



CITY OF CUPERTINO

AGENDA

CITY COUNCIL

10350 Torre Avenue, Council Chamber and via Teleconference

Tuesday, February 7, 2023

6:45 PM

Televised Regular City Council Meeting (6:45)

IN-PERSON AND TELECONFERENCE / PUBLIC PARTICIPATION INFORMATION

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

- 1) Attend in person at Cupertino Community Hall, 10350 Torre Avenue.
- 2) Tune to Comcast Channel 26 and AT&T U-Verse Channel 99 on your TV.
- 3) The meeting will also be streamed live on and online at www.Cupertino.org/youtube and www.Cupertino.org/webcast

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 Cupertino Community Hall. Members of the audience who address the City Council must come to the lectern/microphone, and are requested to complete a Speaker Card and identify themselves. Completion of Speaker Cards and identifying yourself is voluntary and not required to attend the meeting or provide comments.
- 2) E-mail comments by 4:30 p.m. on Tuesday, February 7 to the Council at citycouncil@cupertino.org. These e-mail comments will also be forwarded to Councilmembers by the City Clerk's office before the meeting and posted to the City's website after the meeting.

Members of the public may provide oral public comments during the meeting as follows:

Oral public comments will be accepted during the meeting. Comments may be made during "oral communications" for matters not on the agenda, and during the public comment period for each agenda item.

Teleconferencing Instructions

To address the City Council, click on the link below to register in advance and access the meeting:

Online

Register in advance for this webinar:

https://cityofcupertino.zoom.us/webinar/register/WN_RLi30Ju3RPm1n5F5LJeC7A

Phone

Dial: 669-900-6833 and enter Webinar ID: 970 0718 5599 (Type *9 to raise hand to speak, *6 to unmute yourself). Unregistered participants will be called on by the last four digits of their phone number.

Or an H.323/SIP room system:

H.323:

162.255.37.11 (US West)

162.255.36.11 (US East)

Meeting ID: 970 0718 5599

SIP: 97007185599@zoomcrc.com

After registering, you will receive a confirmation email containing information about joining the webinar.

Please read the following instructions carefully:

1. You can directly download the teleconference software or connect to the meeting in your internet browser. If you are using your browser, make sure you are using a current and up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers, including Internet Explorer.
 2. You will be asked to enter an email address and a name, followed by an email with instructions on how to connect to the meeting. Your email address will not be disclosed to the public. If you wish to make an oral public comment but do not wish to provide your name, you may enter "Cupertino Resident" or similar designation.
 3. When the Mayor calls for the item on which you wish to speak, click on "raise hand," or, if you are calling in, press *9. Speakers will be notified shortly before they are called to speak.
 4. When called, please limit your remarks to the time allotted and the specific agenda topic.
 5. Members of the public that wish to share a document must email cityclerk@cupertino.org
-

prior to speaking.

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL MATTERS AND PRESENTATIONS

1. Subject: Consider a certificate of appreciation to West Valley Community Services Executive Director Josh Selo recognizing his years of service to the community
Recommended Action: Present certificate to West Valley Community Services Executive Director Josh Selo recognizing his years of service to the community
[A - Certificate](#)

POSTPONEMENTS AND ORDERS OF THE DAY

ORAL COMMUNICATIONS

This portion of the meeting is reserved for persons wishing to address the Council on any matter within the jurisdiction of the Council and not on the agenda. The total time for Oral Communications will ordinarily be limited to one hour. Individual speakers are limited to three (3) minutes. As necessary, the Chair may further limit the time allowed to individual speakers, or reschedule remaining comments to the end of the meeting on a first come first heard basis, with priority given to students. In most cases, State law will prohibit the Council from discussing or making any decisions with respect to a matter not listed on the agenda. A councilmember may, however, briefly respond to statements made or questions posed by speakers. A councilmember may also ask a question for clarification, provide a reference for factual information, request staff to report back concerning a matter, or request that an item be added to a future City Council agenda in response to public comment.

REPORTS BY COUNCIL AND STAFF

2. Subject: Brief reports on councilmember activities and brief announcements
Recommended Action: Receive brief reports on councilmember activities and brief announcements
3. Subject: Report on Committee assignments
Recommended Action: Report on Committee assignments
4. Subject: Report on Subcommittee assignments
Recommended Action: Report on Subcommittee assignments
5. Subject: City Manager update
Recommended Action: Receive City Manager update on City business

CONSENT CALENDAR (Items 6-15)

Unless there are separate discussions and/or actions requested by council, staff or a member of the public, it is requested that items under the Consent Calendar be acted on simultaneously.

6. Subject: Consider approval of the January 17 City Council minutes
Recommended Action: Approve the January 17 City Council minutes
[A - Draft Minutes](#)
7. Subject: Consider approval of the January 25 City Council minutes
Recommended Action: Approve the January 25 City Council minutes
[A - Draft Minutes](#)
8. Subject: Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361
Recommended Action: Adopt Resolution No. 23-022 authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361
[Staff Report](#)
[A - Draft Resolution](#)
[B – Adopted Resolution No. 23-001](#)
9. Subject: Consider ratifying Accounts Payable for the period ending November 13, 2022
Recommended Action: Adopt Resolution No. 23-023 ratifying Accounts Payable for the period ending November 13, 2022
[Staff Report](#)
[A – Draft Resolution](#)
[B - Weekly AP Payment Register for the Period Ending 11.13.22](#)
10. Subject: Consider the Monthly Treasurer's Report for December 2022
Recommended Action: Receive the Monthly Treasurer's Report for December 2022
[Staff Report](#)
[A - Report of City-wide Receipts, Disbursements, and Cash Balances December 2022](#)
[B - Report of City-wide Fund Balances December 2022](#)
11. Subject: Consider the Monthly Treasurer's Investment Report for December 2022
Recommended Action: Receive the Monthly Treasurer's Investment Report for December 2022

[Staff Report](#)

[A - Chandler Investment Report December 2022](#)

[B - Chandler Custodial Report December 2022](#)

[C - PARS Pension and OPEB Account Statement December 2022](#)

[D - LAIF Account Statement December 2022](#)

12. Subject: Consider the Treasurer's Investment Report for Quarter Ending December 31, 2022

Recommended Action: Receive the Treasurer's Investment Report for Quarter Ending December 31, 2022

[Staff Report](#)

[A - Chandler Investment Report December 2022](#)

[B - Chandler Custodial Report December 2022](#)

[C - PARS Pension and OPEB Account Statement December 2022](#)

[D - OPEB Pension Section 115 Trust Performance Report for Quarter Ending December 31 2022](#)

[E - LAIF Account Statement December 2022](#)

13. Subject: Consider adoption of a resolution establishing the Commemorative Bench Dedication Policy and waiving the commemorative fee for Marilyn Francesco

Recommended Action: Adopt Resolution No. 23-024 (Attachment A) establishing the Commemorative Bench Dedication Policy and allow a one-time waiver of the policy for Marilyn Francesco

[Staff Report](#)

[A - Draft Resolution](#)

[B - Draft Commemorative Bench Dedication Policy](#)

14. Subject: Informational memorandum regarding retail square footage analysis of Main Street

Recommended Action: Receive the informational memorandum on the retail square footage analysis and the provisions for restaurant use at the Main Street Cupertino project

[A - Memorandum](#)

15. Subject: Consider adopting Cupertino City Council Procedures Manual

Recommended Action: Approve Resolution No. 23-021, adopting Cupertino City Council Procedures Manual

[Staff Report](#)

[A - Draft Cupertino City Council Procedures Manual \(Redline\)](#)

[B - Draft Resolution](#)

SECOND READING OF ORDINANCES - None

PUBLIC HEARINGS

Effective January 1, 2023, Government Code Section 65103.5 (SB 1214) limits the distribution of

copyrighted material associated with the review of development projects. Members of the public wishing to view plans that cannot otherwise be distributed under SB 1214 may make an appointment with the Planning Division to view them at City Hall by sending an email to planning@cupertino.org. Plans will also be made available digitally during the hearing to consider the proposal.

16. Subject: Consider an appeal of the Planning Commission's decision to deny Sign Exception to allow three (3) wall signs where two (2) are permitted and to further allow two (2) of the three (3) wall signs to be oriented towards the freeway on two separate storage facility buildings. (Application No(s): EXC-2022-003; Applicant(s): David Ford, All Sign Services; Location: 20565 Valley Green Dr.; APN: 326-10-044)
Recommended Action: Conduct a public hearing and adopt Resolution No. 23-025 (Attachment A) upholding the appeal in part, approve one of the two-requested freeway-oriented signs, and deny the requested Sign Exception
[Staff Report](#)
[A - Draft Resolution for EXC-2022-003](#)
[B - Appeal Form](#)
[C - Planning Commission Resolution 6962](#)
[D - Public Comments](#)

ORDINANCES AND ACTION ITEMS

17. Subject: Consider approval of response to 2022 Civil Grand Jury of Santa Clara County Report entitled, "A House Divided"
Recommended Action: Approve response to 2022 Civil Grand Jury of Santa Clara County Report entitled, "A House Divided"
[Staff Report](#)
[A - Civil Grand Jury of Santa Clara County Report](#)
[B - Draft Response to Grand Jury - House Divided](#)
18. Subject: Consider scheduling a study session to refine research scope regarding placing a potential vacancy tax ballot measure in the upcoming election
Recommended Action: Direct staff to 1) proceed or 2) not proceed with necessary research regarding preparing a study session on vacancy tax
[Staff Report](#)

ORAL COMMUNICATIONS - CONTINUED (As necessary)

COUNCIL AND STAFF COMMENTS AND FUTURE AGENDA ITEMS

ADJOURNMENT

Lobbyist Registration and Reporting Requirements: Individuals who influence or attempt to influence legislative or administrative action may be required by the City of Cupertino's lobbying ordinance (Cupertino Municipal Code Chapter 2.100) to register and report lobbying activity. Persons whose

communications regarding any legislative or administrative are solely limited to appearing at or submitting testimony for any public meeting held by the City are not required to register as lobbyists. For more information about the lobbying ordinance, please contact the City Clerk's Office at 10300 Torre Avenue, Cupertino, CA 94107; telephone (408) 777-3223; email cityclerk@cupertino.org; and website: www.cupertino.org/lobbyist.

The City of Cupertino has adopted the provisions of Code of Civil Procedure §1094.6; litigation challenging a final decision of the City Council must be brought within 90 days after a decision is announced unless a shorter time is required by State or Federal law.

Prior to seeking judicial review of any adjudicatory (quasi-judicial) decision, interested persons must file a petition for reconsideration within ten calendar days of the date the City Clerk mails notice of the City's decision. Reconsideration petitions must comply with the requirements of Cupertino Municipal Code §2.08.096. Contact the City Clerk's office for more information or go to <http://www.cupertino.org/cityclerk> for a reconsideration petition form.

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 Cupertino City Council after publication of the packet will be made available for public inspection in the City Clerk's Office located at City Hall, 10300 Torre Avenue, Cupertino, California 95014, during normal business hours; and in Council packet archives linked from the agenda/minutes page on the Cupertino web site.

IMPORTANT NOTICE: *Please be advised that pursuant to Cupertino Municipal Code section 2.08.100 written communications sent to the Cupertino City Council, Commissioners or City 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's 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

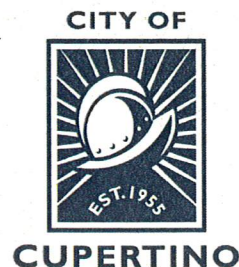
Agenda Item

23-11945

Agenda Date: 2/7/2023
Agenda #: 1.

Subject: Consider a certificate of appreciation to West Valley Community Services Executive Director Josh Selo recognizing his years of service to the community

Present certificate to West Valley Community Services Executive Director Josh Selo recognizing his years of service to the community



Certificate of Appreciation

Presented to

Josh Selo

February 7, 2023

in appreciation of your seven years of service and dedication to the Cupertino community while serving at West Valley Community Services. The City of Cupertino recognizes and appreciates your hard work, which has helped those most in need gain access to a wide variety of needs, including food assistance, housing help, financial support, and much more.


Hung Wei
Mayor



CITY OF CUPERTINO

Agenda Item

22-11651

Agenda Date: 2/7/2023
Agenda #: 2.

Subject: Brief reports on councilmember activities and brief announcements

Receive brief reports on councilmember activities and brief announcements



CITY OF CUPERTINO

Agenda Item

22-11663

Agenda Date: 2/7/2023
Agenda #: 3.

Subject: Report on Committee assignments

Report on Committee assignments



CITY OF CUPERTINO

Agenda Item

22-11674

Agenda Date: 2/7/2023
Agenda #: 4.

Subject: Report on Subcommittee assignments

Report on Subcommittee assignments



CITY OF CUPERTINO

Agenda Item

22-11687

Agenda Date: 2/7/2023
Agenda #: 5.

Subject: City Manager update

Receive City Manager update on City business



CITY OF CUPERTINO

Agenda Item

22-11697

Agenda Date: 2/7/2023
Agenda #: 6.

Subject: Consider approval of the January 17 City Council minutes

Approve the January 17 City Council minutes



DRAFT MINUTES
CUPERTINO CITY COUNCIL
Tuesday, January 17, 2023
SPECIAL MEETING

At 5:01 p.m., Mayor Hung Wei called the Special City Council Meeting to order in the Cupertino Community Hall Council Chamber, 10350 Torre Avenue and via teleconference.

ROLL CALL

Present: Mayor Hung Wei, Vice Mayor Sheila Mohan, and Councilmembers Liang Chao, J.R. Fruen and Kitty Moore. Absent: none.

STUDY SESSION

1. Subject: Consider adopting Cupertino City Council Procedures Manual
Recommended Action: Provide input regarding Council procedures and approve Resolution No. 23-021, adopting Cupertino City Council Procedures Manual
Presenter: Christopher Jensen, City Attorney

Written communications for this item included a staff presentation, supplemental staff report, and emails to Council.

City Attorney Christopher Jensen gave a presentation.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period and the following people spoke.

Jean Bedord supported the proposed procedures.

Caryl Gorska supporting delaying the vote to a future non-study session meeting.

Parks and Recreation Commissioner Carol Stanek (representing self) supported the proposed procedures.

Peggy Griffin supported modifications to the proposed procedures.

Lisa Warren supported modifications and further discussion of the item.

San R supported including data points from other cities and modifications.

Housing Commissioner Tessa Parish (representing self) supported delaying the item, further noticing, and modifications.

Cathy Helgersen supported using a mediator to develop procedures and opposed voting on the item. (Submitted written comments).

Housing Commissioner Connie Cunningham (representing self) supported the proposed procedures and approval of the draft resolution.

Jennifer Griffin opposed voting on the item at a study session.

Jennifer Shearin supported approval of the proposed procedures with concerns.

Richard Lowenthal supported approval of the proposed procedures with clarifications.

Rhoda Fry supported modifications to the proposed procedures.

Mayor Wei closed the public comment period.

Councilmembers provided the following comments:

Councilmember Moore:

- Revise Section 1.1 to delete “and members of the public.”
- Revise Section 2.1 to delete: “The Mayor and Vice Mayor shall not serve consecutive terms; provided, however, this provision shall not prevent the Vice Mayor from succeeding to the office of Mayor.”
- Remove Section 2.2 until we have determined a process.
- Revise Section 3.1 as follows: “The Mayor shall appoint Councilmembers to standing committees and all Councilmembers may nominate any Councilmember to ad hoc committees and subcommittees established by the City Council, with consideration of Councilmember preference, equitable distribution, seniority, experience, and benefit to the committee, subject to ratification by the Council at its next regular meeting. It will be the responsibility of the committees and subcommittees to inform and submit recommendations to the Council.”
- Revise Section 3.3 as follows: “Council committee and subcommittee members are

to keep the Council informed of the work and progress of their committee or subcommittee. These reports or minutes shall be made in writing ~~whenever a recommendation is made to the Council.~~"

- Revise Section 4.2 as follows: "At least one commission member, preferably the Chair or Vice Chair, must attend City Council meetings when the commission has an item of interest on the Council agenda, so as to be available to answer Council questions."
- Revise Section 4.4 as follows: "~~... Former Councilmembers are not eligible for appointment to any commission or committee within four years of having served on the City Council.~~ Commissioners and committee members shall not be employees of the City or companies which the City contracts with, or employees of subcontracted companies."
- Delete "Individual Councilmembers and commissioners shall have the right to attend meetings of commissions and other Cupertino governmental bodies but shall refrain from speaking or becoming involved in deliberations."
- Revise Section 5.1 to add the following: "Council attendance will be noted in the agenda of the next regular meeting and thereafter for that calendar year, if three or more meetings are missed."
- Revise Section 5.2 to add the following: "Official correspondence from any member of Council shall be provided to all members of Council."
- Revise Section 5.3 as follows: "Council representatives to such various boards shall keep the Council informed of ongoing business through brief oral ~~or~~ and written reports to the Council"; and add the following: "The Council representative shall provide a written report to Council consistent with Section 3.3."

Councilmember Chao:

- Council did not request this item and Councilmembers and Commissioners were not consulted.
- There is insufficient time to review all Councilmember proposed revisions.
- No action can be taken at a study session.
- Provide sources and documents used for the draft.
- Add: staff should make every effort to respond in a timely and professional manner to all information requests, as specified in the City Code; if request workload is too significant, then assign to staff through the collective direction of Council; City Manager will submit a significant workload request on a Council agenda, so Council can decide with public input.
- Oppose restricting Councilmembers from filing Public Records Act requests
- Add: "Respect the Role of Council Members as Policy Makers for the City. Staff is expected to provide its best professional recommendations on issues. Staff should not try to determine Council support for particular positions or recommendations in order to craft recommendations. The

Council must be able to depend upon the staff to make independent recommendations. Staff should provide information about alternatives to staff recommendations as appropriate, as well as pros and cons for staff recommendations and alternatives.”

- Add: “Questions and all staff-prepared responses will be forwarded to all Councilmembers as well as put up on the special web page created for public review of Council agenda questions and staff responses. Staff will include the name of the Councilmember posing the questions in the ‘subject’ field of the e-mail response. Written copies of all Councilmember agenda questions and staff responses will be at Council places at the meeting; additionally copies will be made available in the Council Chambers for members of the public.”
- Look at City of Palo Alto procedure that two Councilmembers may draft a memo proposing a potential policy or study, and Council decides whether to add to an agenda or refer to a commission.
- Agenda titles should be descriptive and include requested action.

Vice Mayor Mohan: Support moving forward with the proposed procedure’s manual, consider all comments received, include comments listed in presentation; and make revisions later if necessary.

Councilmember Fruen:

- Revise Section 5.7 to delete requirement that state-approved ethics education must be online.
- Delete Section 8.2.
- Revise Section 8.5.2 to allow Councilmembers to remove at most one item from the consent calendar without providing notice before the Council meeting begins.
- Revise Section 8.6 to remove the 10-minute limit on total time for public comment by a single member of the public and to increase the length of time members of the public have to raise their hand or submit a blue card to speak to 9 minutes.
- Replace Section 8.9.3 with the following: “Councilmembers may obtain the floor by seeking recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given five minutes to ask questions of any presenter. The Mayor may allow additional time for questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized shall limit their time to five minutes. The Mayor may allow additional time for questions where appropriate. This rule shall displace any conflicting rule in the City’s adopted rules of procedure.”
- Revise Section 8.10 to require only a majority of members present and voting to

extend Council meetings past 11:30 p.m., instead of a 2/3 vote of the Council.

- Revise Section 8.12 to clarify that a special meeting may be called during the recess period.

Mayor Wei: Support having Council procedures to follow and moving forward with process.

Council consented to collectively email a list of all recommended edits to the City Attorney and City Manager, and these comments would be included in a new draft.

Chao moved and Moore seconded to continue Study Session Item 1 regarding Council procedures to another future study session, with the Council action to be scheduled at a regularly scheduled meeting; and to continue Study Session Item 2 regarding composition and responsibilities of existing Commissions and Committees to another future study session. The motion carried unanimously.

2. Subject: Study Session to consider modifying Municipal Code Title 2 regarding compositions and responsibilities of existing Commissions and Committees
Recommended Action: Direct staff to proceed with ordinance amendment to consolidate existing Commissions and Committees
Presenter: Pamela Wu, City Manager

Written communications for this item included a staff presentation and emails to Council.

As noted under Item 1, Council continued this item to a future study session date.

ADJOURNMENT

At 6:43 p.m., Mayor Wei adjourned the Special City Council Meeting.

REGULAR MEETING

At 6:48 p.m., Mayor Paul called the Regular City Council Meeting to order and led the Pledge of Allegiance in the Cupertino Community Hall Council Chamber, 10350 Torre Avenue and via teleconference.

ROLL CALL

Present: Mayor Hung Wei, Vice Mayor Sheila Mohan, and Councilmembers Liang Chao, J.R. Fruen and Kitty Moore. Absent: none.

CEREMONIAL MATTERS AND PRESENTATIONS

1. Subject: Certificate of appreciation to Captain Neil Valenzuela to welcome him back to the Cupertino Community as Captain of the West Valley Patrol Division of the Santa Clara County Sheriff's Office

Recommended Action: Present certificate of appreciation to Captain Neil Valenzuela to welcome him back to the Cupertino Community as Captain of the West Valley Patrol Division of the Santa Clara County Sheriff's Office

Captain Neil Valenzuela received the certificate of appreciation.

Mayor Wei presented the certificate of appreciation to Captain Neil Valenzuela welcome him back to the Cupertino Community as Captain of the West Valley Patrol Division of the Santa Clara County Sheriff's Office.

POSTPONEMENTS AND ORDERS OF THE DAY

Wei moved and Mohan seconded to reorder the agenda to hear Item 27 Weed Abatement Program and Item 28 Elected Officials' Compensation Program after Oral Communications. The motion carried unanimously.

ORAL COMMUNICATIONS

Wallis Alviar supported closure of Lehigh cement plant and goals to revoke the plant's permit, stop the mining, begin reclamation, and deny approval of a new landfill business.

Richard Adler supported permanent closure of Lehigh quarry and cement plant, including all mining activities, and beginning restoration.

Rose Grymes supported a Blackberry Farm plan option to transition Blackberry Farm from its current Golf Course operation to a natural habit.

Yuko Shima supported assisting unhoused residents, including providing mental health services and safe places to sleep.

Seema Lindskog supported considering the City's climate goals and environmental impacts when planning a new Cupertino City Hall project.

Housing Commissioner Tessa Parish (representing self) was concerned about school sprinkler systems running during rainfall and supported a water waste public reporting tool.

Lisa Warren supported in-person City Council meetings, closing Lehigh and reclaiming the site, and an option for Blackberry Farm Golf Course to coexist with a natural habitat setting.

Housing Commissioner Connie Cunningham (representing self) supported adding biodiversity and the planting of trees to Climate Action Plan 2.0. and restoring nature at Blackberry Golf Course.

Jennifer Griffin supported infrastructure upgrades to maintain roads during heavy rainfall and emergency preparedness plans.

Keith Kreft supported continuing the use of Blackberry Farm Golf Course and was concerned about the use analysis and survey results discussed at the September 9 joint meeting.

Kathy Stakey supported continuing the use of the golf course at Blackberry Farm and preserving the bird population onsite.

Don Halsey supported restoring Blackberry Farm Golf Course, preserving the existing natural habitat, and converting other areas into natural spaces. (Submitted written comments).

Helen Wiant supported converting Blackberry Farm Golf Course to a natural habitat and the considering the project value as an educational model for home and corporate landscapes.

John Kehoe supported converting Blackberry Farm Golf Course to natural habitat and preserving natural wildlife and maintaining biodiversity.

Rhoda Fry supported goals to close Lehigh cement plant and quarry and begin reclamation and opposed converting the land into for-profit landfill.

PUBLIC HEARINGS

27. Subject: Abatement of public nuisance from weeds or other fire hazards pursuant to provisions of Cupertino Municipal Code Chapter 9.08 and Resolution No. 22-138; hearing for impacted property owners to contest the matter of proposed abatement
Recommended Action: Adopt Resolution No. 23-019 ordering abatement of public nuisance from weeds or other fire hazards pursuant to provisions of Cupertino Municipal Code Chapter 9.08 and Resolution No. 22-138; and conduct hearing for impacted property owners to contest the matter of proposed abatement

As noted under Postponements and Orders of the Day, this item was heard after Oral Communications.

Written communications for this item included a staff presentation.

Councilmember Chao recused herself from this item and left the dais.

City Clerk Kirsten Squarcia gave a presentation.

Mayor Wei opened the public hearing and the following people spoke.

Xinglei Zhu said that he had been compliant in maintaining his lawn during the weed season and shared photos and requested an appeal for APN 375-32-026.

Fan Kong said his property on Loree Avenue APN 375-07-029 had been compliant for three years but was still listed in the report and requested removal from the program.

Mayor Wei closed the public hearing.

Councilmembers asked questions and made comments.

Moore moved and Fruen seconded to adopt Resolution No. 23-019 ordering abatement of public nuisance from weeds or other fire hazards pursuant to provisions of Cupertino Municipal Code Chapter 9.08 and Resolution No. 22-138 with a modification that APN 375-07-029 on Loree Avenue be stricken from the list. The motion carried unanimously with Chao absent (recused).

Councilmember Chao returned to the dais.

ORDINANCES AND ACTION ITEMS

28. Subject: Consider approving amendments to Elected Officials' Compensation Program
Recommended Action: Adopt Resolution No. 23-020 amending the Elected Employees' Compensation Program

As noted under Postponements and Orders of the Day, this item was heard after Item 27 which was moved after Oral Communications.

Written communications for this item included a staff presentation.

Director of Administrative Services Kristina Alfaro reviewed the staff report.

Mayor Wei opened the public comment period, and seeing no one, closed the public comment period.

Councilmembers asked questions and made comments.

Mohan moved and Wei seconded to adopt Resolution No. 23-020 amending the Elected Officials' Compensation Program. The motion carried unanimously.

REPORTS BY COUNCIL AND STAFF

2. Subject: Brief reports on councilmember activities and brief announcements
Recommended Action: Receive brief reports on councilmember activities and brief announcements

Council received brief reports on councilmember activities and brief announcements.

3. Subject: Report on Committee assignments
Recommended Action: Report on Committee assignments

Councilmembers highlighted the activities of their various committees.

4. Subject: Report on Subcommittee assignments
Recommended Action: Report on Subcommittee assignments

Councilmembers reported on Subcommittee assignments.

5. Subject: City Manager update
Recommended Action: Receive City Manager update on City business

Council received the City Manager update on City business.

CONSENT CALENDAR (Items 6-26)

Fruen moved and Moore seconded to approve the items on the Consent Calendar, except for Items 10, 13, 18, 19, 20, 23, 26 which were pulled for discussion. Ayes: Wei, Mohan, Chao, Fruen, and Moore. Noes: None. Abstain: None. Absent: None.

6. Subject: Consider approval of the December 13 City Council minutes
Recommended Action: Approve the December 13 City Council minutes

7. Subject: Consider approval of the December 15 City Council minutes
Recommended Action: Approve the December 15 City Council minutes

8. Subject: Consider approval of the December 20 City Council minutes
-

Recommended Action: Approve the December 20 City Council minutes

Written Communications for this item included an amended Attachment A - Draft Minutes.

9. Subject: Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period January 17, 2023 through February 16, 2023 pursuant to the Brown Act, as amended by AB 361
Recommended Action: Adopt Resolution No. 23-001 authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period January 17, 2023 through February 16, 2023 pursuant to the Brown Act, as amended by AB 361

Written communications for this item included an amended Staff Report and Attachment A – Draft Resolution and a staff presentation.

10. Subject: Consider accepting Accounts Payable for the periods ending October 10, 2022; October 19, 2022; October 24, 2023; and October 31, 2022
Recommended Action: A. Adopt Resolution No. 23-002 accepting Accounts Payable for the Period ending October 10, 2022;
a. Adopt Resolution No. 23-003 accepting Accounts Payable for the Period ending October 19, 2022;
b. Adopt Resolution No. 23-004 accepting Accounts Payable for the Period ending October 24, 2022; and
c. Adopt Resolution No. 23-005 accepting Accounts Payable for the Period ending October 31, 2022

This item was pulled from the Consent Calendar for discussion.

Mayor Wei opened the public comment period and the following people spoke.

Peggy Griffin supported presenting Accounts Payable reports on a monthly basis.

Mayor Wei closed the public comment period.

Councilmembers asked questions and made comments.

Moore moved and Fruen seconded to:

- A. Adopt Resolution No. 23-002 accepting Accounts Payable for the Period ending October 10, 2022;
B. Adopt Resolution No. 23-003 accepting Accounts Payable for the Period ending

October 19, 2022;

C. Adopt Resolution No. 23-004 accepting Accounts Payable for the Period ending October 24, 2022; and

D. Adopt Resolution No. 23-005 accepting Accounts Payable for the Period ending October 31, 2022.

The motion carried unanimously.

11. Subject: Consider accepting Accounts Payable for the periods ending November 07, 2022; November 21, 2022; and November 28, 2022

Recommended Action: A. Adopt Resolution No. 23-006 accepting Accounts Payable for the Period ending November 07, 2022;

B. Adopt Resolution No. 23-007 accepting Accounts Payable for the Period ending November 21, 2022; and

C. Adopt Resolution No. 23-008 accepting Accounts Payable for the Period ending November 28, 2022

12. Subject: Consider accepting Accounts Payable for the periods ending December 05, 2022; December 12, 2022; December 19, 2022; and December 26, 2022

Recommended Action: A. Adopt Resolution No. 23-009 accepting Accounts Payable for the Period ending December 05, 2022;

a. Adopt Resolution No. 23-010 accepting Accounts Payable for the Period ending December 12, 2022;

b. Adopt Resolution No. 23-011 accepting Accounts Payable for the Period ending December 19, 2022; and

c. Adopt Resolution No. 23-012 accepting Accounts Payable for the Period ending December 26, 2022

13. Subject: Consider the Monthly Treasurer's Report for October 2022

Recommended Action: Receive the report

This item was pulled from the Consent Calendar for discussion.

Mayor Wei opened the public comment period and the following people spoke.

Peggy Griffin supported the availability of financial reports on the City website and regular review by the Audit Committee. (Submitted written comments).

Lisa Warren supported presenting financial reports on a regular basis.

Mayor Wei closed the public comment period.

Councilmembers asked questions and made comments.

Council received the Monthly Treasurer's Report for October 2022.

14. Subject: Consider the Monthly Treasurer's Investment Report for October 2022
Recommended Action: Receive the report
15. Subject: Consider the Monthly Treasurer's Report for November 2022
Recommended Action: Receive the report
16. Subject: Consider the Monthly Treasurer's Investment Report for November 2022
Recommended Action: Receive the report
17. Subject: Consider a resolution establishing the City Council meeting calendar through January 2, 2024
Recommended Action: Adopt Resolution No. 23-013 establishing the City Council meeting calendar through January 2, 2024
18. Subject: Consider amending the 2023 Council Committee Assignments to designate a Council appointment to the Historical Society Advisory Council
Recommended Action: Approve amendment to the 2023 Council Committee Assignments to designate Councilmember Moore as the primary and Councilmember Chao as the alternate to the Historical Society Advisory Council

This item was pulled from the Consent Calendar for discussion.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period and the following people spoke.

Jennifer Griffin supported preserving the Stocklmeir property and the farming history of Cupertino.

Kathy Stakey was concerned about Councilmembers joining advisory boards of non-profit organizations.

Mayor Wei closed the public comment period and the following people spoke.

Wei moved and Chao seconded to approve an amendment to the 2023 Council

Committee Assignments to designate Councilmember Fruen as the primary and Councilmember Chao as the alternate to the Historical Society Advisory Council, pending Councilmember Fruen's resignation from the Historical Society Board. The motion carried unanimously with Moore abstaining.

19. Subject: Consider approval of response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "Show Me the Money: Financial Transparency Needed"
Recommended Action: Approve the response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "Show Me the Money: Financial Transparency Needed"

This item was pulled from the Consent Calendar for discussion.

Mayor Wei opened the public comment period.

Peggy Griffin supported producing monthly Treasurers Reports and Councilmember efforts to support City compliance.

Lisa Warren supported Councilmember and staff efforts to support City compliance and opposed negative community feedback.

Mayor Wei closed the public comment period

Councilmembers asked questions and made comments

Chao moved and Fruen seconded to approve the response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "Show Me the Money: Financial Transparency Needed." The motion carried unanimously.

20. Subject: Status update on the 6th Cycle Housing Element update
Recommended Action: Receive the report on the status of the Housing Element update and the next steps identified in this report to expedite the Housing Element review process

This item was pulled from the Consent Calendar for discussion.

Acting Community Development Director Luke Connolly reviewed the staff report.

Mayor Wei opened the public comment period.

Jennifer Griffin was concerned about the Housing Element process and January 31 deadline and Housing and Community Development (HCD) management.

Housing Commissioner Connie Cunningham (representing self) supported an ambitious Housing Element process, a tenant relocation assistance ordinance, and a rental preservation program.

Peggy Griffin supported the staff recommendation to submit a Housing Element draft before the deadline.

Lisa Warren supported the staff recommendation to a Housing Element draft before the January 31 deadline.

Mayor Wei closed the public comment period.

Councilmembers asked questions and made comments.

Council received the report on the status of the Housing Element update and the next steps identified in this report to expedite the Housing Element review process.

Council recessed from 9:40 p.m. to 9:48 p.m.

21. Subject: Consider an amendment to the Cost Sharing Agreement between the City of Cupertino and the Santa Clara Valley Water District (Valley Water) for water conservation programs
Recommended Action: Authorize the City Manager to execute the Sixth Amendment to the Cost Sharing Agreement between the City of Cupertino and Valley Water, increasing the amount by \$165,000, for a total amount not to exceed \$395,500, and extending the Term of the Agreement to end on June 30, 2024; and Adopt Resolution No. 23-014 approving budget modification #2222-252 increasing appropriations by \$90,000 in City Manager, Sustainability budget
22. Subject: Consider a resolution authorizing the City of Cupertino to take all necessary steps to accept \$1,000,000 in specified grant funds from the Budget Act of 2022-2023 for the Jollyman Park All-Inclusive Playground
Recommended Action: 1. Adopt Resolution No. 23-015 (Attachment A) authorizing the City of Cupertino to take all necessary steps to accept \$1,000,000 in specified grant funds from the Budget Act of 2022-2023 for the Jollyman Park All-Inclusive Playground; and
2. Adopt Resolution No. 23-016 (Attachment B) approving budget modification no. 2223-251 increasing revenue for Jollyman All-Inclusive Playground (420-99-051, PVAR 007) by \$1,000,000

23. Subject: Consider authorizing the Director of Public Works to reject all bids received for the Blackberry Farm Pool Improvements Capital Improvement Program (CIP) Project

Recommended Action: Authorize the Director of Public Works to reject all bids received for the Blackberry Farm Pool Improvements Project

This item was pulled from the Consent Calendar for discussion.

CIP Manager Susan Michael reviewed the staff report.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period.

Peggy Griffin asked about grant funding for the project.

Mayor Wei closed the public comment period.

Chao moved and Mohan seconded to authorize the Director of Public Works to reject all bids received for the Blackberry Farm Pool Improvements Project. The motion carried unanimously.

24. Subject: Consider award of a construction contract for the Wilson Park Basketball Court Project (Project No. 2022-11) for the construction of a new full-size outdoor basketball court, including associated improvements

Recommended Action: 1. Award a construction contract for the Wilson Park Basketball Court Project and authorize the City Manager to execute the contract in the amount of \$299,474.00 with Guerra Construction Group;

2. Authorize the Director of Public Works to execute any necessary change orders up to a construction contingency amount of \$29,947.40 (10 %) for a total authorized contract amount of \$329,421.40; and

3. Adopt Resolution No. 23-017 approving budget modification #2223-248 increasing appropriations in the Capital Improvement Program Capital Projects Fund (budget unit 420-99-252) and the Capital Reserve (budget unit 420-99-001) by \$160,000 including construction, contingency, construction management, inspection, and testing services

25. Subject: Consider award of a construction contract for the Wilson Park Community Garden Project (Project 2020-01.1) for construction of a new community garden and associated improvements

Recommended Action: 1. Award a construction contract for the Wilson Park Community Garden Project and authorize the City Manager to execute a contract in the amount of \$284,585 (including base bid of \$245,085 plus \$39,500 for bid alternatives 2, 3, 4, and 5) with Tyman Construction;

2. Authorize the Director of Public Works to execute any necessary change orders up to the construction contingency amount of \$28,458 (10%) for a total authorized contract amount of \$313,043; and
3. Adopt Resolution No. 23-018 approving budget modification #2223-249 increasing appropriations in the Capital Improvement Program (budget unit 420-99-083) and the Capital Projects Reserve (budget unit 420-90-001) by \$90,000 to fully fund the remaining project costs, which include contingency, construction management, inspection, and testing services

26. Subject: Consider Lawrence-Mitty Park and Trail project design direction following community outreach results.
- Recommended Action: Approve Lawrence-Mitty Park and Trail project design direction following community outreach results and proceed to Final Concept Design Development.

This item was pulled from the Consent Calendar for discussion.

CIP Manager Susan Michael reviewed the staff report.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period.

Jennifer Griffin supported the project and additional fencing.

Jennifer Shearin supported the project.

Peggy Griffin supported the project and was concerned about the safety of unhoused individuals in the area.

Lisa Warren was concerned about the safety of unhoused individuals in the area.

Mayor Wei closed the public comment period.

Chao moved and Fruen seconded to approve Lawrence-Mitty Park and Trail project design direction following community outreach results and proceed to Final Concept Design Development. The motion carried unanimously.

SECOND READING OF ORDINANCES - None

ORAL COMMUNICATIONS - CONTINUED (As necessary) - None

COUNCIL AND STAFF COMMENTS AND FUTURE AGENDA ITEMS

Councilmembers requested the following future agenda items:

- Reconsider Council's decision on City Hall on November 15, 2022 (Fruen/Wei)
- Consider adding a vacancy tax as a future ballot measure (Moore/Chao)

Councilmembers also requested the following information to be provided via memo:

- Receive updated memo on Lehigh Cement Plant and Quarry activities (Chao/Moore)
- Receive memo on sales tax audit being conducted by the California Department of Tax and Fee Administration (CDTFA) and upcoming legislation (Chao)
- City Manager updates on milestones related to the Housing Element (Mohan)

ADJOURNMENT

At 10:43 p.m., Mayor Wei adjourned the Regular City Council Meeting.

Kirsten Squarcia, City Clerk



CITY OF CUPERTINO

Agenda Item

23-12024

Agenda Date: 2/7/2023
Agenda #: 7.

Subject: Consider approval of the January 25 City Council minutes

Approve the January 25 City Council minutes



DRAFT MINUTES
CUPERTINO CITY COUNCIL
Wednesday, January 25, 2023

SPECIAL MEETING

At 4:00 p.m., Mayor Hung Wei called the Special City Council Meeting to order in the Cupertino Community Hall Council Chamber, 10350 Torre Avenue and via teleconference.

ROLL CALL

Present: Mayor Hung Wei, Vice Mayor Sheila Mohan, and Councilmembers Liang Chao, J.R. Fruen and Kitty Moore. Absent: none.

STUDY SESSION

1. Subject: Consider adopting Cupertino City Council Procedures Manual, including a new Ceremonial Correspondence Policy (Continued from January 17, 2023)
Recommended Action: Provide input regarding Council procedures and approve Resolution No. 23-021 adopting Cupertino City Council Procedures Manual, including a new Ceremonial Correspondence Policy
Presenter: Christopher Jensen, City Attorney

Written communications for this item included a staff presentation, City Council Procedures Manual - Supplemental Staff Report with Amended Attachment A, and emails to Council.

City Attorney Christopher Jensen gave a presentation.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period and the following people spoke.

Peggy Griffin opposed taking action at a study session and supported modifications to the draft procedures manual. (Submitted written comments).

Jennifer Griffin supported modifications to the draft procedures manual.

Lisa Warren opposed taking action at a study session and supported modifications to the draft procedures manual.

Rhoda Fry opposed taking action at a study session and supported modifications to the draft procedures manual.

Donna Austin supported the draft procedures manual.

Louise Saadati supported the draft procedures manual.

Danessa Techmanski opposed taking action at a study session and supported modifications to the draft procedures manual.

Mayor Wei closed the public comment period.

Council took straw votes on whether to incorporate the suggested Councilmember revisions into the proposed Procedures Manual. Items with three or more votes were incorporated.

<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
1.1 (Moore) Purpose. Delete "and members of the public."	No	Yes	No	No	No	Noes (4)
1.3 (Chao) Brown Act. Add a new Section 1.2 that reads as follows: "Principle. The City Council maintains control as the governing body. This manual ensures free and fair access to the flow of any information relative to the operation of the City and free and fair access to public meetings."	No	Yes	No	Yes	No	Noes (3)
2.1 (Moore) Selection of Mayor and Vice Mayor. Delete: "The Mayor and Vice Mayor shall not serve consecutive terms; provided, however, this provision shall not prevent the Vice Mayor from succeeding to the office of Mayor."	No	Yes	No	No	No	Noes (4)
2.2 (Mohan) Removal of Mayor and Vice Mayor. Add "Removal for cause shall mean removal of a Councilmember because of such member's (a) willful and continued failure substantially to perform their duties, (b) conviction for, or guilty plea to, a felony, or a crime involving moral turpitude, (c) abuse of illegal drugs or other controlled substances or habitual intoxication, or (d) other illegal activities. The removal should proceed with a formal warning, which states with proven evidence of the member's failure to perform their duties and proposed corrective measures.."	Yes	No	Yes	Yes	Yes	Ayes (4)

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<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
<p>3.1 (Chao) Replace Section 3.1 with the following: "It will be the responsibility of the committees and subcommittees to inform and submit recommendations to the Council. The purpose and scope of each standing or ad hoc committee should be stated when it is formed and re-stated when councilmembers are appointed to the committee at a regular meeting.</p> <ul style="list-style-type: none"> The City Manager shall prepare a report to Council about the anticipated time commitment required for staff to assist the Ad Hoc Committee. Information: The scope, membership, time of creation and estimated number of meetings for each Ad Hoc Committee shall be posted to the City Council website. Termination: A majority of the Council may vote to terminate any Ad Hoc Committee following a written report by the committee. Ad Hoc Committees do not constitute legislative bodies and are not subject to the requirements of the Brown Act. Standing committees that have a continuing or indefinite jurisdiction are subject to the Brown Act." 	No	Yes	No	Yes	No	Noes (3)
<p>3.3 (Moore) Reporting. "Council committee and subcommittee members are to keep the Council informed of the work and progress of their committee or subcommittee. These reports or minutes shall be made in writing, <u>whenever a recommendation is made to the Council.</u>"</p>	No	Yes	Yes	No	No	Noes (3)

Council recessed from 5:55 p.m. to 6:00 p.m.

<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
<p>4.2 (Wei) Attendance at Council Meetings. <u>Staff shall provide the commission with advance notice for the commission to select a member to attend the City Council meeting.</u></p>	Yes	Yes	Yes	Yes	Yes	Ayes (5)
<p>4.2 (Moore) Attendance at Council Meetings. At least one commission member, <u>preferably the Chair or Vice Chair,</u> must attend City Council meetings when the commission has an item of interest on the Council</p>	Yes	Yes	Yes	Yes	Yes	Ayes (5)

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agenda, so as to be available to answer Council questions.						
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
4.4 Appointment. (Multiple) "...Former Councilmembers are not eligible <u>for appointment to service on</u> any commission or committee within four years of having served on the City Council.	No	No	-	-	No	Noes (3)
4.4 (Chao) Delete the last sentence "Former Councilmembers are not eligible for appointment to any commission or committee within four years of having served on the City Council.". Add: "City staff should report communications from former Councilmembers and former commissioners on issues related to City business through phone calls or in-person communications."	No	Yes	No	Yes	No	Noes (3)
4.4 (Moore) "... <u>Former Councilmembers are not eligible for appointment to any commission or committee within four years of having served on the City Council. Commissioners and committee members shall not be employees of the City or companies which the City contracts with, or employees of subcontracted companies.</u> "	No	Yes	No	Yes	No	Noes (3)
4.5 (Staff) Removal. The City Clerk shall remove commission or committee members for failure to comply with attendance policies adopted in the Commission and Committee Handbook <u>Commissioner's Handbook</u> .	Yes	Yes	Yes	-	Yes	Ayes (4)
4.5 (Chao) "The City Clerk shall <u>remove inform the Council to consider removal</u> of commission or committee members for failure to comply with attendance policies adopted in the Commission and Committee Handbook..."	No	-	No	Yes	No	Noes (3)
4.6 (Staff) Undue Influence on Commissioners. Delete and commissioners" from the last sentence of Section 4.6.	Yes	Yes	Yes	Yes	-	Ayes (4)
4.6 (Moore) Individual Councilmembers and commissioners shall have the right to attend meetings of <u>Cupertino</u> commissions and other Cupertino governmental bodies but shall refrain from speaking or becoming involved in deliberations.	Yes	Yes	Yes	Yes	-	Ayes (4)
5.1 (Moore) Attendance. <u>Council attendance will be noted in the agenda of the next regular meeting and thereafter for that calendar year, if five or more regular meetings are missed.</u>	Yes	Yes	Yes	Yes	Yes	Ayes (5)
5.2 (Moore) Correspondence. Official correspondence from any member of Council shall be provided to all members of Council."	No	Yes	No	-	No	Noes (3) Staff to

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						review process
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
5.2 (Chao) Add staff recommendation and urgent correspondence will be added to Consent Calendar on next Council agenda for public information.	Yes	-	No	Yes	No	Staff to review process
5.3 (Chao) Regional Bodies. The Mayor makes the recommendation which is then approved by the Council.	No	-	No	Yes	No	Noes (3)
5.3 (Moore) "Council representatives to such various boards shall keep the Council informed of ongoing business through brief oral or <u>and</u> written reports to the Council"; and add the following: The Council representative shall provide a written report to Council consistent with Section 3.3.	No	Yes	No	-	No	Noes (3)
5.7 (Staff) Council Training. New members must receive the training within their first year of service <u>and shall comply with ongoing training requirements imposed by state law.</u> Members shall attend training sessions that are offered locally in the immediate vicinity of Santa Clara County or , by completing online a state-approved public service ethics education program, <u>or through a state-approved training which may be provided at a conference attended by the member.</u>	Yes	Yes	-	Yes	Yes	Ayes (4)
5.8 Mayor's Initiative Budget. Keep this section.	Yes	No	Yes	No	Yes	Ayes (3)
6.6 (Staff/Chao) Councilmember Access to Information. <u>The City Manager shall place requests that impose a significant workload on staff on the Council agenda for review by the full Council, along with a statement from that Councilmember as to why the information is needed.</u>	Yes	Yes	Yes	Yes	-	Ayes (4)
7.1 (Wei) Future Agenda Items: "The City Manager shall provide a quarterly report to Council regarding the status of future agenda items, which may include a request to remove items <u>that are outdated or obsolete,</u> from the list of future agenda items. <u>Any item Outdated or obsolete items</u> may be removed for the future agenda items list by a majority vote of the City Council. <u>The City Manager may ask Council to reaffirm that items remain on the future agenda items list with the support of two councilmembers.</u>	No	-	No	No	No	Noes (4)
7.1 (Multiple) Delete the sentence: Any item may be removed for the future agenda items list by a majority vote of the City Council."	No	-	No	No	No	Noes (4)
7.1 (Chao) Adopt a Council procedures manual that follows the "Colleagues Memo" process used by the	No, add to	No, add to	No, add to	No, add to	No, add to	Noes (4) add

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City of Palo Alto.	future agenda	future agenda	future agenda	future agenda	future agenda	to future agenda
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
7.1 Future Agenda Items: Discuss this section further on a future agenda.	-	Yes	-	Yes	Yes	Ayes (3)
7.5 (Staff) Agenda Publication. Agenda packets <u>for a regular meeting</u> should be published and delivered to Councilmembers no later than the Thursday <u>Wednesday</u> prior to a Tuesday Council meeting.	Yes	No	Yes	Yes	Yes	Ayes (4)
7.6 (Chao) Supplemental Materials. Supplemental reports <u>and materials</u> received by the City Clerk after the agenda is published but before 12:00 p.m. on the Monday prior to the City Council meeting shall be published and delivered to Councilmembers at 5:00 p.m. on Monday. Supplemental reports <u>and materials</u> received by the City Clerk after 12:00 p.m. on Monday but before 4:00 p.m. on the day of the meeting shall be published and delivered to Councilmembers prior to the Council meeting. <u>Council questions and staff-prepared responses will be included in supplemental materials provided to Council and the public.</u>	Yes	Yes	Yes	Yes	Yes	Ayes (5)
8.2 (staff) Seating of Councilmembers. For meetings held in Council Chambers at Community Hall, the Mayor shall be seated at the center of the dais and the Vice Mayor shall be seated immediately to the Mayor's left. The remaining Councilmembers shall be seated in order of seniority as follows: (1) the seat immediately to the right of the Mayor; (2) the last seat on left side of the dais; (3) the last seat on the right side of the dais. Seniority shall be based on the number of consecutive years of service on the City Council. If two members have equal seniority based on service, the member with the higher vote count in their most recent election is considered to have higher seniority.	Yes	Yes	Yes	Yes	Yes	Ayes (5)
8.4 (Chao) Order of Business. 1. <u>Call to Order</u> • <u>Pledge of Allegiance</u> • <u>Roll Call</u> • <u>Closed Session Report</u> • <u>Ceremonial Items</u> • <u>Postponements and Orders of the Day</u> • <u>Oral Communications (public comment on non-agenda matters)</u> • <u>Consent Calendar</u> • <u>Public Hearings</u> • <u>Action Calendar</u> • <u>Items Removed from the Consent Calendar</u>	Yes	Yes	Yes	Yes	Yes	Ayes (5)

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<ul style="list-style-type: none"> • <u>Council Reports and Comments</u> • <u>City Manager Report</u> • <u>Oral Communications (continued)</u> • <u>Informational Items</u> • <u>Council and Staff Comments and the Future Agenda Items</u> <p>17. <u>Adjournment</u></p>						
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Council recessed from 8:44 p.m. to 8:50 p.m.

<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
8.5.1 (Chao) Adding Item to Consent Calendar. The Mayor, the City Manager, the City Attorney, or the City Clerk may recommend that items appearing on the agenda be placed on the consent calendar for action by the City Council. In addition, any item may be placed on the consent calendar by a majority vote of the City Council. All items placed on the consent calendar shall appear together on the agenda with the recommendation as to the action to be taken by the City Council with respect to such item. Upon the motion of any member of the City Council, all items placed upon the consent calendar may be acted upon together, and each shall be deemed to have received the action recommended. Items may be removed from the consent calendar only by a member of the City Council.	No	Yes	Yes	Yes	Yes	Ayes (4)
8.5.2 (Fruen/Wei) Removing Item from Consent Calendar. Revise to allow Councilmembers to remove at most one item from the consent calendar without providing notice before the Council meeting begins. <u>Items may be removed from the consent calendar only by a member of the City Council.</u> Any member of the City Council who would like to remove any item from the consent calendar shall notify the City Manager and the City Clerk prior to the meeting; <u>provided, however, each Councilmember may remove one item from the consent calendar without providing notice before the Council meeting begins.</u> Although members of the City Council are encouraged to ask questions and share concerns about the agenda item with staff before the meeting, they are not required to do so. Items removed from the consent calendar shall be placed at the end of the agenda for consideration.	Yes	No	Yes	Yes	Yes	Ayes (4)
8.5.2 (Moore) Delete Section 8.5.2.	No	Yes	No	No	No	Noes (4)
8.6 (Wei) Follow as recommended by staff to limit public comment up to 10 minutes if the speaker is representing five or more people and all other	-	-	-	-	-	-

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procedures are the Mayor's discretion. No member of the public may be allocated more than a combined total of 10 minutes to speak during a Council meeting.						
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
8.6 (Moore) No member of the public may be allocated more than a combined total of 10 minutes to speak during a Council meeting.	-	-	-	-	-	-
8.6 (Fruen) Public Comment. Remove the 10-minute limit on total time for public comment by a single member of the public and to increase the length of time members of the public have to raise their hand or submit a blue card to speak to 9 minutes or prior to the close of public comment.	Yes	Yes	Yes	-	Yes	Ayes (4)
8.6 (Chao) Support a 5-minute time limit but add a future agenda item on a better method of handling both virtual in-person speaker cards.	-	-	-	Yes	-	-
8.9.1 (Staff) Ex Parte Contacts. Councilmembers shall disclose any ex parte contacts prior to deliberation on a quasi-adjudicative matter <u>ex parte communications prior to deliberation on a quasi-judicial matter. A quasi-judicial matter is typically a hearing in which the City Council hears evidence and makes findings of fact to reach a conclusion based on the applicable law. An ex parte communication occurs when a Councilmember hearing a quasi-judicial matter communicates directly or indirectly with any person or party in connection with a matter before the Council, without notice and the opportunity for all parties to participate.</u>	Yes	Yes	Yes	Yes	Yes	Ayes (5)
8.9.3 (Wei) Council Questions and Deliberations. Add "...The Mayor may allow additional time for deliberation where appropriate."	-	Yes	-	Yes	-	-
8.9.3 (Fruen) Councilmembers may obtain the floor by seeking recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given 5 minutes to ask questions of any presenter. The Mayor may allow additional time for questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized should limit their time to 5 minutes. Councilmembers may obtain the floor by seeking <u>recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given five minutes to ask questions of any presenter. The Mayor may allow additional time for</u>	Yes		Yes	-	Yes	Ayes (3)

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questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized shall limit their time to five minutes. The Mayor may allow additional time for questions where appropriate. This rule shall displace any conflicting rule in the City's adopted rules of procedure.						
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
8.10 (Fruen) Meeting Length. If a meeting continues past 11:00 p.m., it shall end at 11:30 p.m. All meetings shall be adjourned at 11:30 p.m. unless by a <u>2/3</u> -vote of a <u>majority</u> of the City Council suspends this rule and votes affirmatively to extend the meeting past 11:30 p.m.	Yes	Yes	-	Yes	Yes	Ayes (4)
8.11 (Moore) Public Hearing Procedures. The order of proceeding where there is a public hearing item (non-appeal items) before the City Council shall be as follows: 1. Open Public Hearing 2. Staff Report (<u>preferably</u> ≤ 10 minutes) 3. Applicant's presentation (where applicable) (<u>preferably</u> ≤ 8 minutes) 4. Questions from the Council 5. Public comment 6. Applicant's response to public comment (where applicable) (<u>preferably</u> 2 minutes) 7. Close Public Hearing and vote Where the public hearing involves an appeal of a decision to the City Council, the order of proceeding shall be as follows: 1. Open Public Hearing 2. Staff Report (<u>preferably</u> ≤ 10 minutes) 3. Appellant's statement (<u>preferably</u> ≤ 8 minutes) 4. Applicant's statement (where applicable) (<u>preferably</u> ≤ 8 minutes) 5. Questions from the Council 6. Public comment 7. Applicant's response to public comment (where applicable) (<u>preferably</u> 2 minutes) 8. Appellant's response to public comment (<u>preferably</u> 2 minutes) 9. Close Public Hearing 10. City Council discussion and vote	Yes	Yes	Yes	Yes	Yes	Ayes (5)

City Council

Minutes

January 25, 2023

8.12 (Staff) City Council Recess Period. The City Council recess period shall begin the first Tuesday in August at 12:00 a.m. and end the Tuesday following Labor Day at 12:00 a.m. During any recess period, the City Manager is authorized to take such ministerial actions for matters of operational urgency, including such emergency actions as are necessary for the immediate preservation of the public peace, health, or safety, as would normally be taken by the City Council during the period of recess, except for those duties specifically reserved to the Council by law. This authority extends throughout the period of recess established by the City Council and includes the authority to execute agreements and make expenditures necessary for the exigent operational matters. The City Manager shall make a full and complete report to the City Council at its first regularly scheduled meeting following the period of recess of actions taken by the City Manager pursuant to this section, at which time the City Council may make such findings as may be required to ratify the actions of the City Manager. <u>Nothing in this Section prevents the City Council from calling a special meeting during the recess period.</u>	Yes	Yes	-	Yes	-	Ayes (3)
<u>Proposed Section Revision</u>	<u>Fruen</u>	<u>Moore</u>	<u>Mohan</u>	<u>Chao</u>	<u>Wei</u>	<u>Vote</u>
8.13 (Chao) Add a new paragraph to Section 8 that reads as follows: Study Sessions. Study Sessions are meetings during which the Council receives information about City business in an informal setting. The informal study session setting is intended to encourage in depth discussion and detailed questioning and brainstorming by Council on issues of significant interest including City policy matters, zoning applications, and major public works projects. The Council may discuss the material freely without following formal rules of parliamentary procedure. Staff may be directed to bring matters back for future Council consideration as no action can be taken at a study session. The Decorum rules still apply to the behavior of the Council and public.	No	-	No	-	No	Noes (3)
10. (Moore) Revise "2/3 vote of the Council"" to state " <u>three votes of the Council</u> "	-	Yes	Yes	Yes	-	Ayes (3)
5.5 (Staff) Ceremonial Correspondence. Remove policy and bring back for Council consideration at a later date.	-	-	-	-	-	-

Chao moved to accept Council's straw vote recommendations and direct staff to take Council's input and return with a revised Council Procedures at the next regular City Council meeting; and bring back the future agenda items that were discussed. There was no second and Chao's motion was not considered.

The following items will be provided to Council separately:

- Current Mayor's Initiative Budget resolution and if Council desires to update the current resolution, this can be done at a future date.
- quarterly report on the To-Be-Determined (TBD) list of draft future agenda items
- email to Council on exact times that Council questions will be provided as supplemental materials/desk items
- email to Council on what qualifies as a Consent Calendar agenda item
- include examples of study session policies from other cities when future revisions are discussed for the adopted council procedures
- further discussion on the Colleagues Memo Policy

Wei moved and Chao seconded to provide direction to the City Manager and City Attorney to consolidate the straw vote recommendations and return to Council with a revised Procedures Manual that reflects the results of the straw poll votes, for consideration at the next regular City Council meeting; and provide more information to Council on the additional items discussed prior to adding to a future City Council agenda. The motion carried with Moore voting no.

2. Subject: Study Session to consider modifying Municipal Code Title 2 regarding compositions and responsibilities of existing Commissions and Committees (Continued from January 17, 2023)

Recommended Action: Direct staff to proceed with ordinance amendment to consolidate existing Commissions and Committees

Presenter: Pamela Wu, City Manager

Written communications for this item included a staff presentation and emails to Council.

City Manager Pamela Wu gave a presentation.

Councilmembers asked questions and made comments.

Mayor Wei opened the public comment period and the following people spoke.

Peggy Griffin opposed consolidating the Environmental Review Committee (ERC), Design Review Committee (DRC), Legislative Review Committee (LRC), and Economic Development Committee (EDC).

Jennifer Griffin opposed consolidating the ERC, LRC, and other Committees.

Lisa Warren opposed discontinuing the City Hall Renovation Subcommittee and consolidating the ERC, DRC, LRC, and EDC.

Donna Austin supported consolidating existing Commissions and Committees and the staff recommendation.

Rhoda Fry opposed consolidating the ERC and DRC and delegating the EDC and LRC.

Louis Saadati supported consolidating existing Commissions and Committees and the Subcommittees.

Housing Commissioner Tessa Parish (representing self) opposed consolidating the ERC and DRC and delegating the LRC and EDC.

Mayor Wei closed the public comment period.

Fruen moved and Mohan seconded the staff recommendation to:

- 1) Consolidate certain Commissions and Committees; and
- 2) Discontinue all previously formed subcommittees; and
- 3) Proceed with preparation of necessary ordinance amendments.

Chao moved and Moore seconded a substitute motion to:

1. Combine the Environmental Review Committee (ERC) and Design Review Committee (DRC) into one committee but not merge with Planning Commission;
2. Remove the Legislative Review Committee (LRC);
3. Remove the Administrative Hearing Committee (AH) from the list;
4. Merge the Disaster Council with the City Council;
5. Retain the Economic Development Committee (EDC);
6. Follow the staff recommendation to discontinue the Subcommittees;
7. Follow the staff recommendation to proceed with preparation of necessary ordinance amendments.

The substitute motion failed with Chao and Moore voting yes.

Chao made a friendly amendment for staff to return with alternative suggestions for the current structure of the Economic Development Committee. (Fruen and Mohan accepted the friendly amendment).

Moore moved and Chao seconded a second substitute motion to move the recommended action with the amendment to retain the Economic Development Committee as codified. The second substitute motion failed with Chao and Moore voting yes.

Final motion:

Fruen moved and Mohan seconded the staff recommendation to:

- 1) Consolidate certain Commissions and Committees; and
- 2) Discontinue all previously formed subcommittees; and
- 3) Proceed with preparation of necessary ordinance amendments; and
- 4) Provide direction for staff to return with alternative suggestions for the current structure of the Economic Development Committee.

The motion carried with Moore voting no.

ADJOURNMENT

At 11:59 p.m., Mayor Wei adjourned the Special City Council Meeting.

Kirsten Squarcia, City Clerk



CITY OF CUPERTINO

Agenda Item

23-11881

Agenda Date: 2/7/2023
Agenda #: 8.

Subject: Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361

Adopt Resolution No. 23-022 authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361



CITY MANAGER'S OFFICE

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3223 • FAX: (408) 777-3366
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361

Recommended Action

Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period February 7, 2023 through February 28, 2023 pursuant to the Brown Act, as amended by AB 361

Background

On March 2, 2020, Governor Newsom declared a state of emergency due to the public health threat posed by COVID-19. On March 4, 2020, Governor Newsom issued Executive Order No-29-20, which suspended certain elements of the Brown Act and specifically allowed legislative bodies to hold meetings entirely electronically with no physical meeting. In accordance with the Executive Order, the City held its first teleconference meeting on March 24, 2020, to help stop the spread of COVID-19. On June 11, 2021, Governor Newsom issued Executive Order No-08-21, which stated that the provisions in Executive Order No-29-20, suspending certain elements of the Brown Act, would continue to apply through September 30, 2021. On October 17, 2022, Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023.

On September 15, 2021, Governor Newsom signed AB 361 into law, which allows state and local agencies to continue using teleconferencing during certain state-declared emergencies under modified Brown Act requirements. AB 361 became effective immediately after signing due to its emergency clause and is set to sunset on January 1, 2024. Under AB 361, teleconference meetings may be held during a state of emergency if (1) state or local officials have imposed or recommended measures to promote social distancing, or (2) a legislative body determines by a majority vote that meeting in person would present imminent risks to the health or safety of attendees. (Gov. Code, § 54953(e)(1).)

To continue teleconference meetings beyond a 30-day period, AB 361 requires the Council to make a determination that either (i) "[t]he state of emergency continues to directly impact the ability of the members to meet safely in person, or (ii) "State or local officials continue to impose or recommend measures to promote social distancing." (Gov. Code, § 54953(e)(3)(B).) That determination must be reviewed each 30 days thereafter to continue teleconference meetings. (*Ibid.*)

Discussion

AB 361 allows the City Council and other City legislative bodies to continue meeting exclusively via teleconference so long as a state emergency declaration remains in place and the statute's conditions for permitting remote meetings are met. To continue meeting remotely, the City Council must find that state or local officials have imposed or recommend measures to support social distancing, or that the state of emergency continues to directly impact the ability of the members to meet safely in person.

On January 17, Council adopted Resolution No. 23-001 affirming findings related to AB 361 and authorizing the City Manager and legislative bodies of the City of Cupertino to meet exclusively by teleconference in accordance with Government Code section 54953(e)(3) and other applicable provisions of the Brown Act through February 17, 2023 (Attachment B). Council may make either or both of the permitted findings to extend the time to allow teleconference meetings to continue. The California Department of Industrial Relations Revised Emergency Temporary Standards, effective May 6, 2022, continue to require or recommend social distancing in the workplace in certain circumstances. It is therefore recommended that Council adopt the Draft Resolution authorizing continued teleconference meetings for the City of Cupertino's legislative bodies in order to protect the health and safety of all attendees and participants, particularly those who are unvaccinated (Attachment A). The authorization for teleconference meetings under AB 361 will end on February 28, consistent with Governor Newsom's stated intent to terminate the COVID-19 State of Emergency on that date. This will be the last time Council is requested to consider authorizing meetings exclusively by teleconference. All Councilmembers have resumed in person attendance at City Council meetings, while members of the public will continue to be allowed to participate in person or via teleconference (hybrid model) going forward.

Sustainability Impact

Conducting meetings remotely has reduced paper consumption by providing electronic access to meeting materials instead of printed materials.

Fiscal Impact

No fiscal impact.

Prepared by: Kirsten Squarcia, City Clerk

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Draft Resolution

B – Adopted Resolution No. 23-001

RESOLUTION NO. 23-__

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL
AUTHORIZING CONTINUED REMOTE TELECONFERENCE MEETINGS OF THE
LEGISLATIVE BODIES OF THE CITY OF CUPERTINO FOR THE PERIOD
FEBRUARY 7, 2023 THROUGH FEBRUARY 28, 2023 PURSUANT TO BROWN ACT
PROVISIONS**

WHEREAS, the City of Cupertino is committed to preserving and nurturing public access and participation in meetings of the City Council, commissions, and committees; and

WHEREAS, all meetings of the City of Cupertino's legislative bodies are open and public, as required by the Ralph M. Brown Act (Government Code sections 54950–54963), so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for holding meetings exclusively by teleconference is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, Government Code section 54953(e) further requires that in order to authorize meetings exclusively by teleconference, a legislative body must determine that state or local officials have imposed or recommended measures to promote social distancing, or that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on October 5, 2021, November 2, 2021, November 30, 2021, December 21, 2021, January 18, 2022, February 15, 2022, March 15, 2022, April 5, 2022, May 3, 2022, May 19, 2022, June 7, 2022, July 7, 2022, July 19, 2022, August 16, 2022, September 6, 2022, October 4, 2022, November 1, 2022, November 15, 2022, December 5, 2022, December 20, 2022, and January 17, 2023 the Cupertino City Council made the findings required under Government Code section 54953(e) and resolved that the legislative bodies of the City of

Cupertino shall conduct their meetings without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e), and that such legislative bodies should comply with the requirements to provide the public with access to the meetings as prescribed in section 54953(e)(2); and

WHEREAS, Government Code section 54593(e)(3) provides that to continue to holding meetings of legislative bodies exclusively by teleconference, the legislative body must reconsider the circumstances of the state of emergency every 30 days, and find that either (i) the state of emergency continues to directly impact the ability of the members to meet safely in person, or (ii) State or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, the City Council has reconsidered the circumstances of the state of emergency that now exists, specifically defined in the County of Santa Clara proclamation of a local emergency beginning February 3, 2020, the City of Cupertino proclamation of a local emergency on March 11, 2020, the Governor of the State of California proclamation of a state of emergency beginning on March 4, 2020, and the national emergency declaration in Proclamation 9994 of March 13, 2020, beginning March 1, 2020, concerning the COVID-19 pandemic; and

WHEREAS, the California Department of Industrial Relations Revised Emergency Temporary Standards, effective May 6, 2022, continue to require or recommend social distancing in the workplace in certain circumstances; and

WHEREAS, the Revised Emergency Temporary Standards, and evidence documenting the transmission of COVID-19 in indoor spaces establishes that the state of emergency continues to directly impact the ability of the members to meet safely in person; and

WHEREAS, based on the above findings, the Cupertino City Council hereby determines that the legislative bodies of the City of Cupertino shall continue to conduct their meetings without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e), and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in section 54953(e)(2); and

WHEREAS, the City has and will continue to provide access for the public to legislative meetings and procedures through video teleconference technologies.

Resolution No. 23-____
Page 3

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cupertino, as follows:

1. Remote Teleconference Meetings. The City Manager and legislative bodies of the City of Cupertino are hereby authorized and directed to meet exclusively by teleconference and to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
2. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective through February 28, 2023, or such time as the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the City Council of the City of Cupertino may continue to teleconference without compliance with Government Code section 54953(b)(3).

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of February 2023, by the following vote:

Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED: _____ Hung Wei, Mayor City of Cupertino	 _____ Date
ATTEST: _____ Kirsten Squarcia, City Clerk	 _____ Date

RESOLUTION NO. 23-001

A RESOLUTION OF THE CUPERTINO CITY COUNCIL AUTHORIZING CONTINUED REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY OF CUPERTINO FOR THE PERIOD JANUARY 17, 2023 THROUGH FEBRUARY 16, 2023 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the City of Cupertino is committed to preserving and nurturing public access and participation in meetings of the City Council, commissions, and committees; and

WHEREAS, all meetings of the City of Cupertino's legislative bodies are open and public, as required by the Ralph M. Brown Act (Government Code sections 54950–54963), so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for holding meetings exclusively by teleconference is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, Government Code section 54953(e) further requires that in order to authorize meetings exclusively by teleconference, a legislative body must determine that state or local officials have imposed or recommended measures to promote social distancing, or that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on October 5, 2021, November 2, 2021, November 30, 2021, December 21, 2021, January 18, 2022, February 15, 2022, March 15, 2022, April 5, 2022, May 3, 2022, May 19, 2022, June 7, 2022, July 7, 2022, July 19, 2022, August 16, 2022, September 6, 2022, October 4, 2022, November 1, 2022, November 15, 2022, December 5, 2022, and December 20, 2022 the Cupertino City Council made the findings required under Government Code section 54953(e) and resolved that the legislative bodies of the City of Cupertino shall

conduct their meetings without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e), and that such legislative bodies should comply with the requirements to provide the public with access to the meetings as prescribed in section 54953(e)(2); and

WHEREAS, Government Code section 54593(e)(3) provides that to continue to holding meetings of legislative bodies exclusively by teleconference, the legislative body must reconsider the circumstances of the state of emergency every 30 days, and find that either (i) the state of emergency continues to directly impact the ability of the members to meet safely in person, or (ii) State or local officials continue to impose or recommend measures to promote social distancing; and

WHEREAS, the City Council has reconsidered the circumstances of the state of emergency that now exists, specifically defined in the County of Santa Clara proclamation of a local emergency beginning February 3, 2020, the City of Cupertino proclamation of a local emergency on March 11, 2020, the Governor of the State of California proclamation of a state of emergency beginning on March 4, 2020, and the national emergency declaration in Proclamation 9994 of March 13, 2020, beginning March 1, 2020, concerning the COVID-19 pandemic; and

WHEREAS, the California Department of Industrial Relations Revised Emergency Temporary Standards, effective May 6, 2022, continue to require or recommend social distancing in the workplace in certain circumstances; and

WHEREAS, the Revised Emergency Temporary Standards, and evidence documenting the transmission of COVID-19 in indoor spaces establishes that the state of emergency continues to directly impact the ability of the members to meet safely in person; and

WHEREAS, based on the above findings, the Cupertino City Council hereby determines that the legislative bodies of the City of Cupertino shall continue to conduct their meetings without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e), and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in section 54953(e)(2); and

WHEREAS, the City has and will continue to provide access for the public to legislative meetings and procedures through video teleconference technologies.



NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cupertino, as follows:

1. Remote Teleconference Meetings. The City Manager and legislative bodies of the City of Cupertino are hereby authorized and directed to meet exclusively by teleconference and to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
2. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective through February 16, 2023, or such time as the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the City Council of the City of Cupertino may continue to teleconference without compliance with Government Code section 54953(b)(3).

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 17th day of January 2023, by the following vote:

Members of the City Council

AYES: Wei, Mohan, Chao, Fruen, Moore
NOES: None
ABSENT: None
ABSTAIN: None

<div>SIGNED:</div> <div> Hung Wei, Mayor City of Cupertino</div>	<div>1/30/2023</div> <div>Date</div>
<div>ATTEST:</div> <div> Kirsten Squarcia, City Clerk</div>	<div>1/31/23</div> <div>Date</div>



CITY OF CUPERTINO

Agenda Item

22-11711

Agenda Date: 2/7/2023
Agenda #: 9.

Subject: Consider ratifying Accounts Payable for the period ending November 13, 2022

Adopt Resolution No. 23-023 ratifying Accounts Payable for the period ending November 13, 2022



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
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CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider ratifying Accounts Payable for the period ending November 13, 2022

Recommended Action

Adopt Resolution No. 23-XXX ratifying Accounts Payable for the period ending November 13, 2022

Discussion

As part of the January 17, 2023 City Council Meeting staff brought forward a report on November accounts payable. Staff subsequently reviewed the accounts payable provided and discovered that one week had been missed in the reporting. Staff further reviewed FY 2022-23 accounts payable presented to Council to date to determine that no other weeks are missing. No missing reports were found as all reports have been brought forward to Council.

All four weeks of the November accounts payable reports were included in the January 23, 2023 Audit Committee meeting.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

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

Approved for Submission by: Pamela Wu, City Manager

A – Draft Resolution 11.13.22

B – Weekly AP Payment Register for the Period Ending 11.13.22

RESOLUTION NO. 23-XXX

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL
RATIFYING CERTAIN CLAIMS AND DEMANDS PAYABLE IN THE
AMOUNTS AND FROM THE FUNDS AS HEREINAFTER DESCRIBED FOR
GENERAL AND MISCELLANEOUS EXPENDITURES FOR THE PERIOD
ENDING NOVEMBER 13, 2022**

WHEREAS, the Director of Administrative Services or their designated representative has certified to accuracy of the following claims and demands and to the availability of funds for payment hereof; and

WHEREAS, the said claims and demands have been audited as required by law.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby ratify the following claims and demands in the amounts and from the funds as hereinafter set forth in the attached Payment Register.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of February, 2023 by the following vote:

Vote Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED: _____ Hung Wei, Mayor City of Cupertino	 _____ Date
ATTEST: _____ Kirsten Squarcia, City Clerk	 _____ Date

Resolution No. 23-XXX

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CERTIFICATION

The Finance Manager hereby certifies to the accuracy of said records and to the availability of funds for payment.

CERTIFIED: 

Kristina Alfaro, Director of Administrative Services

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
Main Account - Main Checking Account									
<u>Check</u>									
731381	11/10/2022	Open			Accounts Payable	ALHAMBRA	\$543.84		
	Invoice		Date	Description		Amount			
	21589707 102722		10/27/2022	Service Center - Employee Drinking Water		\$543.84			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$543.84			
731382	11/10/2022	Open			Accounts Payable	American Assured Security, Inc.	\$308.00		
	Invoice		Date	Description		Amount			
	49081		09/20/2022	Rental Security Services		\$308.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$308.00			
731383	11/10/2022	Open			Accounts Payable	AT & T	\$124.44		
	Invoice		Date	Description		Amount			
	5558-102822		10/28/2022	960 731-7142 555 8		\$124.44			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$124.44			
731384	11/10/2022	Open			Accounts Payable	Bowlmor Cupertino	\$3,197.27		
	Invoice		Date	Description		Amount			
	705-26965		11/15/2022	2022 Holiday Party - Bowlmor - remaining amount due		\$3,197.27			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$3,197.27			
731385	11/10/2022	Open			Accounts Payable	California Association of Code Enforcement Officer	\$100.00		
	Invoice		Date	Description		Amount			
	300016773		10/31/2022	CACEO Professional Membership Renewal		\$100.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$100.00			
731386	11/10/2022	Open			Accounts Payable	CINTAS CORP	\$3,436.71		
	Invoice		Date	Description		Amount			
	4135405307		10/25/2022	UNIFORMS SAFETY APPAREL		\$1,173.01			
	4133960415		10/11/2022	UNIFORMS SAFETY APPAREL		\$1,128.10			
	4133338449		10/04/2022	UNIFORMS SAFETY APPAREL		\$1,135.60			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$3,436.71			
731387	11/10/2022	Open			Accounts Payable	County of Santa Clara	\$10,465.00		
	Invoice		Date	Description		Amount			
	01 FY 2022		09/14/2022	Santa Clara County Weed Abatement Program fees		\$10,465.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$10,465.00			

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
731388	11/10/2022	Open			Accounts Payable	County of Santa Clara -Office of the Sheriff	\$1,379,979.83		
	Invoice		Date	Description		Amount			
	1800083140		10/19/2022	LIVE SCAN - SEP 22		\$130.00			
	1800083351		11/02/2022	Advance for Law Enforcement Svs - NOV 22		\$1,379,849.83			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$1,379,979.83			
731389	11/10/2022	Open			Accounts Payable	ELIVATE	\$180.06		
	Invoice		Date	Description		Amount			
	8360026		10/31/2022	AEROBIC BAR RACK-H		\$180.06			
	Paying Fund			Cash Account		Amount			
	570 - Sports Center			570 100-100 (Cash & Investments Assets Operating Cash)		\$180.06			
731390	11/10/2022	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$8,297.00		
	Invoice		Date	Description		Amount			
	L0300547728		10/31/2022	Unemployment Insurance Benefit Charge Sept 30 2022 Q3		\$8,297.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$8,297.00			
731391	11/10/2022	Open			Accounts Payable	FEDEX	\$19.62		
	Invoice		Date	Description		Amount			
	7-929-15006		10/28/2022	FEDEX SERVICES - IT		\$19.62			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$19.62			
731392	11/10/2022	Open			Accounts Payable	Freyer & Laureta, Inc.	\$1,970.00		
	Invoice		Date	Description		Amount			
	22-460		08/16/2022	Memorial Park Pond Removal through 070122-073122		\$1,970.00			
	Paying Fund			Cash Account		Amount			
	280 - Park Dedication			280 100-100 (Cash & Investments Assets Operating Cash)		\$1,970.00			
731393	11/10/2022	Open			Accounts Payable	Got Gophers, Inc.	\$310.00		
	Invoice		Date	Description		Amount			
	36580		10/31/2022	Trees/ROW - Oct 2022 Mary Bridge		\$310.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$310.00			
731394	11/10/2022	Open			Accounts Payable	Government Finance Officers Association	\$150.00		
	Invoice		Date	Description		Amount			
	0271421		11/07/2022	Janet GFOA Membership 11/1/22-10/31/23		\$150.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$150.00			

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731395	11/10/2022	Open			Accounts Payable	Granite Rock Company	\$66,347.75		
	Invoice		Date	Description		Amount			
	1001582		10/31/2022	Trees/ROW - Memorial Park Mounds Removal		\$66,347.75			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$66,347.75			
731396	11/10/2022	Open			Accounts Payable	Griffin Structures Inc.	\$3,237.50		
	Invoice		Date	Description		Amount			
	GSI-CLEP-24		09/30/2022	Library Expansion Project through 09302022		\$962.50			
	GSI-CLEP-23		08/31/2022	Cupertino Library Expansion Project through 0831202		\$2,275.00			
	Paying Fund			Cash Account		Amount			
	420 - Capital Improvement Fund			420 100-100 (Cash & Investments Assets Operating Cash)		\$3,237.50			
731397	11/10/2022	Open			Accounts Payable	Hexagon Transportation Consultants, Inc.	\$5,917.50		
	Invoice		Date	Description		Amount			
	16058		11/03/2022	Lawson Middle School Feasibility Study through 10282022		\$5,002.50			
	16057		11/03/2022	Cupertino TIF Peer Review through 09232022		\$915.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$5,917.50			
731398	11/10/2022	Open			Accounts Payable	INTERSTATE BATTERY SYSTEM SAN JOSE INC.	\$677.62		
	Invoice		Date	Description		Amount			
	10304819		10/18/2022	Fleet - MTP-67R		\$134.54			
	70268814		10/25/2022	Fleet - MTP-T4		\$134.54			
	10305030		11/01/2022	Fleet - MTP65HD, MTP-78DT		\$269.09			
	10304683		10/11/2022	Fleet - MTP-65HD		\$139.45			
	Paying Fund			Cash Account		Amount			
	630 - Vehicle/Equip Replacement			630 100-100 (Cash & Investments Assets Operating Cash)		\$677.62			
731399	11/10/2022	Open			Accounts Payable	Interstate Sales	\$317.40		
	Invoice		Date	Description		Amount			
	11792		10/28/2022	Streets - Impact K 3-3" No Base, Impact Based Fixed, Tape		\$317.40			
	Paying Fund			Cash Account		Amount			
	270 - Transportation Fund			270 100-100 (Cash & Investments Assets Operating Cash)		\$317.40			
731400	11/10/2022	Open			Accounts Payable	KELLY-MOORE PAINT CO INC	\$379.70		
	Invoice		Date	Description		Amount			
	808-00000859260		10/24/2022	Facilities - City Hall Fascia Painting		\$379.70			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$379.70			
731401	11/10/2022	Open			Accounts Payable	Lori Baumgartner	\$180.50		
	Invoice		Date	Description		Amount			
	LoriB11012022		11/01/2022	CASQA Conference 10.23.22-10.26.22- travel reimbursements		\$180.50			

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	Paying Fund				Cash Account		Amount		
	230 - Env Mgmt Cln Crk Strm Drain				230 100-100 (Cash & Investments Assets	Operating	\$180.50		
					Cash)				
731402	11/10/2022	Open			Accounts Payable	Mahan and Sons Inc.	\$1,400.00		
	Invoice		Date		Description		Amount		
	1914		11/03/2022		Grounds - Oct 2022 Varian Park Maint.		\$1,400.00		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets	Operating	\$1,400.00		
					Cash)				
731403	11/10/2022	Open			Accounts Payable	Miracle Playsystems Inc.	\$1,405.29		
	Invoice		Date		Description		Amount		
	F2022-0438		06/30/2022		Miracle Play Equipment Creekside Park		\$1,405.29		
	Paying Fund				Cash Account		Amount		
	420 - Capital Improvement Fund				420 100-100 (Cash & Investments Assets	Operating	\$1,405.29		
					Cash)				
731404	11/10/2022	Open			Accounts Payable	Mountain View Garden Center	\$93.74		
	Invoice		Date		Description		Amount		
	111543		10/26/2022		Trees/ROW - 2yd Top Soil		\$93.74		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets	Operating	\$93.74		
					Cash)				
731405	11/10/2022	Open			Accounts Payable	NAPA AUTO PARTS	\$76.21		
	Invoice		Date		Description		Amount		
	765277		06/13/2022		Fleet - Ind Belt		\$8.56		
	782645		08/23/2022		Fleet - Connector		\$67.65		
	Paying Fund				Cash Account		Amount		
	630 - Vehicle/Equip Replacement				630 100-100 (Cash & Investments Assets	Operating	\$76.21		
					Cash)				
731406	11/10/2022	Open			Accounts Payable	Operating Engineers Local Union No. 3	\$1,515.08		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		Union Dues pp 10/22/22-11/4/22		\$1,515.08		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets	Operating	\$1,515.08		
					Cash)				
731407	11/10/2022	Open			Accounts Payable	Otis Elevator Company	\$1,837.08		
	Invoice		Date		Description		Amount		
	100400947620		10/17/2022		Facilities - Sports Center Maintenance 11-1-22 to 10-31-2023		\$1,837.08		
	Paying Fund				Cash Account		Amount		
	570 - Sports Center				570 100-100 (Cash & Investments Assets	Operating	\$1,837.08		
					Cash)				
731408	11/10/2022	Open			Accounts Payable	PG&E	\$45,594.69		
	Invoice		Date		Description		Amount		
	0092-103122-0		10/31/2022		116367401 -Miller W/S N of Greenwood		\$18.25		
	0092-103122-1		10/31/2022		116367359 -Homestead and Heron, traffic control svc		\$63.99		
	0092-103122-2		10/31/2022		116367150 -Homestead and Wolfe Road, Sunnyvale		\$95.57		

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0092-103122-3			10/31/2022		116367155 -Homestead and Blaney, Cupertino Traffic Signal, Sunny		\$66.30		
0092-103122-4			10/31/2022		116367275 -Homestead and Tantau, Cupertino Traffic Signal, Sunny		\$91.62		
0092-103122-5			10/31/2022		116367013 -112017763 -11370 S Stelling Rd, Irrigation Control		(\$62.50)		
0092-103122-6			10/31/2022		116644889 19500 Pruneridge ave pole TP16660		\$6.57		
0092-103122-7			10/31/2022		1110161867 - Wolfe Rd @ Apple Campus Driveway		\$69.67		
0092-103122-8			10/31/2022		116367793 -101 Skyport Dr, DG A, San Jose, PGandE-Owned St/Highw		\$738.10		
0092-103122-9			10/31/2022		110958527 115145264 -Randy Lane & Larry Way-Streetlights		\$57.88		
0092-103122-10			10/31/2022		111736580 SF Cupertino 075		\$3.98		
0092-103122-11			10/31/2022		116367357 -N De Anza 188 FT N/Valley Green Dr, Irrig Controller		(\$62.25)		
0092-103122-12			10/31/2022		116367907 -S/W Corner Stelling and Green leaf, Traffic Signal		\$79.00		
0092-103122-13			10/31/2022		116367113 -Miller E/S 100N off Calle De Barcelona		\$78.22		
0092-103122-14			10/31/2022		116367836 -De Anza Blvd E/S S/O Lazaneo, Sprinkler Control		(\$69.00)		
0092-103122-15			10/31/2022		116367677 -De Anza and Lazaneo, Sprinkler System		(\$68.98)		
0092-103122-16			10/31/2022		116367025 -De Anza and Lazaneo, Traffic Signal		\$82.98		
0092-103122-17			10/31/2022		110659172 -N De Anza 455FT S/O Mariani Dr, Irrig Control		(\$65.54)		
0092-103122-18			10/31/2022		116367035 -De Anza Blvd and Mariani, Traffic Signal/Safety Lts		\$103.15		
0092-103122-19			10/31/2022		116367045 -De Anza Blvd and Hwy 280 S/Ramp, Traffic Signal		\$100.78		
0092-103122-20			10/31/2022		116367050 -NW Corner Stevens Crk, Traffic Signals		\$85.28		
0092-103122-21			10/31/2022		116367055 -Saich Wy and Stevens Crk NE Corner, Traffic Signal		\$68.75		
0092-103122-22			10/31/2022		116367060 -E37R0 Stevens Creek and De Anza Blvd, Traffic Signal		\$104.02		
0092-103122-23			10/31/2022		116367065 -Stevens Creek Blvd E/Saich Wy, Sprinkler Control		(\$68.39)		
0092-103122-24			10/31/2022		116367070 -Stevens Creek and Blaney Ave., Traffic Signal		\$95.52		
0092-103122-25			10/31/2022		116367075 -Vallco Pkwy and Perimeter Rd., Traffic Signals		\$67.90		
0092-103122-26			10/31/2022		116367090 -Wolfe and Vallco Pkwy, Traffic Signals		\$99.46		
0092-103122-27			10/31/2022		116367100 -E37H3 Wolfe and 280 SB Loc B, Traffic Signal		\$88.40		
0092-103122-28			10/31/2022		116367105 -Stevens Crk and Wolfe Rd, Traffic Signals		\$127.94		
0092-103122-29			10/31/2022		116367110 -SW Cor Stevens Crk and Portal, Traffic Signal		\$86.30		
0092-103122-30			10/31/2022		116367115 -Stevens Crk and Perimeter Rd, Traffic Control Signal		\$83.14		
0092-103122-31			10/31/2022		116367120 -Vallco Prky/Tantau Ave, Traffic Signal		\$95.25		
0092-103122-32			10/31/2022		116367125 -Stevens Crk and Tantau, Traffic Signals		\$88.46		
0092-103122-33			10/31/2022		116367130 -NW Corner Steven Crk and Torre, Traffic Signal		\$84.29		

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0092-103122-34			10/31/2022		116367782 -N/S Stevens Creek Blvd in front of 20301, Irrigation		(\$69.07)		
0092-103122-35			10/31/2022		116367001 -E37H4 Wolfe and Rte 280 NB Loc A		\$57.70		
0092-103122-36			10/31/2022		116367165 -S/E Wolfe-Pruneridge, Sprinkler Control and Traffic S		\$94.79		
0092-103122-37			10/31/2022		116367170 -Tantau Ave and Tandem D/W, Traffic Signal		\$90.04		
0092-103122-38			10/31/2022		116367175 -S/E Corner Pruneridge and Tantau, Traffic Controller		\$79.73		
0092-103122-39			10/31/2022		116367180 -Finch and Stevens Creek, Traffic Signals		\$96.36		
0092-103122-40			10/31/2022		116367185 -Wolfe Rd 500 Ft S/O Homestead, City/Sign Lighting		(\$44.22)		
0092-103122-41			10/31/2022		116367195 -Corner Miller and Phil Ln, Traffic Signal		\$68.23		
0092-103122-42			10/31/2022		116367200 -Homestead and De Anza Blvd, Traffic Signal/Dept Pub W		\$108.46		
0092-103122-43			10/31/2022		116367205 -Homestead Rd and Franco Ct, Traffic Signals		\$69.27		
0092-103122-44			10/31/2022		116367215 -N/Ramp De Anza Blvd, Traffic Signal		\$85.05		
0092-103122-45			10/31/2022		116367220 -Homestead Rd and Bluejay Rd, Traffic Signals		\$72.43		
0092-103122-46			10/31/2022		118426656 -WS Portal Btw Amhurst-Wheaton , Portal Prk Ltg, Prk L		\$119.99		
0092-103122-47			10/31/2022		114321565 116367416 -22601 Voss Ave		\$487.90		
0092-103122-48			10/31/2022		116367925 -22601 Voss Ave, Outdoor Lighting-MV Park		(\$54.09)		
0092-103122-49			10/31/2022		116367245 -Stevens Creek Blvd and Janice Ave, Sprinkler Control		(\$61.47)		
0092-103122-50			10/31/2022		116367269 -Cor/Lucille and Randy Ln, Sprinkler System (011095852		(\$67.34)		
0092-103122-51			10/31/2022		116367255 -Lucille and Villa De Anza, Sprinkler Control		\$255.46		
0092-103122-52			10/31/2022		116367815 -19784 Wintergreen Dr		\$596.60		
0092-103122-53			10/31/2022		116367280 -Stevens Creek Blvd and Fwy 85 East Ramp, Traffic Sign		\$90.02		
0092-103122-54			10/31/2022		116367290 -Stevens Creek and Mary Ave, Traffic Signals		\$94.26		
0092-103122-55			10/31/2022		116367408 -Stevens Creek Bl and Mary Avenue, Memorial Park Pump		(\$14.65)		
0092-103122-56			10/31/2022		116367625 -Stevens Creek Blvd Orange S/W Cor, Irrigation Control		(\$69.07)		
0092-103122-57			10/31/2022		116367902 -10246 Parkside Ln, Wilson Pk Sprinklers,Snack Shack,I		\$298.33		
0092-103122-58			10/31/2022		116367628 -N/W corner Alpine Dr and Foothill Blvd, Irrigation Co		(\$68.88)		
0092-103122-59			10/31/2022		116367476 -Salem Ave and Foothill Blvd, Irrigation Control		(\$69.07)		
0092-103122-60			10/31/2022		116367527 -Foothill Blvd 200' N/O Stevens Creek W/S, Irrigation		(\$69.00)		
0092-103122-61			10/31/2022		116367740 -Carmen Rd and Stevens Creek S/E corner, Irrigation Co		(\$69.07)		
0092-103122-62			10/31/2022		116367343 112570652 -Foothill Blvd 150' N/O Alpine E/S, Irrigati		(\$68.69)		

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0092-103122-63			10/31/2022		116367370 -Stevens Creek Blvd and Fwy 85 West Ramp, Traffic Sign		\$14.29		
0092-103122-64			10/31/2022		116367380 -NE Corner Peninsula and Stevens Creek, Traffic Signal		\$83.23		
0092-103122-65			10/31/2022		116367385 -End/Stokes W/Wilson Crt, Sprinkler Control		(\$66.99)		
0092-103122-66			10/31/2022		116367395 -N/E corner Foothill and Starling Dr, Traffic Signals		\$69.27		
0092-103122-67			10/31/2022		116367067 -Stonydale Dr and Varian Park, walkway lighting and Ir		\$25.77		
0092-103122-68			10/31/2022		116367071 -Linda Vista Dr / Hillside Park, Hillside Park		(\$53.86)		
0092-103122-69			10/31/2022		116367648 -Linda Vista Park/Linda Vista Dr, Irrigation Control		\$91.46		
0092-103122-70			10/31/2022		116367455 -E37R9 Rodriguez and De Anza Blvd, Traffic Signal		\$91.11		
0092-103122-71			10/31/2022		116367656 -Scofield and De Anza, 100HP		(\$66.79)		
0092-103122-72			10/31/2022		116367465 -De Anza Blvd and Scofield Dr, Sprinkler Controller		(\$67.34)		
0092-103122-73			10/31/2022		116367475 -Foothill and Stevens Creek, Traffic Signal		\$75.57		
0092-103122-74			10/31/2022		116367447 -Stelling Rd Median 500' S/O Peppertree Ln, Landscape		(\$66.60)		
0092-103122-75			10/31/2022		116367236 -Stelling Rd Median 450' S/O Stevens Crk, Landscape Ir		(\$66.90)		
0092-103122-76			10/31/2022		116367505 -Stevens Crk and Stelling, Signal		\$45.33		
0092-103122-77			10/31/2022		116367510 -Bubb Rd and Results Wy, Traffic Signal		\$61.65		
0092-103122-78			10/31/2022		116367515 -Bubb Rd and McClellan Intersection, Traffic Signal		\$92.43		
0092-103122-79			10/31/2022		116367520 -Stelling Rd and Peppertree, Traffic Signal		\$69.52		
0092-103122-80			10/31/2022		116367525 -Stelling and McClellan, Signals		\$94.00		
0092-103122-81			10/31/2022		116367530 -Orange Ave and Stevens Creek N/E corner, Traffic Cont		\$55.34		
0092-103122-82			10/31/2022		116367493 -Dumas Dr/Jollyman Park, Jollyman Park Restroom		\$460.03		
0092-103122-83			10/31/2022		116367545 -Saratoga-Sunnyvale Rd, Traffic Signal		\$78.22		
0092-103122-84			10/31/2022		116367550 -W/S Saratoga-Sunnyvale Rd @ RT85, Traffic Signal		\$68.23		
0092-103122-85			10/31/2022		116367560 -S/E corner De Anza and Pacifica, Traffic Signal		\$84.54		
0092-103122-86			10/31/2022		116367570 -De Anza Blvd, Sprinkler Controller *		(\$67.34)		
0092-103122-87			10/31/2022		116367585 -Rainbow and Stelling, Traffic Signal		\$75.86		
0092-103122-88			10/31/2022		116367559 -21011 Prospect Rd, Irrigation Control		(\$69.03)		
0092-103122-89			10/31/2022		116367685 -Ruppell Pl and Moltzen Dr, Sprinkler Control		\$10.62		
0092-103122-90			10/31/2022		115211833 -10300 Anisworth Dr, Ball Park Stevens Creek SV		(\$68.90)		
0092-103122-91			10/31/2022		116367630 -22100 Stevens Creek Blvd, Golf Pro Shop		\$229.45		
0092-103122-92			10/31/2022		110081495 -10710 Stokes Ave, Somerset Park		(\$55.34)		
0092-103122-93			10/31/2022		116367044 -10555 Mary Ave NEM		\$39.75		
0092-103122-94			10/31/2022		116367568 -10555 Mary Ave, Corp Yard		(\$24.28)		
0092-103122-95			10/31/2022		116367474 -10500 Ann Arbor Ave, Field-Garden Gate		\$48.52		

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	0092-103122-96		10/31/2022	114315284	116367325 -21975 San Fernando Ave, Picnic Area		\$2,062.34		
	0092-103122-97		10/31/2022	116367171	-10155 Barbara Ln, Irrigation and Scoreboard		\$98.85		
	0092-103122-98		10/31/2022	116367587	-10430 S De Anza Blvd, Holiday Lighting		(\$30.84)		
	0092-103122-99		10/31/2022	116367449	-10350 Torre Ave, Community Hall		\$2,972.09		
	0092-103122-100		10/31/2022	111190735	119980351-10300 Torre Ave, City Hall		\$9,436.46		
	0092-103122-101		10/31/2022	116367437	-10455 Miller Ave, Creekside Park		\$384.18		
	0092-103122-102		10/31/2022	116367988	-21710 McClellan Rd, Playground Reception Area		(\$69.07)		
	0092-103122-103		10/31/2022	116367484	-20220 Suisun Dr, Parks and Rec Free Standing Panel		(\$69.07)		
	0092-103122-104		10/31/2022	116367763	-10630 S De Anza Blvd, Holiday Lighting		(\$24.23)		
	0092-103122-105		10/31/2022	116367332	-821 Bubb Rd #B/Building Concession		(\$36.49)		
	0092-103122-106		10/31/2022	116367274	-1170 Yorkshire Dr.		(\$68.80)		
	0092-103122-107		10/31/2022	116367941	-7548 Donegal Dr, Irrigation Control /Hoover Park		(\$68.85)		
	0092-103122-108		10/31/2022	116367840	-10185 N Stelling RD		\$9,798.79		
	0092-103122-109		10/31/2022	116971849	-21111 Stevens Creek Blvd, Sports Center		\$9,262.25		
	0092-103122-110		10/31/2022	116367477	-21121 Stevens Creek Blvd, Memorial Park		\$1,797.45		
	0092-103122-111		10/31/2022	(Old116367536)	113736756 ESP113428799 -Senior Center 21251 Steve		\$4,126.71		
	0092-103122-112		10/31/2022	116367590	-Saratoga Sunnyvale Rd and Hwy 85, Traffic Signal		\$72.60		
	0092-103122-113		10/31/2022	116367605	-E37C1 Prospect and Rte 85, Traffic Signal		\$83.47		
	0092-103122-114		10/31/2022	116367610	-E37R6 Kentwood/S. De Anza Blvd, Traffic Signal		\$78.97		
	0092-103122-115		10/31/2022	116367615	-Fallenleaf Ln and S De Anza Blvd, Traffic Signal		\$83.76		
	0092-103122-116		10/31/2022	116367620	-S De Anza Blvd and Sharon Dr , Irrigation Controller		(\$60.81)		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100	100-100 (Cash & Investments Assets Operating Cash)		\$36,102.99		
	560 - Blackberry Farm			560	100-100 (Cash & Investments Assets Operating Cash)		\$229.45		
	570 - Sports Center			570	100-100 (Cash & Investments Assets Operating Cash)		\$9,262.25		
731409	11/10/2022	Open			Accounts Payable	RPM EXTERMINATORS INC	\$1,275.00		
	Invoice		Date	Description		Amount			
	0097471		10/28/2022	Facilities - Changed Bait Various Bldgs		\$1,275.00			
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100	100-100 (Cash & Investments Assets Operating Cash)		\$1,020.00		
	570 - Sports Center			570	100-100 (Cash & Investments Assets Operating Cash)		\$255.00		
731410	11/10/2022	Open			Accounts Payable	San Jose Water Company	\$13,753.21		
	Invoice		Date	Description		Amount			
	Import - 899058		10/20/2022	0573900000-7 - 22120 Stevens Creek Blvd		\$86.61			
	Import - 899059		10/20/2022	3688120000-4 - Mary Ave Footbridge		\$178.22			

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Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	Import - 899060		10/20/2022		3872100000-8 - Park Canyon Oak Wy		\$611.65		
	Import - 899061		10/20/2022		5022148584-5 - 10301 Byrne Ave		\$128.75		
	Import - 899062		10/20/2022		6287875324-3 - 22241 McClellan Rd (Simms)		\$191.95		
	Import - 899063		10/20/2022		6875120000-4 - 21979 San Fernando Av		\$592.49		
	Import - 899064		10/20/2022		7112900000-7 - Oak Valley Rd		\$307.22		
	Import - 899065		10/20/2022		7523510000-7 - Oak Valley Road LS		\$295.28		
	Import - 899066		10/20/2022		9118810000-1 - 21121 Stevens Ck Bl Ls		\$323.72		
	Import - 899067		10/20/2022		4299057897-5 Alhambra Ave		\$455.71		
	Import - 899068		10/28/2022		3156700000-0 - Prospect Rd.LS		\$183.14		
	Import - 899069		10/28/2022		4676110000-0 - Rainbow Dr.LS		\$171.02		
	Import - 899070		10/28/2022		6756510000-4 - Yorkshire Dr.LS		\$6,197.00		
	Import - 899071		10/28/2022		7808300000-6 - Irrigation-Median (Westlynn Wy)		\$180.76		
	Import - 899072		10/28/2022		9511610000-9 - Donegal Dr.		\$101.38		
	Import - 899073		10/27/2022		0067500000-4 - Oro Grande PL LS		\$162.89		
	Import - 899074		10/27/2022		0879200000-5 - Stelling Rd. LS		\$742.26		
	Import - 899075		10/27/2022		1731610000-1 - De Anza Blvd.S.		\$458.93		
	Import - 899076		10/27/2022		4242600000-8 - Irrigation-Median (Bollinger Rd)		\$139.68		
	Import - 899077		10/27/2022		5280181221-6 - S De Anza Bl (median irrigation)		\$800.43		
	Import - 899078		10/27/2022		5461910000-8 - De Anza Blvd.S.		\$531.61		
	Import - 899079		10/27/2022		5949902723-9 - Creekline Dr		\$271.89		
	Import - 899080		10/27/2022		9705420000-7 - 10300 Torre Avenue Ls		\$640.62		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$13,429.49		
	570 - Sports Center				570 100-100 (Cash & Investments Assets Operating Cash)		\$323.72		
731411	11/10/2022	Open			Accounts Payable	Santa Clara Valley Water District	\$39,185.00		
	Invoice		Date		Description	Amount			
	GN102133		08/30/2022		Landscape/Graywater Rebate Program	\$39,185.00			
	Paying Fund				Cash Account	Amount			
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)	\$39,010.00			
	230 - Env Mgmt Cln Crk Strm Drain				230 100-100 (Cash & Investments Assets Operating Cash)	\$175.00			
731412	11/10/2022	Open			Accounts Payable	Schaaf & Wheeler, Consulting Civil Engineers	\$1,920.00		
	Invoice		Date		Description	Amount			
	36542		09/30/2022		On-call Support Pumpkin Fiesta SD through 09302022	\$1,920.00			
	Paying Fund				Cash Account	Amount			
	210 - Storm Drain Improvement				210 100-100 (Cash & Investments Assets Operating Cash)	\$1,920.00			
731413	11/10/2022	Open			Accounts Payable	Sherrill Inc.	\$1,309.47		
	Invoice		Date		Description	Amount			
	INV-804977		10/28/2022		Trees/ROW - Cervino Wood Size 42-9 & 44.5-11	\$1,309.47			
	Paying Fund				Cash Account	Amount			
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)	\$1,309.47			

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731414	11/10/2022	Open			Accounts Payable	SUBURBAN PROPANE-1644	\$4,730.84		
	Invoice		Date	Description			Amount		
	172999		10/28/2022	Fleet - Propane			\$4,730.84		
	Paying Fund			Cash Account			Amount		
	630 - Vehicle/Equip Replacement			630 100-100 (Cash & Investments Assets Operating Cash)			\$4,730.84		
731415	11/10/2022	Open			Accounts Payable	YSERCO, INC.	\$8,274.25		
	Invoice		Date	Description			Amount		
	10789		08/01/2022	Facilities - Sports Center Preventative Maint.			\$4,061.00		
	11140		11/02/2022	Facilities - Sports Center Preventative Maint.			\$4,213.25		
	Paying Fund			Cash Account			Amount		
731416	11/10/2022	Open			Accounts Payable	TPx Communications	\$2,183.14		
	Invoice		Date	Description			Amount		
	163161261-0		10/31/2022	Telephone Service for new VoIP System Oct. 2022			\$2,183.14		
	Paying Fund			Cash Account			Amount		
	610 - Innovation & Technology			610 100-100 (Cash & Investments Assets Operating Cash)			\$2,183.14		
731417	11/10/2022	Open			Accounts Payable	TransUnion Risk and Alternative	\$165.00		
	Invoice		Date	Description			Amount		
	6110432-202210-1		11/01/2022	tlo 10/01/2022 - 10/31/2022			\$165.00		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$165.00		
731418	11/10/2022	Open			Accounts Payable	FIRST ELEMENT FUEL, INC.	\$5,000.00		
	Invoice		Date	Description			Amount		
	308484		11/03/2022	REFUND 21530 STEVENS CREEK BLVD BLD-2020-1927 TCO BOND			\$5,000.00		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$5,000.00		
731419	11/10/2022	Open			Accounts Payable	GLADIATOR REPIPE	\$289.28		
	Invoice		Date	Description			Amount		
	316758		11/02/2022	REFUND 19847 BEEKMAN PLACE BLD-2022-1998 WITHDRAWN			\$289.28		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$289.28		
731420	11/10/2022	Open			Accounts Payable	KDC CONSTRUCTION	\$5,000.00		
	Invoice		Date	Description			Amount		
	277373		11/08/2022	REFUND 11010 N DE ANZA BLVD B-2018-0346 TCO BOND			\$5,000.00		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$5,000.00		

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Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
731421	11/10/2022	Open			Accounts Payable	NABIL A. IBRAHIM	\$335.50		
	Invoice		Date	Description			Amount		
	316713		10/27/2022	REFUND 10555 S DE ANZA 105 BLD-2022-1995			\$335.50		
				WRONG PERMIT PAYMENT					
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$335.50		
731422	11/10/2022	Open			Accounts Payable	NAKHODA, SHAZIA	\$103.36		
	Invoice		Date	Description			Amount		
	S.NAKHODA101422		10/14/2022	reusable preschool trick or treat pumpkin tins.			\$103.36		
	Paying Fund			Cash Account			Amount		
	580 - Recreation Program			580 100-100 (Cash & Investments Assets Operating Cash)			\$103.36		
731423	11/10/2022	Open			Accounts Payable	NAKHODA, SHAZIA	\$4.98		
	Invoice		Date	Description			Amount		
	S.NAKHODA102622		10/26/2022	Lima Beans for Preschool project			\$4.98		
	Paying Fund			Cash Account			Amount		
	580 - Recreation Program			580 100-100 (Cash & Investments Assets Operating Cash)			\$4.98		
731424	11/10/2022	Open			Accounts Payable	Patricia E Lee	\$155.00		
	Invoice		Date	Description			Amount		
	Lee110222		11/02/2022	the applicant made two payments			\$155.00		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$155.00		
731425	11/10/2022	Open			Accounts Payable	Thao Pham	\$184.70		
	Invoice		Date	Description			Amount		
	Pham080222		08/02/2022	The applicant has an existing license			\$184.70		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$184.70		
Type Check Totals:							\$1,621,930.56		
EFT									
35636	11/07/2022	Open			Accounts Payable	USPS - EFT ONLY	\$4,174.59		
	Invoice		Date	Description			Amount		
	237129196		11/07/2022	USPS - Shipping			\$4,174.59		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$4,174.59		
35637	11/07/2022	Open			Accounts Payable	USPS - EFT ONLY	\$4,086.08		
	Invoice		Date	Description			Amount		
	510532352		10/26/2022	CUPERTINO SCENE INC			\$4,086.08		
	Paying Fund			Cash Account			Amount		
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)			\$4,086.08		
35638	11/10/2022	Open			Accounts Payable	Colonial Life & Accident Insurance	\$29.16		
	Invoice		Date	Description			Amount		
	11042022		11/04/2022	Colonial Products pp 10/22/22-11/4/22			\$29.16		

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	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$29.16		
35639	11/10/2022	Open			Accounts Payable	Employment Development	\$7,699.71		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		State Disability Insurance pp 10/22/22-11/4/22		\$7,699.71		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$7,699.71		
35640	11/10/2022	Open			Accounts Payable	National Deferred (ROTH)	\$2,865.66		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		Nationwide Roth pp 10/22/22-11/4/22		\$2,865.66		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$2,865.66		
35641	11/10/2022	Open			Accounts Payable	National Deferred Compensatin	\$24,969.57		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		Nationwide Deferred Compensation pp 10/22/22-11/4/22		\$24,969.57		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$24,969.57		
35642	11/10/2022	Open			Accounts Payable	PERS-457K	\$15,892.29		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		PERS Deferred Comp pp 10/22/22-11/4/22		\$15,892.29		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$15,892.29		
35643	11/10/2022	Open			Accounts Payable	State Disbursement Unit	\$231.23		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		Child Support pp 10/22/22-11/4/22		\$231.23		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$231.23		
35644	11/10/2022	Open			Accounts Payable	California Public Employees' Retirement System	\$386,533.81		
	Invoice		Date		Description		Amount		
	7158-101422		10/14/2022		Health Premiums PERS 10/14/22		\$386,533.81		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$275,064.83		
	642 - Retiree Medical				642 100-100 (Cash & Investments Assets Operating Cash)		\$111,468.98		
35645	11/07/2022	Open			Accounts Payable	USPS - EFT ONLY	\$1,036.53		
	Invoice		Date		Description		Amount		
	511531202		11/01/2022		CUPERTINO SCENE INC		\$1,036.53		
	Paying Fund				Cash Account		Amount		

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					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$1,036.53		
35646	11/10/2022	Open				Accounts Payable 4 PAWS GOOSE CONTROL	\$1,850.00		
	Invoice		Date	Description		Amount			
	1777		11/02/2022	Grounds - Oct 2022 Goose Control Services		\$1,850.00			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$1,850.00		
35647	11/10/2022	Open				Accounts Payable 4LEAF, Inc.	\$8,630.00		
	Invoice		Date	Description		Amount			
	J3872-01F		11/04/2022	Orange Ave. Sidewalk Improvements through 100122-103122		\$8,630.00			
	Paying Fund			Cash Account		Amount			
					270 - Transportation Fund	270 100-100 (Cash & Investments Assets Operating Cash)	\$8,630.00		
35648	11/10/2022	Open				Accounts Payable ALEX WYKOFF	\$180.50		
	Invoice		Date	Description		Amount			
	AlexW11012022		11/01/2022	CASQA Conference 10.23.22-10.26.22- travel reimbursements		\$180.50			
	Paying Fund			Cash Account		Amount			
					230 - Env Mgmt Cln Crk Strm Drain	230 100-100 (Cash & Investments Assets Operating Cash)	\$180.50		
35649	11/10/2022	Open				Accounts Payable Amazon Capital Services	\$240.64		
	Invoice		Date	Description		Amount			
	1LHJ-DCWF-K34Y		11/07/2022	1x QualGear QG-PRO-PM-VCA-B Pro-AV Sloped Ceiling Adapter for 1.		\$37.60			
	1LY4-9DRJ-JYT9		11/07/2022	1x Apple AirTag 4 Pack, Bike Airtag Case with Bell, 4 Pack) Wate		\$172.10			
	1NMJ-7YVP-JQWN		11/07/2022	1x QualGear QG-PRO-PM-2FT-B Pro-AV 1.5" Npt Threaded Pipe, 2' Le		\$30.94			
	Paying Fund			Cash Account		Amount			
					610 - Innovation & Technology	610 100-100 (Cash & Investments Assets Operating Cash)	\$240.64		
35650	11/10/2022	Open				Accounts Payable Amazon Web Services, Inc.	\$3,734.43		
	Invoice		Date	Description		Amount			
	1175082397		11/02/2022	AWS - October 1 - October 31 , 2022 Applications		\$1,428.19			
	1169072385		11/02/2022	AWS - October 1 - October 31, 2022 GIS		\$2,306.24			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$1,428.19		
					610 - Innovation & Technology	610 100-100 (Cash & Investments Assets Operating Cash)	\$2,306.24		
35651	11/10/2022	Open				Accounts Payable ANDERSON'S TREE CARE SPECIALISTS, INC	\$38,975.00		
	Invoice		Date	Description		Amount			
	16084		10/24/2022	Grounds - Three Oaks Park Tree Maintenance		\$38,975.00			
	Paying Fund			Cash Account		Amount			

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					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$38,975.00		
35652	11/10/2022	Open			Accounts Payable	Avocette Technologies Inc.	\$7,767.50		
	Invoice		Date	Description		Amount			
	2210CU1		10/31/2022	Accela FY23 Configuration services - Oct. 2022		\$7,767.50			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$7,767.50		
35653	11/10/2022	Open			Accounts Payable	B&H PHOTO-VIDEO	\$8,830.88		
	Invoice		Date	Description		Amount			
	206916383		10/25/2022	Aputure Lighting Package01		\$8,830.88			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$8,830.88		
35654	11/10/2022	Open			Accounts Payable	Boucher Law, PC	\$23,680.09		
	Invoice		Date	Description		Amount			
	1178		11/04/2022	Finance Manager (2022)		\$2,210.09			
	1181		11/04/2022	Labor Negotiations (2022)		\$19,509.00			
	1177		11/04/2022	COVID-19 Matters		\$159.00			
	1180		11/04/2022	Labor & Employment Law Matters		\$1,802.00			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$23,680.09		
35655	11/10/2022	Open			Accounts Payable	Community Health Charities HO	\$50.00		
	Invoice		Date	Description		Amount			
	11042022		11/04/2022	Community Health Charities pp 10/22/22-11/4/22		\$50.00			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$50.00		
35656	11/10/2022	Open			Accounts Payable	CSG Consultants, Inc.	\$9,801.72		
	Invoice		Date	Description		Amount			
	B221718		10/03/2022	Building Plan Review Services 9/1/2022 - 9/30/2022		\$875.00			
	B221719		10/03/2022	Building Plan Review Services 9/1/2022 - 9/30/2022		\$8,926.72			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$9,801.72		
35657	11/10/2022	Open			Accounts Payable	David J. Powers & Associates, Inc.	\$962.50		
	Invoice		Date	Description		Amount			
	28707		10/25/2022	Main Street Cupertino Modifications 2022/9		\$962.50			
	Paying Fund			Cash Account		Amount			
					100 - General Fund	100 100-100 (Cash & Investments Assets Operating Cash)	\$962.50		
35658	11/10/2022	Open			Accounts Payable	DLT Solutions, LLC	\$12,955.02		
	Invoice		Date	Description		Amount			
	SI586020		11/04/2022	AutoCAD Licenses (1/10/23 - 1/9/26)		\$12,955.02			
	Paying Fund			Cash Account		Amount			

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Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	610 - Innovation & Technology			610 100-100 (Cash & Investments Assets Cash)		Operating	\$12,955.02		
35659	11/10/2022	Open			Accounts Payable	DOGGIE WALK BAGS INC	\$5,150.25		
	Invoice		Date	Description		Amount			
	0103237-IN		10/20/2022	Grounds - Unscented Disp Green Bags		\$5,150.25			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$5,150.25		
35660	11/10/2022	Open			Accounts Payable	Ecology Action of Santa Cruz	\$18,285.10		
	Invoice		Date	Description		Amount			
	67731		03/31/2022	Ecology Action Project Allocation		\$18,285.10			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$18,285.10		
35661	11/10/2022	Open			Accounts Payable	EDGES ELECTRICAL GROUP	\$2,689.91		
	Invoice		Date	Description		Amount			
	S5704029.001		10/26/2022	Facilities - LED Flat Panel SC Mechanic Bay Lighting Upgrade		\$2,392.13			
	S5706280.001		10/27/2022	Streets - Adjustable 20W LED Wall Pack, RAB HIDFA		\$297.78			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$2,689.91		
35662	11/10/2022	Open			Accounts Payable	Eflex Group, Inc	\$3,403.61		
	Invoice		Date	Description		Amount			
	11042022		11/04/2022	FSA Employee Health pp 10/22/22-11/4/22		\$3,403.61			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$3,403.61		
35663	11/10/2022	Open			Accounts Payable	Evelyn Moran	\$55.00		
	Invoice		Date	Description		Amount			
	EvelynM10212022		10/21/2022	Cell Phone Reimbursement through 10212022		\$55.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$55.00		
35664	11/10/2022	Open			Accounts Payable	GEOTAB USA, INC.	\$2,810.15		
	Invoice		Date	Description		Amount			
	IN321505		10/31/2022	Telematics Project - ProPlus Plan, Support Oct. 2022		\$2,810.15			
	Paying Fund			Cash Account		Amount			
	610 - Innovation & Technology			610 100-100 (Cash & Investments Assets Cash)		Operating	\$2,810.15		
35665	11/10/2022	Open			Accounts Payable	GOLDFARB & LIPMAN LLP	\$1,742.00		
	Invoice		Date	Description		Amount			
	146262		08/12/2022	Housing Legal Review 2022/07		\$892.00			
	458952		10/28/2022	Housing Legal Review 2022/09		\$714.00			
	459229		10/31/2022	Housing Legal Review 2022/09		\$136.00			
	Paying Fund			Cash Account		Amount			

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	265 - BMR Housing			265 100-100 (Cash & Investments Assets Cash)		Operating	\$1,742.00		
35666	11/10/2022	Open			Accounts Payable	GRAINGER INC	\$4,717.35		
	Invoice		Date	Description		Amount			
	9493963459		10/27/2022	Facilities - Telescopic Pole		\$468.65			
	9499834308		11/02/2022	Facilities - Filtered Diffuser		\$271.99			
	9497164682		10/31/2022	Streets - Portable Strapping Tool Battery Heavy Duty		\$2,889.38			
	9496851222		10/31/2022	Trees/ROW - Rubber Boot Orange		\$144.80			
	9501676077		11/03/2022	Trees/ROW - Probe, Heater Element		\$593.46			
	9498235481		11/01/2022	Streets - Shade Cloth Green		\$349.07			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$1,478.90		
	270 - Transportation Fund			270 100-100 (Cash & Investments Assets Cash)		Operating	\$3,238.45		
35667	11/10/2022	Open			Accounts Payable	HortScience I Bartlett Consulting	\$1,500.00		
	Invoice		Date	Description		Amount			
	16093		10/28/2022	TR-2022-035 Arborist Peer Review - 10113 Senate Way		\$1,500.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$1,500.00		
35668	11/10/2022	Open			Accounts Payable	IFPTE LOCAL 21	\$1,976.81		
	Invoice		Date	Description		Amount			
	11042022		11/04/2022	Association Dues - CEA pp 10/22/22-11/4/22		\$1,976.81			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$1,976.81		
35669	11/10/2022	Open			Accounts Payable	IMPEC GROUP INC,.	\$760.41		
	Invoice		Date	Description		Amount			
	2210139		10/31/2022	Facilities - Oct 2022 Linda Vista Trail Gate		\$760.41			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$760.41		
35670	11/10/2022	Open			Accounts Payable	Independent Code Consultants, Inc.	\$16,675.26		
	Invoice		Date	Description		Amount			
	1677		11/01/2022	Building Plan Review Services - 2022/10		\$750.00			
	1676		11/01/2022	Building Plan Review Services - 2022/10		\$15,925.26			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Cash)		Operating	\$16,675.26		
35671	11/10/2022	Open			Accounts Payable	KIMBALL-MIDWEST	\$388.44		
	Invoice		Date	Description		Amount			
	100448257		11/01/2022	Streets - 3/8x4 Screw Bolt, Cherry Blast White, 3/16 Aircraft		\$388.44			
	Paying Fund			Cash Account		Amount			
	270 - Transportation Fund			270 100-100 (Cash & Investments Assets Cash)		Operating	\$388.44		

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
35672	11/10/2022	Open			Accounts Payable	Law Office of Clare M. Gibson	\$269.50		
	Invoice		Date	Description		Amount			
	1050		11/01/2022	Legal Services, October 2022		\$269.50			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$269.50			
35673	11/10/2022	Open			Accounts Payable	Marlon Aumentado	\$55.00		
	Invoice		Date	Description		Amount			
	MarlonA10152022		10/15/2022	Cell Phone Reimbursement through 091622-101522		\$55.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$55.00			
35674	11/10/2022	Open			Accounts Payable	Mesiti-Miller Engineering, Inc.	\$754.50		
	Invoice		Date	Description		Amount			
	1022024		10/31/2022	Wilson Park Basketball Court through 10252022		\$754.50			
	Paying Fund			Cash Account		Amount			
	420 - Capital Improvement Fund			420 100-100 (Cash & Investments Assets Operating Cash)		\$754.50			
35675	11/10/2022	Open			Accounts Payable	Michael Baker International	\$12,551.25		
	Invoice		Date	Description		Amount			
	1162341		10/31/2022	CDBG and CDBG-CV consultant 2022/09		\$6,211.25			
	1154663		08/08/2022	CDBG and CDBG-CV consultant 2022/07		\$3,600.00			
	1152508		07/15/2022	CDBG and CDBG-CV consultant 2022/06		\$2,740.00			
	Paying Fund			Cash Account		Amount			
	260 - CDBG			260 100-100 (Cash & Investments Assets Operating Cash)		\$12,551.25			
35676	11/10/2022	Open			Accounts Payable	MissionSquare	\$12,614.38		
	Invoice		Date	Description		Amount			
	11042022		11/04/2022	ICMA Deferred Comp pp 10/22/22-11/4/22		\$12,614.38			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$12,614.38			
35677	11/10/2022	Open			Accounts Payable	Moore Lacofano Goltsman, Inc.	\$2,506.00		
	Invoice		Date	Description		Amount			
	0077603		10/18/2022	Blackberry Farm Golf Course Restoration through 080122-093022		\$2,506.00			
	Paying Fund			Cash Account		Amount			
	560 - Blackberry Farm			560 100-100 (Cash & Investments Assets Operating Cash)		\$2,506.00			
35678	11/10/2022	Open			Accounts Payable	Nexinite, LLC	\$225.00		
	Invoice		Date	Description		Amount			
	INV-001833		11/07/2022	Form Digitization Service for FY22 - Oct. 2022		\$225.00			
	Paying Fund			Cash Account		Amount			
	100 - General Fund			100 100-100 (Cash & Investments Assets Operating Cash)		\$225.00			
35679	11/10/2022	Open			Accounts Payable	NI Government Services Inc	\$79.04		
	Invoice		Date	Description		Amount			
	22102907051		11/03/2022	Traffic Period 10/1/2022 - 10/31/2022		\$79.04			

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$79.04		
35680	11/10/2022	Open			Accounts Payable	PARS/City of Cupertino	\$3,387.35		
	Invoice		Date		Description		Amount		
	11042022		11/04/2022		PARS Employee pp 10/22/22-11/4/22		\$3,387.35		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$3,387.35		
35681	11/10/2022	Open			Accounts Payable	Professional Turf Management, Inc.	\$17,075.00		
	Invoice		Date		Description		Amount		
	1255		10/20/2022		Golf Course Monthly Maintenance Fee - October 2022		\$17,000.00		
	1256		10/25/2022		Monthly Gate Service - October 2022		\$75.00		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$75.00		
	560 - Blackberry Farm				560 100-100 (Cash & Investments Assets Operating Cash)		\$17,000.00		
35682	11/10/2022	Open			Accounts Payable	QUARTIC SOLUTIONS LLC	\$22,275.03		
	Invoice		Date		Description		Amount		
	3293		10/06/2022		FY23 GIS Support Services - September 2022		\$11,270.00		
	3263		09/14/2022		FY23 GIS Support Services - August 2022		\$11,005.03		
	Paying Fund				Cash Account		Amount		
	610 - Innovation & Technology				610 100-100 (Cash & Investments Assets Operating Cash)		\$22,275.03		
35683	11/10/2022	Open			Accounts Payable	R.THOMAS HECK & ASSOCIATES	\$19,878.00		
	Invoice		Date		Description		Amount		
	104		11/07/2022		Winter 2023 Recreation Schedule		\$19,878.00		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$19,878.00		
35684	11/10/2022	Open			Accounts Payable	Rincon Consultants, Inc	\$7,081.63		
	Invoice		Date		Description		Amount		
	43041		10/17/2022		Climate Action & Adaptation Plan Updates		\$7,081.63		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$7,081.63		
35685	11/10/2022	Open			Accounts Payable	Ross Recreation Equipment, Inc.	\$632.63		
	Invoice		Date		Description		Amount		
	121970		10/26/2022		Grounds - Jollyman Cyclor Foot Pedals		\$632.63		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$632.63		
35686	11/10/2022	Open			Accounts Payable	Sedgwick Claims Management Services, Inc.	\$6,984.08		
	Invoice		Date		Description		Amount		
	400000102680		08/01/2022		Workers' Compensation Claims 8/1/22-8/31/22		\$2,343.33		
	400000105437		09/01/2022		Workers' Compensation Claims 9/1/22-9/30/22		\$2,343.33		

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	400000075264		11/01/2021		Workers' Compensation Claims 11/1/21-11/30/21		\$2,297.42		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$6,984.08		
35687	11/10/2022	Open			Accounts Payable	SUNSTATE EQUIPMENT CO., LLC	\$2,577.87		
	Invoice		Date		Description		Amount		
	11114893-001		10/04/2022		Grounds - Mini Excavator		\$2,577.87		
	Paying Fund				Cash Account		Amount		
	100 - General Fund				100 100-100 (Cash & Investments Assets Operating Cash)		\$2,577.87		
35688	11/10/2022	Open			Accounts Payable	Uniguest, Inc.	\$4,914.66		
	Invoice		Date		Description		Amount		
	INV288657		10/19/2022		1x 55" LG Display with integrated touch overlay		\$4,914.66		
	Paying Fund				Cash Account		Amount		
	610 - Innovation & Technology				610 100-100 (Cash & Investments Assets Operating Cash)		\$4,914.66		
35689	11/10/2022	Open			Accounts Payable	URSULA SYROVA	\$226.49		
	Invoice		Date		Description		Amount		
	UrsulaS11012022		11/01/2022		CASQA Conference 10.23.22-10.26.22- travel reimbursements		\$226.49		
	Paying Fund				Cash Account		Amount		
	230 - Env Mgmt Cln Crk Strm Drain				230 100-100 (Cash & Investments Assets Operating Cash)		\$226.49		
35690	11/10/2022	Open			Accounts Payable	US BANK	\$47,608.26		
	Invoice		Date		Description		Amount		
	ShawnT101722		10/17/2022		7105 CC Charges		\$553.00		
	MelissaR0101722		10/17/2022		0572 CC Charges		\$1,003.77		
	SelbyM101722		10/17/2022		1711 CC Charges		\$540.64		
	TyB101722		10/17/2022		7739 cc charges		\$6,908.08		
	RicA101722		10/17/2022		9906 CC Charges		\$715.18		
	AndrewS101722		10/17/2022		9993 cc charges		\$2,632.62		
	BradA101722		10/17/2022		6013 cc charges		\$173.96		
	IkaP101722		10/17/2022		8108 cc charges		\$1,154.28		
	BrianG101722		10/17/2022		6202 cc charges		\$1,682.16		
	CesarG101722		10/17/2022		9076 cc charges		\$190.99		
	JerryA101722		10/17/2022		8636 cc charges		\$3,716.52		
	JindyG101722		10/17/2022		0175 cc charges		\$1,062.28		
	JonF101722		10/17/2022		3969 cc charges		\$129.48		
	RobG101722		10/17/2022		6980 cc charges		\$149.95		
	RudyL101722		10/17/2022		8736 cc charges		\$204.53		
	FrankV10172022		10/17/2022		5849 CC Charges		\$16.49		
	KimL10172022		10/17/2022		5169 CC Charges		\$142.05		
	ReiD101722		10/17/2022		1409CC Charges		\$1,460.02		
	CherieW10172022		10/17/2022		6916 CC Charges		\$4,250.19		
	JANETL101722		10/17/2022		9949 CC Charges		\$5,499.91		
	TravisW101722		10/17/2022		8746 CC Charges		(\$16.05)		
	MarilynM10172022		10/17/2022		6763 CC Charges		\$27.10		
	KevinG101722		10/17/2022		5856 cc charges		\$120.00		
	JennyK101722		10/17/2022		8829 CC Charges		\$173.37		

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	Branton101722		10/17/2022	5320	CC Charges		\$1,398.30		
	KevinK101722		10/17/2022	8746	CC Charges		\$66.09		
	RobertK101722		10/17/2022	7858	CC Charges		\$415.26		
	CyrahC101722		10/17/2022	0363	CC Charges		\$1,638.28		
	SundariP101722		10/17/2022	9702	CC Charges		\$511.39		
	AlexC10172022		10/17/2022	5300	CC Charges		\$25.69		
	ChristL101722		10/17/2022	7456	CC Charges		\$22.66		
	ColleenF101722		10/17/2022	0798	cc charges		\$545.54		
	UrsulaS101722		10/17/2022	2512	CC Charges		\$32.73		
	BennyH101722		10/17/2022	1015	CC charges		\$1,764.10		
	SonyaL101722		10/17/2022	8808	CC Charges		\$143.55		
	RandyV101722		10/17/2022	9138	CC Charges		\$272.87		
	AmandaH101722		10/17/2022	9326	CC Charges		\$172.69		
	DanielM101722		10/17/2022	9167	CC Charges		\$454.12		
	LeungK101722		10/17/2022	1733	CC Charges		\$484.10		
	KrisG101722		10/17/2022	6959	CC Charges		\$992.09		
	KarenL101722		10/17/2022	9612	CC Charges		\$172.26		
	mariahg101722		10/17/2022	7882	CC CHARGES		\$1,793.48		
	RobertD101722		10/17/2022	6680	CC Charges		\$273.76		
	AlexG101722		10/17/2022	1741	CC Charges		\$684.94		
	KavithaA101722		10/17/2022	7567	CC Charges		\$116.36		
	DebraN101722		10/17/2022	1090	CC Charges		\$2,686.20		
	KennethE101722		10/17/2022	5954	CC Charges		\$451.28		
	Paying Fund				Cash Account		Amount		
	100 - General Fund			100	100-100 (Cash & Investments Assets Operating Cash)		\$32,969.14		
	230 - Env Mgmt Cln Crk Strm Drain			230	100-100 (Cash & Investments Assets Operating Cash)		\$32.73		
	265 - BMR Housing			265	100-100 (Cash & Investments Assets Operating Cash)		\$9.95		
	270 - Transportation Fund			270	100-100 (Cash & Investments Assets Operating Cash)		\$307.80		
	420 - Capital Improvement Fund			420	100-100 (Cash & Investments Assets Operating Cash)		\$5,191.05		
	560 - Blackberry Farm			560	100-100 (Cash & Investments Assets Operating Cash)		\$426.77		
	570 - Sports Center			570	100-100 (Cash & Investments Assets Operating Cash)		\$324.76		
	580 - Recreation Program			580	100-100 (Cash & Investments Assets Operating Cash)		\$1,858.61		
	610 - Innovation & Technology			610	100-100 (Cash & Investments Assets Operating Cash)		\$2,509.56		
	630 - Vehicle/Equip Replacement			630	100-100 (Cash & Investments Assets Operating Cash)		\$3,977.89		
35691	11/10/2022	Open			Accounts Payable	WOWzy Creation Corp. dba First Place	\$61.61		
	Invoice		Date		Description		Amount		
	95704		11/03/2022		Poet Laureate Trophy Engraving 2023-2024		\$61.61		
	Paying Fund				Cash Account		Amount		

Payment Register

From Payment Date: 11/5/2022 - To Payment Date: 11/10/2022

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
	100 - General Fund				100 100-100 (Cash & Investments Assets Cash)	Operating	\$61.61		
35692	11/10/2022	Open			Accounts Payable	ZAYO GROUP, LLC	\$2,669.97		
	Invoice		Date	Description			Amount		
	2022110030583		11/01/2022	FY23 Disaster Recovery Telecom services Nov. 2022			\$2,669.97		
	Paying Fund			Cash Account			Amount		
	610 - Innovation & Technology				610 100-100 (Cash & Investments Assets Cash)	Operating	\$2,669.97		

Type EFT Totals:

Main Account - Main Checking Account Totals

57 Transactions

\$789,758.45

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	45	\$1,621,930.56	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	45	\$1,621,930.56	\$0.00

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	57	\$789,758.45	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	57	\$789,758.45	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	102	\$2,411,689.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	102	\$2,411,689.01	\$0.00

Grand Totals:

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	45	\$1,621,930.56	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	45	\$1,621,930.56	\$0.00

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	57	\$789,758.45	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Total	57	\$789,758.45	\$0.00

All	Status	Count	Transaction Amount	Reconciled Amount
	Open	102	\$2,411,689.01	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Voided	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	102	\$2,411,689.01	\$0.00

Approved: Beth Viagar

11.14.2022



CITY OF CUPERTINO

Agenda Item

22-11712

Agenda Date: 2/7/2023
Agenda #: 10.

Subject: Consider the Monthly Treasurer's Report for December 2022

Receive the Monthly Treasurer's Report for December 2022



ADMINISTRATIVE SERVICES DEPARTMENT

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

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider the Monthly Treasurer's Report for December 2022

Recommended Action

Receive the Monthly Treasurer's Report for December 2022

Discussion

Background

California Government Code Section 41004 states:

Regularly, at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body.

The City's Municipal Code Section 2.24.030 Monthly Reports states:

The Treasurer shall make monthly reports which conform to the requirements of Government Code Section 41004. Said reports shall be delivered to the City Council, the City Manager and made available for review by such other persons who may so request.

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 monthly Treasurer's report."

Per the referenced code provisions, a Treasurer's Report (report and accounting of all receipts, disbursements, and fund balances) shall be submitted to the Audit Committee and City Council every month.

Cash vs. Accrual Basis Accounting

Cash and accrual basis accounting differ in the timing when revenues and expenses are recognized and recorded. Cash basis accounting recognizes revenues when payment is received and expenses when payment is paid. Accrual basis accounting recognizes revenues when they are earned (but not necessarily received) and expenses when they are incurred (but not necessarily paid).

Receipts, disbursements, and cash balance are measured on a cash basis. The cash balance shows the total cash and investments in the City's accounts. The ending balance is the beginning balance plus receipts minus disbursements. Journal adjustments generally include transactions recorded in other systems and imported into New World, Council-approved budget adjustments, quarterly Cost Allocation Plan (CAP) charges, and quarterly interest earnings.

Revenues, expenditures, and fund balance are measured on an accrual basis. As a result, the amount in fund balance does not mean the City has that much cash on hand. Instead, fund balance is the difference between assets and liabilities. The ending balance is the beginning balance plus revenues minus expenditures.

Treasurer's Report

The report provides an update on the City's cash and fund balances for December 2022. The report is as of January 18, 2023.

Receipts, Disbursements, and Cash Balance

The City's General Fund ending cash and investment balance was \$115.0 million, an increase of \$5.4 million from the prior month. Receipts were \$12.2 million, disbursements were \$(6.9) million, and journal adjustments were \$41,618 for the month.

The City's total ending cash and investment balance was \$220.1 million, an increase of \$2.0 million from the prior month. Receipts were \$12.9 million, disbursements were \$(10.7) million, and journal adjustments were \$(0.1) million for the month.

In December 2022, the journal adjustments included the following:

- Parks and Recreation transactions imported from Active Network into New World
- Workers' Compensation transactions
- BNY Mellon debt service payment

Fund Balance/Net Position

The City's General Fund ending fund balance was \$100.1 million, increasing by \$22,284 from the prior month due to revenues of \$5.7 million and expenditures of \$5.7 million.

The City's total ending fund balance was \$202.4 million, decreasing by \$2.2 million from the prior month due to revenues of \$6.7 million and expenditures of \$8.9 million.

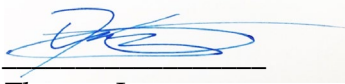
Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by:



Thomas Leung
Budget Manager

Reviewed by:



Kristina Alfaro
Director of Administrative Services

Approved for Submission by:



Pamela Wu
City Manager

Attachments:

A – Report of City-wide Receipts, Disbursements, and Cash Balances December 2022

B – Report of City-wide Fund Balances/Net Position December 2022

December 2022 Report of City-wide Receipts, Disbursements, and Cash Balances
Cash and Investments

CC 02-07-2023
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Fund Type	Fund Number/Name	Beginning Balance	Receipts	Disbursements	Journal Adjustments	Ending Balance
		as of November 30, 2022				as of December 31, 2022
General Fund	100 General Fund	109,610,504	12,237,054	(6,863,434)	41,618	115,025,742
General Fund	130 Investment Fund	189,996	-	-	-	189,996
Special Revenue Funds	210 Storm Drain Improvement	2,205,701	-	(56,875)	-	2,148,825
Special Revenue Funds	215 Storm Drain AB1600	1,814,201	3,164	-	-	1,817,365
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	641,164	25,795	(123,700)	-	543,259
Special Revenue Funds	260 CDBG	651,564	28,239	(29,294)	-	650,509
Special Revenue Funds	261 HCD Loan Rehab	221,894	-	-	-	221,894
Special Revenue Funds	265 BMR Housing	5,687,886	4,650	(127,647)	-	5,564,889
Special Revenue Funds	270 Transportation Fund	12,433,320	378,304	(1,506,167)	-	11,305,456
Special Revenue Funds	271 Traffic Impact	759,489	-	-	-	759,489
Special Revenue Funds	280 Park Dedication	20,017,767	15,000	(302,492)	-	19,730,274
Special Revenue Funds	281 Tree Fund	71,648	481	-	-	72,129
Debt Service Funds	365 Public Facilities Corp	2,682,650	-	-	(360,400)	2,322,250
Capital Project Funds	420 Capital Improvement Fund	27,609,475	-	(248,615)	-	27,360,860
Capital Project Funds	427 Stevens Creek Corridor Park	161,581	-	-	-	161,581
Capital Project Funds	429 Capital Reserve*	11,620,392	-	-	-	11,620,392
Enterprise Funds	520 Resource Recovery	5,702,469	119,834	(130,969)	-	5,691,335
Enterprise Funds	560 Blackberry Farm	1,154,549	1,195	(56,426)	24,565	1,123,883
Enterprise Funds	570 Sports Center	1,891,166	-	(351,022)	131,899	1,672,043
Enterprise Funds	580 Recreation Program	3,472,502	48,311	(230,321)	41,823	3,332,314
Internal Service Funds	610 Innovation & Technology	3,943,097	-	(358,757)	-	3,584,340
Internal Service Funds	620 Workers' Compensation	3,666,283	-	(5,408)	(15,880)	3,644,995
Internal Service Funds	630 Vehicle/Equip Replacement	1,034,267	-	(192,376)	-	841,891
Internal Service Funds	641 Compensated Absence/LTD	1,549,379	-	9,606	-	1,558,985
Internal Service Funds	642 Retiree Medical	(693,469)	-	(113,551)	-	(807,020)
Total		\$ 218,099,474	\$ 12,862,026	\$ (10,687,448)	\$ (136,374)	\$ 220,137,678

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

Printed January 18, 2023

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

December 2022 Report of City-wide Fund Balances/Net Position

CC 02-07-2023

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Fund Type	Fund Number/Name	Beginning Fund Balance as of November 30, 2022	Revenues	Expenditures	Ending Fund Balance as of December 31, 2022
General Fund	100 General Fund	100,060,445	5,718,123	5,695,839	100,082,729
General Fund	130 Investment Fund	229,425	-	-	229,425
Special Revenue Funds	210 Storm Drain Improvement	2,150,265	-	1,440	2,148,825
Special Revenue Funds	215 Storm Drain AB1600	1,814,201	3,164	-	1,817,365
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	675,504	53,037	113,355	615,186
Special Revenue Funds	260 CDBG	1,165,131	27,745	15,895	1,176,980
Special Revenue Funds	261 HCD Loan Rehab	221,894	-	-	221,894
Special Revenue Funds	265 BMR Housing	5,603,544	3,000	41,655	5,564,889
Special Revenue Funds	270 Transportation Fund	12,496,273	377,624	1,227,856	11,646,041
Special Revenue Funds	271 Traffic Impact	759,489	-	-	759,489
Special Revenue Funds	280 Park Dedication	20,017,429	15,000	302,155	19,730,274
Special Revenue Funds	281 Tree Fund	71,648	481	-	72,129
Debt Service Funds	365 Public Facilities Corp	2,322,250	-	-	2,322,250
Capital Project Funds	420 Capital Improvement Fund	24,446,682	-	95,095	24,351,587
Capital Project Funds	427 Stevens Creek Corridor Park	161,581	-	-	161,581
Capital Project Funds	429 Capital Reserve*	11,620,392	-	-	11,620,392
Enterprise Funds	520 Resource Recovery	5,063,595	119,834	116,071	5,067,358
Enterprise Funds	560 Blackberry Farm	878,827	25,743	54,796	849,774
Enterprise Funds	570 Sports Center	2,495,425	181,059	394,468	2,282,016
Enterprise Funds	580 Recreation Program	3,268,346	123,912	222,545	3,169,713
Internal Service Funds	610 Innovation & Technology	3,535,558	-	285,253	3,250,306
Internal Service Funds	620 Workers' Compensation	2,045,612	-	21,287	2,024,325
Internal Service Funds	630 Vehicle/Equip Replacement	2,639,025	-	167,625	2,471,400
Internal Service Funds	641 Compensated Absence/LTD	1,549,379	17,803	8,197	1,558,985
Internal Service Funds	642 Retiree Medical	(693,469)	-	113,551	(807,020)
Total		\$ 204,598,451	\$ 6,666,524	\$ 8,877,084	\$ 202,387,891

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

Printed January 18, 2023

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



CITY OF CUPERTINO

Agenda Item

22-11713

Agenda Date: 2/7/2023
Agenda #: 11.

Subject: Consider the Monthly Treasurer's Investment Report for December 2022

Receive the Monthly Treasurer's Investment Report for December 2022



ADMINISTRATIVE SERVICES DEPARTMENT

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

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider the Monthly Treasurer's Investment Report for December 2022

Recommended Action

Receive the Monthly Treasurer's Investment Report for December 2022

Discussion

Background

On May 19, 2022, the City Council approved the City's Investment Policy. Per the City's Investment Policy, the Treasurer shall submit monthly transaction reports to the City Council within 30 days of the end of the reporting period per California Government Code Section 53607. In addition to the monthly transaction reports, quarterly investment reports are submitted to the City Council approximately 45 days following the end of the quarter. 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. 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 monthly Treasurer's report."

Per the referenced code provisions, a Treasurer's Investment Report shall be submitted to the Audit Committee and City Council every month.

Treasurer's Investment Report

The report provides an update on the City's investment portfolio for the month ending December 31, 2022. The report is as of January 18, 2023.

The attached statements include balances and transactions of the City's investments with the Local Agency Investment Fund (LAIF) and Chandler Asset Management. 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 Monthly Treasurer's Report Subcommittee.

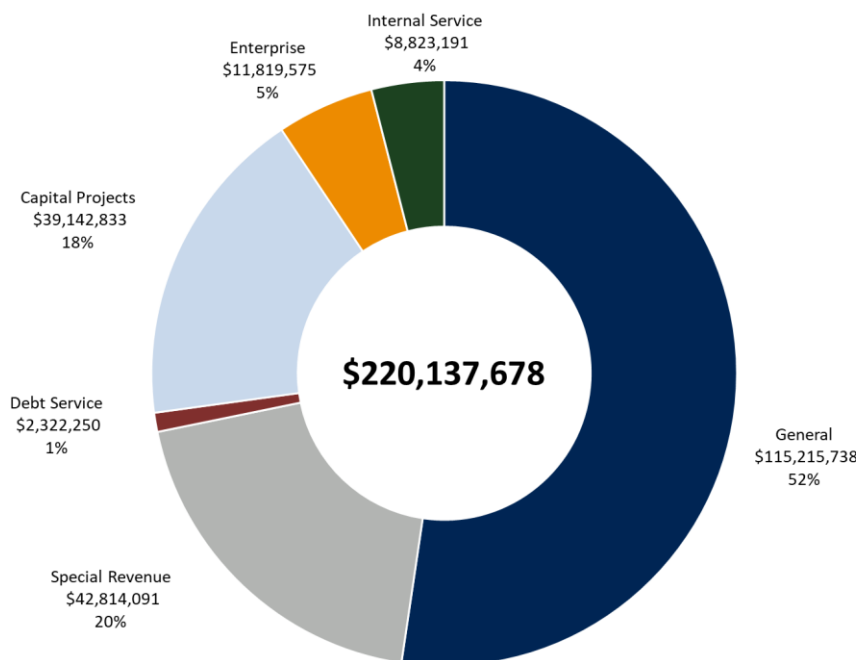
The City's General Ledger cash and investments balance was \$220.1 million, a \$2.0 million increase from the prior month due to receipts of \$12.9 million, disbursements of \$(10.7) million, and journal adjustments of \$0.1 million.

Cash and Investments – General Ledger Balance

Fund Type	Month Ending November 30, 2022	Receipts	Disbursements	Journal Adjustments*	Month Ending December 31, 2022
General Fund	109,800,500	12,237,054	(6,863,434)	41,618	115,215,738
Special Revenue	44,504,633	455,633	(2,146,175)	-	42,814,091
Debt Service	2,682,650	-	-	(360,400)	2,322,250
Capital Projects	39,391,448	-	(248,615)	-	39,142,833
Enterprise	12,220,686	169,340	(768,738)	198,288	11,819,575
Internal Service	9,499,557	-	(660,486)	(15,880)	8,823,191
Total	\$218,099,474	\$12,862,026	\$(10,687,448)	\$(136,374)	\$220,137,678

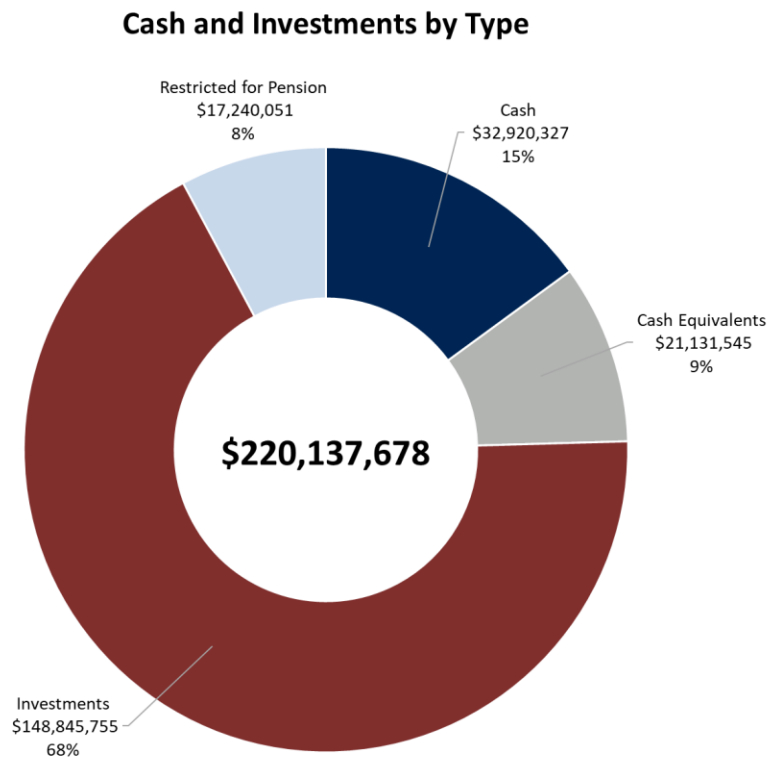
*Journal adjustments include transactions recorded in other systems and imported into the financial system, Council-approved budget adjustments, quarterly Cost Allocation Plan (CAP) charges, and quarterly interest earnings.

Cash and Investments by Fund



The \$220.1 million in cash and investments includes \$33.0 million in cash, \$21.1 million in cash equivalents, \$148.8 million in investments, and \$17.2 million restricted for funding pension costs.

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.



Cash and Investments – General Ledger Balance

	Month Ending November 30, 2022	Month Ending December 31, 2022	% of Portfolio
Cash in banks and on hand			
Operating Checking (Wells Fargo)	30,469,390	32,883,874	15%
Workers' Compensation Checking (Wells Fargo)	47,333	31,453	0%
Payroll Checking (Wells Fargo)	-	-	0%
Restricted for Bond Repayments ¹ (BNY Mellon)	360,400	-	0%
Petty Cash and Change	5,000	5,000	0%
Cash Equivalents			
Local Agency Investment Fund	21,131,545	21,131,545	10%
Investments			
Investments (Chandler)	148,845,755	148,845,755	68%
Restricted for Pension ² (PARS)	17,240,051	17,240,051	8%
Total Cash and Investments³	\$218,099,474	\$220,137,678	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.

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

	Month Ending November 30, 2022	Month Ending December 31, 2022	% of Portfolio
Cash in banks and on hand			
Operating Checking (Wells Fargo)	30,474,316	33,821,218	15%
Workers' Compensation Checking (Wells Fargo)	54,027	33,538	0%
Payroll Checking (Wells Fargo)	-	-	0%
Restricted for Bond Repayments ¹ (BNY Mellon)	360,400	8,333	0%
Cash Equivalents			
Local Agency Investment Fund	21,170,973	21,170,973	10%
Investments			
Investments (Chandler)	147,091,668	147,282,846	67%
Restricted for Pension ² (PARS)	18,054,973	17,395,501	8%
Total Cash and Investments³	\$217,206,356	\$219,712,409	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.

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 \$21.2 million, no change from the previous month. The interest rate was 2.07%. The City did not make any deposits or withdrawals in December 2022.

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 \$147.3 million, compared to \$147.1 million at the end of the previous month. The table below includes historical comparisons of the City's portfolio.

	October 31, 2022	November 30, 2022	December 31, 2022
Market Value	145,375,884	147,091,668	147,282,846
Par Value	155,796,034	155,927,174	156,155,965
Book Value	155,563,286	155,696,350	155,929,700
Average Maturity	2.82 years	2.74 years	2.62 years
Average Modified Duration	2.43	2.34	2.28
Average Purchase Yield	1.68%	1.69%	1.70%
Average Market Yield	4.81%	4.56%	4.63%
Average Quality ¹	AA/Aa1	AA/Aa1	AA/Aa1

¹ S&P and Moody's respectively

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, so changes in market value do not affect the City's investment principal. A decrease in market value creates an unrealized loss. The loss will only be realized if the City sells its investments before maturity. The market values 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. A Section 115 Trust is a tax-exempt investment tool that allows local governments to pre-fund pension and retiree health costs. Once contributions are placed into the trust, assets from the trust can only be used to fund retirement plans.

The Section 115 Trusts are not governed by the City's Investment Policy but by separate investment policies. On December 6, 2022, City Council approved the Pension Trust Investment Policy and OPEB Trust Investment Policy. Public Agency Retirement Services (PARS) administers the trust, and US Bank manages the investments per the 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. It is recommended for investors with a long-term time horizon. The strategic asset allocation ranges for this objective are:

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

The Section 115 Pension Trust had a balance of \$17.4 million, a decrease of \$0.7 million from the prior month due to investment losses. The Section 115 OPEB Trust had a balance of \$31.6 million, a decrease of \$1.2 million from the prior month due to investment losses. The one-month investment returns were -3.62% for both the Pension Trust and OPEB Trust.

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.

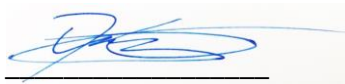
Sustainability Impact

No sustainability impact.

Fiscal Impact

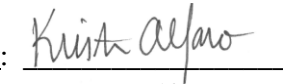
No fiscal impact.

Prepared by:



Thomas Leung
Budget Manager

Reviewed by:



Kristina Alfaro
Director of Administrative Services

Approved for Submission by:



Pamela Wu
City Manager

Attachments:

- A – Chandler Investment Report December 2022
- B – Chandler Custodial Statement December 2022
- C – PARS Pension and OPEB Account Statement December 2022
- D – LAIF Account Statement December 2022

City of Cupertino

Period Ending December 31, 2022

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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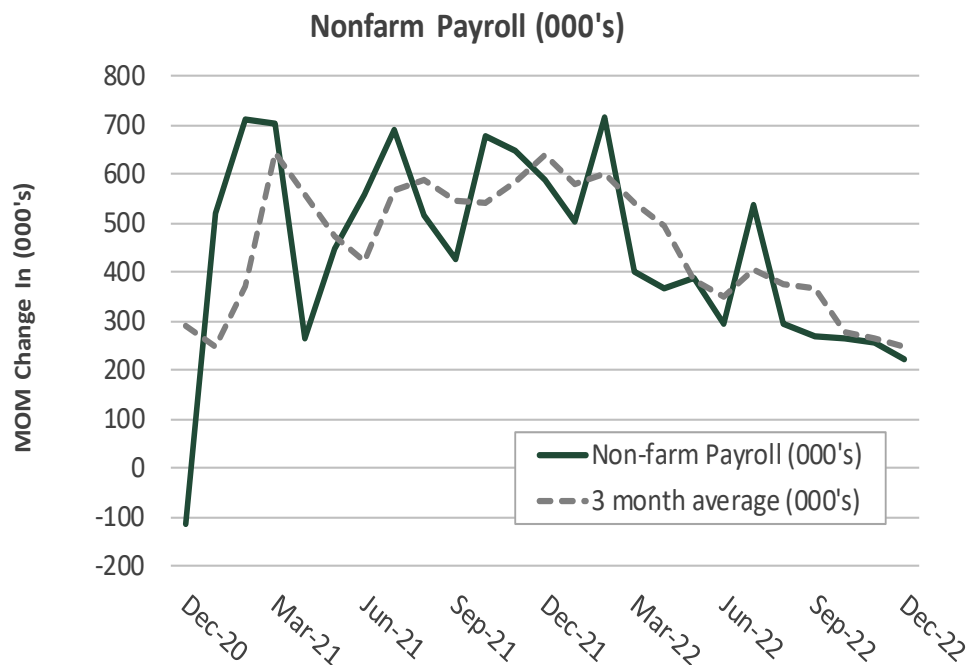
SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

Section 1 | Economic Update

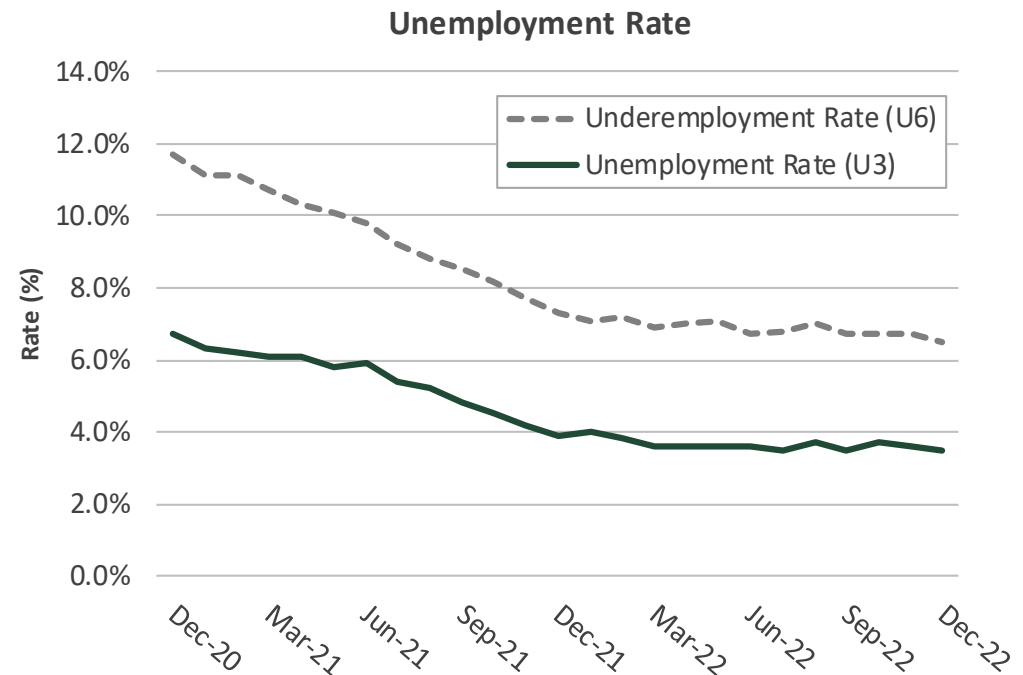
Economic Update

- Market volatility has intensified as global central banks pursue monetary policies to combat persistently high inflation. Although the pace of job growth is moderating, the strength of the labor market has sustained economic growth. Inflation metrics are trending downward but remain significantly higher than the Fed's target. While evidence of slower economic conditions has begun to mount, we expect the Federal Reserve to continue to raise rates to battle inflation, albeit at a less aggressive pace. Over the near-term, we expect financial market volatility to remain intensified with persistent inflation, geopolitical risk, and the Fed's hawkish monetary policy.
- As expected at the December 14th meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 50 basis points to a range of 4.25 – 4.50%, in a downshift from four consecutive 75 basis point hikes. The decision was unanimous, and there was no change to the November statement. The sentiment was hawkish, indicating that “ongoing increases” in the fed funds rate are likely appropriate and citing continued labor market imbalances. FOMC members forecasted a higher fed funds rate, slower GDP growth, higher inflation, and higher unemployment in 2023 than in the September projections. We believe the FOMC will continue to implement tighter monetary policy at a slower pace and hold rates at restrictive levels for some time until inflationary pressures subside and remain in the Fed's target range.
- In December, yields rose, and the curve became less inverted. The 2-year Treasury yield increased 12 basis points to 4.43%, the 5-year Treasury yield rose 27 basis points to 4.01%, and the 10-year Treasury yield climbed 27 basis points to 3.88%. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -55 basis points at December month-end versus -71 basis points at November month-end. The spread was a positive 78 basis points one year ago. The inversion between 3-month and 10-year treasuries narrowed to -50 basis points in December from -74 basis points in November. The year 2022 saw a dramatic shift in the Federal Reserve's policy from highly accommodative to aggressive tightening, resulting in significantly higher rates and an inverted yield curve. The shape of the yield curve indicates that the probability of recession is increasing.

Employment



Source: US Department of Labor

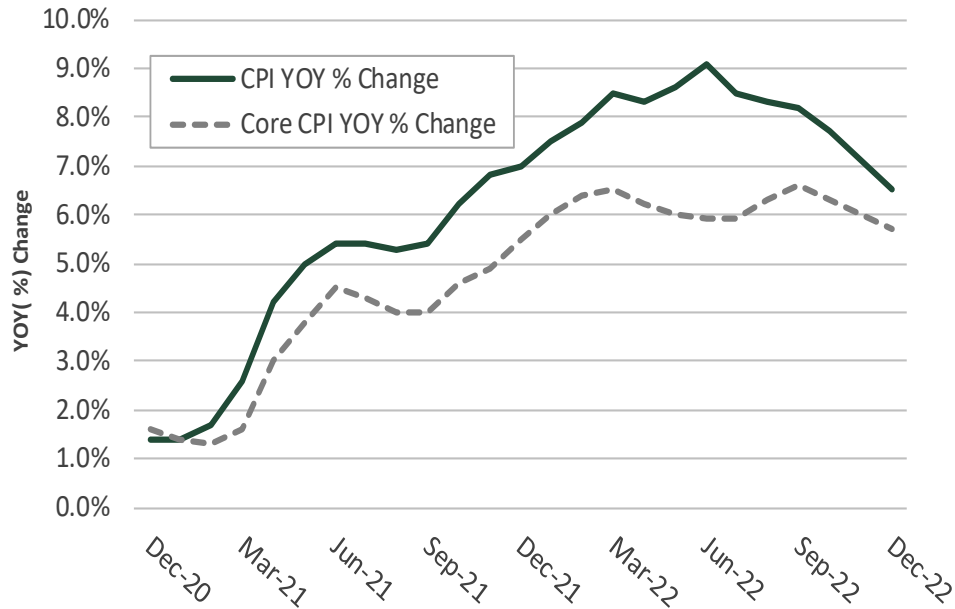


Source: US Department of Labor

The U.S. economy added 223,000 jobs in December, slightly higher than market expectations of 205,000, but a decline from November's revised increase of 256,000. Trends in employment remain healthy, with the three-month moving average payrolls at 247,000 and the six-month moving average at 307,000. Jobs in the goods producing sector were surprisingly strong, and leisure and hospitality employment growth remained solid. The unemployment rate dipped to 3.5%, returning to its pre-pandemic level. The labor participation rate increased only slightly to 62.3% in December from 62.1% in November, indicating the supply of labor remains challenging for employers. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons declined to 6.5% from the prior month at 6.7%. Average hourly earnings rose 4.6% year-over-year in December, down from a revised 4.8% increase in November. Overall, the December employment report demonstrates a strong demand for labor and supports the case for the Fed to continue raising the federal funds rate, but perhaps at a slower pace.

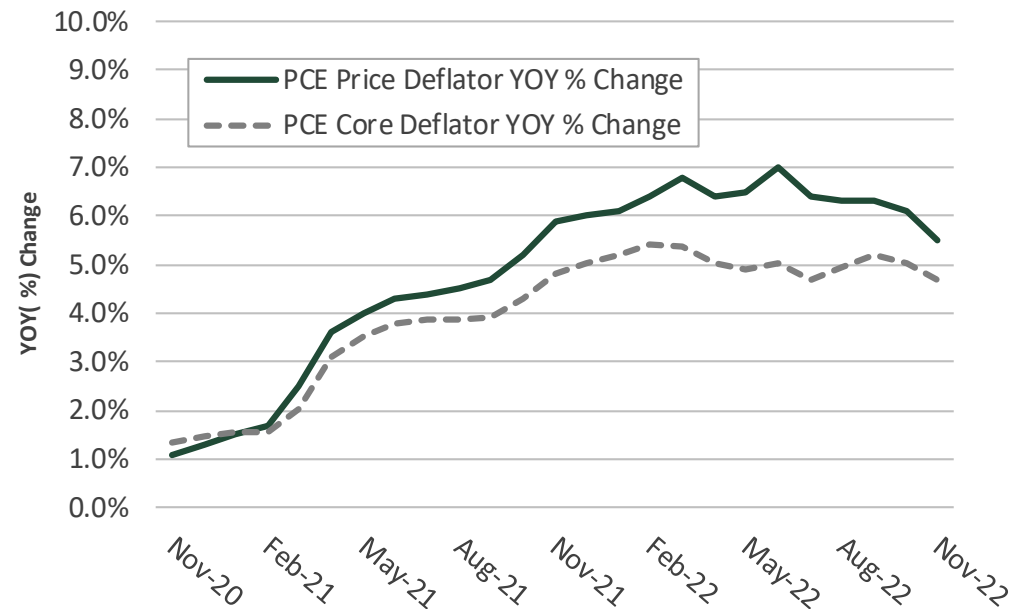
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

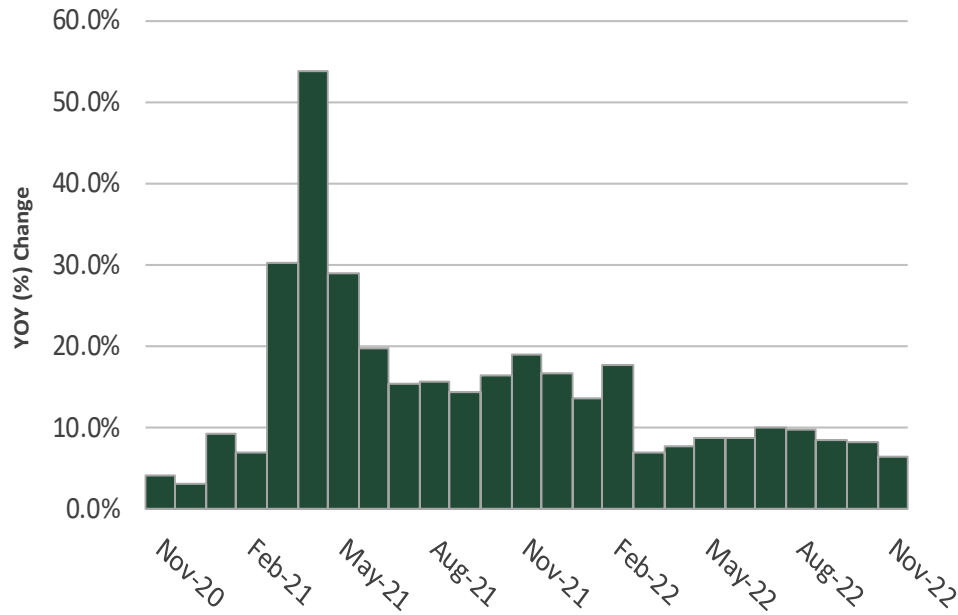


Source: US Department of Commerce

The Consumer Price Index (CPI) increased 6.5% year-over-year in December, down from a 7.1% year-over-year increase in November. The Core CPI, which excludes volatile food and energy components, rose 5.7% year-over-year in December, down from 6.0% in November. Gasoline prices decelerated materially, while shelter prices continued to rise. A shift in spending from goods to services continues to dampen merchandise prices. The Personal Consumption Expenditures (PCE) index rose 5.5% year-over-year in November, versus an upwardly revised 6.1% year-over-year gain in October. Core PCE increased 4.7% year-over-year in November versus a 5.0% year-over-year gain in October. Declining inflationary trends should provide the Federal Reserve room to reduce the pace and magnitude of future federal funds rate hikes.

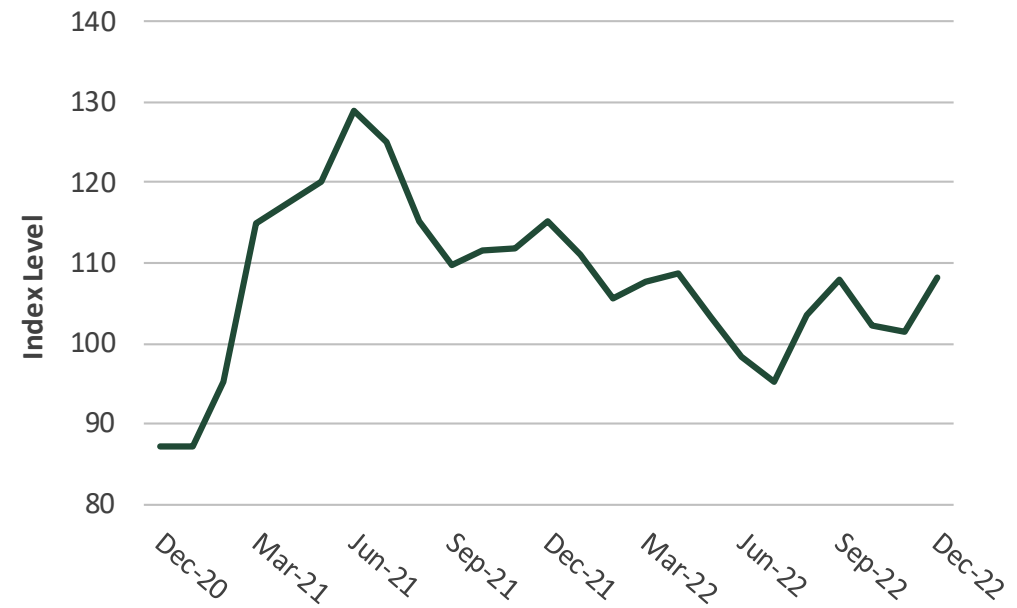
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

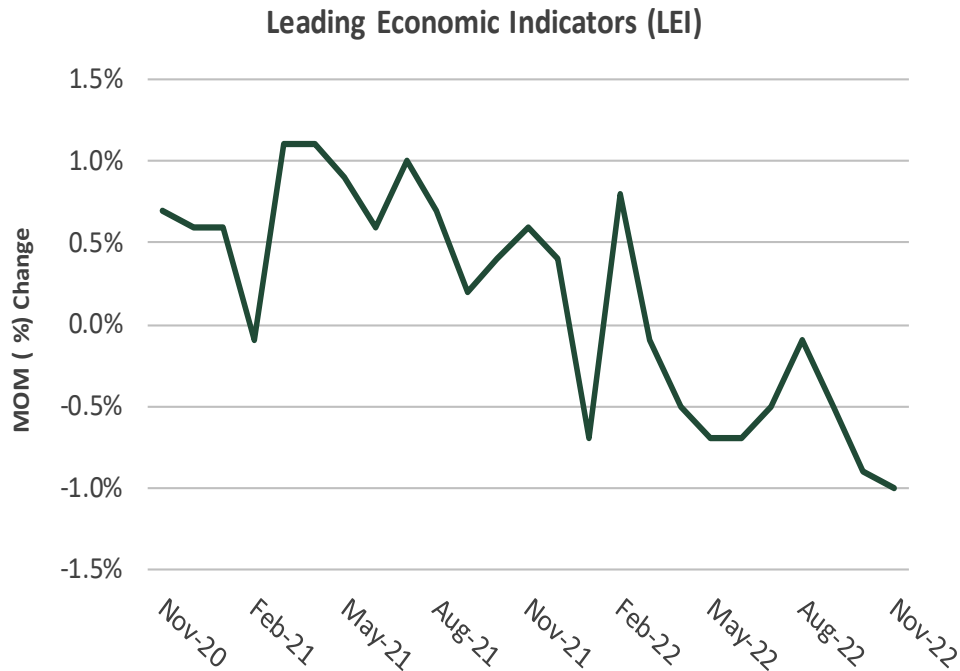
Consumer Confidence



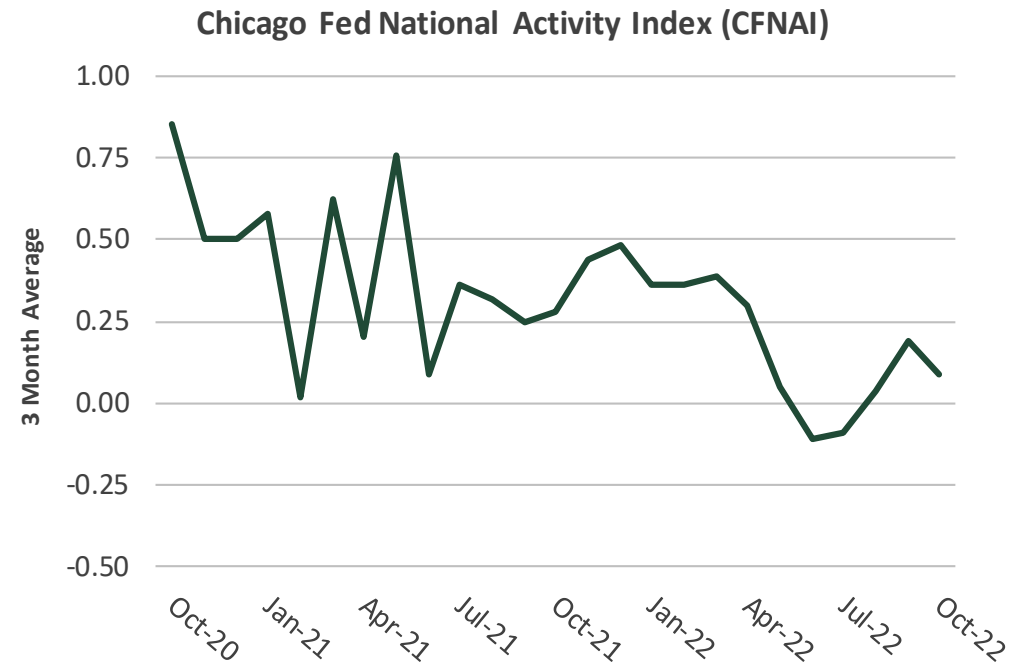
Source: The Conference Board

Advance Retail Sales declined more than expected in November at -0.6% month-over-month and +6.5% year-over-year, possibly suggesting some loss of momentum in consumer demand for goods amid high inflation and shifting preferences toward services. Additionally, Amazon's Prime Day may have pulled some holiday spending activity forward into October from November. The Conference Board's Consumer Confidence Index jumped more than expected to 108.3 in December from an upwardly revised 101.4 in November. Views of current conditions and the future outlook for the economy both improved as inflation expectations declined.

Economic Activity



Source: The Conference Board

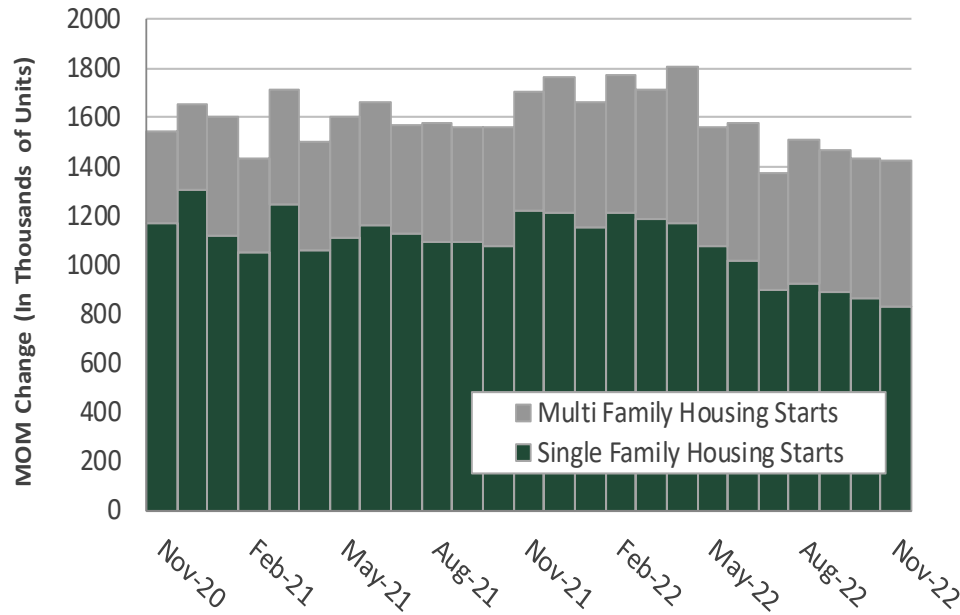


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) remained in negative territory for the ninth consecutive month at a worse than expected -1.0% in November, following a downwardly revised -0.9% in October. The LEI was down 4.5% year-over-year in November versus down 2.9% in October. The Conference Board cited a "lack of economic growth momentum in the near term." The Chicago Fed National Activity Index (CFNAI) decreased to -0.05 in October from +0.17 in September indicating below trend growth over the month. On a 3-month moving average basis, the CFNAI moved down to +0.09 in October from an upwardly revised +0.19 in September.

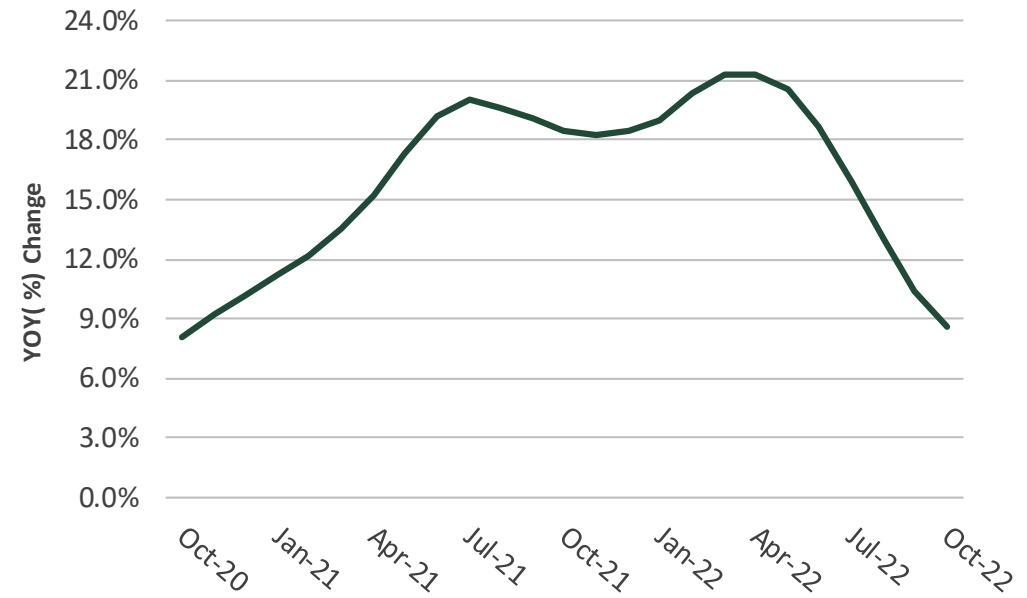
Housing

Housing Starts



Source: US Department of Commerce

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

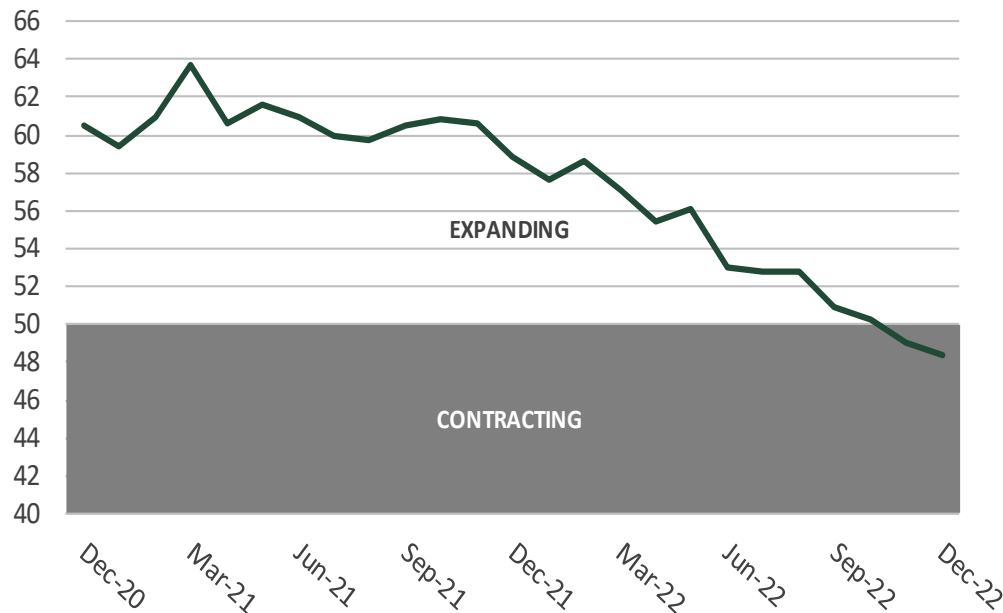


Source: S&P

Total housing starts declined 0.5% in November to 1,427,000 units after an upward revision to 1,434,000 units in October. Single-family home starts fell 4.1%, whereas multi-family starts rose 4.9% month-over-month. On a year-over-year basis, total housing starts decreased 16.4% reflecting a shift from single-family units to more affordable multi-family units as homebuyers struggle with a combination of elevated prices and higher mortgage rates. The 30-year mortgage rate has edged up to 6.4% according to Freddie Mac but remains below recent highs which topped 7%. According to the Case-Shiller 20-City Home Price Index, the year-over-year increase continued its declining rate of gain to +8.6% in October from +10.4% in September, clearly displaying the impact of higher mortgage rates which have reduced demand for homebuying as affordability has declined.

Manufacturing

Institute of Supply Management Purchasing Manager Index



Source: Institute for Supply Management

Industrial Production



Source: Federal Reserve

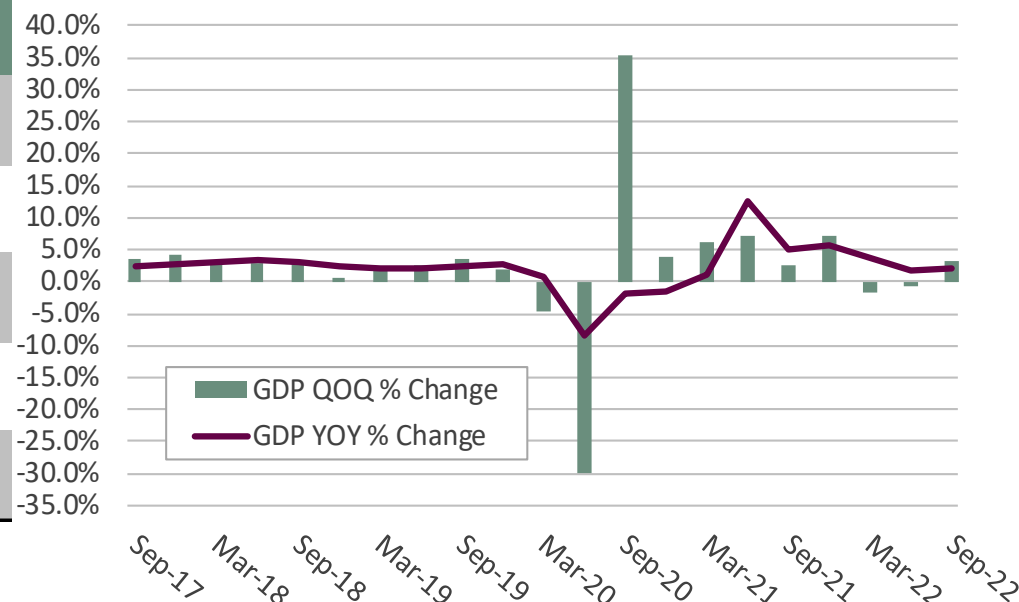
The Institute for Supply Management (ISM) manufacturing index declined to 48.4 in December from 49.0 in November. This is the second consecutive month of readings below 50.0, which is indicative of contraction in the manufacturing sector. The declining trend reflects sluggish demand amid economic uncertainty and easing price pressures in the goods sector. Industrial production was down 0.2% in November after an unrevised decline of 0.1% in October. The decrease was led by weakness in the manufacturing and mining indices. This equates to a 2.5% increase from the prior year. Capacity utilization fell to 79.7% in November from 79.9% in October and continues to run slightly above the 1972-2021 average of 79.6%.

Gross Domestic Product (GDP)

Components of GDP	12/21	3/22	6/22	9/22
Personal Consumption Expenditures	2.1%	0.9%	1.4%	1.5%
Gross Private Domestic Investment	5.1%	1.0%	-2.8%	-1.8%
Net Exports and Imports	-0.2%	-3.1%	1.2%	2.9%
Federal Government Expenditures	0.0%	-0.4%	-0.2%	0.2%
State and Local (Consumption and Gross Investment)	-0.2%	0.0%	-0.1%	0.4%
Total	7.0%	-1.6%	-0.6%	3.2%

Source: US Department of Commerce

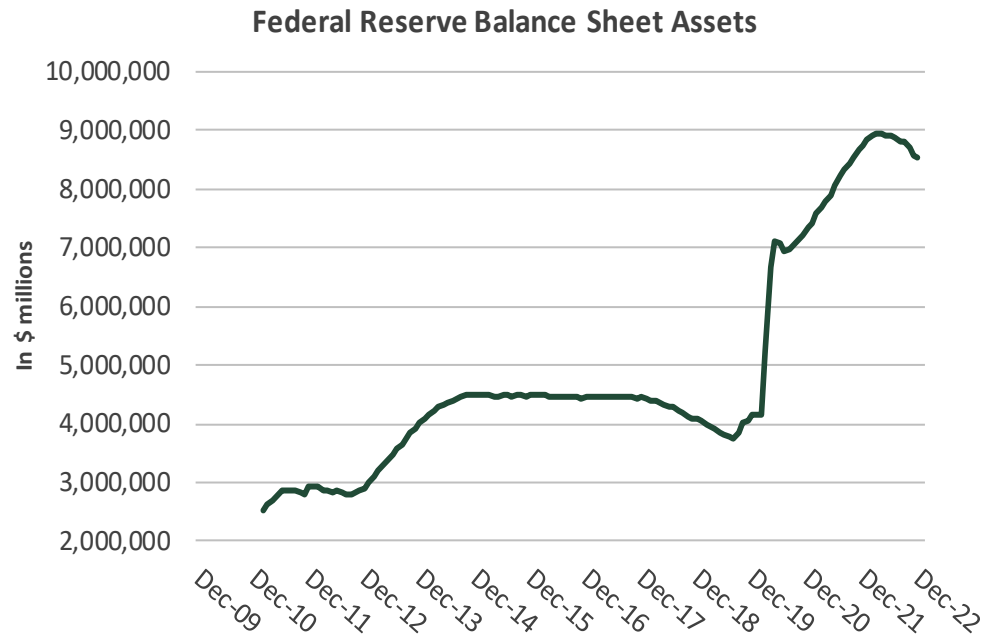
Gross Domestic Product (GDP)



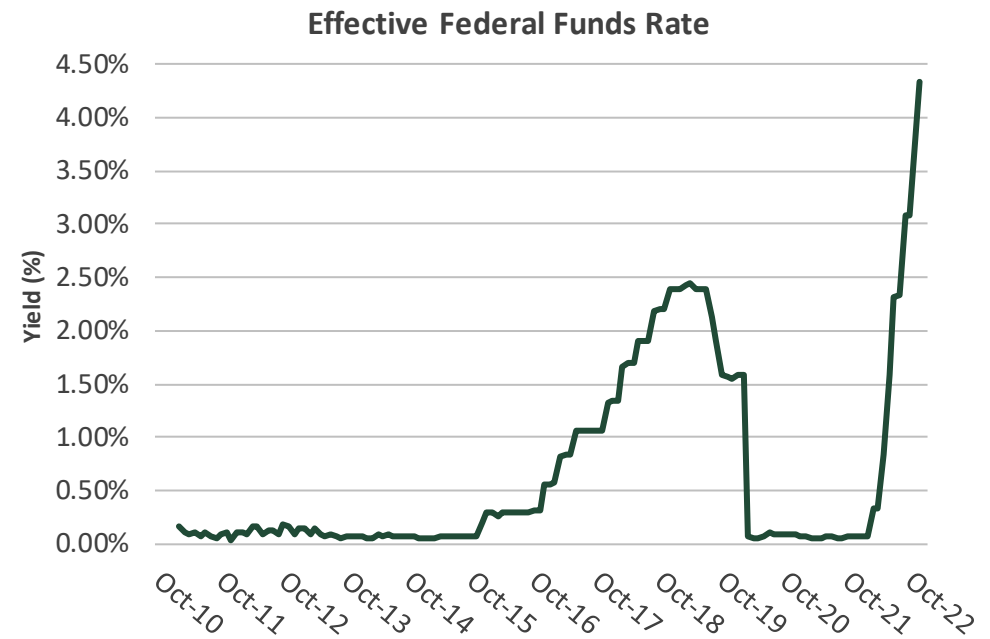
Source: US Department of Commerce

According to the third estimate, GDP increased at an annualized rate of 3.2% in the third quarter, revised up from 2.9%. The upward revision reflects stronger personal consumption expenditures which rose 2.3% in the third quarter, up from 1.7% in the previous estimate, primarily due to continued strength in services spending. Business investment, state and local government spending, and net exports also contributed to the upward revision. The consensus estimate calls for 1.1% growth in the fourth quarter and 1.9% growth for the full year 2022.

Federal Reserve



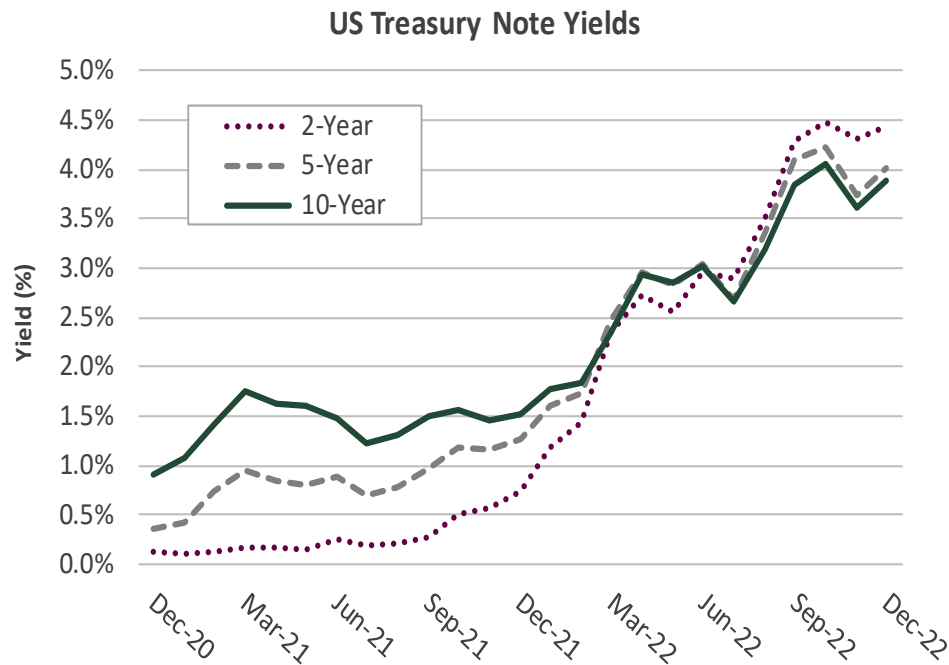
Source: Federal Reserve



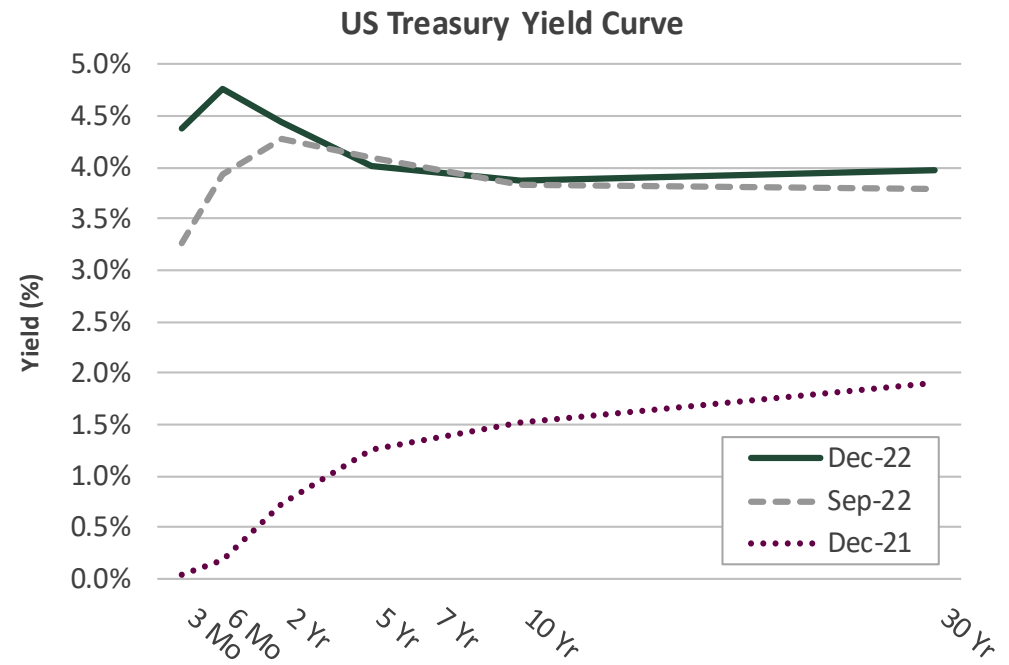
Source: Bloomberg

As expected at the December 14th meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 50 basis points to a range of 4.25 – 4.50%, in a downshift from four consecutive 75 basis point hikes. The decision was unanimous, and there was no change to the November statement. The sentiment was hawkish, indicating that “ongoing increases” in the fed funds rate are likely appropriate and citing continued labor market imbalances. The Summary of Economic Projections indicated a peak median forecast of 5.1% in 2023 and no rate cuts until 2024; however, the market consensus diverged, implying rate cuts in the second half of 2023. FOMC members forecasted a higher fed funds rate, slower GDP growth, higher inflation, and higher unemployment in 2023 than in the September projections. We believe the FOMC will continue to implement tighter monetary policy at a slower pace and hold rates at restrictive levels for some time until inflationary pressures subside and remain in the Fed’s target range.

Bond Yields



Source: Bloomberg



Source: Bloomberg

At the end of December, the 2-year Treasury yield was 370 basis points higher, and the 10-Year Treasury yield was about 237 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -55 basis points at December month-end versus -71 basis points at November month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year treasuries narrowed to -50 basis points in December from -74 basis points in November. The shape of the yield curve indicates that the probability of recession is increasing.

Section 2 | Account Profile

Objectives

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.

Compliance

As of December 31, 2022

City of Cupertino

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	25% per Agency/GSE issuer; 20% max agency callable securities; Issued by Federal Agencies or U.S. Government Sponsored Enterprise obligations.	Complies
Supranational	"AA" rating category or better by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, or IADB.	Complies
Municipal Securities	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Obligations of the City, State of California, and any local agency within the State of California; Obligations of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states in addition to California.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset Backed/ Mortgage Backed/ Collateralized Mortgage Obligation	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per issuer on Asset-Backed or Commercial Mortgage security; There is no issuer limitation on any Mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE .	Complies
Negotiable Certificates of Deposit (NCDs)	No rating required if amount of the NCD is insured up to the FDIC limit; If above FDIC insured limit, requires "A-1" short-term rated or "A" long-term rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by nationally or state chartered banks, state or federal savings associations, or state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Certificates of Deposit (CDs)/Time Deposit (TDs)	30% maximum; 5% max per issuer; Certificates of Deposit, Time Deposit, non-negotiable, and collateralized in accordance with California Government Code.	Complies
Banker's Acceptances	"A-1" short-term rated or better by a NRSRO; or "A" long-term rating category or better by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short term rated or better a NRSRO; "A" long-term issuer rating category or better by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issued by corporations organized and operating in the U.S. with assets > \$500 million; 10% max outstanding paper of the issuing corporation.	Complies
Money Market Funds	20% maximum; Daily money market funds administered for or by trustees, paying agents and custodian banks contracted by a City of Cupertino as allowed under California Government Code; Only funds holding U.S. Treasury obligations, Government agency obligations or repurchase agreements collateralized by U.S. Treasury or Government agency obligations can be utilized.	Complies

As of December 31, 2022

City of Cupertino

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	<i>Complies</i>
Repurchase Agreements	1 year max maturity; 102% collateralized; A PSA Master Repurchase Agreement is required between City of Cupertino and the broke/dealer or financial institution for all repurchase agreements; Not used by investment adviser	<i>Complies</i>
Prohibited Securities	Reverse Repurchase Agreement; Common stocks; Long-term (> 5 years maturity) notes and bonds; Special circumstances arise that necessitate purchase of securities beyond the 5-year limitation. On such occasions, request must be approved by City Council prior to purchase; Futures/Options; Inverse floaters; Ranges notes, Mortgage-derived, Interest-only strips; Zero interest accrual securities; Purchasing/selling securities on margin; Foreign currency denominated securities.	<i>Complies</i>
Minimum Budgeted Operating Expenditures in Short Term Investments	Minimum 6 months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements	<i>Complies</i>
Max Per Issuer	5% per issuer, unless otherwise specified in the policy	<i>Complies</i>
Maximum maturity	5 years	<i>Complies</i>

Portfolio Summary

As of December 31, 2022

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.28
Average Coupon	1.68%
Average Purchase YTM	1.70%
Average Market YTM	4.63%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.67 yrs
Average Life	2.42 yrs

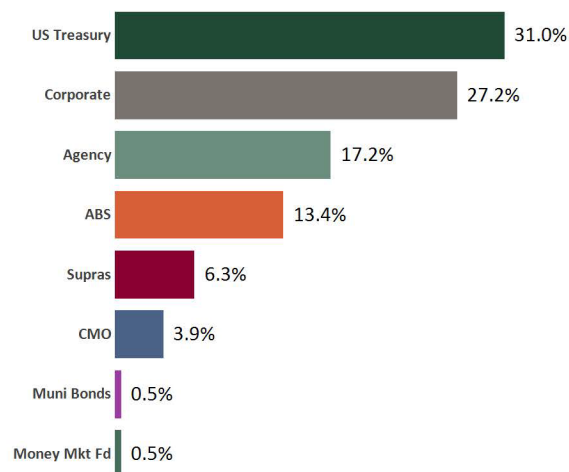
ACCOUNT SUMMARY

	Beg. Values as of 11/30/22	End Values as of 12/31/22
Market Value	146,532,452	146,744,531
Accrued Interest	559,215	538,315
Total Market Value	147,091,668	147,282,846
Income Earned	216,758	221,427
Cont/WD		-8,977
Par	155,927,174	156,155,965
Book Value	155,696,350	155,929,700
Cost Value	156,015,129	156,247,878

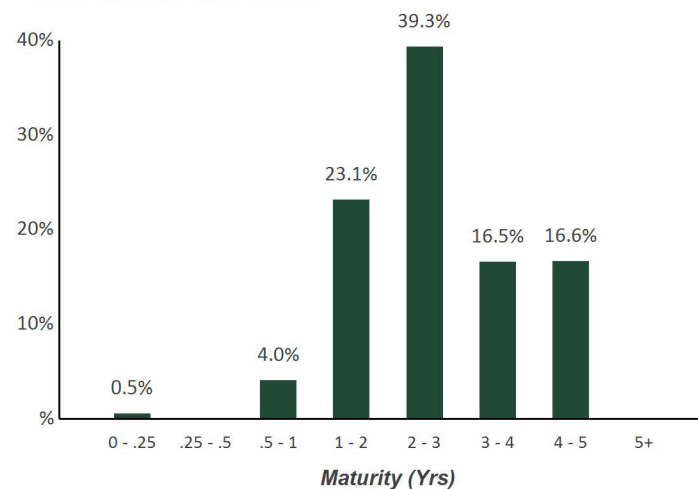
TOP ISSUERS

Government of United States	31.0%
Federal National Mortgage Assoc	8.9%
Federal Home Loan Mortgage Corp	8.8%
Federal Home Loan Bank	3.3%
Inter-American Dev Bank	3.3%
John Deere ABS	1.9%
American Express ABS	1.9%
Hyundai Auto Receivables	1.8%
Total	61.0%

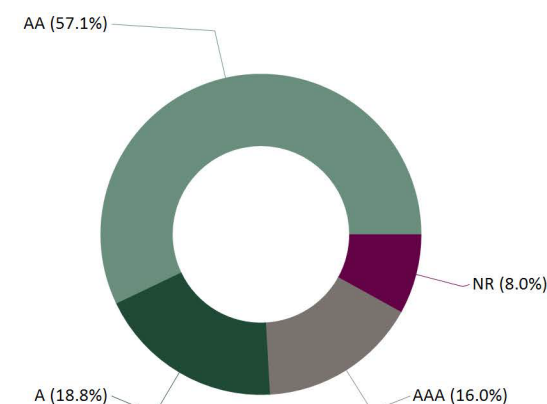
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				1/31/2019
					2YRS	3YRS	5YRS	10YRS	
City of Cupertino	0.14%	1.04%	-4.99%	-4.99%	-2.97%	-0.49%	N/A	N/A	0.50%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.07%	0.94%	-5.25%	-5.25%	-3.19%	-0.78%	N/A	N/A	0.37%

Portfolio Characteristics

As of December 31, 2022

City of Cupertino

	12/31/22		09/30/22
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.61	2.67	2.76
Average Modified Duration	2.48	2.28	2.38
Average Purchase Yield	n/a	1.70%	1.58%
Average Market Yield	4.35%	4.63%	4.49%
Average Quality**	AAA	AA/Aa1	AA/Aa1
Total Market Value		147,282,846	145,810,488

*ICE BofA 1-5 Yr US Treasury & Agency Index

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

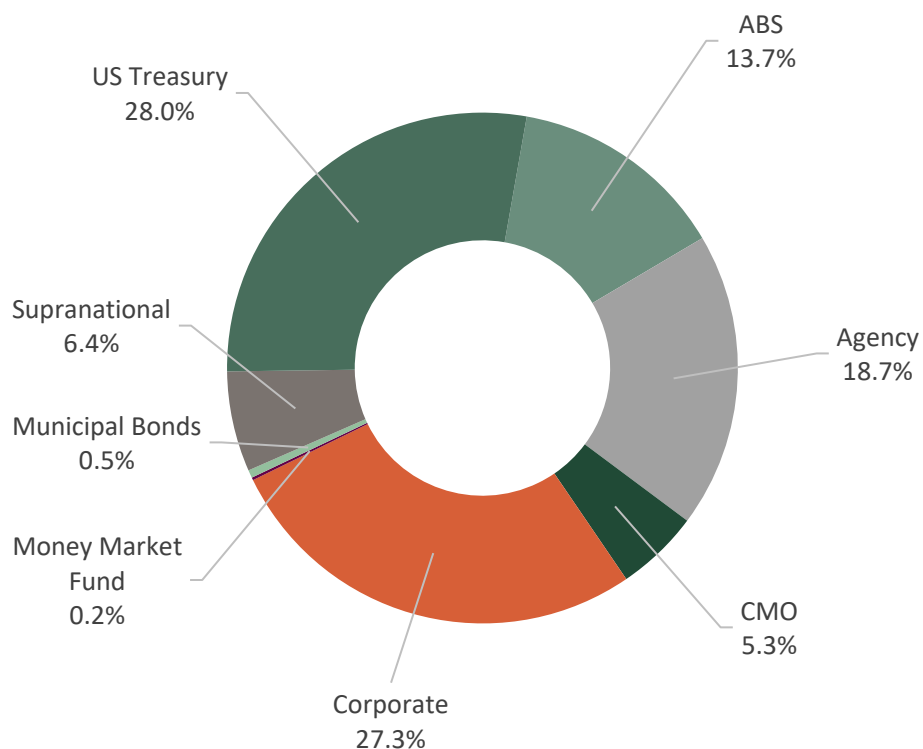
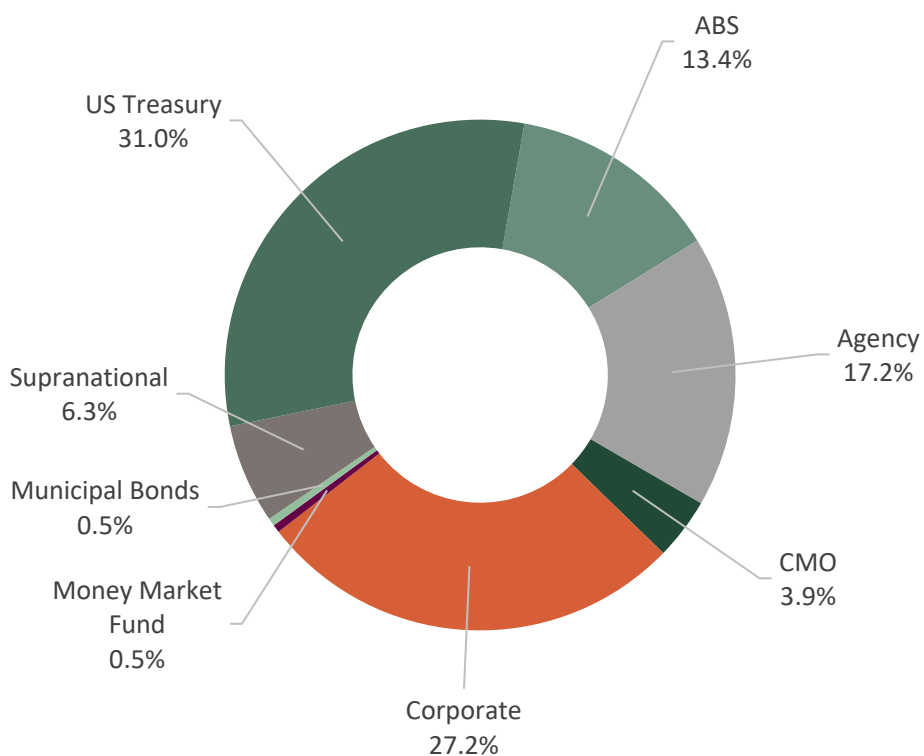
As of December 31, 2022

Sector Distribution

City of Cupertino

December 31, 2022

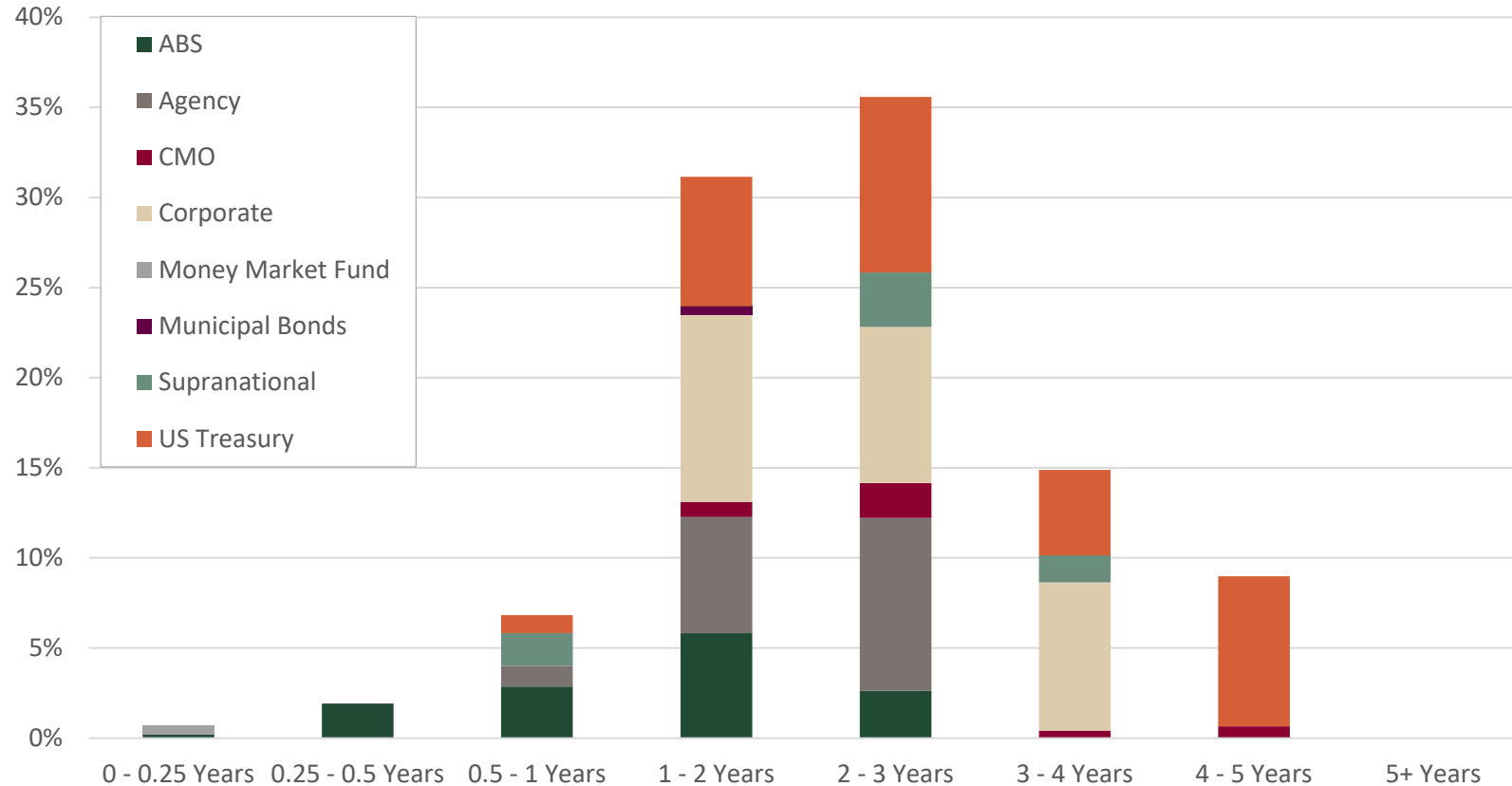
September 30, 2022



As of December 31, 2022

Duration Allocation

City of Cupertino



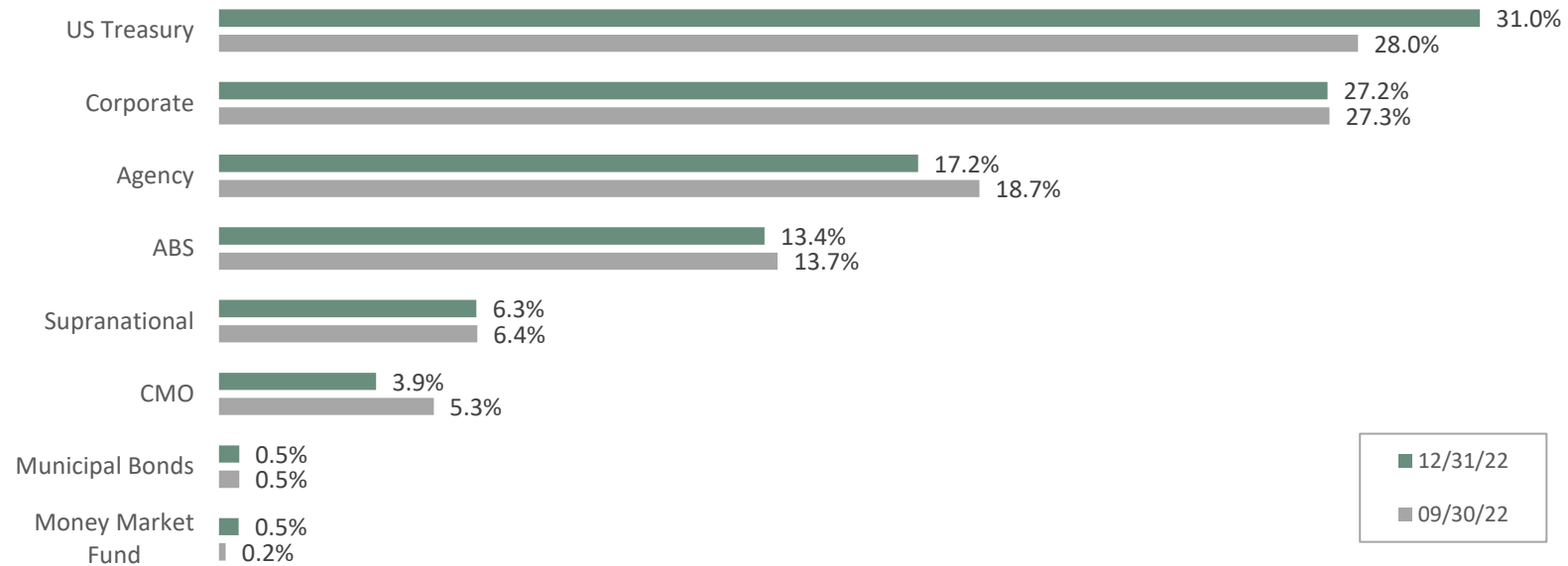
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
12/31/22	0.7%	1.9%	6.8%	31.1%	35.6%	14.9%	9.0%	0.0%

As of December 31, 2022

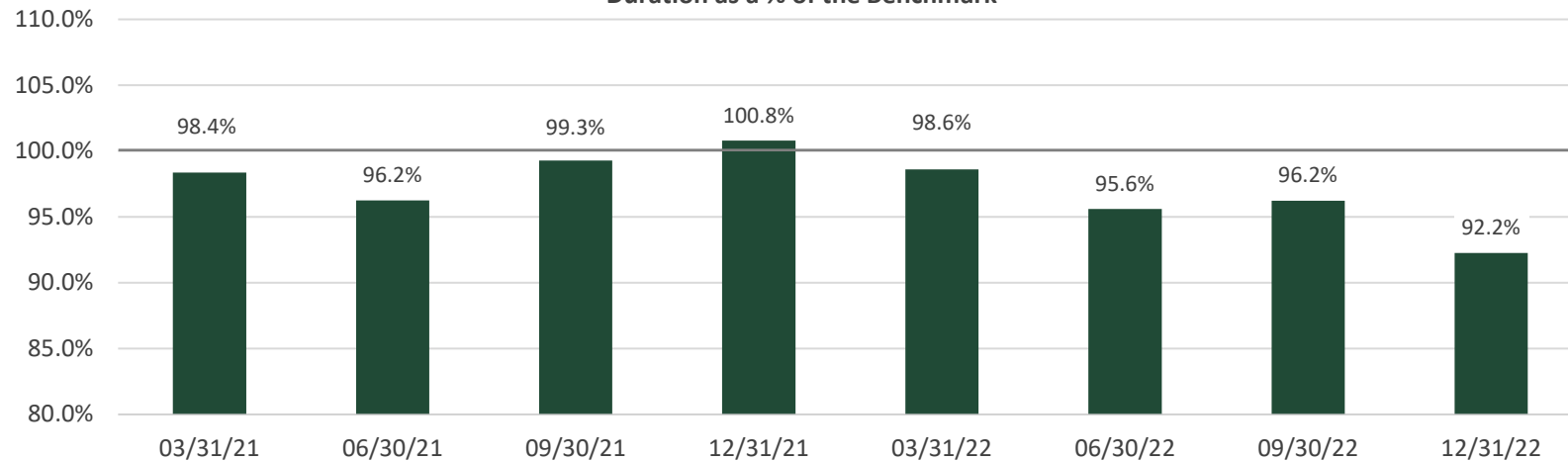
Portfolio Allocation & Duration Changes

City of Cupertino

Portfolio Allocation



Duration as a % of the Benchmark



Benchmark: ICE BofA 1-5 Yr US Treasury & Agency Index

As of December 31, 2022

Issuers

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	30.99%
Federal National Mortgage Association	Agency	8.87%
Federal Home Loan Mortgage Corp	Agency	4.97%
Federal Home Loan Mortgage Corp	CMO	3.86%
Federal Home Loan Bank	Agency	3.34%
Inter-American Dev Bank	Supranational	3.33%
John Deere ABS	ABS	1.93%
American Express ABS	ABS	1.90%
Hyundai Auto Receivables	ABS	1.83%
Royal Bank of Canada	Corporate	1.69%
Toyota Motor Corp	Corporate	1.61%
Bank of New York	Corporate	1.58%
Bank of America Corp	Corporate	1.55%
International Finance Corp	Supranational	1.54%
JP Morgan Chase & Co	Corporate	1.54%
Intl Bank Recon and Development	Supranational	1.47%
Toronto Dominion Holdings	Corporate	1.43%
Northwestern Mutual Gbl	Corporate	1.31%
GM Financial Automobile Leasing Trust	ABS	1.26%
Paccar Financial	Corporate	1.25%
Bank of Montreal Chicago	Corporate	1.17%
Honda ABS	ABS	1.14%
Metlife Inc	Corporate	1.13%
Amazon.com Inc	Corporate	1.13%
Air Products & Chemicals	Corporate	1.13%
Toyota Lease Owner Trust	ABS	1.13%
Salesforce.com Inc	Corporate	1.12%
Prudential Financial Inc	Corporate	1.11%
United Health Group Inc	Corporate	1.08%
New York Life Global Funding	Corporate	1.07%
Berkshire Hathaway	Corporate	1.02%
Toyota ABS	ABS	0.91%
Hyundai Auto Lease Securitization	ABS	0.88%
Guardian Life Global Funding	Corporate	0.84%
US Bancorp	Corporate	0.82%
Caterpillar Inc	Corporate	0.72%
GM Financial Securitized Term Auto Trust	ABS	0.67%
Deere & Company	Corporate	0.67%

As of December 31, 2022

Issuers

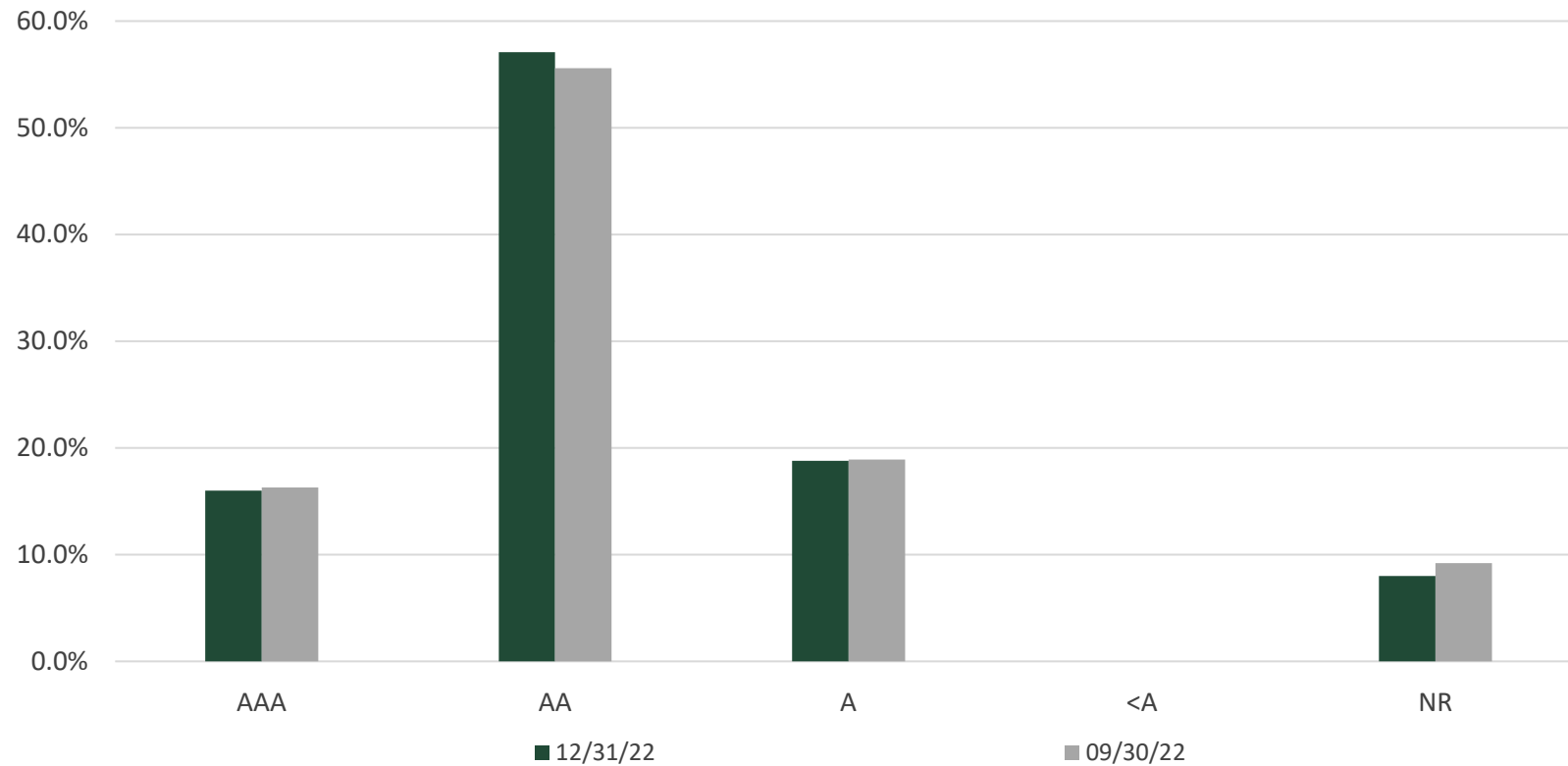
City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Mass Mutual Insurance	Corporate	0.60%
Charles Schwab Corp/The	Corporate	0.60%
BMW Vehicle Lease Trust	ABS	0.57%
State of California	Municipal Bonds	0.50%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund	0.49%
Northern Trust Corp	Corporate	0.45%
Morgan Stanley	Corporate	0.41%
Verizon Master Trust	ABS	0.38%
BMW ABS	ABS	0.35%
Verizon Owner Trust	ABS	0.31%
Wal-Mart Stores	Corporate	0.21%
Nissan ABS	ABS	0.11%
Mercedes-Benz Auto Lease Trust	ABS	0.04%
TOTAL		100.00%

Quality Distribution

As of December 31, 2022

City of Cupertino
December 31, 2022 vs. September 30, 2022



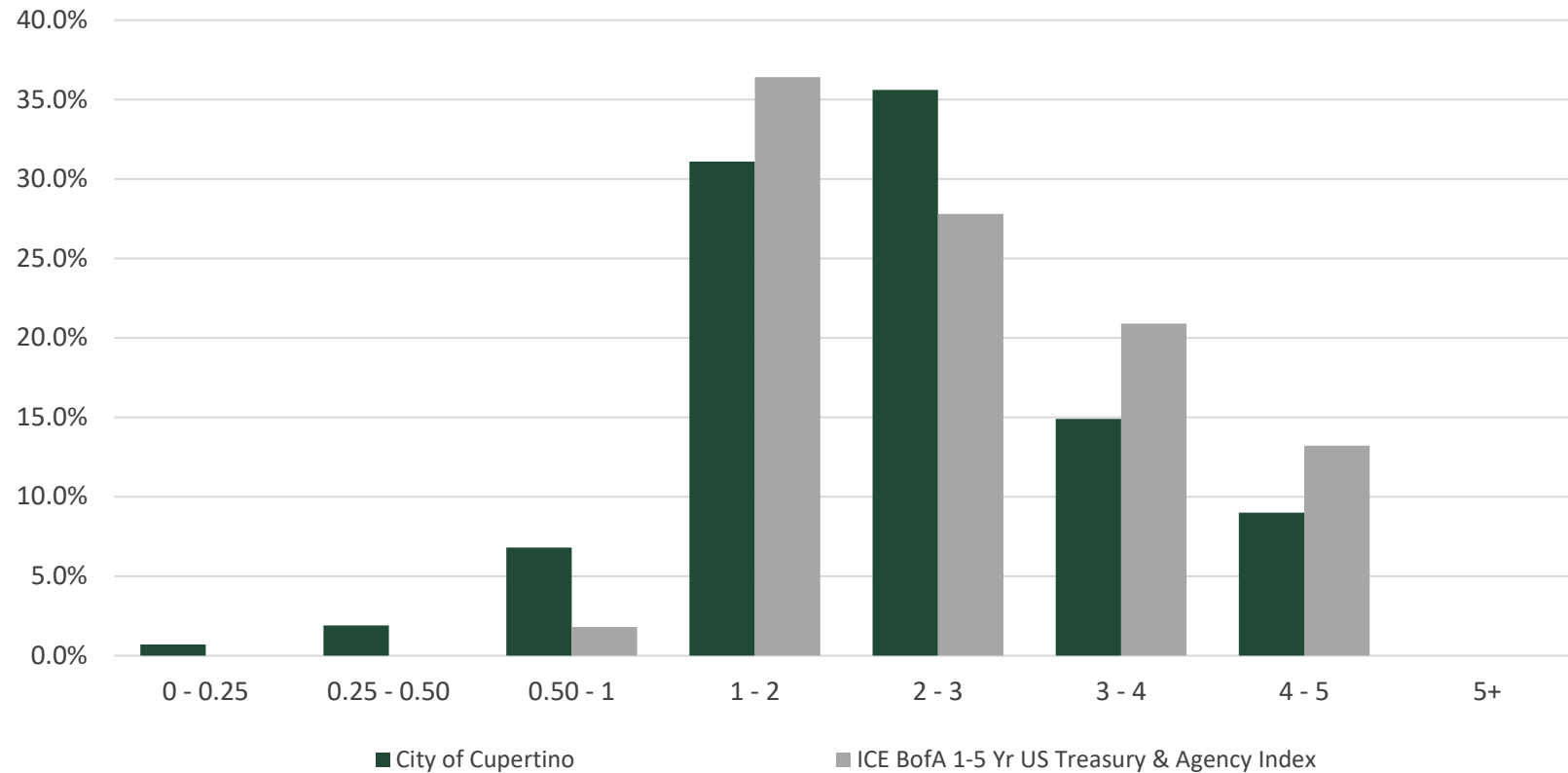
	AAA	AA	A	<A	NR
12/31/22	16.0%	57.1%	18.8%	0.0%	8.0%
09/30/22	16.3%	55.6%	18.9%	0.0%	9.2%

Source: S&P Ratings

As of December 31, 2022

Duration Distribution

City of Cupertino
Portfolio Compared to the Benchmark

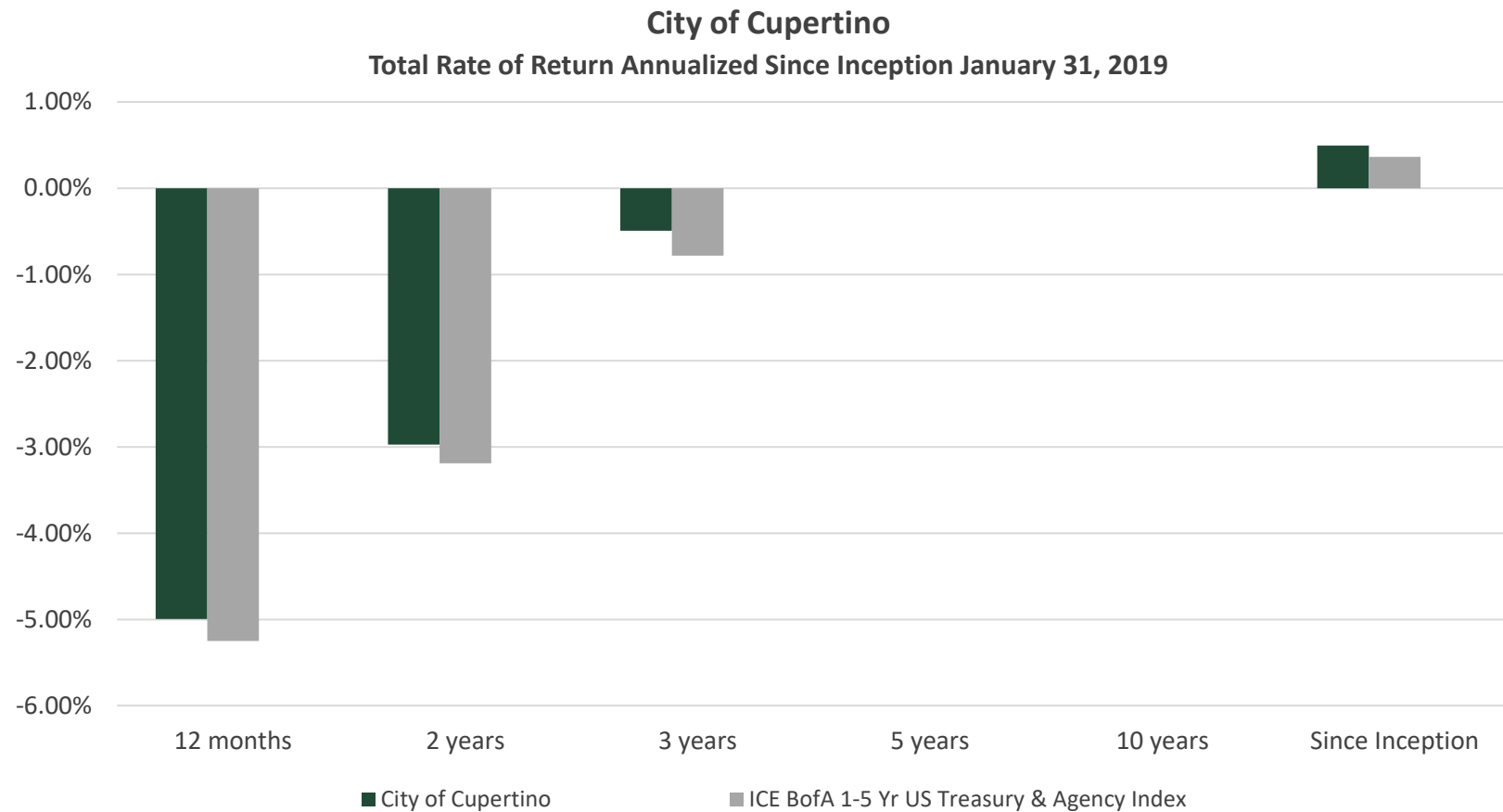


	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	0.7%	1.9%	6.8%	31.1%	35.6%	14.9%	9.0%	0.0%
Benchmark*	0.0%	0.0%	1.8%	36.4%	27.8%	20.9%	13.2%	0.0%

*ICE BofA 1-5 Yr US Treasury & Agency Index

Investment Performance

As of December 31, 2022

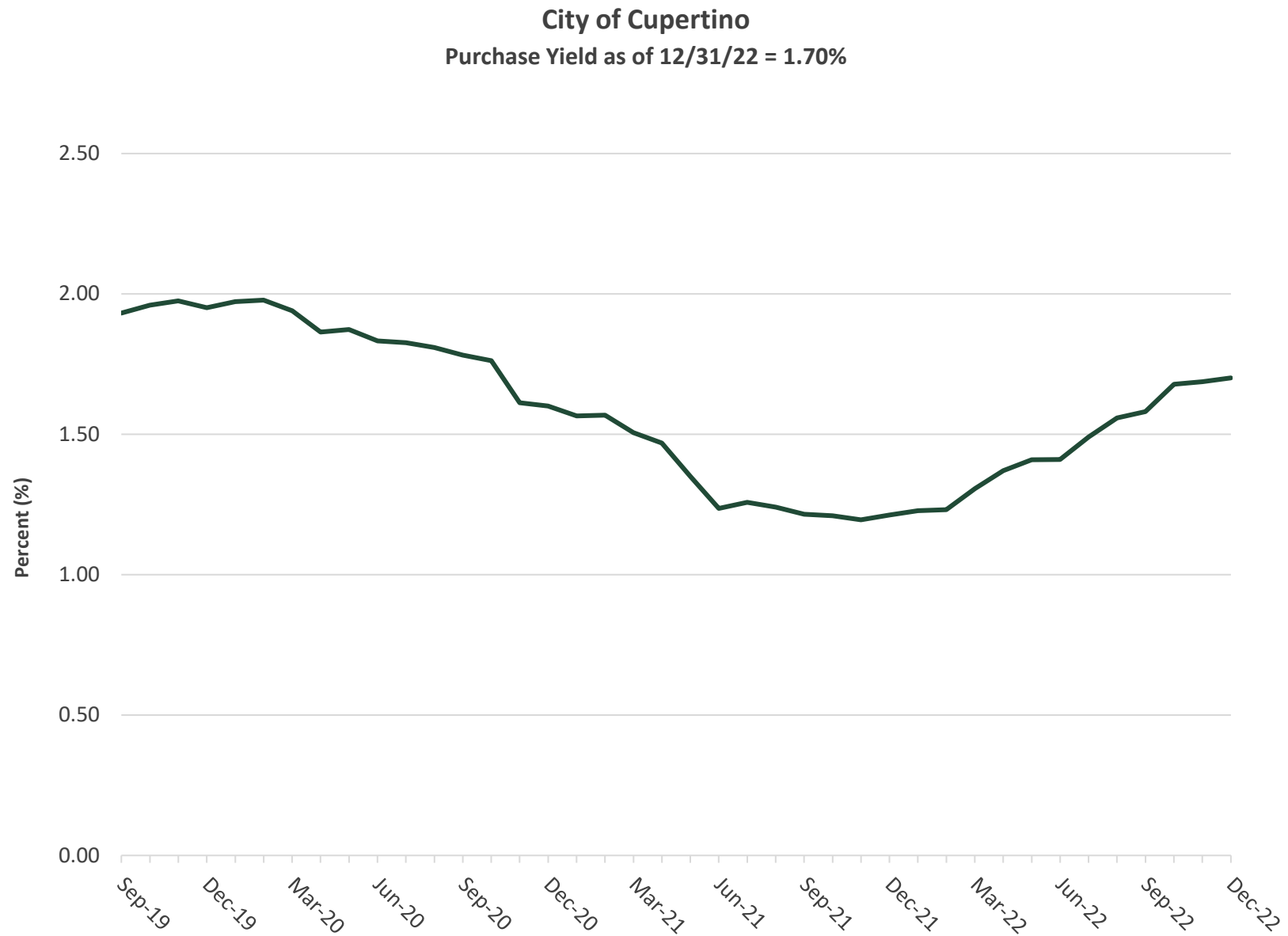


TOTAL RATE OF RETURN	Annualized						Since Inception
	3 months	12 months	2 years	3 years	5 years	10 years	
City of Cupertino	1.04%	-4.99%	-2.97%	-0.49%	N/A	N/A	0.50%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.94%	-5.25%	-3.19%	-0.78%	N/A	N/A	0.37%

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 value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Historical Average Purchase Yield

As of December 31, 2022



Section 3 | Portfolio Holdings

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.400% Due 11/15/2023	61,876.91	09/15/2020 0.40%	61,873.77 61,876.86	99.76 5.09%	61,730.85 11.00	0.04% (146.01)	NR / AAA AAA	0.87 0.05
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	17,978.39	10/01/2019 1.95%	17,977.00 17,977.99	99.82 4.57%	17,946.90 10.66	0.01% (31.09)	NR / AAA AAA	1.31 0.07
89238EAC0	Toyota Lease Owner Trust 2021-A A3 0.390% Due 04/22/2024	554,864.60	03/23/2022 2.16%	543,767.31 549,519.95	98.63 5.13%	547,252.30 66.12	0.37% (2,267.65)	Aaa / AAA NR	1.31 0.29
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.330% Due 06/17/2024	790,000.00	06/08/2021 0.34%	789,881.50 789,962.91	98.47 5.00%	777,947.21 115.87	0.53% (12,015.70)	Aaa / AAA NR	1.46 0.32
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	162,453.92	Various 1.70%	163,259.83 162,746.75	99.64 5.03%	161,872.56 139.35	0.11% (874.19)	Aaa / AAA NR	1.54 0.11
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	55,080.52	05/18/2020 0.83%	55,076.19 55,078.91	98.53 5.51%	54,271.03 20.07	0.04% (807.88)	Aaa / AAA NR	1.54 0.31
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	59,731.79	03/04/2020 1.11%	59,728.14 59,730.45	99.13 4.89%	59,209.94 29.20	0.04% (520.51)	Aaa / NR AAA	1.62 0.23
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	288,408.17	09/22/2020 0.38%	288,365.80 288,396.29	97.82 5.31%	282,106.62 38.53	0.19% (6,289.67)	NR / AAA AAA	1.80 0.44
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.390% Due 10/21/2024	965,000.00	08/10/2021 0.39%	964,986.88 964,994.31	97.16 5.38%	937,565.53 115.00	0.64% (27,428.78)	NR / AAA AAA	1.81 0.57
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	98,707.84	07/14/2020 0.52%	98,692.79 98,703.36	98.46 5.34%	97,191.46 22.37	0.07% (1,511.90)	Aaa / NR AAA	1.88 0.32
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.330% Due 12/26/2024	414,211.71	09/08/2021 0.34%	414,168.96 414,193.29	97.72 5.25%	404,747.97 22.78	0.27% (9,445.32)	Aaa / NR AAA	1.99 0.46
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	216,428.62	10/06/2020 0.36%	216,388.30 216,409.30	98.25 4.95%	212,633.07 33.67	0.14% (3,776.23)	NR / AAA AAA	2.04 0.38
44891WAC3	Hyundai Auto Lease Trust 2022-A A3 1.160% Due 01/15/2025	540,000.00	01/11/2022 1.16%	539,988.07 539,993.14	96.51 5.20%	521,134.83 278.40	0.35% (18,858.31)	Aaa / AAA NR	2.04 0.87
92290BAA9	Verizon Owner Trust 2020-B A 0.470% Due 02/20/2025	449,373.02	08/04/2020 0.48%	449,278.65 449,328.43	98.49 5.05%	442,603.93 64.53	0.30% (6,724.50)	Aaa / NR AAA	2.14 0.33
89238LAC4	Toyota Lease Owner Trust 2022-A A3 1.960% Due 02/20/2025	1,150,000.00	02/23/2022 1.98%	1,149,818.99 1,149,884.91	96.45 5.25%	1,109,160.05 688.72	0.75% (40,724.86)	NR / AAA AAA	2.14 1.09
36265MAC9	GM Financial Auto Lease Trust 2022-1 A3 1.900% Due 03/20/2025	945,000.00	02/15/2022 1.91%	944,991.87 944,995.09	96.62 5.32%	913,099.64 548.63	0.62% (31,895.45)	Aaa / NR AAA	2.22 1.00
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.100% Due 03/25/2025	450,000.00	01/11/2022 1.11%	449,932.73 449,962.05	96.74 5.29%	435,347.87 82.50	0.30% (14,614.18)	NR / AAA AAA	2.23 0.78

Holdings Report

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City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.270% Due 04/21/2025	206,866.51	02/17/2021 0.27%	206,862.73 206,865.01	96.73 6.22%	200,103.11 15.51	0.14% (6,761.90)	Aaa / NR AAA	2.31 0.55
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.260% Due 05/15/2025	748,729.92	02/02/2021 0.27%	748,590.96 748,675.98	97.42 4.82%	729,422.57 86.52	0.50% (19,253.41)	Aaa / NR AAA	2.37 0.56
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.380% Due 09/15/2025	481,215.39	04/20/2021 0.38%	481,164.76 481,192.65	96.71 5.51%	465,380.52 81.27	0.32% (15,812.13)	NR / AAA AAA	2.71 0.64
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.880% Due 01/21/2026	460,000.00	11/16/2021 0.89%	459,903.03 459,936.01	94.91 5.11%	436,566.50 112.44	0.30% (23,369.51)	Aaa / NR AAA	3.06 1.22
47789QAC4	John Deere Owner Trust 2021-B A3 0.520% Due 03/16/2026	580,000.00	07/13/2021 0.52%	579,948.26 579,968.79	94.91 5.29%	550,465.07 134.04	0.37% (29,503.72)	Aaa / NR AAA	3.21 1.08
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.710% Due 04/15/2026	430,000.00	11/09/2021 0.71%	429,990.84 429,994.02	94.21 5.70%	405,103.00 135.69	0.28% (24,891.02)	NR / AAA AAA	3.29 1.18
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.880% Due 05/15/2026	740,000.00	02/15/2022 1.89%	739,888.70 739,918.20	95.03 5.03%	703,221.56 618.31	0.48% (36,696.64)	Aaa / AAA NR	3.37 1.60
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.740% Due 05/15/2026	1,330,000.00	Various 2.03%	1,296,371.65 1,305,682.35	94.47 5.54%	1,256,392.61 437.42	0.85% (49,289.74)	NR / AAA AAA	3.37 1.17
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.210% Due 08/25/2026	530,000.00	05/10/2022 3.23%	529,972.44 529,977.98	97.40 4.96%	516,240.72 283.55	0.35% (13,737.26)	Aaa / AAA NR	3.65 1.51
362554AC1	GM Financial Securitized Term 2021-4 A3 0.680% Due 09/16/2026	350,000.00	10/13/2021 0.68%	349,991.08 349,994.22	94.48 5.54%	330,684.34 99.17	0.22% (19,309.88)	Aaa / AAA NR	3.71 1.15
47787JAC2	John Deere Owner Trust 2022-A A3 2.320% Due 09/16/2026	450,000.00	03/10/2022 2.34%	449,900.46 449,923.11	95.91 5.12%	431,611.07 464.00	0.29% (18,312.04)	Aaa / NR AAA	3.71 1.48
448977AD0	Hyundai Auto Receivables Trust 2022-A A3 2.220% Due 10/15/2026	1,010,000.00	03/09/2022 2.23%	1,009,961.12 1,009,970.65	95.56 5.13%	965,202.46 996.53	0.66% (44,768.19)	NR / AAA AAA	3.79 1.55
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.260% Due 11/16/2026	295,000.00	01/11/2022 1.27%	294,974.36 294,981.69	94.55 5.35%	278,917.43 154.88	0.19% (16,064.26)	NR / AAA AAA	3.88 1.35
362585AC5	GM Financial Securitized ART 2022-2 A3 3.100% Due 02/16/2027	390,000.00	04/05/2022 3.13%	389,918.49 389,935.61	96.88 5.05%	377,834.88 503.75	0.26% (12,100.73)	Aaa / AAA NR	4.13 1.63
47800AAC4	John Deere Owner Trust 2022-B A3 3.740% Due 02/16/2027	655,000.00	07/12/2022 3.77%	654,937.45 654,945.35	97.70 4.93%	639,940.11 1,088.76	0.44% (15,005.24)	Aaa / NR AAA	4.13 1.99
02589BAA8	American Express Credit Accoun 22-1 A 2.210% Due 03/15/2027	1,545,000.00	03/21/2022 2.69%	1,524,359.77 1,529,747.48	94.33 4.99%	1,457,465.54 1,517.53	0.99% (72,281.94)	Aaa / NR AAA	4.21 2.09
02582JIT8	American Express Credit Trust 2022-2 A 3.390% Due 05/17/2027	1,375,000.00	05/17/2022 3.42%	1,374,695.85 1,374,757.97	97.14 4.72%	1,335,647.91 2,071.67	0.91% (39,110.06)	NR / AAA AAA	4.38 2.22
47800BAC2	John Deere Owner Trust 2022-C A3 5.090% Due 06/15/2027	1,050,000.00	10/12/2022 5.15%	1,049,918.52 1,049,923.04	100.38 4.97%	1,053,956.31 2,375.33	0.72% 4,033.27	Aaa / NR AAA	4.46 2.15

Holdings Report

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
92348KAV5	Verizon Master Trust 2022-5 A1A 3.720% Due 07/20/2027	570,000.00	08/02/2022 3.75%	569,974.92 569,978.46	98.48 5.00%	561,355.30 647.90	0.38% (8,623.16)	NR / AAA AAA	4.55 1.54
TOTAL ABS		20,415,927.31	1.93%	20,349,502.17 20,370,122.56	5.15%	19,731,332.77 14,111.67	13.41% (638,789.79)	Aaa / AAA AAA	3.08 1.23
Agency									
3137EAF2	FHLMC Note 0.250% Due 12/04/2023	1,755,000.00	12/02/2020 0.28%	1,753,262.55 1,754,465.28	95.86 4.88%	1,682,332.24 329.06	1.14% (72,133.04)	Aaa / AA+ AAA	0.93 0.90
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,516,293.29	98.21 4.81%	1,473,219.41 15,302.08	1.01% (43,073.88)	Aaa / AA+ NR	1.19 1.13
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,518,875.85	97.72 4.51%	1,465,796.10 2,036.46	1.00% (53,079.75)	Aaa / AA+ NR	1.45 1.40
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,495,431.82	95.76 4.70%	1,436,473.89 13,052.08	0.98% (58,957.93)	Aaa / AA+ AAA	1.50 1.44
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,035,196.81	97.12 4.65%	1,942,425.74 17,250.00	1.33% (92,771.07)	Aaa / AA+ AAA	1.70 1.62
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various 1.73%	1,965,802.75 1,971,618.07	95.05 4.54%	1,877,175.82 6,775.35	1.28% (94,442.25)	Aaa / AA+ AAA	1.79 1.72
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various 1.38%	1,309,953.95 1,301,266.09	94.54 4.48%	1,224,344.58 10,171.14	0.84% (76,921.51)	Aaa / AA+ AAA	2.02 1.93
3137EAEPO	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,364,228.67	94.29 4.35%	2,230,048.91 13,697.29	1.52% (134,179.76)	Aaa / AA+ AAA	2.12 2.03
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,858,231.25	91.94 4.33%	1,710,175.83 2,228.13	1.16% (148,055.42)	Aaa / AA+ AAA	2.31 2.24
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	2,500,000.00	Various 0.50%	2,499,227.30 2,499,723.52	91.07 4.37%	2,276,628.38 486.11	1.55% (223,095.14)	Aaa / AA+ AAA	2.46 2.40
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,246,819.24	90.57 4.31%	1,132,151.11 2,083.33	0.77% (114,668.13)	Aaa / AA+ AAA	2.56 2.49
3135G05X7	FNMA Note 0.375% Due 08/25/2025	2,500,000.00	Various 0.48%	2,487,983.75 2,493,445.94	90.27 4.30%	2,256,705.40 3,281.25	1.53% (236,740.54)	Aaa / AA+ AAA	2.65 2.58
3137EAEEX3	FHLMC Note 0.375% Due 09/23/2025	2,500,000.00	Various 0.46%	2,489,362.80 2,494,069.99	90.07 4.27%	2,251,749.32 2,552.08	1.53% (242,320.67)	Aaa / AA+ AAA	2.73 2.66

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3135G06G3	FNMA Note 0.500% Due 11/07/2025	2,500,000.00	Various 0.56%	2,492,700.00 2,495,825.64	90.01 4.26%	2,250,267.55 1,875.00	1.53% (245,558.09)	Aaa / AA+ AAA	2.85 2.77
TOTAL Agency		27,000,000.00	1.08%	27,182,695.65 27,045,491.46	4.47%	25,209,494.28 91,119.36	17.18% (1,835,997.18)	Aaa / AA+ AAA	2.08 2.01
CMO									
3137BFE98	FHLMC K041 A2 3.171% Due 10/25/2024	1,300,000.00	07/01/2021 0.72%	1,398,414.06 1,353,203.54	96.89 4.99%	1,259,585.99 3,435.25	0.86% (93,617.55)	Aaa / AAA AAA	1.82 1.63
3137BLMZ8	FHLMC K049 A2 3.010% Due 07/25/2025	1,000,000.00	07/01/2021 0.87%	1,079,687.50 1,049,948.45	96.08 4.67%	960,783.33 2,508.33	0.65% (89,165.12)	NR / NR AAA	2.57 2.30
3137BLW95	FHLMC K050 A2 3.334% Due 08/25/2025	950,000.00	11/16/2021 1.17%	1,018,132.81 997,556.80	96.75 4.67%	919,078.90 2,639.42	0.63% (78,477.90)	NR / NR AAA	2.65 2.35
3137BM7C4	FHLMC K051 A2 3.308% Due 09/25/2025	440,000.00	03/15/2022 2.21%	453,079.69 450,086.79	96.63 4.65%	425,160.91 1,212.93	0.29% (24,925.88)	NR / NR AAA	2.74 2.42
3137BN6G4	FHLMC K053 2.995% Due 12/25/2025	570,000.00	03/15/2022 2.29%	582,001.17 579,484.23	95.68 4.60%	545,369.27 1,422.63	0.37% (34,114.96)	NR / NR AAA	2.99 2.64
3137BSP72	FHLMC K058 A2 2.653% Due 08/25/2026	650,000.00	11/12/2021 1.35%	687,451.17 678,513.46	93.79 4.52%	609,624.34 1,437.04	0.41% (68,889.12)	NR / NR AAA	3.65 3.36
3137FBBX3	FHLMC K068 A2 3.244% Due 08/25/2027	1,000,000.00	09/28/2022 4.41%	950,664.06 953,182.63	95.10 4.42%	950,992.90 2,703.33	0.65% (2,189.73)	Aaa / NR NR	4.65 4.16
TOTAL CMO		5,910,000.00	1.73%	6,169,430.46 6,061,975.90	4.68%	5,670,595.64 15,358.93	3.86% (391,380.26)	Aaa / AAA AAA	2.93 2.62
Corporate									
24422EVN6	John Deere Capital Corp Note 0.450% Due 01/17/2024	1,030,000.00	03/01/2021 0.47%	1,029,268.70 1,029,734.39	95.64 4.78%	985,089.65 2,111.50	0.67% (44,644.74)	A2 / A A	1.05 1.02
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,508,299.10	96.77 4.99%	1,451,605.86 2,097.92	0.99% (56,693.24)	A1 / A AA-	1.45 1.39
06367TQW3	Bank of Montreal Note 0.625% Due 07/09/2024	600,000.00	02/09/2022 1.89%	582,216.00 588,771.19	93.49 5.12%	560,955.88 1,791.67	0.38% (27,815.31)	A2 / A- AA-	1.52 1.47
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	1,760,000.00	Various 0.87%	1,748,937.40 1,753,518.36	93.84 4.83%	1,651,599.77 5,072.23	1.12% (101,918.59)	A2 / A+ NR	1.54 1.49
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,500,000.00	Various 1.98%	1,533,359.18 1,512,476.40	96.41 4.99%	1,446,221.18 17,531.26	0.99% (66,255.22)	A1 / A AA-	1.54 1.47

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	1,250,000.00	10/10/2019 2.07%	1,268,262.50 1,255,782.77	96.17 4.94%	1,202,186.60 12,583.33	0.82% (53,596.17)	A2 / A+ A+	1.58 1.51
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.350% Due 07/31/2024	1,675,000.00	08/07/2019 2.07%	1,771,212.00 1,702,035.24	97.76 4.83%	1,637,538.12 23,536.08	1.13% (64,497.12)	A2 / A NR	1.58 1.50
69371RR40	Paccar Financial Corp Note 0.500% Due 08/09/2024	680,000.00	08/03/2021 0.52%	679,632.80 679,803.67	93.14 5.00%	633,364.16 1,341.11	0.43% (46,439.51)	A1 / A+ NR	1.61 1.56
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,735.04	95.47 5.09%	353,242.38 3,005.22	0.24% (16,492.66)	A1 / A+ NR	1.62 1.55
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020 1.92%	1,111,517.00 1,104,470.76	95.45 4.74%	1,049,986.87 3,481.81	0.72% (54,483.89)	A2 / A A	1.86 1.78
74153WCQ0	Pricoa Global Funding Note 1.150% Due 12/06/2024	885,000.00	12/01/2021 1.19%	884,088.45 884,412.58	92.56 5.25%	819,126.25 706.77	0.56% (65,286.33)	Aa3 / AA- AA-	1.93 1.86
89114TZL9	Toronto-Dominion Bank Note 1.450% Due 01/10/2025	700,000.00	03/15/2022 2.79%	674,737.00 681,849.88	93.16 5.04%	652,144.27 4,821.25	0.45% (29,705.61)	A1 / A NR	2.03 1.94
89236TJT3	Toyota Motor Credit Corp Note 1.450% Due 01/13/2025	1,215,000.00	01/10/2022 1.50%	1,213,371.90 1,213,896.28	93.69 4.74%	1,138,367.18 8,221.50	0.78% (75,529.10)	A1 / A+ A+	2.04 1.95
64952WEK5	New York Life Global Note 1.450% Due 01/14/2025	1,680,000.00	01/11/2022 1.49%	1,678,185.60 1,678,768.33	93.22 4.99%	1,566,093.48 11,300.33	1.07% (112,674.85)	Aaa / AA+ AAA	2.04 1.95
69371RR73	Paccar Financial Corp Note 2.850% Due 04/07/2025	885,000.00	03/31/2022 2.86%	884,769.90 884,826.38	95.96 4.75%	849,230.85 5,885.25	0.58% (35,595.53)	A1 / A+ NR	2.27 2.14
78016EZ59	Royal Bank of Canada Note 3.375% Due 04/14/2025	1,050,000.00	04/07/2022 3.39%	1,049,611.50 1,049,704.37	96.70 4.91%	1,015,390.60 7,579.69	0.69% (34,313.77)	A1 / A AA-	2.29 2.15
06406RBC0	Bank of NY Mellon Corp Callable Note Cont 3/25/2025 3.350% Due 04/25/2025	1,370,000.00	04/19/2022 3.35%	1,369,808.20 1,369,851.99	96.89 4.78%	1,327,454.62 8,414.08	0.91% (42,397.37)	A1 / A AA-	2.32 2.18
06367WB85	Bank of Montreal Note 1.850% Due 05/01/2025	1,240,000.00	07/23/2021 0.85%	1,285,656.80 1,268,277.97	93.33 4.91%	1,157,326.31 3,823.33	0.79% (110,951.66)	A2 / A- AA-	2.33 2.23
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 06/01/2025	1,370,000.00	05/24/2021 0.78%	1,371,773.90 1,370,836.77	93.23 5.28%	1,277,219.13 940.73	0.87% (93,617.64)	A1 / A- AA-	2.42 2.32
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 06/23/2025	655,000.00	Various 0.95%	655,406.85 655,200.27	93.21 5.28%	610,553.83 141.05	0.41% (44,646.44)	A1 / A- AA-	2.48 2.38
66815LJ7	Northwestern Mutual Gbl Note 4.000% Due 07/01/2025	1,170,000.00	06/27/2022 4.01%	1,169,602.20 1,169,668.98	98.11 4.81%	1,147,896.00 23,400.00	0.80% (21,772.98)	Aaa / AA+ AAA	2.50 2.30

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74153WCM9	Prcoa Global Funding Note 0.800% Due 09/01/2025	904,000.00	04/06/2022 3.26%	832,972.72 848,299.06	89.56 5.03%	809,595.23 2,410.67	0.55% (38,703.83)	Aa3 / AA- AA-	2.67 2.57
06406HCQ0	Bank of New York Callable Note Cont 10/18/2025 3.950% Due 11/18/2025	1,000,000.00	04/05/2022 3.20%	1,024,910.00 1,019,715.59	97.93 4.72%	979,298.28 4,718.06	0.67% (40,417.31)	A1 / A AA-	2.88 2.67
40139LBC6	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	1,400,000.00	Various 1.12%	1,385,860.00 1,390,056.53	88.37 5.19%	1,237,114.10 714.58	0.84% (152,942.43)	Aa1 / AA+ NR	2.95 2.83
66815L2A6	Northwestern Mutual Gbl Note 0.800% Due 01/14/2026	850,000.00	12/06/2021 1.47%	827,449.50 833,305.40	88.56 4.90%	752,790.18 3,154.44	0.51% (80,515.22)	Aaa / AA+ AAA	3.04 2.92
06051GHY8	Bank of America Corp Callable Note Cont 2/13/2025 2.015% Due 02/13/2026	600,000.00	05/24/2021 1.05%	620,988.00 611,953.43	92.76 5.63%	556,551.72 4,634.50	0.38% (55,401.71)	A2 / A- AA-	3.12 2.92
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 04/22/2026	401,000.00	05/20/2021 1.11%	415,969.33 409,820.28	92.78 5.44%	372,059.44 1,600.96	0.25% (37,760.84)	A1 / A- AA-	3.31 2.20
6174468Q5	Morgan Stanley Callable Note Cont 4/28/2025 2.188% Due 04/28/2026	650,000.00	05/23/2022 4.68%	615,699.50 620,985.70	93.00 5.43%	604,480.09 2,488.85	0.41% (16,505.61)	A1 / A- A+	3.33 2.21
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1.000% Due 05/12/2026	1,875,000.00	05/10/2021 1.09%	1,866,900.00 1,869,557.12	88.68 4.68%	1,662,697.54 2,552.08	1.13% (206,859.58)	A1 / AA AA-	3.36 3.23
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.150% Due 05/15/2026	1,035,000.00	Various 1.37%	1,025,051.35 1,027,391.87	89.43 4.57%	925,633.54 1,520.88	0.63% (101,758.33)	A3 / A+ A	3.37 3.23
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 06/18/2026	1,385,000.00	06/15/2021 1.13%	1,384,390.60 1,384,578.16	88.46 4.78%	1,225,234.00 562.66	0.83% (159,344.16)	A1 / A+ A+	3.47 3.32
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 06/19/2026	700,000.00	07/16/2021 1.27%	701,274.00 700,801.82	90.23 5.45%	631,640.46 307.77	0.43% (69,161.36)	A2 / A- AA-	3.47 3.29
57629WDE7	Mass Mutual Global funding Note 1.200% Due 07/16/2026	1,000,000.00	08/19/2021 1.15%	1,002,230.00 1,001,611.39	88.13 4.89%	881,251.44 5,500.00	0.60% (120,359.95)	Aa3 / AA+ AA+	3.54 3.37
58989V2D5	Met Tower Global Funding Note 1.250% Due 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,475.49	87.00 5.15%	669,907.70 2,860.76	0.46% (99,567.79)	Aa3 / AA- AA-	3.71 3.52
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.050% Due 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,509.13	88.67 4.39%	310,329.45 1,061.67	0.21% (39,179.68)	Aa2 / AA AA	3.72 3.55
59217GER6	Metlife Note 1.875% Due 01/11/2027	1,115,000.00	01/03/2022 1.90%	1,113,728.90 1,113,976.02	88.58 5.04%	987,681.92 9,872.40	0.68% (126,294.10)	Aa3 / AA- AA-	4.03 3.76
808513BY0	Charles Schwab Corp Callable Note Cont 2/3/2027 2.450% Due 03/03/2027	960,000.00	03/01/2022 2.46%	959,729.90 959,774.03	91.31 4.77%	876,617.66 7,709.34	0.60% (83,156.37)	A2 / A A	4.17 3.86

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
084664CZ2	Berkshire Hathaway Callable Note Cont 2/15/2027 2.300% Due 03/15/2027	1,615,000.00	03/07/2022 2.30%	1,614,693.15 1,614,742.22	92.41 4.29%	1,492,385.94 10,937.14	1.02% (122,356.28)	Aa2 / AA A+	4.21 3.91
06051GHT9	Bank of America Corp Callable Note 1X 4/23/2026 3.559% Due 04/23/2027	1,150,000.00	Various 4.77%	1,114,222.54 1,117,283.74	93.80 5.63%	1,078,725.13 7,730.94	0.74% (38,558.61)	A2 / A- AA-	4.31 3.04
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4.000% Due 05/10/2027	670,000.00	05/05/2022 4.04%	668,914.60 669,054.88	97.78 4.57%	655,097.14 3,796.67	0.45% (13,957.74)	A2 / A+ A+	4.36 3.93
91324PEG3	United Health Group Inc Callable Note Cont 4/15/2027 3.700% Due 05/15/2027	675,000.00	05/17/2022 3.69%	675,316.70 675,277.39	96.84 4.50%	653,645.39 3,191.25	0.45% (21,632.00)	A3 / A+ A	4.37 3.96
TOTAL Corporate		42,790,000.00	1.97%	42,826,786.07 42,719,089.97	4.92%	39,895,329.34 225,111.73	27.24% (2,823,760.63)	A1 / A+ AA-	2.63 2.44
Money Market Fund									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	725,037.45	Various 3.48%	725,037.45 725,037.45	1.00 3.48%	725,037.45 0.00	0.49% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund		725,037.45	3.48%	725,037.45 725,037.45	3.48%	0.00 725,037.45	0.00 0.49%	NR Aaa / AAA	0.00 0.00
Municipal Bonds									
13063DRK6	California State Taxable GO 2.400% Due 10/01/2024	755,000.00	10/16/2019 1.91%	772,342.35 761,142.88	96.43 4.54%	728,054.05 4,530.00	0.50% (33,088.83)	Aa2 / AA- AA	1.75 1.68
TOTAL Municipal Bonds		755,000.00	1.91%	772,342.35 761,142.88	4.54%	728,054.05 4,530.00	0.50% (33,088.83)	Aa2 / AA- AA	1.75 1.68
Supranational									
4581X0DP0	Inter-American Dev Bank Note 0.250% Due 11/15/2023	2,800,000.00	07/01/2021 0.37%	2,792,300.00 2,797,159.40	96.06 4.92%	2,689,764.00 894.44	1.83% (107,395.40)	Aaa / AAA NR	0.87 0.85
45950KCT5	International Finance Corp Note 0.375% Due 07/16/2025	2,500,000.00	05/27/2021 0.66%	2,471,150.00 2,482,241.73	90.50 4.36%	2,262,525.00 4,296.88	1.54% (219,716.73)	Aaa / AAA NR	2.54 2.47
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	2,400,000.00	Various 0.60%	2,388,859.25 2,393,309.69	89.92 4.33%	2,158,139.50 2,100.01	1.47% (235,170.19)	Aaa / AAA AAA	2.83 2.75

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 04/20/2026	2,460,000.00	04/13/2021 0.97%	2,448,733.20 2,452,564.90	89.58 4.29%	2,203,569.60 4,245.21	1.50% (248,995.30)	Aaa / AAA AAA	3.30 3.19
TOTAL Supranational		10,160,000.00	0.64%	10,101,042.45 10,125,275.72	4.50%	9,313,998.10 11,536.54	6.33% (811,277.62)	Aaa / AAA AAA	2.31 2.24
US Treasury									
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,506,497.91	97.55 4.78%	1,463,320.50 93.23	0.99% (43,177.41)	Aaa / AA+ AAA	1.00 0.97
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.14%	2,053,613.28 2,013,067.78	97.86 4.72%	1,957,188.00 20,774.45	1.34% (55,879.78)	Aaa / AA+ AAA	1.13 1.08
91282CBR1	US Treasury Note 0.250% Due 03/15/2024	1,450,000.00	03/30/2021 0.33%	1,446,488.28 1,448,572.55	94.84 4.71%	1,375,177.10 1,081.49	0.93% (73,395.45)	Aaa / AA+ AAA	1.21 1.17
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,701,623.88	96.52 4.73%	1,640,765.20 5,823.20	1.12% (60,858.68)	Aaa / AA+ AAA	1.33 1.29
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,005,744.43	96.21 4.64%	1,924,218.00 110.49	1.31% (81,526.43)	Aaa / AA+ AAA	1.50 1.45
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,717,572.16	96.52 4.62%	1,640,897.80 15,250.34	1.12% (76,674.36)	Aaa / AA+ AAA	1.62 1.55
912828YY0	US Treasury Note 1.750% Due 12/31/2024	2,100,000.00	03/15/2022 1.97%	2,087,203.13 2,090,850.43	94.98 4.40%	1,994,508.60 101.52	1.35% (96,341.83)	Aaa / AA+ AAA	2.00 1.93
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,510,105.72	93.42 4.35%	1,401,270.00 5,733.77	0.96% (108,835.72)	Aaa / AA+ AAA	2.16 2.09
91282CED9	US Treasury Note 1.750% Due 03/15/2025	3,100,000.00	Various 2.23%	3,057,617.20 3,068,393.61	94.56 4.36%	2,931,437.50 16,185.08	2.00% (136,956.11)	Aaa / AA+ AAA	2.21 2.11
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	2,500,000.00	03/21/2022 2.24%	2,360,839.85 2,395,783.15	91.34 4.32%	2,283,397.50 1,605.66	1.55% (112,385.65)	Aaa / AA+ AAA	2.33 2.27
91282CAB7	US Treasury Note 0.250% Due 07/31/2025	1,500,000.00	03/12/2021 0.72%	1,469,765.63 1,482,188.38	90.31 4.25%	1,354,629.00 1,569.29	0.92% (127,559.38)	Aaa / AA+ AAA	2.58 2.52
91282CAM3	US Treasury Note 0.250% Due 09/30/2025	2,400,000.00	Various 0.56%	2,366,140.63 2,379,674.60	89.88 4.19%	2,157,093.60 1,532.96	1.47% (222,581.00)	Aaa / AA+ AAA	2.75 2.68
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	2,450,000.00	Various 0.49%	2,422,492.19 2,433,696.35	89.51 4.22%	2,192,941.10 1,049.03	1.49% (240,755.25)	Aaa / AA+ AAA	2.84 2.76
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,250,000.00	03/26/2021 0.77%	2,209,658.20 2,224,854.32	89.54 4.23%	2,014,542.00 741.76	1.37% (210,312.32)	Aaa / AA+ AAA	2.92 2.84
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,471,303.35	89.06 4.19%	2,226,465.00 3,923.23	1.51% (244,838.35)	Aaa / AA+ AAA	3.09 3.00

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91282CBW0	US Treasury Note 0.750% Due 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,495,710.56	89.50 4.16%	2,237,500.00 3,211.33	1.52% (258,210.56)	Aaa / AA+ AAA	3.33 3.22
91282CCZ2	US Treasury Note 0.875% Due 09/30/2026	1,400,000.00	10/18/2021 1.19%	1,379,054.68 1,384,143.22	88.91 4.10%	1,244,797.40 3,129.81	0.85% (139,345.82)	Aaa / AA+ AAA	3.75 3.61
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	1,400,000.00	11/15/2021 1.25%	1,391,468.75 1,393,402.31	89.56 4.10%	1,253,875.00 2,697.51	0.85% (139,527.31)	Aaa / AA+ AAA	3.84 3.67
91282CEW7	US Treasury Note 3.250% Due 06/30/2027	3,250,000.00	Various 3.18%	3,260,312.50 3,259,031.41	96.84 4.02%	3,147,293.50 291.78	2.14% (111,737.91)	Aaa / AA+ AAA	4.50 4.13
91282CFB2	US Treasury Note 2.750% Due 07/31/2027	400,000.00	08/22/2022 3.12%	393,218.75 393,711.45	94.76 4.01%	379,046.80 4,603.26	0.26% (14,664.65)	Aaa / AA+ AAA	4.58 4.19
91282CFH9	US Treasury Note 3.125% Due 08/31/2027	4,500,000.00	Various 3.28%	4,468,902.34 4,470,842.74	96.34 3.99%	4,335,115.50 47,781.42	2.98% (135,727.24)	Aaa / AA+ AAA	4.67 4.24
91282CFM8	US Treasury Note 4.125% Due 09/30/2027	3,450,000.00	Various 4.31%	3,421,152.34 3,422,175.61	100.54 4.00%	3,468,464.40 36,360.06	2.38% 46,288.79	Aaa / AA+ AAA	4.75 4.23
91282CFZ9	US Treasury Note 3.875% Due 11/30/2027	850,000.00	12/05/2022 3.81%	852,656.25 852,618.30	99.62 3.96%	846,746.20 2,895.60	0.58% (5,872.10)	Aaa / AA+ AAA	4.92 4.42
TOTAL US Treasury		48,400,000.00	1.90%	48,121,041.03 48,121,564.22	4.28%	45,470,689.70 176,546.27	30.99% (2,650,874.52)	Aaa / AA+ AAA	2.95 2.78
TOTAL PORTFOLIO		156,155,964.76	1.70%	156,247,877.63 155,929,700.16	4.63%	146,744,531.33 538,314.50	100.00% (9,185,168.83)	Aa1 / AA AAA	2.67 2.28
TOTAL MARKET VALUE PLUS ACCRUALS						147,282,845.83			

Section 4 | Transactions

Transaction Ledger

As of December 31, 2022

City of Cupertino - Account #10659

September 30, 2022 through December 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/03/2022	3137FBBX3	1,000,000.00	FHLMC K068 A2 3.244% Due: 08/25/2027	95.066	4.41%	950,664.06	180.22	950,844.28	0.00
Purchase	10/03/2022	91282CEW7	250,000.00	US Treasury Note 3.25% Due: 06/30/2027	96.836	3.99%	242,089.84	2,097.49	244,187.33	0.00
Purchase	10/06/2022	91282CFM8	1,000,000.00	US Treasury Note 4.125% Due: 09/30/2027	100.656	3.98%	1,006,562.50	679.95	1,007,242.45	0.00
Purchase	10/19/2022	47800BAC2	1,050,000.00	John Deere Owner Trust 2022-C A3 5.09% Due: 06/15/2027	99.992	5.15%	1,049,918.52	0.00	1,049,918.52	0.00
Purchase	10/25/2022	91282CFM8	2,450,000.00	US Treasury Note 4.125% Due: 09/30/2027	98.555	4.45%	2,414,589.84	6,941.11	2,421,530.95	0.00
Purchase	12/06/2022	91282CFZ9	850,000.00	US Treasury Note 3.875% Due: 11/30/2027	100.313	3.81%	852,656.25	542.93	853,199.18	0.00
Subtotal			6,600,000.00				6,516,481.01	10,441.70	6,526,922.71	0.00
TOTAL ACQUISITIONS			6,600,000.00				6,516,481.01	10,441.70	6,526,922.71	0.00
DISPOSITIONS										
Sale	10/03/2022	3137B5JM6	999,609.65	FHLMC K034 A2 3.531% Due: 07/25/2023	99.277	4.20%	992,385.91	196.09	992,582.00	-18,626.91
Sale	10/06/2022	3137B4WB8	1,000,000.00	FHLMC K033 A2 Due: 07/25/2023	98.883	5.02%	988,828.13	425.00	989,253.13	-18,813.03
Sale	10/19/2022	3137B7MZ9	1,000,000.00	FHLMC K036 A2 Due: 10/25/2023	98.629	5.30%	986,289.06	1,763.50	988,052.56	-28,773.31

Transaction Ledger

As of December 31, 2022

City of Cupertino - Account #10659

September 30, 2022 through December 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	10/21/2022	3130A0F70	2,100,000.00	FHLB Note 3.375% Due: 12/08/2023	98.379	1.31%	2,065,959.00	26,184.38	2,092,143.38	-71,274.17
Subtotal			5,099,609.65				5,033,462.10	28,568.97	5,062,031.07	-137,487.42
TOTAL DISPOSITIONS			5,099,609.65				5,033,462.10	28,568.97	5,062,031.07	-137,487.42

Important Disclosures

As of December 31, 2022

2022 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 and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Benchmark Disclosures

As of December 31, 2022

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
DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

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

PFGEDD

INVESTMENT CONTACT: IMR/CHRISTINE NORGREN
TELEPHONE NUMBER:

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

36522 SE

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• 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

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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. VALUES OBTAINED FROM THE CUSTOMER OR THEIR DESIGNATED REPRESENTATIVE SHOULD NOT BE CONSIDERED TO BE CERTIFIED BY PRINCIPAL BANK/PRINCIPAL TRUST COMPANY, AS APPLICABLE.

SPECIAL INVESTMENTS

"SPECIAL INVESTMENTS" ARE ASSETS NOT HELD IN CUSTODY BY PRINCIPAL BANK/PRINCIPAL TRUST COMPANY BUT WHOSE VALUE MAY BE SHOWN ON ACCOUNT STATEMENTS. EXAMPLES OF SPECIAL INVESTMENTS INCLUDE, BUT ARE NOT LIMITED TO, COMMON OR COLLECTIVE FUNDS NOT ADMINISTERED BY PRINCIPAL BANK/PRINCIPAL TRUST COMPANY (OR THEIR AFFILIATES), HEDGE FUNDS, LIMITED PARTNERSHIPS, AND OTHER UNREGISTERED SECURITIES. AT THE DIRECTION OF AND AS A MATTER OF CONVENIENCE TO ITS CLIENTS, PRINCIPAL BANK/PRINCIPAL TRUST COMPANY MAY BE REPORT SPECIAL INVESTMENTS AS A RECORDKEEPING ITEM ON ACCOUNT STATEMENTS, AT NOMINAL VALUE OR SUCH OTHER VALUE PROVIDED BY CLIENTS/EXTERNAL SOURCES. NEITHER PRINCIPAL BANK NOR PRINCIPAL TRUST COMPANY IS RESPONSIBLE FOR THE ACCURACY OF INFORMATION PROVIDED BY EXTERNAL SOURCES, AND DOES NOT CERTIFY THAT INFORMATION PROVIDED BY THESE EXTERNAL SOURCES IS TRUE OR CORRECT FOR THE SPECIAL INVESTMENTS REFLECTED IN YOUR ACCOUNT.

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 DECEMBER 31, 2022

CITY OF CUPERTINO
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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	616,974.95	616,974.95	0.42	0.00	21,369	3.46	1,258.75
BONDS AND NOTES	155,522,840.18	145,918,494.78	99.58	9,604,345.40-	2,604,767	1.79	646,313.41
TOTAL INVESTMENTS	156,139,815.13	146,535,469.73	100.00	9,604,345.40-	2,626,136	1.79	647,572.16
TOTAL ACCRUALS	647,572.16	647,572.16					
TOTAL ACCRUALS AND INVESTMENTS	156,787,387.29	147,183,041.89		9,604,345.40-	2,626,136	1.79	647,572.16

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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						
567,678.09	ALLSPRING 100% TREASURY MONEY MARKET FUND - #008	567,678.09 1.0000	567,678.09 1.0000	0.39	0.00	1,170.97
49,296.86	PRINCIPAL PUBLIC DEPOSIT SWEEP PROGRAM	49,296.86 1.0000	49,296.86 1.0000	0.03	0.00	87.78
TOTAL CASH EQUIVALENTS		616,974.95	616,974.95	0.42	0.00	1,258.75
BOND & NOTES						
1,675,000	AIR PRODUCTS & CHEMICALS DTD 07/31/14 3.350 07/31/2024 MOODY'S RATING A2 CUSIP 009158AV8	1,771,212.00 105.7440	1,636,843.50 97.7220	1.12	134,368.50-	23,536.08
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	1,660,650.00 88.5680	1.13	206,250.00-	2,552.08
1,375,000	AMERICAN EXPRESS CREDIT ACCOUNT ASSET BCKD SEC SER 2022-2 CL A DTD 05/24/2022 3.390% 05/17/2027 NON CALLABLE CUSIP 02582JTT8	1,374,695.85 99.9779	1,334,726.25 97.0710	0.91	39,969.60-	2,071.67
1,545,000	AMERICAN EXPRESS CREDIT ACCOUNT ASSET BCKD SEC SER 2022-1 CL A DTD 03/18/2022 2.210% 03/15/2027 NON CALLABLE MOODY'S RATING AAA CUSIP 02589BAA8	1,524,359.77 98.6641	1,456,486.95 94.2710	0.99	67,872.82-	1,517.53
1,150,000	BANK OF AMERICA CORP MED TERM NOTE DTD 04/23/19 04/23/2027 MOODY'S RATING A2 CUSIP 06051GHT9	1,114,222.54 96.8889	1,077,400.50 93.6870	0.74	36,822.04-	7,730.94

STATEMENT OF ASSETS AND LIABILITIES
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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
600,000	BANK OF AMERICA CORP MED TERM NOTE DTD 02/13/20 02/13/2026 MOODY'S RATING A2 CUSIP 06051GHY8	620,988.00 103.4980	556,932.00 92.8220	0.38	64,056.00-	4,634.50
700,000	BANK OF AMERICA CORP MED TERM NOTE DTD 06/19/20 06/19/2026 MOODY'S RATING A2 CUSIP 06051GJD2	701,274.00 100.1820	630,350.00 90.0500	0.43	70,924.00-	307.77
600,000	BANK OF MONTREAL MED TERM NOTE DTD 07/09/21 0.625 07/09/2024 MOODY'S RATING A2 CUSIP 06367TQW3	582,216.00 97.0360	560,724.00 93.4540	0.38	21,492.00-	1,791.67
1,240,000	BANK OF MONTREAL MED TERM NOTE DTD 04/27/20 1.850 05/01/2025 MOODY'S RATING A2 CUSIP 06367WB85	1,285,656.80 103.6820	1,158,296.40 93.4110	0.79	127,360.40-	3,823.33
1,000,000	BANK OF NEW YORK MELLON MED TERM NOTE DTD 11/18/13 3.950 11/18/2025 MOODY'S RATING A1 CUSIP 06406HCQ0	1,024,910.00 102.4910	978,590.00 97.8590	0.67	46,320.00-	4,718.06
1,370,000	BANK OF NY MELLON CORP DTD 04/26/2022 3.350% 04/25/2025 CALLABLE MOODY'S RATING A1 CUSIP 06406RBC0	1,369,808.20 99.9860	1,326,242.20 96.8060	0.91	43,566.00-	8,414.08
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	1,490,951.85 92.3190	1.02	123,741.30-	10,937.14

STATEMENT OF ASSETS AND LIABILITIES
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CITY OF CUPERTINO
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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
450,000	BMW VEHICLE LEASE TRUST SER 2022-1 CL A3 *0 DAY DELAY* DTD 01/19/22 1.100 03/25/2025 CUSIP 05601XAC3	449,932.73 99.9851	435,348.00 96.7440	0.30	14,584.73-	82.50
414,211.71	BMW VEHICLE LEASE TRUST SER 2021-2 CL A3 *0 DAY DELAY* DTD 09/15/21 0.330 12/26/2024 MOODY'S RATING AAA CUSIP 09690AAC7	414,168.96 99.9897	404,746.97 97.7150	0.28	9,421.99-	18.98
530,000	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	529,972.44 99.9948	516,119.30 97.3810	0.35	13,853.14-	283.55
755,000	CALIFORNIA ST TXBL-REF DTD 10/24/19 2.400 10/01/2024 MOODY'S RATING AA2 CUSIP 13063DRK6	772,342.35 102.2970	728,054.05 96.4310	0.50	44,288.30-	4,530.00
1,100,000	CATERPILLAR FINL SERVICE MED TERM NOTE DTD 11/08/19 2.150 11/08/2024 MOODY'S RATING A2 CUSIP 14913Q3B3	1,111,517.00 101.0470	1,049,466.00 95.4060	0.72	62,051.00-	3,481.81
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	875,164.80 91.1630	0.60	84,565.10-	7,709.33
1,500,000	FED HOME LN BK DTD 02/12/14 3.250 03/08/2024 MOODY'S RATING AAA CUSIP 3130A0XE5	1,568,115.00 104.5410	1,472,970.00 98.1980	1.01	95,145.00-	15,302.08

STATEMENT OF ASSETS AND LIABILITIES
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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 BK DTD 05/08/14 2.875 06/14/2024 MOODY'S RATING AAA CUSIP 3130A1XJ2	1,564,890.20 104.3260	1,465,350.00 97.6900	1.00	99,540.20-	2,036.46
2,000,000	FED HOME LN BK DTD 08/15/14 2.875 09/13/2024 MOODY'S RATING AAA CUSIP 3130A2UW4	2,103,380.00 105.1690	1,941,540.00 97.0770	1.32	161,840.00-	17,250.00
1,300,000	FED HOME LN MTG CORP SER KO41 CL A2 *24 DAY DELAY* DTD 12/01/14 3.171 10/25/2024 CUSIP 3137BFE98	1,398,414.06 107.5703	1,259,141.00 96.8570	0.86	139,273.06-	3,435.25
2,365,000	FED HOME LN MTG CORP DTD 02/14/20 1.500 02/12/2025 MOODY'S RATING AAA CUSIP 3137EAEPO	2,363,178.95 99.9230	2,228,492.20 94.2280	1.52	134,686.75-	13,697.29
1,250,000	FED HOME LN MTG CORP SER USD DTD 07/23/20 0.375 07/21/2025 MOODY'S RATING AAA CUSIP 3137EAEU9	1,243,775.00 99.5020	1,131,187.50 90.4950	0.77	112,587.50-	2,083.33
2,500,000	FED HOME LN MTG CORP DTD 09/25/20 0.375 09/23/2025 MOODY'S RATING AAA CUSIP 3137EAEX3	2,489,362.80 99.5745	2,249,700.00 89.9880	1.54	239,662.80-	2,552.08
1,755,000	FED HOME LN MTG CORP DTD 12/04/20 0.250 12/04/2023 MOODY'S RATING AAA CUSIP 3137EAF2	1,753,262.55 99.9010	1,682,237.70 95.8540	1.15	71,024.85-	329.06
1,500,000	FED NATL MTG ASSN DTD 07/08/19 1.750 07/02/2024 MOODY'S RATING AAA CUSIP 3135G0V75	1,484,895.00 98.9930	1,435,875.00 95.7250	0.98	49,020.00-	13,052.08

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PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
1,975,000	FED NATL MTG ASSN DTD 10/18/19 1.625 10/15/2024 MOODY'S RATING AAA CUSIP 3135G0W66	1,965,802.75 99.5343	1,876,230.25 94.9990	1.28	89,572.50-	6,775.35
1,295,000	FED NATL MTG ASSN DTD 01/10/20 1.625 01/07/2025 MOODY'S RATING AAA CUSIP 3135G0X24	1,309,953.95 101.1548	1,223,308.80 94.4640	0.83	86,645.15-	10,171.15
1,860,000	FED NATL MTG ASSN DTD 04/24/20 0.625 04/22/2025 MOODY'S RATING AAA CUSIP 3135G03U5	1,856,168.40 99.7940	1,708,856.40 91.8740	1.17	147,312.00-	2,228.13
2,500,000	FED NATL MTG ASSN DTD 06/19/20 0.500 06/17/2025 MOODY'S RATING AAA CUSIP 3135G04Z3	2,499,227.30 99.9691	2,274,775.00 90.9910	1.55	224,452.30-	486.11
2,500,000	FED NATL MTG ASSN DTD 08/27/20 0.375 08/25/2025 MOODY'S RATING AAA CUSIP 3135G05X7	2,487,983.75 99.5194	2,254,725.00 90.1890	1.54	233,258.75-	3,281.25
2,500,000	FED NATL MTG ASSN DTD 11/12/20 0.500 11/07/2025 MOODY'S RATING AAA CUSIP 3135G06G3	2,492,700.00 99.7080	2,248,125.00 89.9250	1.53	244,575.00-	1,875.00
1,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K049 CL A2 *24 DAY DELAY* DTD 10/01/15 3.010 08/25/2025 CUSIP 3137BLMZ8	1,079,687.50 107.9688	960,080.00 96.0080	0.66	119,607.50-	2,508.33
950,000	FHLMC MULTIFAMILY STRUCTURED P SER K050 CL A2 *24 DAY DELAY* DTD 11/01/15 08/25/2025 CUSIP 3137BLW95	1,018,132.81 107.1719	918,393.50 96.6730	0.63	99,739.31-	2,639.42

STATEMENT OF ASSETS AND LIABILITIES
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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
440,000	FHLMC MULTIFAMILY STRUCTURED P SER K051 CL A2 *24 DAY DELAY* DTD 12/01/15 3.308 09/25/2025 CUSIP 3137BM7C4	453,079.69 102.9727	424,828.80 96.5520	0.29	28,250.89-	1,212.93
570,000	FHLMC MULTIFAMILY STRUCTURED P SER K053 CL A2 *24 DAY DELAY* DTD 03/01/16 2.995 12/25/2025 CUSIP 3137BN6G4	582,001.17 102.1055	544,885.80 95.5940	0.37	37,115.37-	1,422.63
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	608,894.00 93.6760	0.42	78,557.17-	1,437.04
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	949,500.00 94.9500	0.65	1,164.06-	2,703.33
965,000	GM FINANCIAL AUTOMOBILE LEASIN SER 2021-3 CL A3 *0 DAY DELAY* DTD 08/18/21 0.390 10/21/2024 CUSIP 36262XAC8	964,986.88 99.9987	937,565.05 97.1570	0.64	27,421.83-	104.54
945,000	GM FINANCIAL AUTOMOBILE LEASIN SER 2022-1 CL A3 *0 DAY DELAY* DTD 02/23/22 1.850 03/20/2025 MOODY'S RATING AAA CUSIP 36265MAC9	944,991.87 99.9992	913,077.90 96.6220	0.62	31,913.97-	534.19
350,000	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	349,991.08 99.9975	330,680.00 94.4800	0.23	19,311.08-	99.17

STATEMENT OF ASSETS AND LIABILITIES
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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
390,000	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	389,918.49 99.9791	377,715.00 96.8500	0.26	12,203.49-	503.75
295,000	GM FINANCIAL SECURITIZED TERM SER 2022-1 CL A3 *0 DAY DELAY* DTD 01/19/22 1.260 11/16/2026 CUSIP 380146AC4	294,974.36 99.9913	278,887.10 94.5380	0.19	16,087.26-	154.88
1,400,000	GUARDIAN LIFE GLOB FUND 144A PRIV PLCMT 0.875 12/10/2025 MOODY'S RATING AA1 CUSIP 40139LBC6	1,385,860.00 98.9900	1,236,424.00 88.3160	0.84	149,436.00-	714.58
55,080.52	HONDA AUTO RECEIVABLES OWNER T SER 2020-2 CL A3 *0 DAY DELAY* DTD 05/27/20 0.820 07/15/2024 MOODY'S RATING AAA CUSIP 43813DAC2	55,076.19 99.9922	54,270.84 98.5300	0.04	805.35-	20.07
206,866.51	HONDA AUTO RECEIVABLES OWNER T SER 2021-1 CL A3 *0 DAY DELAY* DTD 02/24/21 0.270 04/21/2025 MOODY'S RATING AAA CUSIP 43813GAC5	206,862.73 99.9982	200,104.04 96.7310	0.14	6,758.69-	15.51
288,408.17	HONDA AUTO RECEIVABLES OWNER T SER 2020-3 CL A3 *0 DAY DELAY* DTD 09/29/20 0.370 10/18/2024 CUSIP 43813KAC6	288,365.80 99.9853	282,106.45 97.8150	0.19	6,259.35-	38.53
740,000	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	739,888.70 99.9850	703,074.00 95.0100	0.48	36,814.70-	618.31

STATEMENT OF ASSETS AND LIABILITIES
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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
460,000	HONDA AUTO RECEIVABLES OWNER T SER 2021-4 CL A3 *0 DAY DELAY* DTD 11/24/21 0.880 01/21/2026 MOODY'S RATING AAA CUSIP 43815GAC3	459,903.03 99.9789	436,535.40 94.8990	0.30	23,367.63-	112.44
790,000	HYUNDAI AUTO LEASE SECURITIZAT SER 2021-B CL A3 *0 DAY DELAY* 144A PRIV PLCMT 0.330 06/17/2024 MOODY'S RATING AAA CUSIP 44891VAC5	789,881.50 99.9850	777,944.60 98.4740	0.53	11,936.90-	101.38
540,000	HYUNDAI AUTO LEASE SECURITIZAT SER 2022-A CL A3 *0 DAY DELAY* 144A PRIV PLCMT 1.160 01/15/2025 MOODY'S RATING AAA CUSIP 44891WAC3	539,988.07 99.9978	521,132.40 96.5060	0.36	18,855.67-	278.40
1,010,000	HYUNDAI AUTO RECEIVABLES TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 03/16/2022 2.220% 10/15/2026 CALLABLE CUSIP 448977AD0	1,009,961.12 99.9962	964,974.20 95.5420	0.66	44,986.92-	996.53
481,215.39	HYUNDAI AUTO RECEIVABLES TRUST SER 2021-A CL A3 *0 DAY DELAY* DTD 04/28/21 0.380 09/15/2025 CUSIP 44933LAC7	481,164.76 99.9895	465,378.59 96.7090	0.32	15,786.17-	81.27
1,330,000	HYUNDAI AUTO RECEIVABLES TRUST SER 2021-C CL A3 *0 DAY DELAY* DTD 11/17/21 0.740 05/15/2026 CUSIP 44935FAD6	1,296,371.65 97.4716	1,256,251.50 94.4550	0.86	40,120.15-	437.42
2,800,000	INTER-AMERICAN DEVEL BK DTD 09/02/20 0.250 11/15/2023 MOODY'S RATING AAA CUSIP 4581X0DP0	2,792,300.00 99.7250	2,689,820.00 96.0650	1.84	102,480.00-	894.44

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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	2,200,962.00 89.4700	1.50	247,771.20-	4,245.21
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	2,156,112.00 89.8380	1.47	232,747.25-	2,100.00
2,500,000	INTL FINANCE CORP DTD 07/16/20 0.375 07/16/2025 MOODY'S RATING AAA CUSIP 45950KCT5	2,471,150.00 98.8460	2,260,600.00 90.4240	1.54	210,550.00-	4,296.88
1,030,000	JOHN DEERE CAPITAL CORP MED TERM NOTE DTD 03/04/21 0.450 01/17/2024 MOODY'S RATING A2 CUSIP 24422EVN6	1,029,268.70 99.9290	984,813.90 95.6130	0.67	44,454.80-	2,111.50
450,000	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	449,900.46 99.9779	431,509.50 95.8910	0.29	18,390.96-	464.00
98,707.84	JOHN DEERE OWNER TRUST SER 2020-B CL A3 *0 DAY DELAY* DTD 07/22/20 0.510 11/15/2024 MOODY'S RATING AAA CUSIP 47787NAC3	98,692.79 99.9848	97,191.69 98.4640	0.07	1,501.10-	22.37
59,731.79	JOHN DEERE OWNER TRUST SER 2020-A CL A3 *0 DAY DELAY* DTD 03/11/20 1.100 08/15/2024 MOODY'S RATING AAA CUSIP 47789KAC7	59,728.14 99.9939	59,209.73 99.1260	0.04	518.41-	29.20

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STATEMENT OF ASSETS AND LIABILITIES

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	% TOTAL MARKET	UNREALIZED GAIN/LOSS	ACCRUED INCOME
580,000	JOHN DEERE OWNER TRUST SER 2021-B CL A3 *0 DAY DELAY* DTD 07/21/21 0.520 03/16/2026 MOODY'S RATING AAA CUSIP 47789QAC4	579,948.26 99.9911	550,437.40 94.9030	0.38	29,510.86-	125.67
655,000	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	654,937.45 99.9905	639,574.75 97.6450	0.44	15,362.70-	1,088.76
1,050,000	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	1,049,918.52 99.9923	1,053,255.00 100.3100	0.72	3,336.48	2,375.33
655,000	JPMORGAN CHASE & SER F2F DTD 06/23/21 06/23/2025 MOODY'S RATING A1 CUSIP 46647PCK0	655,406.85 100.0621	610,571.35 93.2170	0.42	44,835.50-	141.04
401,000	JPMORGAN CHASE & CO DTD 04/22/20 04/22/2026 MOODY'S RATING A1 CUSIP 46647PBK1	415,969.33 103.7330	372,248.30 92.8300	0.25	43,721.03-	1,600.96
1,370,000	JPMORGAN CHASE & CO DTD 06/01/21 06/01/2025 MOODY'S RATING A1 CUSIP 46647PCH7	1,371,773.90 100.1295	1,277,045.50 93.2150	0.87	94,728.40-	940.73
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	880,140.00 88.0140	0.60	122,090.00-	5,500.00

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
61,876.91	MERCEDES-BENZ AUTO LEASE TRUST SER 2020-B CL A3 *0 DAY DELAY* DTD 09/23/20 0.400 11/15/2023 CUSIP 58769EAC2	61,873.77 99.9949	61,730.88 99.7640	0.04	142.89-	11.00
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	986,295.55 88.4570	0.67	127,433.35-	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	670,161.80 87.0340	0.46	99,129.80-	2,860.76
650,000	MORGAN STANLEY DTD 04/28/20 04/28/2026 MOODY'S RATING A1 CUSIP 6174468Q5	615,699.50 94.7230	604,025.50 92.9270	0.41	11,674.00-	2,488.85
1,680,000	NEW YORK LIFE GLOBAL FDG 144A PRIV PLCMT 1.450 01/14/2025 MOODY'S RATING AAA CUSIP 64952WEK5	1,678,185.60 99.8920	1,565,037.60 93.1570	1.07	113,148.00-	11,300.33
162,453.92	NISSAN AUTO RECEIVABLES OWNER SER 2019-C CL A3 *0 DAY DELAY* DTD 10/23/19 1.930 07/15/2024 MOODY'S RATING AAA CUSIP 65479JAD5	163,259.83 100.4961	161,872.33 99.6420	0.11	1,387.50-	139.35
670,000	NORTHERN TRUST CORP DTD 05/10/2022 4.000% 05/10/2027 CALLABLE MOODY'S RATING A2 CUSIP 665859AW4	668,914.60 99.8380	654,429.20 97.6760	0.45	14,485.40-	3,796.67

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
850,000	NORTHWESTERN MUTUAL GBL 144A PRIV PLCMT 0.800 01/14/2026 MOODY'S RATING AAA CUSIP 66815L2A6	827,449.50 97.3470	751,969.50 88.4670	0.51	75,480.00-	3,154.44
1,170,000	NORTHWESTERN MUTUAL GBL DTD 07/01/2022 4.000% 07/01/2025 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AAA CUSIP 66815L2J7	1,169,602.20 99.9660	1,146,974.40 98.0320	0.78	22,627.80-	23,400.00
370,000	PACCAR FINANCIAL CORP MED TERM NOTE DTD 08/15/19 2.150 08/15/2024 MOODY'S RATING A1 CUSIP 69371RQ25	369,182.30 99.7790	353,087.30 95.4290	0.24	16,095.00-	3,005.22
680,000	PACCAR FINANCIAL CORP MED TERM NOTE DTD 08/09/21 0.500 08/09/2024 MOODY'S RATING A1 CUSIP 69371RR40	679,632.80 99.9460	633,256.80 93.1260	0.43	46,376.00-	1,341.11
885,000	PACCAR FINANCIAL CORP DTD 04/07/2022 2.850% 04/07/2025 NON CALLABLE MOODY'S RATING A1 CUSIP 69371RR73	884,769.90 99.9740	848,874.30 95.9180	0.58	35,895.60-	5,885.25
904,000	PRICOA GLOBAL FUNDING 1 144A PRIV PLCMT 0.800 09/01/2025 MOODY'S RATING AA3 CUSIP 74153WCM9	832,972.72 92.1430	808,881.12 89.4780	0.55	24,091.60-	2,410.67
885,000	PRICOA GLOBAL FUNDING 1 144A PRIV PLCMT 1.150 12/06/2024 MOODY'S RATING AA3 CUSIP 74153WCQ0	884,088.45 99.8970	818,695.80 92.5080	0.56	65,392.65-	706.77

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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	ROYAL BANK OF CANADA DTD 07/16/19 2.550 07/16/2024 MOODY'S RATING A1 CUSIP 78013XZU5	1,533,359.18 102.2240	1,447,155.00 96.4770	0.99	86,204.18-	17,531.25
1,050,000	ROYAL BANK OF CANADA MEDIUM TERM NOTE CONVERTIBLE DTD 04/14/2022 3.375% 04/14/2025 NON CALLABLE MOODY'S RATING A1 CUSIP 78016EZ59	1,049,611.50 99.9630	1,014,636.00 96.6320	0.69	34,975.50-	7,579.69
1,760,000	SALESFORCE.COM INC DTD 07/12/21 0.625 07/15/2024 MOODY'S RATING A2 CUSIP 79466LAG9	1,748,937.40 99.3715	1,650,915.20 93.8020	1.13	98,022.20-	5,072.22
1,500,000	TORONTO-DOMINION BANK MED TERM NOTE DTD 06/12/19 2.650 06/12/2024 MOODY'S RATING A1 CUSIP 89114QCA4	1,527,255.00 101.8170	1,451,040.00 96.7360	0.99	76,215.00-	2,097.92
700,000	TORONTO-DOMINION BANK MED TERM NOTE SER FXD DTD 01/12/22 1.450 01/10/2025 MOODY'S RATING A1 CUSIP 89114TZL9	674,737.00 96.3910	651,826.00 93.1180	0.44	22,911.00-	4,821.25
216,428.62	TOYOTA AUTO RECEIVABLES OWNER SER 2020-D CL A3 *0 DAY DELAY* DTD 10/13/20 0.350 01/15/2025 CUSIP 89236XAC0	216,388.30 99.9814	212,632.46 98.2460	0.15	3,755.84-	33.67
430,000	TOYOTA AUTO RECEIVABLES OWNER SER 2021-D CL A3 *0 DAY DELAY* DTD 11/15/21 0.710 04/15/2026 CUSIP 89238JAC9	429,990.84 99.9979	405,085.80 94.2060	0.28	24,905.04-	135.69

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
748,729.92	TOYOTA AUTO RECEIVABLES OWNER SER 2021-A CL A3 *0 DAY DELAY* DTD 02/08/21 0.260 05/15/2025 MOODY'S RATING AAA CUSIP 89240BAC2	748,590.96 99.9815	729,420.18 97.4210	0.50	19,170.78-	86.52
554,864.6	TOYOTA LEASE OWNER TRUST SER 2021-A CL A3 *0 DAY DELAY* 144A PRIV PLCMT 0.390 04/22/2024 MOODY'S RATING AAA CUSIP 89238EAC0	543,767.31 98.0000	547,251.86 98.6280	0.37	3,484.55	54.10
1,150,000	TOYOTA LEASE OWNER TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 02/28/2022 1.960% 02/20/2025 CALLABLE 144A PRIVATE PLACEMENT CUSIP 89238LAC4	1,149,818.99 99.9843	1,109,094.50 96.4430	0.76	40,724.49-	688.72
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	1,223,592.10 88.3460	0.84	160,798.50-	562.66
1,215,000	TOYOTA MOTOR CREDIT CORP DTD 01/13/22 1.450 01/13/2025 MOODY'S RATING A1 CUSIP 89236TJT3	1,213,371.90 99.8660	1,137,592.35 93.6290	0.78	75,779.55-	8,221.50
3,100,000	UNITED STATES TREASURY NOTES DTD 03/15/2022 1.750% 03/15/2025 MOODY'S RATING AAA CUSIP 91282CED9	3,057,617.20 98.6328	2,929,252.00 94.4920	2.00	128,365.20-	16,185.08
3,250,000	UNITED STATES TREASURY NOTES DTD 06/30/2022 3.250% 06/30/2027 MOODY'S RATING AAA CUSIP 91282CEW7	3,260,312.50 100.3173	3,142,457.50 96.6910	2.14	117,855.00-	53,104.28

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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 AAA CUSIP 91282CFB2	393,218.75 98.3047	378,452.00 94.6130	0.26	14,766.75-	4,603.26
4,500,000	UNITED STATES TREASURY NOTES DTD 08/31/2022 3.125% 08/31/2027 MOODY'S RATING AAA CUSIP 91282CFH9	4,468,902.34 99.3090	4,328,100.00 96.1800	2.95	140,802.34-	47,781.42
3,450,000	UNITED STATES TREASURY NOTES DTD 09/30/2022 4.125% 09/30/2027 MOODY'S RATING AAA CUSIP 91282CFM8	3,421,152.34 99.1639	3,462,937.50 100.3750	2.36	41,785.16	36,360.06
850,000	UNITED STATES TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 MOODY'S RATING AAA CUSIP 91282CFZ9	852,656.25 100.3125	845,350.50 99.4530	0.58	7,305.75-	2,895.60
1,035,000	UNITEDHEALTH GROUP INC DTD 05/19/21 1.150 05/15/2026 MOODY'S RATING A3 CUSIP 91324PEC2	1,025,051.35 99.0388	924,337.80 89.3080	0.63	100,713.55-	1,520.88
675,000	UNITEDHEALTH GROUP INC DTD 05/20/2022 3.700% 05/15/2027 CALLABLE MOODY'S RATING A3 CUSIP 91324PEG3	675,316.70 100.0469	652,934.25 96.7310	0.45	22,382.45-	3,191.25
1,250,000	US BANCORP DTD 07/29/19 2.400 07/30/2024 MOODY'S RATING A2 CUSIP 91159HHX1	1,268,262.50 101.4610	1,201,675.00 96.1340	0.82	66,587.50-	12,583.33
1,500,000	US TREASURY NOTE DTD 07/31/20 0.250 07/31/2025 MOODY'S RATING AAA CUSIP 91282CAB7	1,469,765.63 97.9844	1,353,570.00 90.2380	0.92	116,195.63-	1,569.29

STATEMENT OF ASSETS AND LIABILITIES
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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
2,400,000	US TREASURY NOTE DTD 09/30/20 0.250 09/30/2025 MOODY'S RATING AAA CUSIP 91282CAM3	2,366,140.63 98.5892	2,154,936.00 89.7890	1.47	211,204.63-	1,532.97
2,450,000	US TREASURY NOTE DTD 10/31/20 0.250 10/31/2025 MOODY'S RATING AAA CUSIP 91282CAT8	2,422,492.19 98.8772	2,190,741.00 89.4180	1.50	231,751.19-	1,049.03
2,250,000	US TREASURY NOTE DTD 11/30/20 0.375 11/30/2025 MOODY'S RATING AAA CUSIP 91282CAZ4	2,209,658.20 98.2070	2,012,512.50 89.4450	1.37	197,145.70-	741.76
2,500,000	US TREASURY NOTE DTD 02/01/21 0.375 01/31/2026 MOODY'S RATING AAA CUSIP 91282CBH3	2,456,445.31 98.2578	2,224,325.00 88.9730	1.52	232,120.31-	3,923.23
1,450,000	US TREASURY NOTE DTD 03/15/21 0.250 03/15/2024 MOODY'S RATING AAA CUSIP 91282CBR1	1,446,488.28 99.7578	1,374,614.50 94.8010	0.94	71,873.78-	1,081.49
2,500,000	US TREASURY NOTE DTD 04/30/21 0.750 04/30/2026 MOODY'S RATING AAA CUSIP 91282CBW0	2,493,652.34 99.7461	2,234,875.00 89.3950	1.53	258,777.34-	3,211.33
1,400,000	US TREASURY NOTE DTD 09/30/21 0.875 09/30/2026 MOODY'S RATING AAA CUSIP 91282CCZ2	1,379,054.68 98.5039	1,243,102.00 88.7930	0.85	135,952.68-	3,129.81
1,400,000	US TREASURY NOTE DTD 11/01/21 1.125 10/31/2026 CUSIP 91282CDG3	1,391,468.75 99.3906	1,252,174.00 89.4410	0.85	139,294.75-	2,697.51

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
2,000,000	US TREASURY NOTE DTD 02/18/14 2.750 02/15/2024 MOODY'S RATING AAA CUSIP 912828B66	2,053,613.28 102.6807	1,956,720.00 97.8360	1.34	96,893.28-	20,774.46
1,700,000	US TREASURY NOTE DTD 08/15/14 2.375 08/15/2024 MOODY'S RATING AAA CUSIP 912828D56	1,753,191.41 103.1289	1,640,228.00 96.4840	1.12	112,963.41-	15,250.34
1,500,000	US TREASURY NOTE DTD 01/03/17 2.250 12/31/2023 MOODY'S RATING AAA CUSIP 912828V23	1,529,472.66 101.9649	1,463,040.00 97.5360	1.00	66,432.66-	16,968.23
2,000,000	US TREASURY NOTE DTD 06/30/17 2.000 06/30/2024 MOODY'S RATING AAA CUSIP 912828XX3	2,018,574.22 100.9287	1,923,520.00 96.1760	1.31	95,054.22-	20,110.50
1,700,000	US TREASURY NOTE DTD 05/01/17 2.000 04/30/2024 MOODY'S RATING AAA CUSIP 912828X70	1,705,976.56 100.3516	1,640,228.00 96.4840	1.12	65,748.56-	5,823.20
2,100,000	US TREASURY NOTE DTD 12/31/19 1.750 12/31/2024 CUSIP 912828YY0	2,087,203.13 99.3906	1,993,362.00 94.9220	1.36	93,841.13-	18,476.52
1,500,000	US TREASURY NOTE DTD 03/02/20 1.125 02/28/2025 MOODY'S RATING AAA CUSIP 912828ZC7	1,523,144.53 101.5430	1,400,220.00 93.3480	0.96	122,924.53-	5,733.77
2,500,000	US TREASURY NOTE DTD 04/30/20 0.375 04/30/2025 MOODY'S RATING AAA CUSIP 912828ZL7	2,360,839.85 94.4336	2,281,650.00 91.2660	1.56	79,189.85-	1,605.66

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
570,000	VERIZON MASTER TRUST ASSET BCKD SEC SER 2022-5 CL A1A DTD 08/11/2022 VAR CPN 07/20/2027 CALLABLE CUSIP 92348KAV5	569,974.92 99.9956	561,347.40 98.4820	0.38	8,627.52-	647.90
449,373.02	VERIZON OWNER TRUST SER 2020-B CL A *0 DAY DELAY* DTD 08/12/20 0.470 02/20/2025 MOODY'S RATING AAA CUSIP 92290BAA9	449,278.65 99.9790	442,605.46 98.4940	0.30	6,673.19-	64.53
17,978.39	VERIZON OWNER TRUST SER 2019-C CL A1A *0 DAY DELAY* 144A PRIV PLCMT 1.940 04/22/2024 CUSIP 92348AAA3	17,977.00 99.9923	17,946.93 99.8250	0.01	30.07-	10.66
350,000	WALMART INC DTD 09/17/21 1.050 09/17/2026 MOODY'S RATING AA2 CUSIP 931142ER0	349,338.50 99.8110	309,946.00 88.5560	0.21	39,392.50-	1,061.67
TOTAL BOND & NOTES		155,522,840.18	145,918,494.78	99.58	9,604,345.40-	646,313.41
TOTAL INVESTMENTS		156,139,815.13	146,535,469.73	100.00	9,604,345.40-	647,572.16
TOTAL ACCRUALS		647,572.16	647,572.16			
TOTAL ACCRUALS AND INVESTMENTS		156,787,387.29	147,183,041.89			

CASH SUMMARY
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER XXXXXXXXXX

DESCRIPTION	CASH SUMMARY	
	PRINCIPAL CASH	INCOME CASH
BEGINNING BALANCE	0.00	0.00
RECEIPTS		
NET INTEREST COLLECTED	0.00	132,361.95
OTHER CASH RECEIPTS	1.17	0.00
TRANSFER RECEIPTS	132,361.95	0.00
SALES	446,840.84	0.00
CASH MANAGEMENT SALES	857,166.05	0.00
TOTAL CASH RECEIPTS	1,436,370.01	132,361.95
DISBURSEMENTS		
INVESTMENT MANAGEMENT EXPENSES	8,978.36-	0.00
TRANSFER DISBURSEMENTS	0.00	132,361.95-
PURCHASES	852,656.25-	0.00
CASH MANAGEMENT PURCHASES	574,735.40-	0.00
TOTAL CASH DISBURSEMENTS	1,436,370.01-	132,361.95-
ENDING BALANCE	0.00	0.00

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

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>156,015,128.99</u>	
		CASH EQUIVALENTS			
12/01/22		INTEREST RECEIVED AS 100% TREAS MM FD-SVC CL #008 INTEREST FROM 11/1/22 TO 11/30/22	1,294.76		
12/01/22		INTEREST RECEIVED PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM INTEREST FROM 11/1/22 TO 11/30/22	77.26		
12/31/22	574,658.14	CASH SWEEP PURCHASES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 12 TRANSACTIONS	574,658.14-	574,658.14	
12/31/22	77.26	CASH SWEEP PURCHASES FOR STMT PERIOD PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM 1 TRANSACTIONS	77.26-	77.26	
12/31/22	857,166.05-	CASH SWEEP SALES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 3 TRANSACTIONS	857,166.05	857,166.05-	
		BONDS & NOTES			
12/15/22		INTEREST RECEIVED AMERICAN EXPRES ABS 2.210% 3/15/27 CUSIP 02589BAA8 \$0.00184/PV ON 1,545,000.00 PV DUE 12/15/22	2,845.38		
12/15/22		INTEREST RECEIVED AMERICAN EXPRESS ABS 3.390% 5/17/27 CUSIP 02582JJT8 \$0.00283/PV ON 1,375,000.00 PV DUE 12/15/22	3,884.38		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/27/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 0.330% 12/26/24 CUSIP 09690AAC7 \$0.00027/PV ON 425,000.00 PV DUE 12/25/22	116.88		
12/27/22	10,788.29-	PAID DOWN BMW VEHICLE LEASE TR 0.330% 12/26/24 CUSIP 09690AAC7 TO SETTLE ON 12/27/2022	10,788.29	10,787.18-	1.11
12/27/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 1.100% 3/25/25 CUSIP 05601XAC3	412.50		
12/27/22		INTEREST RECEIVED BMW VEHICLE OWN ABS 3.210% 8/25/26 CUSIP 05602RAD3 \$0.00268/PV ON 530,000.00 PV DUE 12/25/22	1,417.75		
12/14/22		INTEREST RECEIVED FED HOME LN BK 2.875% 6/14/24 CUSIP 3130A1XJ2 INTEREST ON 1,500,000.000 UNITS	21,562.50		
12/05/22		INTEREST RECEIVED FED HOME LN MTG CORP 0.250% 12/04/23 CUSIP 3137EAF2 INTEREST ON 1,755,000.000 UNITS	2,193.75		
12/27/22		INTEREST RECEIVED FED HOME LN MTG CORP 3.171% 10/25/24 CUSIP 3137BFE98 \$0.00264/PV ON 1,300,000.00 PV DUE 12/25/22	3,435.25		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/19/22		INTEREST RECEIVED FED NATL MTG ASSN 0.500% 6/17/25 CUSIP 3135G04Z3 INTEREST ON 2,500,000.000 UNITS	6,250.00		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.653% 8/25/26 CUSIP 3137BSP72 \$0.00221/PV ON 650,000.00 PV DUE 12/25/22	1,437.04		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.995% 12/25/25 CUSIP 3137BN6G4 \$0.00250/PV ON 570,000.00 PV DUE 12/25/22	1,422.62		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLM28 \$0.00251/PV ON 1,000,000.00 PV DUE 12/25/22	2,508.33		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.244% 8/25/27 CUSIP 3137FBBX3 \$0.00270/PV ON 1,000,000.00 PV DUE 12/25/22	2,703.33		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.308% 9/25/25 CUSIP 3137BM7C4 \$0.00276/PV ON 440,000.00 PV DUE 12/25/22	1,212.93		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/16/22		INTEREST RECEIVED GM FINANCIAL ABS 3.100% 2/16/27 CUSIP 362585AC5 \$0.00258/PV ON 390,000.00 PV DUE 12/16/22	1,007.50		
12/20/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 0.390% 10/21/24 CUSIP 36262XAC8 \$0.00032/PV ON 965,000.00 PV DUE 12/20/22	313.63		
12/20/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 1.850% 3/20/25 CUSIP 36265MAC9 \$0.00158/PV ON 945,000.00 PV DUE 12/20/22	1,496.25		
12/16/22		INTEREST RECEIVED GM FINANCIAL SECURIT 0.680% 9/16/26 CUSIP 362554AC1 \$0.00057/PV ON 350,000.00 PV DUE 12/16/22	198.33		
12/16/22		INTEREST RECEIVED GM FINANCIAL SECURIT 1.260% 11/16/26 CUSIP 380146AC4 \$0.00105/PV ON 295,000.00 PV DUE 12/16/22	309.75		
12/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.270% 4/21/25 CUSIP 43813GAC5 \$0.00023/PV ON 222,564.82 PV DUE 12/21/22	50.08		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/21/22	15,698.31-	PAID DOWN HONDA AUTO RECEIVABL 0.270% 4/21/25 CUSIP 43813GAC5	15,698.31	15,698.02-	0.29
12/19/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6 \$0.00031/PV ON 317,128.71 PV DUE 12/18/22	97.78		
12/19/22	28,720.54-	PAID DOWN HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6 TO SETTLE ON 12/19/2022	28,720.54	28,716.32-	4.22
12/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2 \$0.00068/PV ON 62,059.95 PV DUE 12/15/22	42.41		
12/15/22	6,979.43-	PAID DOWN HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2	6,979.43	6,978.88-	0.55
12/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.880% 1/21/26 CUSIP 43815GAC3 \$0.00073/PV ON 460,000.00 PV DUE 12/21/22	337.33		
12/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 1.000% 5/15/26 CUSIP 43815BAC4 \$0.00157/PV ON 740,000.00 PV DUE 12/15/22	1,159.33		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 0.330% 6/17/24 CUSIP 44891VAC5 \$0.00027/PV ON 790,000.00 PV DUE 12/15/22	217.25		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 1.160% 1/15/25 CUSIP 44891WAC3 \$0.00097/PV ON 540,000.00 PV DUE 12/15/22	522.00		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO REC ABS 2.220% 10/15/26 CUSIP 448977AD0 \$0.00185/PV ON 1,010,000.00 PV DUE 12/15/22	1,868.50		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.380% 9/15/25 CUSIP 44933LAC7 \$0.00032/PV ON 511,389.56 PV DUE 12/15/22	161.94		
12/15/22	30,174.17-	PAID DOWN HYUNDAI AUTO RECEIVA 0.380% 9/15/25 CUSIP 44933LAC7	30,174.17	30,171.00-	3.17
12/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.740% 5/15/26 CUSIP 44935FAD6 \$0.00062/PV ON 1,330,000.00 PV DUE 12/15/22	820.17		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNE ABS 5.090% 6/15/27 CUSIP 47800BAC2 \$0.00792/PV ON 1,050,000.00 PV DUE 12/15/22	8,313.67		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER ABS 2.320% 9/16/26 CUSIP 47787JAC2 \$0.00193/PV ON 450,000.00 PV DUE 12/15/22	870.00		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER ABS 3.740% 2/16/27 CUSIP 47800AAC4 \$0.00312/PV ON 655,000.00 PV DUE 12/15/22	2,041.42		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3 \$0.00043/PV ON 107,984.82 PV DUE 12/15/22	45.89		
12/15/22	9,276.98-	PAID DOWN JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3	9,276.98	9,275.57-	1.41
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.520% 3/16/26 CUSIP 47789QAC4 \$0.00043/PV ON 580,000.00 PV DUE 12/15/22	251.33		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7 \$0.00092/PV ON 70,972.34 PV DUE 12/15/22	65.06		
12/15/22	11,240.55-	PAID DOWN JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7	11,240.55	11,239.86-	0.69

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3 \$0.00184/PV ON 2,330.73 PV DUE 12/15/22	4.29		
12/16/22	0.01	SHARE ADJUSTMENT JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3			
12/16/22	2,330.74-	PAID DOWN JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3 TO SETTLE ON 12/16/2022	2,330.74	2,352.31-	21.57-
12/15/22		INTEREST RECEIVED MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2 \$0.00033/PV ON 102,158.02 PV DUE 12/15/22	34.05		
12/15/22	40,281.11-	PAID DOWN MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2	40,281.11	40,279.07-	2.04
12/15/22		INTEREST RECEIVED NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5 \$0.00161/PV ON 208,142.54 PV DUE 12/15/22	334.77		
12/15/22	45,688.62-	PAID DOWN NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5	45,688.62	45,915.27-	226.65-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/12/22		INTEREST RECEIVED P/P GUARDIAN LIFE GL 0.875% 12/10/25 CUSIP 40139LBC6 INTEREST ON 1,400,000.000 UNITS	6,125.00		
12/06/22		INTEREST RECEIVED P/P PRICOA GLOBAL FU 1.150% 12/06/24 CUSIP 74153WCQ0 INTEREST ON 885,000.000 UNITS	5,088.75		
12/12/22		INTEREST RECEIVED TORONTO-DOMINION BAN 2.650% 6/12/24 CUSIP 89114QCA4 INTEREST ON 1,500,000.000 UNITS	19,875.00		
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.260% 5/15/25 CUSIP 89240BAC2 \$0.00022/PV ON 804,167.17 PV DUE 12/15/22	174.24		
12/15/22	55,437.25-	PAID DOWN TOYOTA AUTO RECEIVAB 0.260% 5/15/25 CUSIP 89240BAC2	55,437.25	55,426.96-	10.29
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0 \$0.00029/PV ON 239,650.17 PV DUE 12/15/22	69.90		
12/15/22	23,221.55-	PAID DOWN TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0	23,221.55	23,217.22-	4.33

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.710% 4/15/26 CUSIP 89238JAC9 \$0.00059/PV ON 430,000.00 PV DUE 12/15/22	254.42		
12/20/22		INTEREST RECEIVED TOYOTA LEASE OWN ABS 1.960% 2/20/25 CUSIP 89238LAC4 \$0.00163/PV ON 1,150,000.00 PV DUE 12/20/22	1,878.33		
12/20/22		INTEREST RECEIVED TOYOTA LEASE OWNER 0.390% 4/22/24 CUSIP 89238EAC0 \$0.00032/PV ON 630,109.48 PV DUE 12/20/22	204.79		
12/20/22	75,244.88-	PAID DOWN TOYOTA LEASE OWNER 0.390% 4/22/24 CUSIP 89238EAC0	75,244.88	73,739.98-	1,504.90
12/19/22		INTEREST RECEIVED TOYOTA MOTOR CREDIT 1.125% 6/18/26 CUSIP 89236TJK2 INTEREST ON 1,385,000.000 UNITS	7,790.63		
12/06/22	850,000	PURCHASED U.S. TREASURY NOTES 3.875% 11/30/27 CUSIP 91282CFZ9 AT \$100.3125 ON TRADE DATE 12/05/2022 TO SETTLE ON 12/06/2022 BARCLAYS CAPITAL INC. FIXED IN	852,656.25-	852,656.25	
12/06/22		ACCRUED INTEREST ON PURCHASE U.S. TREASURY NOTES 3.875% 11/30/27 CUSIP 91282CFZ9	542.93-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/20/22		INTEREST RECEIVED VERIZON MAST ABS V-M 3.720% 7/20/27 CUSIP 92348KAV5 \$0.00310/PV ON 570,000.00 PV DUE 12/20/22	1,767.00		
12/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 0.470% 2/20/25 CUSIP 92290BAA9 \$0.00039/PV ON 521,030.91 PV DUE 12/20/22	204.07		
12/20/22	71,657.89-	PAID DOWN VERIZON OWNER TRUST 0.470% 2/20/25 CUSIP 92290BAA9	71,657.89	71,642.84-	15.05
12/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3 \$0.00162/PV ON 38,078.92 PV DUE 12/20/22	61.56		
12/20/22	20,100.53-	PAID DOWN VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3	20,100.53	20,098.98-	1.55
12/19/22		INTEREST RECEIVED VR BANK OF AMERICA 1.319% 6/19/26 CUSIP 06051GJD2 INTEREST ON 700,000.000 UNITS	4,616.50		
12/27/22		INTEREST RECEIVED VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95 \$0.00278/PV ON 950,000.00 PV DUE 12/25/22	2,639.42		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/01/22		INTEREST RECEIVED VR JPMORGAN CHASE & 0.824% 6/01/25 CUSIP 46647PCH7 INTEREST ON 1,370,000.000 UNITS	5,644.40		
12/23/22		INTEREST RECEIVED VR JPMORGAN CHASE & 0.969% 6/23/25 CUSIP 46647PCK0 INTEREST ON 655,000.000 UNITS	3,173.48		
		OTHER CASH RECEIPTS			
12/23/22		ADDITION TO ACCOUNT COMP DUE TO UNINVESTED FUNDS FOR DELAYED INCOME POSTINGS	1.17		
		TRANSFER RECEIPTS			
12/01/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	7,016.42		
12/05/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	2,193.75		
12/06/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	4,545.82		
12/12/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	26,000.00		
12/14/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	21,562.50		
12/15/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	20,116.19		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/16/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	5,379.79		
12/19/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	18,754.91		
12/20/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	5,925.63		
12/21/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	387.41		
12/23/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	3,173.48		
12/27/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	16,893.55		
12/28/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	412.50		
		INVESTMENT MANAGEMENT EXPENSES			
12/05/22		INVESTMENT MGMT FEE PAID TO CHANDLER ASSET MANAGEMENT INC CHANDLER ASSET MGMT FEE INV 2211CUPERTIN	8,978.36-		
		TRANSFER DISBURSEMENTS			
12/01/22		TRANSFER TO PRINCIPAL	7,016.42-		
12/05/22		TRANSFER TO PRINCIPAL	2,193.75-		
12/06/22		TRANSFER TO PRINCIPAL	4,545.82-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/12/22		TRANSFER TO PRINCIPAL	26,000.00-		
12/14/22		TRANSFER TO PRINCIPAL	21,562.50-		
12/15/22		TRANSFER TO PRINCIPAL	20,116.19-		
12/16/22		TRANSFER TO PRINCIPAL	5,379.79-		
12/19/22		TRANSFER TO PRINCIPAL	18,754.91-		
12/20/22		TRANSFER TO PRINCIPAL	5,925.63-		
12/21/22		TRANSFER TO PRINCIPAL	387.41-		
12/23/22		TRANSFER TO PRINCIPAL	3,173.48-		
12/27/22		TRANSFER TO PRINCIPAL	16,893.55-		
12/28/22		TRANSFER TO PRINCIPAL	412.50-		
ENDING BALANCE			0.00	156,139,815.13	

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 TrustAccount Report for the Period
12/1/2022 to 12/31/2022Kristina Alfaro
Director of Administrative Services
City of Cupertino
10300 Torre Ave.
Cupertino, CA 95014

Account Summary

Source	Balance as of 12/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 12/31/2022
OPEB	\$32,828,174.78	\$0.00	-\$1,189,346.78	\$9,741.76	\$0.00	\$0.00	\$31,629,086.24
PENSION	\$18,054,972.51	\$0.00	-\$654,113.96	\$5,357.78	\$0.00	\$0.00	\$17,395,500.77
Totals	\$50,883,147.29	\$0.00	-\$1,843,460.74	\$15,099.54	\$0.00	\$0.00	\$49,024,587.01

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	-3.62%	6.26%	-17.99%	0.86%	2.90%	5.22%	6/21/2010
PENSION	-3.62%	6.26%	-17.98%	2.05%	-	-	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

January 03, 2023

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

CITY OF CUPERTINO

FINANCE MANAGER
10300 TORRE AVENUE
CUPERTINO, CA 95014

[Tran Type Definitions](#)



Account Number: XXXXXXXXXX

December 2022 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	21,170,972.93
Total Withdrawal	0 00	Ending Balance	21,170,972.93



CITY OF CUPERTINO

Agenda Item

22-11714

Agenda Date: 2/7/2023
Agenda #: 12.

Subject: Consider the Treasurer's Investment Report for Quarter Ending December 31, 2022

Receive the Treasurer's Investment Report for Quarter Ending December 31, 2022



ADMINISTRATIVE SERVICES DEPARTMENT

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

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider the Treasurer's Investment Report for Quarter Ending December 31, 2022

Recommended Action

Receive the Treasurer's Investment Report for Quarter Ending December 31, 2022

Discussion

Background

On May 19, 2022, 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. 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 monthly Treasurer's report."

Per the referenced code provisions, a Treasurer's Investment Report shall be submitted to the Audit Committee and City Council every month.

Treasurer's Investment Report

The report provides an update on the City's investment portfolio for the month ending December 31, 2022. The report is as of January 18, 2023.

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.

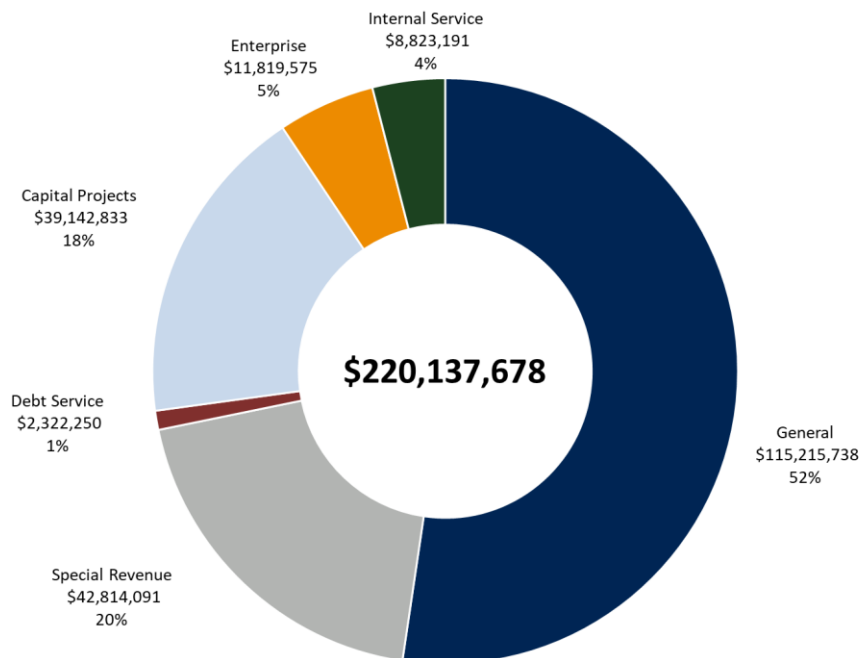
While not governed by the City's Investment Policy, statements for the Public Agency Retirement Services (PARS) Section 115 Trusts are also attached per a request from the Treasurer's Report sub-committee.

The City's General Ledger cash and investments balance was \$220.1 million, a \$3.6 million increase from the prior quarter.

Cash and Investments – General Ledger Balance

Fund Type	Quarter Ending September 30, 2022	Quarter Ending December 31, 2022
General Fund	105,329,003	115,215,738
Special Revenue	45,588,397	42,814,091
Debt Service	2,682,650	2,322,250
Capital Projects	40,034,177	39,142,833
Enterprise	12,476,572	11,819,575
Internal Service	10,453,792	8,823,191
Total	\$216,564,592	\$220,137,678

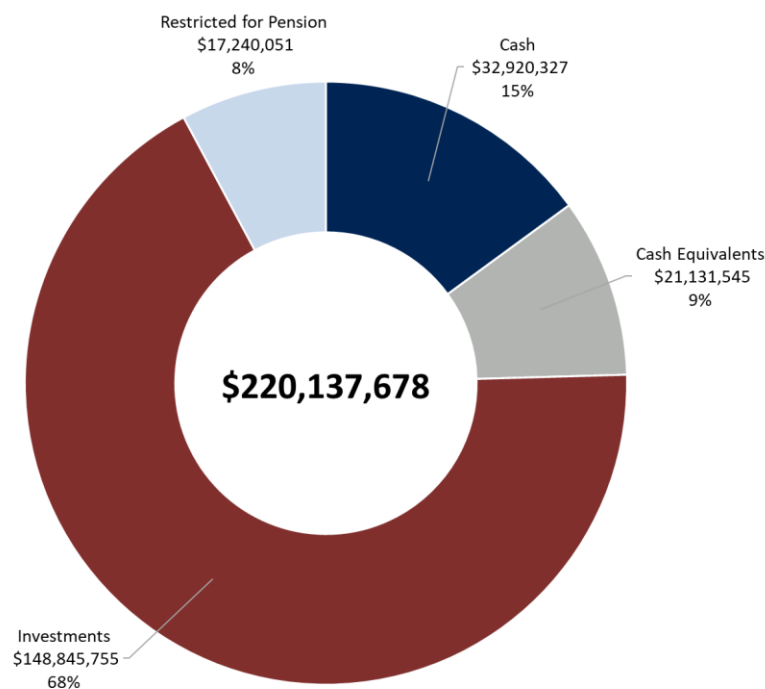
Cash and Investments by Fund



The \$220.1 million in cash and investments includes \$33.0 million in cash, \$21.1 million in cash equivalents, \$148.8 million in investments, and \$17.2 million restricted for funding pension costs.

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.

Cash and Investments by Type



Cash and Investments – General Ledger Balance

	Quarter Ending September 30, 2022	Quarter Ending December 31, 2022	% of Portfolio
Cash in banks and on hand			
Operating Checking (Wells Fargo)	29,966,945	32,883,874	15%
Workers' Compensation Checking (Wells Fargo)	25,305	31,453	0%
Payroll Checking (Wells Fargo)	-	-	0%
Restricted for Bond Repayments ¹ (BNY Mellon)	8,333	-	0%
Petty Cash and Change	5,000	5,000	0%
Cash Equivalents			

Local Agency Investment Fund	21,059,752	21,131,545	10%
Investments			
Investments (Chandler)	148,259,206	148,845,755	68%
Restricted for Pension ² (PARS)	17,240,051	17,240,051	8%
Total Cash and Investments³	\$216,564,592	\$220,137,678	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.

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 September 30, 2022	Quarter Ending December 31, 2022	% of Portfolio
Cash in banks and on hand			
Operating Checking (Wells Fargo)	31,613,882	33,821,218	15%
Workers' Compensation Checking (Wells Fargo)	25,694	33,538	0%
Payroll Checking (Wells Fargo)	-	-	0%
Restricted for Bond Repayments ¹ (BNY Mellon)	8,333	8,333	0%
Cash Equivalents			
Local Agency Investment Fund	21,099,180	21,170,973	10%
Investments			
Investments (Chandler)	145,810,488	147,282,846	67%
Restricted for Pension ² (PARS)	16,385,602	17,395,501	8%
Total Cash and Investments³	\$214,943,179	\$219,712,409	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.

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 \$21.1 million. The interest rate was 2.07%. The City did not make any deposits or withdrawals in the quarter ending December 2022.

Investment Portfolio

In FY 2018-19, the City selected Chandler Asset Management for investment management services through a Request for Proposal (RFP). Chandler began their work with the City in the winter of 2018, conducting multiple meetings with staff to determine an investment structure and strategy. Starting in March 2019, Chandler invested the City's portfolio by purchasing agency issues, corporate medium-term notes, and negotiable certificates of deposit.

Under the City's Treasurer's direction, Chandler Asset Management manages the City's investment portfolio per 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 \$147.3 million, compared to \$145.8 million at the end of the previous quarter. The table below includes historical comparisons of the City's portfolio:

	September 30, 2022	December 31, 2022
Market Value	145,810,488	147,282,846
Par Value	155,548,714	156,155,965
Book Value	155,475,533	155,929,700
Average Maturity	2.76 years	2.62 years
Average Modified Duration	2.38	2.28
Average Purchase Yield	1.58%	1.70%
Average Market Yield	4.49%	4.63%
Average Quality ¹	AA/Aa1	AA/Aa1

¹ S&P and Moody's respectively

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, so changes in market price do not affect the City's investment principal. The market values 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. A Section 115 Trust is a tax-exempt investment tool that allows local governments to pre-fund pension and retiree health costs. Once contributions are placed into the trust, assets from the trust can only be used to fund retirement plans.

The Section 115 Trusts are not governed by the City's Investment Policy but by separate investment policies. On December 7, 2021, City Council approved the Pension Trust Investment Policy and OPEB Trust Investment Policy. Public Agency Retirement Services (PARS) administers the trust, and US Bank manages the investments per the investment policies.

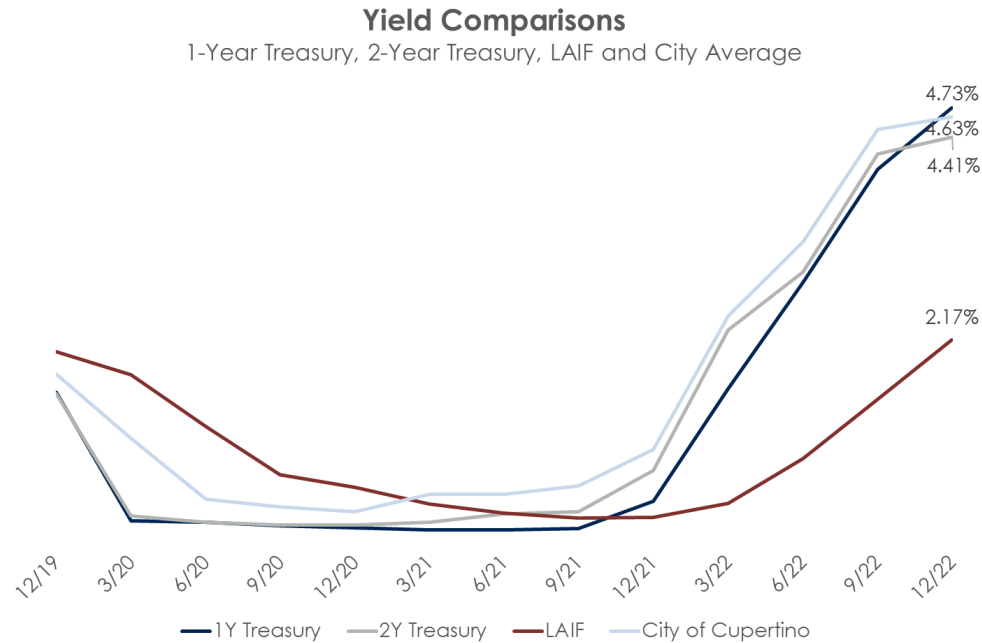
Both Section 115 Trusts are invested in "balanced" portfolios. The investment objective is designed to provide a moderate amount of current income with moderate growth of capital. It is recommended for investors with a long-term time horizon. The strategic asset allocation ranges and targets for this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

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

The Section 115 Pension Trust had a balance of \$17.4 million, a decrease of \$0.7 million from the prior month due to investment losses. The Section 115 OPEB Trust had a balance of \$31.6 million, a decrease of \$1.2 million from the prior month due to investment losses. The quarterly investment returns were 6.26% for both the Pension Trust and OPEB Trust.

Analysis

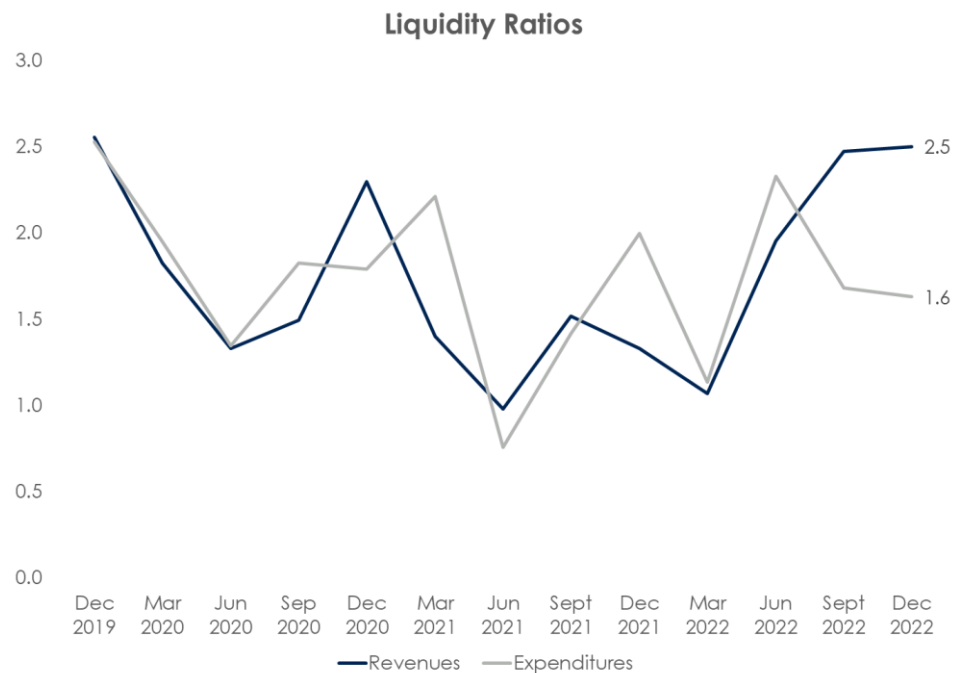
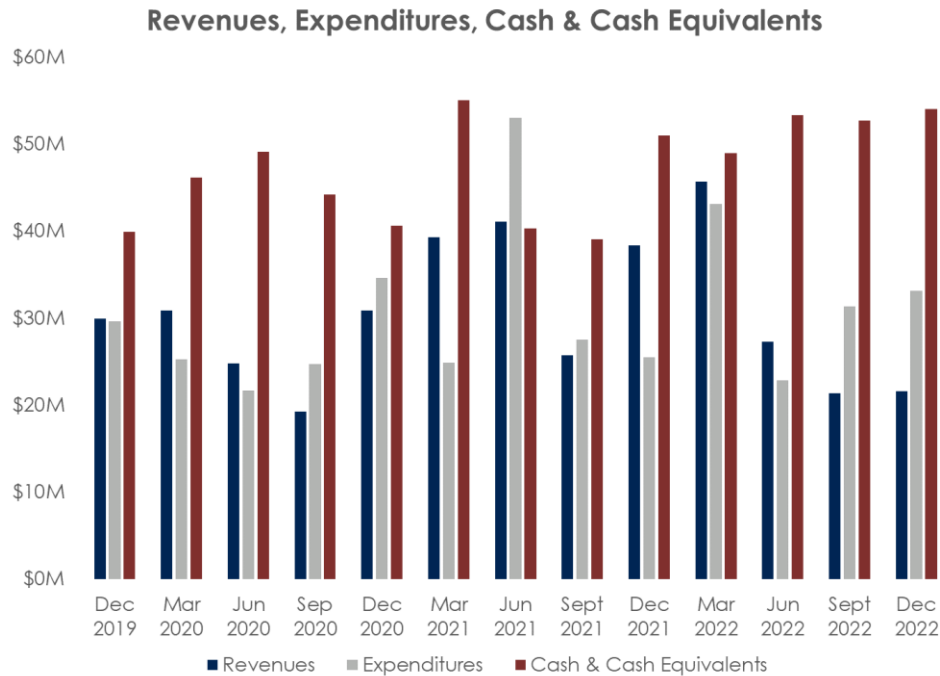
The City compares its portfolio to LAIF and one-year and two-year Treasury yields. Yield comparisons for the one-year Treasury, two-year Treasury, LAIF, and City average are presented below:



In December, yields rose significantly across the curve. The yield curve remained inverted and the spread between the two-year and 10-year Treasury yield became more inverted. The one-year and two-year Treasury yields were 4.73% and 4.41%, respectively. The one-year Treasury yield increased by 68 basis points, and the two-year Treasury yield increased by 19 basis points from September 30, 2022. The yield of the City's investment portfolio was 4.63%, lower than the one-year Treasury yield but higher than LAIF and two-year Treasury yield.

Cash Flow History

Historical revenues, expenditures, and liquidity ratios are presented below:



As the City's portfolio becomes more or less liquid over time, the ratio of cash and cash equivalents to revenues and expenditures will increase or decrease, respectively. The portfolio's investment structure is complete, so the City anticipates the ratio of cash and cash equivalents to revenues and expenditures to continue to flatten out moving forward. While a formal liquidity level has not been established, significant and consistent fluctuations in the ratio may indicate that additional funds should be invested or, conversely, that investments should be liquidated. In recent years, sufficient liquidity

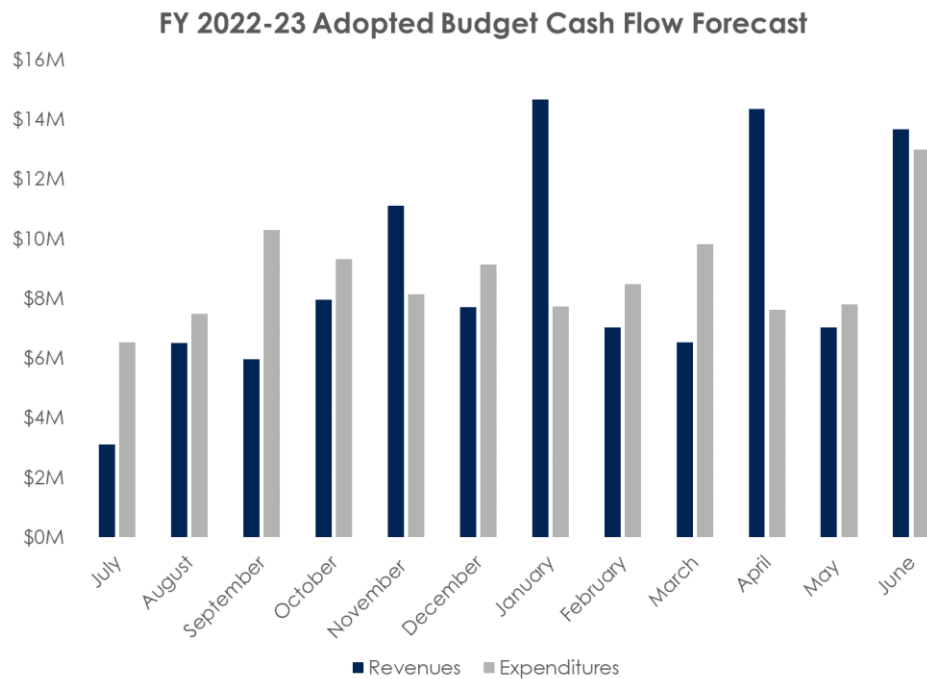
levels for operating revenues and expenditures have approximated a ratio of 1.0. In March 2022, the City transferred \$15.0 million from the operating account to the investment portfolio, which reduced the March 2022 liquidity ratios.

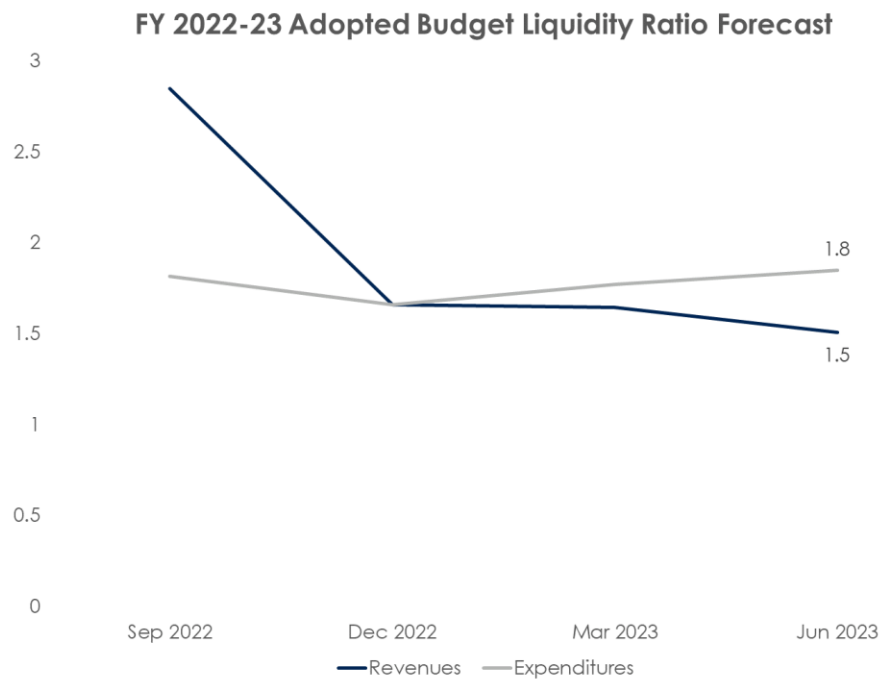
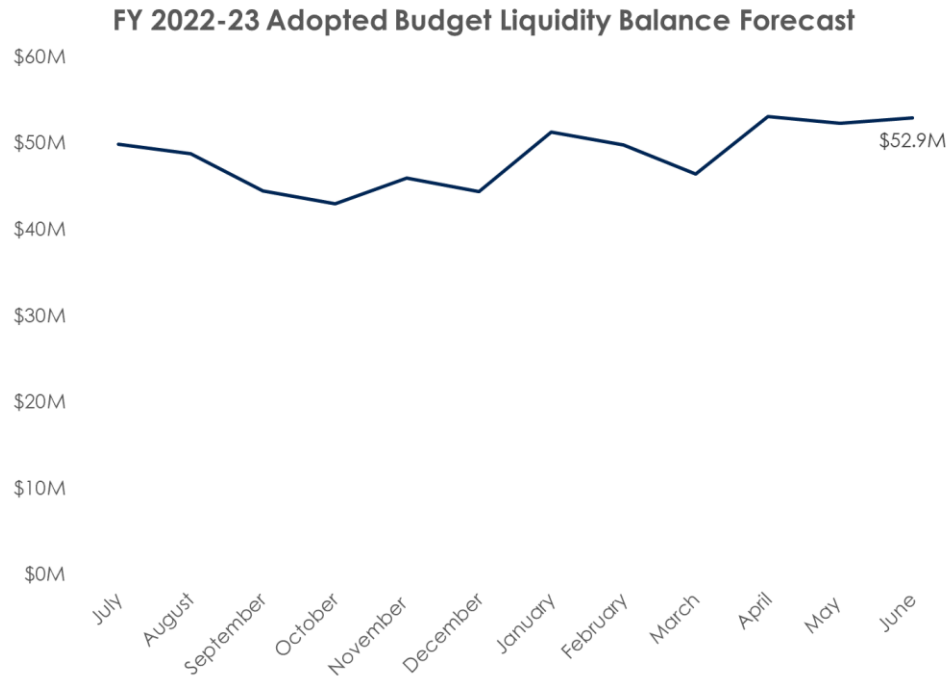
As of December 31, 2022, the liquidity ratio was 2.5 and 1.6 for revenues and expenditures, respectively. The City will monitor inflows and outflows during the second quarter of FY 2022-23 and bring recommendations for the City's investment portfolio as necessary and applicable.

As of December 31, 2022, the City had \$54.0 million in cash and cash equivalents in the bank and on hand. Based on the cash flow forecast, the City maintains the ability to meet its expenditure requirements for the next six months.

Cash Flow Forecast

Applying three-year historical trend data for each of the City's revenue and expenditure line items to the FY 2022-23 Adopted Budget, the City estimated the following cash flow forecast for FY 2022-23:





The purpose of this cash flow and liquidity forecast is to illustrate the timing of the City's revenues and expenditures throughout a fiscal year using historical trend data. The first quarter of the fiscal year experiences expenditures exceeding revenues since the City begins receiving its property tax distributions in November and April of the respective fiscal year. In January and April, the City receives additional property tax revenues due to the Vehicle License Fee (VLF) swap. In June, the City tends to experience higher

activities, particularly expenditures, due to the year-end close and accrual process. From one fiscal year to the next, the City typically incurs one-time special project or capital expenditure costs. The timing of these costs is more difficult to pinpoint to a particular month.

From a cash flow analysis perspective, the Adopted and Amended Budgets are efficient planning tools for determining cash flow needs for a single fiscal year. If a budget is adopted at a position in which revenues and expenditures are balanced, then it is reasonable to conclude cash flow is unlikely to be of concern. Beyond one fiscal year, a City prepares a twenty-year forward-looking forecast using historical and prospective assumptions. This forecast model is incorporated and presented to the City Council as part of the City's Adopted Budget.

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.

Prepared by: 

Janet Liang
Acting Management Analyst

Reviewed by: 

Kristina Alfaro
Director of Administrative Services and City Treasurer

Approved for Submission by: 

Pamela Wu
City Manager

Attachments:

- A – Chandler Investment Report December 2022
- B – Chandler Custodial Statement December 2022
- C – PARS Pension and OPEB Account Statement December 2022
- D – Pension and OPEB Performance Report for Quarter Ending December 31, 2022
- E – LAIF Account Statement December 2022

City of Cupertino

Period Ending December 31, 2022

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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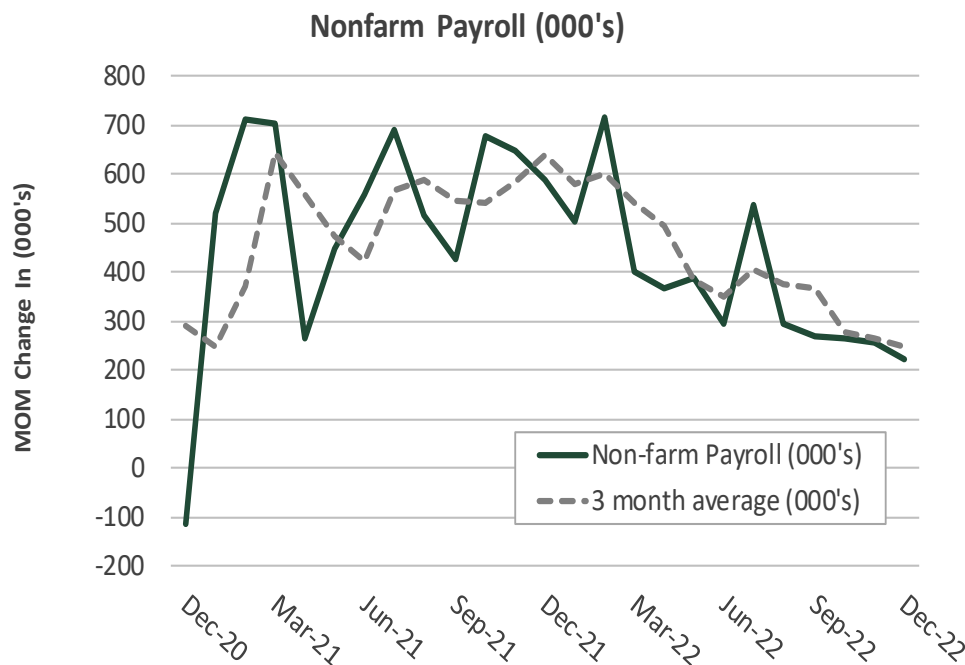
SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

Section 1 | Economic Update

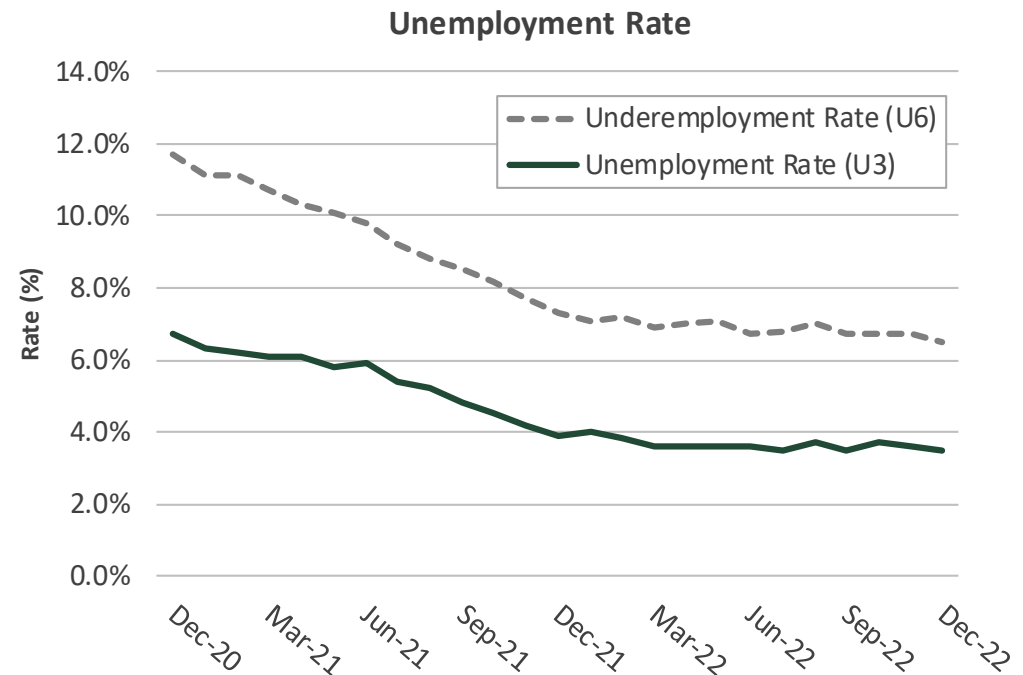
Economic Update

- Market volatility has intensified as global central banks pursue monetary policies to combat persistently high inflation. Although the pace of job growth is moderating, the strength of the labor market has sustained economic growth. Inflation metrics are trending downward but remain significantly higher than the Fed's target. While evidence of slower economic conditions has begun to mount, we expect the Federal Reserve to continue to raise rates to battle inflation, albeit at a less aggressive pace. Over the near-term, we expect financial market volatility to remain intensified with persistent inflation, geopolitical risk, and the Fed's hawkish monetary policy.
- As expected at the December 14th meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 50 basis points to a range of 4.25 – 4.50%, in a downshift from four consecutive 75 basis point hikes. The decision was unanimous, and there was no change to the November statement. The sentiment was hawkish, indicating that “ongoing increases” in the fed funds rate are likely appropriate and citing continued labor market imbalances. FOMC members forecasted a higher fed funds rate, slower GDP growth, higher inflation, and higher unemployment in 2023 than in the September projections. We believe the FOMC will continue to implement tighter monetary policy at a slower pace and hold rates at restrictive levels for some time until inflationary pressures subside and remain in the Fed's target range.
- In December, yields rose, and the curve became less inverted. The 2-year Treasury yield increased 12 basis points to 4.43%, the 5-year Treasury yield rose 27 basis points to 4.01%, and the 10-year Treasury yield climbed 27 basis points to 3.88%. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -55 basis points at December month-end versus -71 basis points at November month-end. The spread was a positive 78 basis points one year ago. The inversion between 3-month and 10-year treasuries narrowed to -50 basis points in December from -74 basis points in November. The year 2022 saw a dramatic shift in the Federal Reserve's policy from highly accommodative to aggressive tightening, resulting in significantly higher rates and an inverted yield curve. The shape of the yield curve indicates that the probability of recession is increasing.

Employment



Source: US Department of Labor

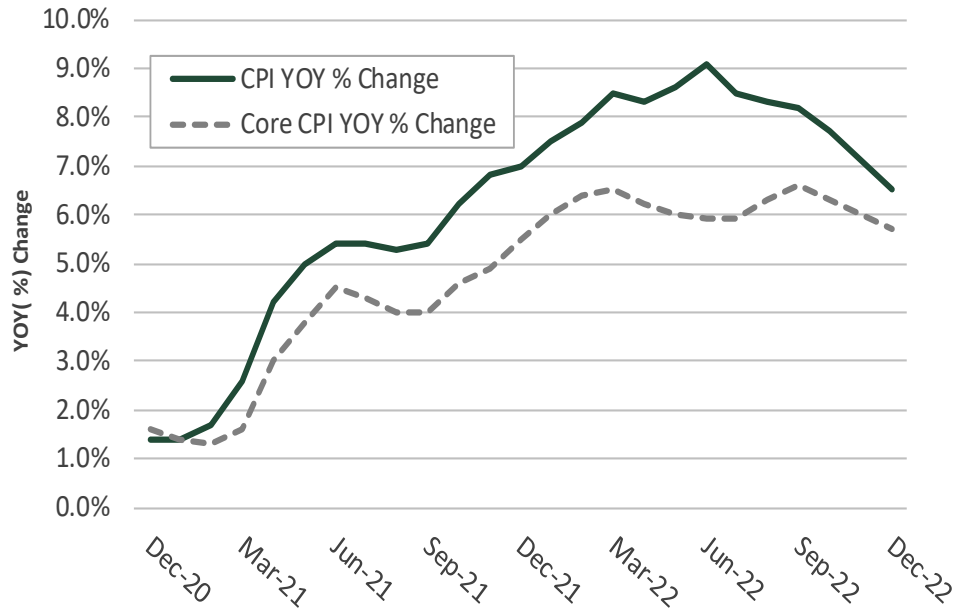


Source: US Department of Labor

The U.S. economy added 223,000 jobs in December, slightly higher than market expectations of 205,000, but a decline from November's revised increase of 256,000. Trends in employment remain healthy, with the three-month moving average payrolls at 247,000 and the six-month moving average at 307,000. Jobs in the goods producing sector were surprisingly strong, and leisure and hospitality employment growth remained solid. The unemployment rate dipped to 3.5%, returning to its pre-pandemic level. The labor participation rate increased only slightly to 62.3% in December from 62.1% in November, indicating the supply of labor remains challenging for employers. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons declined to 6.5% from the prior month at 6.7%. Average hourly earnings rose 4.6% year-over-year in December, down from a revised 4.8% increase in November. Overall, the December employment report demonstrates a strong demand for labor and supports the case for the Fed to continue raising the federal funds rate, but perhaps at a slower pace.

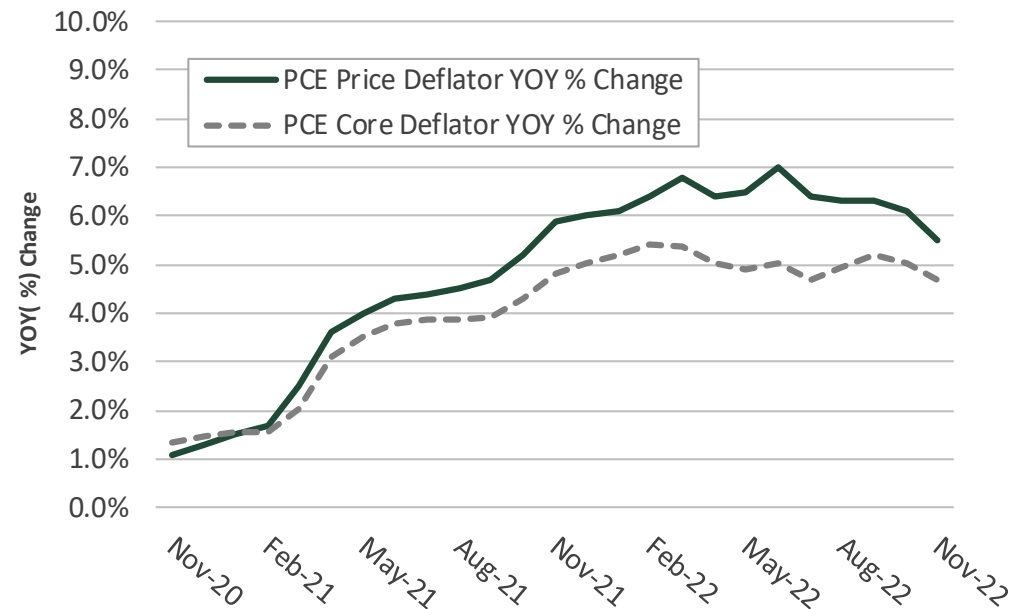
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

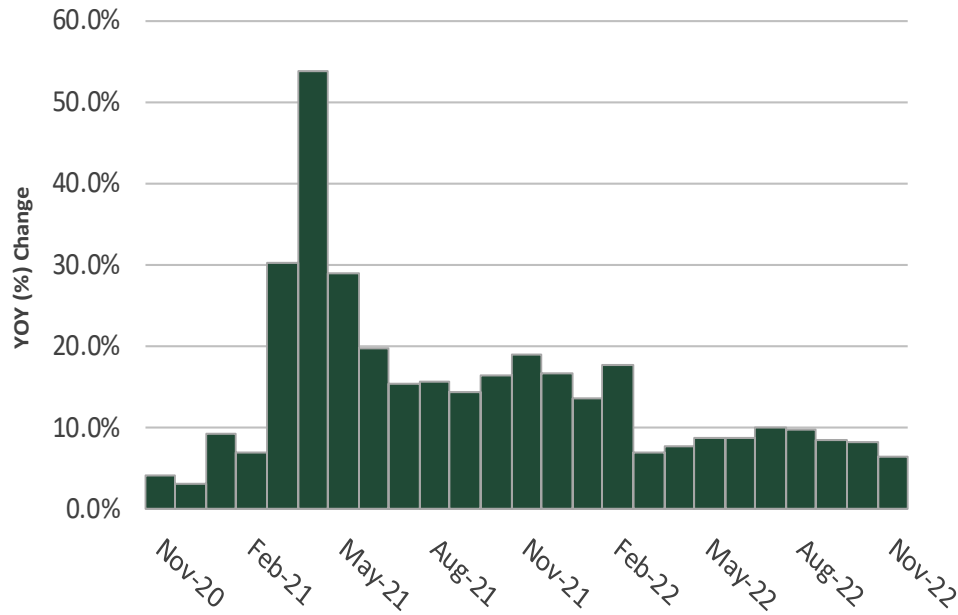


Source: US Department of Commerce

The Consumer Price Index (CPI) increased 6.5% year-over-year in December, down from a 7.1% year-over-year increase in November. The Core CPI, which excludes volatile food and energy components, rose 5.7% year-over-year in December, down from 6.0% in November. Gasoline prices decelerated materially, while shelter prices continued to rise. A shift in spending from goods to services continues to dampen merchandise prices. The Personal Consumption Expenditures (PCE) index rose 5.5% year-over-year in November, versus an upwardly revised 6.1% year-over-year gain in October. Core PCE increased 4.7% year-over-year in November versus a 5.0% year-over-year gain in October. Declining inflationary trends should provide the Federal Reserve room to reduce the pace and magnitude of future federal funds rate hikes.

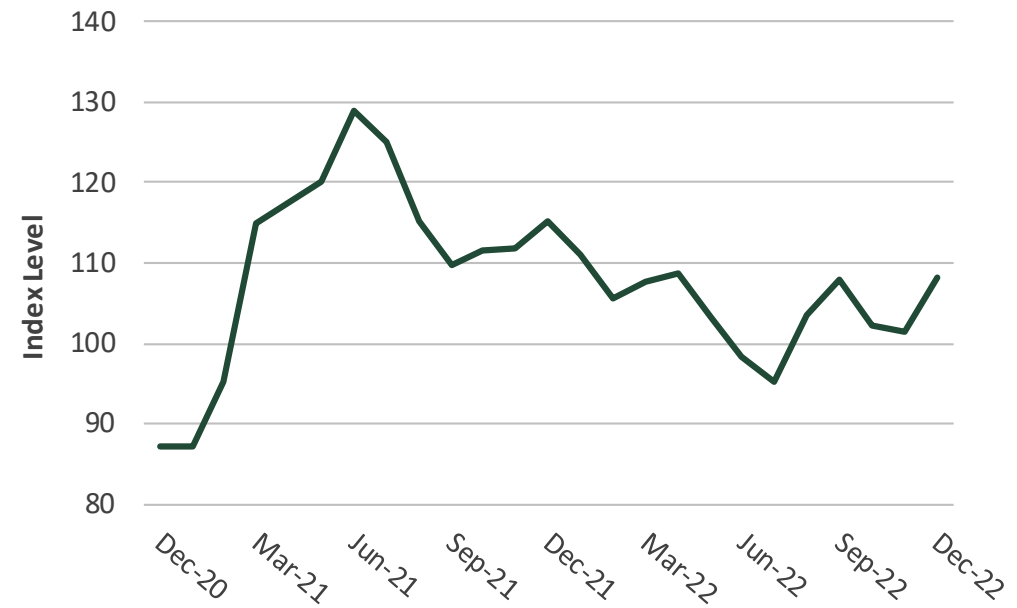
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

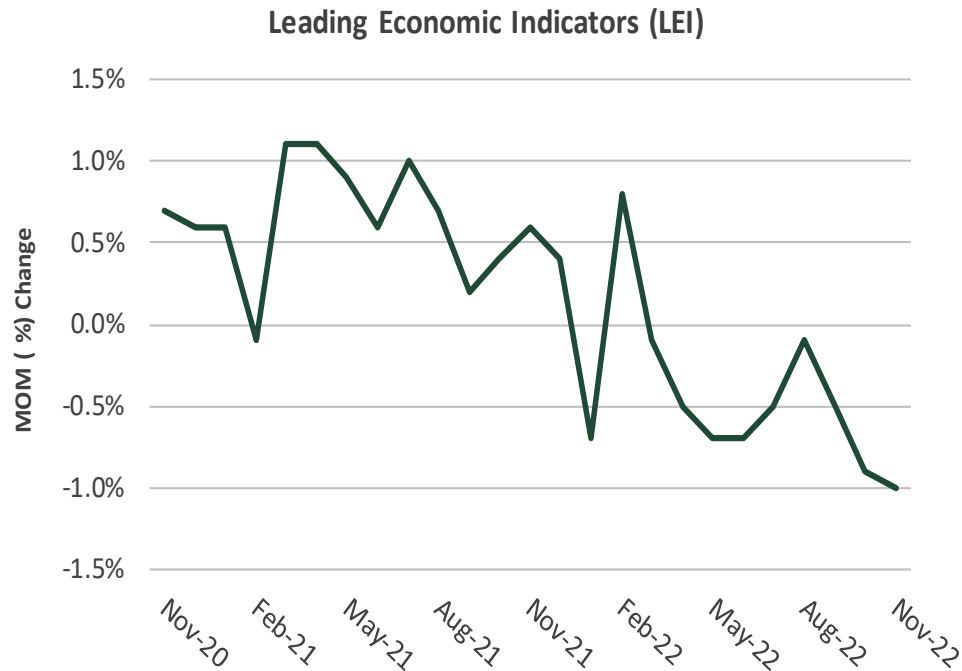
Consumer Confidence



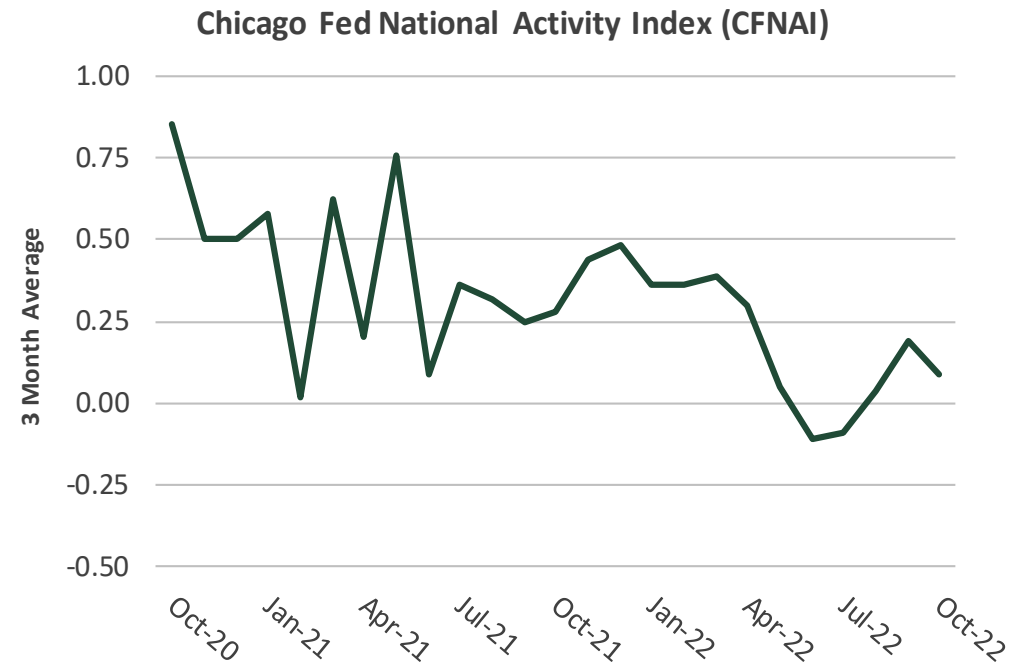
Source: The Conference Board

Advance Retail Sales declined more than expected in November at -0.6% month-over-month and +6.5% year-over-year, possibly suggesting some loss of momentum in consumer demand for goods amid high inflation and shifting preferences toward services. Additionally, Amazon's Prime Day may have pulled some holiday spending activity forward into October from November. The Conference Board's Consumer Confidence Index jumped more than expected to 108.3 in December from an upwardly revised 101.4 in November. Views of current conditions and the future outlook for the economy both improved as inflation expectations declined.

Economic Activity



Source: The Conference Board

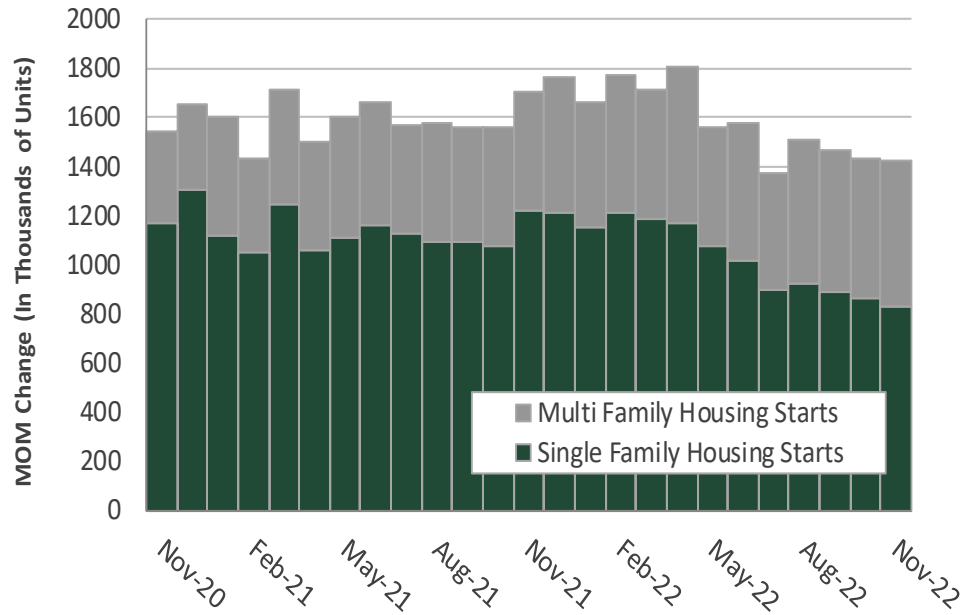


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) remained in negative territory for the ninth consecutive month at a worse than expected -1.0% in November, following a downwardly revised -0.9% in October. The LEI was down 4.5% year-over-year in November versus down 2.9% in October. The Conference Board cited a "lack of economic growth momentum in the near term." The Chicago Fed National Activity Index (CFNAI) decreased to -0.05 in October from +0.17 in September indicating below trend growth over the month. On a 3-month moving average basis, the CFNAI moved down to +0.09 in October from an upwardly revised +0.19 in September.

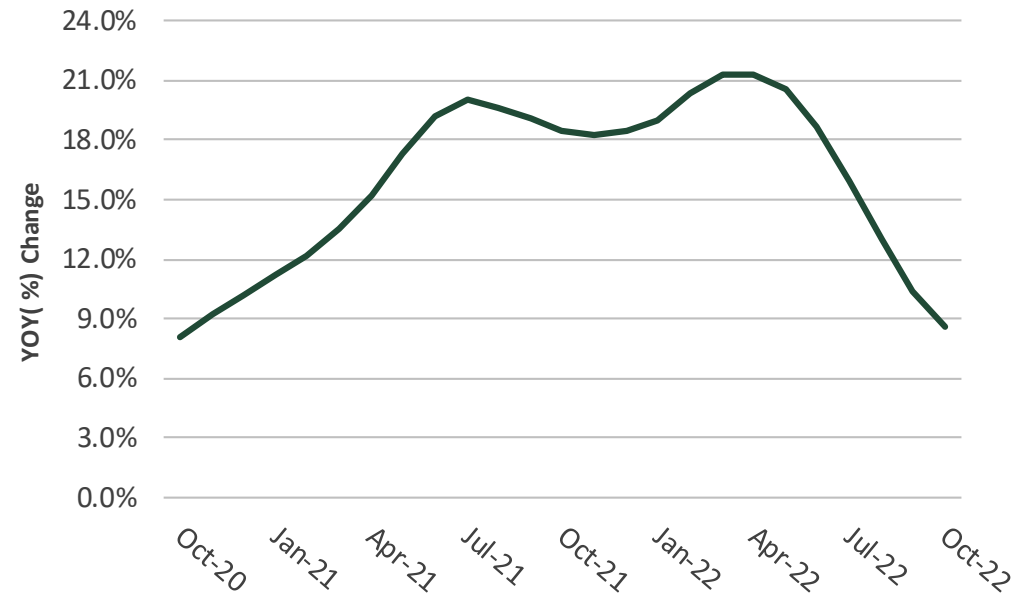
Housing

Housing Starts



Source: US Department of Commerce

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



Source: S&P

Total housing starts declined 0.5% in November to 1,427,000 units after an upward revision to 1,434,000 units in October. Single-family home starts fell 4.1%, whereas multi-family starts rose 4.9% month-over-month. On a year-over-year basis, total housing starts decreased 16.4% reflecting a shift from single-family units to more affordable multi-family units as homebuyers struggle with a combination of elevated prices and higher mortgage rates. The 30-year mortgage rate has edged up to 6.4% according to Freddie Mac but remains below recent highs which topped 7%. According to the Case-Shiller 20-City Home Price Index, the year-over-year increase continued its declining rate of gain to +8.6% in October from +10.4% in September, clearly displaying the impact of higher mortgage rates which have reduced demand for homebuying as affordability has declined.

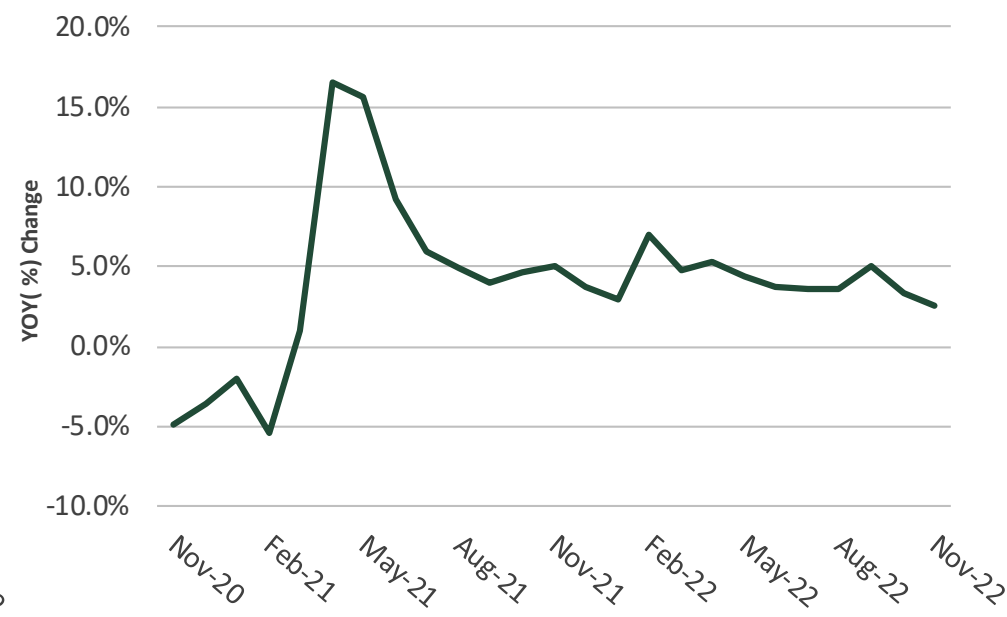
Manufacturing

Institute of Supply Management Purchasing Manager Index



Source: Institute for Supply Management

Industrial Production



Source: Federal Reserve

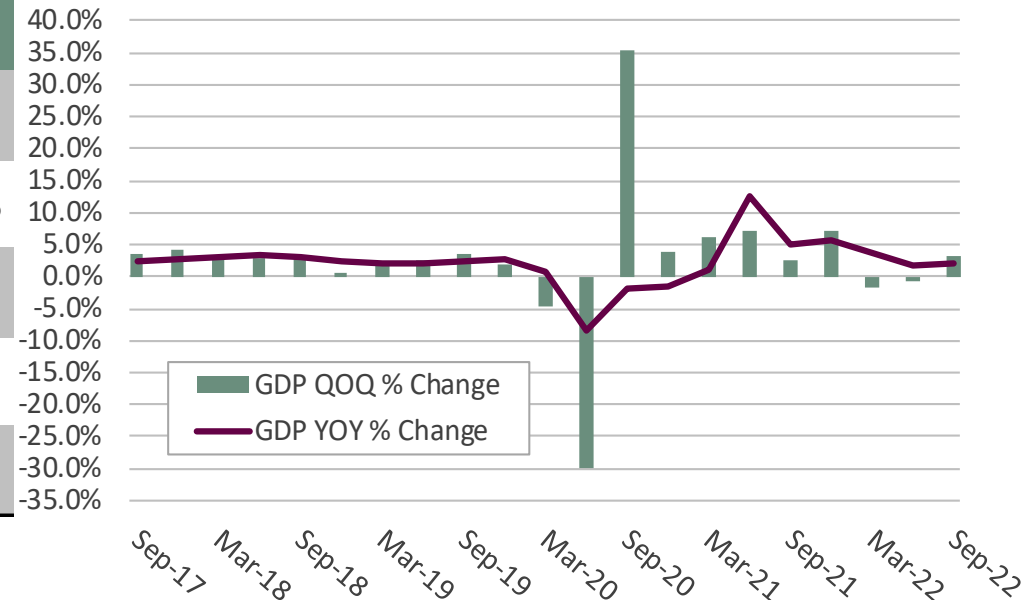
The Institute for Supply Management (ISM) manufacturing index declined to 48.4 in December from 49.0 in November. This is the second consecutive month of readings below 50.0, which is indicative of contraction in the manufacturing sector. The declining trend reflects sluggish demand amid economic uncertainty and easing price pressures in the goods sector. Industrial production was down 0.2% in November after an unrevised decline of 0.1% in October. The decrease was led by weakness in the manufacturing and mining indices. This equates to a 2.5% increase from the prior year. Capacity utilization fell to 79.7% in November from 79.9% in October and continues to run slightly above the 1972-2021 average of 79.6%.

Gross Domestic Product (GDP)

Components of GDP	12/21	3/22	6/22	9/22
Personal Consumption Expenditures	2.1%	0.9%	1.4%	1.5%
Gross Private Domestic Investment	5.1%	1.0%	-2.8%	-1.8%
Net Exports and Imports	-0.2%	-3.1%	1.2%	2.9%
Federal Government Expenditures	0.0%	-0.4%	-0.2%	0.2%
State and Local (Consumption and Gross Investment)	-0.2%	0.0%	-0.1%	0.4%
Total	7.0%	-1.6%	-0.6%	3.2%

Source: US Department of Commerce

Gross Domestic Product (GDP)

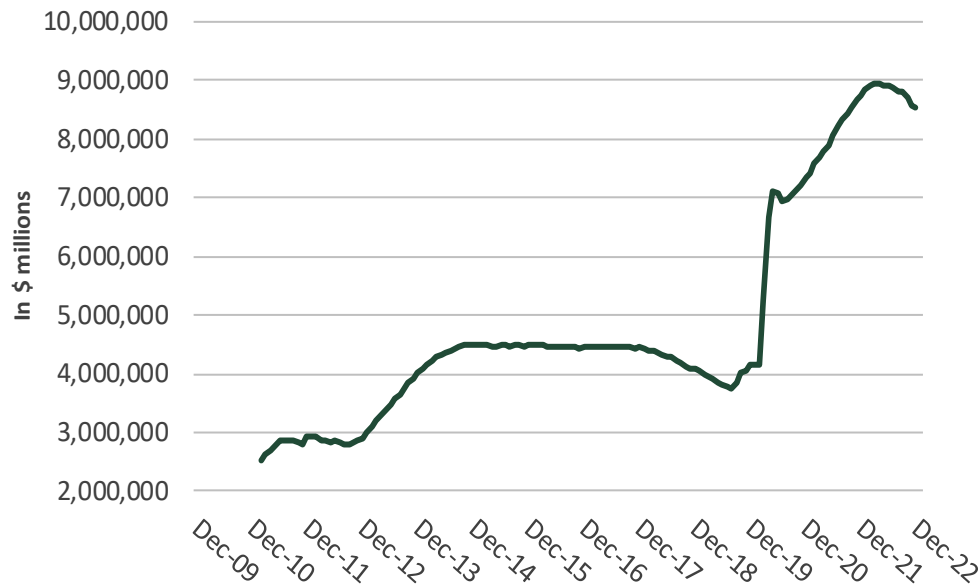


Source: US Department of Commerce

According to the third estimate, GDP increased at an annualized rate of 3.2% in the third quarter, revised up from 2.9%. The upward revision reflects stronger personal consumption expenditures which rose 2.3% in the third quarter, up from 1.7% in the previous estimate, primarily due to continued strength in services spending. Business investment, state and local government spending, and net exports also contributed to the upward revision. The consensus estimate calls for 1.1% growth in the fourth quarter and 1.9% growth for the full year 2022.

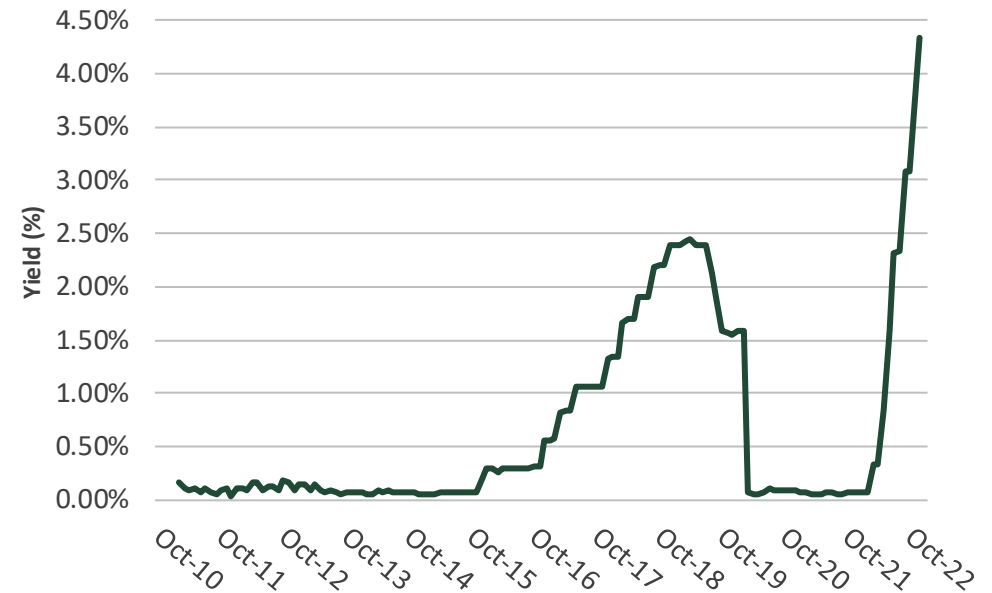
Federal Reserve

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

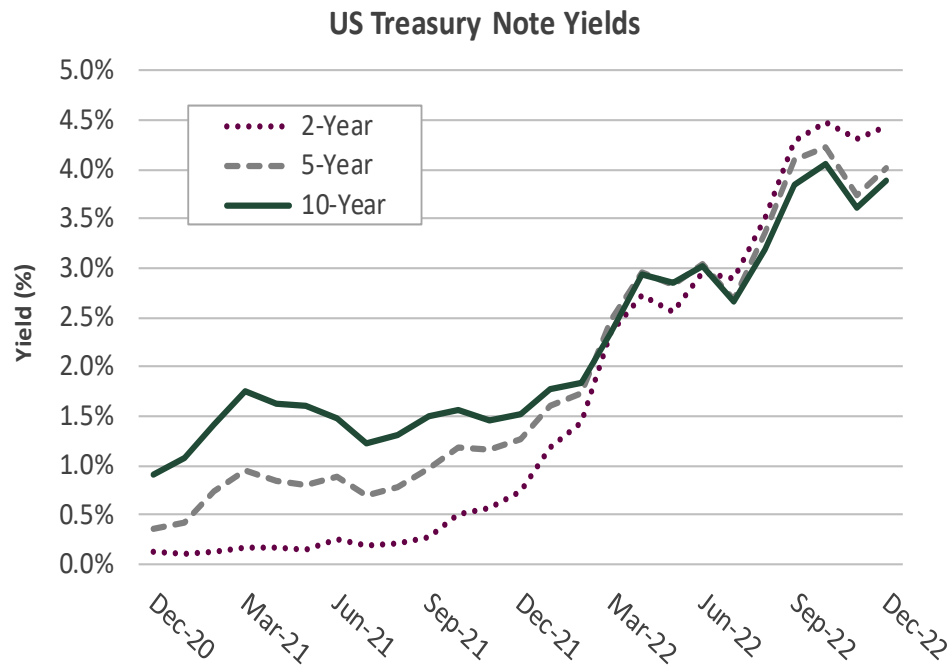
Effective Federal Funds Rate



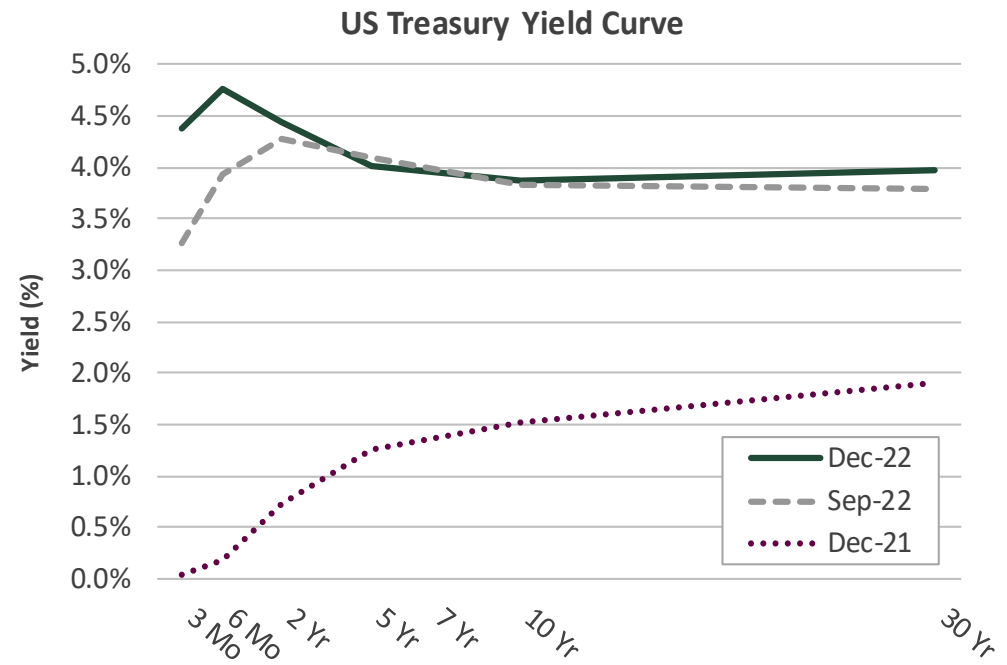
Source: Bloomberg

As expected at the December 14th meeting, the Federal Open Market Committee (FOMC) raised the fed funds target rate by 50 basis points to a range of 4.25 – 4.50%, in a downshift from four consecutive 75 basis point hikes. The decision was unanimous, and there was no change to the November statement. The sentiment was hawkish, indicating that “ongoing increases” in the fed funds rate are likely appropriate and citing continued labor market imbalances. The Summary of Economic Projections indicated a peak median forecast of 5.1% in 2023 and no rate cuts until 2024; however, the market consensus diverged, implying rate cuts in the second half of 2023. FOMC members forecasted a higher fed funds rate, slower GDP growth, higher inflation, and higher unemployment in 2023 than in the September projections. We believe the FOMC will continue to implement tighter monetary policy at a slower pace and hold rates at restrictive levels for some time until inflationary pressures subside and remain in the Fed’s target range.

Bond Yields



Source: Bloomberg



Source: Bloomberg

At the end of December, the 2-year Treasury yield was 370 basis points higher, and the 10-Year Treasury yield was about 237 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -55 basis points at December month-end versus -71 basis points at November month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year treasuries narrowed to -50 basis points in December from -74 basis points in November. The shape of the yield curve indicates that the probability of recession is increasing.

Section 2 | Account Profile

Objectives

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.

Compliance

As of December 31, 2022

City of Cupertino

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	25% per Agency/GSE issuer; 20% max agency callable securities; Issued by Federal Agencies or U.S. Government Sponsored Enterprise obligations.	Complies
Supranational	"AA" rating category or better by a NRSRO; 30% maximum; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, or IADB.	Complies
Municipal Securities	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Obligations of the City, State of California, and any local agency within the State of California; Obligations of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states in addition to California.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset Backed/ Mortgage Backed/ Collateralized Mortgage Obligation	"AA" rating category or better by a NRSRO; 20% maximum; 5% max per issuer on Asset-Backed or Commercial Mortgage security; There is no issuer limitation on any Mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE .	Complies
Negotiable Certificates of Deposit (NCDs)	No rating required if amount of the NCD is insured up to the FDIC limit; If above FDIC insured limit, requires "A-1" short-term rated or "A" long-term rating category or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by nationally or state chartered banks, state or federal savings associations, or state or federal credit unions, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Certificates of Deposit (CDs)/Time Deposit (TDs)	30% maximum; 5% max per issuer; Certificates of Deposit, Time Deposit, non-negotiable, and collateralized in accordance with California Government Code.	Complies
Banker's Acceptances	"A-1" short-term rated or better by a NRSRO; or "A" long-term rating category or better by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short term rated or better a NRSRO; "A" long-term issuer rating category or better by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issued by corporations organized and operating in the U.S. with assets > \$500 million; 10% max outstanding paper of the issuing corporation.	Complies
Money Market Funds	20% maximum; Daily money market funds administered for or by trustees, paying agents and custodian banks contracted by a City of Cupertino as allowed under California Government Code; Only funds holding U.S. Treasury obligations, Government agency obligations or repurchase agreements collateralized by U.S. Treasury or Government agency obligations can be utilized.	Complies

As of December 31, 2022

City of Cupertino

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	<i>Complies</i>
Repurchase Agreements	1 year max maturity; 102% collateralized; A PSA Master Repurchase Agreement is required between City of Cupertino and the broke/dealer or financial institution for all repurchase agreements; Not used by investment adviser	<i>Complies</i>
Prohibited Securities	Reverse Repurchase Agreement; Common stocks; Long-term (> 5 years maturity) notes and bonds; Special circumstances arise that necessitate purchase of securities beyond the 5-year limitation. On such occasions, request must be approved by City Council prior to purchase; Futures/Options; Inverse floaters; Ranges notes, Mortgage-derived, Interest-only strips; Zero interest accrual securities; Purchasing/selling securities on margin; Foreign currency denominated securities.	<i>Complies</i>
Minimum Budgeted Operating Expenditures in Short Term Investments	Minimum 6 months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements	<i>Complies</i>
Max Per Issuer	5% per issuer, unless otherwise specified in the policy	<i>Complies</i>
Maximum maturity	5 years	<i>Complies</i>

Portfolio Summary

As of December 31, 2022

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.28
Average Coupon	1.68%
Average Purchase YTM	1.70%
Average Market YTM	4.63%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.67 yrs
Average Life	2.42 yrs

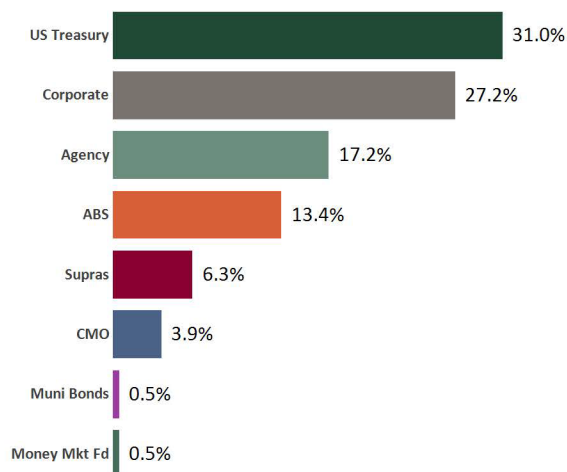
ACCOUNT SUMMARY

	Beg. Values as of 11/30/22	End Values as of 12/31/22
Market Value	146,532,452	146,744,531
Accrued Interest	559,215	538,315
Total Market Value	147,091,668	147,282,846
Income Earned	216,758	221,427
Cont/WD		-8,977
Par	155,927,174	156,155,965
Book Value	155,696,350	155,929,700
Cost Value	156,015,129	156,247,878

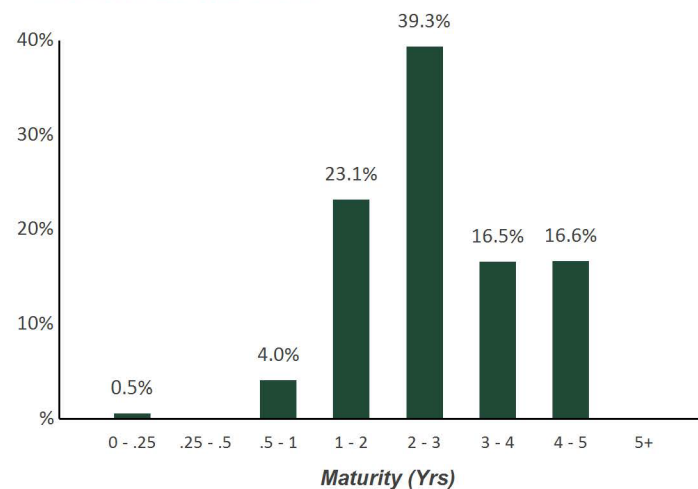
TOP ISSUERS

Government of United States	31.0%
Federal National Mortgage Assoc	8.9%
Federal Home Loan Mortgage Corp	8.8%
Federal Home Loan Bank	3.3%
Inter-American Dev Bank	3.3%
John Deere ABS	1.9%
American Express ABS	1.9%
Hyundai Auto Receivables	1.8%
Total	61.0%

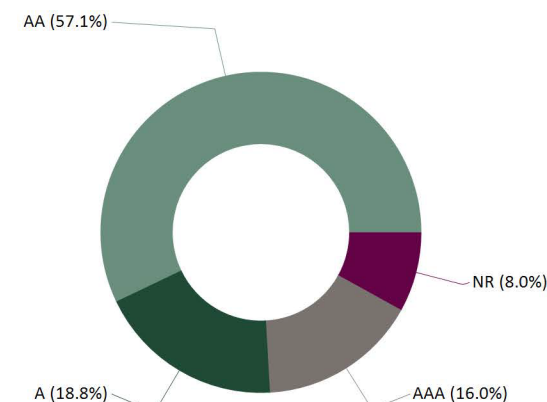
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				1/31/2019
					2YRS	3YRS	5YRS	10YRS	
City of Cupertino	0.14%	1.04%	-4.99%	-4.99%	-2.97%	-0.49%	N/A	N/A	0.50%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.07%	0.94%	-5.25%	-5.25%	-3.19%	-0.78%	N/A	N/A	0.37%

Portfolio Characteristics

As of December 31, 2022

City of Cupertino

	12/31/22		09/30/22
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.61	2.67	2.76
Average Modified Duration	2.48	2.28	2.38
Average Purchase Yield	n/a	1.70%	1.58%
Average Market Yield	4.35%	4.63%	4.49%
Average Quality**	AAA	AA/Aa1	AA/Aa1
Total Market Value		147,282,846	145,810,488

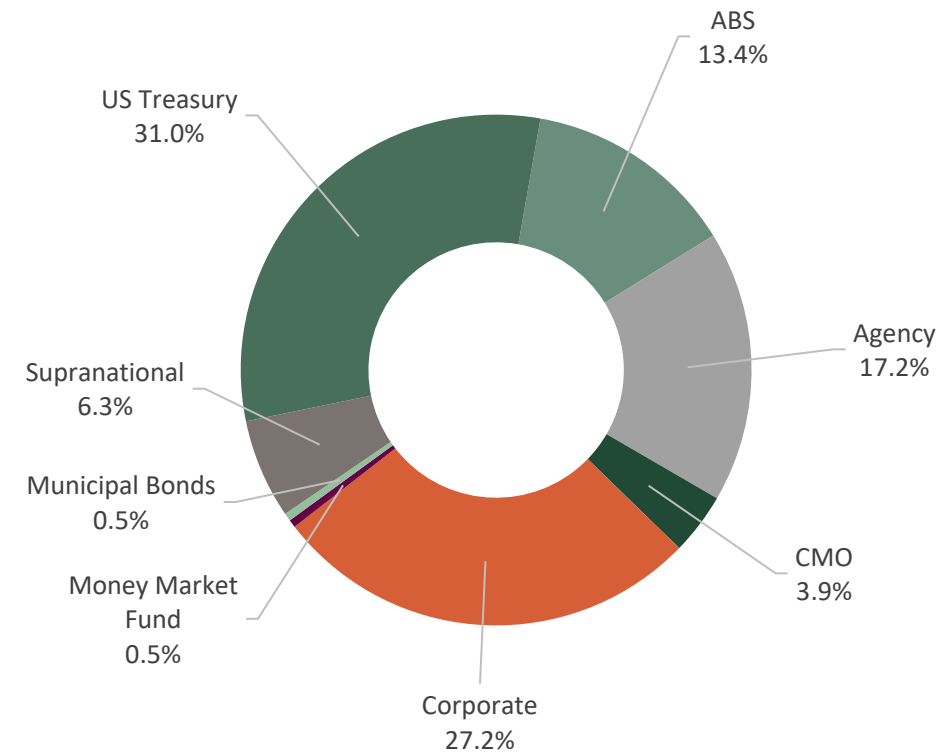
*ICE BofA 1-5 Yr US Treasury & Agency Index

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

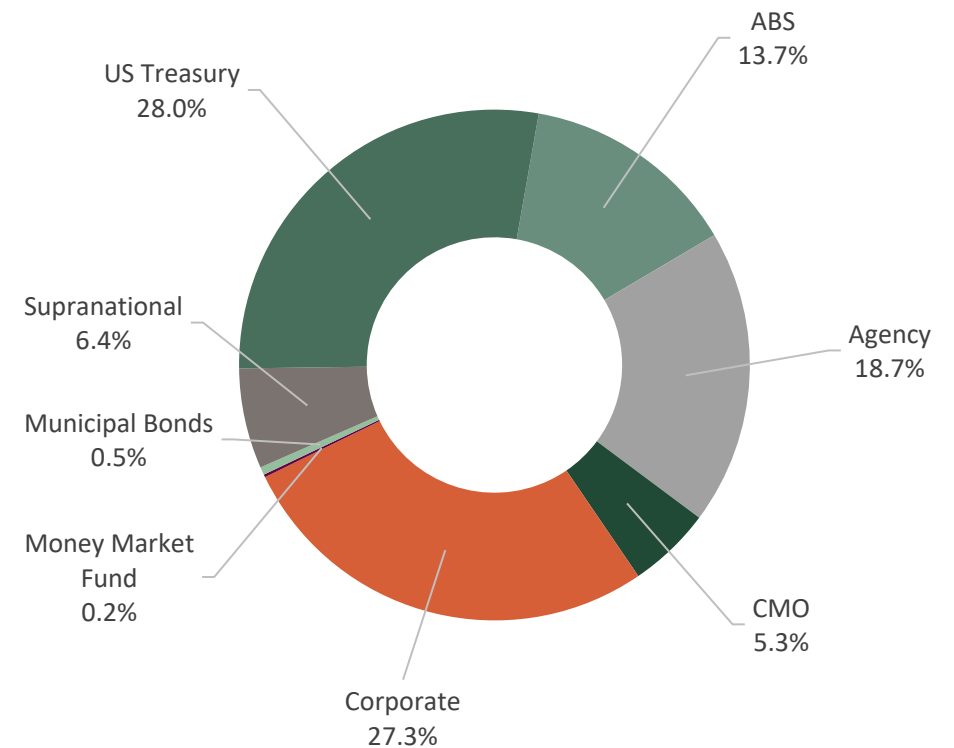
Sector Distribution

City of Cupertino

December 31, 2022



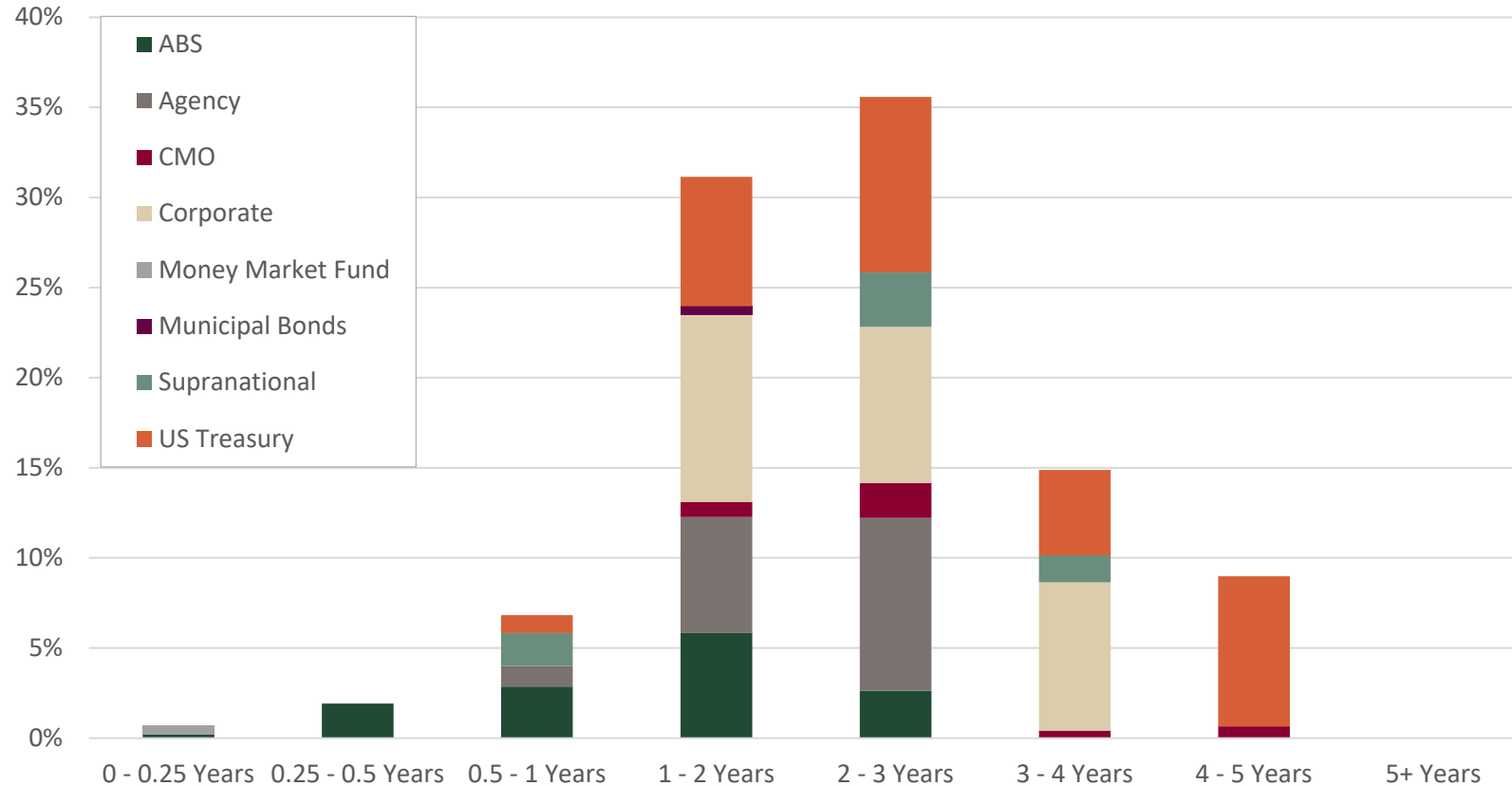
September 30, 2022



As of December 31, 2022

Duration Allocation

City of Cupertino



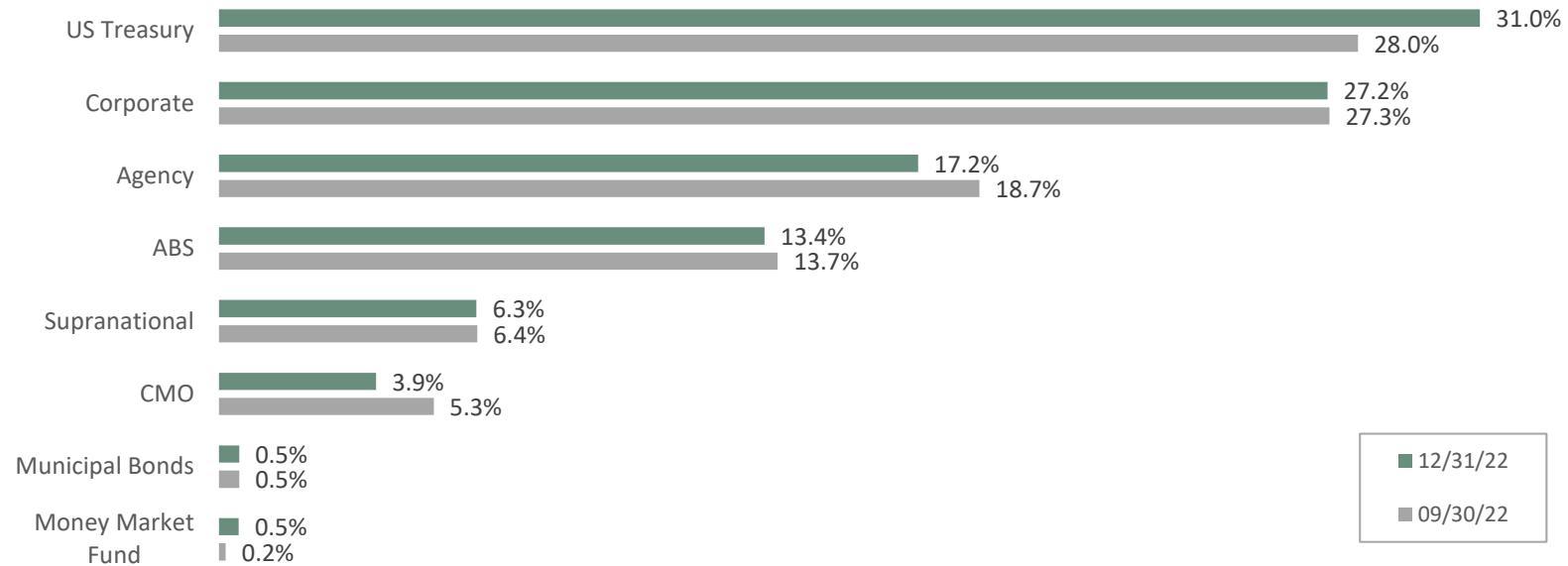
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
12/31/22	0.7%	1.9%	6.8%	31.1%	35.6%	14.9%	9.0%	0.0%

As of December 31, 2022

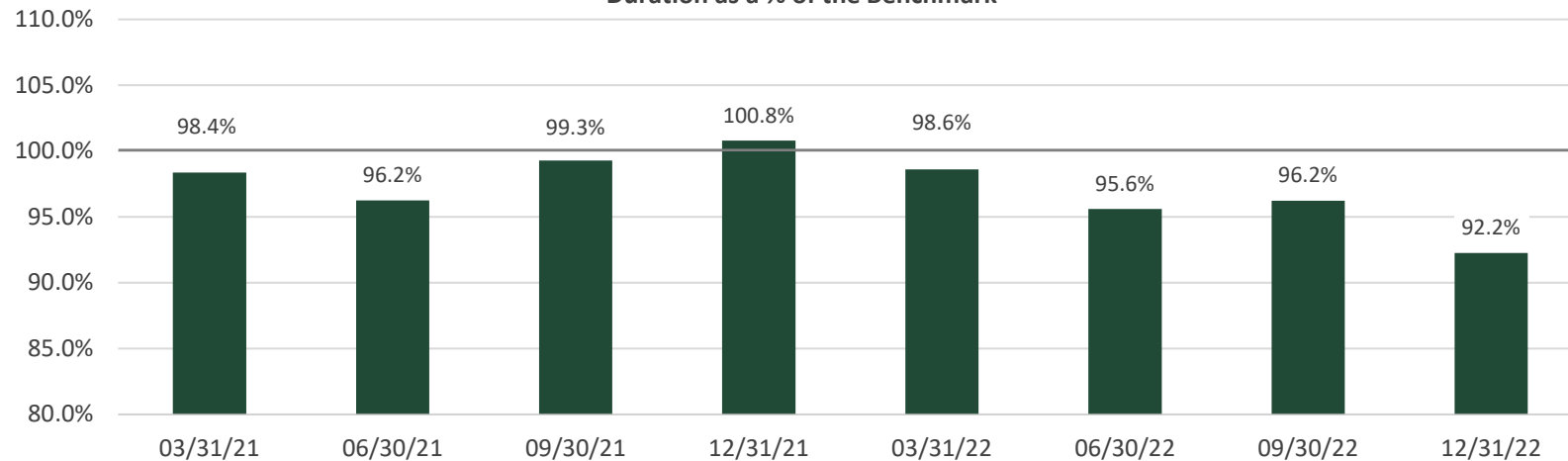
Portfolio Allocation & Duration Changes

City of Cupertino

Portfolio Allocation



Duration as a % of the Benchmark



Benchmark: ICE BofA 1-5 Yr US Treasury & Agency Index

Issuers

As of December 31, 2022

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	30.99%
Federal National Mortgage Association	Agency	8.87%
Federal Home Loan Mortgage Corp	Agency	4.97%
Federal Home Loan Mortgage Corp	CMO	3.86%
Federal Home Loan Bank	Agency	3.34%
Inter-American Dev Bank	Supranational	3.33%
John Deere ABS	ABS	1.93%
American Express ABS	ABS	1.90%
Hyundai Auto Receivables	ABS	1.83%
Royal Bank of Canada	Corporate	1.69%
Toyota Motor Corp	Corporate	1.61%
Bank of New York	Corporate	1.58%
Bank of America Corp	Corporate	1.55%
International Finance Corp	Supranational	1.54%
JP Morgan Chase & Co	Corporate	1.54%
Intl Bank Recon and Development	Supranational	1.47%
Toronto Dominion Holdings	Corporate	1.43%
Northwestern Mutual Gbl	Corporate	1.31%
GM Financial Automobile Leasing Trust	ABS	1.26%
Paccar Financial	Corporate	1.25%
Bank of Montreal Chicago	Corporate	1.17%
Honda ABS	ABS	1.14%
Metlife Inc	Corporate	1.13%
Amazon.com Inc	Corporate	1.13%
Air Products & Chemicals	Corporate	1.13%
Toyota Lease Owner Trust	ABS	1.13%
Salesforce.com Inc	Corporate	1.12%
Prudential Financial Inc	Corporate	1.11%
United Health Group Inc	Corporate	1.08%
New York Life Global Funding	Corporate	1.07%
Berkshire Hathaway	Corporate	1.02%
Toyota ABS	ABS	0.91%
Hyundai Auto Lease Securitization	ABS	0.88%
Guardian Life Global Funding	Corporate	0.84%
US Bancorp	Corporate	0.82%
Caterpillar Inc	Corporate	0.72%
GM Financial Securitized Term Auto Trust	ABS	0.67%
Deere & Company	Corporate	0.67%

Issuers

As of December 31, 2022

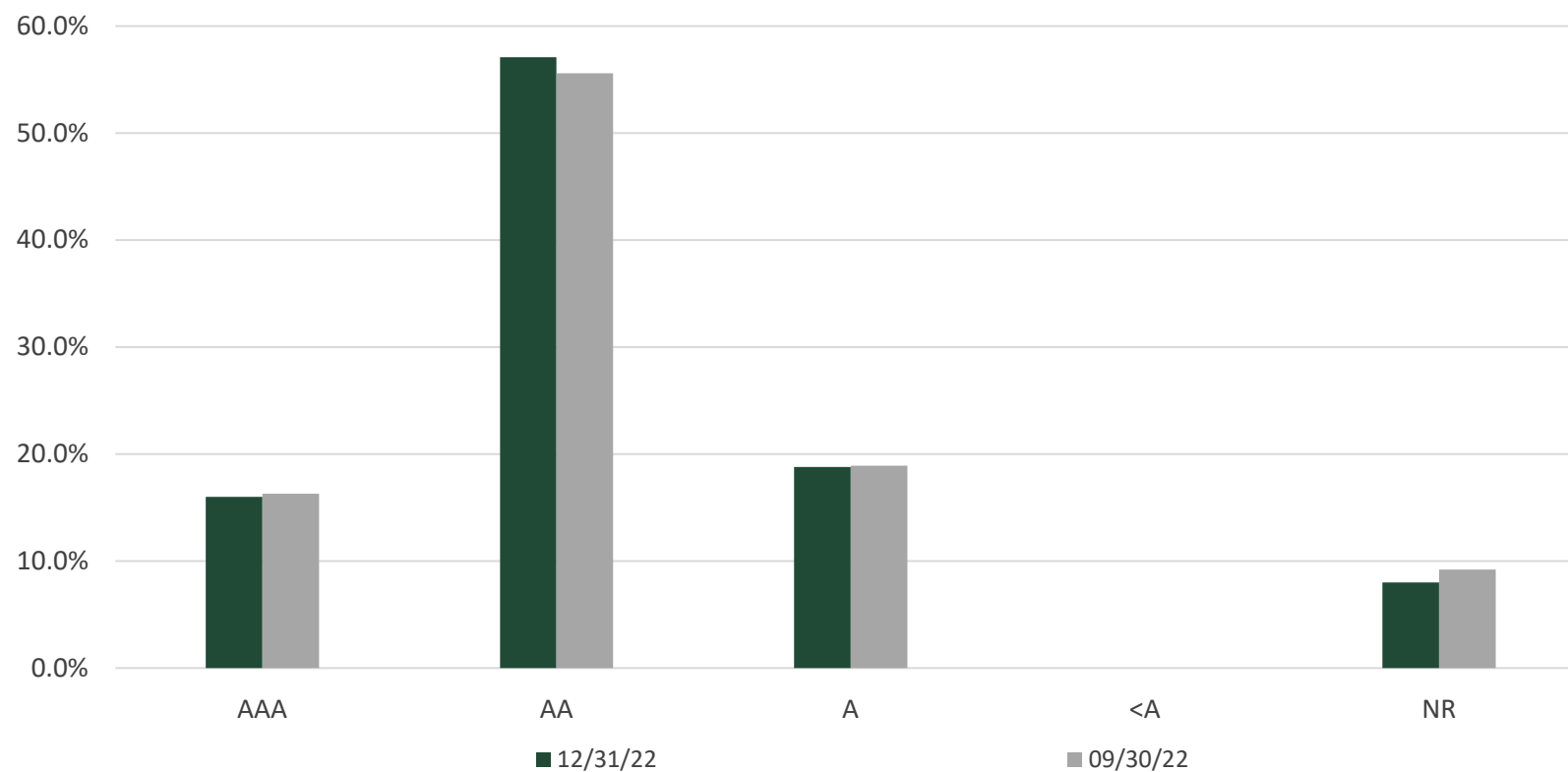
City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Mass Mutual Insurance	Corporate	0.60%
Charles Schwab Corp/The	Corporate	0.60%
BMW Vehicle Lease Trust	ABS	0.57%
State of California	Municipal Bonds	0.50%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund	0.49%
Northern Trust Corp	Corporate	0.45%
Morgan Stanley	Corporate	0.41%
Verizon Master Trust	ABS	0.38%
BMW ABS	ABS	0.35%
Verizon Owner Trust	ABS	0.31%
Wal-Mart Stores	Corporate	0.21%
Nissan ABS	ABS	0.11%
Mercedes-Benz Auto Lease Trust	ABS	0.04%
TOTAL		100.00%

As of December 31, 2022

Quality Distribution

City of Cupertino
December 31, 2022 vs. September 30, 2022



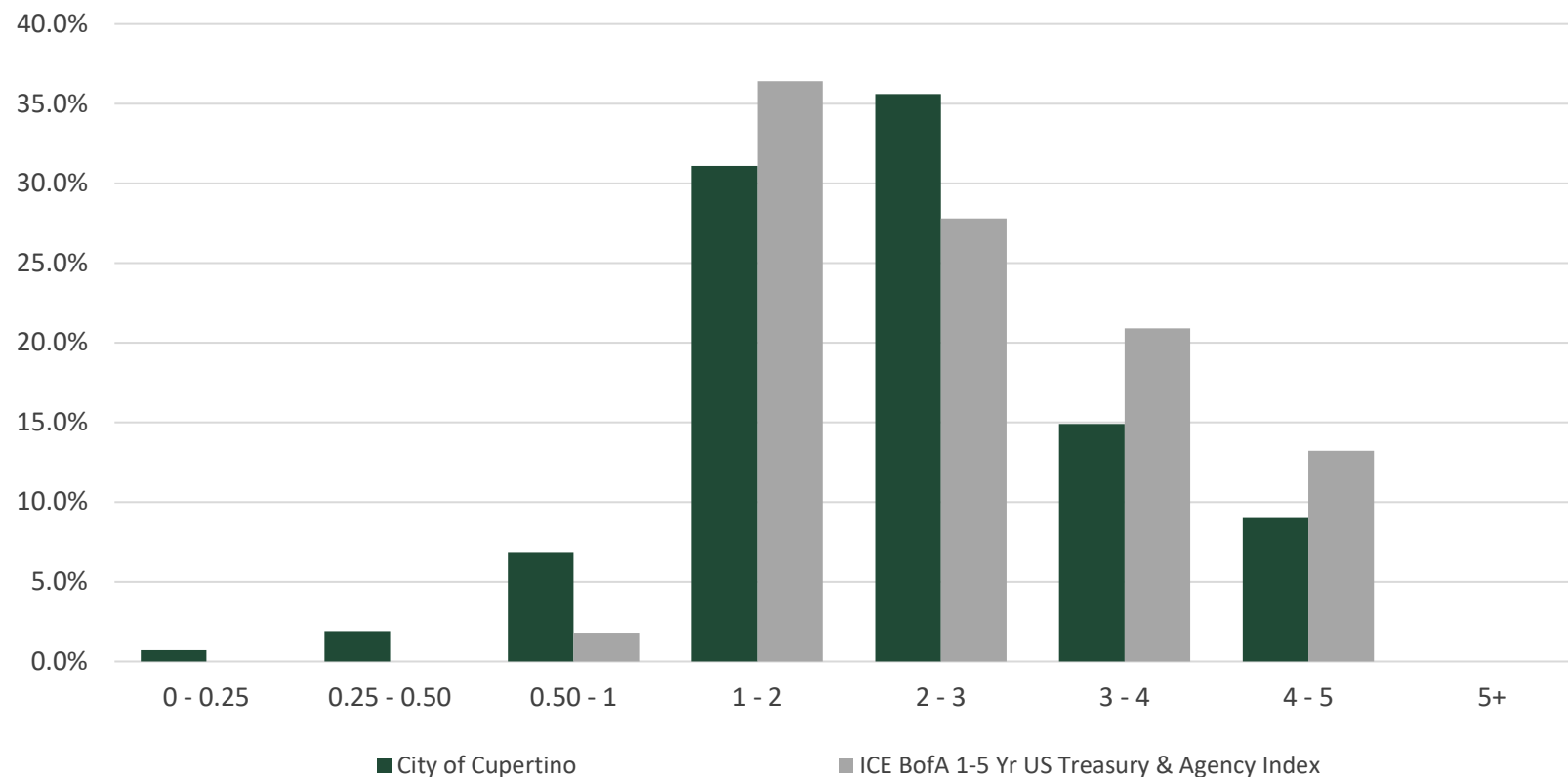
	AAA	AA	A	<A	NR
12/31/22	16.0%	57.1%	18.8%	0.0%	8.0%
09/30/22	16.3%	55.6%	18.9%	0.0%	9.2%

Source: S&P Ratings

As of December 31, 2022

Duration Distribution

City of Cupertino
Portfolio Compared to the Benchmark

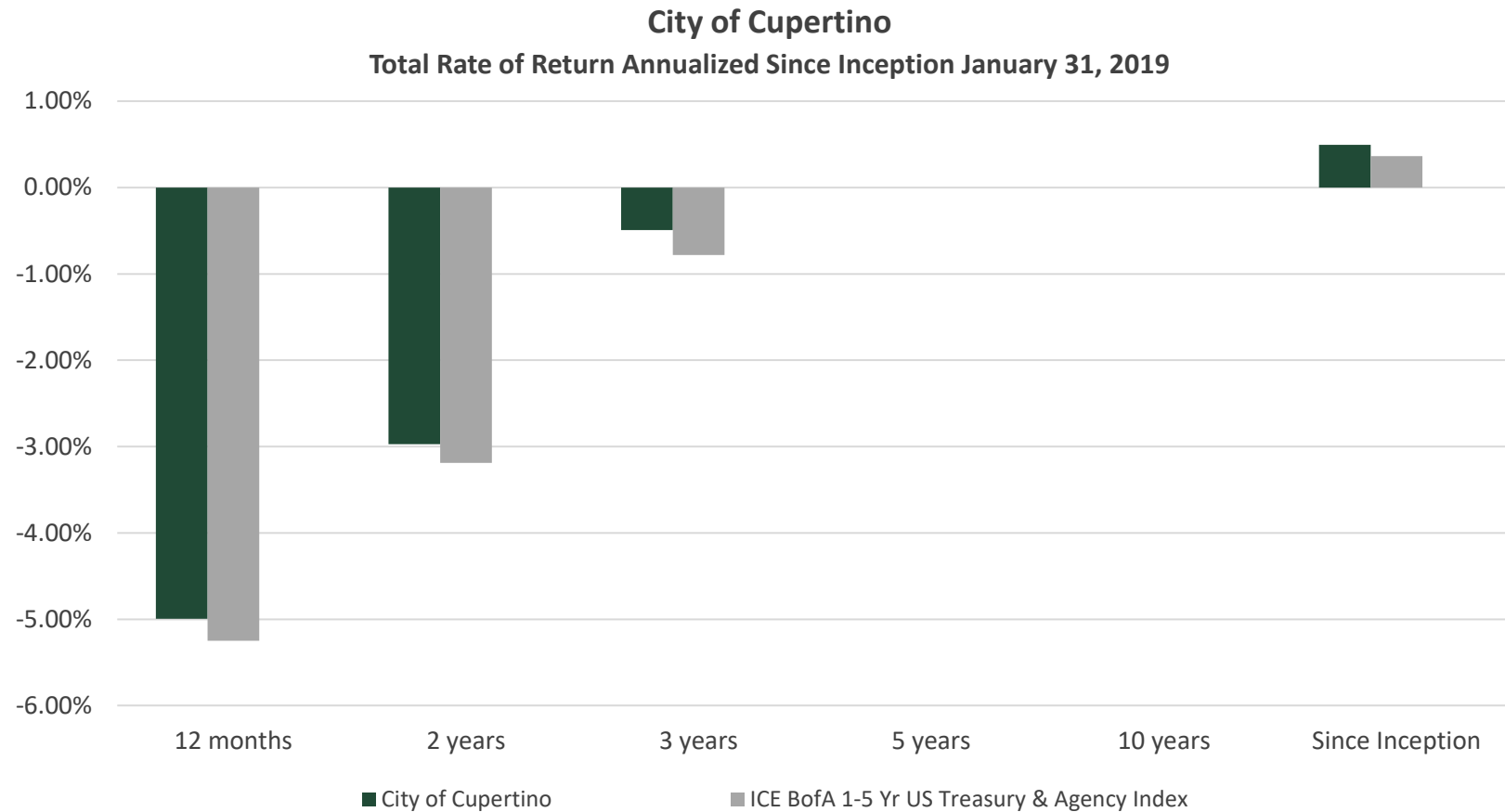


	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	0.7%	1.9%	6.8%	31.1%	35.6%	14.9%	9.0%	0.0%
Benchmark*	0.0%	0.0%	1.8%	36.4%	27.8%	20.9%	13.2%	0.0%

*ICE BofA 1-5 Yr US Treasury & Agency Index

As of December 31, 2022

Investment Performance

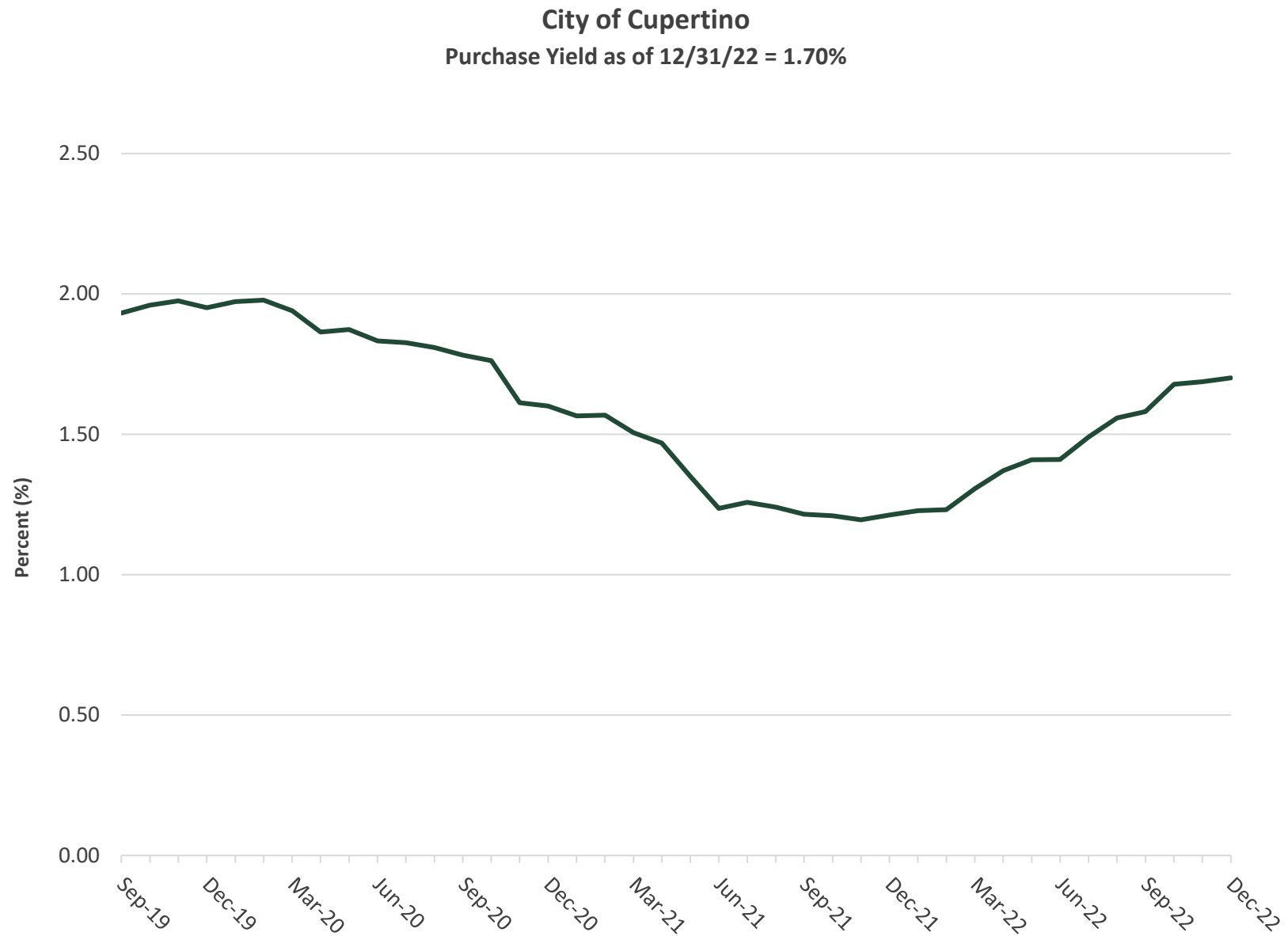


TOTAL RATE OF RETURN	Annualized						Since Inception
	3 months	12 months	2 years	3 years	5 years	10 years	
City of Cupertino	1.04%	-4.99%	-2.97%	-0.49%	N/A	N/A	0.50%
ICE BofA 1-5 Yr US Treasury & Agency Index	0.94%	-5.25%	-3.19%	-0.78%	N/A	N/A	0.37%

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 value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Historical Average Purchase Yield

As of December 31, 2022



Section 3 | Portfolio Holdings

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.400% Due 11/15/2023	61,876.91	09/15/2020 0.40%	61,873.77 61,876.86	99.76 5.09%	61,730.85 11.00	0.04% (146.01)	NR / AAA AAA	0.87 0.05
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	17,978.39	10/01/2019 1.95%	17,977.00 17,977.99	99.82 4.57%	17,946.90 10.66	0.01% (31.09)	NR / AAA AAA	1.31 0.07
89238EAC0	Toyota Lease Owner Trust 2021-A A3 0.390% Due 04/22/2024	554,864.60	03/23/2022 2.16%	543,767.31 549,519.95	98.63 5.13%	547,252.30 66.12	0.37% (2,267.65)	Aaa / AAA NR	1.31 0.29
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.330% Due 06/17/2024	790,000.00	06/08/2021 0.34%	789,881.50 789,962.91	98.47 5.00%	777,947.21 115.87	0.53% (12,015.70)	Aaa / AAA NR	1.46 0.32
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	162,453.92	Various 1.70%	163,259.83 162,746.75	99.64 5.03%	161,872.56 139.35	0.11% (874.19)	Aaa / AAA NR	1.54 0.11
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	55,080.52	05/18/2020 0.83%	55,076.19 55,078.91	98.53 5.51%	54,271.03 20.07	0.04% (807.88)	Aaa / AAA NR	1.54 0.31
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	59,731.79	03/04/2020 1.11%	59,728.14 59,730.45	99.13 4.89%	59,209.94 29.20	0.04% (520.51)	Aaa / NR AAA	1.62 0.23
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	288,408.17	09/22/2020 0.38%	288,365.80 288,396.29	97.82 5.31%	282,106.62 38.53	0.19% (6,289.67)	NR / AAA AAA	1.80 0.44
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.390% Due 10/21/2024	965,000.00	08/10/2021 0.39%	964,986.88 964,994.31	97.16 5.38%	937,565.53 115.00	0.64% (27,428.78)	NR / AAA AAA	1.81 0.57
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	98,707.84	07/14/2020 0.52%	98,692.79 98,703.36	98.46 5.34%	97,191.46 22.37	0.07% (1,511.90)	Aaa / NR AAA	1.88 0.32
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.330% Due 12/26/2024	414,211.71	09/08/2021 0.34%	414,168.96 414,193.29	97.72 5.25%	404,747.97 22.78	0.27% (9,445.32)	Aaa / NR AAA	1.99 0.46
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	216,428.62	10/06/2020 0.36%	216,388.30 216,409.30	98.25 4.95%	212,633.07 33.67	0.14% (3,776.23)	NR / AAA AAA	2.04 0.38
44891WAC3	Hyundai Auto Lease Trust 2022-A A3 1.160% Due 01/15/2025	540,000.00	01/11/2022 1.16%	539,988.07 539,993.14	96.51 5.20%	521,134.83 278.40	0.35% (18,858.31)	Aaa / AAA NR	2.04 0.87
92290BAA9	Verizon Owner Trust 2020-B A 0.470% Due 02/20/2025	449,373.02	08/04/2020 0.48%	449,278.65 449,328.43	98.49 5.05%	442,603.93 64.53	0.30% (6,724.50)	Aaa / NR AAA	2.14 0.33
89238LAC4	Toyota Lease Owner Trust 2022-A A3 1.960% Due 02/20/2025	1,150,000.00	02/23/2022 1.98%	1,149,818.99 1,149,884.91	96.45 5.25%	1,109,160.05 688.72	0.75% (40,724.86)	NR / AAA AAA	2.14 1.09
36265MAC9	GM Financial Auto Lease Trust 2022-1 A3 1.900% Due 03/20/2025	945,000.00	02/15/2022 1.91%	944,991.87 944,995.09	96.62 5.32%	913,099.64 548.63	0.62% (31,895.45)	Aaa / NR AAA	2.22 1.00
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.100% Due 03/25/2025	450,000.00	01/11/2022 1.11%	449,932.73 449,962.05	96.74 5.29%	435,347.87 82.50	0.30% (14,614.18)	NR / AAA AAA	2.23 0.78

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.270% Due 04/21/2025	206,866.51	02/17/2021 0.27%	206,862.73 206,865.01	96.73 6.22%	200,103.11 15.51	0.14% (6,761.90)	Aaa / NR AAA	2.31 0.55
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.260% Due 05/15/2025	748,729.92	02/02/2021 0.27%	748,590.96 748,675.98	97.42 4.82%	729,422.57 86.52	0.50% (19,253.41)	Aaa / NR AAA	2.37 0.56
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.380% Due 09/15/2025	481,215.39	04/20/2021 0.38%	481,164.76 481,192.65	96.71 5.51%	465,380.52 81.27	0.32% (15,812.13)	NR / AAA AAA	2.71 0.64
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.880% Due 01/21/2026	460,000.00	11/16/2021 0.89%	459,903.03 459,936.01	94.91 5.11%	436,566.50 112.44	0.30% (23,369.51)	Aaa / NR AAA	3.06 1.22
47789QAC4	John Deere Owner Trust 2021-B A3 0.520% Due 03/16/2026	580,000.00	07/13/2021 0.52%	579,948.26 579,968.79	94.91 5.29%	550,465.07 134.04	0.37% (29,503.72)	Aaa / NR AAA	3.21 1.08
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.710% Due 04/15/2026	430,000.00	11/09/2021 0.71%	429,990.84 429,994.02	94.21 5.70%	405,103.00 135.69	0.28% (24,891.02)	NR / AAA AAA	3.29 1.18
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.880% Due 05/15/2026	740,000.00	02/15/2022 1.89%	739,888.70 739,918.20	95.03 5.03%	703,221.56 618.31	0.48% (36,696.64)	Aaa / AAA NR	3.37 1.60
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.740% Due 05/15/2026	1,330,000.00	Various 2.03%	1,296,371.65 1,305,682.35	94.47 5.54%	1,256,392.61 437.42	0.85% (49,289.74)	NR / AAA AAA	3.37 1.17
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.210% Due 08/25/2026	530,000.00	05/10/2022 3.23%	529,972.44 529,977.98	97.40 4.96%	516,240.72 283.55	0.35% (13,737.26)	Aaa / AAA NR	3.65 1.51
362554AC1	GM Financial Securitized Term 2021-4 A3 0.680% Due 09/16/2026	350,000.00	10/13/2021 0.68%	349,991.08 349,994.22	94.48 5.54%	330,684.34 99.17	0.22% (19,309.88)	Aaa / AAA NR	3.71 1.15
47787JAC2	John Deere Owner Trust 2022-A A3 2.320% Due 09/16/2026	450,000.00	03/10/2022 2.34%	449,900.46 449,923.11	95.91 5.12%	431,611.07 464.00	0.29% (18,312.04)	Aaa / NR AAA	3.71 1.48
448977AD0	Hyundai Auto Receivables Trust 2022-A A3 2.220% Due 10/15/2026	1,010,000.00	03/09/2022 2.23%	1,009,961.12 1,009,970.65	95.56 5.13%	965,202.46 996.53	0.66% (44,768.19)	NR / AAA AAA	3.79 1.55
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.260% Due 11/16/2026	295,000.00	01/11/2022 1.27%	294,974.36 294,981.69	94.55 5.35%	278,917.43 154.88	0.19% (16,064.26)	NR / AAA AAA	3.88 1.35
362585AC5	GM Financial Securitized ART 2022-2 A3 3.100% Due 02/16/2027	390,000.00	04/05/2022 3.13%	389,918.49 389,935.61	96.88 5.05%	377,834.88 503.75	0.26% (12,100.73)	Aaa / AAA NR	4.13 1.63
47800AAC4	John Deere Owner Trust 2022-B A3 3.740% Due 02/16/2027	655,000.00	07/12/2022 3.77%	654,937.45 654,945.35	97.70 4.93%	639,940.11 1,088.76	0.44% (15,005.24)	Aaa / NR AAA	4.13 1.99
02589BAA8	American Express Credit Accoun 22-1 A 2.210% Due 03/15/2027	1,545,000.00	03/21/2022 2.69%	1,524,359.77 1,529,747.48	94.33 4.99%	1,457,465.54 1,517.53	0.99% (72,281.94)	Aaa / NR AAA	4.21 2.09
02582JIT8	American Express Credit Trust 2022-2 A 3.390% Due 05/17/2027	1,375,000.00	05/17/2022 3.42%	1,374,695.85 1,374,757.97	97.14 4.72%	1,335,647.91 2,071.67	0.91% (39,110.06)	NR / AAA AAA	4.38 2.22
47800BAC2	John Deere Owner Trust 2022-C A3 5.090% Due 06/15/2027	1,050,000.00	10/12/2022 5.15%	1,049,918.52 1,049,923.04	100.38 4.97%	1,053,956.31 2,375.33	0.72% 4,033.27	Aaa / NR AAA	4.46 2.15

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
92348KAV5	Verizon Master Trust 2022-5 A1A 3.720% Due 07/20/2027	570,000.00	08/02/2022 3.75%	569,974.92 569,978.46	98.48 5.00%	561,355.30 647.90	0.38% (8,623.16)	NR / AAA AAA	4.55 1.54
TOTAL ABS		20,415,927.31	1.93%	20,349,502.17 20,370,122.56	5.15%	19,731,332.77 14,111.67	13.41% (638,789.79)	Aaa / AAA AAA	3.08 1.23
Agency									
3137EAF2	FHLMC Note 0.250% Due 12/04/2023	1,755,000.00	12/02/2020 0.28%	1,753,262.55 1,754,465.28	95.86 4.88%	1,682,332.24 329.06	1.14% (72,133.04)	Aaa / AA+ AAA	0.93 0.90
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,516,293.29	98.21 4.81%	1,473,219.41 15,302.08	1.01% (43,073.88)	Aaa / AA+ NR	1.19 1.13
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,518,875.85	97.72 4.51%	1,465,796.10 2,036.46	1.00% (53,079.75)	Aaa / AA+ NR	1.45 1.40
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,495,431.82	95.76 4.70%	1,436,473.89 13,052.08	0.98% (58,957.93)	Aaa / AA+ AAA	1.50 1.44
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,035,196.81	97.12 4.65%	1,942,425.74 17,250.00	1.33% (92,771.07)	Aaa / AA+ AAA	1.70 1.62
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various 1.73%	1,965,802.75 1,971,618.07	95.05 4.54%	1,877,175.82 6,775.35	1.28% (94,442.25)	Aaa / AA+ AAA	1.79 1.72
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various 1.38%	1,309,953.95 1,301,266.09	94.54 4.48%	1,224,344.58 10,171.14	0.84% (76,921.51)	Aaa / AA+ AAA	2.02 1.93
3137EAEPO	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,364,228.67	94.29 4.35%	2,230,048.91 13,697.29	1.52% (134,179.76)	Aaa / AA+ AAA	2.12 2.03
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,858,231.25	91.94 4.33%	1,710,175.83 2,228.13	1.16% (148,055.42)	Aaa / AA+ AAA	2.31 2.24
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	2,500,000.00	Various 0.50%	2,499,227.30 2,499,723.52	91.07 4.37%	2,276,628.38 486.11	1.55% (223,095.14)	Aaa / AA+ AAA	2.46 2.40
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,246,819.24	90.57 4.31%	1,132,151.11 2,083.33	0.77% (114,668.13)	Aaa / AA+ AAA	2.56 2.49
3135G05X7	FNMA Note 0.375% Due 08/25/2025	2,500,000.00	Various 0.48%	2,487,983.75 2,493,445.94	90.27 4.30%	2,256,705.40 3,281.25	1.53% (236,740.54)	Aaa / AA+ AAA	2.65 2.58
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	2,500,000.00	Various 0.46%	2,489,362.80 2,494,069.99	90.07 4.27%	2,251,749.32 2,552.08	1.53% (242,320.67)	Aaa / AA+ AAA	2.73 2.66

Holdings Report

As of December 31, 2022

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3135G06G3	FNMA Note 0.500% Due 11/07/2025	2,500,000.00	Various 0.56%	2,492,700.00 2,495,825.64	90.01 4.26%	2,250,267.55 1,875.00	1.53% (245,558.09)	Aaa / AA+ AAA	2.85 2.77
TOTAL Agency		27,000,000.00	1.08%	27,182,695.65 27,045,491.46	4.47%	25,209,494.28 91,119.36	17.18% (1,835,997.18)	Aaa / AA+ AAA	2.08 2.01
CMO									
3137BFE98	FHLMC K041 A2 3.171% Due 10/25/2024	1,300,000.00	07/01/2021 0.72%	1,398,414.06 1,353,203.54	96.89 4.99%	1,259,585.99 3,435.25	0.86% (93,617.55)	Aaa / AAA AAA	1.82 1.63
3137BLMZ8	FHLMC K049 A2 3.010% Due 07/25/2025	1,000,000.00	07/01/2021 0.87%	1,079,687.50 1,049,948.45	96.08 4.67%	960,783.33 2,508.33	0.65% (89,165.12)	NR / NR AAA	2.57 2.30
3137BLW95	FHLMC K050 A2 3.334% Due 08/25/2025	950,000.00	11/16/2021 1.17%	1,018,132.81 997,556.80	96.75 4.67%	919,078.90 2,639.42	0.63% (78,477.90)	NR / NR AAA	2.65 2.35
3137BM7C4	FHLMC K051 A2 3.308% Due 09/25/2025	440,000.00	03/15/2022 2.21%	453,079.69 450,086.79	96.63 4.65%	425,160.91 1,212.93	0.29% (24,925.88)	NR / NR AAA	2.74 2.42
3137BN6G4	FHLMC K053 2.995% Due 12/25/2025	570,000.00	03/15/2022 2.29%	582,001.17 579,484.23	95.68 4.60%	545,369.27 1,422.63	0.37% (34,114.96)	NR / NR AAA	2.99 2.64
3137BSP72	FHLMC K058 A2 2.653% Due 08/25/2026	650,000.00	11/12/2021 1.35%	687,451.17 678,513.46	93.79 4.52%	609,624.34 1,437.04	0.41% (68,889.12)	NR / NR AAA	3.65 3.36
3137FBBX3	FHLMC K068 A2 3.244% Due 08/25/2027	1,000,000.00	09/28/2022 4.41%	950,664.06 953,182.63	95.10 4.42%	950,992.90 2,703.33	0.65% (2,189.73)	Aaa / NR NR	4.65 4.16
TOTAL CMO		5,910,000.00	1.73%	6,169,430.46 6,061,975.90	4.68%	5,670,595.64 15,358.93	3.86% (391,380.26)	Aaa / AAA AAA	2.93 2.62
Corporate									
24422EVN6	John Deere Capital Corp Note 0.450% Due 01/17/2024	1,030,000.00	03/01/2021 0.47%	1,029,268.70 1,029,734.39	95.64 4.78%	985,089.65 2,111.50	0.67% (44,644.74)	A2 / A A	1.05 1.02
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,508,299.10	96.77 4.99%	1,451,605.86 2,097.92	0.99% (56,693.24)	A1 / A AA-	1.45 1.39
06367TQW3	Bank of Montreal Note 0.625% Due 07/09/2024	600,000.00	02/09/2022 1.89%	582,216.00 588,771.19	93.49 5.12%	560,955.88 1,791.67	0.38% (27,815.31)	A2 / A- AA-	1.52 1.47
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	1,760,000.00	Various 0.87%	1,748,937.40 1,753,518.36	93.84 4.83%	1,651,599.77 5,072.23	1.12% (101,918.59)	A2 / A+ NR	1.54 1.49
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,500,000.00	Various 1.98%	1,533,359.18 1,512,476.40	96.41 4.99%	1,446,221.18 17,531.26	0.99% (66,255.22)	A1 / A AA-	1.54 1.47

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	1,250,000.00	10/10/2019 2.07%	1,268,262.50 1,255,782.77	96.17 4.94%	1,202,186.60 12,583.33	0.82% (53,596.17)	A2 / A+ A+	1.58 1.51
009158AV8	Air Products & Chemicals Callable Note Cont 4/30/2024 3.350% Due 07/31/2024	1,675,000.00	08/07/2019 2.07%	1,771,212.00 1,702,035.24	97.76 4.83%	1,637,538.12 23,536.08	1.13% (64,497.12)	A2 / A NR	1.58 1.50
69371RR40	Paccar Financial Corp Note 0.500% Due 08/09/2024	680,000.00	08/03/2021 0.52%	679,632.80 679,803.67	93.14 5.00%	633,364.16 1,341.11	0.43% (46,439.51)	A1 / A+ NR	1.61 1.56
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,735.04	95.47 5.09%	353,242.38 3,005.22	0.24% (16,492.66)	A1 / A+ NR	1.62 1.55
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020 1.92%	1,111,517.00 1,104,470.76	95.45 4.74%	1,049,986.87 3,481.81	0.72% (54,483.89)	A2 / A A	1.86 1.78
74153WCQ0	Pricoa Global Funding Note 1.150% Due 12/06/2024	885,000.00	12/01/2021 1.19%	884,088.45 884,412.58	92.56 5.25%	819,126.25 706.77	0.56% (65,286.33)	Aa3 / AA- AA-	1.93 1.86
89114TZL9	Toronto-Dominion Bank Note 1.450% Due 01/10/2025	700,000.00	03/15/2022 2.79%	674,737.00 681,849.88	93.16 5.04%	652,144.27 4,821.25	0.45% (29,705.61)	A1 / A NR	2.03 1.94
89236TJT3	Toyota Motor Credit Corp Note 1.450% Due 01/13/2025	1,215,000.00	01/10/2022 1.50%	1,213,371.90 1,213,896.28	93.69 4.74%	1,138,367.18 8,221.50	0.78% (75,529.10)	A1 / A+ A+	2.04 1.95
64952WEK5	New York Life Global Note 1.450% Due 01/14/2025	1,680,000.00	01/11/2022 1.49%	1,678,185.60 1,678,768.33	93.22 4.99%	1,566,093.48 11,300.33	1.07% (112,674.85)	Aaa / AA+ AAA	2.04 1.95
69371RR73	Paccar Financial Corp Note 2.850% Due 04/07/2025	885,000.00	03/31/2022 2.86%	884,769.90 884,826.38	95.96 4.75%	849,230.85 5,885.25	0.58% (35,595.53)	A1 / A+ NR	2.27 2.14
78016EZ59	Royal Bank of Canada Note 3.375% Due 04/14/2025	1,050,000.00	04/07/2022 3.39%	1,049,611.50 1,049,704.37	96.70 4.91%	1,015,390.60 7,579.69	0.69% (34,313.77)	A1 / A AA-	2.29 2.15
06406RBC0	Bank of NY Mellon Corp Callable Note Cont 3/25/2025 3.350% Due 04/25/2025	1,370,000.00	04/19/2022 3.35%	1,369,808.20 1,369,851.99	96.89 4.78%	1,327,454.62 8,414.08	0.91% (42,397.37)	A1 / A AA-	2.32 2.18
06367WB85	Bank of Montreal Note 1.850% Due 05/01/2025	1,240,000.00	07/23/2021 0.85%	1,285,656.80 1,268,277.97	93.33 4.91%	1,157,326.31 3,823.33	0.79% (110,951.66)	A2 / A- AA-	2.33 2.23
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 06/01/2025	1,370,000.00	05/24/2021 0.78%	1,371,773.90 1,370,836.77	93.23 5.28%	1,277,219.13 940.73	0.87% (93,617.64)	A1 / A- AA-	2.42 2.32
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 06/23/2025	655,000.00	Various 0.95%	655,406.85 655,200.27	93.21 5.28%	610,553.83 141.05	0.41% (44,646.44)	A1 / A- AA-	2.48 2.38
66815L2J7	Northwestern Mutual Gbl Note 4.000% Due 07/01/2025	1,170,000.00	06/27/2022 4.01%	1,169,602.20 1,169,668.98	98.11 4.81%	1,147,896.00 23,400.00	0.80% (21,772.98)	Aaa / AA+ AAA	2.50 2.30

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74153WCM9	Pricoa Global Funding Note 0.800% Due 09/01/2025	904,000.00	04/06/2022 3.26%	832,972.72 848,299.06	89.56 5.03%	809,595.23 2,410.67	0.55% (38,703.83)	Aa3 / AA- AA-	2.67 2.57
06406HCQ0	Bank of New York Callable Note Cont 10/18/2025 3.950% Due 11/18/2025	1,000,000.00	04/05/2022 3.20%	1,024,910.00 1,019,715.59	97.93 4.72%	979,298.28 4,718.06	0.67% (40,417.31)	A1 / A AA-	2.88 2.67
40139LBC6	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	1,400,000.00	Various 1.12%	1,385,860.00 1,390,056.53	88.37 5.19%	1,237,114.10 714.58	0.84% (152,942.43)	Aa1 / AA+ NR	2.95 2.83
66815L2A6	Northwestern Mutual Gbl Note 0.800% Due 01/14/2026	850,000.00	12/06/2021 1.47%	827,449.50 833,305.40	88.56 4.90%	752,790.18 3,154.44	0.51% (80,515.22)	Aaa / AA+ AAA	3.04 2.92
06051GHY8	Bank of America Corp Callable Note Cont 2/13/2025 2.015% Due 02/13/2026	600,000.00	05/24/2021 1.05%	620,988.00 611,953.43	92.76 5.63%	556,551.72 4,634.50	0.38% (55,401.71)	A2 / A- AA-	3.12 2.92
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 04/22/2026	401,000.00	05/20/2021 1.11%	415,969.33 409,820.28	92.78 5.44%	372,059.44 1,600.96	0.25% (37,760.84)	A1 / A- AA-	3.31 2.20
6174468Q5	Morgan Stanley Callable Note Cont 4/28/2025 2.188% Due 04/28/2026	650,000.00	05/23/2022 4.68%	615,699.50 620,985.70	93.00 5.43%	604,480.09 2,488.85	0.41% (16,505.61)	A1 / A- A+	3.33 2.21
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1.000% Due 05/12/2026	1,875,000.00	05/10/2021 1.09%	1,866,900.00 1,869,557.12	88.68 4.68%	1,662,697.54 2,552.08	1.13% (206,859.58)	A1 / AA AA-	3.36 3.23
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.150% Due 05/15/2026	1,035,000.00	Various 1.37%	1,025,051.35 1,027,391.87	89.43 4.57%	925,633.54 1,520.88	0.63% (101,758.33)	A3 / A+ A	3.37 3.23
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 06/18/2026	1,385,000.00	06/15/2021 1.13%	1,384,390.60 1,384,578.16	88.46 4.78%	1,225,234.00 562.66	0.83% (159,344.16)	A1 / A+ A+	3.47 3.32
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 06/19/2026	700,000.00	07/16/2021 1.27%	701,274.00 700,801.82	90.23 5.45%	631,640.46 307.77	0.43% (69,161.36)	A2 / A- AA-	3.47 3.29
57629WDE7	Mass Mutual Global funding Note 1.200% Due 07/16/2026	1,000,000.00	08/19/2021 1.15%	1,002,230.00 1,001,611.39	88.13 4.89%	881,251.44 5,500.00	0.60% (120,359.95)	Aa3 / AA+ AA+	3.54 3.37
58989V2D5	Met Tower Global Funding Note 1.250% Due 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,475.49	87.00 5.15%	669,907.70 2,860.76	0.46% (99,567.79)	Aa3 / AA- AA-	3.71 3.52
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.050% Due 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,509.13	88.67 4.39%	310,329.45 1,061.67	0.21% (39,179.68)	Aa2 / AA AA	3.72 3.55
59217GER6	Metlife Note 1.875% Due 01/11/2027	1,115,000.00	01/03/2022 1.90%	1,113,728.90 1,113,976.02	88.58 5.04%	987,681.92 9,872.40	0.68% (126,294.10)	Aa3 / AA- AA-	4.03 3.76
808513BY0	Charles Schwab Corp Callable Note Cont 2/3/2027 2.450% Due 03/03/2027	960,000.00	03/01/2022 2.46%	959,729.90 959,774.03	91.31 4.77%	876,617.66 7,709.34	0.60% (83,156.37)	A2 / A A	4.17 3.86

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084664CZ2	Berkshire Hathaway Callable Note Cont 2/15/2027 2.300% Due 03/15/2027	1,615,000.00	03/07/2022 2.30%	1,614,693.15 1,614,742.22	92.41 4.29%	1,492,385.94 10,937.14	1.02% (122,356.28)	Aa2 / AA A+	4.21 3.91
06051GHT9	Bank of America Corp Callable Note 1X 4/23/2026 3.559% Due 04/23/2027	1,150,000.00	Various 4.77%	1,114,222.54 1,117,283.74	93.80 5.63%	1,078,725.13 7,730.94	0.74% (38,558.61)	A2 / A- AA-	4.31 3.04
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4.000% Due 05/10/2027	670,000.00	05/05/2022 4.04%	668,914.60 669,054.88	97.78 4.57%	655,097.14 3,796.67	0.45% (13,957.74)	A2 / A+ A+	4.36 3.93
91324PEG3	United Health Group Inc Callable Note Cont 4/15/2027 3.700% Due 05/15/2027	675,000.00	05/17/2022 3.69%	675,316.70 675,277.39	96.84 4.50%	653,645.39 3,191.25	0.45% (21,632.00)	A3 / A+ A	4.37 3.96
TOTAL Corporate		42,790,000.00	1.97%	42,826,786.07 42,719,089.97	4.92%	39,895,329.34 225,111.73	27.24% (2,823,760.63)	A1 / A+ AA-	2.63 2.44
Money Market Fund									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	725,037.45	Various 3.48%	725,037.45 725,037.45	1.00 3.48%	725,037.45 0.00	0.49% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund		725,037.45	3.48%	725,037.45 725,037.45	3.48%	0.00 725,037.45	0.00 0.49%	NR Aaa / AAA	0.00 0.00
Municipal Bonds									
13063DRK6	California State Taxable GO 2.400% Due 10/01/2024	755,000.00	10/16/2019 1.91%	772,342.35 761,142.88	96.43 4.54%	728,054.05 4,530.00	0.50% (33,088.83)	Aa2 / AA- AA	1.75 1.68
TOTAL Municipal Bonds		755,000.00	1.91%	772,342.35 761,142.88	4.54%	728,054.05 4,530.00	0.50% (33,088.83)	Aa2 / AA- AA	1.75 1.68
Supranational									
4581X0DP0	Inter-American Dev Bank Note 0.250% Due 11/15/2023	2,800,000.00	07/01/2021 0.37%	2,792,300.00 2,797,159.40	96.06 4.92%	2,689,764.00 894.44	1.83% (107,395.40)	Aaa / AAA NR	0.87 0.85
45950KCT5	International Finance Corp Note 0.375% Due 07/16/2025	2,500,000.00	05/27/2021 0.66%	2,471,150.00 2,482,241.73	90.50 4.36%	2,262,525.00 4,296.88	1.54% (219,716.73)	Aaa / AAA NR	2.54 2.47
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	2,400,000.00	Various 0.60%	2,388,859.25 2,393,309.69	89.92 4.33%	2,158,139.50 2,100.01	1.47% (235,170.19)	Aaa / AAA AAA	2.83 2.75

Holdings Report

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City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 04/20/2026	2,460,000.00	04/13/2021 0.97%	2,448,733.20 2,452,564.90	89.58 4.29%	2,203,569.60 4,245.21	1.50% (248,995.30)	Aaa / AAA AAA	3.30 3.19
TOTAL Supranational		10,160,000.00	0.64%	10,101,042.45 10,125,275.72	4.50%	9,313,998.10 11,536.54	6.33% (811,277.62)	Aaa / AAA AAA	2.31 2.24
US Treasury									
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,506,497.91	97.55 4.78%	1,463,320.50 93.23	0.99% (43,177.41)	Aaa / AA+ AAA	1.00 0.97
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.14%	2,053,613.28 2,013,067.78	97.86 4.72%	1,957,188.00 20,774.45	1.34% (55,879.78)	Aaa / AA+ AAA	1.13 1.08
91282CBR1	US Treasury Note 0.250% Due 03/15/2024	1,450,000.00	03/30/2021 0.33%	1,446,488.28 1,448,572.55	94.84 4.71%	1,375,177.10 1,081.49	0.93% (73,395.45)	Aaa / AA+ AAA	1.21 1.17
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,701,623.88	96.52 4.73%	1,640,765.20 5,823.20	1.12% (60,858.68)	Aaa / AA+ AAA	1.33 1.29
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,005,744.43	96.21 4.64%	1,924,218.00 110.49	1.31% (81,526.43)	Aaa / AA+ AAA	1.50 1.45
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,717,572.16	96.52 4.62%	1,640,897.80 15,250.34	1.12% (76,674.36)	Aaa / AA+ AAA	1.62 1.55
912828YY0	US Treasury Note 1.750% Due 12/31/2024	2,100,000.00	03/15/2022 1.97%	2,087,203.13 2,090,850.43	94.98 4.40%	1,994,508.60 101.52	1.35% (96,341.83)	Aaa / AA+ AAA	2.00 1.93
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,510,105.72	93.42 4.35%	1,401,270.00 5,733.77	0.96% (108,835.72)	Aaa / AA+ AAA	2.16 2.09
91282CED9	US Treasury Note 1.750% Due 03/15/2025	3,100,000.00	Various 2.23%	3,057,617.20 3,068,393.61	94.56 4.36%	2,931,437.50 16,185.08	2.00% (136,956.11)	Aaa / AA+ AAA	2.21 2.11
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	2,500,000.00	03/21/2022 2.24%	2,360,839.85 2,395,783.15	91.34 4.32%	2,283,397.50 1,605.66	1.55% (112,385.65)	Aaa / AA+ AAA	2.33 2.27
91282CAB7	US Treasury Note 0.250% Due 07/31/2025	1,500,000.00	03/12/2021 0.72%	1,469,765.63 1,482,188.38	90.31 4.25%	1,354,629.00 1,569.29	0.92% (127,559.38)	Aaa / AA+ AAA	2.58 2.52
91282CAM3	US Treasury Note 0.250% Due 09/30/2025	2,400,000.00	Various 0.56%	2,366,140.63 2,379,674.60	89.88 4.19%	2,157,093.60 1,532.96	1.47% (222,581.00)	Aaa / AA+ AAA	2.75 2.68
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	2,450,000.00	Various 0.49%	2,422,492.19 2,433,696.35	89.51 4.22%	2,192,941.10 1,049.03	1.49% (240,755.25)	Aaa / AA+ AAA	2.84 2.76
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,250,000.00	03/26/2021 0.77%	2,209,658.20 2,224,854.32	89.54 4.23%	2,014,542.00 741.76	1.37% (210,312.32)	Aaa / AA+ AAA	2.92 2.84
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,471,303.35	89.06 4.19%	2,226,465.00 3,923.23	1.51% (244,838.35)	Aaa / AA+ AAA	3.09 3.00

Holdings Report

As of December 31, 2022

City of Cupertino - Account #10659

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91282CBW0	US Treasury Note 0.750% Due 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,495,710.56	89.50 4.16%	2,237,500.00 3,211.33	1.52% (258,210.56)	Aaa / AA+ AAA	3.33 3.22
91282CCZ2	US Treasury Note 0.875% Due 09/30/2026	1,400,000.00	10/18/2021 1.19%	1,379,054.68 1,384,143.22	88.91 4.10%	1,244,797.40 3,129.81	0.85% (139,345.82)	Aaa / AA+ AAA	3.75 3.61
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	1,400,000.00	11/15/2021 1.25%	1,391,468.75 1,393,402.31	89.56 4.10%	1,253,875.00 2,697.51	0.85% (139,527.31)	Aaa / AA+ AAA	3.84 3.67
91282CEW7	US Treasury Note 3.250% Due 06/30/2027	3,250,000.00	Various 3.18%	3,260,312.50 3,259,031.41	96.84 4.02%	3,147,293.50 291.78	2.14% (111,737.91)	Aaa / AA+ AAA	4.50 4.13
91282CFB2	US Treasury Note 2.750% Due 07/31/2027	400,000.00	08/22/2022 3.12%	393,218.75 393,711.45	94.76 4.01%	379,046.80 4,603.26	0.26% (14,664.65)	Aaa / AA+ AAA	4.58 4.19
91282CFH9	US Treasury Note 3.125% Due 08/31/2027	4,500,000.00	Various 3.28%	4,468,902.34 4,470,842.74	96.34 3.99%	4,335,115.50 47,781.42	2.98% (135,727.24)	Aaa / AA+ AAA	4.67 4.24
91282CFM8	US Treasury Note 4.125% Due 09/30/2027	3,450,000.00	Various 4.31%	3,421,152.34 3,422,175.61	100.54 4.00%	3,468,464.40 36,360.06	2.38% 46,288.79	Aaa / AA+ AAA	4.75 4.23
91282CFZ9	US Treasury Note 3.875% Due 11/30/2027	850,000.00	12/05/2022 3.81%	852,656.25 852,618.30	99.62 3.96%	846,746.20 2,895.60	0.58% (5,872.10)	Aaa / AA+ AAA	4.92 4.42
TOTAL US Treasury		48,400,000.00	1.90%	48,121,041.03 48,121,564.22	4.28%	45,470,689.70 176,546.27	30.99% (2,650,874.52)	Aaa / AA+ AAA	2.95 2.78
TOTAL PORTFOLIO		156,155,964.76	1.70%	156,247,877.63 155,929,700.16	4.63%	146,744,531.33 538,314.50	100.00% (9,185,168.83)	Aa1 / AA AAA	2.67 2.28
TOTAL MARKET VALUE PLUS ACCRUALS						147,282,845.83			

Section 4 | Transactions

Transaction Ledger

As of December 31, 2022

City of Cupertino - Account #10659

September 30, 2022 through December 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/03/2022	3137FBBX3	1,000,000.00	FHLMC K068 A2 3.244% Due: 08/25/2027	95.066	4.41%	950,664.06	180.22	950,844.28	0.00
Purchase	10/03/2022	91282CEW7	250,000.00	US Treasury Note 3.25% Due: 06/30/2027	96.836	3.99%	242,089.84	2,097.49	244,187.33	0.00
Purchase	10/06/2022	91282CFM8	1,000,000.00	US Treasury Note 4.125% Due: 09/30/2027	100.656	3.98%	1,006,562.50	679.95	1,007,242.45	0.00
Purchase	10/19/2022	47800BAC2	1,050,000.00	John Deere Owner Trust 2022-C A3 5.09% Due: 06/15/2027	99.992	5.15%	1,049,918.52	0.00	1,049,918.52	0.00
Purchase	10/25/2022	91282CFM8	2,450,000.00	US Treasury Note 4.125% Due: 09/30/2027	98.555	4.45%	2,414,589.84	6,941.11	2,421,530.95	0.00
Purchase	12/06/2022	91282CFZ9	850,000.00	US Treasury Note 3.875% Due: 11/30/2027	100.313	3.81%	852,656.25	542.93	853,199.18	0.00
Subtotal			6,600,000.00				6,516,481.01	10,441.70	6,526,922.71	0.00
TOTAL ACQUISITIONS			6,600,000.00				6,516,481.01	10,441.70	6,526,922.71	0.00
DISPOSITIONS										
Sale	10/03/2022	3137B5JM6	999,609.65	FHLMC K034 A2 3.531% Due: 07/25/2023	99.277	4.20%	992,385.91	196.09	992,582.00	-18,626.91
Sale	10/06/2022	3137B4WB8	1,000,000.00	FHLMC K033 A2 Due: 07/25/2023	98.883	5.02%	988,828.13	425.00	989,253.13	-18,813.03
Sale	10/19/2022	3137B7MZ9	1,000,000.00	FHLMC K036 A2 Due: 10/25/2023	98.629	5.30%	986,289.06	1,763.50	988,052.56	-28,773.31

Transaction Ledger

As of December 31, 2022

City of Cupertino - Account #10659

September 30, 2022 through December 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	10/21/2022	3130A0F70	2,100,000.00	FHLB Note 3.375% Due: 12/08/2023	98.379	1.31%	2,065,959.00	26,184.38	2,092,143.38	-71,274.17
Subtotal			5,099,609.65				5,033,462.10	28,568.97	5,062,031.07	-137,487.42
TOTAL DISPOSITIONS			5,099,609.65				5,033,462.10	28,568.97	5,062,031.07	-137,487.42

Important Disclosures

As of December 31, 2022

2022 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 and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Benchmark Disclosures

As of December 31, 2022

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
DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

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

PFGEDD

INVESTMENT CONTACT: IMR/CHRISTINE NORGREN
TELEPHONE NUMBER:

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

36522 SE

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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. VALUES OBTAINED FROM THE CUSTOMER OR THEIR DESIGNATED REPRESENTATIVE SHOULD NOT BE CONSIDERED TO BE CERTIFIED BY PRINCIPAL BANK/PRINCIPAL TRUST COMPANY, AS APPLICABLE.

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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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FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

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CASH SUMMARY	20
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ASSET SUMMARY
AS OF DECEMBER 31, 2022

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	616,974.95	616,974.95	0.42	0.00	21,369	3.46	1,258.75
BONDS AND NOTES	155,522,840.18	145,918,494.78	99.58	9,604,345.40-	2,604,767	1.79	646,313.41
TOTAL INVESTMENTS	156,139,815.13	146,535,469.73	100.00	9,604,345.40-	2,626,136	1.79	647,572.16
TOTAL ACCRUALS	647,572.16	647,572.16					
TOTAL ACCRUALS AND INVESTMENTS	156,787,387.29	147,183,041.89		9,604,345.40-	2,626,136	1.79	647,572.16

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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						
567,678.09	ALLSPRING 100% TREASURY MONEY MARKET FUND - #008	567,678.09 1.0000	567,678.09 1.0000	0.39	0.00	1,170.97
49,296.86	PRINCIPAL PUBLIC DEPOSIT SWEEP PROGRAM	49,296.86 1.0000	49,296.86 1.0000	0.03	0.00	87.78
TOTAL CASH EQUIVALENTS		616,974.95	616,974.95	0.42	0.00	1,258.75
BOND & NOTES						
1,675,000	AIR PRODUCTS & CHEMICALS DTD 07/31/14 3.350 07/31/2024 MOODY'S RATING A2 CUSIP 009158AV8	1,771,212.00 105.7440	1,636,843.50 97.7220	1.12	134,368.50-	23,536.08
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	1,660,650.00 88.5680	1.13	206,250.00-	2,552.08
1,375,000	AMERICAN EXPRESS CREDIT ACCOUNT ASSET BCKD SEC SER 2022-2 CL A DTD 05/24/2022 3.390% 05/17/2027 NON CALLABLE CUSIP 02582JTT8	1,374,695.85 99.9779	1,334,726.25 97.0710	0.91	39,969.60-	2,071.67
1,545,000	AMERICAN EXPRESS CREDIT ACCOUNT ASSET BCKD SEC SER 2022-1 CL A DTD 03/18/2022 2.210% 03/15/2027 NON CALLABLE MOODY'S RATING AAA CUSIP 02589BAA8	1,524,359.77 98.6641	1,456,486.95 94.2710	0.99	67,872.82-	1,517.53
1,150,000	BANK OF AMERICA CORP MED TERM NOTE DTD 04/23/19 04/23/2027 MOODY'S RATING A2 CUSIP 06051GHT9	1,114,222.54 96.8889	1,077,400.50 93.6870	0.74	36,822.04-	7,730.94

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
600,000	BANK OF AMERICA CORP MED TERM NOTE DTD 02/13/20 02/13/2026 MOODY'S RATING A2 CUSIP 06051GHY8	620,988.00 103.4980	556,932.00 92.8220	0.38	64,056.00-	4,634.50
700,000	BANK OF AMERICA CORP MED TERM NOTE DTD 06/19/20 06/19/2026 MOODY'S RATING A2 CUSIP 06051GJD2	701,274.00 100.1820	630,350.00 90.0500	0.43	70,924.00-	307.77
600,000	BANK OF MONTREAL MED TERM NOTE DTD 07/09/21 0.625 07/09/2024 MOODY'S RATING A2 CUSIP 06367TQW3	582,216.00 97.0360	560,724.00 93.4540	0.38	21,492.00-	1,791.67
1,240,000	BANK OF MONTREAL MED TERM NOTE DTD 04/27/20 1.850 05/01/2025 MOODY'S RATING A2 CUSIP 06367WB85	1,285,656.80 103.6820	1,158,296.40 93.4110	0.79	127,360.40-	3,823.33
1,000,000	BANK OF NEW YORK MELLON MED TERM NOTE DTD 11/18/13 3.950 11/18/2025 MOODY'S RATING A1 CUSIP 06406HCQ0	1,024,910.00 102.4910	978,590.00 97.8590	0.67	46,320.00-	4,718.06
1,370,000	BANK OF NY MELLON CORP DTD 04/26/2022 3.350% 04/25/2025 CALLABLE MOODY'S RATING A1 CUSIP 06406RBC0	1,369,808.20 99.9860	1,326,242.20 96.8060	0.91	43,566.00-	8,414.08
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	1,490,951.85 92.3190	1.02	123,741.30-	10,937.14

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022CITY 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
450,000	BMW VEHICLE LEASE TRUST SER 2022-1 CL A3 *0 DAY DELAY* DTD 01/19/22 1.100 03/25/2025 CUSIP 05601XAC3	449,932.73 99.9851	435,348.00 96.7440	0.30	14,584.73-	82.50
414,211.71	BMW VEHICLE LEASE TRUST SER 2021-2 CL A3 *0 DAY DELAY* DTD 09/15/21 0.330 12/26/2024 MOODY'S RATING AAA CUSIP 09690AAC7	414,168.96 99.9897	404,746.97 97.7150	0.28	9,421.99-	18.98
530,000	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	529,972.44 99.9948	516,119.30 97.3810	0.35	13,853.14-	283.55
755,000	CALIFORNIA ST TXBL-REF DTD 10/24/19 2.400 10/01/2024 MOODY'S RATING AA2 CUSIP 13063DRK6	772,342.35 102.2970	728,054.05 96.4310	0.50	44,288.30-	4,530.00
1,100,000	CATERPILLAR FINL SERVICE MED TERM NOTE DTD 11/08/19 2.150 11/08/2024 MOODY'S RATING A2 CUSIP 14913Q3B3	1,111,517.00 101.0470	1,049,466.00 95.4060	0.72	62,051.00-	3,481.81
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	875,164.80 91.1630	0.60	84,565.10-	7,709.33
1,500,000	FED HOME LN BK DTD 02/12/14 3.250 03/08/2024 MOODY'S RATING AAA CUSIP 3130A0XE5	1,568,115.00 104.5410	1,472,970.00 98.1980	1.01	95,145.00-	15,302.08

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1,500,000	FED HOME LN BK DTD 05/08/14 2.875 06/14/2024 MOODY'S RATING AAA CUSIP 3130A1XJ2	1,564,890.20 104.3260	1,465,350.00 97.6900	1.00	99,540.20-	2,036.46
2,000,000	FED HOME LN BK DTD 08/15/14 2.875 09/13/2024 MOODY'S RATING AAA CUSIP 3130A2UW4	2,103,380.00 105.1690	1,941,540.00 97.0770	1.32	161,840.00-	17,250.00
1,300,000	FED HOME LN MTG CORP SER KO41 CL A2 *24 DAY DELAY* DTD 12/01/14 3.171 10/25/2024 CUSIP 3137BFE98	1,398,414.06 107.5703	1,259,141.00 96.8570	0.86	139,273.06-	3,435.25
2,365,000	FED HOME LN MTG CORP DTD 02/14/20 1.500 02/12/2025 MOODY'S RATING AAA CUSIP 3137EAEPO	2,363,178.95 99.9230	2,228,492.20 94.2280	1.52	134,686.75-	13,697.29
1,250,000	FED HOME LN MTG CORP SER USD DTD 07/23/20 0.375 07/21/2025 MOODY'S RATING AAA CUSIP 3137EAEU9	1,243,775.00 99.5020	1,131,187.50 90.4950	0.77	112,587.50-	2,083.33
2,500,000	FED HOME LN MTG CORP DTD 09/25/20 0.375 09/23/2025 MOODY'S RATING AAA CUSIP 3137EAEX3	2,489,362.80 99.5745	2,249,700.00 89.9880	1.54	239,662.80-	2,552.08
1,755,000	FED HOME LN MTG CORP DTD 12/04/20 0.250 12/04/2023 MOODY'S RATING AAA CUSIP 3137EAF2	1,753,262.55 99.9010	1,682,237.70 95.8540	1.15	71,024.85-	329.06
1,500,000	FED NATL MTG ASSN DTD 07/08/19 1.750 07/02/2024 MOODY'S RATING AAA CUSIP 3135G0V75	1,484,895.00 98.9930	1,435,875.00 95.7250	0.98	49,020.00-	13,052.08

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1,975,000	FED NATL MTG ASSN DTD 10/18/19 1.625 10/15/2024 MOODY'S RATING AAA CUSIP 3135G0W66	1,965,802.75 99.5343	1,876,230.25 94.9990	1.28	89,572.50-	6,775.35
1,295,000	FED NATL MTG ASSN DTD 01/10/20 1.625 01/07/2025 MOODY'S RATING AAA CUSIP 3135G0X24	1,309,953.95 101.1548	1,223,308.80 94.4640	0.83	86,645.15-	10,171.15
1,860,000	FED NATL MTG ASSN DTD 04/24/20 0.625 04/22/2025 MOODY'S RATING AAA CUSIP 3135G03U5	1,856,168.40 99.7940	1,708,856.40 91.8740	1.17	147,312.00-	2,228.13
2,500,000	FED NATL MTG ASSN DTD 06/19/20 0.500 06/17/2025 MOODY'S RATING AAA CUSIP 3135G04Z3	2,499,227.30 99.9691	2,274,775.00 90.9910	1.55	224,452.30-	486.11
2,500,000	FED NATL MTG ASSN DTD 08/27/20 0.375 08/25/2025 MOODY'S RATING AAA CUSIP 3135G05X7	2,487,983.75 99.5194	2,254,725.00 90.1890	1.54	233,258.75-	3,281.25
2,500,000	FED NATL MTG ASSN DTD 11/12/20 0.500 11/07/2025 MOODY'S RATING AAA CUSIP 3135G06G3	2,492,700.00 99.7080	2,248,125.00 89.9250	1.53	244,575.00-	1,875.00
1,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K049 CL A2 *24 DAY DELAY* DTD 10/01/15 3.010 08/25/2025 CUSIP 3137BLMZ8	1,079,687.50 107.9688	960,080.00 96.0080	0.66	119,607.50-	2,508.33
950,000	FHLMC MULTIFAMILY STRUCTURED P SER K050 CL A2 *24 DAY DELAY* DTD 11/01/15 08/25/2025 CUSIP 3137BLW95	1,018,132.81 107.1719	918,393.50 96.6730	0.63	99,739.31-	2,639.42

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440,000	FHLMC MULTIFAMILY STRUCTURED P SER K051 CL A2 *24 DAY DELAY* DTD 12/01/15 3.308 09/25/2025 CUSIP 3137BM7C4	453,079.69 102.9727	424,828.80 96.5520	0.29	28,250.89-	1,212.93
570,000	FHLMC MULTIFAMILY STRUCTURED P SER K053 CL A2 *24 DAY DELAY* DTD 03/01/16 2.995 12/25/2025 CUSIP 3137BN6G4	582,001.17 102.1055	544,885.80 95.5940	0.37	37,115.37-	1,422.63
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	608,894.00 93.6760	0.42	78,557.17-	1,437.04
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	949,500.00 94.9500	0.65	1,164.06-	2,703.33
965,000	GM FINANCIAL AUTOMOBILE LEASIN SER 2021-3 CL A3 *0 DAY DELAY* DTD 08/18/21 0.390 10/21/2024 CUSIP 36262XAC8	964,986.88 99.9987	937,565.05 97.1570	0.64	27,421.83-	104.54
945,000	GM FINANCIAL AUTOMOBILE LEASIN SER 2022-1 CL A3 *0 DAY DELAY* DTD 02/23/22 1.850 03/20/2025 MOODY'S RATING AAA CUSIP 36265MAC9	944,991.87 99.9992	913,077.90 96.6220	0.62	31,913.97-	534.19
350,000	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	349,991.08 99.9975	330,680.00 94.4800	0.23	19,311.08-	99.17

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390,000	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	389,918.49 99.9791	377,715.00 96.8500	0.26	12,203.49-	503.75
295,000	GM FINANCIAL SECURITIZED TERM SER 2022-1 CL A3 *0 DAY DELAY* DTD 01/19/22 1.260 11/16/2026 CUSIP 380146AC4	294,974.36 99.9913	278,887.10 94.5380	0.19	16,087.26-	154.88
1,400,000	GUARDIAN LIFE GLOB FUND 144A PRIV PLCMT 0.875 12/10/2025 MOODY'S RATING AA1 CUSIP 40139LBC6	1,385,860.00 98.9900	1,236,424.00 88.3160	0.84	149,436.00-	714.58
55,080.52	HONDA AUTO RECEIVABLES OWNER T SER 2020-2 CL A3 *0 DAY DELAY* DTD 05/27/20 0.820 07/15/2024 MOODY'S RATING AAA CUSIP 43813DAC2	55,076.19 99.9922	54,270.84 98.5300	0.04	805.35-	20.07
206,866.51	HONDA AUTO RECEIVABLES OWNER T SER 2021-1 CL A3 *0 DAY DELAY* DTD 02/24/21 0.270 04/21/2025 MOODY'S RATING AAA CUSIP 43813GAC5	206,862.73 99.9982	200,104.04 96.7310	0.14	6,758.69-	15.51
288,408.17	HONDA AUTO RECEIVABLES OWNER T SER 2020-3 CL A3 *0 DAY DELAY* DTD 09/29/20 0.370 10/18/2024 CUSIP 43813KAC6	288,365.80 99.9853	282,106.45 97.8150	0.19	6,259.35-	38.53
740,000	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	739,888.70 99.9850	703,074.00 95.0100	0.48	36,814.70-	618.31

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460,000	HONDA AUTO RECEIVABLES OWNER T SER 2021-4 CL A3 *0 DAY DELAY* DTD 11/24/21 0.880 01/21/2026 MOODY'S RATING AAA CUSIP 43815GAC3	459,903.03 99.9789	436,535.40 94.8990	0.30	23,367.63-	112.44
790,000	HYUNDAI AUTO LEASE SECURITIZAT SER 2021-B CL A3 *0 DAY DELAY* 144A PRIV PLCMT 0.330 06/17/2024 MOODY'S RATING AAA CUSIP 44891VAC5	789,881.50 99.9850	777,944.60 98.4740	0.53	11,936.90-	101.38
540,000	HYUNDAI AUTO LEASE SECURITIZAT SER 2022-A CL A3 *0 DAY DELAY* 144A PRIV PLCMT 1.160 01/15/2025 MOODY'S RATING AAA CUSIP 44891WAC3	539,988.07 99.9978	521,132.40 96.5060	0.36	18,855.67-	278.40
1,010,000	HYUNDAI AUTO RECEIVABLES TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 03/16/2022 2.220% 10/15/2026 CALLABLE CUSIP 448977AD0	1,009,961.12 99.9962	964,974.20 95.5420	0.66	44,986.92-	996.53
481,215.39	HYUNDAI AUTO RECEIVABLES TRUST SER 2021-A CL A3 *0 DAY DELAY* DTD 04/28/21 0.380 09/15/2025 CUSIP 44933LAC7	481,164.76 99.9895	465,378.59 96.7090	0.32	15,786.17-	81.27
1,330,000	HYUNDAI AUTO RECEIVABLES TRUST SER 2021-C CL A3 *0 DAY DELAY* DTD 11/17/21 0.740 05/15/2026 CUSIP 44935FAD6	1,296,371.65 97.4716	1,256,251.50 94.4550	0.86	40,120.15-	437.42
2,800,000	INTER-AMERICAN DEVEL BK DTD 09/02/20 0.250 11/15/2023 MOODY'S RATING AAA CUSIP 4581X0DP0	2,792,300.00 99.7250	2,689,820.00 96.0650	1.84	102,480.00-	894.44

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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	2,200,962.00 89.4700	1.50	247,771.20-	4,245.21
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	2,156,112.00 89.8380	1.47	232,747.25-	2,100.00
2,500,000	INTL FINANCE CORP DTD 07/16/20 0.375 07/16/2025 MOODY'S RATING AAA CUSIP 45950KCT5	2,471,150.00 98.8460	2,260,600.00 90.4240	1.54	210,550.00-	4,296.88
1,030,000	JOHN DEERE CAPITAL CORP MED TERM NOTE DTD 03/04/21 0.450 01/17/2024 MOODY'S RATING A2 CUSIP 24422EVN6	1,029,268.70 99.9290	984,813.90 95.6130	0.67	44,454.80-	2,111.50
450,000	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	449,900.46 99.9779	431,509.50 95.8910	0.29	18,390.96-	464.00
98,707.84	JOHN DEERE OWNER TRUST SER 2020-B CL A3 *0 DAY DELAY* DTD 07/22/20 0.510 11/15/2024 MOODY'S RATING AAA CUSIP 47787NAC3	98,692.79 99.9848	97,191.69 98.4640	0.07	1,501.10-	22.37
59,731.79	JOHN DEERE OWNER TRUST SER 2020-A CL A3 *0 DAY DELAY* DTD 03/11/20 1.100 08/15/2024 MOODY'S RATING AAA CUSIP 47789KAC7	59,728.14 99.9939	59,209.73 99.1260	0.04	518.41-	29.20

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580,000	JOHN DEERE OWNER TRUST SER 2021-B CL A3 *0 DAY DELAY* DTD 07/21/21 0.520 03/16/2026 MOODY'S RATING AAA CUSIP 47789QAC4	579,948.26 99.9911	550,437.40 94.9030	0.38	29,510.86-	125.67
655,000	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	654,937.45 99.9905	639,574.75 97.6450	0.44	15,362.70-	1,088.76
1,050,000	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	1,049,918.52 99.9923	1,053,255.00 100.3100	0.72	3,336.48	2,375.33
655,000	JPMORGAN CHASE & SER F2F DTD 06/23/21 06/23/2025 MOODY'S RATING A1 CUSIP 46647PCK0	655,406.85 100.0621	610,571.35 93.2170	0.42	44,835.50-	141.04
401,000	JPMORGAN CHASE & CO DTD 04/22/20 04/22/2026 MOODY'S RATING A1 CUSIP 46647PBK1	415,969.33 103.7330	372,248.30 92.8300	0.25	43,721.03-	1,600.96
1,370,000	JPMORGAN CHASE & CO DTD 06/01/21 06/01/2025 MOODY'S RATING A1 CUSIP 46647PCH7	1,371,773.90 100.1295	1,277,045.50 93.2150	0.87	94,728.40-	940.73
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	880,140.00 88.0140	0.60	122,090.00-	5,500.00

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61,876.91	MERCEDES-BENZ AUTO LEASE TRUST SER 2020-B CL A3 *0 DAY DELAY* DTD 09/23/20 0.400 11/15/2023 CUSIP 58769EAC2	61,873.77 99.9949	61,730.88 99.7640	0.04	142.89-	11.00
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	986,295.55 88.4570	0.67	127,433.35-	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	670,161.80 87.0340	0.46	99,129.80-	2,860.76
650,000	MORGAN STANLEY DTD 04/28/20 04/28/2026 MOODY'S RATING A1 CUSIP 6174468Q5	615,699.50 94.7230	604,025.50 92.9270	0.41	11,674.00-	2,488.85
1,680,000	NEW YORK LIFE GLOBAL FDG 144A PRIV PLCMT 1.450 01/14/2025 MOODY'S RATING AAA CUSIP 64952WEK5	1,678,185.60 99.8920	1,565,037.60 93.1570	1.07	113,148.00-	11,300.33
162,453.92	NISSAN AUTO RECEIVABLES OWNER SER 2019-C CL A3 *0 DAY DELAY* DTD 10/23/19 1.930 07/15/2024 MOODY'S RATING AAA CUSIP 65479JAD5	163,259.83 100.4961	161,872.33 99.6420	0.11	1,387.50-	139.35
670,000	NORTHERN TRUST CORP DTD 05/10/2022 4.000% 05/10/2027 CALLABLE MOODY'S RATING A2 CUSIP 665859AW4	668,914.60 99.8380	654,429.20 97.6760	0.45	14,485.40-	3,796.67

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850,000	NORTHWESTERN MUTUAL GBL 144A PRIV PLCMT 0.800 01/14/2026 MOODY'S RATING AAA CUSIP 66815L2A6	827,449.50 97.3470	751,969.50 88.4670	0.51	75,480.00-	3,154.44
1,170,000	NORTHWESTERN MUTUAL GBL DTD 07/01/2022 4.000% 07/01/2025 NON CALLABLE 144A PRIVATE PLACEMENT MOODY'S RATING AAA CUSIP 66815L2J7	1,169,602.20 99.9660	1,146,974.40 98.0320	0.78	22,627.80-	23,400.00
370,000	PACCAR FINANCIAL CORP MED TERM NOTE DTD 08/15/19 2.150 08/15/2024 MOODY'S RATING A1 CUSIP 69371RQ25	369,182.30 99.7790	353,087.30 95.4290	0.24	16,095.00-	3,005.22
680,000	PACCAR FINANCIAL CORP MED TERM NOTE DTD 08/09/21 0.500 08/09/2024 MOODY'S RATING A1 CUSIP 69371RR40	679,632.80 99.9460	633,256.80 93.1260	0.43	46,376.00-	1,341.11
885,000	PACCAR FINANCIAL CORP DTD 04/07/2022 2.850% 04/07/2025 NON CALLABLE MOODY'S RATING A1 CUSIP 69371RR73	884,769.90 99.9740	848,874.30 95.9180	0.58	35,895.60-	5,885.25
904,000	PRICOA GLOBAL FUNDING 1 144A PRIV PLCMT 0.800 09/01/2025 MOODY'S RATING AA3 CUSIP 74153WCM9	832,972.72 92.1430	808,881.12 89.4780	0.55	24,091.60-	2,410.67
885,000	PRICOA GLOBAL FUNDING 1 144A PRIV PLCMT 1.150 12/06/2024 MOODY'S RATING AA3 CUSIP 74153WCQ0	884,088.45 99.8970	818,695.80 92.5080	0.56	65,392.65-	706.77

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1,500,000	ROYAL BANK OF CANADA DTD 07/16/19 2.550 07/16/2024 MOODY'S RATING A1 CUSIP 78013XZU5	1,533,359.18 102.2240	1,447,155.00 96.4770	0.99	86,204.18-	17,531.25
1,050,000	ROYAL BANK OF CANADA MEDIUM TERM NOTE CONVERTIBLE DTD 04/14/2022 3.375% 04/14/2025 NON CALLABLE MOODY'S RATING A1 CUSIP 78016EZ59	1,049,611.50 99.9630	1,014,636.00 96.6320	0.69	34,975.50-	7,579.69
1,760,000	SALESFORCE.COM INC DTD 07/12/21 0.625 07/15/2024 MOODY'S RATING A2 CUSIP 79466LAG9	1,748,937.40 99.3715	1,650,915.20 93.8020	1.13	98,022.20-	5,072.22
1,500,000	TORONTO-DOMINION BANK MED TERM NOTE DTD 06/12/19 2.650 06/12/2024 MOODY'S RATING A1 CUSIP 89114QCA4	1,527,255.00 101.8170	1,451,040.00 96.7360	0.99	76,215.00-	2,097.92
700,000	TORONTO-DOMINION BANK MED TERM NOTE SER FXD DTD 01/12/22 1.450 01/10/2025 MOODY'S RATING A1 CUSIP 89114TZL9	674,737.00 96.3910	651,826.00 93.1180	0.44	22,911.00-	4,821.25
216,428.62	TOYOTA AUTO RECEIVABLES OWNER SER 2020-D CL A3 *0 DAY DELAY* DTD 10/13/20 0.350 01/15/2025 CUSIP 89236XAC0	216,388.30 99.9814	212,632.46 98.2460	0.15	3,755.84-	33.67
430,000	TOYOTA AUTO RECEIVABLES OWNER SER 2021-D CL A3 *0 DAY DELAY* DTD 11/15/21 0.710 04/15/2026 CUSIP 89238JAC9	429,990.84 99.9979	405,085.80 94.2060	0.28	24,905.04-	135.69

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
748,729.92	TOYOTA AUTO RECEIVABLES OWNER SER 2021-A CL A3 *0 DAY DELAY* DTD 02/08/21 0.260 05/15/2025 MOODY'S RATING AAA CUSIP 89240BAC2	748,590.96 99.9815	729,420.18 97.4210	0.50	19,170.78-	86.52
554,864.6	TOYOTA LEASE OWNER TRUST SER 2021-A CL A3 *0 DAY DELAY* 144A PRIV PLCMT 0.390 04/22/2024 MOODY'S RATING AAA CUSIP 89238EAC0	543,767.31 98.0000	547,251.86 98.6280	0.37	3,484.55	54.10
1,150,000	TOYOTA LEASE OWNER TRUST ASSET BCKD SEC SER 2022-A CL A3 DTD 02/28/2022 1.960% 02/20/2025 CALLABLE 144A PRIVATE PLACEMENT CUSIP 89238LAC4	1,149,818.99 99.9843	1,109,094.50 96.4430	0.76	40,724.49-	688.72
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	1,223,592.10 88.3460	0.84	160,798.50-	562.66
1,215,000	TOYOTA MOTOR CREDIT CORP DTD 01/13/22 1.450 01/13/2025 MOODY'S RATING A1 CUSIP 89236TJT3	1,213,371.90 99.8660	1,137,592.35 93.6290	0.78	75,779.55-	8,221.50
3,100,000	UNITED STATES TREASURY NOTES DTD 03/15/2022 1.750% 03/15/2025 MOODY'S RATING AAA CUSIP 91282CED9	3,057,617.20 98.6328	2,929,252.00 94.4920	2.00	128,365.20-	16,185.08
3,250,000	UNITED STATES TREASURY NOTES DTD 06/30/2022 3.250% 06/30/2027 MOODY'S RATING AAA CUSIP 91282CEW7	3,260,312.50 100.3173	3,142,457.50 96.6910	2.14	117,855.00-	53,104.28

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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 AAA CUSIP 91282CFB2	393,218.75 98.3047	378,452.00 94.6130	0.26	14,766.75-	4,603.26
4,500,000	UNITED STATES TREASURY NOTES DTD 08/31/2022 3.125% 08/31/2027 MOODY'S RATING AAA CUSIP 91282CFH9	4,468,902.34 99.3090	4,328,100.00 96.1800	2.95	140,802.34-	47,781.42
3,450,000	UNITED STATES TREASURY NOTES DTD 09/30/2022 4.125% 09/30/2027 MOODY'S RATING AAA CUSIP 91282CFM8	3,421,152.34 99.1639	3,462,937.50 100.3750	2.36	41,785.16	36,360.06
850,000	UNITED STATES TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 MOODY'S RATING AAA CUSIP 91282CFZ9	852,656.25 100.3125	845,350.50 99.4530	0.58	7,305.75-	2,895.60
1,035,000	UNITEDHEALTH GROUP INC DTD 05/19/21 1.150 05/15/2026 MOODY'S RATING A3 CUSIP 91324PEC2	1,025,051.35 99.0388	924,337.80 89.3080	0.63	100,713.55-	1,520.88
675,000	UNITEDHEALTH GROUP INC DTD 05/20/2022 3.700% 05/15/2027 CALLABLE MOODY'S RATING A3 CUSIP 91324PEG3	675,316.70 100.0469	652,934.25 96.7310	0.45	22,382.45-	3,191.25
1,250,000	US BANCORP DTD 07/29/19 2.400 07/30/2024 MOODY'S RATING A2 CUSIP 91159HHX1	1,268,262.50 101.4610	1,201,675.00 96.1340	0.82	66,587.50-	12,583.33
1,500,000	US TREASURY NOTE DTD 07/31/20 0.250 07/31/2025 MOODY'S RATING AAA CUSIP 91282CAB7	1,469,765.63 97.9844	1,353,570.00 90.2380	0.92	116,195.63-	1,569.29

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
2,400,000	US TREASURY NOTE DTD 09/30/20 0.250 09/30/2025 MOODY'S RATING AAA CUSIP 91282CAM3	2,366,140.63 98.5892	2,154,936.00 89.7890	1.47	211,204.63-	1,532.97
2,450,000	US TREASURY NOTE DTD 10/31/20 0.250 10/31/2025 MOODY'S RATING AAA CUSIP 91282CAT8	2,422,492.19 98.8772	2,190,741.00 89.4180	1.50	231,751.19-	1,049.03
2,250,000	US TREASURY NOTE DTD 11/30/20 0.375 11/30/2025 MOODY'S RATING AAA CUSIP 91282CAZ4	2,209,658.20 98.2070	2,012,512.50 89.4450	1.37	197,145.70-	741.76
2,500,000	US TREASURY NOTE DTD 02/01/21 0.375 01/31/2026 MOODY'S RATING AAA CUSIP 91282CBH3	2,456,445.31 98.2578	2,224,325.00 88.9730	1.52	232,120.31-	3,923.23
1,450,000	US TREASURY NOTE DTD 03/15/21 0.250 03/15/2024 MOODY'S RATING AAA CUSIP 91282CBR1	1,446,488.28 99.7578	1,374,614.50 94.8010	0.94	71,873.78-	1,081.49
2,500,000	US TREASURY NOTE DTD 04/30/21 0.750 04/30/2026 MOODY'S RATING AAA CUSIP 91282CBW0	2,493,652.34 99.7461	2,234,875.00 89.3950	1.53	258,777.34-	3,211.33
1,400,000	US TREASURY NOTE DTD 09/30/21 0.875 09/30/2026 MOODY'S RATING AAA CUSIP 91282CCZ2	1,379,054.68 98.5039	1,243,102.00 88.7930	0.85	135,952.68-	3,129.81
1,400,000	US TREASURY NOTE DTD 11/01/21 1.125 10/31/2026 CUSIP 91282CDG3	1,391,468.75 99.3906	1,252,174.00 89.4410	0.85	139,294.75-	2,697.51

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
2,000,000	US TREASURY NOTE DTD 02/18/14 2.750 02/15/2024 MOODY'S RATING AAA CUSIP 912828B66	2,053,613.28 102.6807	1,956,720.00 97.8360	1.34	96,893.28-	20,774.46
1,700,000	US TREASURY NOTE DTD 08/15/14 2.375 08/15/2024 MOODY'S RATING AAA CUSIP 912828D56	1,753,191.41 103.1289	1,640,228.00 96.4840	1.12	112,963.41-	15,250.34
1,500,000	US TREASURY NOTE DTD 01/03/17 2.250 12/31/2023 MOODY'S RATING AAA CUSIP 912828V23	1,529,472.66 101.9649	1,463,040.00 97.5360	1.00	66,432.66-	16,968.23
2,000,000	US TREASURY NOTE DTD 06/30/17 2.000 06/30/2024 MOODY'S RATING AAA CUSIP 912828XX3	2,018,574.22 100.9287	1,923,520.00 96.1760	1.31	95,054.22-	20,110.50
1,700,000	US TREASURY NOTE DTD 05/01/17 2.000 04/30/2024 MOODY'S RATING AAA CUSIP 912828X70	1,705,976.56 100.3516	1,640,228.00 96.4840	1.12	65,748.56-	5,823.20
2,100,000	US TREASURY NOTE DTD 12/31/19 1.750 12/31/2024 CUSIP 912828YY0	2,087,203.13 99.3906	1,993,362.00 94.9220	1.36	93,841.13-	18,476.52
1,500,000	US TREASURY NOTE DTD 03/02/20 1.125 02/28/2025 MOODY'S RATING AAA CUSIP 912828ZC7	1,523,144.53 101.5430	1,400,220.00 93.3480	0.96	122,924.53-	5,733.77
2,500,000	US TREASURY NOTE DTD 04/30/20 0.375 04/30/2025 MOODY'S RATING AAA CUSIP 912828ZL7	2,360,839.85 94.4336	2,281,650.00 91.2660	1.56	79,189.85-	1,605.66

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022

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
570,000	VERIZON MASTER TRUST ASSET BCKD SEC SER 2022-5 CL A1A DTD 08/11/2022 VAR CPN 07/20/2027 CALLABLE CUSIP 92348KAV5	569,974.92 99.9956	561,347.40 98.4820	0.38	8,627.52-	647.90
449,373.02	VERIZON OWNER TRUST SER 2020-B CL A *0 DAY DELAY* DTD 08/12/20 0.470 02/20/2025 MOODY'S RATING AAA CUSIP 92290BAA9	449,278.65 99.9790	442,605.46 98.4940	0.30	6,673.19-	64.53
17,978.39	VERIZON OWNER TRUST SER 2019-C CL A1A *0 DAY DELAY* 144A PRIV PLCMT 1.940 04/22/2024 CUSIP 92348AAA3	17,977.00 99.9923	17,946.93 99.8250	0.01	30.07-	10.66
350,000	WALMART INC DTD 09/17/21 1.050 09/17/2026 MOODY'S RATING AA2 CUSIP 931142ER0	349,338.50 99.8110	309,946.00 88.5560	0.21	39,392.50-	1,061.67
TOTAL BOND & NOTES		155,522,840.18	145,918,494.78	99.58	9,604,345.40-	646,313.41
TOTAL INVESTMENTS		156,139,815.13	146,535,469.73	100.00	9,604,345.40-	647,572.16
TOTAL ACCRUALS		647,572.16	647,572.16			
TOTAL ACCRUALS AND INVESTMENTS		156,787,387.29	147,183,041.89			

CASH SUMMARY
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

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	132,361.95
OTHER CASH RECEIPTS	1.17	0.00
TRANSFER RECEIPTS	132,361.95	0.00
SALES	446,840.84	0.00
CASH MANAGEMENT SALES	857,166.05	0.00
TOTAL CASH RECEIPTS	1,436,370.01	132,361.95
DISBURSEMENTS		
INVESTMENT MANAGEMENT EXPENSES	8,978.36-	0.00
TRANSFER DISBURSEMENTS	0.00	132,361.95-
PURCHASES	852,656.25-	0.00
CASH MANAGEMENT PURCHASES	574,735.40-	0.00
TOTAL CASH DISBURSEMENTS	1,436,370.01-	132,361.95-
ENDING BALANCE	0.00	0.00

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

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>156,015,128.99</u>	
		CASH EQUIVALENTS			
12/01/22		INTEREST RECEIVED AS 100% TREAS MM FD-SVC CL #008 INTEREST FROM 11/1/22 TO 11/30/22	1,294.76		
12/01/22		INTEREST RECEIVED PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM INTEREST FROM 11/1/22 TO 11/30/22	77.26		
12/31/22	574,658.14	CASH SWEEP PURCHASES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 12 TRANSACTIONS	574,658.14-	574,658.14	
12/31/22	77.26	CASH SWEEP PURCHASES FOR STMT PERIOD PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM 1 TRANSACTIONS	77.26-	77.26	
12/31/22	857,166.05-	CASH SWEEP SALES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 3 TRANSACTIONS	857,166.05	857,166.05-	
		BONDS & NOTES			
12/15/22		INTEREST RECEIVED AMERICAN EXPRES ABS 2.210% 3/15/27 CUSIP 02589BAA8 \$0.00184/PV ON 1,545,000.00 PV DUE 12/15/22	2,845.38		
12/15/22		INTEREST RECEIVED AMERICAN EXPRESS ABS 3.390% 5/17/27 CUSIP 02582JJT8 \$0.00283/PV ON 1,375,000.00 PV DUE 12/15/22	3,884.38		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/27/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 0.330% 12/26/24 CUSIP 09690AAC7 \$0.00027/PV ON 425,000.00 PV DUE 12/25/22	116.88		
12/27/22	10,788.29-	PAID DOWN BMW VEHICLE LEASE TR 0.330% 12/26/24 CUSIP 09690AAC7 TO SETTLE ON 12/27/2022	10,788.29	10,787.18-	1.11
12/27/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 1.100% 3/25/25 CUSIP 05601XAC3	412.50		
12/27/22		INTEREST RECEIVED BMW VEHICLE OWN ABS 3.210% 8/25/26 CUSIP 05602RAD3 \$0.00268/PV ON 530,000.00 PV DUE 12/25/22	1,417.75		
12/14/22		INTEREST RECEIVED FED HOME LN BK 2.875% 6/14/24 CUSIP 3130A1XJ2 INTEREST ON 1,500,000.000 UNITS	21,562.50		
12/05/22		INTEREST RECEIVED FED HOME LN MTG CORP 0.250% 12/04/23 CUSIP 3137EAF2 INTEREST ON 1,755,000.000 UNITS	2,193.75		
12/27/22		INTEREST RECEIVED FED HOME LN MTG CORP 3.171% 10/25/24 CUSIP 3137BFE98 \$0.00264/PV ON 1,300,000.00 PV DUE 12/25/22	3,435.25		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/19/22		INTEREST RECEIVED FED NATL MTG ASSN 0.500% 6/17/25 CUSIP 3135G04Z3 INTEREST ON 2,500,000.000 UNITS	6,250.00		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.653% 8/25/26 CUSIP 3137BSP72 \$0.00221/PV ON 650,000.00 PV DUE 12/25/22	1,437.04		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.995% 12/25/25 CUSIP 3137BN6G4 \$0.00250/PV ON 570,000.00 PV DUE 12/25/22	1,422.62		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLM28 \$0.00251/PV ON 1,000,000.00 PV DUE 12/25/22	2,508.33		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.244% 8/25/27 CUSIP 3137FBBX3 \$0.00270/PV ON 1,000,000.00 PV DUE 12/25/22	2,703.33		
12/27/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.308% 9/25/25 CUSIP 3137BM7C4 \$0.00276/PV ON 440,000.00 PV DUE 12/25/22	1,212.93		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/16/22		INTEREST RECEIVED GM FINANCIAL ABS 3.100% 2/16/27 CUSIP 362585AC5 \$0.00258/PV ON 390,000.00 PV DUE 12/16/22	1,007.50		
12/20/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 0.390% 10/21/24 CUSIP 36262XAC8 \$0.00032/PV ON 965,000.00 PV DUE 12/20/22	313.63		
12/20/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 1.850% 3/20/25 CUSIP 36265MAC9 \$0.00158/PV ON 945,000.00 PV DUE 12/20/22	1,496.25		
12/16/22		INTEREST RECEIVED GM FINANCIAL SECURIT 0.680% 9/16/26 CUSIP 362554AC1 \$0.00057/PV ON 350,000.00 PV DUE 12/16/22	198.33		
12/16/22		INTEREST RECEIVED GM FINANCIAL SECURIT 1.260% 11/16/26 CUSIP 380146AC4 \$0.00105/PV ON 295,000.00 PV DUE 12/16/22	309.75		
12/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.270% 4/21/25 CUSIP 43813GAC5 \$0.00023/PV ON 222,564.82 PV DUE 12/21/22	50.08		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/21/22	15,698.31-	PAID DOWN HONDA AUTO RECEIVABL 0.270% 4/21/25 CUSIP 43813GAC5	15,698.31	15,698.02-	0.29
12/19/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6 \$0.00031/PV ON 317,128.71 PV DUE 12/18/22	97.78		
12/19/22	28,720.54-	PAID DOWN HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6 TO SETTLE ON 12/19/2022	28,720.54	28,716.32-	4.22
12/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2 \$0.00068/PV ON 62,059.95 PV DUE 12/15/22	42.41		
12/15/22	6,979.43-	PAID DOWN HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2	6,979.43	6,978.88-	0.55
12/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.880% 1/21/26 CUSIP 43815GAC3 \$0.00073/PV ON 460,000.00 PV DUE 12/21/22	337.33		
12/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 1.000% 5/15/26 CUSIP 43815BAC4 \$0.00157/PV ON 740,000.00 PV DUE 12/15/22	1,159.33		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
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STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 0.330% 6/17/24 CUSIP 44891VAC5 \$0.00027/PV ON 790,000.00 PV DUE 12/15/22	217.25		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 1.160% 1/15/25 CUSIP 44891WAC3 \$0.00097/PV ON 540,000.00 PV DUE 12/15/22	522.00		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO REC ABS 2.220% 10/15/26 CUSIP 448977AD0 \$0.00185/PV ON 1,010,000.00 PV DUE 12/15/22	1,868.50		
12/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.380% 9/15/25 CUSIP 44933LAC7 \$0.00032/PV ON 511,389.56 PV DUE 12/15/22	161.94		
12/15/22	30,174.17-	PAID DOWN HYUNDAI AUTO RECEIVA 0.380% 9/15/25 CUSIP 44933LAC7	30,174.17	30,171.00-	3.17
12/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.740% 5/15/26 CUSIP 44935FAD6 \$0.00062/PV ON 1,330,000.00 PV DUE 12/15/22	820.17		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNE ABS 5.090% 6/15/27 CUSIP 47800BAC2 \$0.00792/PV ON 1,050,000.00 PV DUE 12/15/22	8,313.67		

STATEMENT OF TRANSACTIONS
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STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER ABS 2.320% 9/16/26 CUSIP 47787JAC2 \$0.00193/PV ON 450,000.00 PV DUE 12/15/22	870.00		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER ABS 3.740% 2/16/27 CUSIP 47800AAC4 \$0.00312/PV ON 655,000.00 PV DUE 12/15/22	2,041.42		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3 \$0.00043/PV ON 107,984.82 PV DUE 12/15/22	45.89		
12/15/22	9,276.98-	PAID DOWN JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3	9,276.98	9,275.57-	1.41
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.520% 3/16/26 CUSIP 47789QAC4 \$0.00043/PV ON 580,000.00 PV DUE 12/15/22	251.33		
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7 \$0.00092/PV ON 70,972.34 PV DUE 12/15/22	65.06		
12/15/22	11,240.55-	PAID DOWN JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7	11,240.55	11,239.86-	0.69

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3 \$0.00184/PV ON 2,330.73 PV DUE 12/15/22	4.29		
12/16/22	0.01	SHARE ADJUSTMENT JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3			
12/16/22	2,330.74-	PAID DOWN JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3 TO SETTLE ON 12/16/2022	2,330.74	2,352.31-	21.57-
12/15/22		INTEREST RECEIVED MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2 \$0.00033/PV ON 102,158.02 PV DUE 12/15/22	34.05		
12/15/22	40,281.11-	PAID DOWN MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2	40,281.11	40,279.07-	2.04
12/15/22		INTEREST RECEIVED NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5 \$0.00161/PV ON 208,142.54 PV DUE 12/15/22	334.77		
12/15/22	45,688.62-	PAID DOWN NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5	45,688.62	45,915.27-	226.65-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/12/22		INTEREST RECEIVED P/P GUARDIAN LIFE GL 0.875% 12/10/25 CUSIP 40139LBC6 INTEREST ON 1,400,000.000 UNITS	6,125.00		
12/06/22		INTEREST RECEIVED P/P PRICOA GLOBAL FU 1.150% 12/06/24 CUSIP 74153WCQ0 INTEREST ON 885,000.000 UNITS	5,088.75		
12/12/22		INTEREST RECEIVED TORONTO-DOMINION BAN 2.650% 6/12/24 CUSIP 89114QCA4 INTEREST ON 1,500,000.000 UNITS	19,875.00		
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.260% 5/15/25 CUSIP 89240BAC2 \$0.00022/PV ON 804,167.17 PV DUE 12/15/22	174.24		
12/15/22	55,437.25-	PAID DOWN TOYOTA AUTO RECEIVAB 0.260% 5/15/25 CUSIP 89240BAC2	55,437.25	55,426.96-	10.29
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0 \$0.00029/PV ON 239,650.17 PV DUE 12/15/22	69.90		
12/15/22	23,221.55-	PAID DOWN TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0	23,221.55	23,217.22-	4.33

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.710% 4/15/26 CUSIP 89238JAC9 \$0.00059/PV ON 430,000.00 PV DUE 12/15/22	254.42		
12/20/22		INTEREST RECEIVED TOYOTA LEASE OWN ABS 1.960% 2/20/25 CUSIP 89238LAC4 \$0.00163/PV ON 1,150,000.00 PV DUE 12/20/22	1,878.33		
12/20/22		INTEREST RECEIVED TOYOTA LEASE OWNER 0.390% 4/22/24 CUSIP 89238EAC0 \$0.00032/PV ON 630,109.48 PV DUE 12/20/22	204.79		
12/20/22	75,244.88-	PAID DOWN TOYOTA LEASE OWNER 0.390% 4/22/24 CUSIP 89238EAC0	75,244.88	73,739.98-	1,504.90
12/19/22		INTEREST RECEIVED TOYOTA MOTOR CREDIT 1.125% 6/18/26 CUSIP 89236TJK2 INTEREST ON 1,385,000.000 UNITS	7,790.63		
12/06/22	850,000	PURCHASED U.S. TREASURY NOTES 3.875% 11/30/27 CUSIP 91282CFZ9 AT \$100.3125 ON TRADE DATE 12/05/2022 TO SETTLE ON 12/06/2022 BARCLAYS CAPITAL INC. FIXED IN	852,656.25-	852,656.25	
12/06/22		ACCRUED INTEREST ON PURCHASE U.S. TREASURY NOTES 3.875% 11/30/27 CUSIP 91282CFZ9	542.93-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/20/22		INTEREST RECEIVED VERIZON MAST ABS V-M 3.720% 7/20/27 CUSIP 92348KAV5 \$0.00310/PV ON 570,000.00 PV DUE 12/20/22	1,767.00		
12/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 0.470% 2/20/25 CUSIP 92290BAA9 \$0.00039/PV ON 521,030.91 PV DUE 12/20/22	204.07		
12/20/22	71,657.89-	PAID DOWN VERIZON OWNER TRUST 0.470% 2/20/25 CUSIP 92290BAA9	71,657.89	71,642.84-	15.05
12/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3 \$0.00162/PV ON 38,078.92 PV DUE 12/20/22	61.56		
12/20/22	20,100.53-	PAID DOWN VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3	20,100.53	20,098.98-	1.55
12/19/22		INTEREST RECEIVED VR BANK OF AMERICA 1.319% 6/19/26 CUSIP 06051GJD2 INTEREST ON 700,000.000 UNITS	4,616.50		
12/27/22		INTEREST RECEIVED VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95 \$0.00278/PV ON 950,000.00 PV DUE 12/25/22	2,639.42		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/01/22		INTEREST RECEIVED VR JPMORGAN CHASE & 0.824% 6/01/25 CUSIP 46647PCH7 INTEREST ON 1,370,000.000 UNITS	5,644.40		
12/23/22		INTEREST RECEIVED VR JPMORGAN CHASE & 0.969% 6/23/25 CUSIP 46647PCK0 INTEREST ON 655,000.000 UNITS	3,173.48		
		OTHER CASH RECEIPTS			
12/23/22		ADDITION TO ACCOUNT COMP DUE TO UNINVESTED FUNDS FOR DELAYED INCOME POSTINGS	1.17		
		TRANSFER RECEIPTS			
12/01/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	7,016.42		
12/05/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	2,193.75		
12/06/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	4,545.82		
12/12/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	26,000.00		
12/14/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	21,562.50		
12/15/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	20,116.19		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/16/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	5,379.79		
12/19/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	18,754.91		
12/20/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	5,925.63		
12/21/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	387.41		
12/23/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	3,173.48		
12/27/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	16,893.55		
12/28/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	412.50		
		INVESTMENT MANAGEMENT EXPENSES			
12/05/22		INVESTMENT MGMT FEE PAID TO CHANDLER ASSET MANAGEMENT INC CHANDLER ASSET MGMT FEE INV 2211CUPERTIN	8,978.36-		
		TRANSFER DISBURSEMENTS			
12/01/22		TRANSFER TO PRINCIPAL	7,016.42-		
12/05/22		TRANSFER TO PRINCIPAL	2,193.75-		
12/06/22		TRANSFER TO PRINCIPAL	4,545.82-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD DECEMBER 1, 2022 THROUGH DECEMBER 31, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
12/12/22		TRANSFER TO PRINCIPAL	26,000.00-		
12/14/22		TRANSFER TO PRINCIPAL	21,562.50-		
12/15/22		TRANSFER TO PRINCIPAL	20,116.19-		
12/16/22		TRANSFER TO PRINCIPAL	5,379.79-		
12/19/22		TRANSFER TO PRINCIPAL	18,754.91-		
12/20/22		TRANSFER TO PRINCIPAL	5,925.63-		
12/21/22		TRANSFER TO PRINCIPAL	387.41-		
12/23/22		TRANSFER TO PRINCIPAL	3,173.48-		
12/27/22		TRANSFER TO PRINCIPAL	16,893.55-		
12/28/22		TRANSFER TO PRINCIPAL	412.50-		
<u>ENDING BALANCE</u>			<u>0.00</u>	<u>156,139,815.13</u>	

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 TrustAccount Report for the Period
12/1/2022 to 12/31/2022Kristina Alfaro
Director of Administrative Services
City of Cupertino
10300 Torre Ave.
Cupertino, CA 95014

Account Summary

Source	Balance as of 12/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 12/31/2022
OPEB	\$32,828,174.78	\$0.00	-\$1,189,346.78	\$9,741.76	\$0.00	\$0.00	\$31,629,086.24
PENSION	\$18,054,972.51	\$0.00	-\$654,113.96	\$5,357.78	\$0.00	\$0.00	\$17,395,500.77
Totals	\$50,883,147.29	\$0.00	-\$1,843,460.74	\$15,099.54	\$0.00	\$0.00	\$49,024,587.01

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	-3.62%	6.26%	-17.99%	0.86%	2.90%	5.22%	6/21/2010
PENSION	-3.62%	6.26%	-17.98%	2.05%	-	-	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

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



CITY OF CUPERTINO

PARS 115 Trust – OPEB Prefunding Program &
Pension Rate Stabilization Program Plan Client Review
January 23, 2023

CONTACTS



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Ryan Maxey
Vice President, Sr. Relationship Manager
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ryan.maxey@usbank.com

PARS TRUST TEAM

Trust Administrator & Consultant



- Serves as record-keeper, consultant, and central-point of contact
- Record-keeping/account valuations
- Monitors contributions
- Processes disbursements
- Handles all agency/participant inquiries
- Ongoing plan compliance

Corporate Experience

39 years (1984-2023)

Dollars under Administration

Over \$6.5 billion

Investment Manager & Trustee



- Safeguard and Oversight of Plan Assets
- Investment Fiduciary
- Manage Program Portfolios
- Investment Policy Assistance
- Open Architecture with Active and Index Investments

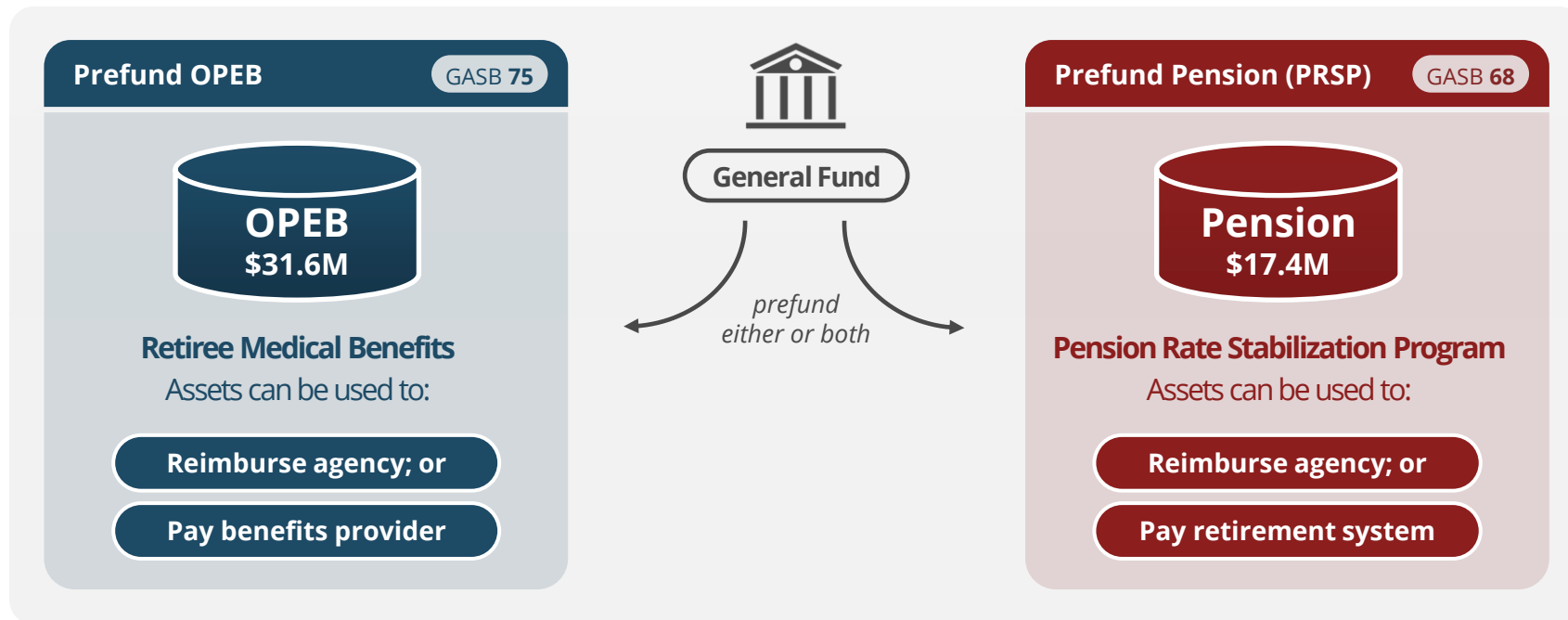
Corporate Experience

160 years (1863-2023)

Dollars under Trust Custody

Over \$9.0 trillion

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.



December 31, 2022

PARS/CITY OF CUPERTINO 115P

OPEB & PENSION ACCOUNTS

U.S. Bank Institutional Asset Management

Table of Contents

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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
- Section 2 – ECONOMIC OUTLOOK
- Section 3 – DISCLOSURES, DEFINITIONS, DESCRIPTIONS



PORTFOLIO REVIEW



Account: XXXXXX9600

Holdings Method: Direct

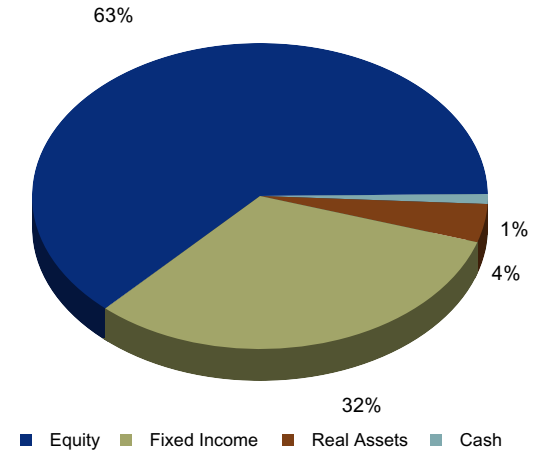
Report Date: 12/30/2022

Portfolio Summary

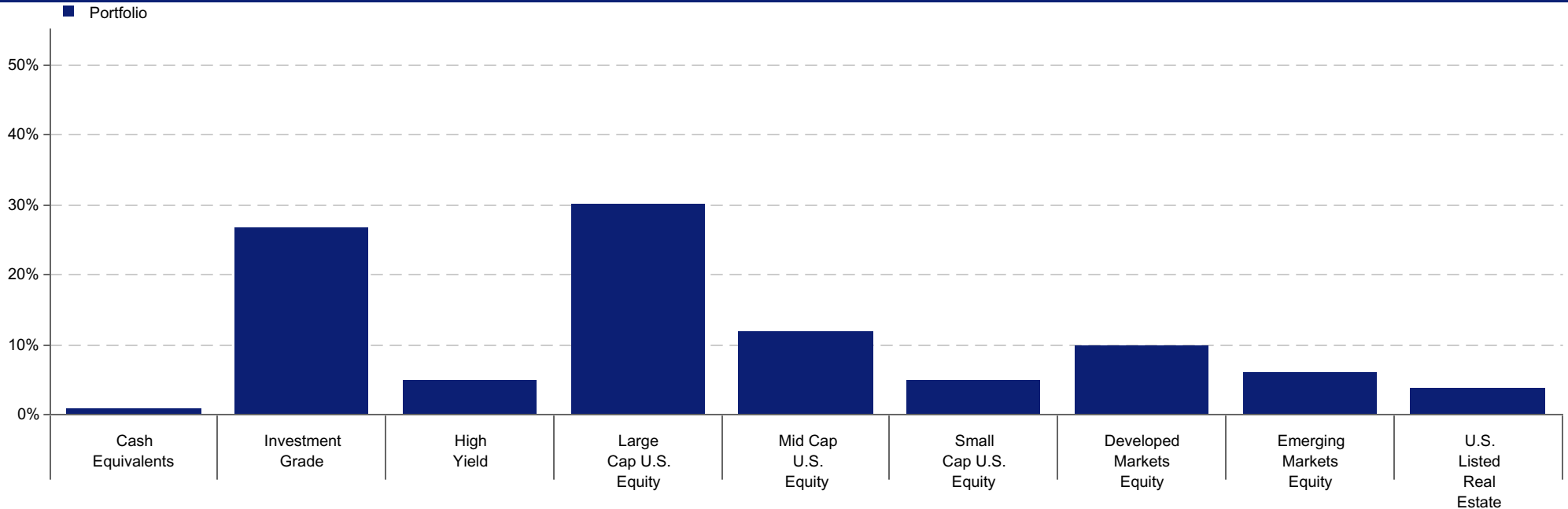
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$31,604,301
Net Realized Cap Gains YTD	\$352,076
Annual Income Projected	\$621,693
Current Yield	1.97%
Number of Securities	12
Portfolio Mgr.	Rick Rosenthal

Portfolio Asset Allocation

Equity	\$19,979,136	63.22%
Fixed Income	\$10,057,379	31.82%
Real Assets	\$1,263,942	4.00%
Cash	\$303,844	0.96%
Invested Total	\$31,604,301	100.00%



Portfolio Model Allocation



Account: XXXXXX9600

Holdings Method: Direct and Indirect

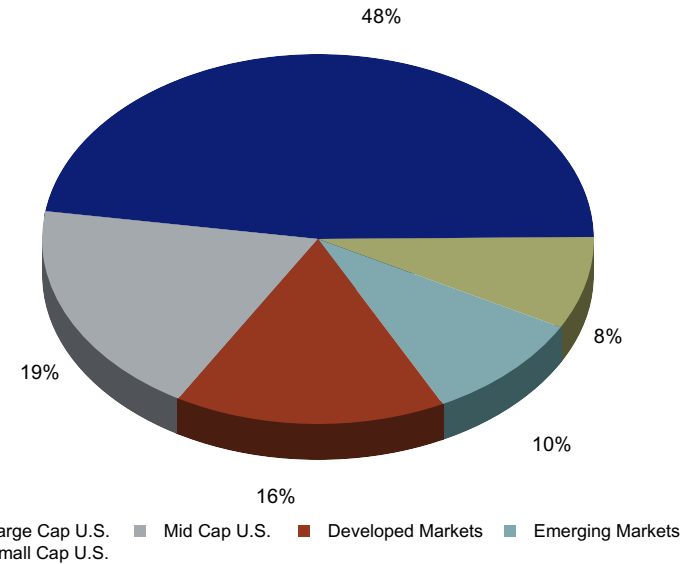
Report Date: 12/30/2022

Equity Summary

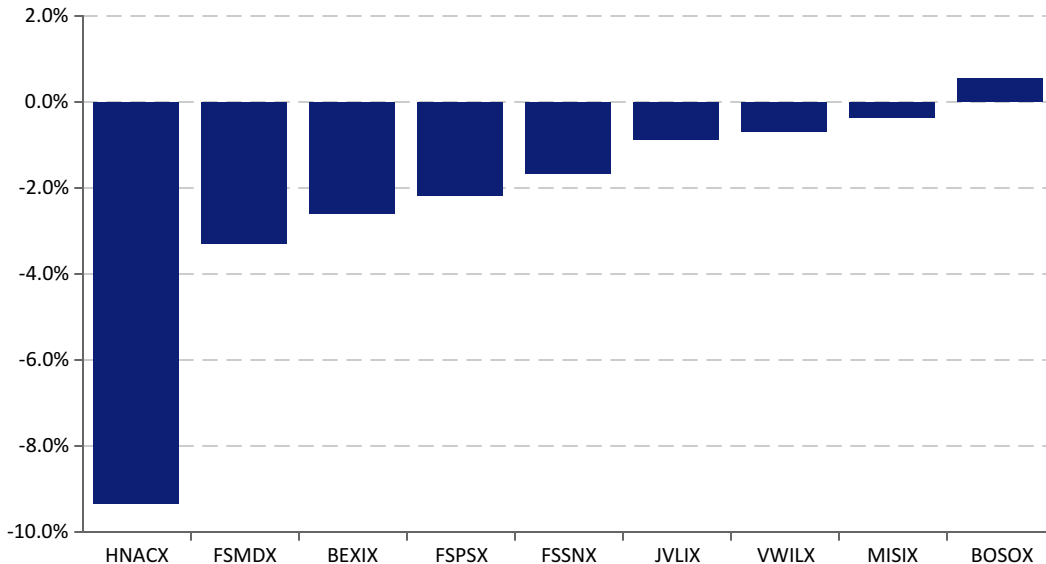
Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$19,979,136
Current Yield	1.08%
Annual Income Projected	\$216,654
Number of Securities	6
Portfolio Mgr.	Rick Rosenthal

Equity Asset Allocation

Large Cap U.S.	\$9,514,340	47.62%
Mid Cap U.S.	\$3,800,350	19.02%
Developed Markets	\$3,166,643	15.85%
Emerging Markets	\$1,919,764	9.61%
Small Cap U.S.	\$1,578,039	7.90%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



Equity Country Distribution





Account: XXXXXX9600

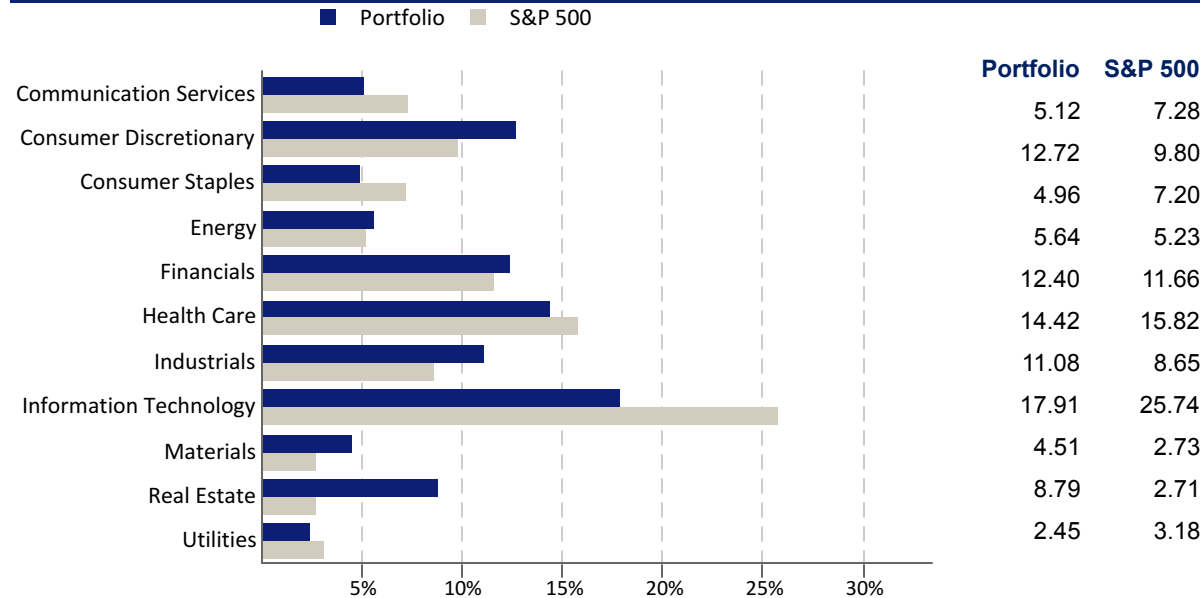
Holdings Method: Direct and Indirect

Report Date: 12/30/2022

Top 10 Common Stock Holdings

	Equity (%)	Port (%)	Yield (%)	YTD Return* (%)	52 Wk Return* (%)
Apple Inc.	1.56	0.99	0.70	-26.4	-26.7
Microsoft Corporation	1.48	0.94	1.10	-28.0	-28.7
Amazon.com, Inc.	1.19	0.76	0.00	-49.6	-50.2
Alphabet Inc. Class A	1.15	0.73	0.00	-39.1	-39.7
UnitedHealth Group Incorporat...	1.12	0.71	1.30	6.9	6.5
Tesla Inc	1.08	0.69	0.00	-65.0	-65.5
Eli Lilly and Company	0.95	0.60	1.20	34.2	33.7
LVMH Moet Hennessy Louis V...	0.94	0.60	1.50	-4.7	-5.1
Visa Inc. Class A	0.93	0.59	0.80	-3.4	-3.9
Schlumberger NV	0.90	0.57	1.20	81.2	82.0

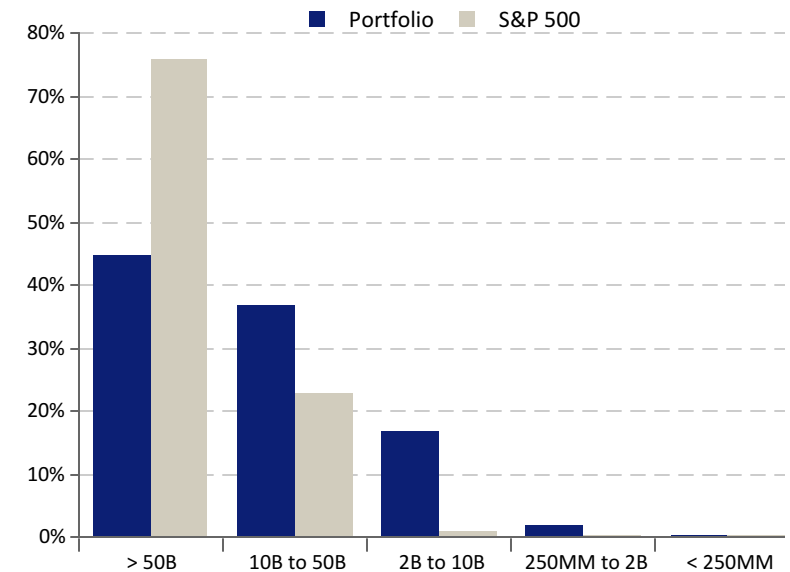
Common Stock Sector Exposures



Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$176.6B	\$417.5B
Market Cap - Median	\$10.1B	\$29.6B
Dividend Yield (%)	1.89	1.76
P/E NTM	15.7	16.8
P/E LTM	17.0	19.0
ROE (%)	20.8	27.7
1 Yr Beta vs. S&P Composite	.85	.96
Est 3-5 Yr EPS Growth (%)	14.7	11.2
Hist 3 Yr EPS Growth (%)	16.8	18.6
Number of Securities	1928	503

Common Stock Market Cap Distribution



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

Account: XXXXXX9600

Holdings Method: Direct

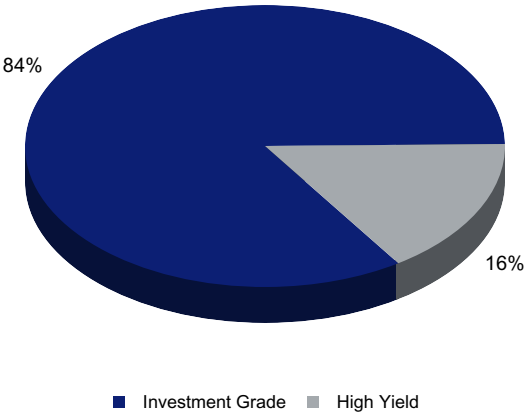
Report Date: 12/30/2022

Fixed Income Summary

Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$10,057,379
Current Yield	3.47%
Annual Income Projected	\$348,904
Number of Securities	4
Portfolio Mgr.	Rick Rosenthal

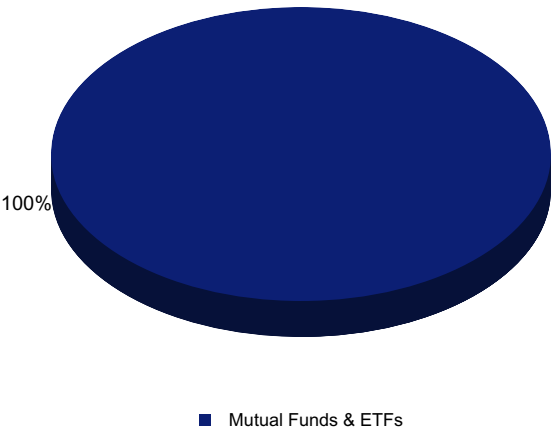
Fixed Income Asset Allocation

Investment Grade	\$8,489,853	84.41%
High Yield	\$1,567,526	15.59%

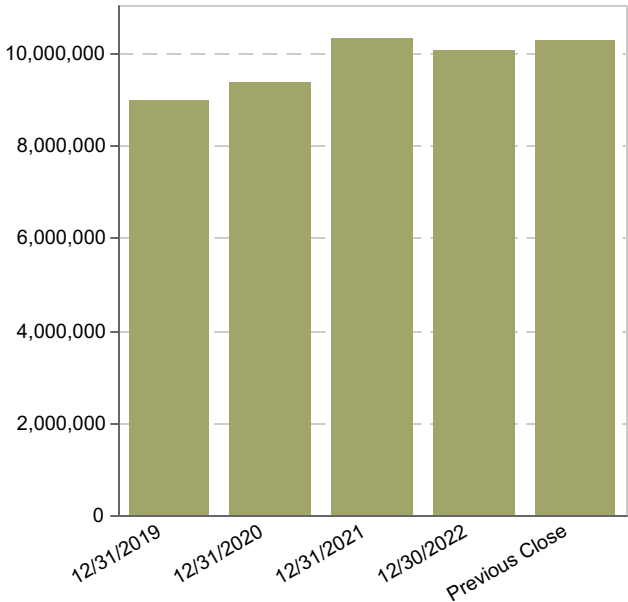


Fixed Income Sector Exposures

Mutual Funds & ETFs	\$10,057,379	100.00%
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Fixed Income Market Value



Custom Benchmark

CITY OF CUPERTINO

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI AC World Free Index	50%-70%	63%	63.1%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	31.9%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	1%

Selected Period Performance

	Market Value	3 Months	1 Year	3 Years	5 Years	104 Months	Inception to Date 07/01/2010
Total Portfolio Gross of Fees	31,638,793	6.26	-17.96	.87	2.84	4.38	5.63
Total Portfolio Net of Fees	31,638,793	6.21	-18.11	.69	2.65	4.16	
City of Cupertino		8.04	-16.62	1.93	3.67	4.31	6.42
Total Equity	19,979,136	9.06	-20.40	4.51	5.43	7.42	10.28
MSCI ACWI (Net)		9.76	-18.36	4.00	5.23	6.45	8.84
U.S. Equity	14,892,729	7.15	-20.41	4.88	6.48	8.79	
S&P 500 Index (Total Return)		7.56	-18.11	7.66	9.42	10.66	13.31
S&P MidCap 400 Index		10.78	-13.06	7.23	6.71	8.67	12.04
S&P SmallCap 600 Index		9.19	-16.10	5.80	5.88	8.39	12.13
Developed Markets Equity	3,166,643	18.28	-17.00	7.50	5.99	5.67	
MSCI EAFE Index (Net)		17.34	-14.45	.87	1.54	2.69	5.79
Emerging Markets Equity	1,919,764	8.58	-25.82	-4.20	-3.47	-.13	
MSCI Emerging Markets Index (Net)		9.70	-20.09	-2.69	-1.40	1.98	2.78
Total Fixed Income	10,090,083	1.06	-11.52	-4.74	-1.36	-.05	1.24
BBARC Global Aggregate Index		4.55	-16.25	-4.48	-1.66	-.61	.89
BBARC US Aggregate Bond Index		1.87	-13.01	-2.71	.02	1.15	1.88
Total Real Assets	1,263,942	5.29	-24.46	-.34	2.29		
Real Estate	1,263,942	5.29	-24.46	-.34	2.85	5.21	
S&P Global REIT Index (Gross)		7.17	-23.60	-2.38	1.98	4.15	7.82
S&P GSCI Index		3.44	25.99	10.49	6.46	-4.06	-1.12
Total Cash Equivalents	305,632	.86	1.49	.62	1.09	.75	.53
ICE BofAML US 3-Month Treasury Bill Index		.84	1.46	.72	1.26	.87	.63
Pending Cash	0	.00	.00	.00	.00	.00	.00

For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

Investment products and services are:
NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY





Portfolio Holdings

Account: XXXXXX9600

Holdings Method: Direct

Report Date: 12/30/2022

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			31,604,301	30,193,427	1,410,874	1.97	621,693
Cash		.96			303,844	303,844	.00	4.06	12,350
Cash Equivalents		.96			303,844	303,844	.00	4.06	12,350
FIRST AM GOVT OB FD CL Z	31846V567	.96	1.00	303,844	303,844	303,844	.00	4.06	12,350
Fixed Income		31.82			10,057,379	8,974,995	1,082,384	3.47	348,904
Investment Grade		26.86			8,489,853	7,148,441	1,341,412	2.87	243,595
Mutual Funds & ETFs		26.86			8,489,853	7,148,441	1,341,412	2.87	243,595
DoubleLine Total Return Bond Fund Class I	DBLTX	8.91	8.77	321,221	2,817,105	2,496,939	320,166	3.87	108,894
Fidelity U.S. Bond Index Fund	FXNAX	8.95	10.18	277,707	2,827,054	1,738,442	1,088,612	2.40	67,760
TIAA-CREF Short-Term Bond Fd Institutio...	TISIX	9.00	9.82	289,786	2,845,694	2,913,060	-67,366	2.35	66,940
High Yield		4.96			1,567,526	1,826,554	-259,027	6.72	105,309
Mutual Funds & ETFs		4.96			1,567,526	1,826,554	-259,027	6.72	105,309
Artisan High Income Fund - Institutional Sh...	APHFX	4.96	8.41	186,388	1,567,526	1,826,554	-259,027	6.72	105,309
Equity		63.22			19,979,136	19,255,147	723,989	1.08	216,654
Large Cap U.S. Equity		30.10			9,514,340	10,979,658	-1,465,318	0.70	66,262
Mutual Funds & ETFs		30.10			9,514,340	10,979,658	-1,465,318	0.70	66,262
Harbor Capital Appreciation Fund - Retire...	HNACX	15.05	62.89	75,649	4,757,576	5,421,828	-664,252	0.00	0
John Hancock Fds III Disciplined Value Fu...	JVLIX	15.05	20.89	227,705	4,756,764	5,557,830	-801,066	1.39	66,262
Mid Cap U.S. Equity		12.02			3,800,350	1,466,435	2,333,915	1.59	60,553
Mutual Funds & ETFs		12.02			3,800,350	1,466,435	2,333,915	1.59	60,553
Fidelity Mid Cap Index Fund	FSMDX	12.02	25.92	146,618	3,800,350	1,466,435	2,333,915	1.59	60,553
Small Cap U.S. Equity		4.99			1,578,039	1,555,728	22,312	0.35	5,579
Mutual Funds & ETFs		4.99			1,578,039	1,555,728	22,312	0.35	5,579
Boston Trust Walden Small Cap Fund	BOSOX	4.99	15.56	101,416	1,578,039	1,555,728	22,312	0.35	5,579
Developed Markets Equity		10.02			3,166,643	3,607,802	-441,160	2.66	84,259
Mutual Funds & ETFs		10.02			3,166,643	3,607,802	-441,160	2.66	84,259
Fidelity International Index Fund	FSPSX	10.02	41.19	76,879	3,166,643	3,607,802	-441,160	2.66	84,259
Emerging Markets Equity		6.07			1,919,764	1,645,524	274,240	0.00	0
Mutual Funds & ETFs		6.07			1,919,764	1,645,524	274,240	0.00	0
Baron Emerging Markets Fd Inst Shs	BEXIX	6.07	13.04	147,221	1,919,764	1,645,524	274,240	0.00	0

**Portfolio Holdings**

Account: XXXXXX9600

Holdings Method: Direct

Report Date: 12/30/2022

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Real Assets		4.00			1,263,942	1,659,442	-395,500	3.46	43,784
U.S. Listed Real Estate		4.00			1,263,942	1,659,442	-395,500	3.46	43,784
iShares Core U.S. REIT ETF	USRT	4.00	49.45	25,560	1,263,942	1,659,442	-395,500	3.46	43,784

Account: XXXXXX9601

Holdings Method: Direct

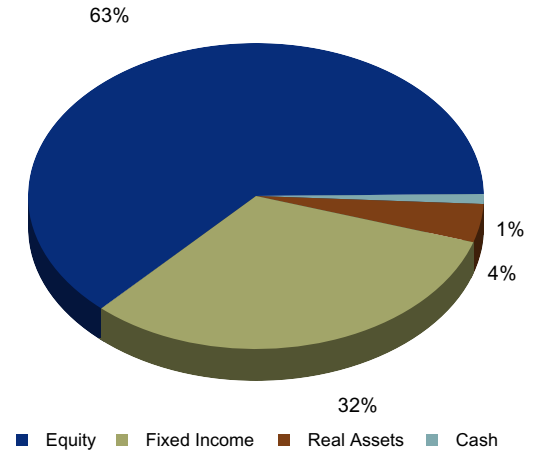
Report Date: 12/30/2022

Portfolio Summary

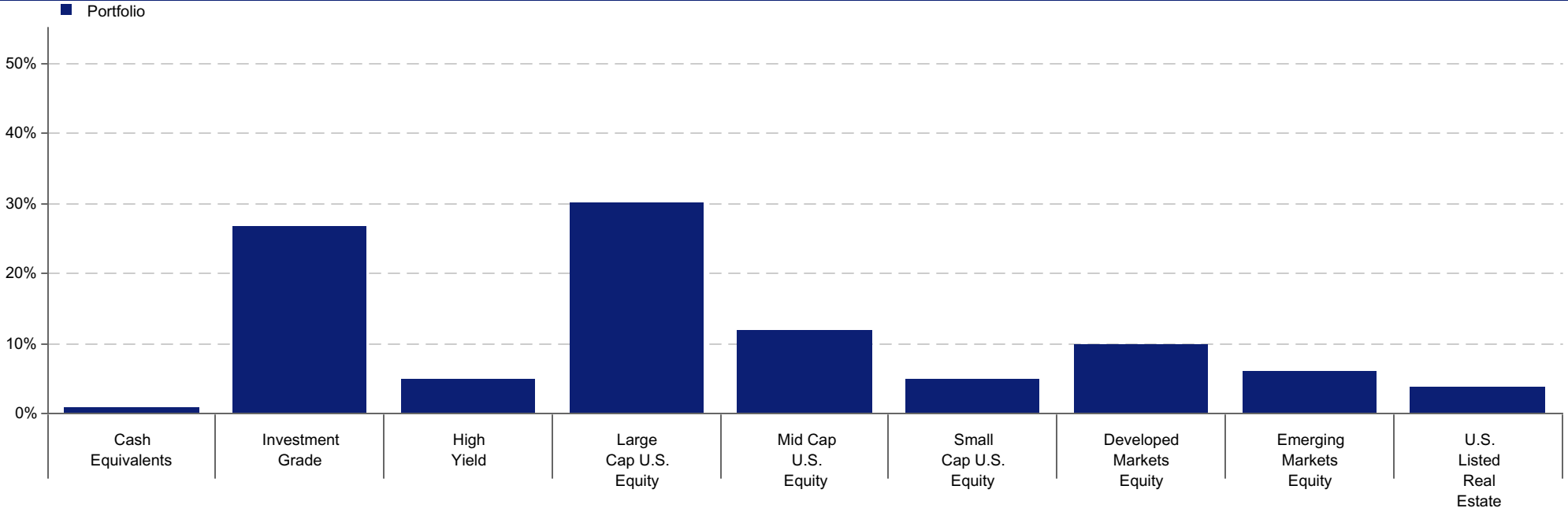
Inv. Objective	Balanced/Nontaxable-1
Total Portfolio Value	\$17,381,869
Net Realized Cap Gains YTD	\$118,233
Annual Income Projected	\$341,924
Current Yield	1.97%
Number of Securities	12
Portfolio Mgr.	Rick Rosenthal

Portfolio Asset Allocation

Equity	\$10,988,150	63.22%
Fixed Income	\$5,531,401	31.82%
Real Assets	\$695,119	4.00%
Cash	\$167,200	0.96%
Invested Total	\$17,381,869	100.00%



Portfolio Model Allocation



Account: XXXXXX9601

Holdings Method: Direct and Indirect

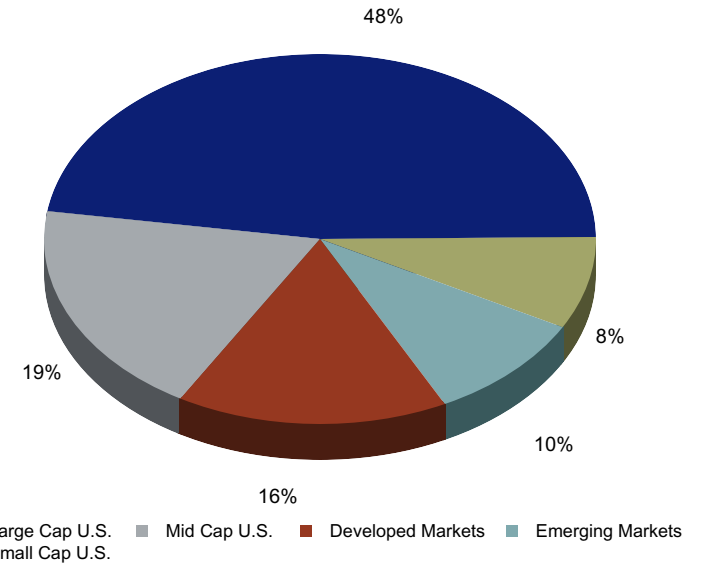
Report Date: 12/30/2022

Equity Summary

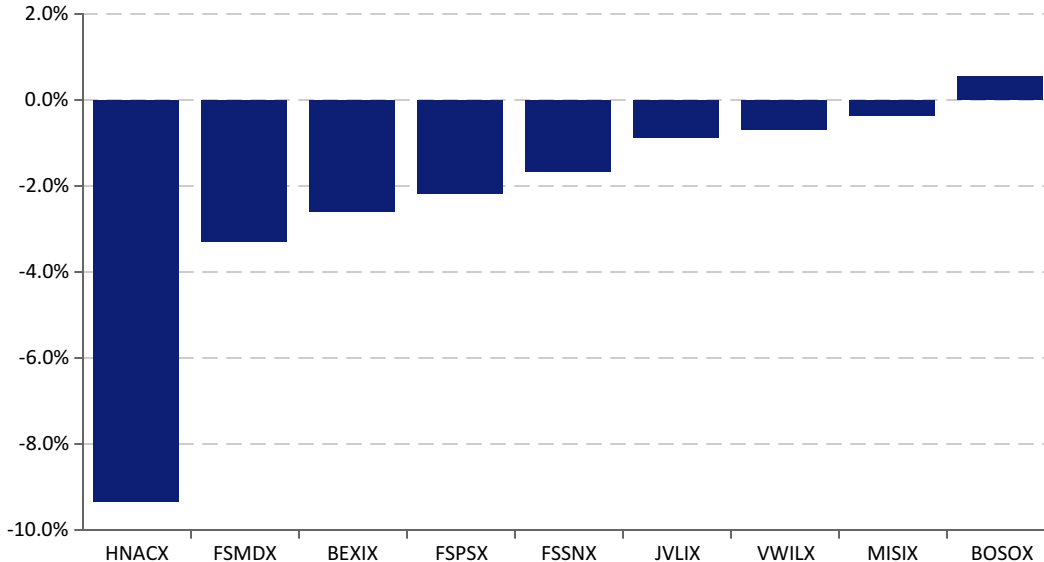
Inv. Objective	Balanced/Nontaxable-1
Total Equity Value	\$10,988,150
Current Yield	1.08%
Annual Income Projected	\$119,156
Number of Securities	6
Portfolio Mgr.	Rick Rosenthal

Equity Asset Allocation

Large Cap U.S.	\$5,232,738	47.62%
Mid Cap U.S.	\$2,090,133	19.02%
Developed Markets	\$1,741,604	15.85%
Emerging Markets	\$1,055,786	9.61%
Small Cap U.S.	\$867,890	7.90%



Bottom 5/ Top 5 Contributors (Trailing 12 Months)



Equity Global Distribution



Equity Country Distribution





Common Stock Detail

Account: XXXXXX9601

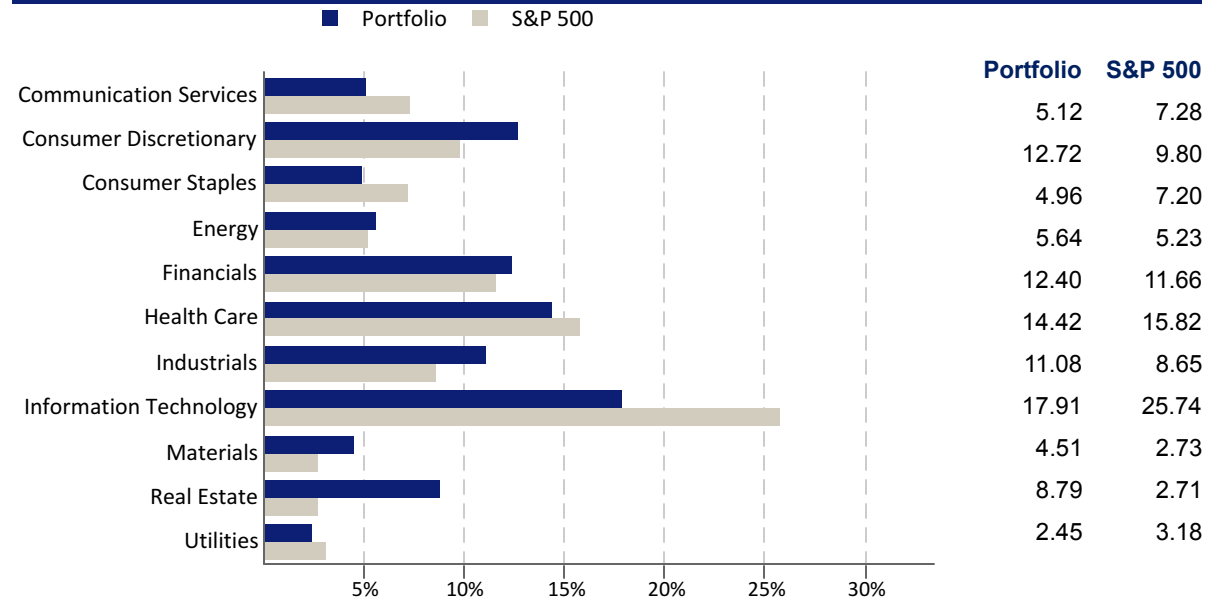
Holdings Method: Direct and Indirect

Report Date: 12/30/2022

Top 10 Common Stock Holdings

	Equity (%)	Port (%)	Yield (%)	YTD Return* (%)	52 Wk Return* (%)
Apple Inc.	1.56	0.99	0.70	-26.4	-26.7
Microsoft Corporation	1.48	0.94	1.10	-28.0	-28.7
Amazon.com, Inc.	1.19	0.76	0.00	-49.6	-50.2
Alphabet Inc. Class A	1.15	0.73	0.00	-39.1	-39.7
UnitedHealth Group Incorporat...	1.12	0.71	1.30	6.9	6.5
Tesla Inc	1.08	0.69	0.00	-65.0	-65.5
Eli Lilly and Company	0.95	0.60	1.20	34.2	33.7
LVMH Moet Hennessy Louis V...	0.94	0.60	1.50	-4.7	-5.1
Visa Inc. Class A	0.93	0.59	0.80	-3.4	-3.9
Schlumberger NV	0.90	0.57	1.20	81.2	82.0

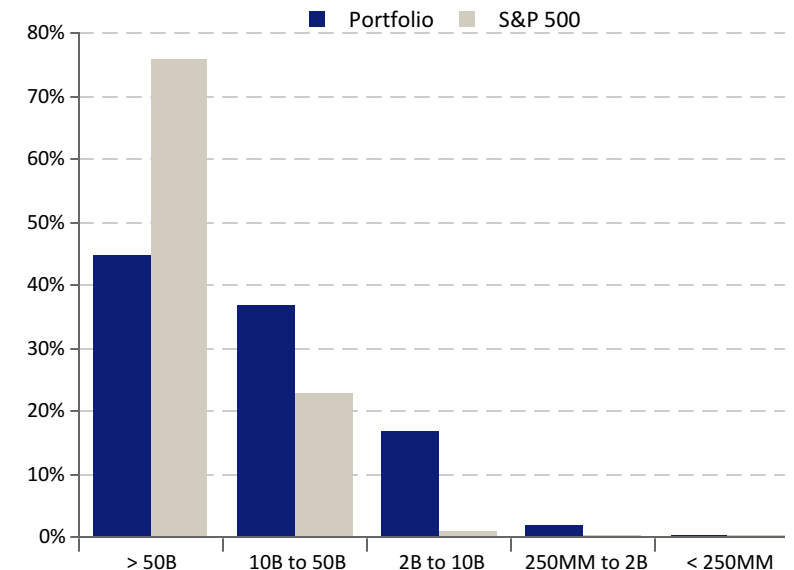
Common Stock Sector Exposures



Common Stock Characteristics

	Portfolio	S&P 500
Market Cap - Wtd Avg	\$176.6B	\$417.5B
Market Cap - Median	\$10.1B	\$29.6B
Dividend Yield (%)	1.89	1.76
P/E NTM	15.7	16.8
P/E LTM	17.0	19.0
ROE (%)	20.8	27.7
1 Yr Beta vs. S&P Composite	.85	.96
Est 3-5 Yr EPS Growth (%)	14.7	11.2
Hist 3 Yr EPS Growth (%)	16.8	18.6
Number of Securities	1928	503

Common Stock Market Cap Distribution



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

Account: XXXXXX9601

Holdings Method: Direct

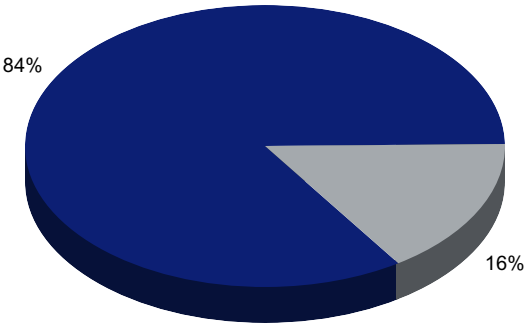
Report Date: 12/30/2022

Fixed Income Summary

Inv. Objective	Balanced/Nontaxable-1
Total Fixed Income Value	\$5,531,401
Current Yield	3.47%
Annual Income Projected	\$191,892
Number of Securities	4
Portfolio Mgr.	Rick Rosenthal

Fixed Income Asset Allocation

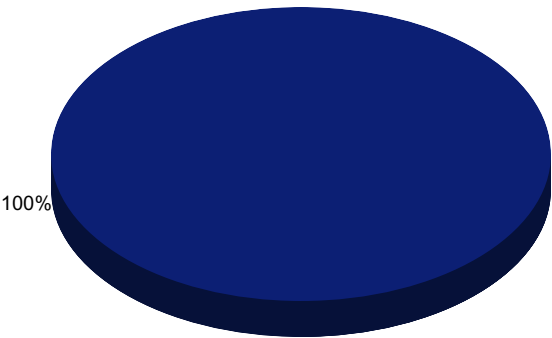
Investment Grade	\$4,669,286	84.41%
High Yield	\$862,115	15.59%



■ Investment Grade ■ High Yield

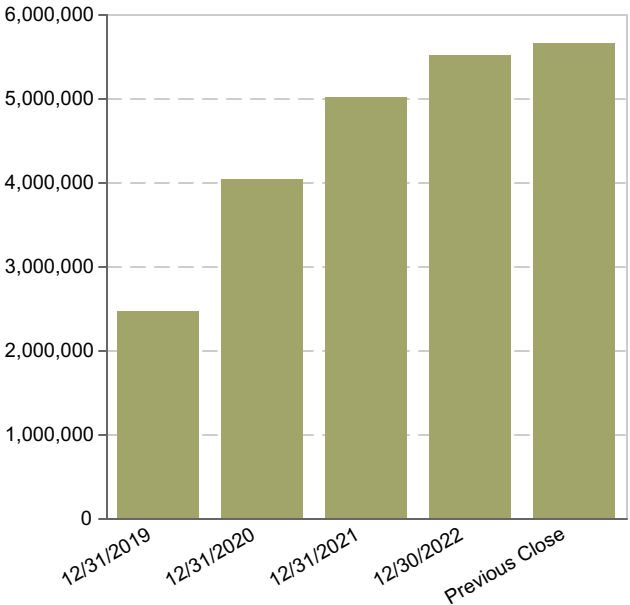
Fixed Income Sector Exposures

Mutual Funds & ETFs	\$5,531,401	100.00%
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■ Mutual Funds & ETFs

Fixed Income Market Value



Custom Benchmark

CITY OF CUPERTINO

Asset Class	Benchmark	Range	Target	Actual
Equities	MSCI AC World Free Index	50%-70%	63%	63.1%
Fixed Income	BBARC Global Aggregate Index	20%-40%	29%	31.9%
Real Estate	S&P Global REIT TR USD	0%-15%	5%	4%
Commodities	S&P GSCI Commodity Index	0%-10%	2%	0%
Cash	FTSE 3-Mo US T-Bill Index	0%-10%	1%	1%

PARS/CITY OF CUPERTINO 115P- PENSION (****059601)

Selected Period Performance

CC 02-07-2023
290 of 491
Period Ending: 12/31/2022

	Market Value	3 Months	1 Year	3 Years	Inception to Date 05/01/2019
Total Portfolio Gross of Fees	17,400,839	6.26	-17.88	2.05	3.70
Total Portfolio Net of Fees	17,400,839	6.21	-18.03	1.87	3.52
City of Cupertino		8.04	-16.62	1.93	3.74
Total Equity	10,988,150	9.06	-20.39	4.54	6.03
MSCI ACWI (Net)		9.76	-18.36	4.00	5.77
U.S. Equity	8,190,760	7.15	-20.40	4.88	6.32
S&P 500 Index (Total Return)		7.56	-18.11	7.66	9.34
S&P MidCap 400 Index		10.78	-13.06	7.23	7.56
S&P SmallCap 600 Index		9.19	-16.10	5.80	6.37
Developed Markets Equity	1,741,604	18.28	-17.00	7.50	8.74
MSCI EAFE Index (Net)		17.34	-14.45	.87	2.82
Emerging Markets Equity	1,055,786	8.58	-25.82	-4.19	-2.00
MSCI Emerging Markets Index (Net)		9.70	-20.09	-2.69	-.77
Total Fixed Income	5,549,387	1.06	-11.52	-4.70	-2.42
BBARC Global Aggregate Index		4.55	-16.25	-4.48	-2.43
BBARC US Aggregate Bond Index		1.87	-13.01	-2.71	-.77
Total Real Assets	695,119	5.29	-24.37	-.28	1.89
Real Estate	695,119	5.29	-24.37	-.28	1.89
S&P Global REIT Index (Gross)		7.17	-23.60	-2.38	.43
S&P GSCI Index		3.44	25.99	10.49	8.35
Total Cash Equivalents	168,184	.86	1.34	.56	.81
ICE BofAML US 3-Month Treasury Bill Index		.84	1.46	.72	.99
Pending Cash	0	.00	.00	.00	.00

For performance and rate of return methodologies, as well as other important information, please refer to the Appendix/Disclosures provided.

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Portfolio Holdings

Account: XXXXXX9601

Holdings Method: Direct

Report Date: 12/30/2022

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Total		100.0			17,381,869	18,137,331	-755,462	1.97	341,924
Cash		.96			167,200	167,200	.00	4.06	6,796
Cash Equivalents		.96			167,200	167,200	.00	4.06	6,796
FIRST AM GOVT OB FD CL Z	31846V567	.96	1.00	167,200	167,200	167,200	.00	4.06	6,796
Fixed Income		31.82			5,531,401	5,778,309	-246,909	3.47	191,892
Investment Grade		26.86			4,669,286	4,786,200	-116,914	2.87	133,973
Mutual Funds & ETFs		26.86			4,669,286	4,786,200	-116,914	2.87	133,973
DoubleLine Total Return Bond Fund Class I	DBLTX	8.91	8.77	176,666	1,549,363	1,479,321	70,043	3.87	59,890
Fidelity U.S. Bond Index Fund	FXNAX	8.95	10.18	152,734	1,554,835	1,706,792	-151,956	2.40	37,267
TIAA-CREF Short-Term Bond Fd Institutio...	TISIX	9.00	9.82	159,378	1,565,087	1,600,088	-35,000	2.35	36,816
High Yield		4.96			862,115	992,109	-129,994	6.72	57,919
Mutual Funds & ETFs		4.96			862,115	992,109	-129,994	6.72	57,919
Artisan High Income Fund - Institutional Sh...	APHFX	4.96	8.41	102,511	862,115	992,109	-129,994	6.72	57,919
Equity		63.22			10,988,150	11,301,247	-313,097	1.08	119,156
Large Cap U.S. Equity		30.10			5,232,738	6,119,761	-887,023	0.70	36,443
Mutual Funds & ETFs		30.10			5,232,738	6,119,761	-887,023	0.70	36,443
Harbor Capital Appreciation Fund - Retire...	HNACX	15.05	62.89	41,606	2,616,592	3,114,299	-497,707	0.00	0
John Hancock Fds III Disciplined Value Fu...	JVLIX	15.05	20.89	125,234	2,616,145	3,005,462	-389,316	1.39	36,443
Mid Cap U.S. Equity		12.02			2,090,133	1,305,598	784,535	1.59	33,303
Mutual Funds & ETFs		12.02			2,090,133	1,305,598	784,535	1.59	33,303
Fidelity Mid Cap Index Fund	FSMDX	12.02	25.92	80,638	2,090,133	1,305,598	784,535	1.59	33,303
Small Cap U.S. Equity		4.99			867,890	855,569	12,321	0.35	3,068
Mutual Funds & ETFs		4.99			867,890	855,569	12,321	0.35	3,068
Boston Trust Walden Small Cap Fund	BOSOX	4.99	15.56	55,777	867,890	855,569	12,321	0.35	3,068
Developed Markets Equity		10.02			1,741,604	1,934,765	-193,161	2.66	46,341
Mutual Funds & ETFs		10.02			1,741,604	1,934,765	-193,161	2.66	46,341
Fidelity International Index Fund	FSPSX	10.02	41.19	42,282	1,741,604	1,934,765	-193,161	2.66	46,341
Emerging Markets Equity		6.07			1,055,786	1,085,556	-29,769	0.00	0
Mutual Funds & ETFs		6.07			1,055,786	1,085,556	-29,769	0.00	0
Baron Emerging Markets Fd Inst Shs	BEXIX	6.07	13.04	80,965	1,055,786	1,085,556	-29,769	0.00	0



Portfolio Holdings

Account: XXXXXX9601

Holdings Method: Direct

Report Date: 12/30/2022

	Symbol	% of Port.	Price	Shares/ Units	Portfolio Value	Cost Basis	Unrealized Gain/Loss	Current Yield	Projected Annual Income
Real Assets		4.00			695,119	890,575	-195,456	3.46	24,080
U.S. Listed Real Estate		4.00			695,119	890,575	-195,456	3.46	24,080
iShares Core U.S. REIT ETF	USRT	4.00	49.45	14,057	695,119	890,575	-195,456	3.46	24,080

ECONOMIC OUTLOOK





Market analysis

January 17, 2023

This informational material is provided by U.S. Bank Asset Management Group who provides analysis and research to U.S. Bank and its affiliate U.S. Bancorp Investments. Contact your wealth professional for more details.

At a glance

Easing inflation data supported positive returns for bonds and stocks last week. The pace of Federal Reserve interest rate hikes remains a key factor for both bond and stock investors.

Number of the week

10

The number of S&P 500 sectors (out of 11) with positive returns so far this year.

Term of week

Valuation – The analytical process of determining the current (or projected) worth of an asset or a company. There are many techniques used for doing a valuation. An analyst placing a value on a company looks at the business's management, the composition of its capital structure, the prospect of future earnings and the market value of its assets, among other metrics.

“Broad market valuations are fair, neither at high nor low extremes. Consensus earnings projections for 2023 remain approximately \$226 per share; we expect this estimate to trend lower as more companies report fourth quarter results and offer forward guidance. At current levels, the S&P 500 trades at 17.7 times the current 2023 estimate, slightly above the historical average of 16.2, according to Bloomberg.”
- **Terry Sandven**, Portfolio Manager, Chief Equity Strategist, U.S. Bank

usb.com

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[1] Important disclosures provided on page 4.



Global economy

Quick take: Inflation pressures continue to ease in the United States, but consumer and small business sentiment remain low. Reopening in China is sparking some inflation, while European data appears to be more stable than expected.

Our view: Our U.S. Health Check highlights positive but below-trend economic activity and decelerating momentum as the Federal Reserve (Fed) tightens monetary policy to combat elevated inflation. Our foreign scores are below median and slowing.

- **The Consumer Price Index fell 0.1% in December, slowing to a year-over-year rise of 6.5%.** Energy prices were the primary cause of the decline; oil and gas prices continue to ease on slower demand expectations. Core prices, which exclude food and energy, rose 0.3% for the month, though the year-over-year gain of 5.7% continues its slowing pattern. Used car prices fell, while housing and rent increased 0.8%. Overall, inflation pressures are on a slowing path, as the Fed hoped.
- **Consumer and business sentiment remains low.** The Michigan Consumer Sentiment Index rose to 64.6, up from the record low reading in early summer. However, the level is consistent with past recessions, reflecting ongoing concerns about high energy costs. Meanwhile, the National Federation of Independent Business Small Business Optimism Index slipped to its second-lowest level since 2013. Higher labor and materials costs and lower profits are key challenges.
- **Many economists expect Europe to experience growth challenges and perhaps a recession in 2023.** However, as we close the fourth quarter and enter the new year, the data is marginally better. The Eurozone sentix Investor Confidence Index improved to -17.5 in January from -21.0, and industrial production rose 1.0% in November. In the United Kingdom, retail sales rose 6.9% year-over-year in December, improving from 4.2% the previous month, and the gross domestic product rose 0.1% in November after a 0.5% gain in October, perhaps reversing the third quarter contraction.
- **China's Consumer Price Index accelerated in December,** rising 1.8% for the year, up from 1.6% in November. The adjustment in coronavirus policy may drive an increase in consumer demand.



Equity markets

Quick take: U.S. equities are trending higher in the new year following positive employment and inflation reports. Consensus earnings for 2023 face downward revisions, a potential headwind to equity prices.

Our view: At present, inflation remains elevated, interest rates are rising and consensus earnings projections for 2023 are subject to downward revision as fourth quarter earnings releases ramp up.

- **Early-year performance is superb and broad-based,** aided by slowing inflation. The popular U.S. indices are up between 3.5% and 7.1% for the year as of Friday's close. Ten of 11 S&P 500 sectors are in positive territory, with Real Estate, Materials, Communication Services and Consumer Discretionary up 7% or more. Healthcare is fractionally off, down 0.4%.
- **Fourth quarter results are trending modestly above expectations.** While early, with only 6% of S&P 500 companies having reported, sales are up 7.2% over year-ago levels, above expectations for growth of 3.7%. Earnings are -2.4%, modestly better than expectations of -3.3%. From the money center banks that have reported so far, consumers appear to be spending on both discretionary and non-discretionary items with minimal indications of financial stress. Travel demand remains robust, despite a weaker economic environment.
- **Broad market valuations are fair, neither at high nor low extremes.** Consensus earnings projections for 2023 remain approximately \$226 per share; we expect this estimate to trend lower as more companies report fourth quarter results and offer forward guidance. At current levels, the S&P 500 trades at 17.7 times the current 2023 estimate, slightly above the historical average of 16.2, according to Bloomberg.
- **Defensive sectors remain of near-term appeal due to recession fears.** Healthcare, Utilities, Real Estate, Consumer Staples, Financials and select Energy companies have defensive characteristics, offering relatively stable growth profiles throughout varying economic environments, with many associated companies offering compelling dividend yields.
- **Secular growth sectors remain well-positioned for longer-term growth.** While the near-term outlook remains unclear, the longer-term prospects for Information Technology, Consumer Discretionary, Communication Services and Industrials are compelling, particularly following the 2022 price declines. The interaction of artificial intelligence, machine learning, cloud computing, sensing, multichannel retail options and massive data sets provide a platform for new tools and outcomes that extend beyond the current economic cycle.



Bond markets

Quick take: Improving investor risk appetite and falling Treasury yields fueled positive returns across the bond market, with longer-term and riskier bonds outperforming. Inflation decelerated in December, reducing the Fed's urgency in tightening monetary policy.

Our view: Slowing inflation reduces the risk of large interest rate increases ahead. We favor higher-than-normal exposure to high-quality bonds for their attractive return opportunities and defensive characteristics. Large yield increases over the past year improve their income return, and high-quality bonds are typically less sensitive to fluctuations in the business cycle.

- **Fed officials voiced support for slowing policy tightening but reminded investors they plan to hold interest rates at high levels.** The Fed's 4.25% increase in rates over the past year has started cooling inflation, yet we anticipate additional rate hikes until the Fed becomes confident it has brought inflation under control. Recent Fed communication aligns with market expectations of 0.25% rate hikes going forward, as opposed to the larger 0.50% and 0.75% increases seen last year. The Fed's last interest rate projections from its December meeting indicate officials plan on holding the funding rate steady at 5.00% to 5.25% through the end of the year. However, investors expect the rate to peak just below 5% before the Fed begins *cutting* rates by 0.5% before the year's end.
- **The extra yield on riskier bonds fell as investor confidence recovered.** The incremental yield over Treasuries on corporate and municipal bonds fell slightly below long-term averages. This extra yield compensates for credit risk and falls when investors are comfortable investing in riskier bonds. We favor higher-than-normal exposure to high-quality bonds considering recent Treasury yield increases have improved return opportunities, while limiting incentive to increase credit risk.



Real assets

Quick take: Cash-producing real assets traded mixed last week, with Real Estate and commodities outperforming and infrastructure lagging.

Our view: We continue to see value in real assets' defensive sectors. We favor tangible assets with stable cash flows as we move past peak earnings growth in a year during which economic growth and corporate earnings could stagnate. Commodities remain vulnerable if expectations for falling inflation and decelerating economic growth come to fruition.

- **Real Estate beat the S&P 500 by 1.5% last week** as interest rates declined marginally. Cell towers and offices were the top-performing sectors while retail and residential properties lagged. Publicly traded real estate investment trust valuations incorporate likely future pressure on private property prices, providing some cushion against a challenging economic environment. However, still-higher interest rates could hamper investor returns.
- **Infrastructure trailed the S&P 500 by 1% last week.** Airports beat the broader market by 2.75%. Utilities and rail roads were the main detractors.
- **Crude oil prices rose 8% last week** on hopes that China re-opening spurs demand, despite a large increase in domestic supplies. We still see the crude market as undersupplied, which should be supportive for prices over a longer time horizon, but acknowledge downside exists if the economy continues to slow.

This information represents the opinion of U.S. Bank Wealth Management. 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. It is not intended to provide specific advice or to be construed as an offering of securities or recommendation to invest. Not for use as a primary basis of investment decisions. Not to be construed to meet the needs of any particular investor. Not a representation or solicitation or an offer to sell/buy any security. Investors should consult with their investment professional for advice concerning their particular situation. 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 is not affiliated or associated with any organizations mentioned.

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.

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. The **S&P 500 Index** consists of 500 widely traded stocks that are considered to represent the performance of the U.S. stock market in general. The **Michigan Consumer Sentiment Index** is a monthly survey of consumer confidence levels in the United States conducted by the University of Michigan. The survey is based on telephone interviews that gather information on consumer expectations for the economy. The **Consumer Price Index** is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is one of the most frequently used statistics for identifying periods of inflation or deflation. The **National Federation of Independent Business Small Business Optimism Index** is a composite of 10 seasonally adjusted components. It provides an indication of the health of small businesses in the U.S., which account of roughly 50% of the nation's private workforce. The **sentix Investor Confidence Index** rates the relative six-month economic outlook for the eurozone. The data is compiled from a survey of about 2,800 investors and analysts. A reading above zero indicates optimism; below indicates pessimism.

Equity securities are subject to stock market fluctuations that occur in response to economic and business developments. **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. Investing 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 debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt 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. 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. There are special risks associated with investments in **real assets** such as commodities and real estate securities. For commodities, risks may include market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes and the impact of adverse political or financial factors. 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).

Important disclosures, definitions of terms and index descriptions

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 Portfolio Manager.

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.

California State Treasurer

Fiona Ma, CPA



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

January 03, 2023

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[PMIA Average Monthly Yields](#)

CITY OF CUPERTINO

FINANCE MANAGER
10300 TORRE AVENUE
CUPERTINO, CA 95014

[Tran Type Definitions](#)



Account Number: XXXXXXXXXX

December 2022 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	21,170,972.93
Total Withdrawal	0 00	Ending Balance	21,170,972.93



CITY OF CUPERTINO

Agenda Item

22-11541

Agenda Date: 2/7/2023
Agenda #: 13.

Subject: Consider adoption of a resolution establishing the Commemorative Bench Dedication Policy and waiving the commemorative fee for Marilyn Francesco

Adopt Resolution No. 23-024 (Attachment A) establishing the Commemorative Bench Dedication Policy and allow a one-time waiver of the policy for Marilyn Francesco



PUBLIC WORKS DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3354 • FAX: (408) 777-3333
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider adoption of a resolution establishing the Commemorative Bench Dedication Policy and waiving the commemorative fee for Marilyn Francesco.

Recommended Action

Adopt Resolution No. 23-XXX (Attachment A) establishing the Commemorative Bench Dedication Policy and allow a one-time waiver of the policy for Marilyn Francesco.

Background

On October 17, 2017, the City Council adopted Resolution No. 17-102 to establish a Donation Policy for accepting donations and providing guidelines to govern the management and disposition of donations. The guidelines were created to ensure that monetary donations were legal, supported a public purpose and were consistent with City of Cupertino values. Although the Donation Policy included a Park and Public Improvement Donation, it did not include a specific guideline related to the donation of a bench to commemorate or recognize a person.

Staff brought an item to the Council on May 3, 2022, for consideration to approve an installation of a plaque requested by Marilyn Francesco on a bench at Memorial Park in memory of Robin Andy. The Council did not approve the recommendation and directed staff to bring back a proposed policy and procedure for consideration of requests for donation of objects on City property, including potential locations for memorial plaques.

Discussion

The attached draft Commemorative Bench Dedication Policy will serve as a guide for the acceptance and placement of commemorative benches at parks or public areas within the City.

Staff conducted research to determine the number of previously approved memorial benches and found two instances since 2015 where a memorial bench with plaque was approved by Council. The first instance was on June 2, 2015, when the City Council accepted a bench with a plaque in memory of Mrs. Virginia Logan, at Memorial Park, adjacent to the Cupertino Senior Center. The second was on September 6, 2016, when

City Council accepted a donation of a bench with a plaque in memory of Erik Chen to be placed at Creekside Park.

Staff also performed research on the Commemorative Bench Dedication Policy by reviewing policies of multiple neighboring agencies: Mid-Peninsula Open Space, Town of Los Gatos, San Mateo County, City of Palo Alto, City of Saratoga, and City of Los Altos. Specifically, the evaluation compared the terms and cost of the benches to ensure the City's proposed policy is comparable to the neighboring agencies.

The draft policy includes information related to the general rules and regulations, procurement and installation of benches, location of benches, term of dedication, cost, and approval process.

The following provides a brief description of each of the categories.

General Rules and Regulations

This section provides information related to the prohibition of dedicating a bench other than to commemorate or recognize a person. In addition, the rule stipulates that only one bench shall be dedicated to any single person or family.

Procurement and Installation

The City will purchase the bench and plaque as well as perform the installation. The installation date will be recorded in the City's CMMS (Computerized Maintenance Management System) software, also known as CityWorks.

Bench Locations

The applicant will be required to coordinate with City staff to determine the bench location so as to not interfere with normal park use or maintenance operations and so that it is positioned to maximize and benefit an area.

Dedication Term

The dedication term is proposed to be 10 years with an option to allow the applicant to contribute an additional donation for another 10-year term for a total maximum term of 20 years.

Cost

The cost to install the bench and plaque along with maintenance for the duration of 10-years is \$5,000. If the applicant chooses to extend the term to 20-years, an additional \$2,500 will be collected after the expiration of the original 10-year term. These costs are meant to be cost recovery for the City and may be adjusted every five-years by the Consumer Price Index (CPI) at the City Council's discretion.

Approval Process

The applicant will be required to apply for City's review and meet with City staff on site to determine the appropriate bench location. The plaque may be inscribed with a brief commemorative statement as specified in the policy. Once approved, staff will order the bench and plaque and perform the installation upon receiving payment from the applicant.

One-Time Waiver

Staff is recommending Council to waive the fee and the bench installation requirement for the applicant, Marilyn Francesco, since her application was previously brought to Council for consideration on May 3, 2022, and the applicant has already purchased a plaque. Further, this plaque would be placed on an existing bench if the waiver is approved.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact for establishing the Commemorative Bench Dedication Policy. The one-time waiver of the fee would result in the City not collecting the \$5,000 fee; however, Marilyn Francesco has already purchased a plaque that meets the requirements of the policy, and installation of the plaque would require less than 1 hour of staff time to install on an existing bench.

Prepared by: Jimmy Tan, Assistant Director of Public Works

Reviewed by: Chad Mosley, Interim Director of Public Works

Reviewed and Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Draft Resolution

B – Draft Commemorative Bench Dedication Policy

RESOLUTION NO. 23-XXX

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL ESTABLISHING A
COMMEMORATIVE BENCH DEDICATION POLICY**

WHEREAS, the City of Cupertino wishes to establish a uniform policy and set of procedures for the acceptance of capital gifts to the City, including memorials and recognition items; and

WHEREAS, the proposed policy provides a formal process for acceptance and documentation of memorial bench donation; and

WHEREAS, the City of Cupertino wishes to ensure that the placement of bench memorials and plaques are suitable for the location proposed and that the memorial benches are appropriate for the City and can be maintained properly.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopts and approves the recommended Commemorative Bench Dedication Policy as set forth in Attachment B.

BE IT FURTHER RESOLVED THAT the fee established under Section VII of the Commemorative Bench Dedication policy is waived with respect to the application received from Marilyn Francesco in May 2022.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of February 2023, by the following vote:

Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED: _____ Hung Wei, Mayor City of Cupertino	 _____ Date
--	-----------------------

Resolution No. _____

Attachment A

ATTEST:	
_____ Kirsten Squarcia, City Clerk	_____ Date

EXIHIBIT A

Appropriation Amendment by Fund	Appropriation Amendment	Revenue Amendment	Fund Balance (Use of)
Capital Projects Fund	\$96,658	\$0	(\$96,658)
Total Appropriation Amendment	\$96,658	\$0	(\$96,658)



COMMEMORATIVE BENCH DEDICATION POLICY

I. PURPOSE

This policy establishes Cupertino's guidelines for individuals to commemorate or recognize a person with the purchase and placement of a bench approved by the City of Cupertino. This policy will serve as a guide for placement of commemorative benches in parks or public areas within the City.

With respect to commemorative benches, this policy takes precedence over Resolution No. 17-102 "Donation Policy"; and Resolution No. 17-103 "Naming of City Facilities" since these policies do not include specific guidelines to address these amenities.

II. GOVERNING RULES AND REGULATIONS

1. The Department of Public Works will accept donations for benches that commemorate or recognize a person provided that all provisions of the policy are met.
2. The Director of Public Works shall establish a procedure for applying for placement of a commemorative bench and has the authority to approve or deny any bench donation.
3. The City will only accept bench donations that commemorate, memorialize, or recognize an individual or family by name who has a direct connection to the City of Cupertino. No organizations or groups will be considered.
4. Only one bench shall be dedicated to any single person or family, unless there is a compelling reason for additional dedications as shall be determined by the Director of Public Works.

III. BENCHES

1. The City will purchase a standard bench and plaque to maintain consistency through the park system and to ensure quality.
2. Following installation, all benches will be recorded in the City's Computerized Maintenance Management System (CMMS) software. This will serve to track the installation date and maintenance history for the bench.

IV. LOCATION OF BENCHES

1. Memorial benches will be positioned to maximize their benefit to an area. The number of benches will be limited within a park so as to not interfere with normal park use or maintenance operations and shall not detract from the prime recreational purpose of an area.
3. The applicant will coordinate with city staff to determine the appropriate location of the bench. The City reserves the right to limit or prescribe bench locations as determined by the Director of Public Works.
4. The City reserves the right to remove any benches that have been damaged, and which are, in the view of City staff, beyond repair.
5. The City accepts no liability for damages to any bench from vandals or third parties.

V. PLAQUE

1. The plaque may be inscribed with a short commemorative statement recognizing or memorializing the individual or family selected by the donor (e.g., "In Memory of . . ."; "In Loving Memory of . . ."; "Dedicated to . . .") and may include the date of dedication.

VI. TERM OF DEDICATION

1. The memorial bench dedication will have a term of 10 years with one ten-year renewal option. Should the original applicant decline to rededicate an existing bench or fail to notify the Department of Public Works of an intent to rededicate an existing bench within 60 days of the expiration date of the original 10-year term, the applicant will be contacted to pick up the commemorative plaque from the City. The retired bench will not be available to the applicant and will be reused or recycled. It is the responsibility of the applicant or their designated representative to retrieve the removed plaque within 60 days after the end of the agreement.
2. The maximum term for any single memorial bench is 20 years, after which

time the bench will be removed, and the location shall be available for re-use.

3. During the 10-year term, or 20-year term with additional re-dedication, the Department of Public Works will provide regular maintenance of the bench.

VII. FEE

1. The fee for the installation and maintenance of a memorial bench shall be \$5,000 for a term of ten years. The fee includes the cost of the concrete bench footing or concrete pad, procurement and installation of the bench and plaque, and 10-year sponsorship of the donated bench and plaque. An additional ten-year term can be acquired for a renewal fee of \$2,500 at the expiration of the first ten-year agreement.
2. Costs will adjust every five years to align with the Consumer Price Index (CPI) as determined by the Director of Public Works.

VIII. APPROVAL PROCESS

1. The applicant must submit an application to the City's Public Works Department.
2. The applicant and City staff shall meet at the site to determine the appropriate location of the bench.
3. The Director of Public Works will review and approve or deny the proposed bench location and plaque.
4. The City staff will order the bench and plaque and perform the installation.

ATTACHMENT B

The City of Cupertino acknowledges and thanks individuals and institutions who wish to donate a bench. This Application Form is intended to memorialize the understanding between the city and the Donor.

Name: _____ E-Mail: _____

Mailing Address: _____

Home Phone: _____ Mobile Phone: _____

Fax: _____

Requested Location: _____

Memorial Bench Plaque Inscription Request:

In addition to the foregoing, the Donor understands and agrees that:

- a. Once signed, this application serves as an understanding of the Commemorative Bench Dedication Policy and receipt of payment.

Signature: _____ Date: _____

Name (Print): _____

FOR CITY USE ONLY

Approved/Declined by _____ (Name/Title, Council) on _____ (Date).



CITY OF CUPERTINO

Agenda Item

22-11858

Agenda Date: 2/7/2023
Agenda #: 14.

Subject: Informational memorandum regarding retail square footage analysis of Main Street

Receive the informational memorandum on the retail square footage analysis and the provisions for restaurant use at the Main Street Cupertino project

CITY OF CUPERTINO

10300 Torre Avenue, Cupertino, California 95014 (408) 777-3308

To: City of Cupertino City Council

CC: Pamela Wu, City Manager
Luke Connolly, Acting Director of Community Development

From: Gian Paolo Martire, Senior Planner

Date: February 7, 2023

Subject: Informational update regarding retail and restaurant uses for the Main Street Mixed-Use Development

Background

The Main Street mixed-use project (see Figure 1) was approved by the City Council on September 4, 2012. The project includes 130,500 square feet of retail, a 180-room hotel, a multi-level parking garage, 260,000 square feet of office space, and a 120-unit live/work rental loft development.



Discussion

Like other, similar mixed-use developments, Main Street was envisioned as a place where visitors could have a range of experiences, such as dining and shopping, without the need to drive to another venue. When the Main Street project was approved, the City Council Resolution 12-098 (M-2012-03) included a condition that stated the following regarding restaurant uses onsite:

9 MAXIMUM PERCENTAGE OF RESTAURANTS

The maximum square footage of food service uses permitted within the retail space of the mixed-use development shall not be more than 40% of the total retail square footage of 130,500 square feet (or a maximum of 52,600 square feet of restaurant uses) based upon the approved development plan dated August 15, 2012 in accordance with the Main Street Cupertino-Revised Proposed Project Analysis report as Appendix A in the Second

Addendum to the Final Certified 2009 EIR prepared by Fehr and Peers. Any future refinements to the restaurant percentage may be approved by the Director of Community Development if a subsequent parking and traffic analysis indicates that there is adequate parking for the various mixtures of uses and there are no additional and/or new significant traffic impacts compared to thresholds studied in the original 2009 Environmental Impact Report and 2012 Addendum.

In July 2015, nearly three years after Main Street was approved, Fehr& Peers, a transportation consulting firm, completed their *Main Street Parking Analysis* and submitted their findings to the Director of Community Development. The conclusion of their analysis was that the 40% restaurant cap is maintained by distinguishing food service uses between “restaurants” and “specialty foods.” Specialty foods is defined in the Municipal Code as, “uses such as bakeries, donut shops, ice cream stores, produce markets and meat markets, or similar establishments where food is prepared and/or sold primarily for consumption off the premises.” These specialty food uses are distinguished from restaurants, where food is generally served and eaten on the premises, and are treated as general retail not subject to the 40% restaurant cap cited in Condition #9 of the Resolution.

Over the last year there have been inquiries regarding the percentage of restaurant uses out of the total 130,500 square feet of retail space at Main Street. Presently, based on City and property owner information, the total restaurant square footage is at or slightly over 40%, being approximately 41%. If specialty food uses, which would include current tenants such as Philz Coffee, Meet Fresh, and others, were considered the same as restaurants that would raise the percentage of “food service” (i.e., restaurant + specialty foods) uses to slightly over 50% of the 130,500 Main Street retail area.

Conclusion

While additional analysis could be done to refine and reconcile the differences between City and property owner data, such as minor differences that exist in the floor areas of individual tenant spaces, it can be concluded that the overall percentage of restaurant uses would not change much, if at all, for the Main Street center and that the center is presently in substantial conformance with Condition #9 of the Resolution. The 40% restaurant cap at Main Street was included in the Resolution primarily to address potential parking concerns, since restaurants typically have a higher parking demand than traditional retail uses, but the cap can also be used as a mechanism to try to retain more traditional retail uses at the location. Condition #9 of the Resolution includes a provision allowing for the Director of Community to use discretion regarding the 40% cap “if a subsequent parking and traffic analysis indicates that there is adequate parking for the various mixtures of uses and there are no additional and/or new significant traffic impacts compared to the thresholds studied in the original 2009 Environmental Impact Report and 2012 Addendum.” This provision provides flexibility to adjust the cap while ensuring impacts to the community will be avoided.



CITY OF CUPERTINO

Agenda Item

23-11997

Agenda Date: 2/7/2023
Agenda #: 15.

Subject: Consider adopting Cupertino City Council Procedures Manual

Approve Resolution No. 23-021, adopting Cupertino City Council Procedures Manual



CITY ATTORNEY'S OFFICE

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CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider adopting Cupertino City Council Procedures Manual

Recommended Action

Approve Resolution No. 23-____, adopting Cupertino City Council Procedures Manual

Discussion

The City Council has previously adopted resolutions that govern some aspects of Council procedure, such as the order of business (Resolution No. 19-062). However, the City has no comprehensive set of procedures governing the conduct of Council meetings and other Council activities. The dearth of formal procedures governing the conduct of Council meetings, Council's relationship with advisory bodies, and various administrative matters is uncommon in peer jurisdictions.

On January 17, 2023, Council considered a draft Cupertino City Council Procedures Manual and provided preliminary feedback to staff. Following the January 17 meeting, Council provided comments on the draft Manual, which were consolidated and presented to Council and the public for consideration at a study session held on January 25. At that meeting, Council provided direction to the City Manager and City Attorney via a series of straw poll votes and approved a motion directing staff to return to Council with a revised Procedures Manual that reflects the results of the straw poll votes. Attachment A show revisions reflecting the direction provided by Council. In addition, the revised Manual reflects the City Manager's recommendation to remove the Ceremonial Correspondence Policy for consideration as a future agenda item. Staff recommends that the adoption of the Ceremonial Correspondence Policy and revisions to other Council policies be considered for inclusion in the Fiscal Year 2024 work program.

The revised Procedures Manual includes the following sections, with noteworthy modifications or additions to current procedures or policies listed in italics:

1. Introduction. Describes the purpose of the Manual and includes statements regarding values and Brown Act compliance

2. Selection of the Mayor and Vice Mayor. Establishes procedures for the selection and removal of the Mayor and Vice Mayor

The Mayor and Vice Mayor would be prohibited from serving consecutive terms.

A procedure for removal of the Mayor and Vice Mayor would be established.

3. Councilmember Committees and Subcommittees. Establishes procedures for the appointment and operation of Council committees and subcommittees
4. Other City Commissions and Committees. Establishes procedures for the appointment and operation of other City commissions and committees and rules regarding the relationship between Councilmembers and these advisory bodies

Former Councilmembers would not be eligible to serve on commissions or committees for four years after their term expires.

New rules are proposed to prevent undue influence on City commissions.

5. Administrative Matters. Addresses attendance at Council meetings, Councilmember correspondence, appointments to regional bodies, responses to public correspondence, proclamations, reimbursement of Council expenses, and Councilmember ethics training

Standards would be established for various administrative matters.

6. Relationship with City Staff. Incorporates by reference and expands upon existing rules governing Council-staff relations codified in Municipal Code Chapter 2.17

Decorum requirements relating to public criticism of staff are clarified.

A new rule is proposed to prevent Councilmembers from using the Public Records Act to circumvent limits on individual Councilmembers' ability to influence staff workloads.

7. Agendas and Staff Reports. Establishes a process for requesting future agenda items, the process for preparation and publication of the agenda, and formats for agenda item descriptions and staff reports

New procedures are proposed to formalize the future agenda item list and agenda preparation process.

Rules for agenda item descriptions are proposed to reflect Brown Act guidelines and a recent court ruling.

Minor modifications to the format of staff reports are proposed.

8. Meeting Procedures. Establishes procedures for the scheduling and conduct of Council meetings

Council would adopt a meeting schedule at the beginning of each calendar year.

Modifications to the order of business are proposed.

Changes to the process for public comment on consent items and removing items from the consent calendar are proposed.

Rules establishing procedures and time limits for public comments are proposed.

Standards for decorum would be required for Council and City staff and recommended for members of the public.

Council would be required to disclose ex parte contacts prior to deliberation on any quasi-adjudicative matter.

Standards for relevance of Council deliberations would be clarified.

A procedure would be established for allocating time to Councilmembers during deliberations, including a modification of procedural rules for limiting debate.

Limits would be imposed on beginning discussion of an agenda item after 10:30 p.m. and continuing a Council meeting after 11:00 p.m.

Public hearing procedures would be established.

Council would formally recess at a set time each year.

9. Closed Sessions. Establishes procedures for closed session meetings

10. Enforcement of Rules; Suspension of Rules. Addresses process for enforcement and suspension of the rules set forth in the Procedures Manual

Staff recommends adopting the Procedures Manual, as revised based on Council's input. Staff further recommends that the adoption be effective on February 8, 2023 to allow time to prepare for the February 21 Council meeting.

Sustainability Impact

No sustainability impact.

Fiscal Impact


No fiscal impact.

Prepared by: Christopher D. Jensen, City Attorney
Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - Draft Cupertino City Council Procedures Manual (redline)

B - Draft Resolution

 <p style="text-align: center;">City of Cupertino City Council Procedures Manual</p>	<p>Attachments:</p> <p>Ex. A – Ceremonial Correspondence Policy</p> <p>Ex. BA – Elected Officials' Compensation Program</p> <p>Ex. CB – Council Technology Policy</p> <p>Ex. DC – Resolution No. 07-103</p> <p>Ex. ED – Municipal Code Chapter 2.17</p>
<p>Effective Date:</p> <p>DRAFT February 8, 2023</p>	<p>Responsible Departments:</p> <p>City Manager's Office</p>
<p>Related Policies & Notes:</p> <p>See Exhibits A–ED.</p>	

1. Introduction

- 1.1 **Purpose.** The purpose of this Manual is to promote communication, understanding, fairness, and trust among the members of the City Council, City staff, and members of the public concerning their roles, responsibilities, and expectations for management of the business of the City of Cupertino.
- 1.2 **Values.** Courtesy and respect for individual points of view should be practiced at all times. All Councilmembers shall respect each other's right to disagree. All Councilmembers shall act with decorum and courtesy.
- 1.3 **Brown Act.** All actions of the City Council and City commissions, committees, and subcommittees shall comply with the Ralph M. Brown Act.

2. Selection of the Mayor and Vice Mayor

- 2.1 **Selection of Mayor and Vice Mayor.** The Mayor and Vice Mayor shall be selected annually at a special meeting on the second Thursday of December. The Mayor and Vice Mayor shall not serve consecutive terms; provided, however, this provision shall not prevent the Vice Mayor from succeeding to the office of Mayor.
- 2.2 **Removal of Mayor and Vice Mayor.** The Mayor or Vice Mayor may be removed from office, for cause, by a 4/5ths affirmative vote of the members. Removal for cause shall mean removal of a Councilmember because of such

member's (a) willful and continued failure substantially to perform their duties, (b) conviction for, or guilty plea to, a felony, or a crime involving moral turpitude, (c) abuse of illegal drugs or other controlled substances or habitual intoxication, or (d) other illegal activities. The removal should proceed with a formal warning, which states with proven evidence of the member's failure to perform their duties and proposed corrective measures. The Mayor or Vice Mayor must be advised of the proposed cause for removal at least 72 hours before any action is taken. If the Mayor is removed from office, the Vice Mayor shall become Mayor. If either officer is removed from office, the Vice Mayor shall be appointed from among the remaining three Councilmembers.

3. Councilmember Committees and Subcommittees

- 3.1 Appointment.** The Mayor shall appoint Councilmembers to standing and ad hoc committees and subcommittees established by the City Council, subject to ratification by the Council at its next regular meeting. It will be the responsibility of the committees and subcommittees to inform and submit recommendations to the Council.
- 3.2 Instructions and Expectations.** The Council shall make certain that all Council committees and subcommittees are properly instructed in their assigned scope of work and responsibilities. The committee's or subcommittee's jurisdiction shall be defined in writing and approved by a majority of the City Council. All Council committees and subcommittees having a continuing or indefinite jurisdiction shall be subject to the Brown Act.
- 3.3 Reporting.** Council committee and subcommittee members are to keep the Council informed of the work and progress of their committee or subcommittee. These reports or minutes shall be made in writing whenever a recommendation is made to the Council.

4 Other City Commissions and Committees

- 4.1 Responsibility.** The Council will make appointments to City's commissions and committees. Qualifications to serve on commissions and committees shall be set forth in the Municipal Code or by a resolution or motion of the Council that is not inconsistent with the Municipal Code. Appointment of Councilmembers to City committees shall be governed by the procedures in Section 3.

- 4.2 Attendance at Council Meetings.** At least one commission member, preferably the Chair or Vice Chair, must attend City Council meetings when the commission has an item of interest on the Council agenda, so as to be available to answer Council questions. Staff shall provide the commission with advance notice for the commission to select a member to attend the City Council meeting.
- 4.3 Performance Expectations.** The Council shall make certain that all commissions and committees are properly instructed on their responsibilities and performance expectations. This will include the issuance of a Council-approved Commission and Committee Handbook and a mandatory annual training session for all Commission and Committee members.
- 4.4 Appointment.** Commission and Committee applicants will be interviewed by the Council before being voted on by the Council in a noticed public meeting. Applicants are considered by motion and appointed by a majority vote of Council. Two members of an immediate family or persons residing in the same household shall not be allowed to serve simultaneously on the same commission or committee. Immediate family members residing in the same household as a Councilmember are not eligible for appointment to any commission or committee. Former Councilmembers are not eligible for appointment to any commission or committee within four years of having served on the City Council.
- 4.5 Removal.** The City Clerk shall remove commission ~~or committee~~ members for failure to comply with attendance policies adopted in the ~~Commission and Committee Handbook~~ Commissioner's Handbook. Council retains full discretion to review commission and committee member performance and may take disciplinary action as needed, including removal from the commission or committee.
- 4.6 Undue Influence on Commissioners.** Councilmembers should not attempt to influence or publicly criticize commission recommendations or to influence or lobby individual commission members on any item under their consideration. It is important for commissions to be able to make objective recommendations to the City Council on items before them. Councilmembers that attempt to influence commission positions on an item may prejudice or hinder their role in reviewing the commission's recommendation as a member of the City Council. Individual Councilmembers ~~and commissioners~~ shall have the right to attend meetings of Cupertino commissions and other Cupertino governmental bodies but shall refrain from speaking or becoming involved in deliberations.

5. Administrative Matters

- 5.1 Attendance.** City Councilmembers acknowledge that attendance at lawful meetings of the City Council is part of their official duty. Councilmembers shall make a good faith effort to attend all such meetings. Council members shall notify the Mayor or the City Clerk if they will be absent from a meeting. Council attendance will be noted in the agenda of the next regular meeting and thereafter for that calendar year, if five or more regular meetings are missed.
- 5.2 Correspondence.** Proposed correspondence from the Mayor or other Councilmembers on City stationery should generally be reviewed by the Council in draft form prior to release. On occasion, there are urgent requests from the League of California Cities for correspondence concerning legislation directly affecting municipalities. If the Mayor and the City Manager agree that the League's position corresponds with that of the Council, the Mayor may send a letter without first obtaining Council approval. City letterhead will be made available for routine correspondence (*e.g.*, thank you notes). Official correspondence (including email) from Councilmembers should be respectful and professional.
- 5.3 Regional Bodies.** The Mayor shall appoint Councilmembers to represent the City of Cupertino on regional bodies subject to ratification by the Council at its next regular meeting. The Mayor should endeavor to provide all Councilmembers a fair opportunity to represent the City. The positions taken by the appointed representatives should be in alignment with the positions that Council has taken on issues that directly impact the City of Cupertino. If an issue arises that is specific to Cupertino and Council has not taken a position, the issue should be discussed by Council prior to taking a formal position at a regional board meeting to assure that it is in alignment with Council's position. Council representatives to such various boards shall keep the Council informed of ongoing business through brief oral or written reports to the Council. Councilmembers shall make a good faith effort to attend all regional meetings that require a quorum of the appointed members to convene a meeting. Attendance should not be less than 75% of all scheduled meetings. If a Councilmember is unable to attend, they should notify their alternate as far in advance of the meeting as possible so as to allow the alternate to attend.
- 5.4 Responses to Public.** It will be the responsibility of the City Manager to ensure a response is provided to public correspondence for informational requests addressed to the Council. Staff shall respond to all requests for services as

appropriate, and the City Manager shall keep Council informed of the City response.

5.5 Ceremonial Correspondence. ~~Proclamations, certificates of appreciation or recognition, and letters of recognition or support are discretionary public announcements directing attention to a local resident, organization, or event. The Mayor may issue ceremonial proclamations, certificates, and letters as set forth in the City of Cupertino Ceremonial Correspondence Policy (Exhibit A).~~

5.65.5 Reimbursement. City Councilmembers may be reimbursed for expenses for travel to and lodging at conferences or meetings related to their role as a Councilmember as stated in the Elected Officials' Compensation Program, as may be amended from time to time (Exhibit BA). Any additional expenses that fall outside the scope of this policy may be reimbursed only if approved by the City Council, at a public meeting before the expenses are incurred. Any request for reimbursement of expenses shall be accompanied by an expense form and receipts to document the expenditure. These documents are public records subject to disclosure under the California Public Records Act. Councilmembers shall be eligible to receive City-issued hardware and software for the conduct of official business pursuant to the Council Technology Policy (Exhibit CB).

5.75.6 Council Training. Any member of the City Council and City commissions or advisory committees formed by the City Council shall receive ethics and anti-harassment training required by state law. New members must receive the training within their first year of service and shall comply with ongoing training requirements imposed by state law. Members shall attend training sessions that are offered locally in the immediate vicinity of Santa Clara County ~~or~~, by completing online a state-approved public service ethics education program, or through a state-approved training which may be provided at a conference attended by the member. The City Clerk shall keep ethics training records for five years.

5.85.7 Mayor's Initiative Budget. The Mayor may use the Mayor's initiative budget established as part of the City Manager's discretionary fund for projects that the Mayor deems appropriate during the Mayor's term of office, subject to the requirements of Resolution No. 07-103 (Exhibit DC). The amount of the Mayor's initiative budget is determined by the City Council.

6. Relationship with City Staff

- 6.1 Incorporation of Municipal Code by Reference.** Cupertino Municipal Code Chapter 2.17 ([Exhibit ED](#)) governs the City Council's relationship with the City Manager and their staff under the Council-Manager form of government. To the extent that the provisions of Chapter 2.17 are not set below, they are incorporated by reference into this Manual.
- 6.2 Council/Manager Form of Government.** Under the Council/Manager form of government, the City Council sets policy direction as the direct representatives of the community with the City Manager providing the professional expertise to manage the organization and carry out the Council's direction. The City Manager is responsible for carrying out the Council's policy direction through the day-to-day management of City functions, including the oversight of City operating departments. Neither individual Councilmembers nor the Council as a whole shall interfere with the City Manager's performance of the administrative duties conferred upon them in Cupertino Municipal Code section 2.28.040.
- 6.3 Council-Manager Relations.** The City Council and its members shall deal with the administrative services of the City only through the City Manager, except for the purpose of inquiry, and neither the City Council nor any Councilmember shall give orders to any subordinates of the City Manager. The City Manager shall take instructions from the City Council only when given at a duly held meeting of the City Council, and no individual Councilmember shall give any instructions to the City Manager.
- 6.4 Individual Councilmember Influence on Staff Decisions Prohibited.** Individual Councilmembers shall not attempt to influence staff decisions, recommendations, workloads, and schedules, and department priorities without prior knowledge and approval of the City Council. If a Councilmember wishes to influence the actions, decisions, recommendations, workloads, work schedules and priorities of staff, that member must prevail upon the City Council to do so as a matter of Council policy.
- 6.5 Decorum.** All Councilmembers and City staff shall treat each other with dignity, courtesy, and respect. In exercising the City Council's policymaking authority, Councilmembers must often critique, modify, or reject a staff recommendation. While thorough vetting and criticism of staff policy recommendations or decisions is a necessary component of Council's policymaking role, criticism should focus on the policy recommendations and

decisions and should avoid personal attacks. Councilmembers shall refrain from publicly criticizing the general abilities, character, or motivations of any staff member and should share any such concerns privately with the City Manager or City Attorney.

- 6.6 Councilmember Access to Information.** City Councilmembers have free access to the flow of any information related to the operation of the City. The City Manager shall ensure that such information is communicated by staff in full and with candor to the Council. City staff will make every effort to respond in a timely and professional manner to all requests made by individual council members for information or assistance, provided that, in the judgment of the City Manager, the request is not of a magnitude either in terms of workload or policy, which would require that it more appropriately be assigned to staff through the collective direction of the City Council, based on the guidelines set forth in Cupertino Municipal Code section 2.17.043. The City Manager shall place requests that impose a significant workload on staff on the Council agenda for review by the full Council, along with a statement from that Councilmember as to why the information is needed. No Councilmember shall circumvent the City Manager's direction regarding a request for information by seeking information through a Public Records Act request.
- 6.7 Authority of City Council.** Nothing in this Manual shall limit the City Council's power to accept, reject, amend, or otherwise guide and direct staff actions, decisions, recommendations, workloads and schedules, department priorities, and the conduct of city business through the office of the City Manager. This power cannot be delegated to individual Councilmembers, nor to committees composed of Councilmembers consisting of less than a quorum of the City Council.

7. Agendas and Staff Reports

- 7.1 Future Agenda Items.** The City Manager, the City Attorney, the Mayor, or any two Councilmembers may request that an item be added to a future agenda for Council action. The City Manager shall provide a quarterly report to Council regarding the status of future agenda items, which may include a request to remove items from the list of future agenda items. Any item may be removed for the future agenda items list by a majority vote of the City Council.
- 7.2 Preparation of Agenda.** The City Clerk shall prepare the agenda in consultation with the City Manager, the Mayor, and the City Attorney. Absent

exigent circumstances, an item will be scheduled for Council action no sooner than 14 days after receipt of a request to add the item to the future agenda items list. Any item requiring preparation of a staff report requires City Manager approval or, in case of a report prepared by City Attorney's Office staff, City Attorney approval, before being added to an agenda. The Mayor, in consultation with the City Manager and the City Clerk, shall determine the order of items on the agenda.

7.3 Agenda Item Descriptions. Each agenda item shall include a brief general description of the matter to be discussed (approximately 20 words in length), including any action that may be taken under the California Environmental Quality Act, and should generally include the recommendation of the City Manager.

7.4 Staff Reports. Staff reports should include the following sections:

1. Subject
2. Recommended Action
2. Reasons for Recommendation
3. Sustainability Impact
4. Fiscal Impact
5. California Environmental Quality Act

7.5 Agenda Publication. Agenda packets for a regular meeting should be published and delivered to Councilmembers no later than the Thursday Wednesday prior to a Tuesday Council meeting. Councilmembers are encouraged to contact staff in advance for answers to questions regarding an agenda packet. Written communications addressed to Council shall be forwarded to Council and made available to members of the public, consistent with the requirements of the Brown Act.

7.6 Supplemental Materials. Supplemental reports and materials received by the City Clerk after the agenda is published but before 12:00 p.m. on the Monday prior to the City Council meeting shall be published and delivered to Councilmembers at 5:00 p.m. on Monday. Supplemental reports and materials received by the City Clerk after 12:00 p.m. on Monday but before 4:00 p.m. on the day of the meeting shall be published and delivered to Councilmembers prior to the Council meeting. Council questions and staff-prepared responses will be included in supplemental materials provided to Council and the public.

8. Meeting Procedures

8.1 Meeting Schedule. The City Council conducts its regular meetings on the first and third Tuesdays of the month, except when Council is in recess. At the second regular meeting in January, the City Council will approve the schedule of meetings for the calendar year, which in addition to the regular meeting schedule may include the cancellation of regular meetings and the addition of special meetings and study sessions. This practice does not, however, preclude the Mayor or a majority of the members of the City Council from calling additional meetings pursuant to the Brown Act.

~~**8.2 Seating of Councilmembers.** For meetings held in Council Chambers at Community Hall, the Mayor shall be seated at the center of the dais and the Vice Mayor shall be seated immediately to the Mayor's left. The remaining Councilmembers shall be seated in order of seniority as follows: (1) the seat immediately to the right of the Mayor; (2) the last seat on left side of the dais; (3) the last seat on the right side of the dais. Seniority shall be based on the number of consecutive years of service on the City Council. If two members have equal seniority based on service, the member with the higher vote count in their most recent election is considered to have higher seniority.~~

~~**8.38.2**~~ **Rules of Order.** City Council meetings shall be governed by Rosenberg's Rules of Order except as otherwise provided by this Manual. Unless otherwise required by state law or City ordinance, decisions of the Council shall be made by a majority of members present and voting. The Mayor may impose additional reasonable procedural rules not inconsistent with Rosenberg's Rules of Order and the provisions of this Manual, unless objected to by a majority of Councilmembers present.

~~**8.48.3**~~ **Order of Business.** The order of agenda items for regular Council meetings is as follows:

- ~~1. Call to Order~~
- ~~2. Pledge of Allegiance~~
- ~~3. Roll Call~~
- ~~4. Closed Session Report~~
- ~~5. Ceremonial Items~~
- ~~6. Oral Communications (public comment on non-agenda matters)~~
- ~~7. Consent Calendar~~
- ~~8. Public Hearings~~
- ~~9. Action Calendar~~
- ~~10. Council Reports and Comments~~

- ~~11. City Manager Report~~
- ~~12. Informational Items~~
- ~~13. Adjournment~~
1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Closed Session Report
5. Ceremonial Items
6. Postponements and Orders of the Day
7. Oral Communications (public comment on non-agenda matters)
8. Consent Calendar
9. Public Hearings
10. Action Calendar
11. Items Removed from the Consent Calendar
12. Council Reports and Comments
13. City Manager Report
14. Oral Communications (continued)
15. Informational Items
16. Council and Staff Comments and the Future Agenda Items
17. Adjournment

Oral communications shall be limited to 30 minutes. Additional speakers wishing to comment on non-agenda items may be given time to speak at the end of the agenda, after the City Manager's report. In the absence of an objection made by a majority of Councilmembers present and voting, the Mayor may modify the order of business to facilitate the fair and efficient conduct of Council meetings.

8.58.4 Consent Calendar.

8.5.18.4.1 Adding Item to Consent Calendar. The Mayor, the City Manager, the City Attorney, or the City Clerk may recommend that items appearing on the agenda be placed on the consent calendar for action by the City Council. ~~In addition, any item may be placed on the consent calendar by a majority vote of the City Council.~~ All items placed on the consent calendar shall appear together on the agenda with the recommendation as to the action to be taken by the City Council with respect to such item. Upon the motion of any member of the City Council, all items placed upon the consent calendar may be acted upon together, and each shall be deemed to have received the action

recommended. ~~Items may be removed from the consent calendar only by a member of the City Council.~~

8.5.28.4.2 Removing Item from Consent Calendar. Items may be removed from the consent calendar only by a member of the City Council. Any member of the City Council who would like to remove any item from the consent calendar shall notify the City Manager and the City Clerk prior to the meeting; provided, however, each Councilmember may remove one item from the consent calendar without providing notice before the Council meeting begins. Although members of the City Council are encouraged to ask questions and share concerns about the agenda item with staff before the meeting, they are not required to do so. Items removed from the consent calendar shall be placed at the end of the agenda for consideration.

8.68.5 Public Comment. An opportunity for public comment shall be provided for the consent calendar, each other agenda item under consideration, and, during regular meetings, on any matter that is within the subject matter jurisdiction of the City Council. The Mayor may consolidate public comment for related agenda items, subject to overruling by a majority vote of the Council. Non-agenda matters (including Council and staff reports and informational items) may be addressed by the public during oral communications. Members of the public wishing to speak regarding an item shall submit a request to comment to the Clerk ("blue card") or, where applicable, raise their hand in Zoom within five-nine minutes of the time the Mayor opens public comment or prior to the close of public comment on the item, whichever is earlier. Each individual speaker will ordinarily have up to three minutes to address the Council. If a speaker representing five or more members of the public in attendance and wishing to comment on the item but electing not to speak, the speaker may have up to 10 minutes to address the Council. Consolidation of time among speakers is not otherwise allowed. ~~No member of the public may be allocated more than a combined total of 10 minutes to speak during a Council meeting.~~ If a large number of speakers wish to address Council on an item, the Mayor may reduce the time allotted to each speaker consistent with the Brown Act. Twice the speaking time will be provided to any member of the public who uses a translator.

8.78.6 Communications with Members of the Public. The City Council may ask questions of speakers providing public comment but should avoid an extended discussion with members of the public during meetings. Additionally, when a

member of the public provides comments regarding a matter that is not on the agenda, Councilmembers may (1) refer the speaker to staff; (2) refer the speaker to appropriate reference material; (3) request that staff report back at a future meeting; or (4) request that staff place the item on a future agenda. Councilmembers should not otherwise respond to or comment on an item of business that is not on the agenda. City staff should generally avoid responding to comments or questions from members of the public during Council meetings, although the City Manager or City Attorney may offer to arrange a time to discuss the subject matter of public comments with members of the public subsequent to the Council meeting.

8.8.7 Conduct of Meetings

8.8.18.7.1 Councilmembers. Members of the City Council value and recognize the importance of the trust invested in them by the public to accomplish the business of the City. Councilmembers shall accord courtesy to each other, to City employees, and to members of the public appearing before the City Council.

8.8.28.7.2 City Employees. City staff shall observe the same rules of decorum applicable to the City Council. City staff shall act at all times in a businesslike and professional manner towards Councilmembers and members of the public.

8.8.38.7.3 Members of the Public. Members of the public attending City Council meetings are encouraged to treat Councilmembers, City staff, and other members of the public with the same courtesy that Councilmembers and City staff must accord to them. Any members of the public who engages in conduct that disrupts a City Council meeting shall be removed from the meeting. Nothing in this Manual or any rules of conduct that may be adopted by the City Council shall be construed to prohibit public criticism of the policies, procedures, programs, or services of the City, or of the acts or omissions of the City Council, City advisory bodies, or City staff.

8.98.8 Discussion and Deliberation

8.9.18.8.1 Ex Parte Contacts. Councilmembers shall disclose any ~~ex parte contacts prior to deliberation on a quasi-adjudicative matter~~ ex parte communications prior to deliberation on a quasi-judicial matter. A quasi-judicial matter is typically a hearing in which the City Council hears

evidence and makes findings of fact to reach a conclusion based on the applicable law. An ex parte communication occurs when a Councilmember hearing a quasi-judicial matter communicates directly or indirectly with any person or party in connection with a matter before the Council, without notice and the opportunity for all parties to participate.

8.9.28.8.2 Relevance. All discussion must be relevant to the issue before the City Council. A Councilmember is given the floor only for the purpose of discussing the pending matter; discussion which departs from the item agendized for discussion is out of order. Councilmembers should avoid repetition and shall not discuss matters that are not on the agenda. Arguments for or against a measure should be stated as concisely as possible.

8.9.38.8.3 Council Questions and Deliberations. ~~Councilmembers may obtain the floor by seeking recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given 5 minutes to ask questions of any presenter. The Mayor may allow additional time for questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized should limit their time to 5 minutes.~~ Councilmembers may obtain the floor by seeking recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given five minutes to ask questions of any presenter. The Mayor may allow additional time for questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized shall limit their time to five minutes. The Mayor may allow additional time for questions where appropriate. This rule shall displace any conflicting rule in the City's adopted rules of procedure.

8.9.48.8.4 Opportunity for Equal Participation. It is the policy of the Council to encourage the full, fair participation of all members of the Council in discussions and deliberations. The Mayor may impose reasonable limits on the time any Councilmember is permitted to speak to advance this policy. In addition, all Councilmembers wishing to be recognized should

be given an opportunity to speak before any member is allowed to speak a second time.

8.9.58.8.5 Civility. While it is appropriate to vigorously debate a motion, its nature, or its consequences, Councilmembers shall avoid attacks on the motives, character, or personality of other Councilmembers, City staff, and members of the public. The Mayor shall rule out of order any Councilmember who engages in such attacks.

8.9.68.8.6 Role of the Mayor. The Mayor has the responsibility for controlling and expediting the discussion of an agenda item. It is the duty of the Mayor to keep the subject clearly before the Councilmembers, to rule out irrelevant discussion, and to ensure civil discussion among Councilmembers.

8.108.9 Meeting Length. Meetings of the City Council shall adjourn by 11:00 p.m. unless the time of adjournment is extended by a vote of a majority of the City Council. Discussion of an agenda item shall not begin after 10:30 p.m. Any motion to extend the meeting beyond 11:00 p.m. shall include a list of specific agenda items to be discussed or approved and shall specify the order these items shall be considered. If a meeting continues past 11:00 p.m., it shall end at 11:30 p.m. All meetings shall be adjourned at 11:30 p.m. unless by a ~~2/3~~-vote of a majority of the City Council suspends this rule and votes affirmatively to extend the meeting past 11:30 p.m. Following the adjournment of the meeting, any remaining items on the agenda shall be continued to the next regular meeting of the City Council.

8.118.10 Public Hearing Procedures. The order of proceeding where there is a public hearing item (non-appeal items) before the City Council shall be as follows:

1. Open Public Hearing
2. Staff Report (preferably ≤ 10 minutes)
3. Applicant's presentation (where applicable) (preferably ≤ 8 minutes)
4. Questions from the Council
5. Public comment
6. Applicant's response to public comment (where applicable) (preferably 2 minutes)
7. Close Public Hearing
8. City Council discussion and vote

Where the public hearing involves an appeal of a decision to the City Council, the order of proceeding shall be as follows:

1. Open Public Hearing
2. Staff Report (preferably ≤ 10 minutes)
3. Appellant's statement (preferably ≤ 8 minutes)
4. Applicant's statement (where applicable) (preferably ≤ 8 minutes)
5. Questions from the Council
6. Public comment
7. Applicant's response to public comment (where applicable) (preferably 2 minutes)
8. Appellant's response to public comment (preferably 2 minutes)
9. Close Public Hearing
10. City Council discussion and vote

8.128.11 **City Council Recess Period.** The City Council recess period shall begin the first Tuesday in August at 12:00 a.m. and end the Tuesday following Labor Day at 12:00 a.m. During any recess period, the City Manager is authorized to take such ministerial actions for matters of operational urgency, including such emergency actions as are necessary for the immediate preservation of the public peace, health, or safety, as would normally be taken by the City Council during the period of recess, except for those duties specifically reserved to the Council by law. This authority extends throughout the period of recess established by the City Council and includes the authority to execute agreements and make expenditures necessary for the exigent operational matters. The City Manager shall make a full and complete report to the City Council at its first regularly scheduled meeting following the period of recess of actions taken by the City Manager pursuant to this section, at which time the City Council may make such findings as may be required to ratify the actions of the City Manager. Nothing in this Section prevents the City Council from calling a special meeting during the recess period.

9. Closed Sessions

A closed session may be held at any regular or special meeting for any purpose authorized by the Brown Act. The City Attorney will schedule closed session meetings in consultation with the Mayor and the City Manager. Public comment shall be received in open session prior to a closed session. To ensure strict compliance with the Brown Act, the City Attorney or the City Attorney's designee shall report out in public session any reportable action taken during closed session

and any other information from closed session authorized to be disclosed based on a majority vote of the City Council.

10. Enforcement of Rules; Suspension of Rules

The City Council may enforce repeated or serious violations of the rules set forth in this Manual through a censure action placed on a Council agenda. Nothing in this Manual shall be cited to invalidate a properly noticed and acted upon action of the City Council. Any rule set forth in this Manual may be suspended by ~~a 2/3~~ three votess of the Council.

RESOLUTION NO. 23-_____

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL ADOPTING
CUPERTINO CITY COUNCIL PROCEDURES MANUAL**

WHEREAS, the Cupertino City Council has identified a need to adopt policies and procedures governing the conduct of Council meetings and other Council activities; and

WHEREAS, on February 7, 2023, the City Council considered proposed policies and procedures at a duly noticed regular meeting of the City Council.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council hereby adopts the Cupertino City Council Procedures Manual attached hereto as Exhibit A. The Procedures Manual shall be effective on February 8, 2023.
2. Resolution No. 19-062 and any other procedures, policies, or rules that are inconsistent with the Council Procedures adopted herein are hereby repealed and rescinded.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 7th day of February, 2023, by the following vote:

Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:


SIGNED: _____ Hung Wei, Mayor City of Cupertino	_____ Date
--	---------------

Resolution No. _____

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ATTEST:	
 _____ Kirsten Squarcia, City Clerk	 _____ Date

EXHIBIT A

 <p style="text-align: center;">City of Cupertino City Council Procedures Manual</p>	<p>Attachments:</p> <p>Ex. A – Elected Officials' Compensation Program</p> <p>Ex. B – Council Technology Policy</p> <p>Ex. C – Resolution No. 07-103</p> <p>Ex. D – Municipal Code Chapter 2.17</p>
<p>Effective Date: February 8, 2023</p>	<p>Responsible Departments: City Manager's Office</p>
<p>Related Policies & Notes: See Exhibits A–D.</p>	

1. Introduction

- 1.1 **Purpose.** The purpose of this Manual is to promote communication, understanding, fairness, and trust among the members of the City Council, City staff, and members of the public concerning their roles, responsibilities, and expectations for management of the business of the City of Cupertino.
- 1.2 **Values.** Courtesy and respect for individual points of view should be practiced at all times. All Councilmembers shall respect each other's right to disagree. All Councilmembers shall act with decorum and courtesy.
- 1.3 **Brown Act.** All actions of the City Council and City commissions, committees, and subcommittees shall comply with the Ralph M. Brown Act.

2. Selection of the Mayor and Vice Mayor

- 2.1 **Selection of Mayor and Vice Mayor.** The Mayor and Vice Mayor shall be selected annually at a special meeting on the second Thursday of December. The Mayor and Vice Mayor shall not serve consecutive terms; provided, however, this provision shall not prevent the Vice Mayor from succeeding to the office of Mayor.
- 2.2 **Removal of Mayor and Vice Mayor.** The Mayor or Vice Mayor may be removed from office, for cause, by a 4/5ths affirmative vote of the members. Removal for cause shall mean removal of a Councilmember because of such member's (a) willful and continued failure substantially to perform their duties, (b) conviction for, or guilty plea to, a felony, or a crime involving moral

turpitude, (c) abuse of illegal drugs or other controlled substances or habitual intoxication, or (d) other illegal activities. The removal should proceed with a formal warning, which states with proven evidence of the member's failure to perform their duties and proposed corrective measures. The Mayor or Vice Mayor must be advised of the proposed cause for removal at least 72 hours before any action is taken. If the Mayor is removed from office, the Vice Mayor shall become Mayor. If either officer is removed from office, the Vice Mayor shall be appointed from among the remaining three Councilmembers.

3. Councilmember Committees and Subcommittees

- 3.1 Appointment.** The Mayor shall appoint Councilmembers to standing and ad hoc committees and subcommittees established by the City Council, subject to ratification by the Council at its next regular meeting. It will be the responsibility of the committees and subcommittees to inform and submit recommendations to the Council.
- 3.2 Instructions and Expectations.** The Council shall make certain that all Council committees and subcommittees are properly instructed in their assigned scope of work and responsibilities. The committee's or subcommittee's jurisdiction shall be defined in writing and approved by a majority of the City Council. All Council committees and subcommittees having a continuing or indefinite jurisdiction shall be subject to the Brown Act.
- 3.3 Reporting.** Council committee and subcommittee members are to keep the Council informed of the work and progress of their committee or subcommittee. These reports or minutes shall be made in writing whenever a recommendation is made to the Council.

4 Other City Commissions and Committees

- 4.1 Responsibility.** The Council will make appointments to City's commissions and committees. Qualifications to serve on commissions and committees shall be set forth in the Municipal Code or by a resolution or motion of the Council that is not inconsistent with the Municipal Code. Appointment of Councilmembers to City committees shall be governed by the procedures in Section 3.
- 4.2 Attendance at Council Meetings.** At least one commission member, preferably the Chair or Vice Chair, must attend City Council meetings when the commission has an item of interest on the Council agenda, so as to be available

to answer Council questions. Staff shall provide the commission with advance notice for the commission to select a member to attend the City Council meeting.

- 4.3 Performance Expectations.** The Council shall make certain that all commissions and committees are properly instructed on their responsibilities and performance expectations. This will include the issuance of a Council-approved Commission and Committee Handbook and a mandatory annual training session for all Commission and Committee members.
- 4.4 Appointment.** Commission and Committee applicants will be interviewed by the Council before being voted on by the Council in a noticed public meeting. Applicants are considered by motion and appointed by a majority vote of Council. Two members of an immediate family or persons residing in the same household shall not be allowed to serve simultaneously on the same commission or committee. Immediate family members residing in the same household as a Councilmember are not eligible for appointment to any commission or committee. Former Councilmembers are not eligible for appointment to any commission or committee within four years of having served on the City Council.
- 4.5 Removal.** The City Clerk shall remove commission members for failure to comply with attendance policies adopted in the Commissioner's Handbook. Council retains full discretion to review commission and committee member performance and may take disciplinary action as needed, including removal from the commission or committee.
- 4.6 Undue Influence on Commissioners.** Councilmembers should not attempt to influence or publicly criticize commission recommendations or to influence or lobby individual commission members on any item under their consideration. It is important for commissions to be able to make objective recommendations to the City Council on items before them. Councilmembers that attempt to influence commission positions on an item may prejudice or hinder their role in reviewing the commission's recommendation as a member of the City Council. Individual Councilmembers shall have the right to attend meetings of Cupertino commissions and other Cupertino governmental bodies but shall refrain from speaking or becoming involved in deliberations.

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- 5.3 Regional Bodies.** The Mayor shall appoint Councilmembers to represent the City of Cupertino on regional bodies subject to ratification by the Council at its next regular meeting. The Mayor should endeavor to provide all Councilmembers a fair opportunity to represent the City. The positions taken by the appointed representatives should be in alignment with the positions that Council has taken on issues that directly impact the City of Cupertino. If an issue arises that is specific to Cupertino and Council has not taken a position, the issue should be discussed by Council prior to taking a formal position at a regional board meeting to assure that it is in alignment with Council's position. Council representatives to such various boards shall keep the Council informed of ongoing business through brief oral or written reports to the Council. Councilmembers shall make a good faith effort to attend all regional meetings that require a quorum of the appointed members to convene a meeting. Attendance should not be less than 75% of all scheduled meetings. If a Councilmember is unable to attend, they should notify their alternate as far in advance of the meeting as possible so as to allow the alternate to attend.
- 5.4 Responses to Public.** It will be the responsibility of the City Manager to ensure a response is provided to public correspondence for informational requests addressed to the Council. Staff shall respond to all requests for services as

appropriate, and the City Manager shall keep Council informed of the City response.

- 5.5 Reimbursement.** City Councilmembers may be reimbursed for expenses for travel to and lodging at conferences or meetings related to their role as a Councilmember as stated in the Elected Officials' Compensation Program, as may be amended from time to time (Exhibit A). Any additional expenses that fall outside the scope of this policy may be reimbursed only if approved by the City Council, at a public meeting before the expenses are incurred. Any request for reimbursement of expenses shall be accompanied by an expense form and receipts to document the expenditure. These documents are public records subject to disclosure under the California Public Records Act. Councilmembers shall be eligible to receive City-issued hardware and software for the conduct of official business pursuant to the Council Technology Policy (Exhibit B).
- 5.6 Council Training.** Any member of the City Council and City commissions or advisory committees formed by the City Council shall receive ethics and anti-harassment training required by state law. New members must receive the training within their first year of service and shall comply with ongoing training requirements imposed by state law. Members shall attend training sessions that are offered locally in the immediate vicinity of Santa Clara County, by completing online a state-approved public service ethics education program, or through a state-approved training which may be provided at a conference attended by the member. The City Clerk shall keep ethics training records for five years.
- 5.7 Mayor's Initiative Budget.** The Mayor may use the Mayor's initiative budget established as part of the City Manager's discretionary fund for projects that the Mayor deems appropriate during the Mayor's term of office, subject to the requirements of Resolution No. 07-103 (Exhibit C). The amount of the Mayor's initiative budget is determined by the City Council.

6. Relationship with City Staff

- 6.1 Incorporation of Municipal Code by Reference.** Cupertino Municipal Code Chapter 2.17 (Exhibit D) governs the City Council's relationship with the City Manager and their staff under the Council-Manager form of government. To the extent that the provisions of Chapter 2.17 are not set below, they are incorporated by reference into this Manual.

- 6.2 Council/Manager Form of Government.** Under the Council/Manager form of government, the City Council sets policy direction as the direct representatives of the community with the City Manager providing the professional expertise to manage the organization and carry out the Council's direction. The City Manager is responsible for carrying out the Council's policy direction through the day-to-day management of City functions, including the oversight of City operating departments. Neither individual Councilmembers nor the Council as a whole shall interfere with the City Manager's performance of the administrative duties conferred upon them in Cupertino Municipal Code section 2.28.040.
- 6.3 Council-Manager Relations.** The City Council and its members shall deal with the administrative services of the City only through the City Manager, except for the purpose of inquiry, and neither the City Council nor any Councilmember shall give orders to any subordinates of the City Manager. The City Manager shall take instructions from the City Council only when given at a duly held meeting of the City Council, and no individual Councilmember shall give any instructions to the City Manager.
- 6.4 Individual Councilmember Influence on Staff Decisions Prohibited.** Individual Councilmembers shall not attempt to influence staff decisions, recommendations, workloads, and schedules, and department priorities without prior knowledge and approval of the City Council. If a Councilmember wishes to influence the actions, decisions, recommendations, workloads, work schedules and priorities of staff, that member must prevail upon the City Council to do so as a matter of Council policy.
- 6.5 Decorum.** All Councilmembers and City staff shall treat each other with dignity, courtesy, and respect. In exercising the City Council's policymaking authority, Councilmembers must often critique, modify, or reject a staff recommendation. While thorough vetting and criticism of staff policy recommendations or decisions is a necessary component of Council's policymaking role, criticism should focus on the policy recommendations and decisions and should avoid personal attacks. Councilmembers shall refrain from publicly criticizing the general abilities, character, or motivations of any staff member and should share any such concerns privately with the City Manager or City Attorney.
- 6.6 Councilmember Access to Information.** City Councilmembers have free access to the flow of any information related to the operation of the City. The City Manager shall ensure that such information is communicated by staff in

full and with candor to the Council. City staff will make every effort to respond in a timely and professional manner to all requests made by individual council members for information or assistance, provided that, in the judgment of the City Manager, the request is not of a magnitude either in terms of workload or policy, which would require that it more appropriately be assigned to staff through the collective direction of the City Council, based on the guidelines set forth in Cupertino Municipal Code section 2.17.043. The City Manager shall place requests that impose a significant workload on staff on the Council agenda for review by the full Council, along with a statement from that Councilmember as to why the information is needed. No Councilmember shall circumvent the City Manager's direction regarding a request for information by seeking information through a Public Records Act request.

- 6.7 Authority of City Council.** Nothing in this Manual shall limit the City Council's power to accept, reject, amend, or otherwise guide and direct staff actions, decisions, recommendations, workloads and schedules, department priorities, and the conduct of city business through the office of the City Manager. This power cannot be delegated to individual Councilmembers, nor to committees composed of Councilmembers consisting of less than a quorum of the City Council.

7. Agendas and Staff Reports

- 7.1 Future Agenda Items.** The City Manager, the City Attorney, the Mayor, or any two Councilmembers may request that an item be added to a future agenda for Council action. The City Manager shall provide a quarterly report to Council regarding the status of future agenda items, which may include a request to remove items from the list of future agenda items. Any item may be removed for the future agenda items list by a majority vote of the City Council.
- 7.2 Preparation of Agenda.** The City Clerk shall prepare the agenda in consultation with the City Manager, the Mayor, and the City Attorney. Absent exigent circumstances, an item will be scheduled for Council action no sooner than 14 days after receipt of a request to add the item to the future agenda items list. Any item requiring preparation of a staff report requires City Manager approval or, in case of a report prepared by City Attorney's Office staff, City Attorney approval, before being added to an agenda. The Mayor, in consultation with the City Manager and the City Clerk, shall determine the order of items on the agenda.

7.3 Agenda Item Descriptions. Each agenda item shall include a brief general description of the matter to be discussed (approximately 20 words in length), including any action that may be taken under the California Environmental Quality Act, and should generally include the recommendation of the City Manager.

7.4 Staff Reports. Staff reports should include the following sections:

1. Subject
2. Recommended Action
2. Reasons for Recommendation
3. Sustainability Impact
4. Fiscal Impact
5. California Environmental Quality Act

7.5 Agenda Publication. Agenda packets for a regular meeting should be published and delivered to Councilmembers no later than the Wednesday prior to a Tuesday Council meeting. Councilmembers are encouraged to contact staff in advance for answers to questions regarding an agenda packet. Written communications addressed to Council shall be forwarded to Council and made available to members of the public, consistent with the requirements of the Brown Act.

7.6 Supplemental Materials. Supplemental reports and materials received by the City Clerk after the agenda is published but before 12:00 p.m. on the Monday prior to the City Council meeting shall be published and delivered to Councilmembers at 5:00 p.m. on Monday. Supplemental reports and materials received by the City Clerk after 12:00 p.m. on Monday but before 4:00 p.m. on the day of the meeting shall be published and delivered to Councilmembers prior to the Council meeting. Council questions and staff-prepared responses will be included in supplemental materials provided to Council and the public.

8. Meeting Procedures

8.1 Meeting Schedule. The City Council conducts its regular meetings on the first and third Tuesdays of the month, except when Council is in recess. At the second regular meeting in January, the City Council will approve the schedule of meetings for the calendar year, which in addition to the regular meeting schedule may include the cancellation of regular meetings and the addition of special meetings and study sessions. This practice does not, however, preclude the Mayor or a majority of the members of the City Council from calling additional meetings pursuant to the Brown Act.

8.2 Rules of Order. City Council meetings shall be governed by Rosenberg's Rules of Order except as otherwise provided by this Manual. Unless otherwise required by state law or City ordinance, decisions of the Council shall be made by a majority of members present and voting. The Mayor may impose additional reasonable procedural rules not inconsistent with Rosenberg's Rules of Order and the provisions of this Manual, unless objected to by a majority of Councilmembers present.

8.3 Order of Business. The order of agenda items for regular Council meetings is as follows:

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Closed Session Report
5. Ceremonial Items
6. Postponements and Orders of the Day
7. Oral Communications (public comment on non-agenda matters)
8. Consent Calendar
9. Public Hearings
10. Action Calendar
11. Items Removed from the Consent Calendar
12. Council Reports and Comments
13. City Manager Report
14. Oral Communications (continued)
15. Informational Items
16. Council and Staff Comments and the Future Agenda Items
17. Adjournment

Oral communications shall be limited to 30 minutes. Additional speakers wishing to comment on non-agenda items may be given time to speak at the end of the agenda, after the City Manager's report. In the absence of an objection made by a majority of Councilmembers present and voting, the Mayor may modify the order of business to facilitate the fair and efficient conduct of Council meetings.

8.4 Consent Calendar.

8.4.1 Adding Item to Consent Calendar. The Mayor, the City Manager, the City Attorney, or the City Clerk may recommend that items appearing on the agenda be placed on the consent calendar for action by the City

Council. All items placed on the consent calendar shall appear together on the agenda with the recommendation as to the action to be taken by the City Council with respect to such item. Upon the motion of any member of the City Council, all items placed upon the consent calendar may be acted upon together, and each shall be deemed to have received the action recommended.

8.4.2 Removing Item from Consent Calendar. Items may be removed from the consent calendar only by a member of the City Council. Any member of the City Council who would like to remove any item from the consent calendar shall notify the City Manager and the City Clerk prior to the meeting; provided, however, each Councilmember may remove one item from the consent calendar without providing notice before the Council meeting begins. Although members of the City Council are encouraged to ask questions and share concerns about the agenda item with staff before the meeting, they are not required to do so. Items removed from the consent calendar shall be placed at the end of the agenda for consideration.

8.5 Public Comment. An opportunity for public comment shall be provided for the consent calendar, each other agenda item under consideration, and, during regular meetings, on any matter that is within the subject matter jurisdiction of the City Council. The Mayor may consolidate public comment for related agenda items, subject to overruling by a majority vote of the Council. Non-agenda matters (including Council and staff reports and informational items) may be addressed by the public during oral communications. Members of the public wishing to speak regarding an item shall submit a request to comment to the Clerk ("blue card") or, where applicable, raise their hand in Zoom within nine minutes of the time the Mayor opens public comment or prior to the close of public comment on the item, whichever is earlier. Each individual speaker will ordinarily have up to three minutes to address the Council. If a speaker representing five or more members of the public in attendance and wishing to comment on the item but electing not to speak, the speaker may have up to 10 minutes to address the Council. Consolidation of time among speakers is not otherwise allowed. If a large number of speakers wish to address Council on an item, the Mayor may reduce the time allotted to each speaker consistent with the Brown Act. Twice the speaking time will be provided to any member of the public who uses a translator.

8.6 Communications with Members of the Public. The City Council may ask questions of speakers providing public comment but should avoid an extended discussion with members of the public during meetings. Additionally, when a member of the public provides comments regarding a matter that is not on the agenda, Councilmembers may (1) refer the speaker to staff; (2) refer the speaker to appropriate reference material; (3) request that staff report back at a future meeting; or (4) request that staff place the item on a future agenda. Councilmembers should not otherwise respond to or comment on an item of business that is not on the agenda. City staff should generally avoid responding to comments or questions from members of the public during Council meetings, although the City Manager or City Attorney may offer to arrange a time to discuss the subject matter of public comments with members of the public subsequent to the Council meeting.

8.7 Conduct of Meetings

8.7.1 Councilmembers. Members of the City Council value and recognize the importance of the trust invested in them by the public to accomplish the business of the City. Councilmembers shall accord courtesy to each other, to City employees, and to members of the public appearing before the City Council.

8.7.2 City Employees. City staff shall observe the same rules of decorum applicable to the City Council. City staff shall act at all times in a businesslike and professional manner towards Councilmembers and members of the public.

8.7.3 Members of the Public. Members of the public attending City Council meetings are encouraged to treat Councilmembers, City staff, and other members of the public with the same courtesy that Councilmembers and City staff must accord to them. Any members of the public who engages in conduct that disrupts a City Council meeting shall be removed from the meeting. Nothing in this Manual or any rules of conduct that may be adopted by the City Council shall be construed to prohibit public criticism of the policies, procedures, programs, or services of the City, or of the acts or omissions of the City Council, City advisory bodies, or City staff.

8.8 Discussion and Deliberation

8.8.1 Ex Parte Contacts. Councilmembers shall disclose any ex parte communications prior to deliberation on a quasi-judicial matter. A quasi-

judicial matter is typically a hearing in which the City Council hears evidence and makes findings of fact to reach a conclusion based on the applicable law. An ex parte communication occurs when a Councilmember hearing a quasi-judicial matter communicates directly or indirectly with any person or party in connection with a matter before the Council, without notice and the opportunity for all parties to participate.

- 8.8.2 Relevance.** All discussion must be relevant to the issue before the City Council. A Councilmember is given the floor only for the purpose of discussing the pending matter; discussion which departs from the item agendized for discussion is out of order. Councilmembers should avoid repetition and shall not discuss matters that are not on the agenda. Arguments for or against a measure should be stated as concisely as possible.
- 8.8.3 Council Questions and Deliberations.** Councilmembers may obtain the floor by seeking recognition from the Mayor. Following presentations to Council on an agenda item, Councilmembers shall each be given five minutes to ask questions of any presenter. The Mayor may allow additional time for questions where appropriate. Following public comment, the Mayor may request that a motion be made and seconded. After the motion has been stated to the Council and seconded, any member of the Council has a right to discuss the motion after obtaining the floor. A member who has been recognized shall limit their time to five minutes. The Mayor may allow additional time for questions where appropriate. This rule shall displace any conflicting rule in the City's adopted rules of procedure.
- 8.8.4 Opportunity for Equal Participation.** It is the policy of the Council to encourage the full, fair participation of all members of the Council in discussions and deliberations. The Mayor may impose reasonable limits on the time any Councilmember is permitted to speak to advance this policy. In addition, all Councilmembers wishing to be recognized should be given an opportunity to speak before any member is allowed to speak a second time.
- 8.8.5 Civility.** While it is appropriate to vigorously debate a motion, its nature, or its consequences, Councilmembers shall avoid attacks on the motives, character, or personality of other Councilmembers, City staff, and members of the public. The Mayor shall rule out of order any Councilmember who engages in such attacks.

8.8.6 Role of the Mayor. The Mayor has the responsibility for controlling and expediting the discussion of an agenda item. It is the duty of the Mayor to keep the subject clearly before the Councilmembers, to rule out irrelevant discussion, and to ensure civil discussion among Councilmembers.

8.9 Meeting Length. Meetings of the City Council shall adjourn by 11:00 p.m. unless the time of adjournment is extended by a vote of a majority of the City Council. Discussion of an agenda item shall not begin after 10:30 p.m. Any motion to extend the meeting beyond 11:00 p.m. shall include a list of specific agenda items to be discussed or approved and shall specify the order these items shall be considered. If a meeting continues past 11:00 p.m., it shall end at 11:30 p.m. All meetings shall be adjourned at 11:30 p.m. unless by a vote of a majority of the City Council suspends this rule and votes affirmatively to extend the meeting past 11:30 p.m. Following the adjournment of the meeting, any remaining items on the agenda shall be continued to the next regular meeting of the City Council.

8.10 Public Hearing Procedures. The order of proceeding where there is a public hearing item (non-appeal items) before the City Council shall be as follows:

1. Open Public Hearing
2. Staff Report (preferably ≤ 10 minutes)
3. Applicant's presentation (where applicable) (preferably ≤ 8 minutes)
4. Questions from the Council
5. Public comment
6. Applicant's response to public comment (where applicable) (preferably 2 minutes)
7. Close Public Hearing
8. City Council discussion and vote

Where the public hearing involves an appeal of a decision to the City Council, the order of proceeding shall be as follows:

1. Open Public Hearing
2. Staff Report (preferably ≤ 10 minutes)
3. Appellant's statement (preferably ≤ 8 minutes)
4. Applicant's statement (where applicable) (preferably ≤ 8 minutes)
5. Questions from the Council
6. Public comment
7. Applicant's response to public comment (where applicable) (preferably 2 minutes)
8. Appellant's response to public comment (preferably 2 minutes)

9. Close Public Hearing
10. City Council discussion and vote

8.11 City Council Recess Period. The City Council recess period shall begin the first Tuesday in August at 12:00 a.m. and end the Tuesday following Labor Day at 12:00 a.m. During any recess period, the City Manager is authorized to take such ministerial actions for matters of operational urgency, including such emergency actions as are necessary for the immediate preservation of the public peace, health, or safety, as would normally be taken by the City Council during the period of recess, except for those duties specifically reserved to the Council by law. This authority extends throughout the period of recess established by the City Council and includes the authority to execute agreements and make expenditures necessary for the exigent operational matters. The City Manager shall make a full and complete report to the City Council at its first regularly scheduled meeting following the period of recess of actions taken by the City Manager pursuant to this section, at which time the City Council may make such findings as may be required to ratify the actions of the City Manager. Nothing in this Section prevents the City Council from calling a special meeting during the recess period.

9. Closed Sessions

A closed session may be held at any regular or special meeting for any purpose authorized by the Brown Act. The City Attorney will schedule closed session meetings in consultation with the Mayor and the City Manager. Public comment shall be received in open session prior to a closed session. To ensure strict compliance with the Brown Act, the City Attorney or the City Attorney's designee shall report out in public session any reportable action taken during closed session and any other information from closed session authorized to be disclosed based on a majority vote of the City Council.

10. Enforcement of Rules; Suspension of Rules

The City Council may enforce repeated or serious violations of the rules set forth in this Manual through a censure action placed on a Council agenda. Nothing in this Manual shall be cited to invalidate a properly noticed and acted upon action of the City Council. Any rule set forth in this Manual may be suspended by three votes of the Council.

EXHIBIT A

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 1

PROGRAM PURPOSE AND DEFINITIONS FOR ELIGIBILITY

It is City of Cupertino policy that those certain persons holding positions hereinafter defined and designated as elected official positions shall be eligible for participation under the Elected Officials Compensation Program as hereby adopted by action of the City Council and as same may be amended or as otherwise modified from time to time.

Eligibility for inclusion with this Compensation program is limited to persons holding positions as elected officials. These are designated by the voters and may be modified as circumstances warrant.

The position in the following classification has been designated as elected official.

ELECTED OFFICIAL CLASSIFICATIONS:

Classification Title City
Council Member

Adopted by Action of the City Council,
July 2013

City of Cupertino
ELECTED OFFICIALS COMPENSATION PROGRAM
Policy No. 2

SALARY SCHEDULE

As rates of pay are set forth under the Cupertino Municipal Code 2.16.020, and hereby adopted by action of the City Council, so are those rates of pay included herein as a part of this Compensation program. The inclusion herein of said rates and schedules does not affect any effective dates or otherwise reflect on the approval processes required but is shown as an integral part of this Program for completeness of record.

Adopted by Action of the City Council
July, 2013, October 2016

City of Cupertino
ELECTED OFFICIALS COMPENSATION PROGRAM
Policy No. 3

TRAINING AND CONFERENCES

I. POLICY

It is City of Cupertino policy that members of the City Council and the Council's commissions and committees, shall be reimbursed or receive a direct advance according to the schedules, terms and conditions as set forth herein for the expenses authorized below. This policy is established in accordance with California Government Code Sections 53232.2 and 53232.3.

III. AUTHORIZED EXPENSES

The City Council and their commission and committee members can receive reimbursements or advances toward actual and necessary expenses incurred by participating in the following activities or events:

1. Communicating with representatives of regional, state and national government on City adopted policy positions;
2. Attending seminars, conferences, and training to improve skill and information levels;
3. Participating in regional, state and national organizations whose activities affect the City's interests (such as the League of California Cities);
4. Attending International Conferences, budget limited to \$2,500 per fiscal year, provided there is a benefit to the City;
5. Attending City events;
1. Attending functions of other local civic or community organizations where there is a clear nexus between the event and the member's attendance as an official representative of the City. Purely social events, service club dues and meals, and political or charitable contributions or events would be excluded. For purposes of this section, reimbursable fundraisers and events include, but are not limited to, Cupertino Union School District, Fremont Union High School District, Foothill-De Anza Community College District, Silicon Valley Leadership Group, Cupertino American Cancer Society (ACS) Relay for Life and Cupertino Chamber of Commerce activities.

The City will not reimburse or advance payment toward expenses including, but not limited to:

1. The personal portion of any trip;
2. Family expenses, including those of a partner when accompanying Council or commission member on City related business, as well as child or pet related expenses.
3. Entertainment expenses, including theatre, shows, movies, sporting events, golf, spa treatments, etc.
4. Meals and entertainment paid on behalf of third parties outside of the City;
5. Gifts of any kind for any purpose;
6. Alcoholic beverages;
7. Non-mileage personal automobile expenses including repairs, insurance, gasoline, traffic citations; and
8. Personal losses incurred while on City business.

IV. BUDGETARY LIMITATIONS

Reimbursement or advancement of expenses shall not exceed budgetary limitations. Changes in appropriations will be done through the budget process.

V. REIMBURSEMENT AND ADVANCE SCHEDULE

A. Intent

This schedule is written with the intent that the City Councilmember, commissioner, or committee member will make every effort to find the lowest possible cost to the City for traveling on City business. For example, if paying for parking at the airport is less expensive than paying for a taxi or airport shuttle, then officials should drive their car and park at the airport; or if renting a car is lower than taking taxis at the out-of-town location, then a car should be rented. Air reservations should be booked in advance to obtain discounted fares. The following procedures apply whether the expense is being paid through a reimbursement or a direct advance.

B. Local Area

The local area is defined to be within Santa Clara and San Mateo Counties and within a 40 mile distance from Cupertino when traveling to Alameda County.

C. Registration

The City will pay the registration fee for authorized attendance at a convention, conference, seminar or meeting.

D. Transportation

The City will pay transportation costs on the basis of the lowest cost intent stated in paragraph A. Eligible transportation costs include airfare (with coach fare being the maximum), van or taxi service to and from the attendee's home and airport, destination or airport parking charges, taxi and shuttle services at the out-of-town location, trains, tolls, or rental cars. Use of a personal automobile for City business shall be reimbursed or advanced at the rate per mile in effect for such use, except in no case shall it exceed air coach fare if the vehicle is being used for getting to the destination. Government or group rates offered by a provider of transportation must be used when available.

E. Lodging

Hotel or lodging expenses of the City official resulting from the authorized event or activity defined in this policy will be reimbursed or advanced if the lodging and event occur outside the local area. Not covered will be lodging expenses related to person(s) who are accompanying the City member, but who themselves are not on City business. In this instance, for example, the difference between single and multiple occupancy rates for a room will not be reimbursed.

Where the lodging is in connection with a conference or other organized educational activity, City-paid lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, providing that lodging at the group rate is available at the time of booking. If the group rate at the conference hotel is not available, then the non-conference lodging policy described in the next paragraph should be followed to find another comparable hotel.

Where lodging is necessary for an activity that is not related to a conference or other organized educational activity, reimbursement or advances shall be limited to the actual cost of the room at a group or government rate. In the event that a group or government

rate is not available, lodging rates that do not exceed the median price for lodging for that area and time period listed on travel websites like www.hotels.com, www.expedia.com or an equivalent service shall be eligible for reimbursement or advancement.

F. Meals

1. No Conference

The actual cost of a meal can be claimed, within a standard of reasonableness, but receipts must be kept and submitted for the expense incurred.

2. As Part of a Conference

When City officials are attending a conference or other organized educational activity, they shall be reimbursed or advanced for meals not provided by the activity, on an actual cost basis. The actual cost rate shall follow the rules described in the meals with no conference paragraph.

G. Other Expenses

Payments toward or reimbursement of other expenses related to authorized activities or events shall be limited to the actual costs consistent with the application of reasonable standards. Receipts must be kept and submitted for all expenses.

VI. DIRECT CASH ADVANCE POLICY

From time to time, it may be necessary for a City official to request a direct cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such request for an advance should be submitted to the City Manager or Department Head no less than seven days prior to the need for the advance with the following information: 1) Purpose of the expenditure; 2) The anticipated amount of the expenditure (for example, hotel rates, meal costs, and transportation expenses); and 3) The dates of the expenditure. An accounting of expenses and return of any unused advance must be reported to the City within 30 calendar days of the official's return on the expense report described in Section VII.

VII. EXPENSE REPORT REQUIREMENTS

All expense reimbursement requests or final accounting of advances received must be approved by the City Manager or Department Head, on forms determined by the Finance Department, within 30 calendar days of an expense incurred, accompanied by a business purpose for all expenditures and a receipt for each item other than mileage. The report will be a public record subject to disclosure under the Public Records Act.

VIII. REPORTS TO CITY COUNCIL OR COMMISSIONS

At the next regular City Council or commission meeting, each councilmember or commissioner shall briefly report on publicly noticed meetings attended at City expense. If multiple members attended the meeting, a joint report may be made.

IX. POLICY VIOLATIONS

Violations of this policy including falsifying expense reports may result in any or all of the following: (1) loss of reimbursement privileges, (2) demand for restitution to the City, (3) civil penalties of up to \$1,000 per day and three times the value of the resources used, and 4) prosecution for misuse of public resources.

Revised 7/83, 7/85, 7/87, 7/88, 7/91, 7/92, 12/07, 7/10

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 4

MILEAGE REIMBURSEMENTS

It is City of Cupertino policy that eligible persons under this Compensation Program shall be compensated fairly for the use of personal automotive vehicles on City business. Those persons who occasionally are required to use their personal automobiles for City business shall be reimbursed for such use at the established IRS rates. Submission of reimbursement requests must be approved by the City Manager.

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 5

ASSOCIATION MEMBERSHIPS AND
PROFESSIONAL PUBLICATIONS

It is City of Cupertino policy that eligible persons under this Compensation Program shall be entitled to City sponsored association memberships as well as receiving subscriptions to professional and technical publications. Such sponsorship, however, shall be conditioned upon the several factors as set forth below.

Each association for which membership is claimed must be directly related to the field of endeavor of the person to be benefited. Each claim for City sponsored membership shall be submitted with their concurrence to the City Manager for approval.

Subscriptions to or purchase of professional and technical publications may be provided at City expense when such have been authorized by the City Manager providing the subject matter and material generally contained therein are related to municipal governmental operations.

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS' COMPENSATION
PROGRAM
Policy No. 7

HEALTH BENEFITS PLAN - CITY

CONTRIBUTION

It is the policy of the City of Cupertino to provide group hospital and medical insurance under which the elected official positions and their dependents may be covered. The purpose of this program is to promote and preserve the health of employees and their families through comprehensive health plans available only through employer sponsorship.

Although the premium cost for the insurance provided remains the ultimate responsibility of the employee in these positions, the City shall contribute the amounts listed below towards the premium or pay the full cost of the premium if less than the stated amounts. If the premium amounts for any employee covered by this policy are less than the amounts listed below per month, the difference between the premium amount and the stated amounts will be retained by the City.

Effective January 1, 2020	City Max Health Contribution	City Max *Dental Contribution	City Total Max Contribution
Employee	848.87	126.78	975.65
Employee +1	1,443.09	126.78	1,569.87
Employee +2	1,876.01	126.78	2,002.79

January 1, 2021	City Max Health Contribution	City Max *Dental Contribution	City Total Max Contribution
Employee	891.32	126.78	1,018.10
Employee +1	1,515.24	126.78	1,642.02
Employee +2	1,969.81	126.78	2,096.59

January 1, 2022	City Max Health Contribution	City Max *Dental Contribution	City Total Max Contribution
Employee	935.88	126.78	1,062.66
Employee +1	1,591.01	126.78	1,717.79
Employee +2	2,068.31	126.78	2,195.09

*Dental Coverage: Effective the first month after Council adoption of MOU, dental coverage is capped at \$2,500.00 per dependent per annual plan year for the term of this contract.

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Adopted by Action of the City Council
July, 2013, October 2016, July 2019,
December 2019, January, 2023

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 9

LIFE INSURANCE

It is the policy of the City of Cupertino to provide life insurance benefits to the elected officials to a maximum of \$16,000.

The elected officials may enroll in the life insurance program offered if eligible under the contract provisions of the policy and the personnel rules of the City. The full cost of premiums for these programs shall be paid by the City for such individuals.

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS COMPENSATION PROGRAM
Policy No. 10

DEFERRED COMPENSATION

It is the policy of the City of Cupertino to provide equitable current compensation and reasonable retirement security for the elected officials for services performed for the City. The City participates in the California Public Employees' Retirement System (PERS) and deferred compensation plans have been established. Both the elected official and City may make contributions from current earnings to these plans. The purpose of this policy is to promote means by which compensation may be provided in such manner and form to best meet the requirements of the City and the needs of the elected officials. .

The City shall maintain and administer means by which the elected officials in these positions may defer portions of their current earnings for future utilization. Usage of such plans shall be subject to such agreements, rules and procedures as are necessary to properly administer each plan. Individual contributions to such plans may be made in such amounts as felt proper and necessary to the elected official. The City contributions shall be as determined by the City Council.

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS COMPENSATION PROGRAM
Policy No. 11

PUBLIC EMPLOYEES' RETIREMENT SYSTEM CONTRIBUTION

A. Council Members occupying office on or before December 29, 2012 Only:

For Council Members occupying office on or before December 29, 2012, the City has contracted with CalPERS for a 2.7% @55 retirement formula.

Effective in the first full pay period in July 2017, each employee shall pay the full 8.0% of applicable salary of the employee's contribution towards CalPERS.

B. Council Members occupying office on December 30, 2012 or December 31, 2012 or a current CalPERS employee who qualifies as a classic member under CalPERS Regulations Only.

For Council Members hired on December 30, 2012 or December 31, 2012 or a current CalPERS employee who qualifies as a classic member under CalPERS Regulations only the City has contracted with CalPERS for a 2.0% @ 60 retirement formula, three year average compensation

Effective January 1, 2017, the City shall not pay the employee's contribution rate to the California Public Employees Retirement System (CalPERS) and each employee shall pay the full 7% of applicable salary of the employee's contribution towards CalPERS.

C. For Council members occupying office on or after January 1, 2013, or former CalPERS employees that do not qualify as Classic employees hired by the City of Cupertino on or after January 1, 2013

For Council Members occupying office on or after January 1, 2013 CalPERS has by statute implemented a 2% @ 62 formula, three year average and employees in this category shall pay 50% of the normal cost rate as determined by CalPERS.

Adopted by Action of the City Council
July, 2013, October 2016, July 2019

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 12

DENTAL INSURANCE - CITY CONTRIBUTION

It is the policy of the City of Cupertino to provide dental insurance under which the elected official positions and their dependents may be covered.

The premium cost for the insurance provided by the City shall not exceed \$126.78* per month per individual. Enrollment in the plan or plans made available pursuant to this policy shall be in accordance with Personnel Rules of the City and the provisions of the contract for such insurance between the City and carrier or carriers.

*Dental Coverage: Effective the first month after Council adoption of agreement, dental coverage is capped at \$2,500.00 per dependent per annual plan year for the term of this contract.

Adopted by Action of City Council
July, 2013, October 2016, July 2019

City of Cupertino
ELECTED OFFICIALS COMPENSATION PROGRAM
Policy No. 14

EMPLOYEE ASSISTANCE PROGRAM

It is the policy of the City of Cupertino to provide an Employee Assistance Program for the benefit of the elected officials and their eligible dependents. The purpose of this program is to provide professional assistance and counseling concerning financial, legal, pre-retirement, and other matters of a personal nature.

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 17

VISION INSURANCE – CITY CONTRIBUTION

It is the policy of the City of Cupertino to provide vision insurance under which employees and their dependents may be covered.

The premium cost for the insurance provided by the City shall not exceed \$14.94 per month per employee. Enrollment in the plan or plans made available pursuant to this policy shall be in accordance with the provisions of the contract between the City and carrier or carriers providing vision insurance coverage,

Adopted by Action of the City Council
July, 2013

City of Cupertino
ELECTED OFFICIALS' COMPENSATION PROGRAM
Policy No. 18

TECHNOLOGY POLICY

Purpose

This policy establishes guidelines and standards regarding the provision of technology hardware and software for Councilmembers.

Scope and Applicability

This policy applies to all City Councilmembers for the provision and maintenance of City issued technology hardware and software. This technology is in addition to City technology equipment and software residing within the Mayor's and Council's office at City Hall.

Technology Provision

To facilitate communications with citizens, staff and other Councilmembers, each Councilmember may elect to be issued the following technology hardware at the beginning of each term.

- 1 Laptop
- 1 Docking Station
- 1 Monitor
- 1 Webcam
- 1 Keyboard & Mouse
- 1 Phone with Voice/Data Plan

Each Councilmember's issued laptop will have the following additional software applications:

- Office productivity platform, e.g., Microsoft O365
- Cybersecurity Tools, e.g., end point protection and multifactor authentication
- Video Conferencing, e.g., Zoom

Each Councilmember's issued phone will have the following additional software applications

- Office productivity platform
- Cybersecurity Tools
- Video Conferencing

Issued technology hardware and software will meet current City hardware and software standards to ensure proper security, maintenance, and support.

Councilmembers who wish to not use City issued equipment must provide written acknowledgement that the technology they will use has current antivirus software and all software applications are up to date from a cyber security standpoint.

Councilmembers use the issued equipment for the performance of official City business. Data contained within the equipment is public property and considered a public record, therefore subject to all Public Records Act and Brown Act policies.

Councilmembers, upon completion of their term, will return all issued equipment to the Innovation & Technology Department. City equipment and/or software is not available for purchase.

City Support

Innovation & Technology staff are solely responsible to provide technical support and maintenance for issued equipment and may be reached at helpdesk@cupertino.org or (408) 777-3381. If required, Councilmembers shall bring their equipment to City Hall for repair and/or service.

Adopted by Action of the City Council
July, 2019, January, 2023

City of Cupertino

City Council

and

Planning Commission

Compensation

Effective January 1, 2017

CITY OF CUPERTINO CITY COUNCIL
AND PLANNING COMMISSION
EFFECTIVE January 1, 2017


The salaries, wages or rates of pay for members of the City Council and Planning Commission are set forth below. Only the City Council can modify these rates.

Members of the City Council	\$737.54/month
Members of the Planning Commission*	\$50.00/meeting (maximum \$200 monthly)

Effective first full pay period in July 2017

Members of the City Council	\$743.07/month
Members of the Planning Commission*	\$50.00/meeting (maximum \$200 monthly)

*Benefits as set forth in this document do not apply to members of the Planning Commission.

 Council Technology Policy	Citywide Policy Manual Policy #
	Attachments: N/A
Effective Date: December 12, 2022	Responsible Department: Innovation & Technology
Related Policies & Notes: This policy supersedes previous Council Technology Policies from 2005, 2012, and 2018	

Purpose

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- Cybersecurity Tools
- Video Conferencing

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Submitted By:	Approved By:
Printed Name: Bill Mitchell	Printed Name: Pamela Wu
Title: CTO	Title: City Manager
Signature: <i>Bill Mitchell</i>	Signature:
Date: December 11, 2022	Date:

RESOLUTION NO. 07-103

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
PROVIDING FOR A DISCRETIONARY FUND TO BE ADMINISTERED BY
THE CITY MANAGER TO PROVIDE A FUNDING SOURCE FOR PROJECTS
THAT THE MAYOR MAY WISH TO PROPOSE FROM TIME TO TIME
DURING THE MAYOR'S TERM OF OFFICE**

WHEREAS, The City Council wishes to provide a small source of funds for projects that may be proposed at the discretion of the Mayor during the Mayor's term of office; and,

WHEREAS, The City Council wishes to establish a Mayor's initiative budget that will be included as part of the City Manager's Office budget in the City Manager's discretionary account; and,

WHEREAS, The City Council wishes to determine, as part of the budget process, the amount of funding for the duration of the Mayoral term;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cupertino that Mayor's initiative budget is established in an amount to be determined by the City Council as part of the City Manager's discretionary fund to be used for projects that the Mayor deems appropriate during the Mayor's term of office; and,

BE IT FURTHER RESOLVED that the decision to spend money on a Mayor's project will be jointly determined by the Mayor and the City Manager, except that the City Manager may, at his or her sole discretion escalate the spending decision to the City Council if he or she determines that to be necessary or appropriate; and,

BE IT FURTHER RESOLVED that the City Council will be advised by an item on the Council Agenda prior to the date of the Mayor's State of the City Address, of any new project or initiative that the Mayor may wish to propose during the State of the City Address.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 5th day of June 2007, by the following vote:

<u>Vote</u>	<u>Members of the City Council</u>
AYES:	Wang, Kwok, Lowenthal, Mahoney, Sandoval
NOES:	None
ABSENT:	None
ABSTAIN:	None

ATTEST:
/s/Kimberly Smith

City Clerk

APPROVED:
/s/Kris Wang

Mayor, City of Cupertino

CHAPTER 2.17: CITY COUNCIL/CITY STAFF RELATIONSHIPS**Section**

- 2.17.010 Preamble.
- 2.17.020 Intent and purpose.
- 2.17.030 Council and Council members.
- 2.17.031 Council power.
- 2.17.032 Individual Council members.
- 2.17.033 Council Policy.
- 2.17.034 Information.
- 2.17.040 Staff.
- 2.17.041 Execution of Council direction.
- 2.17.042 Undue influence.
- 2.17.043 Timely response.

2.17.010 Preamble.

After the City of Cupertino's incorporation, the City Council enacted Ordinance No. 106 creating and establishing the Council/City Manager form of government whereby the City Council controls the administrative services of the City only through the City Manager. The Council/Manager form of government is intended to provide the best of unencumbered professional/technical staff input balanced with the collective oversight of elected officials. Under the Council/Manager form of government neither the City Council, nor individual Council members, can give orders to any subordinates of the City Manager. The City Manager takes his or her orders and instructions from the City Council only when given at a duly held meeting of the City Council. No individual council member can give any orders or instructions to the City Manager. Although this provision has worked well over the years, a number of specific issues and questions have arisen from time to time regarding the respective roles of the City Council and City Manager due, in part, to the City's expanding involvement into a variety of new areas of society. It therefore has become necessary and convenient for the City Council to delineate with more specificity the respective roles of City Manager, the City Council and individual Council members.

(Ord. 2009, 2007)

2.17.020 Intent and Purpose.

The intent of this chapter is to address and clarify the relationship between the City Council, individual Council members, and city staff by:

- A. Maintaining control and direction of the City by the City Council as a whole;
- B. Insuring that City Council members have free access to the flow of any information relative to the operation of the City and insuring that such information is communicated by staff in full and with candor to the Council;
- C. Ensuring that the Council decision making process benefits from the unencumbered input and advice from the professional staff free from undue influence in staff decision making, formation of staff recommendations, scheduling of work, and executing department priorities without intervention by individual Council members;
- D. Allowing city staff to execute priorities given by management and the City Council and protecting city staff from undue influence from individual Council members.

(Ord. 2009, 2007)

2.17.030 Council and Council members.**2.17.031 Council Power.**

The City Council retains the full power to accept, reject, amend, or otherwise guide and direct staff actions, decisions, recommendations, workloads and schedules, department priorities, and the conduct of city business through the office of the City Manager. This power cannot be delegated to individual Council members, nor to committees composed of council members consisting of less than a quorum of the City Council.

(Ord. 2009, 2007)

2.17.032 Individual Council members.

Individual Council members shall not attempt to influence staff decisions, recommendations, workloads, and schedules, and department priorities without prior knowledge and approval of the City Council.

(Ord. 2009, 2007)

2.17.033 Council Policy.

If a Council member wishes to influence the actions, decisions, recommendations, workloads, work schedules and priorities of staff, that member must prevail upon the City Council to do so as a matter of council policy.

(Ord. 2009, 2007)

2.17.034 Information.

Individual Council members as well as the City Council as a whole, have complete freedom of access to any information requested of staff (except information which is otherwise protected by law from disclosure) and will receive the full cooperation and candor of City staff in being provided with any requested information. Information sought by an individual council member may, at the discretion of the City Manager, be automatically provided to the City Council as a whole. In exercising this discretion, the City Manager will consider whether the information is significant or new or otherwise not available to the Council or is of interest to the Council.

(Ord. 2009, 2007)

2.17.040 Staff.

2.17.041 Execution of Council Direction.

The primary functions of City staff is the execution of Council policy and actions taken by the Council as well as keeping the Council informed regarding the general operations of the city.

(Ord. 2009, 2007)

2.17.042 Undue Influence.

City staff may take guidance and direction only from management or the City Council as a whole. Staff is prohibited from accepting direction or being unduly influenced by individual Council members to pressure staff members into making, changing or otherwise suppressing staff decisions or recommendations, or changing departmental work schedules and priorities. Staff members will report such attempts to influence them in confidence to the City Manager, who may inform the City Council as a whole of such attempts. Any staff member who violates this prohibition may be subject to disciplinary action at the discretion of the City Manager.

(Ord. 2009, 2007)

2.17.043 Timely Response.

City staff will make every effort to respond in a timely and professional manner to all requests made by individual council members for information or assistance, provided that, in the judgment of the City Manager, the request is not of a magnitude either in terms of work load or policy, which would require that it more appropriately be assigned to staff through the collective direction of the City Council. In terms of making this judgment, the following guidelines should be considered:

- A. Is the request specific and limited in scope so that staff can respond without altering other priorities and with only minimal delay to other assignments?
- B. Is the request a "one time" work requirement, as opposed to an on-going work requirement?
- C. Does the response to a request require a significant allocation of staff resources (generally defined as consisting of more than one staff person, or a single staff person working on the request in excess of two hours)?

(Ord. 2009, 2007)



CITY OF CUPERTINO

Agenda Item

22-11650

Agenda Date: 2/7/2023
Agenda #: 16.

Subject: Consider an appeal of the Planning Commission's decision to deny Sign Exception to allow three (3) wall signs where two (2) are permitted and to further allow two (2) of the three (3) wall signs to be oriented towards the freeway on two separate storage facility buildings. (Application No(s): EXC-2022-003; Applicant(s): David Ford, All Sign Services; Location: 20565 Valley Green Dr.; APN: 326-10-044)

Conduct a public hearing and adopt Resolution No. 23-025 (Attachment A) upholding the appeal in part, approve one of the two-requested freeway-oriented signs, and deny the requested Sign Exception



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA
95014-3255 TELEPHONE: (408) 777-3308 • FAX: (408) 777-3333
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider an appeal of the Planning Commission's decision to deny a Sign Exception at a storage facility. (Application No(s): EXC-2022-003; Applicant(s): David Ford, All Sign Services; Location: 20565 Valley Green Dr.; APN: 326-10-044).

Recommended Actions

Conduct a public hearing and adopt a resolution (Attachment 1) upholding the appeal in part, approve one of the two-requested freeway-oriented signs, and deny the requested Sign Exception.

Project Data:

General Plan Designation:	Industrial/Residential	
Special Area:	North De Anza Special Area	
Master Plan/Conceptual Plan:	North De Anza Conceptual Zoning Plan	
Zoning Designation:	P (CG, ML, Res) Planned Development with General Commercial, Industrial, and Residential Intent	
Property Area:	2.995 acres / 130,462 sq. ft.	
Building Area:	263,671 sq. ft.	
Signs	Allowed	Proposed
Wall Signs	2	3
Freeway Oriented Signs	1	2
Project Consistency with		
General Plan:	Yes	
Zoning:	Yes, with approval of exception	
Environmental Assessment:	Categorically Exempt	

Background

On June 18, 2019, City Council approved development permits to allow the demolition of an existing storage facility and the construction of a new storage facility (Public Storage) consisting of two four-story buildings and associated site improvements.¹ Signage was not included in the permit application and was not approved at the time.

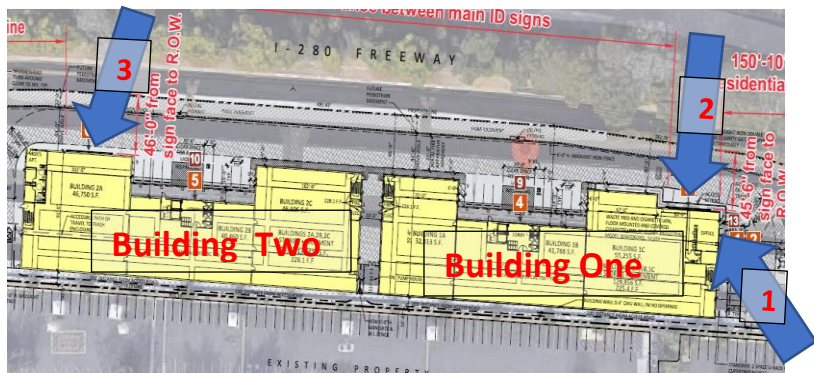


Figure 1: Site plan and Proposed Wall Sign locations

On June 2, 2022, the developer applied for a Sign Exception (EXC-2022-003) to allow:

- A total of three (3) wall signs where a maximum of two (2) are permitted for a single business; and
- Of the three wall signs, two (2) are freeway-oriented where only one is permitted subject to Planning Commission approval.



Figure 2 View of location of Sign 1.

Figures 1, 2 and 3 show the proposed locations of the three wall signs.



Figure 3 View of proposed location of signs 2 & 3.

On October 11, 2022, the Planning Commission unanimously adopted (5-0-0) Resolution No. 6962 (Attachment C) denying the proposed Sign Exception. The Planning Commission found that the proposed project would be:

¹ Development Permit (DP-2018-03), Architectural Site Approval (ASA-2018-04), Fence Exception (EXC-2018-01), and Tree Removal Permit (TR-2019-11)

- (a) inconsistent with the intent of the sign (CMC Chapter 19.104) and bird safety (CMC Chapter 19.102) ordinances,
- (b) a potential safety hazard to motorists, and
- (c) potentially preclude consideration of this portion of I-280 being designated as a scenic freeway.

On October 21, 2022, the project's sign consultant, David Ford of All Sign Services, on behalf of Public Storage, appealed the Planning Commission's decision (Attachment B) to deny the sign exception. The basis of the appellant's appeal of the Planning Commission's decision is summarized below:

1. The Planning Commission decision was based on inaccurate information regarding CEQA requirements, Dark Sky restrictions, and Highway 280's potential designation as a scenic highway.
2. The absence of a discussion by Planning Commissioners on the required findings to allow the proposed signage as outlined in the Planning Department staff report, which was supported by the applicant.

Council's review of the Planning Commission's determination is *de novo*, The Council may affirm or modify the Commission's decision based on evidence presented at the public hearing, including any evidence in the record.

Discussion

Since signage details were not included in the original Planning Permit for the development of the storage facility, staff reviewed the signage proposals at the time the applicant applied for the sign permit, which is not uncommon for commercial and industrial projects. All of the signs discussed in this report would be building-mounted, their specifications are as follows:

- "Sign 1", proposed on the east elevation of Building One, is not oriented toward I-280 (see Figure 2);
- "Sign 2", also on Building One, proposed on the north elevation, is oriented for visibility from I-280 (See Figure 3);
- "Sign 3" is proposed on the north elevation of Building Two and, like "Sign 2," is oriented toward I-280 (see Figure 3).

Per the Sign Ordinance, all wall or building-mounted signs proposed within 660 feet of a "landscaped freeway" (measured from edge of right-of-way), and oriented towards that freeway must be approved by the Planning Commission. Both "Sign 2" and "Sign 3" are proposed within 100 feet of I-280, which meets the definition of a landscaped freeway. A

Sign Exception is required when more than one freeway-oriented sign is proposed by a single business.

In Table 1, below, the proposed signs are evaluated in comparison with the relevant, permitted sign regulations for wall-mounted signs for commercial and industrial uses as listed in the Sign Ordinance (CMC 19.104).

Table 1 Summary of regulations as it relates to each sign.

	Permitted	Proposed Signs		
		Sign One	Sign Two	Sign Three
Number of Wall Signs	One sign per business with exterior frontage. One additional for: - Businesses with no ground sign and adjacent to more than one street or shopping center driveway. - Sign directed to interior of project and not visible from any public right- of-way. - Single tenant building pad with more than 5,000 s.f.	Permitted	One additional sign may be permitted since the property does not have a ground sign and is adjacent to more than one street. A single business is not permitted to have a third wall sign.	
Maximum Size and length of Sign	1 s.f. per linear ft of store frontage on which sign is located. Maximum Area = 200 s.f. Minimum Area = 20 s.f.	52 sq. ft. on a 81-foot frontage	159 sq. ft. on a 324-foot frontage	165 sq. ft. on a 322-foot frontage
	Length - 70% of store frontage maximum	29%	13%	14%
Freeway Oriented Signs	- 1 per business/tenant in a building occupied by two or more tenants - Maximum two	Not a freeway-oriented sign.	Freeway Oriented sign – needs Planning Commission approval.	
Illumination Restrictions	250 foot-lamberts	88.8 foot-lamberts		

The applicant proposes that all the signs consist of individual channel letters with an acrylic face and be internally illuminated with LED lighting. White lettering indicating

the company's name, "Public Storage," will be centrally placed within an orange background. As noted, above, in Table 1, all three proposed signs comply with the criteria for size and illumination.

To support an exception to the Sign Ordinance, one of the findings that must be made is that the exception requested will require the least modification of the prescribed regulations and the minimum variance to accomplish the purpose. Planning staff does not believe having three wall signs, two of which are freeway oriented, meets this finding for the following reasons:

- Allowing three wall signs is more than the number (2) of wall signs permitted for a building occupied by a single business. "Sign Two" and "Sign Three" are adjacent to a driveway and either one individually would comply with CMC 19.104. In other words, either "Sign 2" or "Sign 3", but not both, would be allowable.
- Only buildings with more than one business are allowed up to two freeway-oriented signs under CMC section 19.104.200. This exception request to allow two freeway-oriented signs on buildings occupied by the same business would therefore be at variance with the Sign Ordinance.

Further, allowing more than one wall-mounted sign to a single business is contrary to the intent and purpose of the Sign Ordinance (CMC 19.104), which seeks to balance the architectural and aesthetic harmony of signs into the overall building design but still allow for good sign visibility for both the public and the needs of businesses, without over-signage. Accordingly, staff recommends that the City Council allow the single-tenant applicant, Public Storage, one building-mounted sign oriented to I-280, but not the installation of a second freeway-facing sign on the storage facility. Either "Sign 2" or "Sign 3" are consistent with section 19.104; both signs should not be permitted. Staff further recommends that the appellant/applicant be permitted to choose which of the two signs ("Sign 2" or "Sign 3") it would prefer to have approved through the exception, since each proposed sign complies with the Sign Ordinance criteria for size and illumination.

As such, Staff recommends that the City Council partially uphold the appeal and allow one freeway-oriented wall sign, consistent with staff's prior recommendation at the Planning Commission's regular meeting on October 11, 2022.

Staff also recommends that the following findings be made to deny the second Sign Exception.

- A. That the literal enforcement of the provisions of this title will result in restrictions inconsistent with the spirit and intent of this title;

CMC 19.104 (Sign Ordinance) has allowances for multiple wall signs on the different facades, as well as standards for freeway-oriented signage. Allowing the exception for a sign on the north façade of either Building One or Building Two is consistent with the spirit and intent of the Ordinance. However, allowing two freeway-oriented signs would permit a sign beyond the maximum number of signs allowed facing a busy thoroughfare, such as I-280, and would also allocate multiple signs to a single business which is contrary to the intent and purpose of this Chapter to provide architectural and aesthetic harmony of signs, as they relate to building design and surrounding landscaping; as well as, regulations of sign dimensions and quantity which will allow for good visibility for the public and the needs of the business.

- B. That the granting of the exception will not result in a condition which is materially detrimental to the public health, safety, or welfare; and
The sizes and location of the signs will not result in a situation that is materially detrimental to the public health, safety, or welfare to the community, as the sizes of the signs and their illumination are below the maximums standards established in the Municipal Code.
- C. That the exception to be granted is one that will require the least modification of the prescribed regulations and the minimum variance that will accomplish the purpose.
Allowing both "Sign 2" along the north elevation of Building One and "Sign Three" along the north elevation of Building 2, is beyond the allowed number of wall signs, as well as beyond the number of allowed freeway-oriented signs. The exception would therefore require a greater modification and variance to CMC 19.104 (Signs Ordinance). However, allowing either "Sign 2" or "Sign 3" is consistent with the Municipal Code.

Other Department/Agency Review

The City's Building Division, Public Works Department, Environmental Services Division, Sheriff's Department, Cupertino Sanitary District, and the Santa Clara County Fire Department have reviewed and conditioned the project.

Environmental Review

The development project was found to be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) as an in-fill development project. Cal. Code Regs., tit. 14, § 15332 ("CEQA Guidelines" § 15332) by City Council on June 18, 2019. The installation of signage does not alter the determination that the project is exempt under section 15332. Additionally, because the project was consistent with the General Plan designation and zoning for the site, it was allowed for streamlining under CEQA

Guidelines Section 15183. As the buildings are currently built, this project could also be categorically exempt under CEQA Guidelines section 15301 (Existing Facilities).

Public Noticing

The following table is a summary of the noticing done for this project:

Notice of Public Hearing, Site Notice & Legal Ad	Agenda
<ul style="list-style-type: none"> ▪ Site Signage (<i>10 days prior to the hearing</i>) ▪ Legal ad placed in newspaper (<i>at least 10 days prior to the hearing</i>) ▪ Public hearing notices were mailed to property owners within 300 feet of the project site (<i>10 days prior to the hearing</i>) 	<ul style="list-style-type: none"> ▪ Posted on the City's official notice bulletin board (<i>one week prior to the hearing</i>) ▪ Posted on the City of Cupertino's website (<i>one week prior to the hearing</i>)

Public Comment

Public Comments were received as part of the Planning Commission review. Please review Attachment D.

Fiscal Impacts

No fiscal impact.

Sustainability Impacts

The proposed project would not conflict any goals or measures to reduce greenhouse gas emissions in the Climate Action Plan.

Next Steps

The City Council's decision will be final unless reconsidered within 10 days of the decision. The applicant may apply for building permits at that time.

Prepared by: Gian Paolo Martire, Senior Planner

Reviewed by: Piu Ghosh, Planning Manager

Luke Connolly, Acting Director of Community Development

Christopher Jensen, City Attorney

Approved for Submission by: Pamela Wu, City Manager

ATTACHMENTS:

- A. Draft Resolution for EXC-2022-003
- B. Appeal Form
- C. Planning Commission Resolution 6962
- D. Public Comments

RESOLUTION NO. _____

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL
UPHOLDING THE APPEAL IN PART, APPROVE ONE OF THE TWO-
REQUESTED FREEWAY-ORIENTED SIGNS, AND DENY THE REQUESTED
SIGN EXCEPTION LOCATED AT 20565 VALLEY GREEN DR.**

WHEREAS, the Planning Commission of the City of Cupertino received an application for a Sign Exception (EXC-2022-003) to allow three (3) wall signs where two (2) are permitted and to further allow two (2) freeway-oriented signs on two separate buildings occupied by the same business, Public Storage ("applicant"); and

WHEREAS, the necessary public notices have been given as required by the Procedural Ordinance of the City of Cupertino, and the Planning Commission has held at least one public hearing in regard to the application; and

WHEREAS, on October 11, 2022, the Planning Commission denied on a 5-0 vote the Sign Exception (EXC-2022-003) in substantially similar form to the Resolution presented (Resolution No. 6962); and

WHEREAS, on October 21, 2022, the project's sign consultant, David Ford of All Sign Services, on behalf of Public Storage, appealed the Planning Commission's decision to deny the sign exception; and

WHEREAS, all necessary public notices having been given as required by the City of Cupertino Municipal Code and the Government Code, and the Planning Commission held at least one public hearing in regard to this application, and

WHEREAS, on February 7, 2023, the City Council held a public hearing to consider the Project; and

WHEREAS, the City Council of the City of Cupertino is the decision-making body for the appeal of the Planning Commission decision.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The applicant has met the burden of proof required to support approval of an application for one freeway-oriented wall sign pursuant to Municipal Code section 19.104.200(A).
2. The applicant has not met the burden of proof required to support the approval of a Sign Exception for a second freeway-oriented sign/third wall sign.

Resolution No. _____

Page 2

3. Pursuant to Municipal Code section 19.104.290, the City Council finds the following with regard to the application:

A. That the literal enforcement of the provisions of this title will result in restrictions inconsistent with the spirit and intent of this title;

CMC 19.104 (Sign Ordinance) has allowances for multiple wall signs on the different facades, as well as standards for freeway-oriented signage. Allowing the exception for a sign on the north façade of either Building One or Building Two is consistent with the spirit and intent of the Ordinance. However, allowing two freeway-oriented signs would permit a sign beyond the maximum number of signs allowed facing a busy thoroughfare, such as I-280, and would also allocate multiple signs to a single business which is contrary to the intent and purpose of this Chapter to provide architectural and aesthetic harmony of signs, as they relate to building design and surrounding landscaping; as well as, regulations of sign dimensions and quantity which will allow for good visibility for the public and the needs of the business.

B. That the granting of the exception will not result in a condition which is materially detrimental to the public health, safety, or welfare; and

The sizes and location of the signs will not result in a situation that is materially detrimental to the public health, safety, or welfare to the community, as the sizes of the signs and their illumination are below the maximums standards established in the Municipal Code.

C. That the exception to be granted is one that will require the least modification of the prescribed regulations and the minimum variance that will accomplish the purpose.

Allowing both "Sign 2" along the north elevation of Building One and "Sign Three" along the north elevation of Building 2, is beyond the allowed number of wall signs, as well as beyond the number of allowed freeway-oriented signs. The exception would therefore require a greater modification and variance to CMC 19.104 (Signs Ordinance). However, allowing either "Sign 2" or "Sign 3" is consistent with the Municipal Code.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council does hereby uphold the appeal in part, approve one of the two-requested freeway-oriented signs, and deny the requested sign exception for a second freeway-oriented sign.

Resolution No. _____

Page 2

NOW, THEREFORE, BE IT FURTHER RESOLVED that the foregoing recitals are true and correct and are included herein by reference as findings.

CONDITIONS ADMINISTERED BY THE COMMUNITY DEVELOPMENT DEPT.

1. APPROVED EXHIBITS

Approval is based on the plan set received on June 3, 2022 entitled, "Public Storage", drawn by Image National Signs, consisting of ten (10) sheets labeled "1-7, and VINYL"; except as may be amended by conditions in this resolution.

2. MODIFICATION OF SCOPE

The Planning Commission at its hearing approved only the Sign Exception for one freeway-oriented sign.

2. ACCURACY OF PROJECT PLANS

The applicant/property owner is responsible to verify all pertinent property data including but not limited to property boundary locations, building setbacks, property size, building square footage, any relevant easements and/or construction records. Any misrepresentation of any property data may invalidate this approval and may require additional review.

3. EXCEPTION APPROVAL

A Sign Exception is hereby granted to allow a new freeway-oriented wall sign.

4. ILLUMINATION INTENSITY AND HOURS OF ILLUMINATION

The intensity of all signs shall not exceed 250 foot-lamberts. All illuminated signs shall be turned off by 11:00 p.m. A letter from the business operator shall be provided prior to final building permit approval acknowledging this condition of approval and incorporated in the building permit plans.

5. LIGHTING INTENSITY ADJUSTMENT

The City reserves the right to require the applicant to utilize dimming technology to adjust the lighting intensity of the sign when deemed necessary.

6. SIGN PERMITS REQUIRED

The applicant shall consult with the City's Building Division to obtain the necessary sign permits for this project.

7. CONSULTATION WITH OTHER DEPARTMENTS

Resolution No. _____

Page 2

The applicant is responsible to consult with other departments and/or agencies with regard to the proposed project for additional conditions and requirements. Any misrepresentation of any submitted data may invalidate an approval by the Community Development Department.

8. GRADING AND CONSTRUCTION HOURS AND NOISE LIMITS

- a. All grading activities shall be limited to the dry season (April 15 to October 1), unless permitted otherwise by the Director of Public works.
- b. Construction hours and noise limits shall be compliant with all requirements of Chapter 10.48 of the Cupertino Municipal Code.
- c. Grading, street construction, underground utility and demolition hours for work done more than 750 feet away from residential areas shall be limited to Monday through Friday, 7 a.m. to 8 p.m. and Saturday and Sunday, 9 a.m. to 6 p.m. Grading, street construction, demolition or underground utility work within 750 feet of residential areas shall not occur on Saturdays, Sundays, holidays, and during the nighttime period as defined in Section 10.48.053(b) of the Municipal Code.
- d. Construction activities shall be limited to Monday through Friday, 7 a.m. to 8 p.m. and Saturday and Sunday, 9 a.m. to 6 p.m. Construction activities are not allowed on holidays as defined in Chapter 10.48 of the Municipal Code. Night time construction is allowed if compliant with nighttime standards of Section 10.48 of the Cupertino Municipal Code.
- e. Rules and regulations pertaining to all construction activities and limitations identified in this permit, along with the name and telephone number of an applicant appointed disturbance coordinator, shall be posted in a prominent location at the entrance to the job site.
- f. The applicant shall be responsible for educating all contractors and subcontractors of said construction restrictions.

The applicant shall comply with the above grading and construction hours and noise limit requirements unless otherwise indicated.

9. NOISE AND VIBRATION NOTICE

At least 10 days prior to the start of any demolition, ground disturbing, or construction activities, the project applicant/contractor shall send notices of the planned activity by first class mail to off-site businesses and residents within 500 feet of the project site. The City will provide a template notice and mailing addresses for the Applicant's use. The notice must be approved by City staff prior to sending. The project applicant shall provide the City with evidence of mailing of the notice, upon request.

Resolution No. _____

Page 2

Please note that, if pile driving, the requirements for noticing and monitoring outlined in City Code Section 17.04.050 G (3) shall apply.

10. NOISE AND VIBRATION SIGNAGE

At least 10 days prior to the start of any demolition, ground disturbing, or construction activities, the project applicant/contractor shall ensure that a sign measuring at least four feet by six feet shall be posted on construction fencing at the entrance(s) to the job site, clearly visible to the public, and include the following:

- a. Permitted construction days and hours;
- b. A description of proposed construction activities;
- c. Telephone numbers of the City's and contractor's authorized representatives that are assigned to respond in the event of a noise or vibration complaint; and
- d. Contact information for City's and contractor's authorized representatives that are assigned to respond in the event of a complaint related to fugitive dust, pursuant to the requirements for compliance with [BAAQMD's CEQA Air Quality Guidelines](#).

If the authorized contractor's representative receives a complaint, they shall investigate, take appropriate corrective action, and report the complaint and the action taken to the City within three business days of receiving the complaint.

11. NOISE DURING CONSTRUCTION

Prior to issuance of any demolition, grading or building permit, include on plans a note that, during project construction, the project applicant shall incorporate the following measures to reduce noise during construction and demolition activity:

- a. The project applicant and contractors shall prepare and submit a Construction Noise Control Plan to the City's Planning Department for review and approval prior to issuance of the first permit. The Construction Noise Plan shall demonstrate compliance with daytime and nighttime decibel limits pursuant to Chapter 10.48 (Community Noise Control) of Cupertino Municipal Code. The details of the Construction Noise Control Plan shall be included in the applicable construction documents and implemented by the on-site Construction Manager. Noise reduction measures selected and implemented shall be based on the type of construction equipment used on the site, distance

Resolution No. _____

Page 2

- of construction activities from sensitive receptor(s), site terrain, and other features on and surrounding the site (e.g., trees, built environment) and may include, but not be limited to, temporary construction noise attenuation walls, high quality mufflers. During the entire active construction period, the Construction Noise Control Plan shall demonstrate that compliance with the specified noise control requirements for construction equipment and tools will reduce construction noise in compliance with the City's daytime and nighttime decibel limits.
- b. Select haul routes that avoid the greatest amount of sensitive use areas and submit to the City of Cupertino Public Works Department for approval prior to the start of the construction phase.
 - c. Signs will be posted at the job site entrance(s), within the on-site construction zones, and along queueing lanes (if any) to reinforce the prohibition of unnecessary engine idling. All other equipment will be turned off if not in use for more than 5 minutes.
 - d. During the entire active construction period and to the extent feasible, the use of noise producing signals, including horns, whistles, alarms, and bells will be for safety warning purposes only. The construction manager will use smart back-up alarms, which automatically adjust the alarm level based on the background noise level or switch off back-up alarms and replace with human spotters in compliance with all safety requirements and law.

12. DARK SKY COMPLIANCE

Prior to issuance of Building Permits, the applicant/property owner shall submit final plans in compliance with the approved lighting plans to comply with development standards of Cupertino Municipal Code Section 19.102.040 Outdoor Lighting Requirements. In the event changes are proposed from the approved plans, said changes must be reviewed and approved by the Director of Community Development or their designee. The applicant shall provide all documentation required to determine compliance with the Municipal Code.

13. FUGITIVE DUST CONTROL

Prior to issuance of the any demolition, grading, or building permit, include on all permit plans, the full text of each of the Bay Area Air Quality Management District's Basic Control Measures from the latest version of [BAAQMD's CEQA Air Quality Guidelines](#), as subsequently revised,

Resolution No. _____

Page 2

supplemented, or replaced, to control fugitive dust (i.e., particulate matter PM2.5 and PM10) during demolition, ground disturbing activities and/or construction.

14. INDEMNIFICATION

As part of the application, to the fullest extent permitted by law, the applicant shall agree to indemnify, defend with the attorneys of the City's choice, and hold harmless the City, its City Council, and its officers, employees, and agents (collectively, the "indemnified parties") from and against any liability, claim, action, cause of action, suit, damages, judgment, lien, levy, or proceeding (collectively referred to as "proceeding") brought by a third party against one or more of the indemnified parties or one or more of the indemnified parties and the applicant related to any Ordinance, Resolution, or action approving the project, the related entitlements, environmental review documents, finding or determinations, or any other permit or approval authorized for the project. The indemnification shall include but not be limited to damages, fees, and costs awarded against the City, if any, and cost of suit, attorneys' fees, and other costs, liabilities, and expenses incurred in connection with such proceeding whether incurred by the Applicant, the City, or the parties initiating or bringing such proceeding.

The applicant shall agree to (without limitation) reimburse the City its actual attorneys' fees and costs incurred in defense of the litigation. Such attorneys' fees and costs shall include amounts paid to the City's outside counsel and shall include City Attorney time and overhead costs and other City staff overhead costs and any costs directly related to the litigation reasonably incurred by City. The applicant shall likewise agree to indemnify, defend, and hold harmless the indemnified parties from and against any damages, attorneys' fees, or costs awards, including attorneys' fees awarded under Code of Civil Procedure section 1021.5, assessed or awarded against the indemnified parties. The Applicant shall cooperate with the City to enter a Reimbursement Agreement to govern any such reimbursement.

The Applicant shall agree to (without limitation) reimburse the City for all costs incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (such as an Environmental Impact Report, negative declaration, specific plan, or general plan amendment) if made necessary by proceedings challenging the project approvals and

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Page 2

related environmental review, if the applicant desires to continue to pursue the project.

The Applicant shall agree that the City shall have no liability to the Applicant for business interruption, punitive, speculative, or consequential damages.

15. NOTICE OF FEES, DEDICATIONS, RESERVATIONS, OR OTHER EXACTIONS

The Conditions of Project Approval set forth herein may include certain fees, dedication requirements, reservation requirements, and other exactions.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this ____ day of _____, ____, by the following vote:

Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:

<p>SIGNED:</p> <p>_____ Hung Wei, Mayor City of Cupertino</p>	<p>_____ Date</p>
<p>ATTEST:</p> <p>_____ Kirsten Squarcia, City Clerk</p>	<p>_____ Date</p>

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CUPERTINO

APPEAL FORM



1. Application No.: EXC-2022-003
2. Applicant(s) Name: David Ford
3. Project Planner: Gian Martire
4. Appellant(s) Name: David Ford
- Address: 124 Allimore Ct., Roseville, CA 95747
- Phone Number: 510-387-0546
- Email: dave@allsignservices.com

5. Please check one:

Note: Do not use this form for Administrative Citation decisions (1.16), Petitions for Reconsideration (2.08.096), or Damage to Public Trees (14.12)

a. Appeals regarding Title 19 (Zoning) and 14.18 (Protected Private Trees):

- ☐ Administrative decision (14 calendar days after decision to appeal)
- ☒ Planning Commission decision (14 calendar days after decision to appeal)
- ☐ Design Review Committee decision (14 calendar days after decision to appeal)

b. Other appeals:

- ☐ Director of Community Development decision regarding Tentative Maps (18.20) (14 calendar days after decision to appeal)
- ☐ Street Improvements (14.04) (30 calendar days after date of decision to appeal)
- ☐ Code Enforcement regarding Massage Permits (9.06) (5 business days after receipt of notice of decision to appeal)
- ☐ Solicitor's Identification Permit (5.20) (10 calendar days after denial notice to appeal)

6. Date of decision or mailing of notice of decision: 10/11/22
7. Specifically state the grounds and basis for appeal: The Planning Commission decision was based on inaccurate information regarding CEQA requirements, Dark Sky restrictions, and Highway 280 designation as a scenic highway.

As planning staff stated in the Commission meeting the signs are exempt from CEQA requirements, the building construction went through the CEQA review process and was approved.

The Commission also noted that the sign would not be in compliance with the city's Dark Sky requirements but signs are exempt if they meet the required 250-ft lambert requirement which staff noted is the case for this proposal.

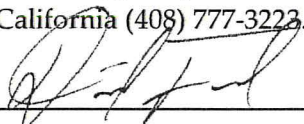
Several members of the public and some Commission members were concerned that the sign faces a potential Scenic Highway section of 280 and approving the sign could jeopardize that designation. Staff noted that there is no indication from Caltrans on when that review process could take place, how long it would take to complete, and that an illuminated sign would have any effect on that decision (staff mentioned other illuminated freeway signs in Cupertino as well as San Jose along this section of highway 280).

There was also no discussion by any Planning Commission members on the required findings to allow the proposed signage as outlined in the Planning Department staff report which was supported by the applicant.

(Attach additional pages if necessary)

Please complete form, include appeal fee of \$347.00 pursuant to Resolution No. 21-034, 21-057 (\$716.37 for mass application appeals), and return to the attention of the City Clerk, 10300. Torre Avenue, Cupertino, California (408) 777-3223.

Signature(s):



Please complete form, include appeal fee of \$347.00 pursuant to Resolution No. 22-049 (\$716.37 for massage application appeals), and return to the attention of the City Clerk, 10300 Torre Avenue, Cupertino, California (408) 777-3223.

Signature(s): _____

 **19.12.170 Appeals.**

A. An appeal may be filed by any person, firm or corporation aggrieved or affected by any grant, denial, modification or revocation of any permit, or any determination or interpretation related to any provision of this title.

B. Filing:

1. An appeal shall be in writing on forms prescribed by the City and shall be filed during regular office hours with the City Clerk within fourteen calendar days after the City decision or if a notice of decision is not required, from the date of the decision or determination, under this title. An appeal not filed within such time shall be barred. The appeal shall state the grounds and basis thereof.

2. Appeals under this chapter are subject to an appeal fee as prescribed by resolution of the City Council.

C. Noticing: Notice of hearing shall be given in the same manner in which the original notice was given. If a project with no noticing is appealed, appropriate noticing shall be determined by the Director of Community Development.

D. Appeal hearing body shall be determined in accord with Section [19.12.030](#).

E. Decision of the appeal hearing body: The decision or determination of the appeal hearing body on any appeal shall be final and effective immediately.

F. Notice of Decision: Notice of the appeal hearing body's decision shall be mailed to the original applicant, to the person filing the appeal, and to any other person who has filed a written request with the City Clerk.

PAYMENT DATE
10/21/2022

COLLECTION STATION
Finance_Counter 2

RECEIVED FROM
David Ford

X

BATCH NO. 2023-04000399
2023-04000399

RECEIPT NO.
2023-00000700

CASHIER
Min Zhao

ENTRY DATE
10/21/2022 03:45:05 PM

DESCRIPTION

PAYMENT CODE	RECEIPT DESCRIPTION	TRANSACTION AMOUNT																
Appeal	Appeal Appeal Fee	\$347.00																
	<table><tr><td>Total Cash</td><td>\$0.00</td></tr><tr><td>Total Check</td><td>\$0.00</td></tr><tr><td>Total Charge</td><td>\$347.00</td></tr><tr><td>Total Wire</td><td>\$0.00</td></tr><tr><td>Total Other</td><td>\$0.00</td></tr><tr><td>Total Remitted</td><td>\$347.00</td></tr><tr><td>Change</td><td>\$0.00</td></tr><tr><td>Total Received</td><td>\$347.00</td></tr></table>	Total Cash	\$0.00	Total Check	\$0.00	Total Charge	\$347.00	Total Wire	\$0.00	Total Other	\$0.00	Total Remitted	\$347.00	Change	\$0.00	Total Received	\$347.00	
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Customer Copy

Total Amount: \$347.00

RESOLUTION NO. 6962

OF THE PLANNING COMMISSION OF THE CITY OF CUPERTINO DENYING A SIGN EXCEPTION ON TWO SEPARATE STORAGE FACILITY BUILDINGS LOCATED AT 20565 VALLEY GREEN DR.

SECTION I: PROJECT DESCRIPTION

Application No.: EXC-2022-003
Applicant: David Ford (All Sign Services)
Location: 20565 Valley Green Dr.; APN: 326-10-044

SECTION II: FINDINGS FOR DENIAL:

WHEREAS, the Planning Commission of the City of Cupertino received an application for a Sign Exception (EXC-2022-003) to allow three (3) wall signs where two (2) are permitted and to further allow two (2) freeway-oriented signs on two separate buildings; and

WHEREAS, the necessary public notices have been given as required by the Procedural Ordinance of the City of Cupertino, and the Planning Commission has held at least one public hearing in regard to the application; and

WHEREAS, the Planning Commission is the approval authority for this project and is granted the authority by the Municipal Code to exercise its independent judgment, based on the record before it, for purposes of the California Environmental Quality Act; and

NOW, THEREFORE, BE IT RESOLVED:

That after careful consideration of maps, facts, exhibits, testimony and other evidence submitted in this matter, the Planning Commission of the City of Cupertino:

1. Denies the Sign Permit (EXC-2022-003) because the following findings pursuant to CMC 19.104 cannot be made:
 - A. That the literal enforcement of the provisions of this title will result in restrictions inconsistent with the spirit and intent of this title;
Although CMC 19.104 Signs in some circumstances allows multiple wall signs, and has adopted standards for freeway-oriented signage, allowing the latter in this specific location, whether illuminated and non-illuminated, would be contrary to the intent and purpose of the adopted regulations. These regulations are adopted with the intent of providing architectural and aesthetic harmony of signs as they relate to building design and surrounding landscaping, as well as regulations of sign dimensions and quantity which will allow for good visibility for the public and the needs of the business while

providing for the safety of the public by minimizing distraction to the motorist and pedestrian. The proposed freeway facing signs, whether illuminated or not, serve only as advertising rather than wayfinding/business identification and, if illuminated, would be a distraction to freeway motorists.

- B. That the granting of the exception will not result in a condition which is materially detrimental to the public health, safety, or welfare; and

The location of Signs Two and Three along the north elevations of Buildings One and Two could result in a situation that is materially detrimental to the public health, safety, or welfare to the community by potentially precluding the City from designating this portion of I-280 as a scenic freeway, while also causing conflict with the Bird-Safe development requirements of CMC 19.102 Glass and Lighting Standards.

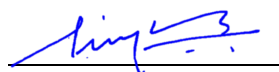
- C. That the exception to be granted is one that will require the least modification of the prescribed regulations and the minimum variance that will accomplish the purpose.

As the application requests are above the number of allowed freeway-oriented signs, the exception would require a greater modification and variance to CMC 19.104 Signs than would typically be supported.

PASSED AND ADOPTED this 11th day of October 2022, at a regular Meeting of the Planning Commission Committee of the City of Cupertino, State of California, by the following roll call vote:

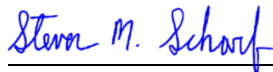
AYES: COMMISSIONERS:	Scharf, Madhhipatla, Kapil, Saxena, Wang
NOES: COMMISSIONERS:	None
ABSTAIN: COMMISSIONERS:	None
ABSENT: COMMISSIONERS:	None

ATTEST:



Piu Ghosh
Planning Manager

APPROVED:



Steven Scharf
Chair, Planning Commission

Cyrah Caburian

From: Rhoda Fry <fryhouse@earthlink.net>
Sent: Monday, October 10, 2022 2:51 PM
To: City of Cupertino Planning Commission
Cc: City Clerk
Subject: RE: Planning Commission 10/11/22 Agenda Item #2 Not in Favor of Sign Exemption

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I have additional comments pertaining to this item. I am concerned that these signs will be distracting to motorists, particularly on Highway 280 after dark. This issue is addressed twice within the municipal code that applies to signage as follows:

19.104.050 Sign Permit Application–Review Criteria.

B. The proposed sign's color and illumination is not in conflict with the safe flow of traffic on the City streets.

19.104.220 Design Criteria–Permanent Signs.

G. The sign's color and illumination shall not produce distraction to motorists or nearby residents.

Sincerely,
Rhoda Fry

Cyrah Caburian

From: Rani Fischer <ranif@scvas.org>
Sent: Monday, October 10, 2022 4:58 PM
To: City of Cupertino Planning Commission
Cc: Shani Kleinhaus
Subject: Item 2 on the October 11 Agenda- illuminated Signs at 20565 Valley Green Drive
Attachments: Cupertino Illuminated Signs.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Cahar Scharf and Planning Commissioners,

The Santa Clara Valley Audubon Society is an environmental organization based in Cupertino. We have engaged in many Cupertino planning efforts over the past twenty years, and write today to express our opposition to freeway- facing illuminated signs. Please see our letter attached.

Thank you,

Rani Fischer
Santa Clara Valley Audubon Society
Environmental Advocacy Assistant



October 10, 2022

Cupertino Planning Commission
planningcommission@cupertino.org

Re: Item 2 on the October 11 Agenda:

Please do not allow illuminated Signs at 20565 Valley Green Drive

Dear Chair Scharf and Planning Commissioners,

The Santa Clara Valley Audubon Society is an environmental organization based in Cupertino. We have engaged in many Cupertino planning efforts over the past 20 years, and write today to express our concern regarding freeway facing illuminated signs. We ask:

- Please do not approve a Sign Exception to allow any illuminated/electronic wall signs on the storage facility buildings.
- If illuminated/electronic signs are considered, please:
 - Conduct a public survey to gauge community support
 - Require CEQA analysis to study the impact on aesthetic, driver safety, and biological resources.

Previous Approval On June 18, 2019, City Council approved a Development Permit (DP-2018-03), Architectural Site Approval (ASA-2018-04), Fence Exception (EXC-2018-01), and Tree Removal Permit (TR-2019-11) to allow the construction of a new storage facility consisting of two (2) four (4) story buildings. Signage details were excluded from those permit applications. Staff has now evaluated signage proposals. Our concerns are focused on the lighting of the proposed signs, and we ask the commission not to approve lighting on any sign.

1. City Code

City code section 19.104.220 Design Criteria–Permanent Signs, G. provides, “The sign's color and illumination shall not produce distraction to motorists or nearby residents.”
(Ord. 21-2234, Att. A (§ 9, part), 2021; Ord. 2085, § 2 (part), 2011)

The intent of freeway facing signs is clearly to distract motorists and draw their attention. Thus, freeway facing signs, especially illuminated signs, are not consistent with Cupertino's design criteria.

2. CEQA

We believe that the proposed freeway facing illuminated signs must require CEQA review and public outreach to analyze and mitigate impacts to the scenic quality of the I-280 corridor.

Interstate 280 in Santa Clara County, including the section along Cupertino, is eligible for Scenic Highway designation (see Figure 1). Electronic, digital and illuminated signs clutter and degrade visual quality and aesthetic resources. I-280 in this section has wide shoulders, berms and trees all intended to create a visual buffer along the freeway, and limit visual interference from businesses and urban activities (see Figure 2). The impacts of I-280 facing illuminated signs should be analyzed in a public CEQA process.

Figure 1:

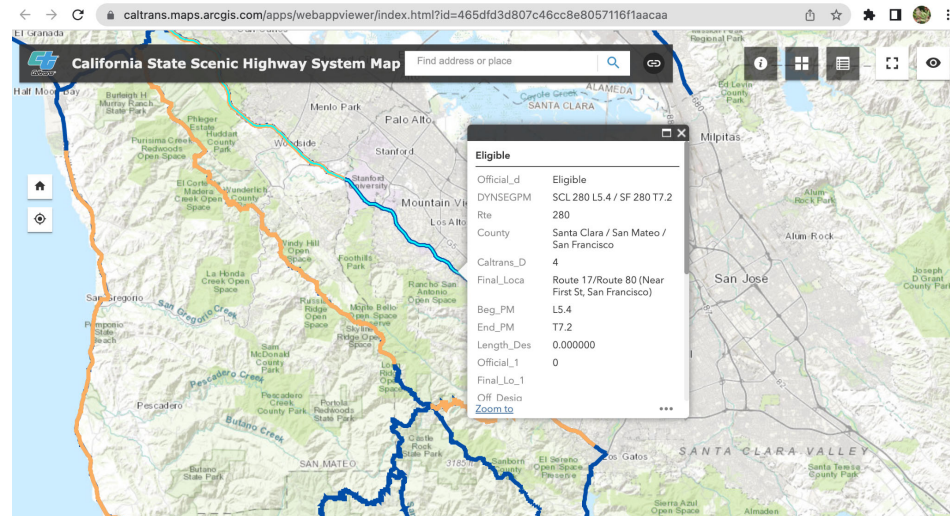


Figure 2:



Thank you for your attention,

Rani Fischer
Santa Clara Valley Audubon Society
Environmental Advocacy Assistant

Cyrah Caburian

Subject: FW: Planning Commission Meeting

From: Cathy Helgersen <cathyhelger@gmail.com>

Sent: Saturday, October 8, 2022 7:03 AM

To: Darcy Paul <DPaul@cupertino.org>; Liang Chao <LiangChao@cupertino.org>; Kitty Moore <Kmoore@cupertino.org>; Hung Wei <HWei@cupertino.org>; Jon Robert Willey <JWilley@cupertino.org>; City Clerk <CityClerk@cupertino.org>

Subject: Fwd: Planning Commission Meeting

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello All especially City Clerk,

Please forward this e-mail message to the Planning Commission, City Council and to any one else that is involved with these matters it seems that this is the only way to contact everyone.

Thanks,

Cathy Helgersen - 408-253-0490

----- Forwarded message -----

From: **Cathy Helgersen** <cathyhelger@gmail.com>

Date: Sat, Oct 8, 2022 at 6:12 AM

Subject: Re: Planning Commission Meeting

To: <cupertino@public.govdelivery.com>

Hello,

It is time to put all commissions and meetings Cupertino has at the City Hall for all people to come to the meeting. I ask that you change your meeting over to accommodate those who wish to attend in-house meetings.

I am against signs being put up at the storage units near the 280 freeway. It is bad enough that the storage units are there and that the public can see them from the freeway and now you want to put up signs to please stop this allowance from taking place.

I think it is fine to have more than one unit on a very large piece of the single family home plots but under certain circumstances as long as it does not interfere with the neighboring properties this should be really observed case by case. I would also like to see tiny houses put on the property but there are restrictions with the footage from the fence line and the house in place this may need to be adjusted on another piece of ordinance in the future please see that it happens.

I also have issues and have had issues about the Apple Computer R & D facility next to my home for years they have been polluting the homes nearby and I would like to see them moved this building is zoned for commercial and residential it is not zoned for industrial and that is what this R & D Facility is so please see what you can do about this my family and I have suffered long enough from their pollution to the Air, Water and Soil. Apple installed a massive HVAC system on top of this building so it is very evident what is going on in secret the Fire Department will not act in any way to stop this. In the past the BAAQMD and the EPA have done nothing to correct this problem so I will be bringing this before the City of Cupertino's City Council.

Please provide my concerns to the commissions for their review meetings that need to be conducted at City Hall but if you wish to have them also on the web that is ok with me. I would also like to stress that having meeting of any kind especially the City Council meetings that last late into the evening does not accomodate all of the public's needs and views please set up a 10:00 PM limit.

I also ask that the City council old and new members coming in will receive my comments from this e-mail message. These matters are serious and I also have a great deal more issues that I have constantly been sending e-mails to the City and Council about that have not been rectified.

I ask that someone get back to me ASAP!

Thanks,
Cathy Helgerson - Environmental Enforcement Advocate
CAP-Citizens Against Pollution
408-253-0490

On Fri, Oct 7, 2022 at 5:00 PM City of Cupertino <cupertino@public.govdelivery.com> wrote:

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**CITY OF
CUPERTINO**

Planning Commission Meeting

Tuesday, October 11 at 6:45 p.m.

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cupertino.org



**CITY OF
CUPERTINO**

City of Cupertino, California

Website | 408.777.3200

10300 Torre Avenue, Cupertino, CA 95014-3202



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Cyrah Caburian

From: Brian Schmidt <brian@greenfoothills.org>
Sent: Tuesday, October 11, 2022 5:58 PM
To: City of Cupertino Planning Commission; City Clerk
Subject: Planning Commission 10/11/22 Agenda Item #2: Please do not allow illuminated signs facing Highway 280 Exemption

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Planning Commission:

Green Foothills strongly supports the protection of the night sky and applauds Cupertino for its Dark Sky ordinance. In keeping with the spirit of protecting the night sky, we ask you not to approve any illuminated signs facing Highway 280. Besides being a distraction for drivers, they add cumulatively to the light pollution while not assisting local traffic. In the modern age of smart phone maps, people do not need these signs to find a business, and the light pollution hurts everyone.

Sincerely,
Brian Schmidt

--



Brian Schmidt

Policy and Advocacy Director

(415) 994-7403 | greenfoothills.org

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Cyrah Caburian

From: Cyrah Caburian
Sent: Thursday, October 13, 2022 10:33 AM
To: Rhoda Fry
Subject: RE: Why didn't my comments make it into the public record?

(City Clerk and Planning Commission moved to bcc)

Good morning Rhoda,

Thank you for the email and apologize that your email from Sunday evening was not included though the emails were. I just uploaded the late written communications this morning around the time of your email (which includes Brian of Greenfoothill's email); that being said, I will reupload to include your comments as submitted. Feel free to contact me with any questions.

Best,



Cyrah Caburian

Administrative Assistant
Community Development
cyrahc@cupertino.org
(408) 777-1374



From: Rhoda Fry <fryhouse@earthlink.net>
Sent: Thursday, October 13, 2022 10:04 AM
To: City Clerk <CityClerk@cupertino.org>; City of Cupertino Planning Commission <PlanningCommission@cupertino.org>
Subject: Why didn't my comments make it into the public record?

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi City Clerk,
I'm looking at the public record for this meeting and do not see my comments posted as shown below.
I understand that Greenfoothills also wrote the Planning Commission and do not see their comments either.
Can you correct the administrative record?
Thanks,
Rhoda

From: Rhoda Fry [<mailto:fryhouse@earthlink.net>]
Sent: Sunday, October 9, 2022 1:00 AM
To: 'planningcommission@cupertino.org' <planningcommission@cupertino.org>
Cc: 'City Clerk' <CityClerk@cupertino.org>
Subject: Planning Commission 10/11/22 Agenda Item #2 Not in Favor of Sign Exemption

Dear Planning Commission,

I am writing you regarding the Planning Commission on 10/11/22 Agenda Item #2 for a sign exemption. I am not in favor of large illuminated signs that would face Highway 280. Two illuminated signs, totaling ~320 square feet, would directly face the freeway and a third of ~50 square feet would likely be visible from the freeway. This agenda item can be found here:

<https://cupertino.legistar.com/LegislationDetail.aspx?ID=5868412&GUID=E33E36EA-CD6C-45FE-AB5C-8114692E266E&Options=&Search=>

Concerns:

1. Has this item been reviewed by the Environmental Review Committee?
2. The City of Cupertino recently passed a Dark Sky Ordinance to protect birds and other wildlife and it is surprising to see that the City would consider approving an exemption for illuminated signage that would increase the number of allowed signs.
3. Having an illuminated sign facing Highway 280 would create a significant and unavoidable impact to a portion of Highway 280 that is eligible to be a State Scenic Highway (adjacent portions of Highway 280 are already designated as State Scenic Highways). <https://dot.ca.gov/programs/design/lap-landscape-architecture-and-community-livability/lap-liv-i-scenic-highways> Consequently, I do not believe that this project is not exempt from CEQA.
4. Please consider this story from KQED that explains, “Why Aren’t Any Billboards on 280?” <https://www.kqed.org/news/11805469/why-arent-any-billboards-on-280>
5. Page 5 of the Staff Report states, “This project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) per Sections 15301: Existing Facilities.” However, this project has not even completed construction according to the building permit history. Out of 8 permits pulled, only two are finalized – for demolition and temporary power. Even more confusing, a permit was already issued for illuminated signs (it appears to have expired). All of this makes the project really look like it is piecemealing or segmenting of CEQA; this does not look good and it might not even be allowable. Consequently, this project is likely not exempt from CEQA. Please read on to find the permit history.
6. According to the staff report, “The City’s Building Division, Public Works Department, Environmental Services Division, and the Santa Clara County Fire Department have reviewed the project and have no objections.” How about the California Department of Transportation / Caltrans?
7. If you absolutely must approve signs facing 280, please do not allow them to be illuminated.
8. Does the City of Cupertino want to be known for defiling one of California’s eligible State Scenic Highways?

Please find below a permit history (extracted from the database on 10/09/2022):

Date: 11/18/2019

Permit #: BLD-2019-1380

Status: Issued

Description: PUBLIC STORAGE - BUILDING B - NEW 4 STORY BUILDING WITH BASEMENT (137,140 SF)REV #1- REVISED SHORING PLAN TO SHOW ONE EXCAVATION FOR BUILDINGS B IN LIEU OF SEPARATE EXCAVATIONS PER BUILDING; REVISED ASSOCIATED ARCHITECTURAL AND CONSULTANT PLANS (SEE NARRATIVE IN DOCUMENTS PORTLET/PDOX FOR COMPLETE DESCRIPTION OF CHANGES) - APPROVED 2/24/2021REV #2 - REVISE A FEW UTILITY ITEMS PER CALWATER AND CLEAN UP ROOF DRAINS DISCREPANCIES - CIVIL AND PLUMB BULLETIN 2; REVISE DOORS IN FARE WALL TO BE ADA COMPLIANT, REVISE DOOR HARDWARE - ACRH - ELEC BULLETIN 4; REVISE DIMENSIONS AND NOTING TO CLEAN UP DISCREPANCIES - STRUCT BULLETIN 4; ADD EXHAUST FAN FRO FIRE PUMP ROOM - MECH BULLETIN 4 - APPROVED 7/21/2021REV # 3 - REVISED DISCREPANCIES ON ROOF DRAINS (CIVIL & PLUMBING - BULLETIN 7); REVISED METAL PANEL AND SOME PAINT CALL OUT THE ELEVATION AND SECTIONS - BULLETIN 7. UPDATED THE SOLAR PANEL SPECIFICATIONSREV #4 - ADD TWO HOUR RATED SHAFT AROUND FIRE SPRINKLE PIPING BEHIND ELEVATORS - APPROVED 7/1/2022REV#5 - SEE NARRATIVE - DEF#1 - ELEVATOR PACKAGE - APPROVED 5/26/21DEF#2 - REVISED ACCESS CONTROL SYSTEM-APPROVED 4/21/2021DEF#3 - EXTERIOR METAL CANOPY - APPROVED 11/9/21DEF#4 - UNIT STORAGE LOCKERS - APPROVED 07/28/2021-DEF#5 - EXTERIOR PANELS - APPROVED 04/05/2022DEF#4 REV#1 - LOCKER DOORS ADJUSTED (9)-

Date: 11/18/2019
Permit #: BLD-2019-1381
Status: Issued

PUBLIC STORAGE - SITE IMPROVEMENTS REV # 1 - REVISED A FEW UTILITY ITEMS PER CAL WATER AND CLEANED UP A FEW DISCREPANCIES ON ROOF DRAINS (CIVIL AND PLUMBING - BULLETIN 2 & 5); REVISED WATER SERVICE FOR LANDSCAPE - BULLETIN 5; SHIFTED DRAINS - BULLETIN 7

Date: 11/18/2019
Permit #: BLD-2019-1385
Status: Issued

PUBLIC STORAGE - BUILDING A - NEW 4-STORY BUILDING WITH BASEMENT (134,358 SF) REV #1 - REVISED SHORING PLAN TO SHOW ONE EXCAVATION FOR BUILDING A IN LIEU OF SEPARATE EXCAVATIONS PER BUILDING; REVISED ASSOCIATED ARCHITECTURAL AND CONSULTANT PLANS (SEE NARRATIVE IN DOCUMENTS PORTLET/PDOX FOR DESCRIPTION OF CHANGES.) - APPROVED 02/24/2021 REV #2 - REVISE A FEW UTILITY ITEMS PER CAL WATER AND CLEAN UP ROOF DRAINS DISCREPANCIES - CIVIL AND PLUM - BULLETIN 2; REVISE DOORS IN FARE WALL TO BE ADA COMPLIANT, REVISE DOOR HARDWARE - ACRH -ELEC BULLETIN 4; REVISE DIMENSIONS AND NOTING TO CLEAN UP DISCREPANCIES - STRUCT BULLETIN 4; ADD EXHAUST FAN FOR FIRE PUMP ROOM - MECH BULLETIN 4 - APPROVED 09/27/2021 REV # 3 - REVISED DISCREPANCIES ON ROOF DRAINS (CIVIL & PLUMBING - BULLETIN 7); REVISED METAL PANEL AND SOME PAINT CALL OUT THE ELEVATION AND SECTIONS REV # 4 - REVISED OFFICE PLAN AND ADDED A UNISEX RESTROOM BESIDE OFFICE - (BULLETIN 8) REV#5 - SEE NARRATIVE-DEF#1 - ELEVATOR PACKAGE-APPROVED 5/25/2021 DEF#2 - REVISED ACCESS CONTROL SYSTEM-APPROVED 4/21/2021 DEF # 3 - EXTERIOR METAL CANOPY - APPROVED 09/28/2021 DEF#4 - UNIT STORAGE LOCKERS - APPROVED 07/28/21 DEF# 4 - REV # 1 - REVISE LOCKERS FOR BUILDING (A) - APPROVED 07/13/2022 DEF#5 - EXTERIOR PANELS - APPROVED 07/13/2022

Date: 12/4/2019
Permit #: BLD-2019-1495
Status: Finaled
DEMO (9) ONE STORY STORAGE BUILDINGS AND SITE WORK (54,186 SF).

Date: 11/20/2020
Permit #: BLD-2020-1945
Status: Issued
TEMPORARY CONSTRUCTION TRAILER (480 SF).

Date: 1/5/2021
Permit #: BLD-2021-0020
Status: Issued
PUBLIC STORAGE (N) 306-PANEL ROOF MOUNTED PV SYSTEM (100 kW); (N) SOLAR PANELBOARD (200 AMP); (N) FUSED AC DISCONNECT. REV#1 - UPDATED THE SOLAR PANEL SPECIFICATIONS-APPROVED 8/3/2021

Date: 1/28/2021
Permit #: BLD-2021-0191
Status: Finaled
PUBLIC STORAGE - TEMP POWER FOR CONSTRUCTION SITE (2) 100 AMP SUB-PANELS; AND (1) 100 AMP SUB-PANEL FOR THE CONSTRUCTION TRAILER.

Date: 7/6/2021
Permit #: BLD-2021-1294
Status: Issued
PUBLIC STORAGE - INSTALL (7) (N) SIGNS (648 SF) TOTAL : - (3) ILLUMINATED CHANNEL LETTER WALL SIGNS: SIGN #1 (82 SF), SIGN #3 (265 SF) , SIGN #6 (265 SF) - (3) DIRECTIONAL SIGNS NON ILLUMINATED: SIGN #2 (3 SF), SIGN #4 (2 SF), SIGN #5 (2 SF)- (1) GROUND LED ILLUMINATED MONUMENT SIGN: SIGN # 7 (30 SF)

Thank You for your consideration.

Warm Regards,
Rhoda Fry

CC: Santa Clara Valley Audubon Society, Greenfoothills, City Council



CITY OF CUPERTINO

Agenda Item

22-11872

Agenda Date: 2/7/2023
Agenda #: 17.

Subject: Consider approval of response to 2022 Civil Grand Jury of Santa Clara County Report entitled, "A House Divided"

Approve response to 2022 Civil Grand Jury of Santa Clara County Report entitled, "A House Divided"



CITY ATTORNEY'S OFFICE

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3195 • FAX: (408) 777- 3366
EMAIL: CITYATTORNEY@CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider approval of response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "A House Divided: Cupertino City Council and City Staff"

Recommended Action

Approve the response to the 2022 Civil Grand Jury of Santa Clara County Report entitled "A House Divided: Cupertino City Council and City Staff"

Discussion

On December 19, 2022, the 2022 Civil Grand Jury of Santa Clara County released a report on various aspects of governance in the City of Cupertino ([Attachment A](#)). Topics discussed in the Grand Jury Report include:

- Councilmanic interference and mutual distrust between Council and staff
- Failure to provide monthly treasury reports in compliance with Government Code section 41004
- Fiscal and risk management issues
- City staff turnover
- The City's Ethics Policy

The preparation of monthly treasurer reports was addressed in a separate Grand Jury Report released on December 14, 2022 and in the City's response to that report dated January 18, 2023.

The December 19 Grand Jury Report includes the following findings and recommendations:

Finding 1

The City has a culture of distrust between the councilmembers and City staff that is creating dysfunction.

Recommendation 1

The City should develop or acquire a good governance training and development program for both existing and newly elected councilmembers and existing and new staff members to address: (i) their role, responsibilities, and the relevant laws that specify and/or limit their function; (ii) the division of responsibilities between councilmembers and staff as directed by the Cupertino Municipal Code; and (iii) the necessity of morale building to create a stronger, more effective, and respectful relationship between City staff and councilmembers. Recommendation 1 should be implemented by March 31, 2023.

Finding 2

The dysfunction prevalent between the City Council and City staff has negatively impacted City operations, including the continuing loss of skilled and experienced personnel. The City has a reputation of having a difficult work environment, making recruiting of highly qualified applicants difficult.

Recommendation 2

The City should hire a consultant to study staff morale and make recommendations to improve retention of employees and quality of the working environment. To the extent legally permissible, the study and recommendations should be published for public review. Recommendation 2 should be implemented by July 31, 2023.

Finding 3

The City has not taken sufficient steps to improve the City's financial risk profile as recommended by its retained Internal Auditor.

Recommendation 3a

The City should implement the work plan identified in the May 2022 Fiscal Policy Inventory and Gap Analysis Report developed by the City's internal audit firm, Moss Adams LLP, to address policy and procedural gaps and weaknesses. Recommendation 3a should be implemented by July 31, 2023.

Recommendation 3b

The City should employ the use of continuing annual internal audits to assess progress in the development and implementation of new or modified policies and procedures to comply with internal audit risk reduction and mitigation recommendations. Recommendation 3b should be implemented by July 31, 2023.

Finding 4

A comprehensive Code of Ethics not only provides guidance and baseline standards for ethical behavior, it includes sanctions and consequences for

deviations from the standard. The City's Ethics Policy is generic and lacks enforcement provisions and therefore fails to provide a framework to address ramifications for policy violations.

Recommendation 4a

The City should establish an independent Public Ethics Commission with guidance from experts in applied ethics, such as the Markkula Center for Applied Ethics at Santa Clara University, to: (i) develop and implement a robust government ethics training program for all councilmembers; and (ii) evaluate a best practices enforceable Code of Ethics and Conduct Policy that governs all councilmembers and appointed officials for consideration by the City Council. This recommendation should be implemented by March 31, 2023.

Recommendation 4b

The City should reinstate enforcement procedures to enable the City Council and the public to file complaints and testify at public hearings to help remediate ethics violations. This revision should include a procedure for public admonishment, revocation of special privileges, or censure. This recommendation should be implemented by March 31, 2023.

Recommendation 4c

The City Council should engage a conflict resolution professional to help enhance mutual understanding and respect amongst all stakeholders. This recommendation should be implemented by January 31, 2023, and should be repeated at least once per year.

Recommendation 4d

The City should publish its current Ethics Policy on the City website by January 31, 2023.

Pursuant to California Penal Code section 933(c), the City must respond to the Grand Jury Report's findings and recommendations by March 20, 2023. A draft response for the City Council's consideration is included as Attachment B. The proposed response focuses on the findings and recommendations made by the Grand Jury and does not evaluate the accuracy of other factual conclusions in the Grand Jury Report. Staff seeks Council input into the draft response and regarding implementation of the Grand Jury's recommendations. With the exception of recommended revisions to the Ethics Policy, much of the content of the recommendations is consistent with policy direction that Council has previously provided or operational actions that have been or will be undertaken by the City Manager. If approved by the City Council, the response to the Grand Jury Report will be submitted to the Presiding Judge of the Santa Clara County Superior Court before the response deadline.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by: Christopher D. Jensen, City Attorney

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - Civil Grand Jury of Santa Clara County Report

B – Draft Response to Civil Grand Jury of Santa Clara County

A HOUSE DIVIDED: CUPERTINO CITY COUNCIL AND CITY STAFF



2022 Santa Clara County
Civil Grand Jury

December 19, 2022

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GLOSSARY AND ABBREVIATIONS

General Law City

A city whose government structure and powers are defined by the general law of the state. This is in contrast with a charter city whose government structure and powers are defined by a city charter.

California Public Records Act

The California Public Records Act (Government Code section 6250 et seq.) allows the public to request access to government records, unless such records are exempt by law from disclosure.

Councilmanic Interference

Councilmanic Interference refers to a councilmember's attempts to thwart the principles of the council-manager form of government management.

SUMMARY

The 2022 Santa Clara County Civil Grand Jury (Civil Grand Jury) received multiple complaints concerning the behavior of the City of Cupertino (City) councilmembers toward City staff. The essence of these complaints focused on an adversarial relationship existing between the Cupertino City Council (City Council) on the one hand and City management and staff on the other. Complainants alleged: (1) councilmembers interfered in the day-to-day operations of the City; (2) councilmembers routinely berated and belittled presentations made by City staff during City Council meetings; and (3) certain councilmembers gave direct work assignments to City employees, thwarting the requirements of the Council-Manager form of government.

Throughout its investigation, the Civil Grand Jury learned of the existence of distrust and fear among City staff of councilmembers. Generally, each side took issue with the other, laying blame back and forth over multiple complaints. The Civil Grand Jury was provided with repeated examples of councilmembers behaving inappropriately toward the City Manager and staff including, but not limited to, routine disrespect and the inclination to doubt the accuracy of the City staff's work. The Civil Grand Jury found that the behavior by certain councilmembers towards City staff directly violated the City's ordinances relating to the council-manager form of government under which the City operates.

Furthermore, high turnover in key management and leadership positions within City government has caused the City to lose employees with significant capabilities and experience and, in some cases, leave key positions unfilled. These issues adversely impact the City's ability to best serve the community and effectively operate the City. Additionally, the City's designated Internal Auditor, Moss Adams LLP, identified numerous areas where the City had critical deficiencies, including that the City has weak or nonexistent internal financial controls and inadequacies in existing operating policies and procedures. Many of these deficiencies have existed for several years and pose potentially serious future operating and financial risks to the City as it pursues significant growth projects. The City Council's Audit Committee has implemented a work plan designed to address identified areas of fiscal risk and weak or absent internal controls, but there is no evidence in City Council meeting minutes that the plan has been vetted by the City Council.

BACKGROUND

Governance

The City is a general law city whose form of government is governed by California Government Code sections 36501 to 36525. General law cities, while complying with state mandates, may adopt ordinances that provide specific requirements related to the operation of the city. To this end, the City of Cupertino Municipal Code (“Cupertino Municipal Code”) includes the following provisions:

- (1) Chapter 2.48 – Departmental Organization
- (2) Chapter 2.17 – City Council/City Staff Relationships

The City has chosen to operate under the Council-Manager form of government, which separates the operational responsibilities assigned to the City Manager from the governance and oversight responsibilities assigned to the Mayor and Councilmembers. Cupertino Municipal Code chapters 2.17 and 2.48 explicitly establish the roles of the City Manager, certain key staff, and the councilmembers.

Pursuant to Cupertino Municipal Code section 2.17.010, councilmembers (including the mayor) are prohibited from attempting to influence City staff’s administrative responsibilities. :

Under the Council/Manager form of government neither the City Council, nor individual Council members, can give orders to any subordinates of the City Manager. The City Manager takes his or her orders and instructions from the City Council only when given at a duly held meeting of the City Council. *No individual council member can give any orders or instructions to the City Manager.* [Emphasis added]

Cupertino Municipal Code section 2.17.032 expressly states that “Individual Council members shall not attempt to influence staff decisions, recommendations, workloads, and schedules, and department priorities without prior knowledge and approval of the City Council.” As Cupertino Municipal Code section 2.17.020 provides, the intent and purpose of this requirement are to ensure that control and direction of the City are maintained by the City Council as a whole as opposed to individual councilmembers; and to protect City staff from “undue influence” from individual councilmembers so that City staff can execute priorities given by management and the City Council as opposed to individual councilmembers. Further, the City Council – as opposed to individual City councilmembers – retains “the full power to accept, reject, amend, or otherwise guide and direct staff actions, decisions, recommendations, workloads and schedules, department priorities, and the conduct of city business” through the City Manager. (Section 2.17.031)

Councilmanic Interference

Councilmembers engaging in the type of conduct outlined above are committing “councilmanic interference.” Councilmanic interference is a violation of the Council-Manager form of government, as established by Cupertino Municipal Code section 2.28.50:

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The City Council and its members shall deal with the administrative services of the City only through the City Manager, except for the purpose of inquiry, and neither the City Council nor any member thereof shall give orders to any subordinates of the City Manager. The City Manager shall take his or her instructions from the City Council only when given at a duly held meeting of the City Council, and no individual councilperson shall give any instructions to the City Manager.

While councilmembers are prohibited from giving orders to subordinates of the City Manager, Cupertino Municipal Code section 2.17.034 expressly allows councilmembers to get information from City staff, which does not qualify as councilmanic interference:

Individual Council members as well as the City Council as a whole, have complete freedom of access to any information requested of staff (except information which is otherwise protected by law from disclosure) and will receive the full cooperation and candor of City staff in being provided with any requested information. Information sought by an individual council member may, at the discretion of the City Manager, be automatically provided to the City Council as a whole. In exercising this discretion, the City Manager will consider whether the information is significant or new or otherwise not available to the Council or is of interest to the Council.

Further, Cupertino Municipal Code section 1.12.010 makes it unlawful for any person to violate a mandatory provision of the code, which can be a misdemeanor. Section 1.12.010 states:

It is unlawful for any person to perform any act that is prohibited, made or declared to be unlawful or an offense by the code, or to violate any provision or fail to comply with any of the requirements of this code. A violation of any provision or failing to comply with any of the mandatory requirements of the code shall constitute a misdemeanor, except where the violation is specifically declared to be an infraction.

METHODOLOGY

The investigation process undertaken by the Civil Grand Jury included interviews with councilmembers, past and present City officials, and the Audit Committee of the City Council. Additionally, the Civil Grand Jury watched recordings of several City Council meetings; researched and reviewed the state statutes governing the structure and operation of general law cities; researched and reviewed relevant provisions of the Cupertino Municipal Codes that describe City operations and City Council structure and responsibilities; and engaged in research that produced numerous documents supporting the findings and recommendations in this report.

The investigation focused on four critically important areas: (1) councilmanic interference by councilmembers with City management and staff; (2) operational and fiscal risk management concerns; (3) behavior dysfunction leading to failures in governance; and (4) the lack of an Ethics and Code of Conduct Policy with enforcement provisions. As a result of this investigation, the Civil Grand Jury developed several findings and recommendations to address the identified areas of dysfunction.

INVESTIGATION

Councilmanic Interference and Mutual Distrust

The Civil Grand Jury learned that City staff are routinely criticized, ridiculed, and embarrassed during public meetings, leading City staff not to trust councilmembers. A careful review of several recorded City Council meetings confirmed the existence of adversarial and dysfunctional behavior toward City staff exhibited by some City councilmembers. At the same time, it was also noted that some councilmembers have been concerned about the difficulty in obtaining accurate and timely information on City operations considered important in performing City Council governance and oversight responsibilities. The dysfunctional relationship between City management and some councilmembers has created an environment of distrust.

As described above, there is a difference between ordering or directing City staff – which qualifies as councilmanic behavior – and requesting information, which is expressly permitted by the Cupertino Municipal Code. The Civil Grand Jury heard multiple complaints and various examples of conduct that councilmembers viewed as permissible information requests, but City staff believed were councilmanic interference. Councilmembers do communicate directly with City staff seeking information. This is permissible; however, individual councilmembers cannot, in this context, influence staff decisions, workloads, schedules, or department priorities without prior knowledge and approval of the City Council because that kind of conduct qualifies as councilmanic interference. It is easy to see how a direct request for information from a councilmember might have the impact of influencing workloads, requiring staff to work overtime, or readjusting staff priorities, which is the concern of City staff. It is also possible that the councilmember might not know or appreciate the impact of the information request.

Thus, there is a lot of gray area between information requests and information requests that have a more councilmanic spirit. As the Civil Grand Jury learned, some of the councilmembers' requests have been voluminous or come on the heels of the councilmembers' specific dissatisfaction with a staff report on a certain subject and, thus, appear punitive as opposed to a genuine information request. Some councilmembers, not getting the information they need, have resorted to submitting Public Records Act requests to the City Clerk to obtain specific information from City staff. This is unusual because Public Records Act requests are commonly made by the public, not by councilmembers. It is easy to see how City staff view this practice as an aggressive tactic by the councilmembers. On the other hand, some City staff have resisted individual councilmembers' direct requests for detailed information or reports that they believe should have come through the City Manager and represent councilmanic interference. This is also frustrating for the councilmember who is charged with governing and must be informed to make important decisions about the direction of the City. Parsing out who is right or wrong in this landscape does not solve the core problem of distrust and resulting dysfunction.

The Civil Grand Jury learned of a few instances of more blatant councilmanic conduct. Councilmember Kitty Moore questioned a subordinate of the City Manager about charges the staff member incurred on a City credit card. The staff member presented an explanation of the charges. Councilmember Moore did not accept the explanation and requested copies of the documentation to pursue her own investigation. Any irregularities or policy violations related to City credit use are squarely within the purview of the City Manager. Direct councilmember involvement violates the City Municipal Code prohibiting councilmembers from involving themselves in the day-to-day operations that are clearly the responsibility of the City Manager.

The Civil Grand Jury also learned through different sources that Mayor Darcy Paul directed a City staff member to assist with an event. The Mayor asserted that the City staff member had “volunteered” to help during a ribbon-cutting ceremony and therefore, such assistance did not amount to a directive as prohibited by City ordinance. The Mayor failed to recognize the powers at play--the inherent difference in stature--when a councilmember asks staff to attend functions outside their normal work responsibilities. On two separate occasions, Mayor Paul asked other City staff to work at events that were not part of official City business and occurred after working hours. For one such event, the Mayor made the request by personally calling the staff members. Such requests by councilmembers should be made through the City Manager.

Another source of distrust between the City Council and City staff involves renovations to City Hall. Further, City staff voiced concern that their workplace, City Hall, had not been renovated and seismically improved. Although the 2015 City Council allocated funds for the renovation, the monies were subsequently redirected to expand the City Library. Certain staff regard the present City Council’s unwillingness to fund the renovation as confirmation that their health and safety concerns are not a priority.

Trust between the City Council and the City Manager and staff is essential to the effective operation of the City. The Civil Grand Jury investigation and interviews revealed that little trust exists between the City’s staff and councilmembers. In many instances the distrust is mutual. The combination of poor relationships and strained communication between these two groups has created several critical problem areas in the functioning of City government and the ability of the City Council to provide the leadership and meaningful oversight that is the core of good governance.

Failure to Produce Treasurer’s Report

Earlier this year, the Civil Grand Jury investigated the lack of financial reporting as mandated by state law. In a separate report entitled “Show Me the Money: Financial Transparency Needed,” the Civil Grand Jury responded to a complaint that the City was in breach of its ordinance to produce monthly treasurer’s reports. During the investigation of the missing treasurer’s reports, the City Manager resigned unexpectedly in June of 2022.

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Cupertino Municipal Code section 2.24.030 (“Monthly Reports”) states:

The Treasurer shall make monthly reports which conform to the requirements of [California] Government Code Section 41004. Said reports shall be delivered to the City Council, the City Manager and made available for review by such other persons who may so request.

Despite the legal requirement to comply with Government Code section 41004, no City staff member was preparing and delivering a monthly treasurer’s report. When this issue was raised during an Audit Committee meeting, the rationale provided by City staff was that many of the surrounding cities do not comply with this requirement. Absence of the monthly treasurer’s report impaired the councilmembers’ ability to fully exercise fiscal oversight.

It took a few months for City staff to comply with the law. The Civil Grand Jury investigation into this issue revealed that the City finance department is now producing the treasurer’s report required under California Government Code section 41004 and Cupertino Municipal Code section 2.24.030. Nonetheless, the City staff’s disregard of this City ordinance in the past added to the perception of City Council that staff was not competently fulfilling their job responsibilities.

Fiscal and Risk Management Issues

Fiscal and financial risk management oversight is a key area of responsibility of every city council. Good governance requires that city councils routinely review the financial operations of the city, identify areas of weakness and/or risk, and oversee effective policies and procedures for implementation by city managers. Addressing financial issues in a timely manner is an essential component of a city council’s exercise of its oversight responsibilities.

Operationally, the scheduled and repetitive use of internal audits is an effective tool for the discovery of financial management and internal control issues. Audits provide the best means of measuring consistent progress in mitigating weaknesses and identifying gaps through implementation of council-directed and -approved policies and procedures designed to address any identified issues.

The Civil Grand Jury learned of the existence of a 14-year embezzlement scheme by a former City staff member of almost \$800,000 that purportedly occurred between 2000 and 2014. Further investigation revealed that after the discovery of the embezzlement scheme in 2014, no financial policy or procedural changes were developed and implemented by the City.

The City contracts with Moss Adams LLP (Auditor) to serve as the City’s Internal Auditor. Leading up to December of 2020, the Auditor undertook a comprehensive risk assessment evaluation of all departments and their respective functions across the entirety of the City’s organization. Although their audit report identified several areas of concern, including internal financial controls, the Civil Grand Jury learned that the City did not take any appreciable steps to

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remedy these concerns. The City Council did, however, call for a more detailed audit of financial operations and risk. That led to another audit in Spring 2022, which resulted in a report entitled “City of Cupertino: Fiscal Policy Inventory and Gap Analysis,” dated May 5, 2022. That report was presented by the City staff to the Council on July 19, 2022. The audit report included in its findings a policy and procedure work plan covering areas of identified financial risk. Also included in the Auditor’s findings was a detailed “Summary of Recommendations” referencing high-risk areas that require immediate City Council attention and remediation. The following chart, prepared by the Auditor, sums up the deficiencies by area, including eight areas that the Auditor described as high risk:

Policy Area	Type of Gap	Associated Risk	Recommended Priority Level
Accounting and Financial Reporting	Major Gaps	High	1
Accounts Payable	Full Gap	High	1
Budgeting	Major Gaps	High	1
Capital Assets	Major Gaps	High	1
Cash Management	Major Gaps	High	1
Payroll and Timekeeping	Full Gap	High	1
Procurement	Major Gaps	High	1
Revenue and Accounts Receivable	Full Gap	High	1
Debt Management/Tax Bond Compliance	Major Gaps	Medium	2
Gifts and Donations	Major Gaps	Medium	2
Grant Management	Full Gap	Medium	2
Investment Management	Minor Gaps	Medium	2
Credit Cards	Minor Gaps	Low	3
Inventory	Full Gap	Low	3
Travel and Expense Reimbursement	Minor Gaps	Low	3

Figure 1. Prioritized Policies and Procedures Work Plan

The full report is attached as [Appendix A](#).

In sum, two separate audit reports dated December 2020 and May 2022, both commissioned by the City, included sets of recommendations to strengthen operating policies, procedures, and

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internal controls. The Civil Grand Jury learned that few, if any, of those recommendations have been implemented for reasons that remain unclear. Past and present key staff offered no clarity on how the City addressed or intends to address the well-developed Moss Adams internal audit recommendations.

The Civil Grand Jury learned that the City Council's Audit Committee has been meeting and discussing the audit reports. The Civil Grand Jury investigated the functions and responsibilities assigned to the Audit Committee, which exists as a subcommittee of the City Council. These functions and responsibilities are identified on the City of Cupertino website as follows (also refer to Cupertino Municipal Code section 2.88.100):

- To review the annual audit report and management letter
- To recommend appointment of internal/external auditors
- To review the monthly Treasurer's Report
- To recommend a budget format
- To review City investment policies and internal controls of such policies
- To review internal audit reports
- To review quarterly Fraud, Waste, and Abuse Program reports

Audit committee operating procedures require members, among other responsibilities, to assess the internal audit findings and recommendations and submit their analysis and recommendations to the City Council for discussion and action. The Auditors attend and participate in the City Council Audit Committee meeting, and their reports, findings, and recommendations are provided directly to the Audit Committee for discussion and development of recommended actions.

However, it remains unclear to the Civil Grand Jury whether the City is addressing the fiscal risks identified in the May 5, 2022, Auditor report. The Audit Committee meets regularly and the minutes reflect that there is a workplan. In May 2022, the status of the Audit Committee's work was on the City Council agenda, but that meeting was later canceled. The Civil Grand Jury could find no evidence in the City Council minutes that the City Council had discussed the risk reduction work plan or had authorized the City Manager to proceed with its implementation. This is concerning because the financial control issues have long been known to the City and yet questions directed to councilmembers, Audit Committee members, and relevant City staff failed to provide assurance that the City Council has prioritized the efforts of the Audit Committee or evaluated and approved a work plan to address the audit deficiencies.

City Staff Turnover

The Civil Grand Jury learned of an abnormally high turnover rate among City staff, including key top staff positions. For example, half of the Planning Division and 60 percent of senior management staff have left the City since January 2022. The City has had four city managers from

June 2019 to the present. The most recent City Manager appointment took place on August 29, 2022. The high turnover in key management positions increases the risk of operational errors and oversights. It also reduces the level of institutional memory and process knowledge that facilitates the efficient and timely flow of work throughout the City's several departments.

High turnover also brings in new employees, some of whom are unlikely to be familiar with the City's specific operational policies and procedures and therefore require higher levels of training and closer supervision to become proficient in their work assignments. Several of the interviews undertaken by the Civil Grand Jury confirmed that high staff and management turnover reduced the operating efficiency of City government. Further, the Civil Grand Jury learned that this high turnover rate has negatively impacted the City's reputation and in turn, has led to its inability to attract qualified people for some key staff and management positions. Interviewees cited turnover as a continuing operational problem.

Some councilmembers indicated that the high turnover was more a function of individual retirements and people seeking better, higher-paying positions. Documents researched and reviewed by the Civil Grand Jury provided information that did not fully support these conclusions. For example, the City of Cupertino salary structure for staff and management is competitive with equivalent positions in other nearby cities. And witnesses confirmed that much of the turnover was due to some councilmembers' contentious behavior and direct interference in City operations and staff assignments.

Interviews with current and former City managers confirmed that some City councilmembers inserted themselves in the process of recruiting and hiring for open positions within the City. The belief by City staff that their work is unappreciated and devalued by councilmembers perpetuates the open and public conflict between the City Council and City staff. Such behavior makes it highly likely that management turnover will continue.

Effective local government depends upon hiring and retaining qualified staff and management and electing councilmembers dedicated to functioning in a manner that best serves their constituents. The City, according to several interview statements, has developed a reputation of having a difficult work environment, making recruiting of highly qualified applicants difficult.

Ethics Policy

In a City Council vote on January 15, 2019, the City Council rescinded its Code of Ethics and Conduct that had just been voted on and passed the prior November. A year later, in January 2020, the City Council adopted a new Ethics Policy. The Civil Grand Jury has many concerns about the new Ethics Policy.

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First, unlike the rescinded version, the current Ethics Policy is less comprehensive and ignores the subject of councilmanic interference found in the rescinded version. Thus, there are significantly fewer ethical requirements and standards for councilmembers.

Second, the current version of the Ethics Policy contains no enforcement provisions that would allow action(s) to be taken against councilmembers or City officials who violate behavioral or performance requirements. The Civil Grand Jury reviewed the City's current Ethics Policy against those of comparable cities. Noticeably missing were enforcement provisions that enabled the public, councilmembers, and staff to report policy violations or other misconduct.

Enforcement provisions are needed to:

- Provide guidelines to address misconduct and inappropriate behavior
- Implement appropriate disciplinary action when necessary, including warnings, sanctions, censure, and termination
- Define steps to take depending upon the nature of the violation, prior violations by the same individual, and other factors that could bear upon the seriousness of the violation

In the absence of enforcement provisions, the City's barebones Ethics Policy is ineffective in remediating problematic staff and councilmember actions and behaviors. Adopting a more comprehensive ethics policy is important to enable the City Council to execute its assigned responsibilities for effective governance, operational oversight, and risk mitigation.

Third, the Ethics Policy is not available to the public online. This lack of transparency is unusual for City government. Further, the lack of a publicly available Ethics Policy reduces the likelihood that councilmembers will be held accountable by the public for violations of the policy. The 2018 and 2020 versions of the City's Ethics Policy are attached as [Appendix B](#) and [Appendix C](#), respectively.

Fourth, the year-long gap during which the City had no ethics policy is a concern.

Last, it seems that the rationale for creating a policy with generic ethics goals and no enforcement provisions was to avoid accountability. One councilmember interviewed expressed the opinion that the old policy did not provide enough flexibility. Another councilmember suggested that the old Ethics Policy was too restrictive. No City councilmembers could explain why the replacement Ethics Policy does not contain any enforcement provisions. The City Council's decision to rescind a detailed Code of Ethics and Conduct with meaningful enforcement provisions, and to replace it with a barebones unenforceable policy that is not publicly available, and, in the meantime, to operate without any policy at all for 12 months, is very concerning to the Civil Grand Jury and evidences a lack of willingness on the part of the current City Council to hold itself accountable.

CONCLUSION

Voters of the City of Cupertino elect five councilmembers. Councilmembers in turn hire the City Manager and the City Attorney. The public has the right to hold the governing body responsible for its leadership and guidance and to pursue policies that lead to sound governance. City voters do not elect City staff. If the environment created by the governing board is toxic, the City will not be able to hire and retain competent talent to serve the residents of Cupertino. The governing council must create a respectful environment for staff. The behavior of councilmembers may need to be reviewed and good government practices implemented to remediate the dysfunction that currently exists.

The absence of a comprehensive Ethics and Code of Conduct policy with enforcement provisions is a significant concern for the Civil Grand Jury. Ethics and Code of Conduct policies set baseline parameters of acceptable organizational operating practices and required behavior of staff, management and councilmembers. The absence of enforcement provisions in the new Ethics Policy provides the City and its residents no remedy for unacceptable actions or behavior.

The Civil Grand Jury is aware that this report will be published after the November 2022 elections and hopes that any newly elected councilmembers will take the opportunity to develop better working relationships with the City staff.

FINDINGS AND RECOMMENDATIONS

Finding 1

The City has a culture of distrust between the councilmembers and City staff that is creating dysfunction.

Recommendation 1

The City should develop or acquire a good governance training and development program for both existing and newly elected councilmembers and existing and new staff members to address: (i) their role, responsibilities, and the relevant laws that specify and/or limit their function; (ii) the division of responsibilities between councilmembers and staff as directed by the Cupertino Municipal Code; and (iii) the necessity of morale building to create a stronger, more effective, and respectful relationship between City staff and councilmembers. Recommendation 1 should be implemented by March 31, 2023.

Finding 2

The dysfunction prevalent between the City Council and City staff has negatively impacted City operations, including the continuing loss of skilled and experienced personnel. The City has a reputation of having a difficult work environment, making recruiting of highly qualified applicants difficult.

Recommendation 2

The City should hire a consultant to study staff morale and make recommendations to improve retention of employees and quality of the working environment. To the extent legally permissible, the study and recommendations should be published for public review. Recommendation 2 should be implemented by July 31, 2023.

Finding 3

The City has not taken sufficient steps to improve the City's financial risk profile as recommended by its retained Internal Auditor.

Recommendation 3a

The City should implement the work plan identified in the May 2022 Fiscal Policy Inventory and Gap Analysis Report developed by the City's internal audit firm, Moss Adams LLP, to address policy and procedural gaps and weaknesses. Recommendation 3a should be implemented by July 31, 2023.

Recommendation 3b

The City should employ the use of continuing annual internal audits to assess progress in the development and implementation of new or modified policies and procedures to comply with

internal audit risk reduction and mitigation recommendations. Recommendation 3b should be implemented by July 31, 2023.

Finding 4

A comprehensive Code of Ethics not only provides guidance and baseline standards for ethical behavior, it includes sanctions and consequences for deviations from the standard. The City's Ethics Policy is generic and lacks enforcement provisions and therefore fails to provide a framework to address ramifications for policy violations.

Recommendation 4a

The City should establish an independent Public Ethics Commission with guidance from experts in applied ethics, such as the Markkula Center for Applied Ethics at Santa Clara University, to: (i) develop and implement a robust government ethics training program for all councilmembers; and (ii) evaluate a best practices enforceable Code of Ethics and Conduct Policy that governs all councilmembers and appointed officials for consideration by the City Council. This recommendation should be implemented by March 31, 2023.

Recommendation 4b

The City should reinstate enforcement procedures to enable the City Council and the public to file complaints and testify at public hearings to help remediate ethics violations. This revision should include a procedure for public admonishment, revocation of special privileges, or censure. This recommendation should be implemented by March 31, 2023.

Recommendation 4c

The City Council should engage a conflict resolution professional to help enhance mutual understanding and respect amongst all stakeholders. This recommendation should be implemented by January 31, 2023, and should be repeated at least once per year.

Recommendation 4d

The City should publish its current Ethics Policy on the City website by January 31, 2023.

A HOUSE DIVIDED**REQUIRED RESPONSES**

Pursuant to California Penal Code § 933(b) et seq. and California Penal Code § 933.05, the County of Santa Clara 2022 Civil Grand Jury requests responses from the following governing body:

Responding Agency	Findings	Recommendations
The City of Cupertino	1, 2, 3, 4	1, 2, 3a, 3b, 4a, 4b, 4c, 4d

APPENDIX A

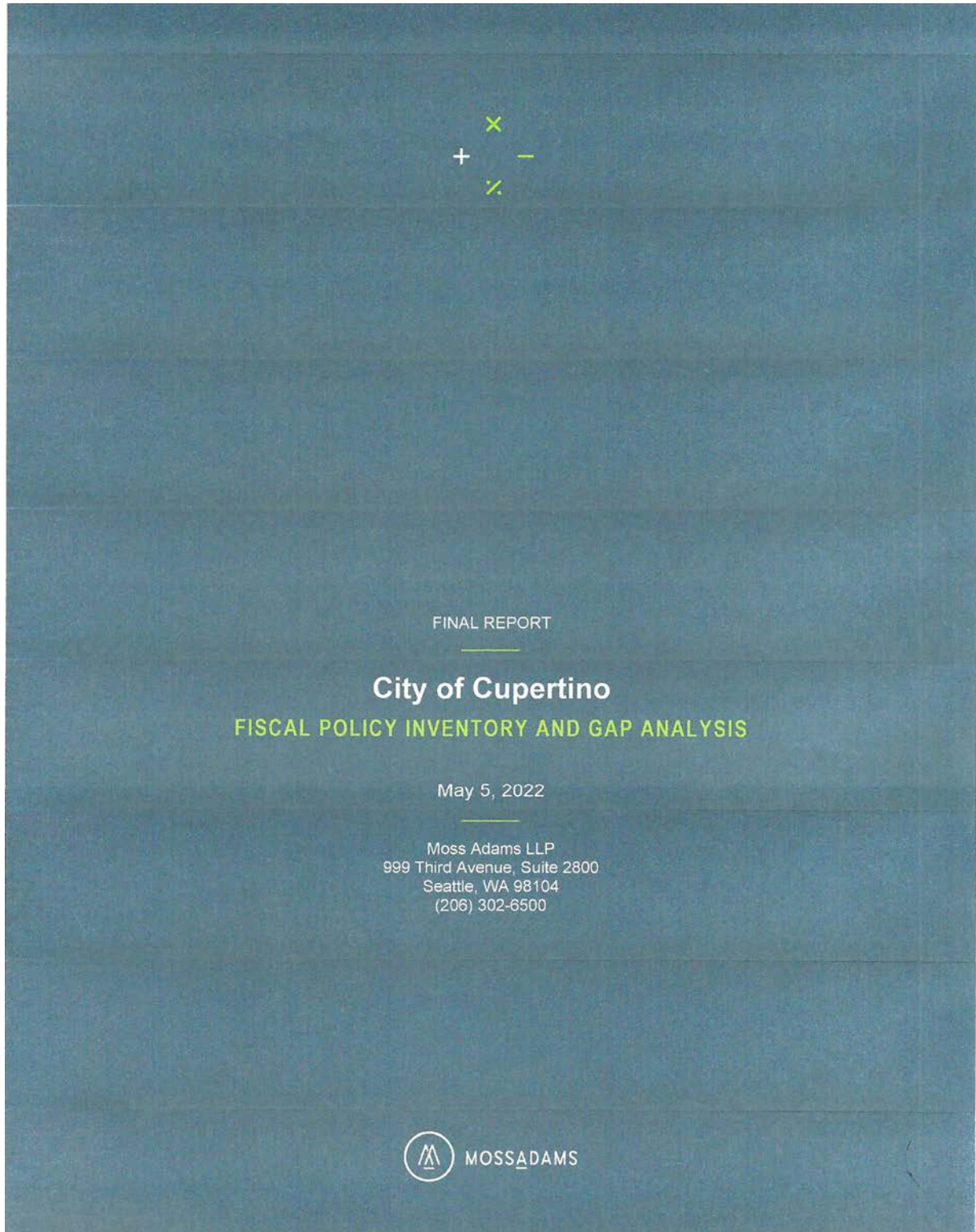


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I. BACKGROUND, SCOPE, AND METHODOLOGY

A. BACKGROUND

The City of Cupertino (the City) requested that Moss Adams LLP (Moss Adams), as the City's internal auditor, perform an inventory of all City fiscal policies and procedures (P&Ps) and a gap analysis to determine what gaps in coverage exist, and develop a prioritized P&P work plan to support the City in addressing identified gaps. The objectives of this project were to:

- Determine which fiscal areas are adequately covered by comprehensive current P&Ps.
- Identify policy gaps, including areas where no policies to support fiscal functions are documented, existing policies are outdated or in need of minor updates or additions, and current internal control or gap coverage are missing key components.
- Prioritize policy gaps based on overall risk, and develop an implementation plan to provide the City with recommendations for prioritizing and addressing the identified policy gaps.

This engagement was performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants. Accordingly, we provide no opinion, attestation, or other form of assurance with respect to our work or the information upon which our work is based. This report was developed based on our assessment of the City's fiscal P&Ps as of October 2021. The procedures we performed do not constitute an examination in accordance with generally accepted auditing standards or attestation standards.

B. SCOPE AND METHODOLOGY

This project was limited in scope to the City's finance and accounting (fiscal) functional areas. All fiscal P&Ps available as of October 2021 were provided to Moss Adams to assess as part of this project. Other P&P documents, informal process documentation, or guideline documents that are not approved formal P&Ps at the City level may exist; however, they were not included in this analysis and are therefore not included in the results presented in this report.

The procedures performed included:

- **Fiscal P&P Inventory** – We worked with City management to develop a full listing of finance and accounting policy areas that were applicable to the City and that would be included in the scope of this project. For each area, we performed the following:
 - Obtained all supporting/related P&P documents available
 - Documented a full inventory of the current existing P&P documents, including a summary of the coverage areas of each.
 - Discussed the full inventory of results with management to ensure that all P&P documents were provided and included in the inventory.
- **P&P Gap Analysis** – We assessed the inventory results and performed a full gap analysis, including:
 - Assessed the current content of each area to identify potential gaps in coverage.

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- Assessed existing P&P documents for opportunities to improve the overall content and flow/structure, incorporate best practices, and improve internal controls, where possible, to provide for effective resources for employees.
- Summarized the gaps identified for each P&P area.
- Categorized the significance and extent of the identified gaps as follows: full gaps, major gaps, or minor gaps. We also noted areas only in need of an update.
- **Prioritized P&P Work Plan Development** – Based on the results of the P&P inventory and gap analysis performed, we developed detailed recommendations, by area, for the City to use as a road map for developing, amending, or updating P&Ps. We assigned a risk level (high, medium, or low), as described in the table below, and a recommended priority order by phase based on the risk level. We discussed the prioritized P&P work plan with management, gathered input on the work plan, and made updates, as appropriate.

Gaps identified during the analysis were categorized as follows:

- **Full Gap** – Documented policies and procedures do not exist for the area.
- **Major Gap** – Some P&P documentation exists; however, there are major gaps in overall coverage.
- **Minor Gap** – P&Ps cover most of the key areas but require some updating or additional coverage.
- **Update Needed** – The P&P needs to be reviewed for potential updates.

The assessed risk level, category descriptions, and recommended phases/timing for addressing the gaps and related recommendations are described in the table below. The risk levels were assigned based on our understanding of the City, insights gained from management, the inherent risk in each area, and the level and significance of gaps identified.

Assessed Risk Level	Category Description	Recommended Phase/Timing
High Risk	<ul style="list-style-type: none"> ◦ Area is inherently high risk ◦ Gaps identified were either full gaps (i.e., no P&P coverage) or major gaps ◦ Area is a high priority for the City's operations and structure 	Phase One (within 12 months)
Medium Risk	<ul style="list-style-type: none"> ◦ Area is inherently high or medium risk; however, a lack of documented P&Ps may only represent a medium risk to the City ◦ Gaps identified were either full gaps or major gaps ◦ Area is a high priority for the City's operations and structure 	Phase Two (within 18 months)
Low Risk	<ul style="list-style-type: none"> ◦ Area is inherently low risk ◦ Gaps identified were either minor in significance or magnitude, or the area only needed review or updating ◦ Area is a low priority for the City's operations and structure 	Phase Three (within 24 months)



II. OVERALL RESULTS

Throughout the P&P inventory and gap analysis, we found that the City has a variety of P&P documents; however, they are not consistently utilized, structured, or based on standard templates. Although the City appears to have consistent practices established and has approvals/process flows setup within the enterprise resource planning (ERP) system, the City does not have a defined P&P framework and as a result, in many cases it was unclear what level of policy a document fell under.

Some of the City's documents identified as "policies" included administrative procedures. In some areas, the City uses the notes included in their financial statements as "policies", as well as Council Resolutions, memos, or email to communicate requirements. The City does not have a standard template/format and there does not appear to be a structure for ensuring all policies are supported by underlying procedures. Additionally, there is no consistent means of identifying when policies are approved and effective. The effective date on most policies is not complete.

Utilizing a defined P&P framework with standard templates will help streamline the City's P&P resources. This framework can be used to define responsibilities at both the City Council and management level.

The City can utilize the Prioritized P&P Work Plan presented on the following page to carry out their efforts to develop and update their fiscal P&Ps. In addition to following summary table, we have provided management with a detailed Prioritized P&P Work Plan, which includes all results from the inventory and gap analysis performed and detailed recommendations by area.



III. PRIORITIZED P&P WORK PLAN

Policy Area	Type of Gap	Associated Risk	Recommended Priority Level
Accounting and Financial Reporting	Major Gaps	High	1
Accounts Payable	Full Gap	High	1
Budgeting	Major Gaps	High	1
Capital Assets	Major Gaps	High	1
Cash Management	Major Gaps	High	1
Payroll and Timekeeping	Full Gap	High	1
Procurement	Major Gaps	High	1
Revenue and Accounts Receivable	Full Gap	High	1
Debt Management/Tax Bond Compliance	Major Gaps	Medium	2
Gifts and Donations	Major Gaps	Medium	2
Grant Management	Full Gap	Medium	2
Investment Management	Minor Gaps	Medium	2
Credit Cards	Minor Gaps	Low	3
Inventory	Full Gap	Low	3
Travel and Expense Reimbursement	Minor Gaps	Low	3

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IV. SUMMARY OF RECOMMENDATIONS

The following table summarizes the recommendations related to high-risk policy areas. A detailed listing of full recommendations was provided separately to management.

Policy Area	Summary of Recommendations
Accounting and Financial Reporting	<p>Expand and develop full Accounting and Financial Reporting P&Ps that address, at a minimum, the following key areas:</p> <ul style="list-style-type: none"> • Chart of account maintenance, setup, and structure. • Fund structures, including the definition and use of each City fund, and required fund reconciliations. Information on this topic that is currently presented in the Financial Policies can be used as a starting point and expanded upon. • Journal entry preparation, approval, and posting. • Month-end and year-end close procedures, including timing, responsibilities for performing each procedure, review/approval responsibilities, and monitoring. • Financial Reporting: which reports will be prepared and on what basis (monthly, quarterly, etc.), who will be responsible for their review and approval, which reports will be presented to the City Council and/or Committees, and how frequently. • Audit requirements and auditor selection. • Significant Accounting Policies and Procedures: The City can utilize notes to audited financial statements as a starting point to accumulate significant accounting policies, then expand to address detailed procedures that will be applied to ensure compliance. • Account Reconciliations: Which balance sheet accounts are reviewed monthly; responsibility for preparation, review and approval; and procedures on performing reconciliations and addressing variances. • Monitoring controls including financial trend analysis (year to year, budget to actual, monthly fluctuations) and key performance indicators. • Unclaimed property handling, including any rules on forfeiture of property to the State Controller's Office.
Accounts Payable	<p>Develop full, comprehensive AP P&Ps that include all significant areas within the AP function including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Vendor Management: New vendor setup and vendor changes, including required supporting documentation, approvals, and segregation of duties, vendor master list controls and annual reviews, and dormant vendors. In general, vendor management should be controlled by individuals independent of the AP process. • Invoice receipt, approval, and routing (manual or electronically) to AP for payment processing. • Reconciliation between invoice and purchase requisition (PR)/purchase order (PO), receiving documentation, etc. and documentation required to support this three-way match process. • Invoice coding and system entry. • A/P processing including required reviews/approvals, invoice tie-out, and pre- and post-check register reviews/approvals. • Check printing, signature, and check stock maintenance controls. • ACH payment processing and related controls. • Check mailing and support filing.

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Policy Area	Summary of Recommendations
	<ul style="list-style-type: none"> Monitoring controls over the disbursement function, such as vendor file changes/addition reviews and trend analysis (i.e., total payments by vendor). Record retention requirements to support the AP process/function. Other key controls and internal procedures over the disbursement function.
Budgeting	<p>Expand and develop full, comprehensive Budget Management P&Ps that include all significant areas within the budget function including, but not limited to, the following key areas:</p> <ul style="list-style-type: none"> Budget Preparation Process: How individual departments/programs should prepare their budgets, what data/historical and upcoming information should be used, and resources available to employees responsible for aspects of the budget process Budget Calendar: Including a snapshot of all key dates in the process (initial budget notifications from Finance, department/program due dates, original draft budget submission, internal reviews/approvals, Council presentation and budget adoption/approval, budget finalization, system entry, etc.) How to address budgeting for new funding identified during the year (resources greater than budget estimates, new appropriations or new grants/donations, etc.), including timeline requirements, reviews/approvals, and system entry Budget monitoring, including budget-to-actual reporting, use and responsibilities, required reviews, justification for budget overages, and anticipating changes throughout the year City-mandated budget requirements and how each will be considered and applied to ensure compliance Budget amendment and transfer processing, including the documentation and approvals required and responsibilities for each Overall roles and responsibilities within the budget function, including budget establishment, monitoring, etc. Required budget-to-actual reporting to leadership and/or City Council, including what information is to be reported and at what frequency
Capital Assets	<p>Expand and develop a full, comprehensive Capital Asset P&P that includes all significant areas within the Capital Asset function including, but not limited to, the following:</p> <ul style="list-style-type: none"> Capital budgeting (incorporate the existing Capital Improvement Policy located within Financial Policies) Depreciation: Methods used, determination of useful lives, entering during asset setup, depreciation expense entry preparation, review, approval and posting, etc. Capital asset receiving process, including physical receipt and documentation of receipt Reporting new fixed assets to Accounting and issuing asset tags (including who issues tags, tracking tags, placement on assets, and recording tag numbers in ERP system) New asset setup in the City ERP system (including required information, supporting documentation submitted/maintained, etc.) Reconciliation between G/L and capital asset data in the ERP system, and reviews to ensure all capital assets are captured Policies regarding capital asset reviews, their purpose, who is responsible for performing reconciliations, identifying variances, repairs/maintenance expense review and documentation, etc. Capital Asset Custodians: Assignment and accountability of those responsible for capital assets in each department/division/site

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Policy Area	Summary of Recommendations
	<ul style="list-style-type: none"> Capital Asset Transfer and Disposal Procedures: Reporting disposals/transfers to Accounting, updating in the ERP system, changes in accountability, methods of disposal including documentation requirements and approvals, lost/stolen asset handling/reporting, etc. Annual Inventory Count: Procedures, condition assessment, and segregation of duties (including having an independent person perform count, identify assets damaged or not tagged, add assets, verify asset details, reconcile information, and make updates in the ERP). Record retention for capital assets
Cash Management	<p>Incorporate the existing Cash Receipts/Handling Policy into a full Cash Management P&P. A comprehensive set of Cash Management P&Ps should be developed and should cover, at a minimum, the following:</p> <ul style="list-style-type: none"> Bank account setup, cancelling, access monitoring, etc. Bank reconciliations, including responsibility for preparation, supporting documentation required, outstanding items monitoring, variance handling, review, and approvals Bank account signature authority Change fund policy (for sites that handle cash payments) Payment acceptance, including types of payments accepted (cash, checks, credit cards, ACH, etc.) and requirements for processing/accepting each type Cash reconciliations, deposits, and variance reporting (reporting overages/shortages) Counterfeit detection requirements Required frequency for remitting cash to Cashiering for deposit Segregation of duties Monitoring of locations' deposit frequency Consequences for non-compliance Minimum security requirements for transporting deposits Petty cash handling <p>The City should also consider developing site/location-specific P&Ps that apply to all City locations that accept or handle monies. Each site that handles payments should be required to develop internal Cash Handling P&Ps to show how they will ensure compliance with City-wide policies. Detailed Cash Handling P&Ps, by site, would include areas such as the following:</p> <ul style="list-style-type: none"> How receipts are issued and reconciled Where payments are recorded (manual log, system, etc.) upon receipt Responsibilities for cash handling and daily reconciliations Daily reconciliation procedures (i.e., base funds, system/log totals for receipts, payments being deposited, etc.) Detailed procedures for storing payments, closing credit card machines, etc.
Payroll and Timekeeping	<p>Develop comprehensive Payroll & Timekeeping P&Ps to help ensure that time worked is properly accounted for, reviewed, and approved; that pay rates are properly controlled and applied; and that employees are ultimately paid appropriately and accurately. Payroll and Timekeeping P&Ps should cover, at a minimum, the following:</p> <ul style="list-style-type: none"> New employee setup and pay rate adjustments (in general, this duty should be performed by someone independent of the payroll processing function to ensure that duties are adequately segregated)

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Policy Area	Summary of Recommendations
	<ul style="list-style-type: none"> Time recording for exempt and non-exempt employees Time reviews and approvals Timecard edits or corrections before/after payroll processing Transfer of time detail to process payroll Payroll processing (including required reviews/approvals pre and post processing, reconciliations, general ledger posting, reporting, etc.) Direct deposit setup and processing Check printing, signature, and distribution Payroll tax reporting and tracking and accrual account reconciliations PTO accruals, use and recording, monitoring of PTO balances, etc. Payroll monitoring and oversight (including pay rate change report reviews; timecard edit reviews; systems access monitoring; payroll trend analysis by employee, position, department, etc.; and other reviews/reporting performed to ensure the payroll function is well-controlled)
Procurement	<p>Expand and develop a full comprehensive set of Procurement P&Ps and include, at minimum, the following key areas:</p> <ul style="list-style-type: none"> Due diligence thresholds, including online/verbal quotes, format written quotes, Requests for Proposal (RFPs), and a dollar threshold for each level of due diligence. The existing chart defines thresholds but does not provide details on how a user should complete the various methods. The attachments to the current policy, address some specific procedures (e.g., Formal Bid Procedures) but they need to be updated and organized. Approval thresholds and a clear definition of the workflow process for obtaining all required approvals. In addition, definition of approvals that may be required for certain types of purchases, based on G/L code (i.e., IT, fixed assets, and/or grant-related). Sole-source and emergency purchase procedures (justifications and documentation requirements, approvals, etc.) that define their appropriate use(criteria, etc.). Initiating Purchase Requisitions (PRs), and a clear definition of the process for PRs and POs. Receiving procedures and related documentation requirements (on packing slips/receiving reports and in the system, if applicable). Segregation of duties between Purchasing and Receiving. Documentation requirements and methods of storing information. Suspension and Debarment Checks: The threshold for when to perform checks and responsibility for performing them, when they must occur in the procurement process, documentation required to support they were performed, how/where documentation will be maintained to support new vendor setup, and the reverification process to confirm that vendors used for longer than a specified period (e.g., one year) are reconfirmed and the results of the review are documented. Specific requirements for certain high-risk purchases. Specific restrictions and unallowable purchases (alcohol or other).
Revenue and Accounts Receivable	<p>Develop a comprehensive set of Revenue and A/R P&Ps at a City-wide level to address, at a minimum, the following:</p> <ul style="list-style-type: none"> Defining the specific types of revenue throughout the City, referencing Department and Division-specific P&Ps where appropriate Revenue recognition and accounting for revenue

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Policy Area	Summary of Recommendations
	<ul style="list-style-type: none"> Customer account setup and requirements Overall monitoring of revenue activity Defining the City's requirements for billing and collection activities (including defining roles and responsibilities, documentation requirements, frequency, etc.) Accounts receivable management, including tracking and reporting A/R, requiring aging analysis, reporting on delinquent accounts, etc. Systems access related to A/R management systems, to ensure proper segregation of duties Allowance for doubtful accounts establishment, recording of bad debt expense, criteria for estimate development, etc. Handling refunds and account credits, including required documentation, approvals, etc. Guidance to Departments/Divisions for developing their specific billing policies/procedures, and for ensuring consistency and enhancing revenue capture Establishing criteria to determine when past due/delinquent accounts are sent to collection agencies and how revenue collection service providers are engaged and monitored Defining when account write-offs can occur, what approvals are required, and how write-offs/account adjustments must be documented and controlled Unclaimed Refunds: Procedures to follow when customers don't cash refund checks or checks are returned to the City Utility Bills, when to waive late fees, when to credit overcharged customers, when to invoice undercharged customers General Bills and Taxes: When to waive late fees and allow for payment plans <p>Given the various types of revenue across the City, it may be appropriate for individual revenue-generating Departments/Divisions to develop their own specific P&Ps. These should cover how the Departments/Divisions will implement specific P&Ps and monitor for compliance with City-wide P&Ps, including the use of account management systems, reconciliations to the City's ERP system, specific billing/collection activities, etc.</p>

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Appendix A – Management Responses to Fiscal Policy Inventory and Gap Analysis:

1. Accounting and Financial Reporting

Management Response:

Management agrees that formalized policy and procedures are needed in Accounting and Financial Reporting. Currently, staff utilizes non-formalized procedures for the processes listed above. Staff created policies in these areas the review process and expected to be approved by the Director of Administrative Services and the City Manager.

2. Accounts Payable

Management Response:

Management agrees that formalized policy and procedures are needed in Accounts Payables. Currently, staff utilizes system set up and security and non-formalized procedures for the processes listed above. Staff created policies in these areas the review process and expected to be approved by the Director of Administrative Services and the City Manager.

3. Budgeting

Management Response:

Management agrees that formalized policy and procedures are needed in Budgeting. Currently, staff utilizes system security and non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager.

4. Capital Assets

Management Response:

Management agrees that formalized policy and procedures are needed in Capital Assets. Currently, staff utilizes non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager.

5. Cash Management

Management Response:

Management agrees that formalized policy and procedures are needed in Cash Management. Currently, staff utilizes non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager.

6. Payroll and Timekeeping

Management Response:

Management agrees that formalized policy and procedures are needed in Payroll and Timekeeping. Currently, staff utilizes system security and non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager.

7. Procurement

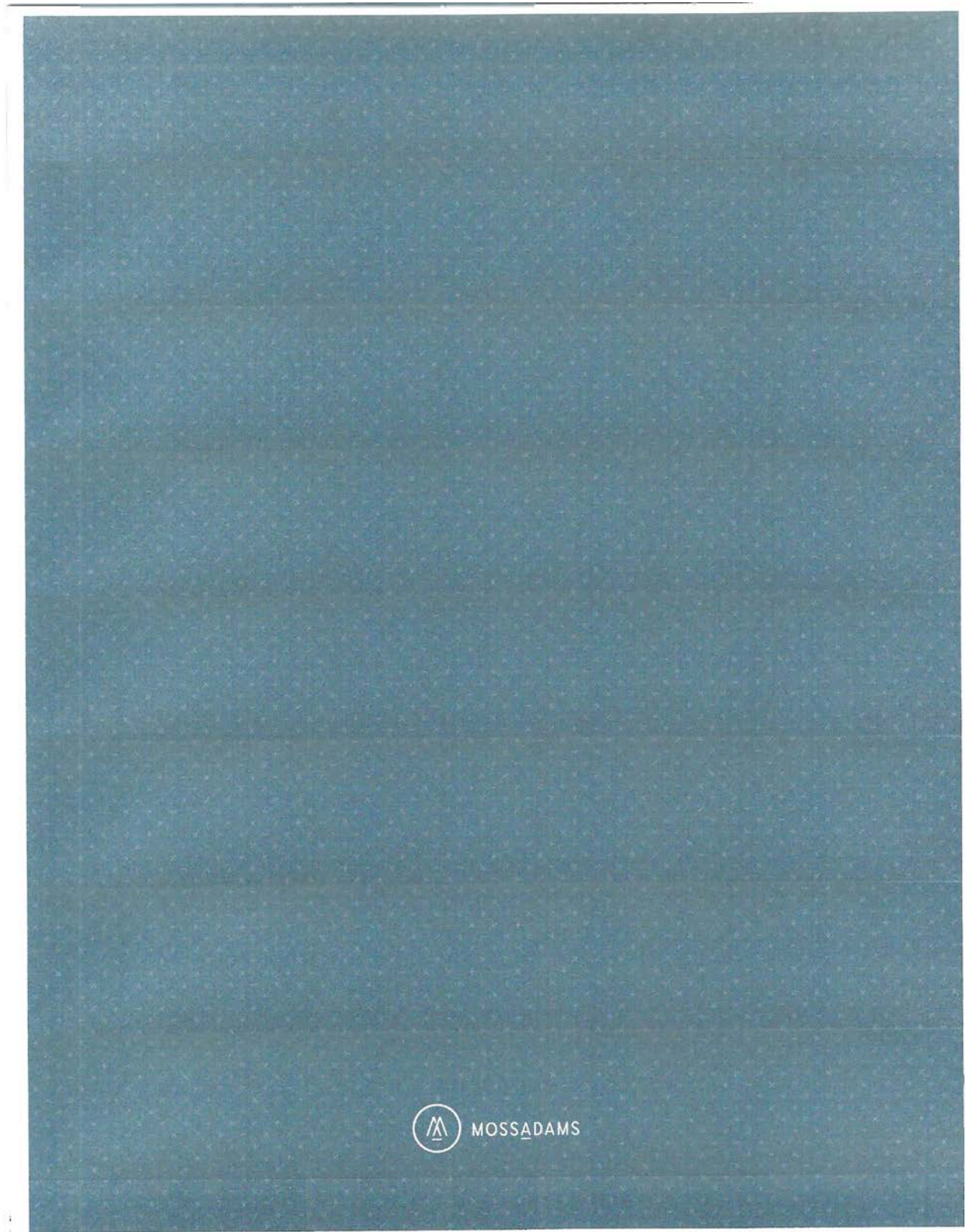
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**Management Response:**

Management agrees that formalized policy and procedures are needed in Procurement. Currently, staff utilizes system security and non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager. These changes will be delayed as the City prioritizes findings from the procurement audit and has requested a Purchasing Manager as part of the Proposed Budget. To minimize changes and potential confusion all changes to procurement will occur at one time and after the review of the new Purchasing Manager should the position be approved.

8. Revenue and Accounts Receivable**Management Response:**

Management agrees that formalized policy and procedures are needed in Revenue and Account Receivable. Currently, staff utilizes system security and non-formalized procedures for the processes listed above. Staff created policies in these areas are in the review process and expected to be approved by the Director of Administrative Services and the City Manager.



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APPENDIX B

ATTACHMENT D

RESOLUTION NO. 18-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO ADOPTING THE CITY OF CUPERTINO CODE OF ETHICS AND CONDUCT FOR ELECTED AND APPOINTED OFFICIALS

WHEREAS, the City Council of the City of Cupertino has determined that a Code of Ethics and Conduct benefits the public by increasing public confidence in the integrity of local government and its effective and fair operations; and

WHEREAS, the Cupertino Code of Ethics and Conduct will guide the conduct of Elected and Public Officials and support their independent, impartial, and fair decision-making and execution of policy; and

WHEREAS, City Council wishes to maintain an atmosphere of respect and civility in the performance of City affairs and public business.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cupertino hereby adopts the attached "City of Cupertino Code of Ethics and Conduct for Elected and Appointed Officials"

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this ____ day of _____, ____, by the following vote:

Vote Members of the City Council

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

APPROVED:

Grace Schmidt, City Clerk

Darcy Paul, Mayor
City of Cupertino

ATTACHMENT D



City of Cupertino

**DRAFT Code of Ethics and Conduct
For
Elected and Appointed Officials**

Adopted _____ by Resolution No. 18-____

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PURPOSE

The Cupertino City Council adopts this Code of Ethics and Conduct as guidelines for elected and appointed officials to exercise their office and conduct themselves in a manner that instills public confidence and trust in the fair operation and integrity of Cupertino's city government.¹

In accordance with State law and Title 2 of the Cupertino Municipal Code, Cupertino's elected and appointed officials include the members of the City Council, the Mayor, appointed officers of City boards and commissions, the City Manager, the City Attorney, the City Clerk and the City Treasurer.

ETHICS

The citizens and businesses of Cupertino and the general public are entitled to have fair, ethical, and accountable local government. To this end, the public should have full confidence that their elected and appointed officials:

- Comply with both the letter and spirit of the law and policies affecting the operations of government and their respective roles and responsibilities; and
- Are independent, impartial, and fair in their judgment and actions; and
- Use their public office for the public good and not for personal gain; and
- Conduct their deliberations and make their decisions in an atmosphere of respect and civility, and during public meetings in accordance with Open Meeting laws, except for confidential proceedings allowed by law.

Therefore, members of the City Council, City Boards and Commissions, the City Clerk, the City Treasurer, the City Manager and the City Attorney (hereinafter, "City Officials") should conduct themselves in accordance with the following ethical standards:

1. **Act in the Public Interest.** Recognizing that stewardship of the public interest must be their primary concern, City Officials will work for the common good of the people of Cupertino and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims, and transactions coming before them.

¹ These guidelines are intended to codify the values of the City of Cupertino relative to the conduct of its elected and appointed officials and in no way distract from or supersede the many other rules and laws that govern city officials. By their very nature, some guidelines apply only to legislative bodies and decision-makers as noted in the Code.

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2. **Comply with both the spirit and the letter of the Law and City Policy.** City Officials must comply with applicable federal, state and local laws in the performance of their public duties. These include the United States and California constitutions; the Cupertino Municipal code; laws concerning financial disclosures; sources of income and gifts; conflicts of interest laws; elections; campaign contributions; incompatible offices; employer responsibilities; and open government rules.
3. **Conduct of City Officials.** The professional and personal conduct of City Officials while exercising their office must be above reproach and avoid situations that create the appearance of impropriety. Officials must refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other City Officials, city staff, or the public.
4. **Respect for Process.** City Officials will perform their duties in accordance with the processes and rules of order established by the City Council.
5. **Conduct at Public Meetings.** City Officials will come prepared to address items and issues at public meetings; will listen courteously and attentively to all public discussions before the body; and will focus on the business at hand.
6. **Decisions Based on Merit.** City Officials will base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations. When making adjudicative decisions that require determination of the facts of a particular case and application of the law and rules, decision-makers will maintain an open mind until the conclusion of the hearing on the matter and will base their decisions on the facts presented at the hearing and the law.
7. **Communication.** For adjudicative matters pending before the body, City Officials will rely on the agenda materials and information received at the public meeting to support their decision. To the extent substantive or material information is received outside of a public meeting, decision-makers must, at a minimum, publicly disclose the circumstances and the outside source of information. Consultation with the City Attorney is strongly advised to ensure the integrity and legality of decisions made on adjudicative matters.
8. **Conflict of Interest.** To maintain independence and impartiality for the common good and comply with the extensive set of conflict of interest

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laws, City Officials will use caution and their best efforts to avoid the appearance of impropriety in their actions and decisions. Consistent with the law, decision-makers will not use their official positions to influence government decisions in which they have (a) a material financial interest, (b) an organizational responsibility to or personal commitment to others that creates a conflict of interest or the appearance of one, or (c) a strong personal bias as to one party or position.

Potential conflicts of interest should be discussed with the City Attorney at the earliest opportunity prior to a public meeting or hearing in order to ensure time to research and analyze the facts. Decision-makers are referred to the Cupertino Municipal Code, Section 2.18.030, which provides, among other things, that the City Attorney may render informal advice to individual Councilmembers regarding potential conflicts of interest, as appropriate. However, it is understood that Councilmembers are protected from potential liability for a conflict of interest only upon taking action that complies with a written opinion issued by the California Fair Political Practices Commission (FPPC).

If informed to seek formal advice from the FPPC or other State agency, a member will not participate in a decision until the FPPC has issued a written opinion that concludes there is no conflict. The member will provide the City Attorney a copy of the written request to the FPPC and the opinion, and will conform his or her participation to the advice given.

If a conflict of interest exists regarding a particular matter or decision, the member will not participate in the decision or discuss the matter with other decision-makers or other persons, unless otherwise permitted by law.

9. **Gifts and Favors.** Public Officials will not take advantage of services or opportunities for personal gain, by virtue of their public office, which is not available to the general public. They should refrain from accepting gifts, favors or promises of future benefits, which might compromise their independence of judgment or action or give the appearance of impropriety.
10. **Confidential/Privileged Information.** Public Officials have a duty to maintain the confidentiality of privileged documents and communications and the legal advice provided to or by them, in accordance with the law. This includes information gathered during a closed session and advice rendered by the City Attorney. Members will not disclose confidential or

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privileged information without proper legal authorization, nor use such information to advance their personal, financial, or other private interests.

11. **Use of Public Resources.** Public Officials should not use public resources which are not available to the public in general (e.g., City staff time, equipment, supplies, or facilities) for private gain or for personal purposes not otherwise authorized by law.
12. **Representation of Private Interests.** In keeping with their role as independent representatives of the City and stewards of the public interest, Councilmembers should not appear on behalf of the private interests of third parties before the Council or any Commission or proceeding of the City, nor should members of Commissions appear before their own bodies or before the Council on behalf of the private interests of third parties on matters related to the areas of service of their bodies.
13. **Advocacy.** Members should represent the official policies and positions of the City Council and Commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, members should explicitly state they are speaking in their personal capacity and not in their official capacity as members of their respective bodies. When speaking in their personal capacities, members should state their views do not represent their bodies' official positions. Councilmembers and Commissioners have the right to endorse candidates for Council seats and other elected offices; however, it is inappropriate to mention or display endorsements during Council meetings, Commission meetings, or other official City meetings, unless otherwise allowed by law.
14. **Policy Role of Members.** Members should respect and adhere to the Council-Manager structure of Cupertino City government as outlined in the Cupertino Municipal Code. In this structure, the City Council determines the budget priorities and policies of the City with input provided by City staff and Commissions and the general public. Members should not interfere with the administrative functions of the City or the professional duties of City staff; nor should they impair the ability of staff to implement Council policy decisions.
15. **Independence of Commissions.** Because of the value of the independent advice of Commissions to the public decision-making process, members of

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the City Council should refrain from using their position to unduly influence the deliberations or outcomes of Commission proceedings.

16. **Positive Work Place Environment.** Public Officials should support a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. Members should recognize their special role with City employees and in no way create the perception of inappropriate direction to staff.

CONDUCT GUIDELINES

The Conduct Guidelines are designed to describe the manner in which City Officials should treat one another, City staff, constituents, and others they come into contact with while representing the City of Cupertino.

1. **City Officials' Conduct with Each Other in Public Meetings and Private Encounters**

Elected and appointed officials are individuals with different backgrounds, personalities, values, opinions and goals, who have chosen to serve in public office to protect the City's interests and the wellbeing of the community they serve. In all cases, this common goal should guide officials' conduct with each other and with the public, particularly when individuals may not agree on every issue.

- (a) *Respect and facilitate the role of the Chair in maintaining order*
It is the responsibility of the Chair to keep comments of City Officials on track during public meetings. City Officials should recognize and assist the Chair to focus discussion on noticed agenda items. If there is disagreement about the agenda or the Chair's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.
- (b) *Practice civility and decorum in discussions and debate*
Difficult questions, challenges and disagreements with a particular point of view, and criticism of ideas and information are legitimate elements of debate and public discourse of a free democracy in action. Robust discussion and free debate, however, do not justify making belligerent, personal, impertinent, slanderous, threatening, abusive or disparaging comments.

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- (c) *Work through the Chair to address offensive personal comments*
If a member is personally offended by the remarks of another member, the offended member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other member to justify or apologize for the language used. The Chair will maintain control of this discussion.
- (d) *Demonstrate effective problem-solving approaches*
City Officials have a public stage and have the responsibility to show how individuals with different points of view can find common ground and seek a compromise that benefits the community as a whole.
- (e) *Continue respectful behavior in private*
The same level of respect and consideration of differing points of view that is appropriate for public discussions should be maintained in private conversations.

2. City Officials' Conduct with the Public in Public Meetings

Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice, or disrespect should be evident on the part of individual City Officials toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.

- (a) *Be welcoming to speakers and treat them with respect*
Members' primary responsibility during public testimony is to listen. Welcome all public speakers and encourage their active participation in public meetings by listening to their comments. Avoid engaging public speakers in debate, and call on the Chair whenever a point of order or clarification is required.
- (b) *Be fair and equitable in allocating public hearing time to individual speakers*
Consistent with legal requirements, the Chair will determine and announce limits on speakers at the start of a public meeting or hearing process.
- (c) *Practice active listening*
It is disconcerting to some speakers to have members not look at them when they are speaking. It is fine to look down at documents or

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to make notes, but reading for a long period of time or gazing around the room may give the appearance of disinterest. Members should try to be conscious of facial expressions, and avoid those that could be interpreted as "smirking," disbelief, anger or boredom.

(d) *Maintain an open mind*

Members of the public deserve an opportunity to influence the thinking of elected and appointed officials.

(e) *Ask for clarification, but avoid debate and argument with the public*

Only the Chair – not individual members – can interrupt a speaker during a presentation. However, a member can ask the Chair for a point of order if the speaker is off topic, exceeds the time allotted for public comment, or engages in behavior or discussion/language that is disruptive or violates the law.

(f) *Avoid personal comments that could offend members of the public*

Whether addressing an individual member of the public or the public at large, it is never appropriate to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments.

3. City Officials' Conduct with the Public in Unofficial Settings

(a) *Make no promises on behalf of the Council, Commission or City*

Members will frequently be asked to explain a Council or Commission action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer to City staff for further information. It is not appropriate to overtly or implicitly promise Council or Commission action, or to promise that City staff will do something specific for the constituent.

(b) *Make no personal comments about other City Officials*

It is acceptable to publicly disagree about an issue, but it is not acceptable to make derogatory comments about other City Officials, their opinions, or actions.

4. City Officials' Conduct with City Staff

Governance of a city relies on the cooperative efforts of elected officials who set policy, appointed officials who advise the elected, and City staff who implement and administer the Council's policies. Therefore, every effort should be made to be cooperative and show mutual respect for the roles and contributions made by each individual for the good of the community.

The City of Cupertino operates under a Council/Manager form of government as established in Cupertino Municipal Code Chapter 2.28 whereby the City Council controls the administrative services of the City only through the City Manager. The Council/Manager form of government is intended to provide the best of unencumbered professional/technical staff input balanced with the collective oversight of elected officials. Under the Council/Manager form of government neither the City Council, nor individual Council members, can give orders to any subordinate of the City Manager. The City Manager takes his or her orders and instructions from the City Council only when given at a duly held meeting of the City Council. No individual Councilmember can give any orders or instructions to the City Manager.

(a) *Treat all staff as professionals*

Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Poor behavior towards staff is not acceptable.

(b) *Do not disrupt City staff from their jobs*

City Officials should not disrupt City staff while they are in meetings, on the phone, or engrossed in performing their job functions in order to have their individual needs met. Do not attend City staff meetings unless requested by staff – even if the elected or appointed official does not say anything, his or her presence implies support of a position, shows partiality, may intimidate staff, and may hampers staff's ability to do their job objectively.

(c) *Never publicly criticize an individual employee*

City Officials should not criticize the performance of City employees in public, to the employee directly, or to the employee's manager. Comments about staff performance should only be made to the City Manager through private correspondence or conversation. Appointed

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officials should make their comments regarding staff to the City Manager.

(d) *Do not get involved in administrative functions*

City Officials acting in their individual capacity must not attempt to influence City staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, or granting of City licenses and permits.

(e) *Do not solicit political support from staff*

City Officials should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff. City staff may, as private citizens with constitutional rights, support political candidates, but all such activities must be done away from the workplace.

(f) *Attorney-Client Relationship*

The City Attorney provides advice to City staff, to Public Officials, and to Councilmembers individually and collectively. In accordance with law and Rules of Professional Conduct, the City Attorney represents the full City Council and the City as a municipal organization, and any attorney-client relationship established belongs to the City, acting by and through the full City Council. To the extent permitted by law, only the City Council as a body and not individual councilmembers can waive the attorney-client privilege.

5. Council Conduct with Commissions

The City has established several Commissions as a means of gathering more community input. Citizens who serve on Commissions become more involved in government and serve as advisors to the City Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect.

(a) *If attending a Commission meeting, be careful to only express personal opinions*

Councilmembers may attend any Commission meeting, which are always open to any member of the public. However, they should be sensitive to the way their participation could be viewed as unfairly affecting the process. Any public comments by a Councilmember at a Commission meeting should be clearly made as individual

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opinion and not a representation of the feelings of the entire City Council.

(b) *Limit contact with Commission members to questions of clarification*

It is inappropriate for a Councilmember to contact a Commission member to lobby on behalf of an individual, business, or developer, and vice versa. It is acceptable for Councilmembers to contact Commission members in order to clarify a position taken by the Commission.

(c) *Respect that Commissions serve the community, not individual Councilmembers*

The City Council appoints individuals to serve on Commissions, and it is the responsibility of Commissions to follow policy established by the Council. But Commission members do not report to individual Councilmembers, nor should Councilmembers feel they have the power or right to threaten Commission members with removal if they disagree about an issue. Appointment and re-appointment to a Commission should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties. A Commission appointment should not be used as a political "reward."

(d) *Be respectful of diverse opinions*

A primary role of Commissions is to represent many points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Councilmembers may have a closer working relationship with some individuals serving on Commissions, but must be fair and respectful of all citizens serving on Commissions.

(e) *Keep political support away from public forums*

Commission members may offer political support to a Councilmember, but not in a public forum while conducting official duties. Conversely, Councilmembers may support Commission members who are running for office, but not in an official forum in their capacity as a Councilmember.

6. **Conduct with the Media**

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Commission members are not authorized to represent the City to media outlets (including broadcast, print, and social media sites) outside of official Commission meetings unless specifically authorized to do so.

- (a) *The Mayor is the official spokesperson for the City Council on City positions*
The Mayor is the designated representative of the City Council to present and speak on the official City position. If an individual Councilmember is contacted by the media, the Councilmember should be clear about whether their comments represent the official City position or a personal viewpoint.
- (b) *Choose words carefully and cautiously*
Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.

COMPLIANCE

1. *Acknowledgement of Code of Ethics and Conduct*
City Officials should sign an acknowledgement that they have read and understand the guidelines contained in the Code of Ethics and Conduct.
 2. *Ethics Training for Local Officials*
City Officials must comply with State or City mandated requirements for ethics training. Ethics training must be completed prior to representing the City on intergovernmental assignments or Council subcommittees.
 3. *Behavior and Conduct*
The Cupertino Code of Ethics and Conduct sets forth guidelines and standards of ethical conduct desired and expected for members of the Cupertino City Council and Commissions and other City Officials. Members themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of city government. The Chairs of Commissions and the Mayor and Council have the additional responsibility to intervene when actions of members that appear to be in violation of the Code of Ethics and Conduct are brought to their attention.
- (a) City Council:
Individual Councilmembers should point out to the offending

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Councilmember perceived infractions of the Code of Ethics and Conduct. If the offenses continue, then the matter should be referred to the Mayor in private. If the Mayor is the individual whose actions are being questioned, then the matter should be referred to the Vice Mayor. It is the responsibility of the Mayor (or Vice Mayor) to initiate action if a Councilmember's behavior is not in compliance with the Code of Ethics and Conduct. If no action is taken by the Mayor (or Vice Mayor), then the alleged violation(s) can be brought up with the full Council.

(b) Commission Members:

Counseling, verbal reprimands, and written warnings may be administered by the Mayor to Commission members failing to comply with City policy. These lower levels of sanctions should be kept private to the degree allowed by law. Copies of all written reprimands administered by the Mayor should be distributed in memo format to the Chair of the respective Commission, the Commission Staff Liaison, the City Clerk, the City Attorney, the City Manager, and the City Council.

In accordance with law, the City Council may impose sanctions on Commission members whose conduct does not comply with the City's policies, up to and including removal from office. Any form of discipline imposed by Council should be determined by a majority vote of at least a quorum of the Council at a noticed public meeting, and such action should be preceded by a Report to Council with supporting documentation.

When deemed warranted, the Mayor or majority of Council may call for an investigation of Commission member conduct. Also, should the City Manager or City Attorney believe an investigation into a member's conduct is warranted, they may refer the matter to the Mayor or Council. The Mayor or Council should ask the City Manager or the City Attorney to investigate the allegation and report the findings.

These sanctions are alternatives to any other remedy allowed by law to remedy conduct that violates this code or State or Federal law. In order to protect and preserve good government, all members of the City organization should be cognizant of their responsibilities and duties to meet the requirements of the law and uphold the guidelines

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contained in this Code.

IMPLEMENTATION

The Code of Ethics and Conduct is intended to be self-enforcing and is an expression of the standards of conduct for City Officials expected by the City. It therefore becomes most effective when City Officials are thoroughly familiar with it and embrace its provisions.

For this reason, this document should be included in the regular orientations for candidates for City Council, City Manager, City Attorney, applicants to Commissions, and newly elected and appointed City Officials. Members entering office should sign a statement (example below) acknowledging they have read and understand the Code of Ethics and Conduct. In addition, the Code of Ethics and Conduct should be periodically reviewed by the City Council and updated it as necessary.

I affirm that I have read and understand the City of Cupertino Code of Ethics and Conduct for Elected and Appointed Officials.

Signature

Date

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APPENDIX C

RESOLUTION NO. 20-011

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ADOPTING THE CITY OF CUPERTINO ETHICS POLICY

WHEREAS, the City Council of the City of Cupertino has determined that an Ethics Policy benefits the public by increasing public confidence in the integrity of local government and its effective and fair operations; and

WHEREAS, the Cupertino Ethics Policy will guide the conduct of the City Council, officials appointed by the Council, and City staff (collectively "public officials") and support their independent, impartial, and fair decision-making and execution of policy; and


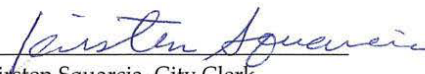
WHEREAS, City Council wishes to maintain an atmosphere of respect and civility in the performance of City affairs and public business.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the attached "City of Cupertino Ethics Policy"

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 21st day of January, 2020, by the following vote:

Vote Members of the City Council

AYES: Scharf, Paul, Chao, Sinks
NOES: None
ABSENT: Willey
ABSTAIN: None

SIGNED:  Steven Scharf, Mayor City of Cupertino	2/5/20 Date
ATTEST:  Kirsten Squarcia, City Clerk	2/5/20 Date

CITY OF CUPERTINO ETHICS POLICY

The citizens, businesses, and organizations of the City are entitled fair, ethical, and accountable local government that has earned the public's full confidence for integrity.

To this end, the City Council has adopted this Ethics Policy for City Council, appointed officials, and staff of the City of Cupertino to promote public confidence in the integrity of local government and its effective and fair operation.

A. Comply with Law

City elected/appointed officials and staff comply with the laws of the nation, the State of California and the City in the performance of their public duties. These laws include, but are not limited to: the United States and California constitutions, the Cupertino Municipal Code, City ordinances and policies, and laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities and open processes of governments. The City ensures its elected/appointed officials and staff receive regular training on ethics as required by state law.

B. Conduct of Members

The professional and personal conduct of City elected/appointed officials and staff should be respectful of others, recognizing that individuals can respectfully disagree with each other. City elected/appointed officials and staff should refrain from abusive conduct, personal charges, or verbal attacks upon the character or motives of others, including members of the Council, boards and commissions, the staff, or the public.

C. Respect for Process

City elected/appointed officials and staff perform their duties in accordance with various processes and rules of order established from time to time by the City Council governing the deliberation of public policy issues, conduct of quasi-judicial proceedings, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

D. Decisions Based on Merit

City elected/appointed officials and staff make their decisions in the best interest of the City, which might include relevant policy considerations, rather than on unrelated considerations.

E. Conflict of Interest

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The City's ethics policy regarding conflicts of interest is to comply with all applicable ethics rules in the State of California. This Policy is not intended to go beyond or expand upon those rules. In general, in order to assure their independence and impartiality on behalf of the common good, City elected/appointed officials and staff do not use their official positions to participate in or influence decisions in which they have a material financial interest, an organizational responsibility, or a close familial or embroiled personal relationship.

F. Gifts and Favors

City elected/appointed officials and staff limit and report gifts as required by state law, and follow advice provided by the City Attorney.

G. Confidential Information

City elected/appointed officials and staff respect the confidentiality of information concerning the property, personnel, and affairs of the City. They neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial or other private interests.

H. Use of Public Resources

City elected/appointed officials and staff do not use public resources, such as City staff time, equipment, supplies or facilities, for private gain or personal/political purposes (except to the extent those resources are available to the public generally).

I. Representing the City & Advocacy

When formally authorized to represent and/or advocate for the official policies or positions of the City, elected/appointed officials and staff must do so accurately and in a limited fashion that does not go beyond the scope of their authority. By contrast, when City elected/appointed officials and staff are presenting their individual opinions and positions on issues potentially relevant to the City, they must explicitly state they do not represent their body or the City and must not allow any inference that they do.

J. Positive Work Place Environment

City elected/appointed officials and staff support the maintenance of a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. City elected/appointed officials recognize their special role in dealings with City staff, taking care not to create any perception of inappropriate direction to staff.

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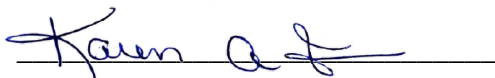
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This report was **ADOPTED** by the County of Santa Clara 2022 Civil Grand Jury on this 19th day of December, 2022.

A handwritten signature in blue ink, appearing to read "Karen Enzensperger", is written over a horizontal line.

Ms. Karen Enzensperger
Foreperson

**CITY OF CUPERTINO RESPONSE TO THE FINDINGS AND RECOMMENDATIONS OF THE
2022 SANTA CLARA COUNTY CIVIL GRAND JURY REPORT, “A HOUSE DIVIDED: CUPERTINO
CITY COUNCIL AND CITY STAFF”**

Finding 1

The City has a culture of distrust between the councilmembers and City staff that is creating dysfunction.

Response: *Partially agree/partially disagree.* The Grand Jury Report identifies examples of conflict and distrust that the City should strive to overcome. The City agrees that the Grand Jury has identified a genuine problem in the City, although descriptions of specific instances may be inaccurate or incomplete. The Report may also overstate the level of “dysfunction” that is present in the City. The City continues to deliver a high level of services to its residents. In addition, the City continues to make policy progress in many areas—for example, the City Council recently approved two much-needed major housing projects and several smaller developments, and the City continues to innovate in policy areas such as its response to climate change and the reduction of single-use plastics.

Despite some areas of disagreement with the Grand Jury’s conclusions, the City agrees that distrust between staff and Councilmembers has been pervasive and mutual. The Grand Jury Report correctly calls attention to the need for trust and civility in interactions between Council and staff.

Recommendation 1

The City should develop or acquire a good governance training and development program for both existing and newly elected councilmembers and existing and new staff members to address: (i) their role, responsibilities, and the relevant laws that specify and/or limit their function; (ii) the division of responsibilities between councilmembers and staff as directed by the Cupertino Municipal Code; and (iii) the necessity of morale building to create a stronger, more effective, and respectful relationship between City staff and councilmembers. Recommendation 1 will be implemented by March 31, 2023.

Response: The City has begun implementing Recommendation 1 and will complete implementation of the recommendation by the end of Fiscal Year 2022-2023. The City executive leadership team and City Council will continue to strive for a more respectful relationship between staff members and Councilmembers. Councilmembers and staff are consistently advised on their roles and responsibilities under the Council-Manager form of government, including responsibilities that are codified in the Cupertino Municipal Code. The City management team has provided Council training on these issues during recent Council orientation and retreat sessions and will continue to reinforce the message delivered at those training sessions. In addition, on September 6, 2022, the City Council

approved the Fiscal Year 2022-2023 Internal Audit Workplan. That workplan included an Enterprise Leadership Study that will assess the effectiveness of the City's management and governance collaboration framework and provide recommendations to strengthen and streamline procedures to align with best practices for municipal leadership. The study began in January and is expected to be completed by June 2023. In addition, a City Council retreat focusing on governance issues, including a discussion moderated by an outside consultant, took place on February 3, 2023.

The City also acknowledges the need for improved staff training on the role of City staff within the Council-Manager form of government and will seek to develop recommendations for improving staff training and morale in connection with the implementation of Recommendation 2, below.

Finding 2

The dysfunction prevalent between the City Council and City staff has negatively impacted City operations, including the continuing loss of skilled and experienced personnel. The City has a reputation of having a difficult work environment, making recruiting of highly qualified applicants difficult.

Response: *Partially agree/partially disagree.* While it is difficult to disentangle Cupertino-specific factors from larger economic trends that have made recruitment and retention challenging for government agencies throughout the region, the City is aware of instances where poor Council-staff relations have contributed to the decisions of staff to leave the City. At the same time, the City has recently had successful recruitments to fill key positions with qualified external and internal candidates. Despite these successes, the City acknowledges that reputational issues have created challenges for the recruitment and retention of key personnel that the City must strive to overcome.

Recommendation 2

The City should hire a consultant to study staff morale and make recommendations to improve retention of employees and quality of the working environment. To the extent legally permissible, the study and recommendations should be published for public review. Recommendation 2 should be implemented by July 31, 2023.

Response: The City agrees with Recommendation 2 and will implement the recommendation through an update to the citywide risk assessment first conducted in December 2020 by the City's internal auditor. The City anticipates including the update in the Fiscal Year 2023-2024 Internal Audit Workplan. This work will be made available for public review to the maximum extent that is legally permissible.

Finding 3

The City has not taken sufficient steps to improve the City's financial risk profile as recommended by its retained Internal Auditor.

Response: *Disagree*. While the City agrees that the internal auditor's recommendations should be implemented, the Grand Jury Report provides an inaccurate view of the City's "financial risk profile." The City has implemented financial controls to protect against waste, abuse, and fraud, including the following:

- In December 2014, the City implemented a new enterprise resources planning ("ERP") software, New World. The transition to New World improved internal controls on procurement by establishing multi-layered approvals to prevent fraud, waste, and abuse.
- In conjunction with the upgrade of the City's ERP software in 2014, the City incorporated a decentralized accounting structure to enhance segregation of purchasing and financial duties.
- Since 2014, the City has hired 4.5 additional full-time equivalent staff to improve segregation of duties and internal controls
- The City implemented a Council-approved Fraud, Waste and Abuse Program in Fall 2022.
- The City submitted eight of the nine financial policies listed in the high-risk category for review by the internal auditor as reported to the Audit Committee on November 28, 2022. The City plans to present the ninth policy to the internal auditor for review by January 31, 2023. The City expects all nine policies will be finalized for approval by June 30, 2023.

In addition, the December 14, 2022 Grand Jury Report, "Show Me the Money", confirmed that the City is in compliance with its financial reporting requirements.

The City disagrees with the Grand Jury Report's characterization of these measures as not "sufficient." Nevertheless, the City agrees that implementation of City's Internal Audit Workplan should be prioritized, as reflected in the above response and the City's responses to the recommendations below.

Recommendation 3a

The City should implement the work plan identified in the May 2022 Fiscal Policy Inventory and Gap Analysis Report developed by the City's internal audit firm, Moss Adams LLP, to address policy and procedural gaps and weaknesses. Recommendation 3a

should be implemented by July 31, 2023.

Response: The City agrees with this recommendation and intends to implement the work plan identified in the May 2022 Fiscal Policy Inventory and Gap Analysis Report by June 30, 2023.

Recommendation 3b

The City should employ the use of continuing annual internal audits to assess progress in the development and implementation of new or modified policies and procedures to comply with internal audit risk reduction and mitigation recommendations. Recommendation 3b should be implemented by July 31, 2023.

Response: This City has implemented Recommendation 3b.

Finding 4

A comprehensive Code of Ethics not only provides guidance and baseline standards for ethical behavior, it includes sanctions and consequences for deviations from the standard. The City's Ethics Policy is generic and lacks enforcement provisions and therefore fails to provide a framework to address ramifications for policy violations.

Response: *Partially agree/partially disagree.* The Grand Jury Report correctly emphasizes the importance of baseline standards for ethical behavior, including sanctions for noncompliance. As in most cities, the responsibility for holding elected officials and staff for any ethics code violations falls on the City Council and City Manager, respectively. With respect to the level of detail in the Ethics Policy, ethics policies vary widely among jurisdictions in level of detail and prescriptiveness. Regardless of the form of the ethics policy, the policy should serve the purposes of increasing public confidence in the integrity of local government and its effective and fair operations, and support independent, impartial, and fair decision-making and execution of policy by City officials, as reflected in City of Cupertino Resolution 20-011, adopting the current Ethics Policy.

Recommendation 4a

The City should establish an independent Public Ethics Commission with guidance from experts in applied ethics, such as the Markkula Center for Applied Ethics at Santa Clara University, to: (i) develop and implement a robust government ethics training program for all councilmembers; and (ii) evaluate a best practices enforceable Code of Ethics and Conduct Policy that governs all councilmembers and appointed officials for consideration by the City Council. This recommendation should be implemented by March 31, 2023.

Response: The City provides required ethics training for elected officials and supplements that required training with opportunities for additional ethics education at League of Cities conferences and Council retreats. The City will review its current ethics training for

opportunities to improve training for Councilmembers and other City officials. In addition, the City Council Procedures Manual under consideration by Council includes standards for conduct and decorum that are consistent with the Grand Jury's recommendations.

The City Council may consider revisions to the current Ethics Policy as part of the Fiscal Year 2023-2024 work program. However, based on the City's understanding of ethics policies in peer jurisdictions, the City Council is typically responsible for considering ethics violation and enforcing sanctions against Councilmembers, commissioners, and committee members where appropriate; few, if any, peer jurisdictions delegate this authority to an independent ethics commission. The Grand Jury's recommendation fails to take into account the administrative burden and expense of establishing an independent ethics commission in smaller jurisdictions such as Cupertino.

Recommendation 4b

The City should reinstate enforcement procedures to enable the City Council and the public to file complaints and testify at public hearings to help remediate ethics violations. This revision should include a procedure for public admonishment, revocation of special privileges, or censure. This recommendation should be implemented by March 31, 2023.

Response: It is unclear what prior enforcement provisions the Grand Jury report references in this recommendation. The City's 2018 Ethics Policy, like its current Ethics Policy, is explicitly self-enforcing. (Grand Jury Report, Appendix B at p. 46.) Consistent with the practice in an overwhelming majority of Cupertino's peer jurisdictions, the City Council is, and at all recent times has been, responsible for enforcing standards for the behavior and conduct of its own members. Councilmembers answer to voters if behavior and conduct is unacceptable.

Recommendation 4c

The City Council should engage a conflict resolution professional to help enhance mutual understanding and respect amongst all stakeholders. This recommendation should be implemented by January 31, 2023, and should be repeated at least once per year.

Response: It is unclear how Recommendation 4c relates to Finding 4. However, the City will identify opportunities for implementing this recommendation where appropriate.

Recommendation 4d

The City should publish its current Ethics Policy on the City website by January 31, 2023.

Response: The current Ethics Policy continues to be available on the City's website and has now been posted on the City Council page. The response to this recommendation has been completed.



CITY OF CUPERTINO

Agenda Item

23-12020

Agenda Date: 2/7/2023
Agenda #: 18.

Subject: Consider scheduling a study session to refine research scope regarding placing a potential vacancy tax ballot measure in the upcoming election

Direct staff to 1) proceed or 2) not proceed with necessary research regarding preparing a study session on vacancy tax



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CITY COUNCIL STAFF REPORT

Meeting: February 7, 2023

Subject

Consider scheduling a study session to refine research scope regarding placing a potential vacancy tax ballot measure in the upcoming election

Recommended Action

Direct staff to 1) proceed or 2) not proceed with necessary research regarding preparing a study session on vacancy tax

Discussion

On January 17, 2023, Council directed staff to follow up on information regarding placing a future vacancy tax ballot measure at the upcoming election. Before proceeding further with the research on the ballot measure, City's role, potential tax collections and costs, and identifying possible consultants who can assist with the effort, staff requests confirmation from City Council to determine if the work should commence.

Sustainability Impact

No sustainability impact.

Fiscal Impact

A budget amendment to support the ballot measure is likely with the exact amount unknown until further research is conducted. If Council desires to proceed, staff can return with a more refined scope and a budget estimate, if necessary.

Prepared by: Kristina Alfaro, Director of Administrative Services

Reviewed by: Kristina Alfaro, Director of Administrative Services

Approved for Submission by: Pamela Wu, City Manager

Attachments: