURITIZAT ASSET BCKD SEC SER 2024-B CL A3 DTD 05/22/2024 5.410% 05/17/2027 CALLABLE 144A PRIVATE PLACEMENT CUSIP 44934FAD7	609,983.04 99.9972	614,843.40 100.7940	0.35	4,860.36	1,466.71
65,901.33	HYUNDAI AUTO RECEIVABLES TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 03/16/2022 2.220% 10/15/2026 CALLABLE CUSIP 448977AD0	65,898.79 99.9962	65,791.27 99.8330	0.04	107.52-	65.02

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,460,000	INTER-AMERICAN DEVEL BK DTD 04/20/21 0.875 04/20/2026 MOODY'S RATING AAA CUSIP 4581X0DV7	2,448,733.20 99.5420	2,397,688.20 97.4670	1.38	51,045.00-	4,245.21
1,750,000	INTL BANK RECON & DEVELOPMENT DTD 10/16/2024 3.875% 10/16/2029 NON CALLABLE MOODY'S RATING AAA CUSIP 459058LN1	1,721,510.00 98.3720	1,754,112.50 100.2350	1.01	32,602.50	14,127.60
2,400,000	INTL BK RECON & DEVELOP DTD 10/28/20 0.500 10/28/2025 MOODY'S RATING AAA CUSIP 459058JL8	2,388,859.25 99.5358	2,369,760.00 98.7400	1.36	19,099.25-	2,100.00
1,700,000	INTL BK RECON & DEVELOP DTD 03/20/2025 4.125% 03/20/2030 NON CALLABLE MOODY'S RATING AAA CUSIP 459058LR2	1,694,220.00 99.6600	1,720,825.00 101.2250	0.99	26,605.00	19,673.96
1,430,000	JOHN DEERE CAPITAL CORPORATION DTD 01/09/2025 4.650% 01/07/2028 NON CALLABLE MOODY'S RATING A1 CUSIP 24422EXZ7	1,429,571.00 99.9700	1,451,593.00 101.5100	0.84	22,022.00	31,769.83
46,593.42	JOHN DEERE OWNER TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 03/16/2022 2.320% 09/16/2026 NON CALLABLE MOODY'S RATING AAA CUSIP 47787JAC2	46,583.11 99.9779	46,461.09 99.7160	0.03	122.02-	48.04
192,472.56	JOHN DEERE OWNER TRUST ASSET BCKD SEC SER 2022-B CL A3 DTD 07/20/2022 3.740% 02/16/2027 NON CALLABLE MOODY'S RATING AAA CUSIP 47800AAC4	192,454.18 99.9905	191,848.95 99.6760	0.11	605.23-	319.93

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
469,547.22	JOHN DEERE OWNER TRUST ASSET BCKD SEC SER 2022-C CL A3 DTD 10/19/2022 5.090% 06/15/2027 CALLABLE MOODY'S RATING AAA CUSIP 47800BAC2	469,510.79 99.9923	470,805.61 100.2680	0.27	1,294.82	1,062.22
500,000	JOHN DEERE OWNER TRUST ASSET BCKD SEC SER 2024-A CL A3 DTD 03/19/2024 4.960% 11/15/2028 CALLABLE MOODY'S RATING AAA CUSIP 47800RAD5	499,765.63 99.9531	504,620.00 100.9240	0.29	4,854.37	1,102.22
1,500,000	JPMORGAN CHASE & CO DTD 07/23/18 07/23/2029 MOODY'S RATING A1 CUSIP 46647PAV8	1,496,610.00 99.7740	1,493,670.00 99.5780	0.86	2,940.00-	27,669.75
1,400,000	MARSH & MCLENNAN COS INC DTD 11/08/2024 4.650% 03/15/2030 CALLABLE MOODY'S RATING A3 CUSIP 571748CA8	1,397,340.00 99.8100	1,415,792.00 101.1280	0.81	18,452.00	19,168.33
1,000,000	MASSMUTUAL GLBL FDG II MEDIUM TERM NOTE DTD 05/07/2025 4.550% 05/07/2030 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AA3 CUSIP 57629TBX4	998,670.00 99.8670	1,007,140.00 100.7140	0.58	8,470.00	6,825.00
1,000,000	MASSMUTUAL GLOBAL FUNDIN 144A PRIV PLCMT 1.200 07/16/2026 MOODY'S RATING AA3 CUSIP 57629WDE7	1,002,230.00 100.2230	969,300.00 96.9300	0.56	32,930.00-	5,500.00

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
945,000	MASTERCARD INC DTD 03/09/2023 4.875% 03/09/2028 CALLABLE MOODY'S RATING AA3 CUSIP 57636QAW4	944,083.35 99.9030	966,357.00 102.2600	0.56	22,273.65	14,332.50
1,100,000	MERCEDES-BENZ AUTO RECEIVABLES TRUST ASSET BCKD SEC SER 2023-2 CL A3 DTD 10/25/2023 5.950% 11/15/2028 CALLABLE CUSIP 58769FAC9	1,123,289.06 102.1172	1,114,289.00 101.2990	0.64	9,000.06-	2,908.89
1,115,000	MET LIFE GLOB FUNDING I 144A PRIV PLCMT 1.875 01/11/2027 MOODY'S RATING AA3 CUSIP 59217GER6	1,113,728.90 99.8860	1,077,647.50 96.6500	0.62	36,081.40-	9,872.40
770,000	MET TOWER GLOBAL FUNDING 144A PRIV PLCMT 1.250 09/14/2026 MOODY'S RATING AA3 CUSIP 58989V2D5	769,291.60 99.9080	742,480.20 96.4260	0.43	26,811.40-	2,860.76
912,000	META PLATFORMS INC DTD 08/09/2024 4.300% 08/15/2029 CALLABLE MOODY'S RATING AA3 CUSIP 30303M8S4	910,584.09 99.8448	920,317.44 100.9120	0.53	9,733.35	14,814.93
1,950,000	MORGAN STANLEY BANK DTD 07/19/2024 VAR CPN 07/14/2028 CALLABLE MOODY'S RATING AA3 CUSIP 61690U8E3	1,950,000.00 100.0000	1,973,361.00 101.1980	1.14	23,361.00	44,939.70
1,000,000	NATIONAL RURAL UTILS COOP MEDIUM TERM NOTE DTD 02/07/2025 4.950% 02/07/2030 CALLABLE MOODY'S RATING A2 CUSIP 63743HFX5	1,002,873.61 100.2874	1,022,840.00 102.2840	0.59	19,966.39	19,800.00

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,000,000	NEW YORK LIFE GLOBAL FDG MEDIUM TERM NOTE DTD 06/06/2024 5.000% 06/06/2029 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AA1 CUSIP 64952WFG3	994,880.00 99.4880	1,022,880.00 102.2880	0.59	28,000.00	3,472.22
1,365,000	NEW YORK LIFE GLOBAL FDG DTD 12/05/2024 4.600% 12/05/2029 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AA1 CUSIP 64952WFK4	1,364,221.95 99.9430	1,380,219.75 101.1150	0.79	15,997.80	4,534.83
1,000,000	NORTHWESTERN MUTUAL GLBL MEDIUM TERM NOTE DTD 06/03/2025 4.600% 06/03/2030 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AA1 CUSIP 66815L2W8	1,004,040.00 100.4040	1,010,530.00 101.0530	0.58	6,490.00	3,577.78
1,500,000	PEPSICO INC DTD 07/17/2024 4.500% 07/17/2029 CALLABLE MOODY'S RATING A1 CUSIP 713448FX1	1,497,675.00 99.8450	1,523,910.00 101.5940	0.88	26,235.00	30,750.00
1,500,000	PROGRESSIVE CORP DTD 10/23/18 4.000 03/01/2029 MOODY'S RATING A2 CUSIP 743315AV5	1,455,495.00 97.0330	1,490,925.00 99.3950	0.86	35,430.00	20,000.00
1,500,000	PROLOGIS LP DTD 02/01/20 4.375 02/01/2029 MOODY'S RATING A2 CUSIP 74340XBL4	1,481,235.00 98.7490	1,510,275.00 100.6850	0.87	29,040.00	27,343.75

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,463,000	REALTY INCOME CORP DTD 01/15/2024 4.000% 07/15/2029 CALLABLE MOODY'S RATING A3 CUSIP 756109CB8	1,419,212.41 97.0070	1,444,361.38 98.7260	0.83	25,148.97	26,984.22
2,000,000	ROYAL BANK OF CANADA MEDIUM TERM NOTE CONVERTIBLE DTD 01/19/2024 4.950% 02/01/2029 NON CALLABLE MOODY'S RATING A1 CUSIP 78016HZV5	2,019,920.00 100.9960	2,045,820.00 102.2910	1.18	25,900.00	41,250.00
1,266,273.2	TOYOTA AUTO RECEIVABLES OWNER ASSET BCKD SEC SER 2023-C CL A3 DTD 08/15/2023 5.160% 04/17/2028 CALLABLE CUSIP 89231FAD2	1,261,128.97 99.5938	1,273,123.74 100.5410	0.73	11,994.77	2,903.99
1,385,000	TOYOTA MOTOR CREDIT CORP MED TERM NOTE DTD 06/18/21 1.125 06/18/2026 MOODY'S RATING A1 CUSIP 89236TJK2	1,384,390.60 99.9560	1,344,197.90 97.0540	0.77	40,192.70-	562.66
1,445,000	TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE DTD 01/09/2025 4.950% 01/09/2030 NON CALLABLE MOODY'S RATING A1 CUSIP 89236TNA9	1,441,907.70 99.7860	1,477,700.35 102.2630	0.85	35,792.65	34,174.25
3,250,000	UNITED STATES TREASURY NOTES DTD 06/30/2022 3.250% 06/30/2027 MOODY'S RATING AA1 CUSIP 91282CEW7	3,260,312.50 100.3173	3,220,945.00 99.1060	1.85	39,367.50-	287.02

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
400,000	UNITED STATES TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 MOODY'S RATING AA1 CUSIP 91282CFB2	393,218.75 98.3047	392,204.00 98.0510	0.23	1,014.75-	4,588.40
4,500,000	UNITED STATES TREASURY NOTES DTD 08/31/2022 3.125% 08/31/2027 MOODY'S RATING AA1 CUSIP 91282CFH9	4,468,902.34 99.3090	4,444,650.00 98.7700	2.56	24,252.34-	47,002.38
3,450,000	UNITED STATES TREASURY NOTES DTD 09/30/2022 4.125% 09/30/2027 MOODY'S RATING AA1 CUSIP 91282CFM8	3,421,152.34 99.1639	3,481,395.00 100.9100	2.00	60,242.66	35,772.54
850,000	UNITED STATES TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 MOODY'S RATING AA1 CUSIP 91282CFZ9	852,656.25 100.3125	853,255.50 100.3830	0.49	599.25	2,789.79
2,750,000	UNITED STATES TREASURY NOTES DTD 12/31/2022 3.875% 12/31/2027 MOODY'S RATING AA1 CUSIP 91282CGC9	2,775,107.42 100.9130	2,761,605.00 100.4220	1.59	13,502.42-	289.57
3,000,000	UNITED STATES TREASURY NOTES DTD 01/31/2023 3.500% 01/31/2028 MOODY'S RATING AA1 CUSIP 91282CGH8	2,957,929.69 98.5977	2,984,760.00 99.4920	1.72	26,830.31	43,798.34
3,700,000	UNITED STATES TREASURY NOTES DTD 02/28/2023 4.000% 02/29/2028 MOODY'S RATING AA1 CUSIP 91282CGP0	3,699,113.28 99.9760	3,728,046.00 100.7580	2.15	28,932.72	49,467.39
4,500,000	UNITED STATES TREASURY NOTES DTD 02/28/2023 4.000% 02/28/2030 MOODY'S RATING AA1 CUSIP 91282CGQ8	4,496,958.99 99.9324	4,543,785.00 100.9730	2.61	46,826.01	60,163.04

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,500,000	UNITED STATES TREASURY NOTES DTD 12/15/2023 4.375% 12/15/2026 MOODY'S RATING AA1 CUSIP 91282CJP7	2,525,097.66 101.0039	2,518,650.00 100.7460	1.45	6,447.66-	4,781.42
2,300,000	UNITED STATES TREASURY NOTES DTD 03/31/2024 4.125% 03/31/2029 MOODY'S RATING AA1 CUSIP 91282CKG5	2,249,867.19 97.8203	2,331,096.00 101.3520	1.34	81,228.81	23,848.36
2,300,000	UNITED STATES TREASURY NOTES DTD 04/15/2024 4.500% 04/15/2027 MOODY'S RATING AA1 CUSIP 91282CKJ9	2,283,109.38 99.2656	2,328,658.00 101.2460	1.34	45,548.62	21,774.59
3,200,000	UNITED STATES TREASURY NOTES DTD 05/15/2024 4.500% 05/15/2027 MOODY'S RATING AA1 CUSIP 91282CKR1	3,186,500.00 99.5781	3,242,112.00 101.3160	1.87	55,612.00	18,391.30
2,000,000	UNITED STATES TREASURY NOTES DTD 06/30/2024 4.250% 06/30/2029 MOODY'S RATING AA1 CUSIP 91282CKX8	1,985,546.88 99.2774	2,037,180.00 101.8590	1.17	51,633.12	230.98
3,500,000	UNITED STATES TREASURY NOTES DTD 08/31/2024 3.625% 08/31/2029 MOODY'S RATING AA1 CUSIP 91282CLK5	3,527,480.47 100.7852	3,482,640.00 99.5040	2.00	44,840.47-	42,406.59
5,000,000	UNITED STATES TREASURY NOTES DTD 09/30/2024 3.500% 09/30/2029 MOODY'S RATING AA1 CUSIP 91282CLN9	4,925,039.06 98.5008	4,949,600.00 98.9920	2.85	24,560.94	43,989.07
3,000,000	UNITED STATES TREASURY NOTES DTD 10/31/2024 4.125% 10/31/2029 MOODY'S RATING AA1 CUSIP 91282CLR0	2,993,789.06 99.7930	3,042,900.00 101.4300	1.75	49,110.94	20,849.18

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
4,400,000	UNITED STATES TREASURY NOTES DTD 12/31/2024 4.375% 12/31/2029 MOODY'S RATING AA1 CUSIP 91282CMD0	4,369,171.88 99.2994	4,509,164.00 102.4810	2.59	139,992.12	523.10
4,000,000	UNITED STATES TREASURY NOTES DTD 01/31/2025 4.250% 01/31/2030 MOODY'S RATING AA1 CUSIP 91282CMG3	3,983,906.25 99.5977	4,078,920.00 101.9730	2.35	95,013.75	70,911.60
2,000,000	UNITEDHEALTH GROUP INC DTD 07/25/19 2.875 08/15/2029 MOODY'S RATING A2 CUSIP 91324PDS8	1,906,080.00 95.3040	1,887,720.00 94.3860	1.09	18,360.00-	21,722.22
1,035,000	UNITEDHEALTH GROUP INC DTD 05/19/21 1.150 05/15/2026 MOODY'S RATING A2 CUSIP 91324PEC2	1,025,051.35 99.0388	1,006,082.10 97.2060	0.58	18,969.25-	1,520.87
1,200,000	US TREASURY NOTE DTD 09/30/20 0.250 09/30/2025 MOODY'S RATING AA1 CUSIP 91282CAM3	1,183,070.31 98.5892	1,188,012.00 99.0010	0.68	4,941.69	758.15
2,450,000	US TREASURY NOTE DTD 10/31/20 0.250 10/31/2025 MOODY'S RATING AA1 CUSIP 91282CAT8	2,422,492.19 98.8772	2,417,292.50 98.6650	1.39	5,199.69-	1,031.93
2,250,000	US TREASURY NOTE DTD 11/30/20 0.375 11/30/2025 MOODY'S RATING AA1 CUSIP 91282CAZ4	2,209,658.20 98.2070	2,213,865.00 98.3940	1.27	4,206.80	733.70
2,500,000	US TREASURY NOTE DTD 02/01/21 0.375 01/31/2026 MOODY'S RATING AA1 CUSIP 91282CBH3	2,456,445.31 98.2578	2,444,950.00 97.7980	1.41	11,495.31-	3,910.57

STATEMENT OF ASSETS AND LIABILITIES
AS OF JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,500,000	US TREASURY NOTE DTD 04/30/21 0.750 04/30/2026 MOODY'S RATING AA1 CUSIP 91282CBW0	2,493,652.34 99.7461	2,432,250.00 97.2900	1.40	61,402.34-	3,176.23
1,400,000	US TREASURY NOTE DTD 09/30/21 0.875 09/30/2026 MOODY'S RATING AA1 CUSIP 91282CCZ2	1,379,054.68 98.5039	1,348,592.00 96.3280	0.78	30,462.68-	3,079.24
1,400,000	US TREASURY NOTE DTD 11/01/21 1.125 10/31/2026 CUSIP 91282CDG3	1,391,468.75 99.3906	1,350,076.00 96.4340	0.78	41,392.75-	2,653.53
350,000	WALMART INC DTD 09/17/21 1.050 09/17/2026 MOODY'S RATING AA2 CUSIP 931142ER0	349,338.50 99.8110	338,257.50 96.6450	0.19	11,081.00-	1,061.67
1,365,000	WELLS FARGO CARD ISSUANCE TRUST ASSET BCKD SEC SER 2025-A1 CL A DTD 06/10/2025 4.340% 05/15/2030 NON CALLABLE CUSIP 92970QAJ4	1,364,977.34 99.9984	1,375,687.95 100.7830	0.79	10,710.61	3,455.73
=====		=====				
TOTAL BOND & NOTES		171,916,591.28	173,000,218.62	99.55	1,083,627.34	1,268,006.88
=====		=====				
TOTAL INVESTMENTS		172,701,301.96	173,784,929.30	100.00	1,083,627.34	1,271,174.38
=====		=====				
TOTAL ACCRUALS		1,271,174.38	1,271,174.38			
=====		=====				
TOTAL ACCRUALS AND INVESTMENTS		173,972,476.34	175,056,103.68			

CASH SUMMARY
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

DESCRIPTION	CASH SUMMARY	
	PRINCIPAL CASH	INCOME CASH
BEGINNING BALANCE	0.00	0.00
RECEIPTS		
NET INTEREST COLLECTED	0.00	531,405.97
TRANSFER RECEIPTS	531,405.97	0.00
SALES	5,419,774.84	0.00
CASH MANAGEMENT SALES	4,962,422.02	0.00
TOTAL CASH RECEIPTS	10,913,602.83	531,405.97
DISBURSEMENTS		
INVESTMENT MANAGEMENT EXPENSES	10,358.71-	0.00
TRANSFER DISBURSEMENTS	0.00	531,405.97-
PURCHASES	7,585,091.57-	0.00
CASH MANAGEMENT PURCHASES	3,318,152.55-	0.00
TOTAL CASH DISBURSEMENTS	10,913,602.83-	531,405.97-
=====		
ENDING BALANCE	0.00	0.00

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
		<u>BEGINNING BALANCE</u>	<u>0.00</u>	<u>172,279,577.57</u>	
		CASH EQUIVALENTS			
06/02/25		INTEREST RECEIVED AS 100% TREAS MM FD-SVC CL #008 INTEREST FROM 5/1/25 TO 5/31/25	5,657.22		
06/02/25		INTEREST RECEIVED PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM INTEREST FROM 05.01.25 TO 05.31.25	99.57		
06/30/25	3,318,052.98	CASH SWEEP PURCHASES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 12 TRANSACTIONS	3,318,052.98-	3,318,052.98	
06/30/25	99.57	CASH SWEEP PURCHASES FOR STMT PERIOD PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM 1 TRANSACTIONS	99.57-	99.57	
06/30/25	4,962,422.02-	CASH SWEEP SALES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 7 TRANSACTIONS	4,962,422.02	4,962,422.02-	
		BONDS & NOTES			
06/16/25		INTEREST RECEIVED AMER EXPR CREDIT ABS 4.280% 4/15/30 CUSIP 02582JKP4 \$0.00380/PV ON 1,420,000.00 PV DUE 6/15/25	5,402.31		
06/16/25		INTEREST RECEIVED BANK OF AMERICA ABS 4.930% 5/15/29 CUSIP 05522RDJ4 \$0.00411/PV ON 785,000.00 PV DUE 6/15/25	3,225.04		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25		INTEREST RECEIVED BK OF AMERICA ABS 4.980% 11/15/28 CUSIP 05522RDH8 \$0.00415/PV ON 850,000.00 PV DUE 6/15/25	3,527.50		
06/25/25		INTEREST RECEIVED BMW VEHICLE OWN ABS 3.210% 8/25/26 CUSIP 05602RAD3 \$0.00033/PV ON 65,030.92 PV DUE 6/25/25	173.96		
06/25/25	18,777.79-	PAID DOWN BMW VEHICLE OWN ABS 3.210% 8/25/26 CUSIP 05602RAD3	18,777.79	18,776.81-	0.98
06/25/25		INTEREST RECEIVED BMW VEHICLE OWN ABS 5.180% 2/26/29 CUSIP 096919AD7 \$0.00432/PV ON 695,000.00 PV DUE 6/25/25	3,000.08		
06/16/25		INTEREST RECEIVED CHASE ISSUANCE ABS 4.600% 1/16/29 CUSIP 161571HV9 \$0.00383/PV ON 1,690,000.00 PV DUE 6/15/25	6,478.33		
06/06/25	1,400,000-	SOLD FED HOME LN MTG CORP 0.375% 9/23/25 CUSIP 3137EAEX3 AT \$98.8200 ON TRADE DATE 06/05/2025 TO SETTLE ON 06/06/2025 MELLON BANK/CAPITAL MARKETS	1,383,480.00	1,394,043.17-	10,563.17-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/06/25		ACCRUED INTEREST ON SALE FED HOME LN MTG CORP 0.375% 9/23/25 CUSIP 3137EAEX3	1,064.58		
06/10/25	1,500,000	PURCHASED FED HOME LN MTG CORP 2.595% 9/25/29 CUSIP 3137FPJG1 AT \$93.8008 ON TRADE DATE 06/05/2025 TO SETTLE ON 06/10/2025 WACHOVIA CAPITAL MARKETS, LLC.	1,407,011.72-	1,407,011.72	
06/10/25		ACCRUED INTEREST ON PURCHASE FED HOME LN MTG CORP 2.595% 9/25/29 CUSIP 3137FPJG1	973.13-		
06/25/25		INTEREST RECEIVED FED HOME LN MTG CORP 2.982% 5/25/29 CUSIP 3137FMCR1 \$0.00247/PV ON 1,987,604.20 PV DUE 6/25/25	4,939.20		
06/25/25	2,141.38-	PAID DOWN FED HOME LN MTG CORP 2.982% 5/25/29 CUSIP 3137FMCR1	2,141.38	2,065.93-	75.45
06/25/25		INTEREST RECEIVED FED HOME LN MTG CORP 3.563% 1/25/29 CUSIP 3137FL6P4 \$0.00297/PV ON 1,288,000.00 PV DUE 6/25/25	3,824.29		
06/11/25	2,000,000	PURCHASED FHLMC MULTIFAMILY ST 2.069% 1/25/30 CUSIP 3137FRUT6 AT \$90.5039 ON TRADE DATE 06/06/2025 TO SETTLE ON 06/11/2025 WACHOVIA CAPITAL MARKETS, LLC.	1,810,078.13-	1,810,078.13	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/11/25		ACCRUED INTEREST ON PURCHASE FHLMC MULTIFAMILY ST 2.069% 1/25/30 CUSIP 3137FRUT6	1,149.44-		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.425% 8/25/29 CUSIP 3137FPHK4 \$0.00202/PV ON 1,600,000.00 PV DUE 6/25/25	3,233.33		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.653% 8/25/26 CUSIP 3137BSP72 \$0.00221/PV ON 650,000.00 PV DUE 6/25/25	1,437.04		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.785% 6/25/29 CUSIP 3137FNAE0 \$0.00232/PV ON 2,200,000.00 PV DUE 6/25/25	5,105.83		
06/11/25	261,105.56-	PAID DOWN-RV FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 TO SETTLE ON 06/11/2025	261,105.56-	281,912.41	20,806.85
06/11/25		REVERSAL INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 CU06	1,875.25-		
06/11/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 \$0.00188/PV ON 747,608.50 PV DUE 5/25/25	1,875.25		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/11/25	261,143.37-	PAID DOWN FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 TO SETTLE ON 06/11/2025	261,143.37	281,953.23-	20,809.86-
06/11/25	0.01	SHARE ADJUSTMENT FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8			
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 \$0.00251/PV ON 350,547.18 PV DUE 6/25/25	1,220.22		
06/25/25	350,547.17-	PAID DOWN FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8	350,547.17	378,481.39-	27,934.22-
06/25/25	135,917.96-	SOLD FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 AT \$99.6172 ON TRADE DATE 06/06/2025 TO SETTLE ON 06/25/2025 TORONTO DOMINION SECURITIES (U	135,397.65	146,748.92-	11,351.27-
06/25/25		ACCRUED INTEREST ON SALE FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8	113.64		
06/25/25	0.01-	DELIVERED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 TAXLOTS WITH FRACTIONAL SHARES		0.01-	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.244% 8/25/27 CUSIP 3137FBBX3 \$0.00270/PV ON 1,000,000.00 PV DUE 6/25/25	2,703.33		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.505% 3/25/29 CUSIP 3137FLN91 \$0.00292/PV ON 2,500,000.00 PV DUE 6/25/25	7,302.08		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.690% 1/25/29 CUSIP 3137FKZZ2 \$0.00308/PV ON 2,550,000.00 PV DUE 6/25/25	7,841.25		
06/25/25		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.771% 12/25/28 CUSIP 3137FKUP9 \$0.00314/PV ON 2,000,000.00 PV DUE 6/25/25	6,285.00		
06/25/25		INTEREST RECEIVED FHLMC SER K748 CMO 2.260% 1/25/29 CUSIP 3137H5YC5 \$0.00188/PV ON 2,000,000.00 PV DUE 6/25/25	3,766.67		
06/16/25		INTEREST RECEIVED GM FINANCIAL ABS 3.100% 2/16/27 CUSIP 362585AC5 \$0.00063/PV ON 94,894.43 PV DUE 6/16/25	245.14		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25	16,216.15-	PAID DOWN GM FINANCIAL ABS 3.100% 2/16/27 CUSIP 362585AC5	16,216.15	16,212.76-	3.39
06/16/25		INTEREST RECEIVED GM FINANCIAL ABS 4.850% 12/18/28 CUSIP 36268GAD7 \$0.00404/PV ON 1,310,000.00 PV DUE 6/16/25	5,294.58		
06/16/25		INTEREST RECEIVED GM FINANCIAL SECURIT 0.680% 9/16/26 CUSIP 362554AC1 \$0.00002/PV ON 12,031.95 PV DUE 6/16/25	6.82		
06/16/25	11,149.81-	PAID DOWN GM FINANCIAL SECURIT 0.680% 9/16/26 CUSIP 362554AC1	11,149.81	11,149.52-	0.29
06/16/25		INTEREST RECEIVED GM FINANCIAL SECURIT 1.260% 11/16/26 CUSIP 380146AC4 \$0.00007/PV ON 19,869.36 PV DUE 6/16/25	20.86		
06/16/25	10,786.41-	PAID DOWN GM FINANCIAL SECURIT 1.260% 11/16/26 CUSIP 380146AC4	10,786.41	10,785.47-	0.94
06/16/25		INTEREST RECEIVED HOME DEPOT INC 2.950% 6/15/29 CUSIP 437076BY7 INTEREST ON 1,663,000.000 UNITS	24,529.25		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/25/25		INTEREST RECEIVED HOME DEPOT INC 4.750% 6/25/29 CUSIP 437076DC3 INTEREST ON 1,000,000.000 UNITS	23,750.00		
06/18/25		INTEREST RECEIVED HONDA AUTO RECE ABS 5.270% 11/20/28 CUSIP 437930AC4 \$0.00439/PV ON 535,000.00 PV DUE 6/18/25	2,349.54		
06/23/25		INTEREST RECEIVED HONDA AUTO RECE ABS 5.670% 6/21/28 CUSIP 438123AC5 \$0.00473/PV ON 805,000.00 PV DUE 6/21/25	3,803.63		
06/16/25		INTEREST RECEIVED HONDA AUTO RECEIVABL 1.000% 5/15/26 CUSIP 43815BAC4 \$0.00016/PV ON 73,937.12 PV DUE 6/15/25	115.84		
06/16/25	28,669.69-	PAID DOWN HONDA AUTO RECEIVABL 1.000% 5/15/26 CUSIP 43815BAC4 AT \$400.4060 ON TRADE DATE 06/15/2025 TO SETTLE ON 06/16/2025	28,669.69	28,665.38-	4.31
06/16/25		INTEREST RECEIVED HYUNDAI AUTO ABS 5.410% 5/17/27 CUSIP 44934FAD7 \$0.00451/PV ON 610,000.00 PV DUE 6/15/25	2,750.08		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25		INTEREST RECEIVED HYUNDAI AUTO REC ABS 2.220% 10/15/26 CUSIP 448977AD0 \$0.00019/PV ON 106,290.92 PV DUE 6/15/25	196.64		
06/16/25	40,389.59-	PAID DOWN HYUNDAI AUTO REC ABS 2.220% 10/15/26 CUSIP 448977AD0 AT \$284.2197 ON TRADE DATE 06/15/2025 TO SETTLE ON 06/16/2025	40,389.59	40,388.04-	1.55
06/16/25		INTEREST RECEIVED JOHN DEERE OWNE ABS 5.090% 6/15/27 CUSIP 47800BAC2 \$0.00208/PV ON 513,695.26 PV DUE 6/15/25	2,178.92		
06/16/25	44,148.04-	PAID DOWN JOHN DEERE OWNE ABS 5.090% 6/15/27 CUSIP 47800BAC2 AT \$260.0232 ON TRADE DATE 06/15/2025 TO SETTLE ON 06/16/2025	44,148.04	44,144.61-	3.43
06/16/25		INTEREST RECEIVED JOHN DEERE OWNER ABS 2.320% 9/16/26 CUSIP 47787JAC2 \$0.00025/PV ON 57,037.30 PV DUE 6/15/25	110.27		
06/16/25	10,443.88-	PAID DOWN JOHN DEERE OWNER ABS 2.320% 9/16/26 CUSIP 47787JAC2 AT \$1,099.1620 ON TRADE DATE 06/15/2025 TO SETTLE ON 06/16/2025	10,443.88	10,441.57-	2.31

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25		INTEREST RECEIVED JOHN DEERE OWNER ABS 3.740% 2/16/27 CUSIP 47800AAC4 \$0.00103/PV ON 216,856.15 PV DUE 6/15/25	675.87		
06/16/25	24,383.59-	PAID DOWN JOHN DEERE OWNER ABS 3.740% 2/16/27 CUSIP 47800AAC4 AT \$470.7886 ON TRADE DATE 06/15/2025 TO SETTLE ON 06/16/2025	24,383.59	24,381.26-	2.33
06/16/25		INTEREST RECEIVED JOHN DEERE OWNER ABS 4.960% 11/15/28 CUSIP 47800RAD5 \$0.00413/PV ON 500,000.00 PV DUE 6/15/25	2,066.67		
06/16/25		INTEREST RECEIVED MERCEDES-BENZ ABS 5.950% 11/15/28 CUSIP 58769FAC9 \$0.00496/PV ON 1,100,000.00 PV DUE 6/15/25	5,454.17		
06/05/25		INTEREST RECEIVED NEW YORK LIFE GL FDG 4.600% 12/05/29 CUSIP 64952WFK4 INTEREST ON 1,365,000.000 UNITS	31,395.00		
06/06/25		INTEREST RECEIVED NEW YORK LIFE MTN 5.000% 6/06/29 CUSIP 64952WFG3 INTEREST ON 1,000,000.000 UNITS	25,000.00		
06/09/25	670,000-	SOLD NORTHERN TRUST CORP 4.000% 5/10/27 CUSIP 665859AW4 AT \$99.2940 ON TRADE DATE 06/06/2025 TO SETTLE ON 06/09/2025 US BANCORP INVESTMENTS, INC.	665,269.80	668,914.60-	3,644.80-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/09/25		ACCRUED INTEREST ON SALE NORTHERN TRUST CORP 4.000% 5/10/27 CUSIP 665859AW4	2,158.89		
06/13/25	850,000-	SOLD NW MUTUAL GLBL MTN 0.800% 1/14/26 CUSIP 66815L2A6 AT \$97.8720 ON TRADE DATE 06/12/2025 TO SETTLE ON 06/13/2025 PERSHING LLC	831,912.00	827,449.50-	4,462.50
06/13/25		ACCRUED INTEREST ON SALE NW MUTUAL GLBL MTN 0.800% 1/14/26 CUSIP 66815L2A6	2,814.44		
06/13/25	1,000,000	PURCHASED NW MUTUAL GLOBAL MTN 4.600% 6/03/30 CUSIP 66815L2W8 AT \$100.4040 ON TRADE DATE 06/12/2025 TO SETTLE ON 06/13/2025 J.P. MORGAN SECURITIES INC., -	1,004,040.00-	1,004,040.00	
06/13/25		ACCRUED INTEREST ON PURCHASE NW MUTUAL GLOBAL MTN 4.600% 6/03/30 CUSIP 66815L2W8	1,277.78-		
06/04/25	1,000,000-	SOLD TORONTO BK MTN CONV 4.980% 4/05/27 CUSIP 89115A2W1 AT \$100.8680 ON TRADE DATE 06/03/2025 TO SETTLE ON 06/04/2025 TORONTO DOMINION SECURITIES (U	1,008,680.00	1,000,000.00-	8,680.00
06/04/25		ACCRUED INTEREST ON SALE TORONTO BK MTN CONV 4.980% 4/05/27 CUSIP 89115A2W1	8,161.67		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25		INTEREST RECEIVED TOYOTA AUTO REC ABS 5.160% 4/17/28 CUSIP 89231FAD2 \$0.00430/PV ON 1,300,000.00 PV DUE 6/15/25	5,590.00		
06/16/25	33,726.8-	PAID DOWN TOYOTA AUTO REC ABS 5.160% 4/17/28 CUSIP 89231FAD2	33,726.80	33,589.78-	137.02
06/18/25		INTEREST RECEIVED TOYOTA MOTOR CREDIT 1.125% 6/18/26 CUSIP 89236TJK2 INTEREST ON 1,385,000.000 UNITS	7,790.63		
06/30/25		INTEREST RECEIVED U.S. TREASURY NOTES 3.250% 6/30/27 CUSIP 91282CEW7 INTEREST ON 3,250,000.000 UNITS	52,812.50		
06/02/25		INTEREST RECEIVED U.S. TREASURY NOTES 3.875% 11/30/27 CUSIP 91282CFZ9 INTEREST ON 850,000.000 UNITS	16,468.75		
06/30/25		INTEREST RECEIVED U.S. TREASURY NOTES 3.875% 12/31/27 CUSIP 91282CGC9 INTEREST ON 2,750,000.000 UNITS	53,281.25		
06/04/25	2,000,000	PURCHASED U.S. TREASURY NOTES 4.000% 2/28/30 CUSIP 91282CGQ8 AT \$99.9492 ON TRADE DATE 06/03/2025 TO SETTLE ON 06/04/2025 WACHOVIA CAPITAL MARKETS, LLC.	1,998,984.38-	1,998,984.38	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/04/25		ACCRUED INTEREST ON PURCHASE U.S. TREASURY NOTES 4.000% 2/28/30 CUSIP 91282CGQ8	20,869.57-		
06/30/25		INTEREST RECEIVED U.S. TREASURY NOTES 4.250% 6/30/29 CUSIP 91282CKX8 INTEREST ON 2,000,000.000 UNITS	42,500.00		
06/16/25		INTEREST RECEIVED U.S. TREASURY NOTES 4.375% 12/15/26 CUSIP 91282CJP7 INTEREST ON 2,500,000.000 UNITS	54,687.50		
06/30/25		INTEREST RECEIVED U.S. TREASURY NOTES 4.375% 12/31/29 CUSIP 91282CMD0 INTEREST ON 4,400,000.000 UNITS	96,250.00		
06/02/25		INTEREST RECEIVED US TREASURY NOTE 0.375% 11/30/25 CUSIP 91282CAZ4 INTEREST ON 2,250,000.000 UNITS	4,218.75		
06/06/25	0.01	SHARE ADJUSTMENT VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95			
06/25/25		INTEREST RECEIVED VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95 \$0.00278/PV ON 415,308.72 PV DUE 6/25/25	2,236.78		
06/25/25	415,308.72-	PAID DOWN VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95	415,308.72	445,094.14-	29,785.42-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/25/25	389,770.2-	SOLD VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95 AT \$99.6250 ON TRADE DATE 06/06/2025 TO SETTLE ON 06/25/2025 TORONTO DOMINION SECURITIES (U	388,308.56	417,724.03-	29,415.47-
06/25/25		ACCRUED INTEREST ON SALE VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95	360.98		
06/10/25	1,365,000	PURCHASED WELLS FARGO CARD ABS 4.340% 5/15/30 CUSIP 92970QAJ4 AT \$99.9983 ON TRADE DATE 06/03/2025 TO SETTLE ON 06/10/2025 WACHOVIA CAPITAL MARKETS, LLC.	1,364,977.34-	1,364,977.34	
		TRANSFER RECEIPTS			
06/02/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	26,444.29		
06/05/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	18,687.10		
06/06/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	26,064.58		
06/09/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	2,158.89		
06/13/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	566.42		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/16/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	117,261.21		
06/17/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	5,294.58		
06/18/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	10,140.17		
06/23/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	3,803.63		
06/25/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	73,362.06		
06/26/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	2,779.29		
06/30/25		ADDITION TO ACCOUNT TRANSFER FROM INCOME	244,843.75		
		INVESTMENT MANAGEMENT EXPENSES			
06/05/25		INVESTMENT MGMT FEE PAID TO CHANDLER ASSET MANAGEMENT INC INV 2505CUPERTIN MAY 2025 CITY OF CUPERTINO	10,358.71-		
		TRANSFER DISBURSEMENTS			
06/02/25		TRANSFER TO PRINCIPAL	26,444.29-		
06/05/25		TRANSFER TO PRINCIPAL	18,687.10-		
06/06/25		TRANSFER TO PRINCIPAL	26,064.58-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD JUNE 1, 2025 THROUGH JUNE 30, 2025

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
06/09/25		TRANSFER TO PRINCIPAL	2,158.89-		
06/13/25		TRANSFER TO PRINCIPAL	566.42-		
06/16/25		TRANSFER TO PRINCIPAL	117,261.21-		
06/17/25		TRANSFER TO PRINCIPAL	5,294.58-		
06/18/25		TRANSFER TO PRINCIPAL	10,140.17-		
06/23/25		TRANSFER TO PRINCIPAL	3,803.63-		
06/25/25		TRANSFER TO PRINCIPAL	73,362.06-		
06/26/25		TRANSFER TO PRINCIPAL	2,779.29-		
06/30/25		TRANSFER TO PRINCIPAL	244,843.75-		
ENDING BALANCE			0.00	172,701,301.96	

INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) OR ANY FEDERAL GOVERNMENT AGENCY
- NOT A DEPOSIT, OBLIGATION OF, OR GUARANTEED BY ANY BANK OR BANKING AFFILIATE
- SUBJECT TO INVESTMENT RISKS AND MAY LOSE VALUE, INCLUDING POSSIBLE LOSS OF PRINCIPAL AMOUNT INVESTED

CITY OF CUPERTINO
PARS Post-Employment Benefits Trust

Account Report for the Period
6/1/2025 to 6/30/2025

Kristina Alfaro
Director of Administrative Services
City of Cupertino
10300 Torre Ave.
Cupertino, CA 95014

Account Summary

Source	Balance as of 6/1/2025	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2025
OPEB	\$41,365,164.41	\$0.00	\$1,379,943.97	\$11,066.74	\$0.00	\$0.00	\$42,734,041.64
PENSION	\$23,530,746.70	\$0.00	\$796,410.48	\$6,297.21	\$0.00	\$0.00	\$24,320,859.97
Totals	\$64,895,911.11	\$0.00	\$2,176,354.45	\$17,363.95	\$0.00	\$0.00	\$67,054,901.61

Investment Selection

Source	
OPEB	City of Cupertino - OPEB
PENSION	City of Cupertino - PEN

Investment Objective

Source	
OPEB	Individual account based on US Bank Balanced MM. Dual goals are to provide a moderate amount of current income with moderate capital growth. Income production and longer term growth of capital.
PENSION	Individual account based on US Bank Balanced MM. Dual goals are to provide a moderate amount of current income with moderate capital growth. Income production and longer term growth of capital.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	3.34%	8.21%	12.80%	12.61%	8.94%	7.12%	6/21/2010
PENSION	3.38%	8.19%	12.63%	12.53%	8.87%	-	3/26/2019

Information as provided by US Bank, Trustee for PARS: Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

July 14, 2025

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

CITY OF CUPERTINO

FINANCE MANAGER
 10300 TORRE AVENUE
 CUPERTINO, CA 95014

[Tran Type Definitions](#)

Account Number: XXXXXXXXXX

June 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	68,055,207.44
Total Withdrawal:	0.00	Ending Balance:	68,055,207.44



CITY OF CUPERTINO

Agenda Item

25-14190

Agenda Date: 7/28/2025

Agenda #: 6.

Subject: INFORMATIONAL ITEM Receive the Internal Audit and Fraud, Waste, and Abuse programs update

Receive the Internal Audit and Fraud, Waste, and Abuse programs update

Presenter: Baker Tilly

4:50(10)

July 21, 2025

To: City of Cupertino Audit Committee
From: Moss Adams LLP
Subject: Internal Audit Status Report April 22 through July 21, 2025

FY24-25 INTERNAL AUDIT PROGRAM	GRANTS MANAGEMENT INTERNAL CONTROLS REVIEW	SPECIAL REVENUE FUND PROCESS REVIEW	RECOMMENDATION VALIDATION PROCESS ESTABLISHMENT
Objective	Assess the internal controls in place over the City’s grants management activities (including applications, review, administration, and reporting).	Document the process used for special revenue fund accounting, identify gaps compared to best practices, and conduct testing of prior years’ accounting.	Inventory prior internal and external audit recommendations, collaborate with City staff to develop a tracking mechanism and process to report and validate recommendation implementation.
Schedule	April through August 2025	August 2024 through July 2025	July 2024 through June 2025
Activities for This Period	Completed kickoff, analysis, interviews, preliminary observations, and testing plan. Requested grants listings and listings of subrecipients.	Completed analysis and interviews, developed draft and final reports.	Developed initial tracking spreadsheet, requested documentation to begin validating recommendations City staff report as implemented, and reviewed documentation to determine status.
Activities for Next Period	Conduct detailed testing and develop draft and final reports.	None	Continue to validate recommendations throughout Ongoing Internal Audit Services for FY 25-26.
Issues	None	None	None

FY25-26 INTERNAL AUDIT PROGRAM	COUNCIL-WIDE POLICY REVIEW INVENTORY	CITY-WIDE INTERNAL CONTROL REVIEW	INVESTMENT/CASH FLOW POLICY REVIEW/RECOMMENDATION	ONGOING INTERNAL AUDIT SERVICES
Objective	Review and provide recommendations to align council policies with best practices.	Conduct a review of the City’s internal controls framework in key areas that are deemed important to protecting City assets and resources.	Review and provide best practice recommendations over City’s investment/cash flow policy.	Attend Audit Committee and Council meetings, prepare status reports, manage internal audit program, and monitor FWA hotline.
Schedule	TBD – depending on City management	August through November 2025	August through early October 2025	July 2025 through June 2026
Total Budget	\$40,000	\$45,000	\$10,000	\$25,000
Activities for Next Period	TBD – depending on City management	Initiate project	Initiate project, review policy and develop best practices	Continue to monitor FWA hotline, perform validation continuation, and provide ongoing support to City.

FRAUD, WASTE, AND ABUSE HOTLINE STATISTICS: QUARTERLY					
Complaint Type	Complaints Received This Quarter	Under Review	Referred to Appropriate City Official(s)	Closed	Open
Compliance & Ethics	3	2	3	1	2
Fraud	0	0	0	0	0
Employment Matters	1	1	1	1	1

HOTLINE STATISTICS: LIFETIME (OCTOBER 2022-PRESENT)	
Total Reports	37
Reports Closed	27
Reports Open	10

OUTSTANDING REPORTS – DAYS OPEN	
Open Reports	Days Outstanding
Report 2000302663	515
Report 2000309461	493
Report 2000311746	485
Report 2000320154	458
Report 2000320491	456
Report 2000423152	130
Report 2000435031	93
Report 2000448473	55
Report 2000459484	22
Report 2000465974	2

	(A)	(B)	(C)	(D)
Reports	Total Recommendations	Open Recommendations (Not Yet Completed by City)	Validated Recommendations (By Moss Adams)	Reportable Recommendations (Newly validated since last summary)
2022 Budget Process Review (BPR-22)	5	1	4	0
2022 Santa Clara County Civil Grand Jury - A House Divided (CGJ-AHD-2022)	8	4	4	0
2022 Santa Clara County Civil Grand Jury - Show me the Money (CGJ-SMTM-2022)	1	1	0	0
2022 Capital Program Effectiveness Study (CPES-22)	11	4	7	0
2023 Enterprise Leadership Assessment (ELA-23)	24	8	16	1
2022 Fraud, Waste, Abuse Program (FWA) (FWA-22)	3	0	3	0
2023 Library Expansion Construction Audit (LECA-23)	9	4	5	2
2022 Procurement Operational Review (POR-22)	16	7	9	0
2022 Single Audit (SA-22)	1	1	0	0
Total	78	30	48	3

Legend:
Total Recommendations = number of recommendations in the report
Open Recommendations = number of recommendations not yet completed by City
Validated Recommendations = number of recommendations validated by Moss Adams as completed and adequately addresses the finding
Reportable Recommendations = number of recommendations validated since last summary report for Audit Committee

Item No.	Report Year	Report Code	Finding	Recommendation	Moss Adams Determination Notes
48C	2023	ELA-23	The City utilizes multiple commissions and committees to support Council decision-making. There are opportunities to increase the effectiveness of some of these groups.	Consider reviewing the names of governance groups to introduce a consistent naming convention for commission versus committee.	The City performed a review of commission and committee names and considered streamlining and ultimately didn't change any names.
55	2023	LECA-23	Contract Compliance – Skilled Labor Documentation Control	The design build entity should implement billing controls to ensure adequate skilled labor documentation, as required by the Contract terms. For example, the City should ensure that all Skilled and Trained Workforce documentation is consistently reported in the monthly application for payment with the appropriate level of detail required to ensure compliance with Public Contract Code. Compliance with this requirement should be tracked by the City and Project Management for compliance.	The City's standard specification general conditions section includes language requiring the contractor to submit certified payroll. In addition, staff reported the City has a process in place to get certified payroll where staff review and save documentation in a centralized location for each project. Staff showed us examples of these folders in a Teams meeting. These two controls are sufficient to meet this objective. Additional Note: We will note that although this finding is addressed, ideally the City should track this documentation to assess if design build entities consistently comply with this contract requirement.
57	2023	LECA-23	Contract Compliance – Inadequate Conditional Waiver Controls	As a best practice and consistent with contractual language, the design build entity should obtain and provide to the City conditional waivers from each subcontractor and material supplier once payment is made to support the City ensuring all parties are being paid timely and there are payment issues which may be an indicator of performance issues. At the end of a subcontractor's work, or at the Project's completion, conditional waivers for all subcontractors should be obtained to validate full payment for performance of the Contract and mitigate potential exposures for the City. Additionally, the City should consider updating policies and procedures to develop a methodology with project management personnel to determine which subcontractors are required to provide conditional waivers based on initial subcontracting plan including attributes such as contract size and or scope complexity.	The standard contract includes a statement in General Conditions, section 8.2 (A) that if requested, each application must be accompanied by the executed Conditional Waiver and Release Upon Progress Payment. In addition, staff reported the City does collect conditional waivers as part of the payment review process and they are saved in a central location. Staff showed us examples of these folders in a Teams meeting.



CITY OF CUPERTINO

Agenda Item

25-14191

Agenda Date: 7/28/2025

Agenda #: 7.

Subject: ACTION ITEM Discuss Audit Committee Duties, Powers, and Responsibilities

**Provide recommendation (if any) to City Council for an Audit Committee municipal code
Government Code Section 2.88.100 update**

Presenter: Jonathan Orozco, Finance Manager

5:00(25)



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3220 • FAX: (408) 777-3109
CUPERTINO.ORG

AUDIT COMMITTEE STAFF REPORT

Meeting: July 28, 2025

Subject

Discuss Audit Committee Duties, Powers, and Responsibilities

Recommended Action

1. Provide recommendation (if any) to City Council for an Audit Committee municipal code Government Code Section 2.88 update; or
2. Request Baker Tilly to conduct a review and report back to Audit Committee and City Council

Discussion

Background

On May 20, 2025, City Council directed the Audit Committee to consider amending its scope of review for recommendation to the City Council. On April 28, 2025, the Audit Committee requested Baker Tilly, previously Moss Adams, to discuss the Audit Committee's scope based on the Government Finance Officers Association (GFOA) Best Practices, as the Audit Committee wanted to include the review of financial policies into the duties, powers, and responsibilities.

The Audit Committee's duties were last updated in February 2023 following a broader review of City commissions and committees. At that time, City Council approved several refinements, including adjusting the review frequency of the Treasurer's report from monthly to quarterly. Municipal Code Section 2.88.100 defines the powers and functions of the Audit Committee. The current duties (as updated in 2023) are as follows:

- A. To review the annual audit report and management letter;
- B. To recommend appointment of auditors;
- C. To review the Quarterly Treasurer's investment report;
- D. To recommend a budget format;
- E. To review City investment policies and internal controls of such policies;
- F. To recommend appointment of internal auditors;
- G. To review internal audit reports;
- H. To review quarterly Fraud, Waste, and Abuse Program reports.

(Ord. 23-2247, § 1 (part), 2023; Ord. 22-2243, § 1, 2022; Ord. 20- 2208, § 1, 2020; Ord. 1679, § 1 (part), 1995)

These duties give the Audit Committee a broad oversight role spanning external financial reporting, internal controls, investment oversight, budgeting practices, and internal audit activities. Since the February 2023 code update, the Audit Committee has been operating under this structure and meeting quarterly (with special meetings as needed) to carry out its responsibilities. The current composition of the Committee (two Council members and two to three public members) and meeting frequency are designed to support meaningful review and discussion of these oversight areas.

GFOA Best Practices for Audit Committees

[GFOA](#) emphasizes the crucial role of audit committees in public sector financial governance. According to GFOA, an audit committee's core responsibility is to provide independent review and oversight of a government's financial reporting processes, internal controls, and the independent audit function. By effectively carrying out its duties, an audit committee helps ensure that management maintains a sound system of internal controls and reliable financial practices. In other words, the audit committee serves as a practical mechanism for the governing body to monitor financial integrity on behalf of the public.

Best practice guidance from GFOA outline several common functions of an effective audit committee in government, many of which align with the City's current Audit Committee duties. These include: overseeing the external audit process (selection of auditors, review of audit results), monitoring the implementation of audit recommendations, reviewing the effectiveness of internal controls and risk management procedures, and providing a forum for auditors to communicate concerns outside of management channels.

GFOA recommends that every government formally establish an audit committee with a clear charter, and that the committee be directly involved in the oversight of the external auditors (including appointment and compensation) to reinforce auditor independence. The City's practice of having the Audit Committee recommend the hiring of both external and internal auditors is consistent with this guidance.

Notably, GFOA's best practices stress the importance of financial oversight beyond the annual audit. Audit committees are encouraged to monitor and review key financial governance practices on an ongoing basis. This can extend to periodically reviewing the organization's financial policies and procedures to ensure they are comprehensive and being adhered to. For example, one advisory for audit committees highlights the value of reviewing financial policies (such as policies on investments, internal controls, conflicts of interest, whistleblower programs, etc.) as part of the committee's role in ensuring integrity and compliance. Regularly examining financial policy frameworks can help the committee verify that the City's financial management practices remain robust and aligned with best practices. The City currently utilizes Baker Tilly to conduct these reviews and procedures.

In summary, the City's Audit Committee duties as currently defined largely reflect the roles promoted by GFOA, focusing on audit oversight, internal control, and financial reporting accountability.

Sustainability Impact

No sustainability impacts.

Fiscal Impact

No fiscal impact.

City Work Program Item/Description

None

City Council Goal

Fiscal Strategy

California Environmental Quality Act

Not applicable.

Prepared by: Jonathan Orozco, Finance Manager

Reviewed by: Kristina Alfaro, Director of Administrative Services and City Treasurer

Approved for Submission by: Tina Kapoor, Interim City Manager

Attachments:

A – Audit Committee Work Plan and duties and responsibilities 2025

B – Chapter 2.88 Audit Committee

CITY OF CUPERTINO - AUDIT COMMITTEE 2025 SCHEDULE AND WORK PLAN						
January 27, 2025 Regular Meeting	February 18, 2025 Special Meeting	April 28, 2025 Regular Meeting	May 12, 2025 Special Meeting	July 28, 2025 Regular Meeting	October 27, 2025 Regular Meeting	November/December 2025 Special Meeting
Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Quarterly Treasurer's Investment Report for Quarter Ending March 31, 2025	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes
OPEB & Pension Trust Performance Report for Quarter Ending December 31, 2024	Moss Adams Status Report Update	Appoint Audit Committee Chair and Vice Chair		OPEB & Pension Trust Performance Report for Quarter Ending June 30, 2025	OPEB & Pension Trust Performance Report for Quarter Ending September 30, 2025	Review of FY 2024-25 ACFR and Supplemental Reports
Quarterly Treasurer's Investment Report for Quarter Ending December 31, 2024	Baker Tilly - Budget Format Review	OPEB & Pension Trust Performance Report for Quarter Ending March 31, 2025		Quarterly Treasurer's Investment Report for Quarter Ending June 30, 2025	Quarterly Treasurer's Investment Report for Quarter Ending September 30, 2025	
Internal Audit and Fraud, Waste, and Abuse Programs Update		Internal Audit and Fraud, Waste, and Abuse Programs Update		Internal Audit and Fraud, Waste, and Abuse Program Update	Internal Audit and Fraud, Waste, and Abuse Program Update	
		Annual Review of City Investment Policy		Fiscal Year 2024-25 ACFR Interim Testing Update	Annual Review of OPEB and Pension Trust Investment Policies	
		Internal Audit Program		Audit Committee Duties, Powers, and Responsibilities - (5/20/25 CC meeting)	Fiscal Year 2024-25 ACFR Update	
		FY 23-24 Agreed Upon Procedures (AUP) Review - GANN Limit, Investment Policy, Storm Drain		Budget Format Review Update and Subcommittee	Budget Format Review (Tentative)	
		Updated Budget Format Implementation Action Plan (IAP)		Special Revenue Fund Audit Update		

Summary of Duties – Powers – Responsibilities of Cupertino Audit Committee
Source: Cupertino, CA Municipal Code, Chapter 2.88.100: Audit Committee
The powers and functions of the Audit Committee shall be as follows: <ul style="list-style-type: none">To review the annual audit report and management letter;To recommend appointment of auditors;To review the quarterly Treasurer's Investment report;To recommend a budget format;To review City investment policies and internal controls of such policies.To recommend appointment of internal auditors;To review internal audit reports.To review quarterly Fraud, Waste, and Abuse Program reports. (Ord. 22-2243 § 1, 2023; Ord. 20-2208, § 1, 2020; Ord. 1679, § 1 (part), 1995)

CHAPTER 2.88: AUDIT COMMITTEE

2.88.010 Established–Composition.

A. The Audit Committee of the City is established. The Audit Committee shall consist of five members as follows:

1. Two City Council members;
2. A minimum of Two and a maximum of three at large members who are not officials or employees of the City nor cohabit with, as defined by law, nor be related by blood or marriage to, any member of the committee, the City Manager or the staff person or persons assigned to the committee.

(Ord. 1913, (part), 2003; Ord. 1874, § 1 (part), 2001; Ord. 1679, § 1 (part), 1995)

2.88.020 At Large Member–Qualifications.

An Audit Committee at large member is not required to be a Cupertino resident. In selecting an at large member, the City Council shall give priority to individuals who have substantial accounting, audit, or investment experience, preferably in connection with a governmental agency.

(Ord. 1913, (part), 2003; Ord. 1874, § 1 (part), 2001; Ord. 1679, § 1 (part), 1995)

2.88.030 Terms of Office.

- A. Audit Committee members serve at the pleasure of the City Council. The term of office of the members of the Audit Committee shall be for four years commencing on the date of their respective appointments to the Audit Committee and shall end on January 30th of the year the terms are due to expire. No Audit Committee member shall serve more than two consecutive terms unless he or she has been appointed to the committee to fill an unexpired term of less than two years.
- B. The appointment, reappointment and rules governing incumbent members of the Audit Committee are governed by the Resolution of the City Council which governs advisory bodies.

(Ord. 18-2180, § 10 (part), 2018; Ord. 1974, § 1, 2006; Ord. 1679, § 1 (part), 1995)

2.88.040 Members–Vacancy Prior to Expiration of a Term.

If a vacancy occurs other than by expiration of a term, it shall be filled by the City Council's appointment for the unexpired portion of the term.

(Ord. 1679, § 1 (part), 1995)

2.88.050 Chairperson.

The committee shall elect its chairperson and vice chairperson from among its members and shall appoint a secretary. Terms of the chairperson and vice chairperson shall be for one year. Upon approval of the City Council, the City Manager may appoint a secretary who need not be a member of the committee.

(Ord. 2015, § 1, 2008; Ord. 1679, § 1 (part), 1995)

2.88.060 Meetings.

- A. The Audit Committee shall establish a regular time and place of meeting and rules of conduct thereof and shall hold at least one regular meeting quarterly.
- B. A majority of the Audit Committee shall constitute a quorum for the purpose of transacting the business of the committee.

(Ord. 1679, § 1 (part), 1995)

2.88.070 Compensation—Expenses.

Members shall serve on the Audit Committee without compensation, but all necessary expenses reasonably incurred by them while acting in their official capacity shall be paid by appropriate action of the City Council.

(Ord. 1679, § 1 (part), 1995)

2.88.080 Majority Vote Required.

A majority vote of the quorum is required to approve a recommendation on any matter that is presented to the committee which requires a vote.

(Ord. 1679, § 1 (part), 1995)

2.88.090 Records.

The committee shall keep an accurate record of its proceedings and transactions and shall render such reports to the City Council and Planning Commission as may be required. These records shall be filed with the City Clerk.

(Ord. 18-2180, § 10 (part), 2018; Ord. 1679, § 1 (part), 1995)

2.88.100 Duties–Powers–Responsibilities.

The powers and functions of the Audit Committee shall be as follows:

- A. To review the annual audit report and management letter;
- B. To recommend appointment of auditors;
- C. To review the Quarterly Treasurer's investment report;
- D. To recommend a budget format;
- E. To review City investment policies and internal controls of such policies;
- F. To recommend appointment of internal auditors;
- G. To review internal audit reports;
- H. To review quarterly Fraud, Waste, and Abuse Program reports.

(Ord. 23-2247, § 1 (part), 2023; Ord. 22-2243, § 1, 2022; Ord. 20- 2208, § 1, 2020; Ord. 1679, § 1 (part), 1995)

2.88.110 City Staff Assistance.

The Audit Committee shall have available to it such assistance of City staff as may be required to perform its functions, the staff assignments and administrative procedures to be under the general direction and supervision of the Director of Administrative Services.

(Ord. 1679, § 1 (part), 1995)

2.88.120 Procedural Rules.

The Audit Committee may adopt from time to time such rules of procedure as it may deem necessary to properly exercise its powers and duties. Such rules shall be subject to approval by the Council before becoming effective. All such rules shall be kept on file

with the chairperson of the Audit Committee, the Mayor, and the City Clerk and a copy thereof shall be furnished to any person upon request.

(Ord. 1679, § 1 (part), 1995)

2.88.130 Effect.

Nothing in this chapter shall be construed as restricting or curtailing any powers of the City Council or City officers.

(Ord. 1679, § 1 (part), 1995)



CITY OF CUPERTINO

Agenda Item

25-14192

Agenda Date: 7/28/2025
Agenda #: 8.

Subject: ACTION ITEM Special Revenue Fund Process Audit Update

Receive Special Revenue Fund Process Audit Update and forward to City Council

Presenter: Baker Tilly

5:25(15)

Proprietary & Confidential
PRELIMINARY REPORT

CITY OF CUPERTINO

SPECIAL REVENUE FUND PROCESS REVIEW

June 10, 2025

Moss Adams LLP
999 Third Avenue, Suite 2800
Seattle, WA 98104
(206) 302-6500



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I. EXECUTIVE SUMMARY

A. INTRODUCTION

As part of the City of Cupertino's (the City's) fiscal year (FY) 24–25 internal audit program, Moss Adams LLP (Moss Adams) conducted a special revenue fund process review. The purpose of this engagement was to document the process used for special revenue fund accounting, identify gaps compared to best practices, and conduct testing of prior years' accounting. We conducted this engagement between August 2024 and April 2025 using a four-phased approach consisting of project initiation and management, fact-finding, analysis, and reporting.

B. SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

Observations and recommendations are summarized below.

OBSERVATIONS AND RECOMMENDATIONS		
PROCESS		
1.	Observation	Processes and controls exist to ensure only allowable expenditures are recorded to special revenue funds, but some processes and controls are not well-documented. Gaps in documentation, staff knowledge, and training led to miscoding expenditures to a special revenue fund in FY24.
	Recommendation	<ul style="list-style-type: none">• Verify the processes and controls that ensure only allowable expenditures are recorded to special revenue funds are well-documented and easily replicable.• Conduct and document staff training on permitted uses of all special revenue funds.

II. BACKGROUND, SCOPE, AND METHODOLOGY

Moss Adams conducted this special revenue fund process review for the City as part of its FY24–25 internal audit program. Special revenue funds are established to account for the proceeds of specific revenue sources that are legally restricted for expenditures for particular purposes. As of FY24–25, the City tracks 10 designated special revenue funds; some of these funds are grouped for Annual Comprehensive Financial Report (ACFR) purposes, as shown in the table below.

CITY OF CUPERTINO SPECIAL REVENUE FUNDS		
ACFR Grouping	Special Revenue Fund with General Ledger Fund Code	Purpose of Fund
Storm Drain Improvement Special Revenue Fund	210 Storm Drain Improvement	Accounts for the construction and maintenance of storm drain facilities, including drainage and sanitary sewer facilities. Projects are funded by the Capital Reserve.
	215 Storm Drain	Accounts for revenues from developers as a result of connections to the storm drainage sewer system.
Environmental Management/Clean Creeks Special Revenue Fund	230 Environmental Management/Clean Creek/Storm Drain	Accounts for activities related to operating the Non-Point Source Pollution Program. Revenues are from parcel taxes.
Housing Development Special Revenue Fund	260 Community Development Block Grant (CDBG)	Accounts for the Federal Housing and CDBG Program activities. CDBG is a federally funded program for housing assistance and public improvements.
	261 Housing and Community Development (HCD) Loan Rehab	Accounts for activities related to rehabilitation loans.
	265 Below Market Rate (BMR) Housing	Accounts for activities related to the BMR Housing Program. Revenues include BMR housing mitigation fees collected from developers to mitigate the impact of housing needs. Monies in this fund are governed by the program's rules.
Transportation Special Revenue Fund	270 Transportation	Accounts for the City's gas tax, vehicle registration fees, and grant revenues and expenditures related to the maintenance and construction of City streets. All revenue in this fund is restricted exclusively for street and road purposes, including related engineering and administrative expenditures.
Traffic Impact Special Revenue Fund	271 Traffic Impact	Accounts for development impact fees to ensure that new development and redevelopment projects pay their "fair share" to mitigate traffic impacts.

CITY OF CUPERTINO SPECIAL REVENUE FUNDS		
ACFR Grouping	Special Revenue Fund with General Ledger Fund Code	Purpose of Fund
Park Dedication Special Revenue Fund	280 Park Dedication	Accounts for the activity granted by the business and professions code of the State of California in accordance with the open space and conservation element of the City's General Plan. Revenues are restricted for the acquisition, improvement, expansion, and implementation of the City's parks and recreation facilities.
	281 Tree	Accounts for revenues from in-lieu tree replacement fees and tree damage and removal fees. The revenues are transferred to the Street Tree Maintenance Program to pay for new and replacement trees.

Our project objectives for this engagement included the following:

- Document the process used for special revenue fund accounting
- Identify gaps compared to best practices
- Conduct testing of prior years' accounting
- Develop actionable recommendations for consideration by management

This analysis was informed by staff interviews, document reviews, research on industry best practices, and testing of a sample of expenditure transactions. The study was conducted between August 2024 and April 2025, and consisted of four major phases:

1. **Project Initiation and Management:** This phase concentrated on comprehensive project planning and project management, including setting the scope, identifying staff to interview and documents to review, communicating the plan, and establishing a game plan for execution.
2. **Fact-Finding:** This phase included staff interviews, document reviews, research on industry best practices, and testing of a sample of expenditure transactions. We worked with City staff to obtain the most currently available information and insights.
 - **Staff Interviews:** We conducted interviews with six staff members. We included representation from City leadership and departments such as Public Works and Community Development.
 - **Document Review:** We reviewed documents, including policies and procedures, City resolutions and other regulatory documents, and prior reports pertaining to special revenue funds.
 - **Industry Best Practice Research:** Based on the opportunities for improvement identified, we conducted research to ascertain industry standards and best practices.
 - **Testing of Expenditure Transactions:** We obtained expenditure details for FY23–24, validated the completeness of the expenditure population, and judgmentally selected a sample of 22 transactions for testwork.

3. **Analysis:** This phase served as the assessment portion of the project. Based on the information gathered, we evaluated the importance, impact, and scope of our observations in order to draw conclusions and develop process recommendations.
4. **Reporting:** This phase concluded the project. We reviewed draft observations and recommendations with City leadership to validate facts and confirm the practicality of recommendations.

A. COMMENDATION

Although the focus of the engagement was to identify areas that need improvement within the special revenue fund process, it is important to note the areas of strength that can be leveraged for further improvement within the City. The Moss Adams team would like to note the following commendation:

- **Commitment to Continuous Improvement:** In February 2024, the City was informed of an issue regarding the miscoding of transactions to the BMR Housing Fund, specifically transactions involving attorney fees. The City took immediate steps to implement additional controls for BMR fund invoice processing to prevent similar miscoding in the future. Additional controls included requiring a Director-level departmental review on invoices coded to the BMR fund. In addition, City staff conducted a review of all transactions processed to the BMR Housing Fund from 2019 to 2024, and Community Development held a number of meetings to educate department personnel on the process for recording and regulations related to BMR expenditures. These actions demonstrate a commitment to continuous process improvement and strengthening controls by Community Development and Finance.

We would like to commend City staff for their willingness to assist us in this assessment process. This commendation, coupled with our observation and recommendations, provide an overview of areas of strengths and weaknesses that can help improve operations and reduce risk at the City.

III. SUMMARY OF SPECIAL REVENUE FUND EXPENDITURE CONTROLS

Accounts payable controls, budgeting controls, payroll controls, communication (particularly between departments and Finance), and staff education are critical to ensure that special revenue funds finance only the particular activities for which they are designated.

We noted that expenditures are posted against special revenue funds by the City in the following ways:

- Accounts payable/invoice processing
- Quarterly allocation of Citywide costs (cost allocation)
- Payroll
- Transfers between funds (transfers out)

A summary of controls within each of these processes is described in the table below. In addition, a map of the invoice processing process is included in [Section VII](#) of this report.

EXPENDITURE SOURCE	DESCRIPTION OF CONTROLS
Invoice Processing	<p>Invoices are processed and coded at the department level and subject to three levels of review after coding: departmental supervisor review (at the individual invoice level), AP review (at the individual invoice level), and Finance Manager review (at the payment batch level). See Section VII of this report for a process map.</p> <p>Additionally, expenses are budgeted by fund annually and budget-to-actuals are monitored by departments as well as by Finance. Within the invoice coding process, the system compares the expense that the department is trying to encumber against the budget for that string. Finance override is needed for transfers between account strings within each fund; departments cannot transfer budgeted amounts between funds or exceed budgeted encumbrances.</p>
Cost Allocation	<p>A Cost Allocation Plan is created by Finance to allocate Citywide central service and administrative expenses to departments/funds based on a number of allocation formulas/bases. Cost allocation expense is posted quarterly. Finance reviews and updates allocation formulas periodically to ensure that allocations are fair and not charged to funds that cannot be used for administrative expenses.</p>
Payroll	<p>Employee timesheets are reviewed and approved by supervisors prior to payroll processing. Each employee's time is designated to a fund (or funds) during the annual budgeting process, based on employee job duties. Payroll budget-to-actuals are monitored by departments as well as by Finance.</p>
Transfers Out	<p>In most cases, transfers are included within budget modification resolutions, which are prepared by Finance and approved by City Council.</p>

IV. SUMMARY OF TESTWORK

Moss Adams obtained expenditure detail for FY24, validated the completeness of the expenditure population, and judgmentally selected a sample of 22 transactions for testwork. This sample included 17 transfer and expenditure transactions, three payroll transactions, and two cost allocation transactions. A summary of testwork results by special revenue fund grouping is presented below.

CITY OF CUPERTINO SPECIAL REVENUE FUNDS				
ACFR Grouping	Special Revenue Fund with General Ledger Fund Code	Summary of Expenditure and Transfer Testwork	Summary of Payroll Testwork	Summary of Cost Allocation Testwork
Storm Drain Improvement Special Revenue Fund	210 Storm Drain Improvement	We judgmentally selected and tested one transfer and two expenditure transactions posted to these funds during FY24. Transfers and expenditures were supported by documentation and approvals. Transactions appeared allowable based on Municipal Code 3.36.010 and 3.36.170 and associated City resolutions.	We noted no payroll expenses posted to these funds during FY24.	We noted no quarterly cost allocations allotted to these funds during FY24.
	215 Storm Drain			
Environmental Management/Clean Creeks Special Revenue Fund	230 Environmental Management/Clean Creek/Storm Drain	An agreed upon procedure (AUP) engagement is completed each year by an independent third party to assess the allowability of expenditures, including payroll transactions, posted to this fund. We reviewed the most recent four years of finalized AUP reports and noted no exceptions. Expenditure allowability is guided by Municipal Code 3.38.010 and 3.38.160.		
Housing Development Special Revenue Fund	260 Community Development Block Grant	We judgmentally selected and tested one transfer and four expenditure transactions posted to funds 260 and 265 during FY24. We noted no expenditures or transfers out from fund 261 during FY24. Transfers and expenditures were supported by documentation and approvals. Four of five transactions appeared allowable based on the CDBG Annual Action Plan and the BMR Housing Mitigation Program Procedural Manual. For one of five transactions tested, additional narrative information was required from Finance and Community Development	We judgmentally selected one FY24 payroll transaction for testwork. We verified that the employee timesheet was approved, and labor allocated between funds 260 and 265 appeared reasonable based on employee's approved Personnel Action Form. We noted no payroll	We traced the FY24 cost allocation allotted to fund 265 to the Cost Allocation Plan provided by Finance. We noted no cost allocated to funds 260 or 261. We noted that allocated costs appeared reasonable, and we confirmed that the BMR Housing Mitigation Program Procedural Manual allows
	261 Housing and Community Development (HCD) Loan Rehab			
	265 Below Market Rate (BMR) Housing			

CITY OF CUPERTINO SPECIAL REVENUE FUNDS				
ACFR Grouping	Special Revenue Fund with General Ledger Fund Code	Summary of Expenditure and Transfer Testwork	Summary of Payroll Testwork	Summary of Cost Allocation Testwork
		in order to support allowability. This is not considered an exception. See the Additional Process Improvement Opportunities section for a recommendation related to this sample.	expenses posted to fund 261 during FY24.	for administrative costs to be charged to the fund.
Transportation Special Revenue Fund	270 Transportation	We judgmentally selected and tested five expenditure transactions posted to this fund during FY24. Expenditures were supported by documentation and approvals. Expenditures appeared allowable based on Municipal Code 14.02.010 and 14.02.080.	We judgmentally selected one FY24 payroll transaction for testwork. We verified that the employee timesheet was approved, and labor allocated to fund 270 appeared reasonable for the selected sample based on employee job title.	We traced the FY24 cost allocation allotted to fund 270 to the Cost Allocation Plan provided by Finance. We noted that allocated costs appeared reasonable, and we confirmed that Municipal Code 14.02.080 allows for administrative costs to be charged to the fund.
Traffic Impact Special Revenue Fund	271 Traffic Impact	We noted no expenditures or transfers out from this fund during FY24. Further testwork was not considered necessary.		
Park Dedication Special Revenue Fund	280 Park Dedication	We judgmentally selected two transfers and two expenditure transactions posted to these funds during FY24. Transfers and expenditures were supported by documentation and approvals. Transactions appeared allowable based on Municipal Code 13.08.060, 14.05.030, and 14.05.100.	We noted no payroll expenses posted to these funds during FY24.	We noted no quarterly cost allocations allotted to these funds during FY24.
	281 Tree			

V. OBSERVATIONS AND RECOMMENDATIONS

Based on the input gathered from interviews, document review, and review of expenditure transactions as well as comparisons to best practices, we prepared the following observation and recommendation.

A. PROCESS DOCUMENTATION AND TRAINING

1.	Observation	Processes and controls exist to ensure only allowable expenditures are recorded to special revenue funds, but some processes and controls are not well-documented. Gaps in documentation, staff knowledge, and training led to miscoding expenditures to a special revenue fund in FY24.
	Recommendations	<ul style="list-style-type: none">• Verify the processes and controls that ensure only allowable expenditures are recorded to special revenue funds are well-documented and easily replicable.• Conduct and document staff training on permitted uses of all special revenue funds.

Accounts payable controls, budgeting controls, payroll controls, communication, and staff education are critical to ensure that special revenue funds finance only the particular activities for which they are designated. Interviewees reported that controls are in place and that special revenue fund expenditures are reviewed by individuals with knowledge to assess their allowability. In cases where expenses are allocated between funds, interviewees reported that allocation is consistent.

However, in FY24, the City experienced an incident involving the coding of unallowable expenditures to a special revenue fund. This incident indicated a gap in internal controls and a lack of staff training related to permissible uses of the BMR fund.

The City took steps to correct the miscoding and implement additional controls for the BMR fund as a result of this discovery. Additional controls included the following:

- A Director-level review is required on each BMR invoice, which is checked manually by Finance.
- Additional education was given to Community Development personnel regarding permissible uses of BMR funds.

While we commend the City for these corrective actions related to the BMR fund, the City should also consider the following:

- Where the City has processes and controls in place for special revenue funds that ensure only allowable expenditures are recorded, the City should verify that the processes and controls are well-documented and easily replicable. This is particularly important for manual controls. When processes and controls are not well-documented, there is a risk of inconsistent practices by City personnel and knowledge loss during staff turnover.
- The City should provide staff training related to each special revenue fund, including instructions on permissible uses of funds. The City should record or document this training and store it in a central location as well as require departmental and Finance staff to participate in this training.

VI. ADDITIONAL PROCESS IMPROVEMENT OPPORTUNITIES

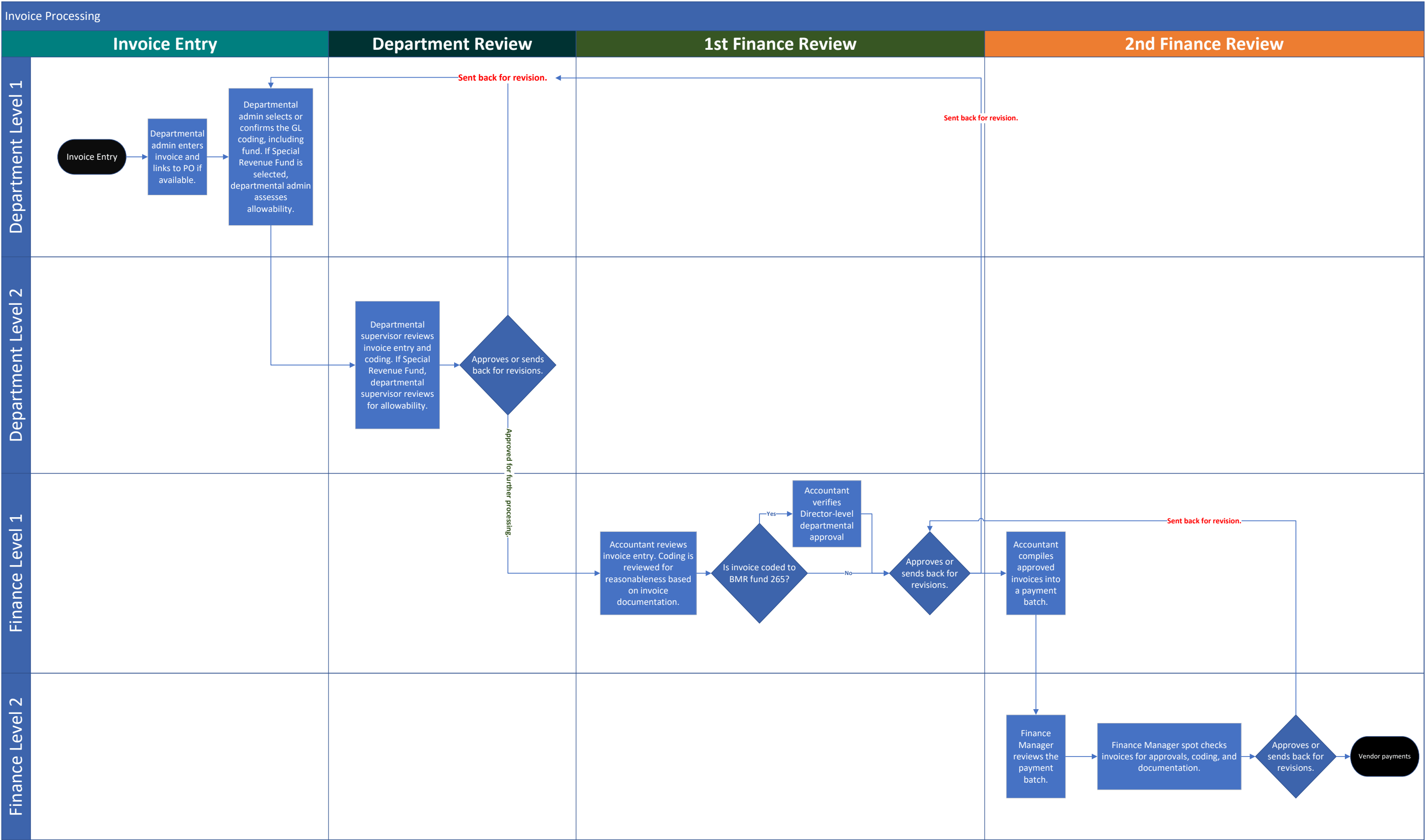
Moss Adams identified the following two opportunities for process improvement as a result of this review.

NO.	CATEGORY	PROCESS IMPROVEMENT RECOMMENDATION
1	Allowability of Expenditures	<p>For one of five expenditure samples tested for Fund 265, we were unable to confirm the allowability of the expenditure transaction based on a review of the BMR Housing Mitigation Program Procedural Manual, section 2.2.2 Permitted Use of Fees, and the invoice documentation. For this sample, additional narrative information was obtained from Community Development to substantiate the connection between the expenditure and the list of permitted fees.</p> <p>Section 2.2.2.A, Permitted Use of Fees, states, “Affordable housing mitigation fees deposited into the BMR AHF shall only be used for the provision of affordable housing in Cupertino.” Section 2.2.2.B lists example uses of the fund’s revenue. Some of these include land acquisition, new construction, substantial rehabilitation, BMR program administration, and down payment assistance. Section 2.2.2.C notes that a portion of the BMR AHF will be targeted to specific target populations.</p> <p>The invoice we reviewed as part of our expenditure sample included expenses related to the Haven to Home and Rotating Shelter Car Park programs. Expenses invoiced included case management, indirect administration costs, ready-to-cook food, insurance, car repair, and registration.</p> <p>Per inquiry with Community Development, “These programs [Haven to Home and Rotating Shelter Car Park] provide intensive case management and social services for the unhoused with the ultimate goal of helping them to secure permanent housing...[T]hese programs assist extremely low income and homeless persons find permanent housing, which makes it a qualified service that assist[s] in the provision of affordable housing.”</p> <p>While we accept Community Development’s explanation for these expenditures, we observe that some ambiguity exists in the link between the tested expenditures (e.g., ready-to-cook meals) and the “provision of affordable housing” as outlined in Section 2.2.2.A. Where ambiguity exists between permitted use of special revenue fees and City expenditures, we recommend the following:</p> <ul style="list-style-type: none"> • Obtain and document City Attorney review of the proposed expenditure or expenditure category. • If appropriate, consider revising the BMR Housing Mitigation Program Procedural Manual to clarify permitted use of fees.

NO.	CATEGORY	PROCESS IMPROVEMENT RECOMMENDATION
2	Roles and Responsibilities	<p>The City's Accounts Payable Processes and Procedures specify that City departments are responsible for coding invoices to appropriate budget line items (including fund number) that correspond to expenditures. Finance is responsible for verifying that general ledger accounts (including fund) appear appropriate.</p> <p>During the fieldwork portion of this engagement, we noted that Finance had difficulty identifying a complete list of departmental points of contact with whom we could discuss the process for posting expenditures to special revenue funds. While we were ultimately able to identify and connect with departmental points of contact, we recommend Finance maintain the following information centrally for each special revenue fund:</p> <ul style="list-style-type: none"> ● Regulatory documentation, such as Municipal Code section or City resolution, that guides the use of each special revenue fund ● Department responsible for managing each special revenue fund ● Position or person within department responsible for ensuring that invoices coded to special revenue funds adhere to regulatory requirements and restrictions

VII. PROCESS MAP: INVOICE PROCESSING

We mapped the invoice processing workflow to illustrate review and approval controls that occur during invoice processing. See next page.





MOSSADAMS



bakertilly



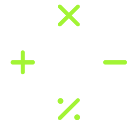
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bakertilly

CITY OF CUPERTINO Special Revenue Fund Process Review

Audit Committee Meeting
July 28, 2025



Agenda

01 PURPOSE AND SCOPE

02 METHODOLOGY

03 OBSERVATIONS AND RECOMMENDATIONS

Purpose and Scope

The purpose of this engagement was to:

- Document the process used for special revenue fund accounting
- Identify gaps compared to best practices
- Conduct testing of prior years' accounting

Methodology

Our work was performed between August 2024 and April 2025. The project consisted of four phases:

1. **Project Initiation and Management:** This phase concentrated on comprehensive project planning and project management, including setting the scope, identifying staff to interview and documents to review, communicating the plan, and establishing a game plan for execution.
2. **Fact Finding:** This phase included staff interviews, document reviews, research on industry best practices, and testing of a sample of expenditure transactions. We worked with City staff to obtain the most currently available information and insights.
3. **Analysis:** This phase served as the assessment portion of the project. Based on the information gathered, we evaluated the importance, impact, and scope of our observations in order to draw conclusions and develop process recommendations.
4. **Reporting:** This phase concluded the project. We reviewed draft observations and recommendations with City leadership to validate facts and confirm the practicality of recommendations.

Observation and Recommendation

Process Documentation and Training

Observation

Processes and controls exist to ensure only allowable expenditures are recorded to special revenue funds, but some processes and controls are not well-documented. Gaps in documentation, staff knowledge, and training led to miscoding expenditures to a special revenue fund in FY24.

Recommendation

- A. Verify the processes and controls that ensure only allowable expenditures are recorded to special revenue funds are well-documented and easily replicable.
- B. Conduct and document staff training on permitted uses of all special revenue funds.

Additional Process Improvement Opportunities

	Category	Recommendation
1	Allowability of Expenditures	<p>Where ambiguity exists between permitted use of special revenue fees and City expenditures, we recommend the following:</p> <ul style="list-style-type: none">• Obtain and document City Attorney review of the proposed expenditure or expenditure category.• Specific to the BMR fund—if appropriate, consider revising the BMR Housing Mitigation Program Procedural Manual to clarify permitted use of fees.
2	Roles and Responsibilities	<p>We recommend Finance maintain the following information centrally for each special revenue fund:</p> <ul style="list-style-type: none">• Regulatory documentation, such as Municipal Code section or City resolution, that guides the use of each special revenue fund• Department responsible for managing each special revenue fund• Position or person within department responsible for ensuring that invoices coded to special revenue funds adhere to regulatory requirements and restrictions

Questions?

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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CITY OF CUPERTINO

Agenda Item

25-14193

Agenda Date: 7/28/2025

Agenda #: 9.

Subject: ACTION ITEM Budget Format Review Presentation and Formation of Budget Format Review Subcommittee

1. Receive Budget Format Review presentation as outlined in the Budget Format Implementation Action Plan (IAP) recommendation #30

2. Form Budget Format Review subcommittee

Presenter: Kristina Alfaro, Director of Administrative Services

5:40(15)



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3220 • FAX: (408) 777-3109
CUPERTINO.ORG

AUDIT COMMITTEE STAFF REPORT

Meeting: July 28, 2025

Subject

Budget Format Review Presentation and Formation of Budget Format Review Subcommittee

Recommended Action

1. Receive Budget Format Review presentation as outlined in the Budget Format Implementation Action Plan (IAP) recommendation numbers 15, 17, 18, 19, and 30.
2. Form Budget Format Review subcommittee

Reasons for Recommendation

Background

On May 6, 2025, the Final Budget IAP was presented to the City Council. This plan included 33 recommendations. The FY 2025-26 budget document accomplished 17 of the 33 recommendations which resulted in a 50% implementation rate for the first year of the IAP.

The final Budget Format Implementation Action Plan is included as Attachment A of this report.

Budget Format Migration to OpenGov

The five IAP recommendations (15, 17, 18, 19, 30) support a comprehensive work plan for improving a city's budget process, budget document, and related financial reporting systems. The recommendations create a more transparent, consistent, accessible, and integrated budgeting and financial reporting system, leveraging OpenGov, internal coordination, and stakeholder engagement while also ensuring that policies and reporting frameworks support oversight and clarity. Refer to Attachment A for further details on each of the IAP recommendations.

Staff began working on the migration of budget data and narratives to OpenGov and will be presenting 3 different budget formats for Audit Committee's consideration. Staff researched other agencies that utilize OpenGov publications to present budget data in

differing formats, length of data history, and depth of detail. OpenGov recommended the following three agencies: Oakland, CA, Durango, CO, and Pasadena, CA, because they currently utilize the publications feature and have budget documents similar to Cupertino. Staff coordinated a series of meetings with an OpenGov representative to learn how to set up a publication, migrate data, and recreate charts as presented in the current budget document. Staff have migrated all budget narratives and tables and charts to individual OpenGov pages. Budget pages for all introductory chapters, departments, and CIP were created. Pages were organized in a draft format inspired by example publications as presented. Staff also documented the publication creation and migration process for future replication.

Next Steps

Staff recommends Audit Committee to provide feedback the three OpenGov sample formats . Staff also recommends Audit Committee to create a budget format sub-committee to finalize OpenGov budget format for recommendation to the Council ahead of FY 2026-27.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

City Work Program (CWP) Item/Description

None.

Council Goal:

Fiscal Strategy

California Environmental Quality Act

Not applicable.

Prepared by: Toni Oasay-Anderson, Acting Budget Manager

Reviewed by: Kristina Alfaro, Director of Administrative Services

Approved for Submission by: Tina Kapoor, Interim City Manager

Attachments:

A – Budget Format Implementation Action Plan

B – Opengov Budget Examples Presentation

City of Cupertino – Budget Document Improvements and Performance Measures Updated Implementation Action Plan

April 2025

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
1	Ensure the document includes a title page, improved table of contents, consistent layout and orientation.	<ul style="list-style-type: none">Review the budget document for consistent formatting including font, font size, page orientationEnsure title page and table of contents are properly formatted	1	Admin Services	FY26 Implementation
2	Isolate the Budget Message as a standalone section.	<ul style="list-style-type: none">Move the Strategic Goals Budget Message section to the front of the document in the Introduction Section	2	Admin Services	FY26 Implementation
3	Incorporate the City’s Mission in the Budget Guide section with the Strategic Goals subsection and move them to the Introduction section after the City’s organization chart.	<ul style="list-style-type: none">Condense the City’s Mission in the Budget Guide section areas of the Budget MessageMove to the introduction section	2	Admin Services	FY26 Implementation
4	Eliminate the Notable Accomplishments and New Initiatives sections by condensing its content into a bulleted one or two sentence description for each accomplishment and relocate each relevant accomplishment to the respective Department section.	<ul style="list-style-type: none">Condense Notable Accomplishments and New Initiatives sections into small bulleted or narrative list by DepartmentMove each bulleted description into relevant Department sectionRemove Notable Accomplishments and New Initiatives sections	2	Admin Services	FY26 Implementation
5	Summarize high-level notable accomplishments and new initiatives within the City Manager’s Budget Message	<ul style="list-style-type: none">Summarize high-level notable accomplishments and new initiatives into a small paragraphPut this paragraph in the City Manager’s Budget Message	2	Admin Services/ City Manager’s Office	FY26 Implementation
6	Elevate the Budget Overview subsection as its own section in the budget document.	<ul style="list-style-type: none">Add the existing Budget Overview subsection as it’s own new sectionInclude the following subsections:<ul style="list-style-type: none">Budget Roadmap,Changes to the Budget and Policies,Budget by Fund,Service-Level Reductions,Special Projects,Current Economic Update,Key Budget Assumptions, andOngoing Challenges	2	Admin Services	FY26 Implementation

¹Priority 1: Important to accomplish without delay and/or easy to accomplish.
Priority 2: Second tier of importance to accomplish and/or may involve some complexity or time to complete.
Priority 3: Least urgent to complete and/or may take longer to set-up or to execute.
²To establish clear accountability there should be a single manager assigned responsibility for completing implementation of each recommendation. Where more than one manager is identified in this column, responsibility should be clarified when the Final Action Plan is prepared.

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
7	Report Department reductions at the summary level and refer to the Department section for further detail.	<ul style="list-style-type: none">• Use the newly created Budget Overview section in Recommendation #6 to create a four page narrative• Refer to the individual Department sections for further detail	2	Admin Services	FY26 Implementation
8	Complete and publish the FY 2024-25 Budget at a Glance document to summarize the budget for the casual user.	<ul style="list-style-type: none">• Publish the above four page narrative from Recommendation #7 as a separate City’s Budget at a Glance document	2	Admin Services	April 2025
9	Move the Mission Statement to the strategic goals section.	<ul style="list-style-type: none">• Move the Mission Statement from the Budget Guide section to the Strategic Goals section.	2	Admin Services	FY26 Implementation
10	Move the Elements of the Budget Document, Glossary of Budget Terminology, Commonly Used Acronyms, and Revenues/Expenditures/Fund Balance Table to the Appendix.	<ul style="list-style-type: none">• Move the following Elements of the Budget Document to the appendix<ul style="list-style-type: none">○ Glossary of Budget Terminology○ Commonly Used Acronyms○ Revenues/Expenditures/Fund Balance Table	2	Admin Services	FY26 Implementation
11	Eliminate the City Profile, Education, Programs and Applications, Community and Recreation Services and Things to Do and See subsections of the Community Profile section from the budget document.	<ul style="list-style-type: none">• Remove the following subsections of the Community Profile section<ul style="list-style-type: none">○ City Profile○ Education○ Programs and Applications○ Community and Recreation Services○ Things to Do and See	2	Admin Services	FY26 Implementation
12	Update all policies to provide a summary of the policy and include a link to the official policy on the City’s website.	<ul style="list-style-type: none">• Remove the full financial policies from the budget document to retain in an appendix with the budget and any revision dates• Include a summary of the relevant financial policies and a link to the full policy on the City’s website	3	Admin Services	FY26 Implementation
13	Eliminate the Flow of Funds Chart and replace it with a narrative description of how taxes are used to fund City services within the Budget Overview section of the budget.	<ul style="list-style-type: none">• Eliminate the Flow of Funds Chart in the All Funds Financial Schedule section• Include a narrative of how taxes are used to fund City services within the Budget Overview section	3	Admin Services	FY28 Implementation
14	Revise the General Fund Contribution Schedule subsection to include a brief narrative of General Funds resources that are being contributed to other funds, refer to the General Fund Transfers subsection, and eliminate the existing table.	<ul style="list-style-type: none">• Develop a draft narrative summary for City Manager’s Office review and feedback• Eliminate the existing table of the General Fund Contribution Schedule in the General Fund Financial Schedules sections• Refer to the General Fund Transfers subsection in the narrative	2	Admin Services	FY27 Implementation

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
		<ul style="list-style-type: none">• Publish the updated section for incorporation into the annual budget document			
15	Refer the reader to the Department section or OpenGov for further detail.	<ul style="list-style-type: none">• Review architecture and links in OpenGov to ensure accuracy and usability of financial schedules that provide the same or similar information as in the current budget document• Make revisions to OpenGov as required• Modify text references in the General Fund Financial Schedules section in each department to direct readers to the department sections, appendix and/or OpenGov• Condense Revenues section detail• Add reference to Open Gov to show further detail	2	Admin Services	FY27 Implementation
16	Condense the General Fund Revenues to provide an overview of the key revenue sources, and include the more detailed descriptions and analysis in the General Fund Forecast subsection.	<ul style="list-style-type: none">• Develop a revised draft of a condensed General Funds revenue section (e.g., start with an outline, then complete a draft based on prior budget)• Move the more detailed descriptions and analysis in the General Fund Forecast subsection• Ensure consistency in formatting and align structure across both sections for clarity• Publish the updated section as part of the draft budget	2	Admin Services	FY26 Implementation
17	Review each Department section to include the following components: 1) Department description; 2) Organizational chart (by division/program including number of assigned personnel FTE equivalents); 3) Personnel summary (subtotals by position); 4) Key priorities, with emphasis on how they achieve the citywide strategic plan/priorities; 5) Performance measures with a reference to key departmental priorities and citywide strategic plan/priorities; and 6) Revenue and Expenditure summary by division/program and by expenditure type (personnel costs, materials and services, capital outlay, etc.).	<ul style="list-style-type: none">• Review each Department section to ensure there is consistency in including the following components:<ul style="list-style-type: none">○ Department description○ Organizational chart○ Personnel summary○ Key priorities○ Performance measures○ Revenue and Expenditure summary	3	Admin Services	FY27 Implementation
18	Eliminate the program budget information in the Department sections and refer the user to OpenGov to obtain further detail.	<ul style="list-style-type: none">• Eliminate the program budget information in the departmental sections• Add reference to Open Gov for the reader to obtain further detail at the program budget level	2	Admin Services	Per Council hold off on this for awhile. FY27 Implementation

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
19	Develop a minimum five-year Capital Improvement Plan (CIP) and incorporate the CIP plan into the budget document.	<ul style="list-style-type: none">• Develop the Capital Improvement Plan should be created and include the following elements:<ul style="list-style-type: none">○ CIP Overview○ CIP Process that explains the definition of a project and the planning process○ Project descriptions○ Financial Summary by Year○ Funding Availability• The CIP should be included as part of the annual budget with similar timelines so that the recommended operating and capital budgets are published within the budget schedule.	1	Public Works/ Admin Services	FY26 Implementation
20	Affirm primary responsibility and lead role of the development of the CIP Plan to Public Works as a shared responsibility and collaboration with other departments.	<ul style="list-style-type: none">• Assign the lead role of development of the CIP to the Public Works Department• Conduct cross-departmental CIP meetings to ensure input is received• Develop a department coordination framework that defines roles, responsibility for input and collaboration• Discuss and disseminate the framework with departments.• Conduct periodic check-ins on CIP plan development to include the City Manager, and representatives from Public Works and Administrative Services	1	City Manager’s Office, delegated to Public Works	FY26 Implementation, internal Standard Operating Procedure (SOP)
21	Assign compilation and publication of the CIP Plan section of the budget document to the Administrative Services Department’s Budget division.	<ul style="list-style-type: none">• Assign the lead role of compilation and publication of the CIP to the Admin Services Department• Standardize CIP formatting and structure to ensure consistency in CIP descriptions, budget projections and reporting• Establish a review and submission timelines for the draft and final CIP version in the context of the broader budget process• Collaborate with Public Works to inform final development of the finalized CIP plan• Incorporate the capital budget in the recommended budget document.	1	City Manager’s Office, delegated to Admin Services	FY26 Implementation
22	Complete the FY 2024-25 Capital Budget and issue as Volume 2 of the current adopted budget.	<ul style="list-style-type: none">• Complete the FY 2024-25 Capital Budget already in progress (performed by Public Works)	1	Public Works/ Admin Services	Completed April 2025

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
		<ul style="list-style-type: none">• Issue the Capital Budget as Volume 2 of the current adopted budget.			
23	Provide clear quarterly tracking of CIP priorities, progress, and alignment with Council work programs.	<ul style="list-style-type: none">• Develop a quarterly reporting framework to define reporting element such as progress tracking, estimated time of construction and completion, and tracking against budget• Establish a reporting calendar to set quarterly review deadlines on City Council agendas• Implement the CIP progress reporting• Check-in with City Council and department leaders to evaluate CIP progress reporting and opportunities to improve it	2	City Manager’s Office, delegated to Public Works	FY27 Implementation
24	Create a detailed appendix for fund transfers, enterprise funds, and grant funding usage.	<ul style="list-style-type: none">• Create a framework to report the following:<ul style="list-style-type: none">○ Fund transfers○ Enterprise funds○ Grant funding• Compile the fund transfer and grant data to document all sources and uses of funds• Publish the developed report(s)	2	Admin Services	FY27 Implementation
25	Ensure all appropriated funds and consulting services are tracked and reported against original purposes.	<ul style="list-style-type: none">• Review current trancking mechanisms and implement any necessary changes based on feedback received from City Councilmembers regarding past reports• Review the current expense report that shows budget and actual expenditures for all appropriated funds• Create a report in OpenGov that highlights the consulting services expenses compared to the original budget.• Keep clear documentation of all consulting services budgets.	3	Admin Services	FY28 Implementation
26	Develop and implement a Special Projects policy to address such issues as definitions, approval authorities, timelines, projects spanning multiple fiscal years, budget carryovers for projects extending into a subsequent fiscal year, and periodic reporting timelines and form.	<ul style="list-style-type: none">• Develop a special projects policy that addresses:<ul style="list-style-type: none">○ Definition of special projects○ Form of reporting○ Frequency of reporting○ Follow-up on items and direction from City Council	1	City Manager’s Office	Completed April 2025

Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
27	Review the City’s annual budget resolution and/or expenditure and budget policies to ensure they align with City Council authorities provided to the City Manager or designee in managing the annual budget, including use of contracted and/or consulting services to achieve the City’s annual service delivery goals expressed in the adopted budget.	<ul style="list-style-type: none">Review the City’s annual budget resolution and/or expenditure and budget policies to ensure the following:<ul style="list-style-type: none">Authorities provided to the City ManagerUse of contracted or consulting servicesMake any changes or updates as needed	1	City Manager’s Office	FY26 Implementation
28	Review the City’s current budget community engagement strategy with the City Council to ensure it is successfully meeting the needs for identifying community priorities and to inform the community about how City services are funded.	<ul style="list-style-type: none">Present the City’s current budget community engagement strategy to the City CouncilSolicit feedback on additional community engagement strategiesMake any changes or updates as needed	1	City Manager’s Office	FY26 Implementation
29	Review educational content on the budget’s role as a financial planning tool and document in light of any changes to the engagement strategy using easy-to-understand content and graphics.	<ul style="list-style-type: none">Review the proposed changes to the community engagement strategiesUpdate educational content and engagement strategy with easy-to-understand content and graphics based on proposed changes	1	Admin Services/ City Manager’s Office	FY26 Implementation
30	Leverage tools like OpenGov to create interactive, department-focused summaries for each user type including the community, council and staff.	<ul style="list-style-type: none">Review the current OpenGov design and layout for departments and solicit feedback for improvementsMove the current year so the newest information is listed first on the main pageDevelop content based on the needs of the community and councilInclude links in the budget document to OpenGov to create more tailored content	1	Admin Services	FY27 Implementation, will need more time to develop and implement this recommendation
31	Develop a citywide strategic plan that includes a review of the core values, mission and vision by the City Council to form the appropriate strategic goals and priorities for the organization and its operating departments.	<ul style="list-style-type: none">Determine if the strategic plan will be done with assistance from consultants or in houseWork with City Council to create a city-wide strategic plan according to the following framework<ul style="list-style-type: none">Core ValuesMissionVisionOrganizational GoalsOrganizational StrategiesStrategic PrioritiesPersonal Priorities	1	City Manager’s Office	FY26 Implementation, a FY26 Proposed Budget request will be made for dollars to complete a strategic plan.

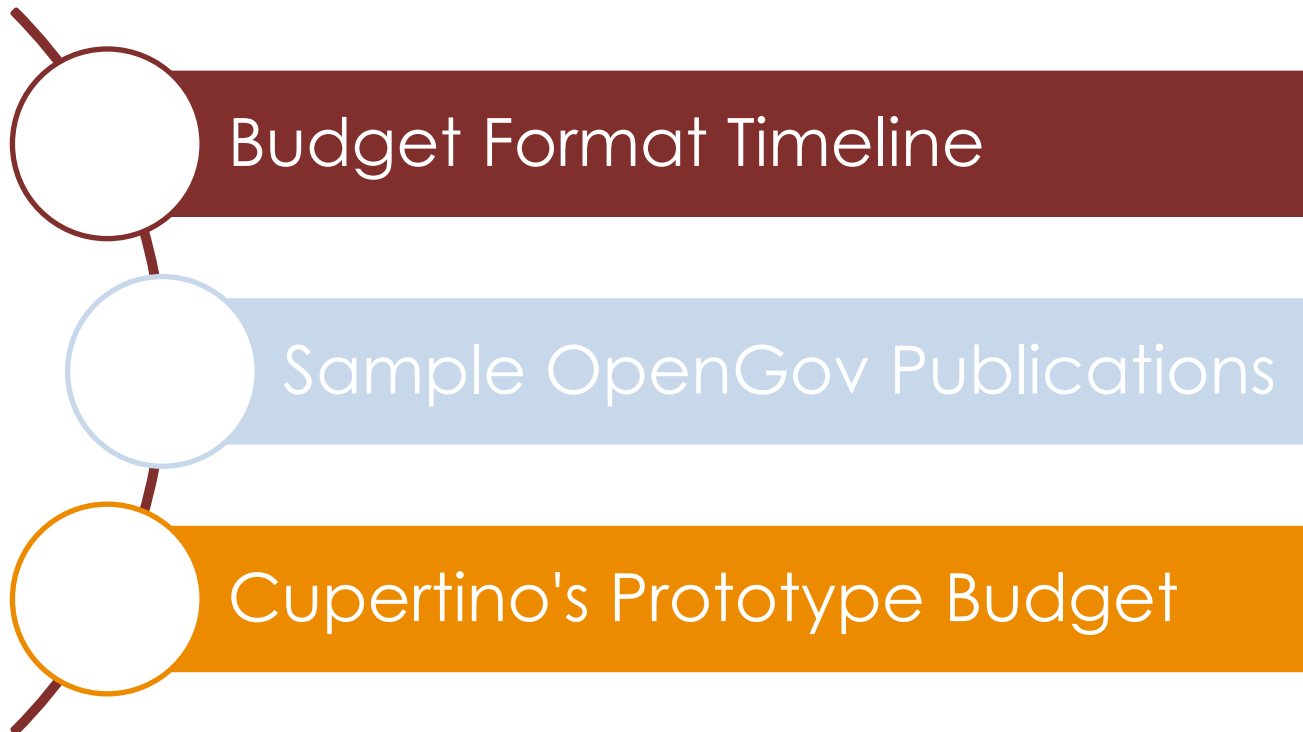
Rec No.	Recommendation	Implementation Steps	Priority ¹	Department Responsible ²	Comments
		<ul style="list-style-type: none">• Incorporate strategic plan into planning for the budget document and performance measures			
32	Establish performance standards for each performance measure and reevaluate at least biennially.	<ul style="list-style-type: none">• Review Baker Tilly’s suggested performance measures by Department• Obtain City Council approval on the set of performance measures to be implemented, informed by the Baker Tilly report and any subsequent creation of a citywide strategic plan• Identify roles and responsibilities within each department to identify the metrics to be tracked, gather the data, and develop the reports• Implement a tracking mechanism by developing a reporting structure to monitor compliance and effectiveness (e.g., quarterly, semi-annually)• Create a process for reviewing performance and updating performance measures with the City Council periodically (semi-annually) and as part of the annual budget process	1	City Manger’s Office, delegated to each department	FY26/FY27 Implementation this will follow the strategic plan to ensure alignment with City Council vision and priorities
33	Conduct a study session to review the Performance Measures update in Q1	<ul style="list-style-type: none">• Review updated performance measures• Bring to City council as a study session	1	City Manger’s Office, delegated to each department	FY26/FY27 Implementation, this will follow the strategic plan to ensure alignment with City Council vision and priorities.

OpenGov Budget Examples

July 28, 2025



Agenda



Budget Format Timeline

BAKER TILLY REPORT

Baker Tilly's budget document and performance measure improvements report was approved by Audit Committee and Council

2025
February
and March



APPROVAL OF IAP

City Council approves final IAP with priorities ranging from 1-3 to be implemented over next 3 years

2025
May



RESEARCH & MIGRATION

Staff researched local governments who utilize OpenGov publications and migrated current budget from Collective Budget

2025
June-
Present



BUDGET EXAMPLES PRESENTATION

Staff provides an update to Audit Committee about OpenGov budget research and preliminary formatting

2025
July



AUDIT SUB- COMMITTEE FORMAT REVIEW

Audit Committee to provide initial feedback on sample OpenGov formats and create budget format sub-committee

2025
July



1. Oakland, CA



CUPERTINO

Home page

CITY OF OAKLAND

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- Significant Changes
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- Financial Policies & Legislation
- Budget Priorities
- Positions
- Glossary
- Introduction To Oakland
- By Fund
- Budget Process

FY 2023-25 PROPOSED POLICY BUDGET

Welcome to the City of Oakland's Online Interactive Budget Book!

Please use links below to explore the

[ONE OAKLAND BUDGET](#)

Mayor's Message

One Oakland Budget

FY 2023-25 PROPOSED POLICY BUDGET

ONE FRANK H. OGAWA PLAZA • 3RD FLOOR • OAKLAND, CA. 94612

Office of the Mayor
Honorable Sheng Thao
Mayor

(510) 238-3141
FAX (510) 238-4731

Honorable City Council and Oakland Residents:

We present the Fiscal Year (FY) 2023-2025 Proposed Budget, a plan to address significant challenges in a daunting budget environment while laying the groundwork for a stronger and more secure future. With this budget, we are preserving vital services, addressing our deficit responsibly, and taking important steps to transform Oakland's City government so that we can better use limited resources to make our communities safer, support children and families, and promote economic development.

The City of Oakland is facing the largest budget deficit in its history. Current financial analysis projects the city to have an approximately \$360 million shortfall over the next two fiscal years. This inherited shortfall is largely a result of two factors: the loss of federal pandemic funding and a reduction in revenue generated from the real estate transfer tax and transient occupancy tax.

To address this inherited shortfall, we are proposing strategic spending reductions with the goal of maintaining current staff and minimizing service disruptions. Unlike the budget crisis of the past, we have achieved a balanced budget without resorting to government closures or layoffs which disrupt critical services to residents.

Further savings will be gained through a realignment of City government to be more streamlined and efficient. These reforms will also have the benefit of fostering improved coordination between City departments.

While the General Purpose Fund faces a historic deficit, other funding sources have not been impacted - the Proposed Budget will leverage these sources to create a foundation for future growth, improved quality of life and economic opportunity.

Even in this environment, the Proposed Budget will make significant investments in affordable housing, Head Start programs, and infrastructure improvements. Above all, we are seeking to manage our fiscal situation responsibly while still supporting the priorities of City Council and our residents.

Summaries

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- 1 Fines & Penalties
- 1 Interest Income
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FY 2023-25 PROPOSED POLICY BUDGET

The Proposed Budget enacts a reorganization of City Departments in its Second Fiscal Year which begins July 1, 2024. The Department pages below have been created based on the Departmental Organizational Structure in the first fiscal year, FY 2023-24. However such pages are grouped under Department titles based upon the FY 2024-25 Reorganization.

Mayor



1 Mayor Expenditures & Information

City Council



1 City Council Expenditures
1 City Council Information

City Administrator



1 City Administrator Expenditures
1 City Administrator Information

City Attorney



City Auditor



City Clerk



Information

City Council

FY 2023-25 PROPOSED POLICY BUDGET

Business Goals

Affordable Housing & Homelessness Solutions

- Protection/Prevention — protect tenants and low-income property owners, prevent homelessness;
- Preservation — preserve affordable housing;
- Production — produce deeply affordable housing, including for transitional aged youth and seniors
- House unsheltered residents — lease/purchase hotels; utilize public land for emergency shelter, safe parking sites, transitional housing, and permanent deeply affordable housing; and
- Service encampments with outreach and supportive services, and health and sanitation services.

Community Safety, Prevention & Healing

- Implement the 12 prioritized recommendations of the Reimagining Public Safety Task Force to increase public safety through alternative responses to call for service, civilization of certain sworn functions, and investments in addressing the root causes of violence and poverty
- Reduce gun violence and focus on violent crime, including increasing investigation capacity and solve rates;
- Reduce traffic violence, including implementing improvements on Oakland's High Injury Network and increasing capacity for rapid response;
- Increase violence prevention, trauma-informed care and healing;
- Expand alternative response to police, such as MACRO; and
- Implement and expand Crime Prevention Through Environmental Design (CPTED) for crime prevention and traffic calming.

Expenditures

Expenditures By Category

Help ▾ Share ▾

Updated On 23 Dec, 2024

← Back ↺ History ▾ ↻ Reset

Broken down by

Expenses ▾ City Council

Visualization



Sort By Chart of Accounts ▾

- Personnel & Overhead
- Operations & Maintenance
- Internal Services

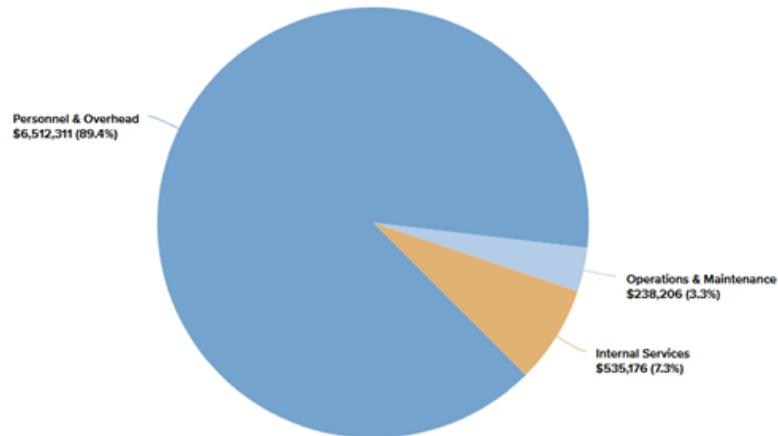


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FY 2023-25 PROPOSED POLICY BUDGET

Please see our [Navigation Tips and FAQs](#) to help you explore the City's budget.

To view the budget, the recommended browsers are Chrome or Firefox and in maximum screen width.

All graphs and tables in the Proposed Budget pages below can be found in our [Transparency Portal](#).

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Finance

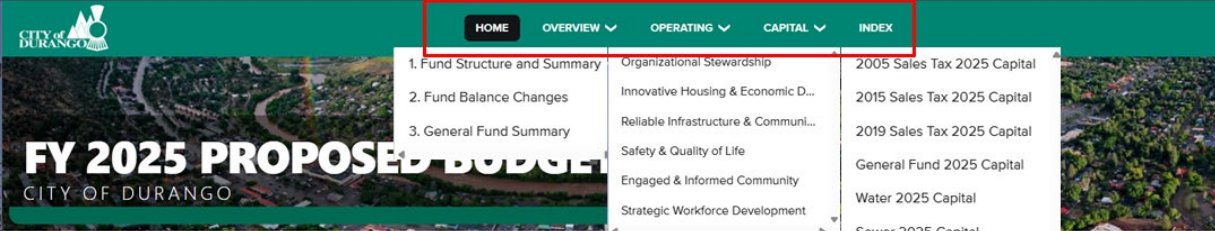
[Expenditures](#)
[Information](#)



2. Durango, CO



CUPERTINO



Home page

EXPLORE OUR BUDGET

Welcome to the City of Durango's online interactive budget book. Please take a look at our **Navigation Tips** and **FAQs** to help you explore the City's budget.

To view the budget, the recommended browsers are Chrome or Firefox and in maximum screen width.



BUDGET BOOK HIGHLIGHTS



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INNOVATIVE HOUSING AND ECONOMIC OPPORTUNITY

SAFETY AND QUALITY OF LIFE

RELIABLE INFRASTRUCTURE AND COMMUNITY CONNECTIVITY

ENGAGED AND INFORMED COMMUNITY

STRATEGIC WORKFORCE DEVELOPMENT

DURANGO COMMUNITY

Organizational Stewardship Page



STRATEGIC PLAN GOAL

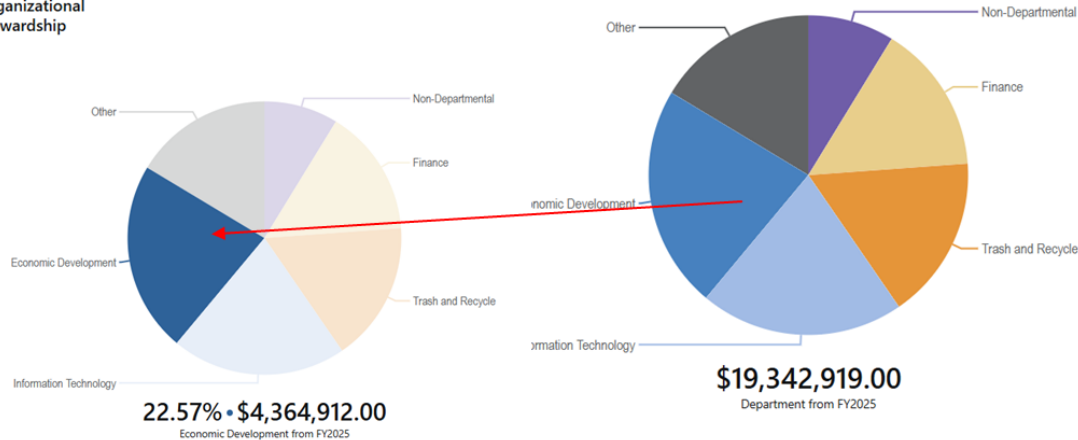
DEFINITION

Organizational Stewardship addresses the key infrastructure and foundational processes in the organization that serve as a framework for success, ensuring the organization has the resources and approaches in place to support strategic and operational focus. This goal area ensures the integration of organizational efforts and critical factors for short-term success and long-term sustainability.

OBJECTIVES

- 1.1 Ensure a financially sustainable and innovation-led framework that thrives on building effective partnerships to alleviate city costs, and harnesses the power of technology for efficiency.
- 1.2 Foster strong community group partnerships through effective communication and a commitment to diversity, equity, and inclusivity efforts while focusing on increased accessibility of services for underserved communities.
- 1.3 Advance a systematic approach toward environmental sustainability through focused efforts to conserve resources and mitigate environmental stressors by meeting or exceeding local, state, and national standards.

Organizational Stewardship



[Click to explore data](#) →



CITY MANAGER



CITY ATTORNEY

Finance

Financial Services
Strategic Plan Goal: Organizational Stewardship



	December 2023 Actual	2024 Adopted Budget	2024 Amended Budget	2024 Actual	2025 Budget
Personnel					
Salaries	\$1,010,205	\$1,264,829	\$1,264,829	\$712,913	\$1,285,019
Insurance	\$232,920	\$326,400	\$326,400	\$155,866	\$326,400
Retirement	\$111,764	\$117,535	\$117,535	\$79,553	\$143,923
Medicare	\$13,914	\$17,806	\$17,806	\$10,238	\$18,633
Self Insurance Supplement	\$74,280	\$0	\$0	\$0	\$0
Overtime	\$4,995	\$3,000	\$3,000	\$1,962	\$0
Longevity Pay	\$2,400	\$2,593	\$2,593	\$1,800	\$300
PERSONNEL TOTAL	\$1,452,498	\$1,732,163	\$1,732,163	\$962,235	\$1,774,275
Charges and Services					
Professional Services	\$388,184	\$155,094	\$155,094	\$201,658	\$549,500
Other Contracted Services	\$119,869	\$40,148	\$40,148	\$56,619	\$0
Professional Development and Travel	\$20,221	\$66,000	\$66,000	\$9,455	\$56,600
Software Maintenance	\$47,896	\$40,000	\$40,000	\$554	\$26,000
Printing	\$4,413	\$7,000	\$7,000	\$3,670	\$1,200
Postage	\$4,428	\$4,231	\$4,231	\$4,509	\$5,000
Technology Replacement	\$5,483	\$6,316	\$6,316	\$0	\$0
Utilities - Telephone	\$2,812	\$4,580	\$4,580	\$2,014	\$3,900
Dues And Memberships	\$1,629	\$2,140	\$2,140	\$1,264	\$2,425
Employee Recognition	\$1,818	\$1,000	\$1,000	\$652	\$1,000
Auto Allowance & Mileage	\$0	\$1,000	\$1,000	\$0	\$500
Books, News & Periodicals	\$97	\$100	\$100	\$164	\$0
CHARGES AND SERVICES TOTAL	\$596,848	\$327,609	\$327,609	\$280,959	\$646,125
Materials and Supplies					
Office Supplies	\$6,060	\$5,000	\$5,000	\$3,223	\$5,000

2024 POSITIONS

Position Name	FTE	Default Allocation	Department	Division Description	Allocated FTE Count
Administrative Specialist	1.0000	100%	Finance	Accounting	1
Senior Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Purchasing Manager	1.0000	100%	Finance	Accounting	1
Grants and Contracts Specialist	1.0000	100%	Finance	Accounting	1
Compliance and Financial Reporting Manager	1.0000	100%	Finance	Accounting	1
Budget & Strategic Planning Officer	1.0000	100%	Finance	Accounting	1
Chief Financial Officer	1.0000	100%	Finance	Accounting	1
Senior Accountant	1.0000	100%	Finance	Accounting	1
Purchasing Administrator	1.0000	100%	Finance	Accounting	1
Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Financial Services Analyst	1.0000	100%	Finance	Accounting	1
Accountant	1.0000	100%	Finance	Accounting	1
Accounting & Financial Services Manager	1.0000	100%	Finance	Accounting	1
Financial Services Analyst	1.0000	100%	Finance	Accounting	1
Financial Services Analyst	1.0000	100%	Finance	Accounting	1
Financial Services Specialist	1.0000	100%	Finance	Accounting	1
		1,700%			17

Data Updated Sep 28, 2023, 4:03 PM

[View Report](#)

2025 POSITIONS

Position Name	FTE	Default Allocation	Department	Division Description	Allocated FTE Count
Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Senior Accountant	1.0000	100%	Finance	Accounting	1
Accounting & Financial Services Manager	1.0000	100%	Finance	Accounting	1
Chief Financial Officer	1.0000	100%	Finance	Accounting	1
Purchasing Manager	1.0000	100%	Finance	Accounting	1
Senior Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Financial Services Analyst	1.0000	100%	Finance	Accounting	1
Compliance and Reporting Manager	1.0000	100%	Finance	Accounting	1
Grants and Contracts Specialist	1.0000	100%	Finance	Accounting	1
Financial Services Analyst	1.0000	100%	Finance	Accounting	1
Budget & Strategic Planning Manager	1.0000	100%	Finance	Accounting	1
Financial Services Specialist	1.0000	100%	Finance	Accounting	1
Accountant	1.0000	100%	Finance	Accounting	1
Purchasing Administrator	1.0000	100%	Finance	Accounting	1
Administrative Specialist	1.0000	100%	Finance	Accounting	1
		1,500%			15

Data Updated Mar 17, 2025, 12:42 PM

[View Report](#)

CUSTOMER SERVICE STRATEGY:

We will listen, serve, and educate our customers in a continuous effort to build trusting relationships and be stewards of financial excellence throughout the city.

CORE FUNCTIONS:

- Purchasing & P-Card Program
- Responsible for all cash disbursement
- Manage City's investments in accordance with state law and City Ordinances
- Administer grants
- Report financial results
- Purchase goods and services
- Pay employees and vendors
- Manage receivables
- Prepare the Comprehensive Annual Financial Report

STRATEGIC PLAN GOAL DEFINITION & OBJECTIVE ALIGNMENT

Organizational Stewardship (OS) addresses the key infrastructure and foundational processes in the organization that serve as a framework for success, ensuring the organization has the resources and approaches in place to support strategic and operational focus. This goal area ensures the integration of organizational efforts and critical factors for short-term success and long-term sustainability.

1.1 Ensure a financially sustainable and innovation-led framework that thrives on building effective partnerships to alleviate city costs and harnesses the power of technology for efficiency.

PERFORMANCE RESULTS:

Financial Ratios Total Debt per capita, total revenue per capita, total expenditures per capita. This metric demonstrates conservative use of debt and a predisposition to pay cash vs. borrow, intent to increase fund balance during healthy financial years providing a buffer during lean years, the community's expectation for high service level delivery and willingness to support those expectations.

Vendor Survey Vendor agreement indicating the City's procurement process is open, fair, and competitive.

Bids received for competitive solicitation by Minority/Women Owned Business Enterprises The City is developing an effort to track and monitor M/WBE in the City's purchasing process.

2024 STRATEGIC RESULTS:

- Completed the Annual Comprehensive Financial Report on time with no findings for the first time in five years.
- Functional Organization Chart
- Streamlined processes for Travel Forms
- Purchasing Policy re-write
- Hosted two Finance 101 Sessions
- Hosted Sales Tax Education Series for Businesses
- Underwent current state and future state mapping for GFOA systems.

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[Engineering](#)

[Streets, Snow & Ice, Sweeping](#)

[Multimodal](#)

[Parking Operations](#)

[0249 MidTown Safety and Connectivity Improvement Design](#)

[0256 ADA Improvement](#)

[0259 Revitalize Main Grant](#)

[0276 Roosa Connect Safety Project](#)

[0286 West Park Ave Traffic Calming Design](#)

[0293, 0262, NEW15-8 Downtown Next Steps](#)

C) 2019 Sales Tax: Streets

[2019 Sales Tax 5-Year CIP](#)

[2025 Adopted 2019 Sales Tax - Streets](#)

[0260 County Road 250 & 251](#)

[0304 Alleys Reconstruction and Paving](#)

[0307 North College Drive Reconstruction](#)

[0313 Junction St Mill and Replacement Full-Depth Asphalt](#)

[0318 8th Ave/ College St. Intersection and Streets Improve](#)

[0328 Sealcoat HA-5](#)

[0329 PPP Crack Seal Materials Purchase](#)

[0330 Install Concrete ADA Ramps](#)

[0331 Alley Drainage Structures](#)

[NEW19-2 Pavement Preservation Program](#)

[NEW19-3 Sidewalk Repair Program](#)

[NEW19-4 City Sidewalk Improvement](#)

D) General Fund Capital Projects

[2025 General Fund Capital Projects](#)

[0120 Forest Avenue and El Paso Stormwater](#)

[0198 fiber optic infrastructure](#)

[0340 13th Street Storm Drain](#)

[\(NEWG1\) Durango Police Automated Speed Enforcement Cameras](#)

[NEWGF-IT Backup Storage Server](#)

E) Water

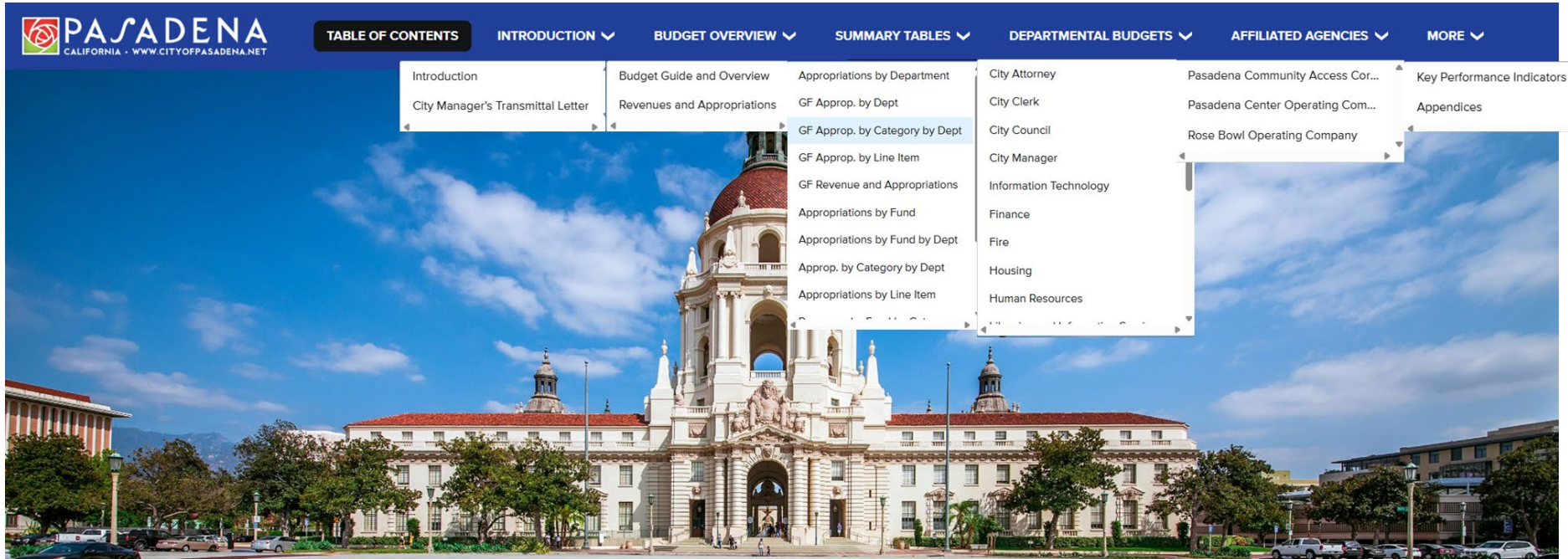
[Water Construction Fund 5-Year CIP](#)

3. Pasadena, CA



CUPERTINO

Home page

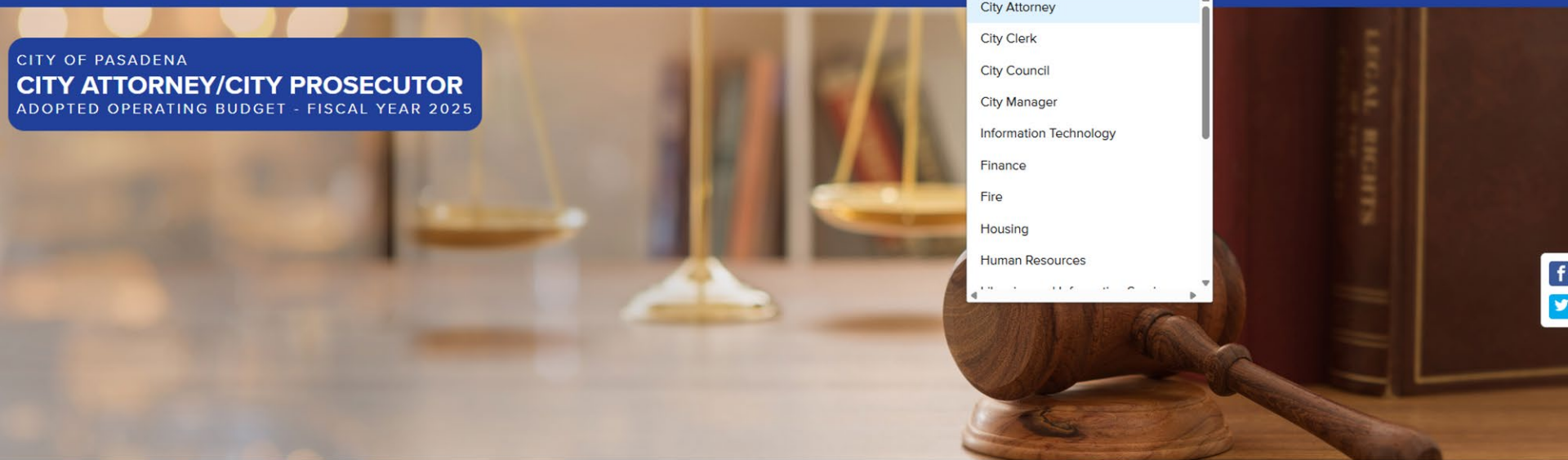


Fiscal Year 2025 Adopted Operating Budget

1. Introduction

[Rent Stabilization](#)

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- City Attorney
- City Clerk
- City Council
- City Manager
- Information Technology
- Finance
- Fire
- Housing
- Human Resources



CITY OF PASADENA

CITY ATTORNEY/CITY PROSECUTOR

ADOPTED OPERATING BUDGET - FISCAL YEAR 2025

FY 2025 Departmental Narrative and Summary Tables

Link: [Office of the City Attorney/City Prosecutor Narrative](#)

Mission Statement

The mission of the Department of Finance is to develop and monitor fiscal policies and procedures that ensure a financially strong and effective city government and to maintain the financial integrity of the City. Being responsible for the overall financial and accounting management of the City, the Department ensures adherence to generally accepted accounting principles and ensures appropriate internal controls are in place to safeguard City assets.

Department-Supported City Council Goals

- Support and Promote the Quality of Life and the Local Economy



\$12,542,216.00
Expenses in 2025



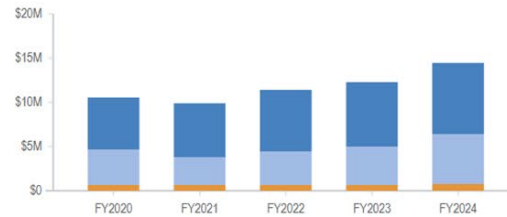
Five-Year Trend

Actuals by Category



\$15,080,111.02
Character_Code_Desc in FY2024

Budget by Category



\$14,450,269.72
Character_Code_Desc in FY2024

[Click to explore data →](#)

Public Webpage

Link: <https://www.cityofpasadena.net/city-attorney/>

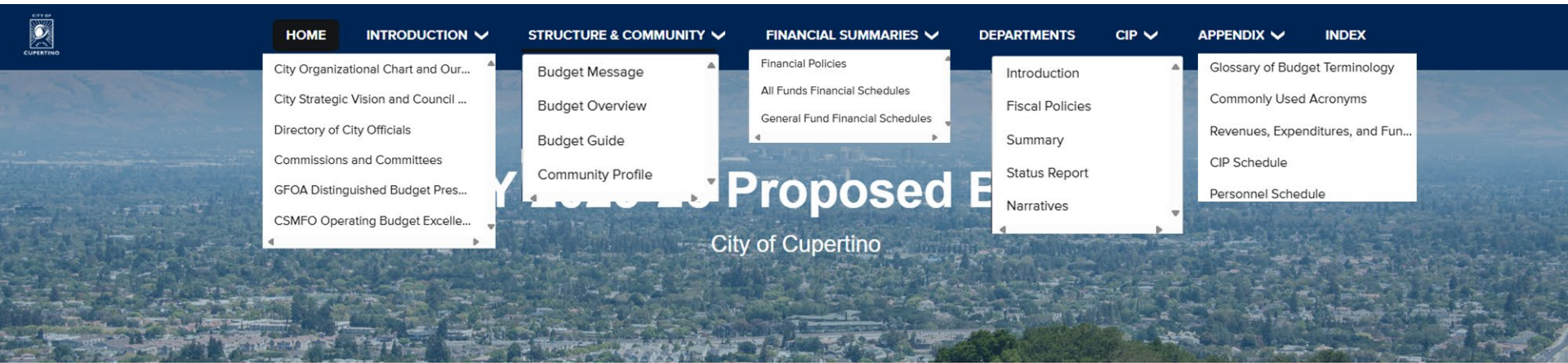


4. Cupertino's Prototype Budget



CUPERTINO

Home page



Explore Our Budget

Welcome to the City of Cupertino's online interactive budget book.

To view the budget, the recommended browsers are Chrome or Firefox and in maximum screen width



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City of Cupertino FY 2025-26 Proposed Budget

Budget Guide

Elements of the Budget Document

The budget is the City's fundamental policy document. It describes the City's goals and details how resources are allocated to achieve these goals. The budget serves as the annual financial plan, an operations guide, and a communications tool.

The budget guide provides an overview of the elements of the budget document. It includes a glossary of budget terminology. The budget document includes the following key elements:

Budget Message: This section includes the City Manager's transmittal letter submitting the budget to the City Council. The Budget Message also summarizes the City's current and long-term financial position, highlights new programs and organizational changes addressed in the budget, and outlines both short and long-term goals of our city government.

Budget Guide: This section includes the City's Mission and other tools to assist the reader in identifying key terminology in the budget document.

Community Profile: This section describes Cupertino's history, the economic and city profiles, community statistics, recreation and community services, education, and additional areas of interest in the city.

Financial Policies: This section provides financial policies.

All Funds Financial Schedules: This section provides financial information on projected revenues, expenditures, fund balances, and reserves for all funds.

General Fund Financial Schedules: This section provides financial information on projected revenues, expenditures, fund balances, and reserves for the General Fund. It also includes a long-term forecast of revenues, expenditures, and fund balance for the General Fund. Revenue and expenditure assumptions are discussed.

Departmental Operating Budgets: This section details historical and budgeted expenditures by operating department. The City is organized into eight key operating functions, including Council and Commissions, Administration, Law Enforcement, Innovation and Technology, Administrative Services, Parks and Recreation, Community Development, and Public Works. Each department budget includes a summary narrative, financial information for the department and each of its major divisions, and staffing information.

Expenditures for employee compensation and benefits are based on negotiated contracts. The materials categories of expenditures are based on a zero-base budget, with increases each year by the Consumer Price Index (CPI). Contract services are also based on a zero-based budget, with increases each year based on negotiated increases or CPI. Capital outlays are justified each year by the departments. Special Projects include one-time operational projects.

Non-Departmental Operating Budgets: This section details historical and budgeted expenditures for inter-fund transfers and debt service payments.

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City of Cupertino FY 2025-26 Proposed Budget

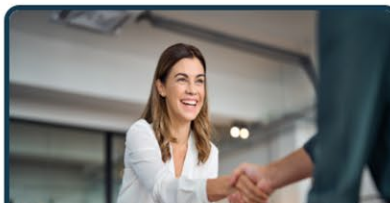
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Click for individual department pages

Council and Commissions



Administration



Law Enforcement



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City of Cupertino FY 2025-26 Proposed Budget

Council and Commissions

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Commissions

- [Technology, Information & Communications Commission](#)
- [Library Commission](#)
- [Arts and Culture Commission](#)
- [Public Safety Commission](#)
- [Bicycle and Pedestrian Commission](#)
- [Parks and Recreation Commission](#)

Division Summary Example

City of Cupertino FY 2025-26 Proposed Budget

Council and Commissions

City Council: Division Summary

Programs

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Division Overview

Links to the
programs
within this
division

Summarized
at division
level

Revenue and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year.

	ACTUAL BUDGETS			PROPOSED BUDGET
	FY2023	FY2024	FY2025	FY2026
Expenses				
Expenses				
Employee Compensation	\$318,042	\$302,963	\$289,754	142,167
Employee Benefits	\$300,358	\$270,439	\$324,479	151,474
Materials and Supplies	\$292,329	\$231,877	\$207,291	71,562
Contract Services	\$302,046	\$206,590	\$221,067	233,140
Contingencies	\$6,040	\$2,909	\$2,024	-
Cost Allocation	\$43,458	\$41,574	\$231,322	121,996
EXPENSES TOTAL	\$1,262,274	\$1,056,352	\$1,275,937	720,339
EXPENSES TOTAL	\$1,262,274	\$1,056,352	\$1,275,937	720,339
Revenues				
Charges for Services	\$1,661,064	\$1,655,966	\$208,610	106,119
REVENUES TOTAL	\$1,661,064	\$1,655,966	\$208,610	106,119

Data Updated Jul 22, 2025, 3:36 AM

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Summarized by
division

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year.

position_title	FY2023	FY2024	FY2025
allocation			
EXEC ASST TO THE CITY COUNCIL	0.5	0.5	0.5
PUBLIC INFORMATION OFFICER	0.15	0.15	0
COMMS AND MARKETING COORDINATOR	0	0	0.15
COMMUNITY OUTREACH SPECIALIST	0.1	0.1	0.1
COUNCIL MEMBER	5	5	5
SR OFFICE ASSISTANT	0.2	0.2	0.2
ALLOCATION	5.95	5.95	5.95

Data Updated Jun 26, 2025, 10:15 AM

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Program Page example

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City of Cupertino FY 2025-26 Proposed Budget

Council and Commissions

City Council

Budget Unit 100-10-100 General Fund - City Council - City Council

Budget at a Glance

	PROPOSED BUDGETS	
		FY2026
Total Revenues		106,119.00
Total Expenditures		593,801.00
Total FTE		5.80

Summarized
at the
program level

240

Narrative migration

Program Overview

The Mayor and Councilmembers, acting as the elected representatives of the residents of Cupertino, establish public policies to meet the community needs of the City. This budget includes funding of \$10,000 for the Mayor's Fund and \$2,500 for fee waivers for the City Council members. Lastly, this budget includes the Moss Adams Internal Audit contract per Council direction. Although the dollars are budgeted in this program, the contract administration remains with the Administrative Services Department.

Service Objectives

The City Council objectives are carried out by City staff under the sole direction of the City Manager.

Proposed Budget

On June 3, 2025, City Council approved a budget of \$593,801 for the City Council program. This represents an increase of \$47,001 (8.6%) from the FY 2024-25 Adopted Budget.

This increase is primarily due to the addition of the Moss Adams Internal Audit contract, which was moved from the Administrative Services department per Council direction. This contract was originally \$75,000 but staff is also requesting additional one-time funds of \$20,000 to cover increased audit costs for FY26 as well as ongoing funds of \$25,000. This budget unit is also requesting an additional \$3,000 for meal costs for City Council meetings. For further detail on these requests, please reference the Summary of Proposed Budget Requests found at the beginning of the budget document under Budget Overview.

Revenue and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year.

	ACTUAL BUDGETS			PROPOSED BUDGET
	FY2023	FY2024	FY2025	FY2026
Expenses				
Expenses				
Employee Compensation	\$296,180	\$283,344	\$276,524	135,616
Employee Benefits	\$291,220	\$260,180	\$316,532	147,777
Materials and Supplies	\$285,689	\$208,017	\$191,202	62,055
Contract Services	\$51,778	\$32,268	\$44,560	140,640
Contingencies	\$4,894	\$1,707	\$1,663	-
Cost Allocation	-	-	\$191,614	107,713
EXPENSES TOTAL	\$929,761	\$785,516	\$1,022,095	593,801
EXPENSES TOTAL	\$929,761	\$785,516	\$1,022,095	593,801
Revenues				
Charges for Services	\$1,661,064	\$1,655,966	\$208,610	106,119
REVENUES TOTAL	\$1,661,064	\$1,655,966	\$208,610	106,119

Data Updated Jul 22, 2025, 3:36 AM

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Detail by program

Staffing

The following table lists full-time equivalents (FTE) by position. It includes actuals for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Proposed Budget for the current fiscal year.

position_title	FY2023	FY2024	FY2025	FY2026
allocation				
EXEC ASST TO THE CITY COUNCIL	0.5	0.5	0.5	0.5
PUBLIC INFORMATION OFFICER	0.1	0.1	0	0
COMMS AND MARKETING COORDINATOR	0	0	0.1	0.1
COMMUNITY OUTREACH SPECIALIST	0.1	0.1	0.1	0.1
COUNCIL MEMBER	5	5	5	5
SR OFFICE ASSISTANT	0.15	0.15	0.2	0.1
ALLOCATION	5.85	5.85	5.9	5.8

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Recommendations

1. Provide initial feedback on sample OpenGov formats presented
2. Create budget format sub-committee to finalize OpenGov budget format for council recommendation ahead of FY 26-27 budget

Thank you
Questions?

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CITY OF CUPERTINO

Agenda Item

25-14194

Agenda Date: 7/28/2025
Agenda #: 10.

Subject: INFORMATIONAL ITEM Receive the proposed Audit Committee 2025 Schedule and Workplan

Receive the proposed Audit Committee 2025 Schedule and Workplan

Presenter: Jonathan Orozco, Finance Manager

5:55(5)

CITY OF CUPERTINO - AUDIT COMMITTEE 2025 SCHEDULE AND WORK PLAN						
January 27, 2025 Regular Meeting	February 18, 2025 Special Meeting	April 28, 2025 Regular Meeting	May 12, 2025 Special Meeting	July 28, 2025 Regular Meeting	October 27, 2025 Regular Meeting	November/December 2025 Special Meeting
Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Quarterly Treasurer's Investment Report for Quarter Ending March 31, 2025	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes
OPEB & Pension Trust Performance Report for Quarter Ending December 31, 2024	Moss Adams Status Report Update	Appoint Audit Committee Chair and Vice Chair		OPEB & Pension Trust Performance Report for Quarter Ending June 30, 2025	OPEB & Pension Trust Performance Report for Quarter Ending September 30, 2025	Review of FY 2024-25 ACFR and Supplemental Reports
Quarterly Treasurer's Investment Report for Quarter Ending December 31, 2024	Baker Tilly - Budget Format Review	OPEB & Pension Trust Performance Report for Quarter Ending March 31, 2025		Quarterly Treasurer's Investment Report for Quarter Ending June 30, 2025	Quarterly Treasurer's Investment Report for Quarter Ending September 30, 2025	
Internal Audit and Fraud, Waste, and Abuse Programs Update		Internal Audit and Fraud, Waste, and Abuse Programs Update		Internal Audit and Fraud, Waste, and Abuse Program Update	Internal Audit and Fraud, Waste, and Abuse Program Update	
		Annual Review of City Investment Policy		Fiscal Year 2024-25 ACFR Interim Testing Update	Annual Review of OPEB and Pension Trust Investment Policies	
		Internal Audit Program		Audit Committee Duties, Powers, and Responsibilities - (5/20/25 CC meeting)	Fiscal Year 2024-25 ACFR Update	
		FY 23-24 Agreed Upon Procedures (AUP) Review - GANN Limit, Investment Policy, Storm Drain		Budget Format Review Update and Subcommittee	Budget Format Review (Tentative)	
		Updated Budget Format Implementation Action Plan (IAP)		Special Revenue Fund Audit Update		

Summary of Duties – Powers – Responsibilities of Cupertino Audit Committee
Source: Cupertino, CA Municipal Code, Chapter 2.88.100: Audit Committee
The powers and functions of the Audit Committee shall be as follows: <ul style="list-style-type: none">To review the annual audit report and management letter;To recommend appointment of auditors;To review the quarterly Treasurer's Investment report;To recommend a budget format;To review City investment policies and internal controls of such policies.To recommend appointment of internal auditors;To review internal audit reports.To review quarterly Fraud, Waste, and Abuse Program reports. (Ord. 22-2243 § 1, 2023; Ord. 20-2208, § 1, 2020; Ord. 1679, § 1 (part), 1995)