



CITY OF CUPERTINO

AGENDA

AUDIT COMMITTEE

This is a teleconference meeting without a physical location.

Monday, May 23, 2022

4:00 PM

Amended

Amended on 5/20/22 at 1:45 p.m. to update staff report signature block for item #2, to add "(Continued from April 25, 2022)" to item #9 subject description, and to reorder item 5 Consider the Fiscal Policy Inventory and Gap Analysis Report to be heard after item 6 Consider the report on Interim Audit and AUP Engagements.

TELECONFERENCE / PUBLIC PARTICIPATION INFORMATION TO HELP STOP THE SPREAD OF COVID-19

In accordance with Government Code 54953(e), this will be a teleconference meeting without a physical location to help stop the spread of COVID-19. Members of the public wishing comment on an item on the agenda may do so in the following ways:

- 1) E-mail comments by 9:00 a.m. on Monday, May 23 to the Audit Committee at AuditCommittee@cupertino.org. These e-mail comments will be received by the Audit Committee members before the meeting and posted to the City's website after the meeting.
- 2) E-mail comments during the times for public comment during the meeting to the Audit Committee at AuditCommittee@cupertino.org. The staff liaison will read the emails into the record, and display any attachments on the screen, for up to 3 minutes (subject to the Chair's discretion to shorten time for public comments). Members of the public that wish to share a document must email AuditCommittee@cupertino.org prior to speaking.

3) Teleconferencing Instructions

Members of the public may observe the teleconference meeting or provide oral public comments as follows:

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

To address the Audit Committee, click on the link below to register in advance and access

the meeting:

Register in advance for this webinar:

https://cityofcupertino.zoom.us/webinar/register/WN_9mQ5-cW2RW2dutLiUgn6NA

Phone

Dial: 669-900-6833 and enter Webinar ID: 980 9549 7257 (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)

Meeting ID: 980 9549 7257

SIP: 98095497257@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 Chair calls for the item on which you wish to speak, click on "raise hand." 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. In compliance with the Americans with Disabilities Act (ADA), anyone who is planning to attend this teleconference 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 6 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.

ROLL CALL**ORDERS OF THE DAY****APPROVAL OF MINUTES**

1. Subject: Approve Minutes of Regular Meeting on April 25, 2022
Recommended Action: Approve Minutes of Regular Meeting on April 25, 2022
[A - Draft Minutes](#)

POSTPONEMENTS**ORAL COMMUNICATIONS**

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

PUBLIC HEARINGS**OLD BUSINESS****NEW BUSINESS**

2. Subject: ACTION ITEM Consider the Monthly Treasurer's Investment Report for April 2022
Recommended Action: Review and consider accepting the Monthly Treasurer's Investment Report for April 2022
[Staff Report](#)
[A - Chandler Investment Report April 2022](#)
[B - LAIF Statement April 2022](#)
[C - PARS Pension and OPEB Account Statement April 2022](#)
[D - Wells Fargo Operating Checking Account Statement April 2022](#)
[E - Wells Fargo Workers' Compensation Account Statement April 2022](#)
[F - Wells Fargo Payroll Account Statement April 2022](#)
[G - Wells Fargo Employee Benefits Account Statement April 2022](#)
[H - Chandler Custodial Statement April 2022](#)
3. Subject: INFORMATION ITEM Consider the Internal Audit Status Report
Recommended Action: Receive Internal Audit Status Report and provide direction
[A - Internal Audit Status Report - May 17, 2022](#)
4. Subject: INFORMATION ITEM Consider the Capital Program Effectiveness Study Report

- Recommended Action: Receive Capital Program Effectiveness Study Report and provide direction
Presenter: Moss Adams
[A - Capital Program Effectiveness Report](#)
5. Subject: INFORMATION ITEM Consider the Fiscal Policy Inventory and Gap Analysis Report
Recommended Action: Receive Fiscal Policy Inventory and Gap Analysis Report and provide direction
Presenter: Moss Adams
[A - Fiscal Policy Inventory and Gap Analysis Report](#)
6. Subject: INFORMATION ITEM Consider the report on Interim Audit and AUP Engagements
Recommended Action: Receive report on Interim Audit and AUP Engagements and provide direction
Presenter: Crowe
7. Subject: ACTION ITEM Consider the Monthly Treasurer's Report for March 2022 (Continued from April 25, 2022)
Recommended Action: Review Monthly Treasurer's Report for March 2022 and recommend filing with City Council
Presenter: Thomas Leung, Acting Finance Manager
[Staff Report](#)
[A - Report of City-wide Receipts, Disbursements, and Cash Balances March 2022](#)
[B - Report of City-wide Fund Balances March 2022](#)
8. Subject: ACTION ITEM Consider the Monthly Treasurer's Report for April 2022
Recommended Action: Review Monthly Treasurer's Report for April 2022 and recommend filing with City Council
Presenter: Thomas Leung, Acting Finance Manager
[Staff Report](#)
[A - Report of City-wide Receipts, Disbursements, and Cash Balances April 2022](#)
[B - Report of City-wide Fund Balances April 2022](#)
9. Subject: INFORMATION ITEM Consider the Audit Committee 2022 Schedule and Work Plan (Continued from April 25, 2022)
Recommended Action: Receive Audit Committee 2022 Schedule and Work Plan and provide direction to staff
Presenter: Thomas Leung, Acting Finance Manager
[A - Proposed Audit Committee 2022 Schedule and Work Plan - 5.23.2022](#)

STAFF AND COMMITTEE REPORTS**FUTURE AGENDA SETTING****ADJOURNMENT**

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

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

IMPORTANT NOTICE: Please be advised that pursuant to Cupertino Municipal Code section 2.08.100 written communications sent to the 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.

Members of the public are entitled to address the members concerning any item that is described in the notice or agenda for this meeting, before or during consideration of that item. If you wish to address the members on any other item not on the agenda, you may do so during the public comment.



CITY OF CUPERTINO

Agenda Item

22-10975

Agenda Date: 5/23/2022
Agenda #: 1.

Subject: Approve Minutes of Regular Meeting on April 25, 2022

Approve Minutes of Regular Meeting on April 25, 2022

City of Cupertino
Audit Committee Regular Meeting
Minutes
April 25, 2022

CALL TO ORDER

At 4:00 p.m., Chair Moore called the regular meeting to order at Cupertino City Hall Conference Room A, 10300 Torre Avenue, Cupertino CA 95014.

ROLL CALL

Committee Members Present: Chair Moore, Vice Chair Angela Chen, Mayor Darcy Paul, Committeemember Song

City Staff Present: Jim Throop, Chris Jensen, Kristina Alfaro, Thomas Leung, Beth Viajar

Absent:

Guests: Kathy Lai (Crowe), Matt Geerdes (Crowe), Carlos Oblites (Chandler), Christopher McCarry (Chandler), Ryan Maxey (US Bank), Richard Rosenthal (US Bank), Jennifer Meza (PARS), Mitch Barker (PARS)

ORDERS OF THE DAY

APPROVAL OF MINUTES

1. Approve Minutes of Regular Meeting on February 24, 2022

Mayor Paul moved to approve the minutes with edits. Vice Chair Chen seconded. The motion carried unanimously by all members present.

2. Approve Minutes of Regular Meeting on March 28, 2022

Vice Chair Chen moved to approve the minutes with edits. Chair Moore seconded the action. The motion carried unanimously by all members present.

ORAL COMMUNICATIONS

None.

NEW BUSINESS

3. OPEB & Pension Section 115 Trust Performance Report for Quarter Ending March 31, 2022

Barker provided an overview of the quarterly Section 115 Trust client presentation. Rosenthal provided an overview of investment management.

Chair Moore asked about the 0% allocation to commodities and why the custom benchmark for the City was 2%. She mentioned that the 2% was probably intended for diversification and asked

for an explanation regarding the targets and what the 2% target meant. Kristina noted that Rosenthal could explain how the ranges work and how the ranges are used when investing the OPEB assets. Rosenthal noted that the policy was created to allow for latitude across the various different sectors. He noted that the low end of the real estate and commodities range was 0% and provided tactical guidance. They have not held commodities for 3-4 years, and it was good that Cupertino did not hold them as they performed poorly. He noted that they do not recommend commodities as a firm, and therefore, the City does not hold any. Chair Moore asked to have a column added for the actual asset allocation amount next time. Chair Moore said if commodities were 0% and we had no intention of investing in them, why was the target not 0%. Rosenthal noted that it is not that there is no intention. It is a tactical guidance position, but there may be a time when that guidance may change and they may allocate a percentage into commodities. Chair Moore requested the actuals column be added to the benchmark table and have discussion on it next time.

Mayor Paul asked how they performed compared to the S&P 500 over time and whether they outperformed. Rosenthal noted that the equities in this portfolio tend to be around 63% of the portfolio. The S&P 500 is one domestic large-cap index, so the City has a custom blended benchmark for all the different asset classes. Mayor Paul asks if it benefitted us versus something simple like dumping all the money into one thing that has been fairly stable over its life. He wanted a metric without casting aspersions as he indicated that there are times they do well and times they get hit. To better understand how they were performing against the S&P 500, Mayor Paul requested a table. Rosenthal noted that a table in the report compares how they do against the S&P 500. Mayor Paul asked for clarification that it is not just the portion of the portfolio in the S&P 500 but the performance of the S&P 500. Rosenthal confirmed. Maxey explained the table. Mayor Paul noted that there are underperformers, and it seemed like we did not benefit when times were good and got hit when times were bad. Chair Moore asked if there was some leeway to change the targeted percentages. She noted that we are above in equities and asked if we had anything in the S&P 500 or if we were using the MSCI. Rosenthal noted that the MSCI is the broadest equity index and captures domestic and international, which is why it was chosen. Within that space, there is domestic large-cap which is essentially the S&P 500. The equity allocation was above its target because there was no commodities exposure.

Chair Moore asked if management had considered what was happening in Europe/Ukraine and inflation to strategize due to the foreseeable declining stock markets there. Rosenthal noted that steps had been made in the portfolio to mitigate that downside. In the fixed income space, a short-term bond fund was added to stabilize the positions, given that interest rates are rising, and reduce the high yield fixed income exposure. On the international equity side, funds that were hit hard were moved to an index fund to stop some of that. He noted that the overall asset allocation did not fluctuate that much. The pension funds are managed identically with no notable differences. The only variation would result from inflows and outflows coming at different times.

Chair Moore asked why the total portfolio gross of fees and total portfolio net of fees were identical numbers. Maxey noted that the calculation is based on the current market value. Chair

Moore asked US Bank to point out where the fees were listed. Rosenthal noted that the administrative and trustee fees were not listed in this report. Maxey said they did not flow into the reports, but they can pull that information on another page for the committee. Rosenthal noted that the fees were included on page 8 or page 15 under withdrawals. The amount there captured the fees. It is a static fee based on the market value of the portfolio. Chair Moore asked if they could double-check the withdrawal of fees at \$28 million. Rosenthal stated it was a one-off situation where the previous account was closed and moved into a new account. All other years are an accurate representation of the fees. Leung agreed with Rosenthal. Barker noted that this was a tiered fee schedule, and as assets grow, the fees will go down.

Vice Chair Chen questioned the selection of average quality of triple B minus bonds and would like to understand why. Rosenthal stated it was the weighted average quality of all the funds listed below. The funds at the top were considered investment grade and below that a high yield component. When the exposure is dollar-weighted, the average is triple B minus which is considered the low end of investment grade. Vice Chair Chen asks if there was higher risk for choosing these investments. Rosenthal noted that the bond funds in the portfolio have a particular purpose. There are two total return bond funds that allow the manager flexibility to navigate across the bond markets and were offset by a US bond index fund and a short-term bond fund, and an allocation to high yield bonds. It is a very fair and reasonable allocation. He stated that the portfolio is managed in a way so that it is well diversified.

4. Treasurer's Investment Report for Quarter Ending March 31, 2022

Leung provided an overview of the California government code. Oblites provided an in-depth investment report. He noted that the portfolio is subject to California government code and all associated sections. It is a portfolio designed for safety and liquidity and, once they are met, for return. The majority of the return comes from yield or interest, and the value of principal can go up and down as well. Oblites continued to go over the investment report. Mayor Paul asked, in the interest of time, if he could wrap up. Oblites noted inflationary pressures have devalued the portfolio, and future earnings will be higher with the shift in market rates. If we hold things to maturity, the City would get its principal back. From a credit standpoint, there is nothing concerning. It is a well-diversified portfolio, and they believe that they should continue as they will get high yields down the line. Chair Moore wanted to see the chart with the -\$7.2 million and asked if Chandler could provide this and continue to provide it moving forward. Chandler said they would provide it. Mayor Paul motioned to approve, and Vice Chair Chen seconded. The motion carried unanimously by all members present.

5. Review and consider accepting City Investment Policy

Leung provided an overview of the City Investment Policy. Oblites stated there were no changes to the California Government code this year. The City's policy is a strong policy and they recommended no changes, and they would continue to monitor the code. Chair Moore noted that the old acronym CAFR needed to change to ACFR. Mayor Paul moved the motion, Vice Chair Chen seconded the motion. The motion carried unanimously by all members present.

6. Interim Audit and AUP Engagements

Leung noted there was no action at this time and to have this item continued to the next meeting. Chair Moore moved to approve; Mayor Paul seconded the motion. Mayor Paul asks for a summary of the Interim Audit and AUP Engagements. Leung noted that it is for audit year 2022, but we have not engaged an external auditor, so there is nothing to report. Chair Moore asked if it was for the ACFR, and Leung confirmed it was. The motion carried unanimously by all members present.

7. Previous Fiscal Year Management Letter Items and Management Responses

Lai presented the Single Audit and Management Letter. She noted that management needed more time as the audit guidance related to the grant received was delayed. Lai reports that they issued a clean report and no recommendations relative to internal control over compliance that rose to the level of modifying the report. Lai discussed the internal control recommendation related to procurement provided in the management letter. She noted that there weren't references to federal requirements under the uniform guidance. She recommended that management document federal guidance within the procurement policy similar to how the state and local procedures were documented. Chair Moore asked Crowe to reference that specific page in the report. Geerdes brought up the letter. Chair Moore asked for clarification as to the recommendation. Lai noted that the letter had references to city and state guidance. The City needed to include guidance for federal funding. Chair Moore wondered if this should come as a recommendation from the Audit Committee to Council or if it was strictly an internal policy. Throop noted that it would be best to come forward with the rest of the procurement process and then brought to Council. Chair Moore would like staff to inform Moss Adams. Throop confirmed that staff will. Chair Moore asked for follow-up to make sure that Moss Adams was aware of this and to have the procurement policy updated. Alfaro noted that staff will add the federal guidance and bring the completed policy forward. Chair Moore noted the CDBG item, and there was some issue with the CDBG grants and if that would be relevant to the single audit. Throop replied that it did not relate to the single audit. Chair Moore would like us to inform Moss Adams. Alfaro noted that staff will be coming in July with a calendar for the audit committee to create a new internal audit committee work program. Mayor Paul noted that the single audit draft references the CDBG grants and wanted to know if those funds were implicated in the letter from HUD. Throop noted that the City was waiting on a response from HCD and it shouldn't affect the single audit at this point. Mayor Paul asked what the ideal timing for approval would be. Lai noted they were unaware of the HUD letter, and they did not select CDBG funds as the other two programs were higher dollar amounts. She asked if they could review the communications with HUD. Mayor Paul inquired as to what the ideal timing would be. Lai noted that the single audit would occur in the fall and reports would be issued in December, technically through March 31st as the ultimate deadline. However, due to the pandemic, the OMB and different federal agencies that administered funding have been delayed in providing guidance with the deadline extended to September. Mayor Paul asked if we were having challenges getting this out pre-pandemic. Lai noted that the single audit had never been required because the level of federal expenditures has been below the \$75,000 threshold. This is the first year they had to do it. Chair Moore confirmed that staff would be providing Crowe with the HCD documentation they are requesting. Chair Moore thought that the City received \$4 million and will be receiving another \$4-5 million. Geerdes confirmed and stated the single audit is driven by expenditures.

8. Monthly Treasurer's Report for March 2022

Leung provided an overview of the receipts, disbursements, and cash balances for March 2022. Chair Moore mentioned that she and Mayor Paul were on the subcommittee to go over the format of the monthly report, and the comments may be reserved until they bring it back to Council. Mayor Paul requested to schedule time with staff to figure out what the discussion looks like. Alfaro noted that staff is working on reviewing the proposed budget document and if a meeting could be scheduled after May 1st. Leung provided an overview of how to review revenues and expenditures through OpenGov. Alfaro noted that OpenGov allows us to create saved views, so if there is a view that the committee would like, staff could create it. Mayor Paul noted that in the past, the data in OpenGov has not been updated directly and wanted to know how the data in OpenGov was tied to the City's financial data. Is it updated in real-time, a separate updating process, or a hybrid? Leung noted that it was a hybrid. Under the title of the report, it would show you when the data was last updated. Monthly reports are updated monthly, and the annual reports are updated daily. Mayor Paul asked how it was updated. Leung noted that software updated it regularly, as there was an integration between New World and OpenGov. Mayor Paul asked if there were aspects of OpenGov that were not updated that way and what types of data did that comprise. Leung noted that the staffing report was not updated like that, and it was updated annually with our annual budget. Throop noted that it was whenever Council adopted the budget. Mayor Paul asked if a summary of OpenGov data and how they went online, as well as the sources, could be readily provided and requested that we have that documentation for public consumption. Leung confirmed that it can be readily provided. Chair Moore agreed and would like to put it under future agenda settings as a report back. Vice Chair Chen asked if she could tie OpenGov to the monthly actuals from the report. Leung confirmed. Mayor Paul moved items 8 and 9 to the next audit committee meeting. Chair Moore seconded the motion. The motion carried unanimously by all members present.

9. Audit Committee 2022 Schedule and Work Plan

Continued to May 23, 2022.

OLD BUSINESS

None.

STAFF AND COMMITTEE REPORTS

FUTURE AGENDA SETTING

Chair Moore noted that the committee wanted to see the OpenGov data sources and hear about alternate software packages, which would make it easier to have a connection to the systems. Chair Moore also asked for an update on the Moss Adams report. Throop noted that nothing was sent back to the City, and the City was awaiting a response. Chair Moore also requested a staff report and presentation on the public records request she made in regard to Chamber from 2015 to 2021, as there were issues related to policy that she would like explained. However, she was

not sure if it was within the Audit Committee's purview. Throop would check in with the City Attorney.

ADJOURNMENT

The meeting adjourned at 6:00 p.m.

Recording Secretary:

Janet Liang, Administrative Assistant



CITY OF CUPERTINO

Agenda Item

22-10976

Agenda Date: 5/23/2022
Agenda #: 2.

Subject: ACTION ITEM Consider the Monthly Treasurer's Investment Report for April 2022

Review and consider accepting the Monthly Treasurer's Investment Report for April 2022



ADMINISTRATIVE SERVICES DEPARTMENT

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

AUDIT COMMITTEE STAFF REPORT

Meeting: May 23, 2022

Subject

Consider the Monthly Treasurer's Investment Report for April 2022

Recommended Action

Review and consider accepting Monthly Treasurer's Investment Report for April 2022

Discussion

Background

On May 17, 2021, the City Council approved the City 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 in accordance with California Government Code Section 53607. The monthly investment report is in addition to the quarterly investment report, 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 April 30, 2022. The attached statements include balances and transactions of the City's investments with Local Agency Investment Funds (LAIF) and Chandler Asset Management.

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

Local Agency Investment Fund (LAIF)

As of April 30, 2022, the City's Local Agency Investment Fund (LAIF) account had a balance of \$21.1 million, an increase of \$16,583 from the prior month due to a quarterly interest deposit. The City did not make any deposits or withdrawals in April 2022.

Investment Portfolio

In FY 2018-19, the City selected Chandler Asset Management for investment management services through a Request for Proposal (RFP). 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. To achieve the objective, Chandler Asset Management invests in high-quality fixed-income securities consistent with the City's Investment Policy and California Government Code.

As of April 30, 2022, the book value was \$154.8 million, compared to \$154.7 million the prior month. The market value was \$148.9 million, compared to \$150.2 million the prior month. The portfolio's average modified duration was 2.50 and the monthly rate of return was -0.88%. The market value of the portfolio 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. The market values were provided by Chandler Asset Management.

The assets managed by Chandler Asset Management are in full compliance with state law and the City's Investment Policy.

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. Public Agency Retirement Services (PARS) is the trust administrator, and US Bank is the investment manager for the Section 115 Trusts.

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. 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
Equities	50-70%
Fixed Income	20-40%
Real Estate	0-15%
Commodities	0-10%
Cash	0-10%

As of April 30, 2022, the Section 115 Pension Trust had a balance of \$16.4 million, a decrease of \$1.2 million from the prior month. The Section 115 OPEB Trust had a balance of \$33.7 million, a decrease of \$2.4 million from the prior month. The monthly investment returns for the Section 115 Trusts were -6.64%. The City did not make any contributions or receive any distributions in April 2022.

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.

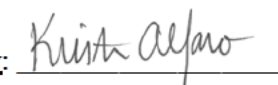
Fiscal Impact

No fiscal impact.

Prepared by:


Thomas Leung
Acting Finance Manager

Reviewed by:


Kristina Alfaro
Director of Administrative Services and City Treasurer

Approved for Submission by:


Dianne Thompson
Assistant City Manager

Attachments:

A – Chandler Investment Report April 2022

B – LAIF Statement April 2022

C – PARS Pension and OPEB Statement April 2022

D – Wells Fargo Operating Checking Account Statement April 2022

E – Wells Fargo Workers' Compensation Account Statement April 2022

F – Wells Fargo Payroll Account Statement April 2022

G – Wells Fargo Employee Benefits Account Statement April 2022

H – Chandler Custodial Statement April 2022

City of Cupertino

Period Ending April 30, 2022

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



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

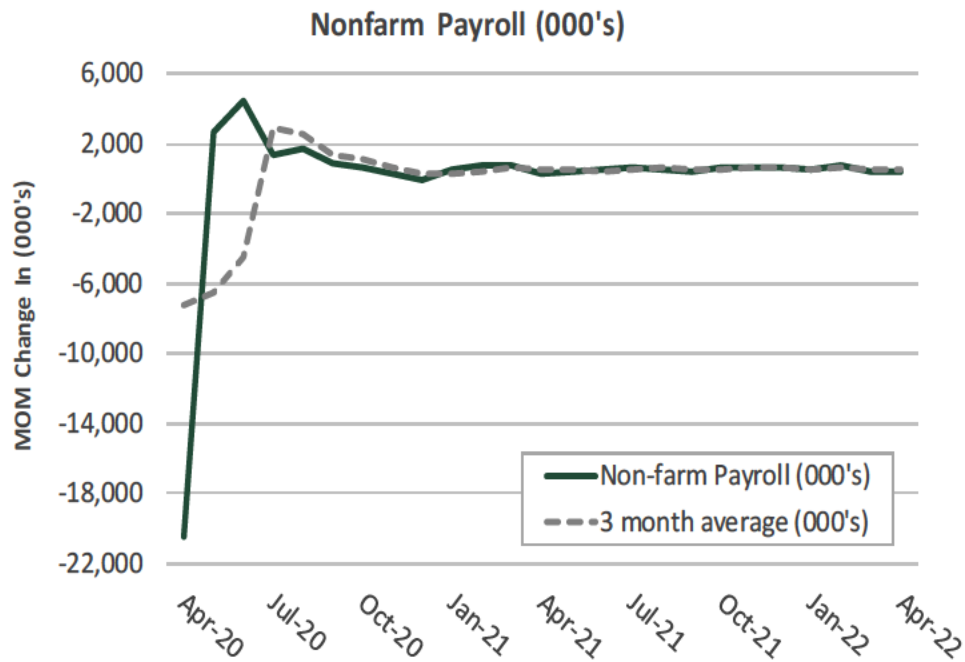


Section 1 | Economic Update

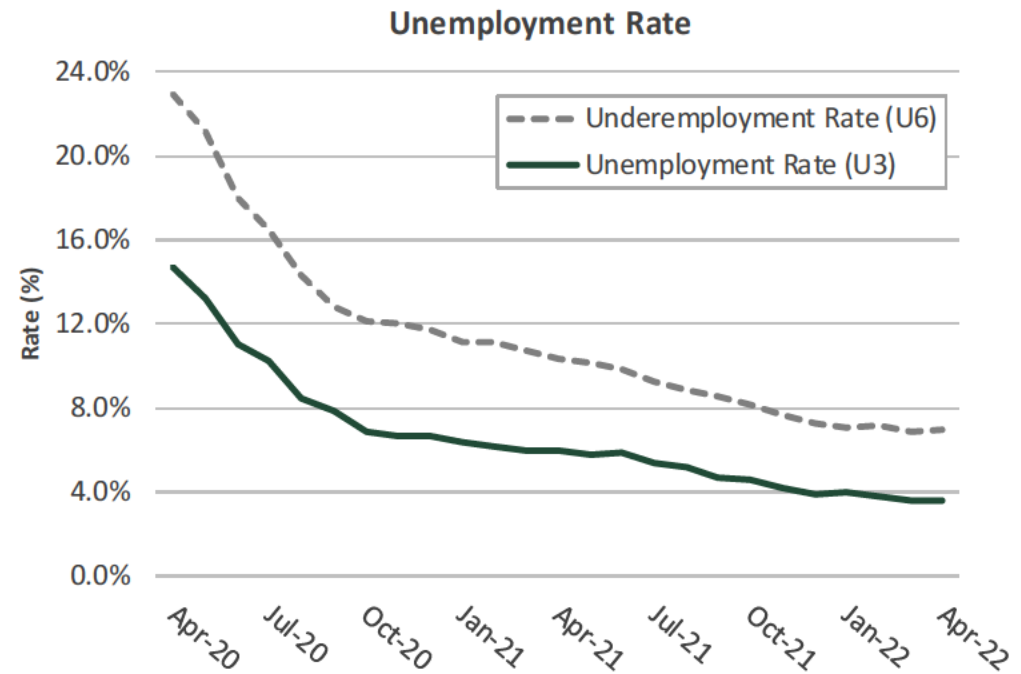
Economic Update

- Financial markets are experiencing heightened volatility and tighter conditions as central banks employ more restrictive monetary policies to combat persistent inflation. Risk assets have sold off, and bond returns have been negatively impacted by the dramatic rise in rates. The conflict between Russia and Ukraine has exacerbated inflationary pressures, particularly with energy and commodities, and shows no sign of abating in the short run. Additionally, strict COVID lockdowns in China are intensifying distressed supply chains. While labor markets and consumer spending remain strong, we believe the risk of an economic slowdown later this year has increased. Although we expect the Fed to continue to tighten monetary policy, the FOMC has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near-term, we expect financial market volatility to remain intensified and conditions to remain tighter with persistent inflation, geopolitical risk, supply chain bottlenecks, and the Fed's shift to a more hawkish monetary policy.
- As expected at the May meeting, the Federal Open Market Committee (FOMC) announced it would raise the federal funds rate by 0.50% to a range of 0.75% - 1.00% and begin shrinking its \$9 trillion balance sheet starting June 1st. Federal Reserve Chair Powell indicated that a 75 basis point increase is not currently under consideration, and the Treasury yield curve steepened after the announcement. We are anticipating additional rate hikes by the Fed in the near term, but we do not believe that monetary policy is not on a pre-set course and the timing and magnitude of rate hikes in the second half of this year will be dependent on how economic and geopolitical conditions continue to transpire.
- In April, yields continued to rise and the curve steepened. The 2-year Treasury yield increased 38 basis points to 2.72%, the 5-year Treasury yield increased 50 basis points to 2.96%, and the 10-year Treasury yield increased 60 basis points to 2.94%. The spread between the 2-year and 10-year Treasury yield increased to 22 basis points at April month-end versus zero basis points at March month-end, but down from 147 basis points one year ago. While the flat yield curve bears watching over the longer run, the spread between 3-month and 10-year treasuries is still steep at about 210 basis points, which indicates likely economic growth in the coming year.

Employment



Source: US Department of Labor

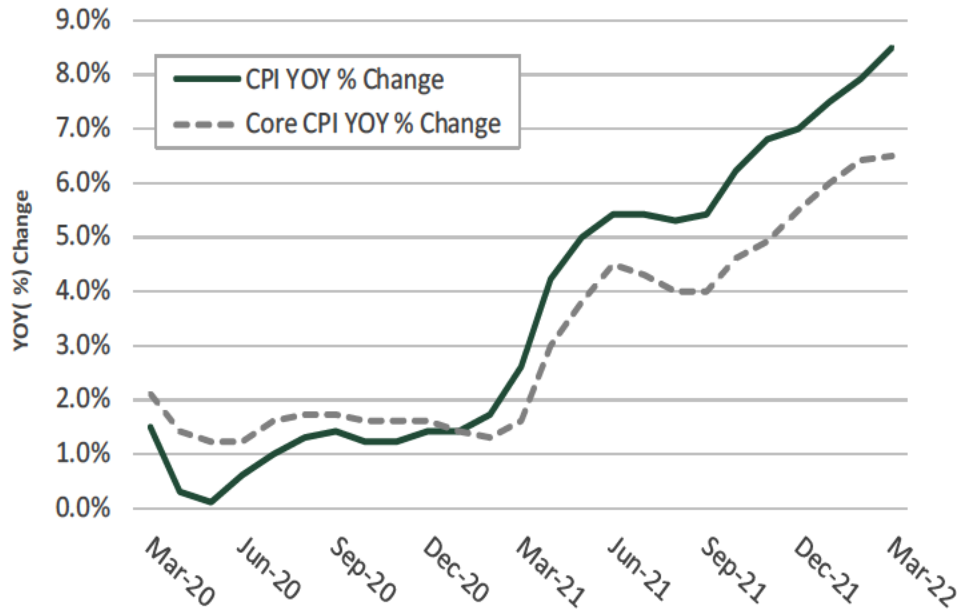


Source: US Department of Labor

The U.S. economy added 428,000 jobs in April, with downward revisions from the prior months totalling 39,000. Trends in employment remain strong, with the three-month moving average payrolls at 535,000 and the six-month moving average at 558,000. Job gains were broad based in April, led by leisure and hospitality, manufacturing, and transportation and warehousing. The unemployment rate remained unchanged at 3.6%, and average hourly earnings rose 5.5% year-over-year in April, slightly lower than the 5.6% reading in March. The labor participation rate fell to 62.2% in April from 62.4% in March as labor shortages continue and workers remain on the sidelines.

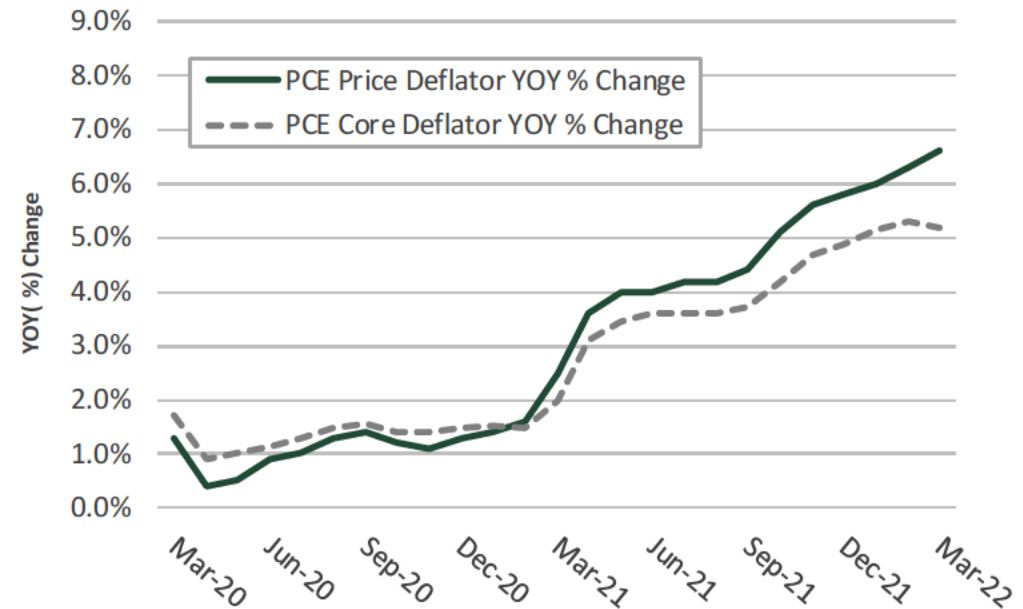
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

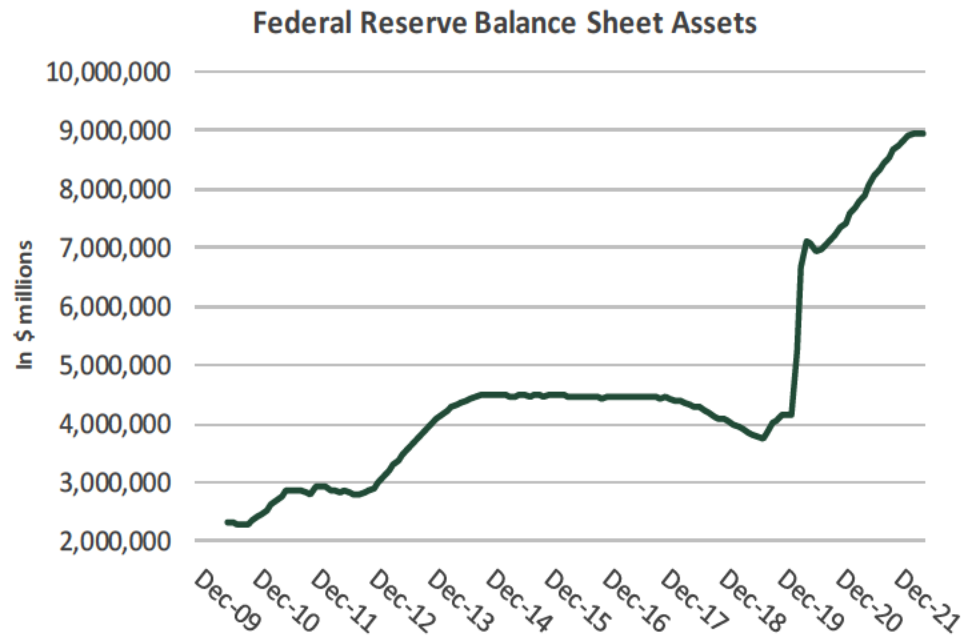
Personal Consumption Expenditures (PCE)



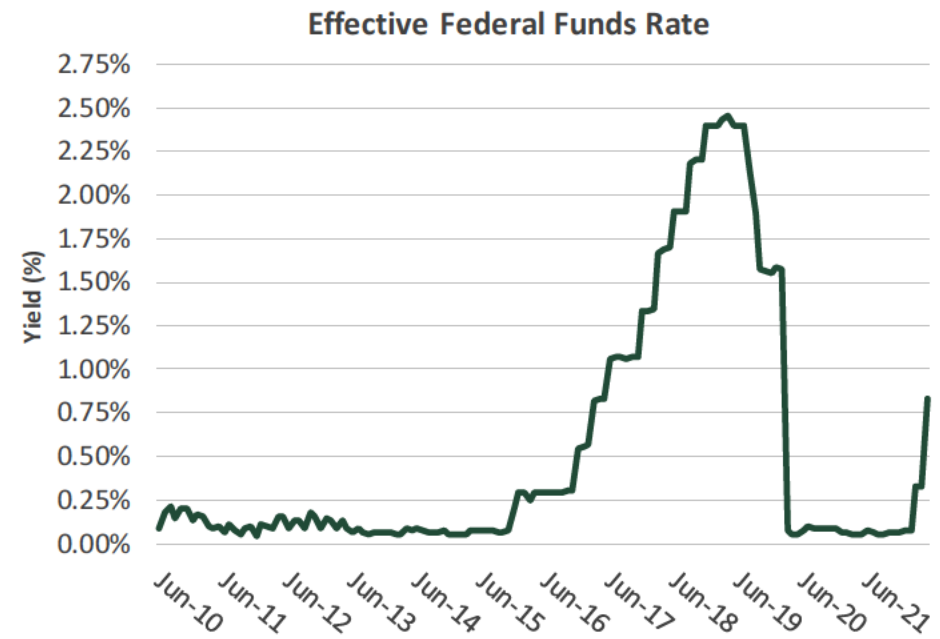
Source: US Department of Commerce

Although U.S. consumer prices rose less than expected in March, inflation remained elevated at a 40-year high. The Consumer Price Index (CPI) was up 8.5% year-over-year in March, versus up 7.9% year-over-year in February. Core CPI (CPI less food and energy) was up 6.5% year-over-year in March, versus up 6.4% year-over-year in February. Gasoline costs drove about half of the monthly increase, while food was also a sizable contributor. Used vehicle prices declined (although remaining firm), resulting in lower than forecast core increases for the month. The Personal Consumption Expenditures (PCE) index was up 6.6% year-over-year in March, up from 6.3% year-over-year in February. Core PCE was up 5.2% year-over-year in March, versus up 5.3% in February. Current inflation readings continue to run well above the Fed's longer-run target of around 2.0%. Accelerating labor costs and healthy consumer spending continue to drive inflationary pressures. Additionally, the Russia-Ukraine war and COVID lockdowns in China continue to exacerbate commodity prices and supply chain challenges.

Federal Reserve



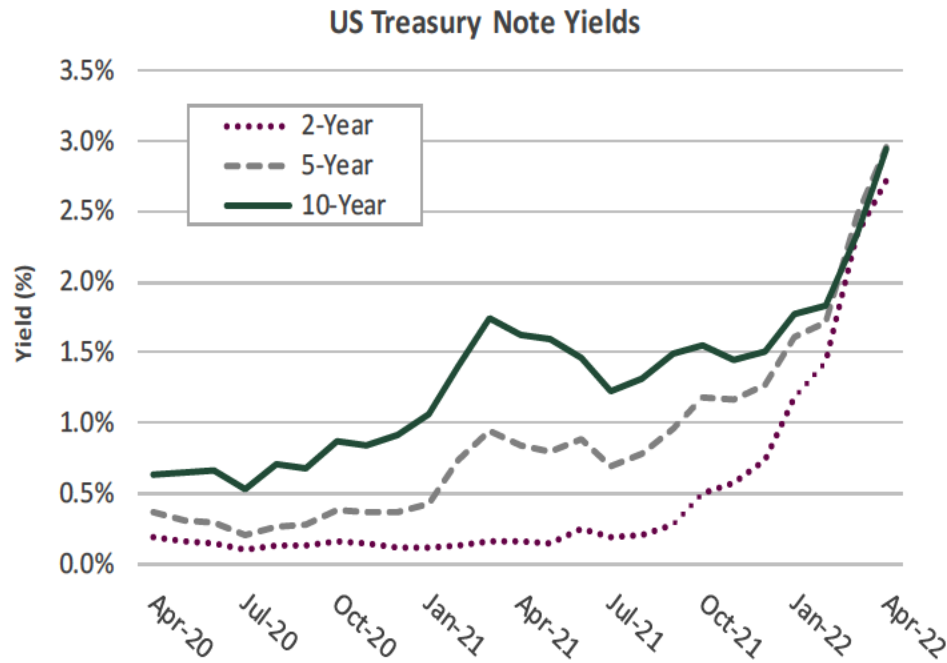
Source: Federal Reserve



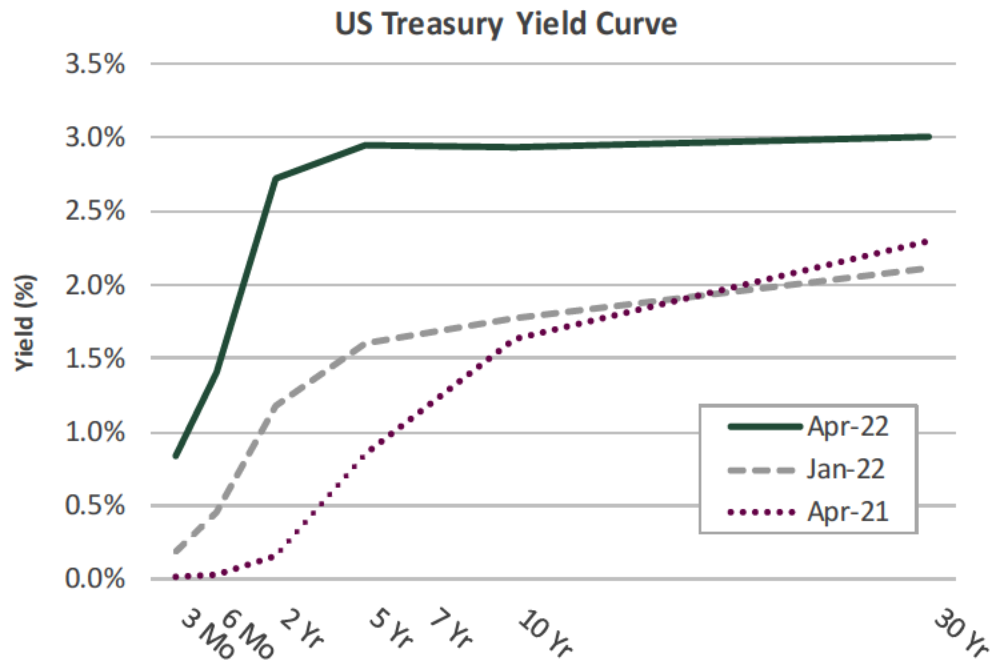
Source: Bloomberg

As expected at the May meeting, the Federal Open Market Committee (FOMC) announced it would raise the federal funds rate by 0.50% to a range of 0.75%- 1.00% and begin shrinking its \$9 trillion balance sheet starting June 1st. The FOMC will initially reduce its balance sheet by \$47.5 billion per month, increasing to \$95 billion per month after three months with a combination of US Treasury, agency debt, and agency mortgage-backed securities. Federal Reserve Chair Powell indicated that a 75 basis point increase is not currently under consideration, and the Treasury yield curve steepened after the announcement. We are anticipating additional rate hikes by the Fed in the near term, but we do not believe that monetary policy is not on a pre-set course and the timing and magnitude of rate hikes in the second half of this year will be dependent on how economic and geopolitical conditions continue to transpire.

Bond Yields



Source: Bloomberg



Source: Bloomberg

At the end of April, the 2-year Treasury yield was 256 basis points higher, and the 10-Year Treasury yield was about 131 basis points higher, year-over-year. The spread between the 2-year Treasury yield and 10-year Treasury yield was 22 basis points at April month-end, up from zero basis points at the end of March, but narrow compared to the average historical spread (since 2003) of about 130 basis points. While the flat yield curve bears watching over the longer run, the spread between 3-month and 10-year treasuries is still steep at about 210 basis points, which indicates likely economic growth in the coming year.



Section 2 | Account Profile

Investment Objectives

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

Chandler Asset Management Performance Objective

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

Strategy

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

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
Local Agency Investment Fund (LAIF)	Maximum amount permitted by LAIF; Not used by investment adviser	Complies

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
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 – City of Cupertino # 10659

As of April 30, 2022

PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.50
Average Coupon	1.52%
Average Purchase YTM	1.37%
Average Market YTM	2.94%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.83 yrs
Average Life	2.59 yrs

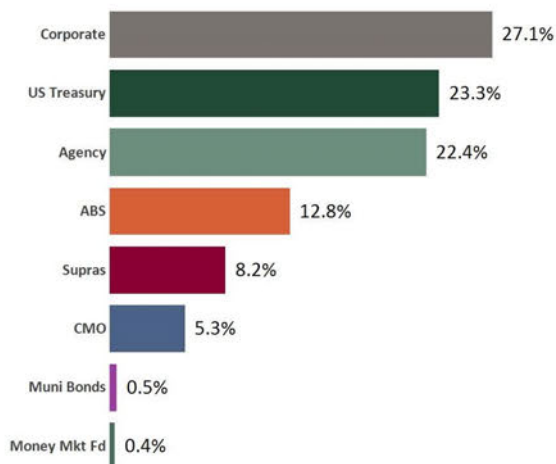
ACCOUNT SUMMARY

	Beg. Values as of 3/31/22	End Values as of 4/30/22
Market Value	149,763,530	148,407,642
Accrued Interest	439,082	454,180
Total Market Value	150,202,612	148,861,823
Income Earned	153,940	170,882
Cont/WD		-22,179
Par	154,353,954	154,612,129
Book Value	154,669,327	154,828,347
Cost Value	155,368,026	155,530,364

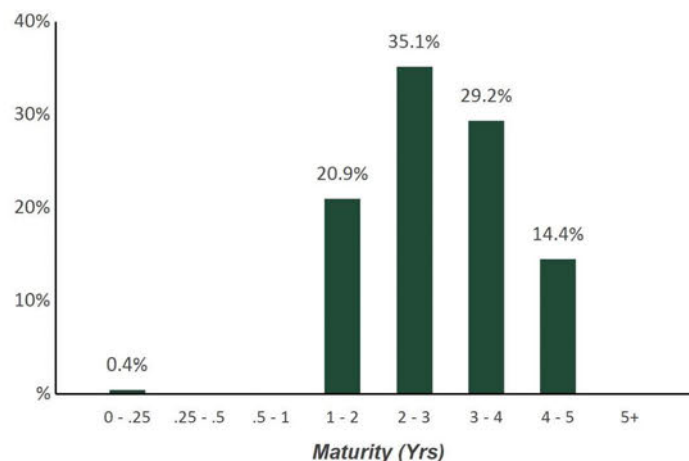
TOP ISSUERS

Government of United States	23.3%
Federal Home Loan Mortgage Corp	11.6%
Federal National Mortgage Assoc	10.0%
Federal Home Loan Bank	6.2%
International Finance Corp	3.4%
Inter-American Dev Bank	3.3%
Hyundai Auto Receivables	1.9%
Royal Bank of Canada	1.7%
Total	61.4%

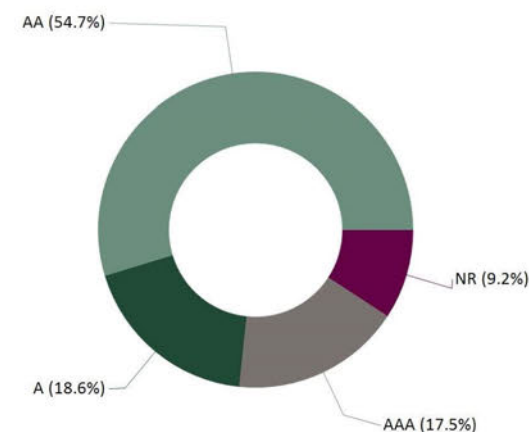
SECTOR ALLOCATION



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	-0.88%	-3.11%	-4.03%	-4.65%	-1.77%	0.73%	N/A	N/A	0.91%
ICE BofA 1-5 Yr US Treasury & Agency Index	-0.84%	-3.10%	-3.97%	-4.68%	-2.36%	0.58%	N/A	N/A	0.86%



Section 3 | Portfolio Holdings

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	23.33%
Federal National Mortgage Association	Agency	9.97%
Federal Home Loan Mortgage Corp	Agency	6.26%
Federal Home Loan Bank	Agency	6.19%
Federal Home Loan Mortgage Corp	CMO	5.33%
International Finance Corp	Supranational	3.38%
Inter-American Dev Bank	Supranational	3.34%
Hyundai Auto Receivables	ABS	1.86%
Royal Bank of Canada	Corporate	1.70%
Toyota Motor Corp	Corporate	1.63%
Bank of America Corp	Corporate	1.63%
Honda ABS	ABS	1.62%
Bank of New York	Corporate	1.61%
JP Morgan Chase & Co	Corporate	1.54%
Intl Bank Recon and Development	Supranational	1.48%
Toronto Dominion Holdings	Corporate	1.46%
Toyota ABS	ABS	1.28%
Paccar Financial	Corporate	1.27%
GM Financial Automobile Leasing Trust	ABS	1.25%
Toyota Lease Owner Trust	ABS	1.22%
Bank of Montreal Chicago	Corporate	1.18%
Metlife Inc	Corporate	1.16%
Amazon.com Inc	Corporate	1.16%
Air Products & Chemicals	Corporate	1.14%
Salesforce.com Inc	Corporate	1.12%
Prudential Financial Inc	Corporate	1.12%
John Deere ABS	ABS	1.09%
New York Life Global Funding	Corporate	1.08%
Berkshire Hathaway	Corporate	1.04%
American Express ABS	ABS	1.01%
Wal-Mart Stores	Corporate	0.90%
Honda Motor Corporation	Corporate	0.88%
Hyundai Auto Lease Securitization	ABS	0.87%
Guardian Life Global Funding	Corporate	0.86%
US Bancorp	Corporate	0.83%
Caterpillar Inc	Corporate	0.73%
Verizon Owner Trust	ABS	0.69%
GM Financial Securitized Term Auto Trust	ABS	0.68%

City of Cupertino – Account #10659

Issue Name	Investment Type	% Portfolio
Deere & Company	Corporate	0.67%
United Health Group Inc	Corporate	0.64%
Mass Mutual Insurance	Corporate	0.61%
Charles Schwab Corp/The	Corporate	0.61%
BMW Vehicle Lease Trust	ABS	0.57%
Northwestern Mutual Gbl	Corporate	0.52%
State of California	Municipal Bonds	0.50%
Nissan ABS	ABS	0.40%
Wells Fargo 100% Treasury MMKT Fund	Money Market Fund	0.38%
Mercedes-Benz Auto Lease Trust	ABS	0.22%
TOTAL		100.00%

Holdings Report

As of April 30, 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									
47789JAD8	John Deere Owner Trust 2019-A A3 2.910% Due 07/17/2023	57,586.04	Various 1.94%	58,716.88 57,698.21	100.08 1.12%	57,634.76 74.48	0.04% (63.45)	Aaa / NR AAA	1.21 0.05
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	296,609.03	Various 1.93%	296,110.42 296,544.35	100.06 1.56%	296,776.32 234.65	0.20% 231.97	Aaa / AAA NR	1.29 0.24
58769EAC2	Mercedes-Benz Auto Lease Trust 2020-B A3 0.400% Due 11/15/2023	324,386.81	09/15/2020 0.40%	324,370.36 324,381.76	99.43 1.83%	322,536.18 57.67	0.22% (1,845.58)	NR / AAA AAA	1.55 0.40
477870AC3	John Deere Owner Trust 2019-B A3 2.210% Due 12/15/2023	207,296.29	08/27/2019 1.79%	209,215.40 208,021.61	100.19 1.49%	207,699.68 203.61	0.14% (321.93)	Aaa / NR AAA	1.63 0.27
92348AAA3	Verizon Owner Trust 2019-C A1A 1.940% Due 04/22/2024	239,729.44	10/01/2019 1.95%	239,710.96 239,721.39	100.06 1.76%	239,881.91 142.11	0.16% 160.52	NR / AAA AAA	1.98 0.33
89238EAC0	Toyota Lease Owner Trust 2021-A A3 0.390% Due 04/22/2024	700,000.00	03/23/2022 2.16%	686,000.00 686,952.21	97.90 2.67%	685,290.20 83.42	0.46% (1,662.01)	Aaa / AAA NR	1.98 0.93
44891VAC5	Hyundai Auto Lease Trust 2021-B A3 0.330% Due 06/17/2024	790,000.00	06/08/2021 0.34%	789,881.50 789,927.54	97.59 2.73%	770,981.54 115.87	0.52% (18,946.00)	Aaa / AAA NR	2.13 1.01
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	598,178.11	Various 1.70%	601,145.55 599,727.20	99.99 1.97%	598,105.13 513.10	0.40% (1,622.07)	Aaa / AAA NR	2.21 0.35
43813DAC2	Honda Auto Receivables 2020-2 A3 0.820% Due 07/15/2024	122,630.26	05/18/2020 0.83%	122,620.62 122,625.11	99.14 2.36%	121,580.18 44.69	0.08% (1,044.93)	Aaa / AAA NR	2.21 0.55
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	177,030.71	03/04/2020 1.11%	177,019.88 177,025.11	99.51 2.09%	176,160.43 86.55	0.12% (864.68)	Aaa / NR AAA	2.30 0.49
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	553,959.92	09/22/2020 0.38%	553,878.54 553,919.69	98.67 2.42%	546,575.08 74.02	0.37% (7,344.61)	NR / AAA AAA	2.47 0.65
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.390% Due 10/21/2024	965,000.00	08/10/2021 0.39%	964,986.88 964,990.68	96.87 2.93%	934,785.85 115.00	0.63% (30,204.83)	NR / AAA AAA	2.48 1.24
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	194,979.08	07/14/2020 0.52%	194,949.37 194,964.51	98.83 2.40%	192,691.59 44.20	0.13% (2,272.92)	Aaa / NR AAA	2.55 0.62
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.330% Due 12/26/2024	425,000.00	09/08/2021 0.34%	424,956.14 424,968.17	97.37 2.71%	413,837.80 23.38	0.28% (11,130.37)	Aaa / NR AAA	2.66 1.11
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	432,028.52	10/06/2020 0.36%	431,948.03 431,977.28	98.87 2.26%	427,149.62 67.20	0.29% (4,827.66)	NR / AAA AAA	2.72 0.59
44891WAC3	Hyundai Auto Lease Trust 2022-A A3 1.160% Due 01/15/2025	540,000.00	01/11/2022 1.16%	539,988.07 539,989.56	97.23 2.97%	525,019.32 278.40	0.35% (14,970.24)	Aaa / AAA NR	2.72 1.55
92290BAA9	Verizon Owner Trust 2020-B A 0.470% Due 02/20/2025	800,000.00	08/04/2020 0.48%	799,832.00 799,895.72	98.46 2.49%	787,699.20 114.89	0.53% (12,196.52)	Aaa / NR AAA	2.81 0.76

Holdings Report

As of April 30, 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
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 1,149,832.30	97.66 3.29%	1,123,079.65 688.72	0.75% (26,752.65)	NR / AAA AAA	2.81 1.79
36265MAC9	GM Financial Auto Lease Trust 2022-1 A3 1.900% Due 03/20/2025	945,000.00	02/15/2022 1.91%	944,991.87 944,992.56	98.06 3.07%	926,683.07 548.63	0.62% (18,309.49)	Aaa / NR AAA	2.89 1.68
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.100% Due 03/25/2025	450,000.00	01/11/2022 1.11%	449,932.73 449,941.35	97.40 2.91%	438,312.15 82.50	0.29% (11,629.20)	NR / AAA AAA	2.90 1.45
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.270% Due 04/21/2025	295,000.00	02/17/2021 0.27%	294,994.60 294,996.68	97.77 2.86%	288,427.40 22.13	0.19% (6,569.28)	Aaa / NR AAA	2.98 0.86
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.260% Due 05/15/2025	1,090,000.00	02/02/2021 0.27%	1,089,797.70 1,089,877.65	97.91 2.68%	1,067,168.86 125.96	0.72% (22,708.79)	Aaa / NR AAA	3.04 0.87
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.380% Due 09/15/2025	515,000.00	04/20/2021 0.38%	514,945.82 514,963.73	97.12 2.86%	500,193.24 86.98	0.34% (14,770.49)	NR / AAA AAA	3.38 1.16
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.880% Due 01/21/2026	460,000.00	11/16/2021 0.89%	459,903.03 459,915.96	96.22 3.03%	442,591.76 112.44	0.30% (17,324.20)	Aaa / NR AAA	3.73 1.78
47789QAC4	John Deere Owner Trust 2021-B A3 0.520% Due 03/16/2026	580,000.00	07/13/2021 0.52%	579,948.26 579,959.28	95.26 3.28%	552,508.00 134.04	0.37% (27,451.28)	Aaa / NR AAA	3.88 1.74
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.710% Due 04/15/2026	430,000.00	11/09/2021 0.71%	429,990.84 429,992.13	96.23 2.97%	413,805.34 135.69	0.28% (16,186.79)	NR / AAA AAA	3.96 1.69
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.880% Due 05/15/2026	740,000.00	02/15/2022 1.89%	739,888.70 739,895.04	97.25 3.28%	719,666.28 618.31	0.48% (20,228.76)	Aaa / AAA NR	4.04 1.99
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.740% Due 05/15/2026	1,330,000.00	Various 2.02%	1,296,371.65 1,297,685.26	95.80 3.18%	1,274,145.32 437.42	0.86% (23,539.94)	NR / AAA AAA	4.04 1.75
362554AC1	GM Financial Securitized Term 2021-4 A3 0.680% Due 09/16/2026	350,000.00	10/13/2021 0.68%	349,991.08 349,992.46	96.12 3.10%	336,420.00 99.17	0.23% (13,572.46)	Aaa / AAA NR	4.38 1.63
47787JAC2	John Deere Owner Trust 2022-A A3 2.320% Due 09/16/2026	450,000.00	03/10/2022 2.34%	449,900.46 449,904.04	97.78 3.57%	440,004.60 464.00	0.30% (9,899.44)	Aaa / NR AAA	4.38 1.81
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 1,009,962.63	97.86 3.23%	988,423.38 996.53	0.66% (21,539.25)	NR / AAA AAA	4.46 2.15
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.260% Due 11/16/2026	295,000.00	01/11/2022 1.27%	294,974.36 294,976.52	96.07 4.65%	283,408.27 154.88	0.19% (11,568.25)	NR / AAA AAA	4.55 1.17
362585AC5	GM Financial Securitized ART 2022-2 A3 3.100% Due 02/16/2027	390,000.00	04/05/2022 3.13%	389,918.49 389,919.66	99.77 3.22%	389,115.87 604.50	0.26% (803.79)	Aaa / AAA NR	4.80 2.19

Holdings Report

As of April 30, 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
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 1,525,099.63	97.31 3.22%	1,503,391.61 1,517.53	1.01% (21,708.02)	Aaa / NR AAA	4.88 2.73
TOTAL ABS		19,449,414.21	1.35%	19,385,020.07 19,385,236.98	2.88%	18,991,749.59 9,102.67	12.76% (393,487.39)	Aaa / AAA Aaa	3.24 1.41
Agency									
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	1,350,000.00	05/05/2020 0.39%	1,349,433.00 1,349,808.58	98.18 2.20%	1,325,428.65 2,475.00	0.89% (24,379.93)	Aaa / AA+ AAA	1.01 1.00
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	550,000.00	06/21/2019 1.83%	569,470.00 555,536.11	100.49 2.31%	552,693.90 5,545.83	0.38% (2,842.21)	Aaa / AA+ AAA	1.14 1.10
3130A3DL5	FHLB Note 2.375% Due 09/08/2023	2,000,000.00	09/06/2019 1.52%	2,066,320.00 2,022,485.21	99.86 2.48%	1,997,250.00 6,993.06	1.35% (25,235.21)	Aaa / AA+ NR	1.36 1.32
3135G0U43	FNMA Note 2.875% Due 09/12/2023	1,500,000.00	06/21/2019 1.89%	1,559,805.00 1,519,365.80	100.56 2.46%	1,508,329.50 5,869.79	1.02% (11,036.30)	Aaa / AA+ AAA	1.37 1.33
3137EAF42	FHLMC Note 0.250% Due 12/04/2023	1,755,000.00	12/02/2020 0.28%	1,753,262.55 1,754,076.53	96.36 2.59%	1,691,140.82 1,791.56	1.14% (62,935.71)	Aaa / AA+ AAA	1.60 1.57
3130A0F70	FHLB Note 3.375% Due 12/08/2023	2,100,000.00	Various 1.75%	2,222,418.00 2,152,829.63	101.22 2.60%	2,125,557.00 28,153.13	1.45% (27,272.63)	Aaa / AA+ AAA	1.61 1.54
3130A0XE5	FHLB Note 3.250% Due 03/08/2024	1,500,000.00	03/28/2019 2.27%	1,568,115.00 1,525,533.70	101.02 2.68%	1,515,231.00 7,177.08	1.02% (10,302.70)	Aaa / AA+ NR	1.86 1.78
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	1,500,000.00	06/18/2019 1.96%	1,564,890.20 1,527,601.48	100.30 2.73%	1,504,543.51 16,411.46	1.02% (23,057.97)	Aaa / AA+ NR	2.13 2.02
3135G0V75	FNMA Note 1.750% Due 07/02/2024	1,500,000.00	07/16/2019 1.96%	1,484,895.00 1,493,389.48	97.96 2.72%	1,469,430.00 8,677.08	0.99% (23,959.48)	Aaa / AA+ AAA	2.18 2.10
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	2,000,000.00	09/13/2019 1.79%	2,103,380.00 2,049,082.83	100.19 2.79%	2,003,740.00 7,666.67	1.35% (45,342.83)	Aaa / AA+ AAA	2.38 2.27
3135G0W66	FNMA Note 1.625% Due 10/15/2024	1,975,000.00	Various 1.73%	1,965,802.75 1,970,349.22	97.12 2.85%	1,918,169.38 1,426.39	1.29% (52,179.84)	Aaa / AA+ AAA	2.46 2.38
3135G0X24	FNMA Note 1.625% Due 01/07/2025	1,295,000.00	Various 1.38%	1,309,953.95 1,303,349.12	96.80 2.87%	1,253,552.23 6,663.86	0.85% (49,796.89)	Aaa / AA+ AAA	2.69 2.59
3137EAEP0	FHLMC Note 1.500% Due 02/12/2025	2,365,000.00	02/13/2020 1.52%	2,363,178.95 2,363,984.20	96.35 2.87%	2,278,783.93 7,784.79	1.54% (85,200.27)	Aaa / AA+ AAA	2.79 2.69
3135G03U5	FNMA Note 0.625% Due 04/22/2025	1,860,000.00	04/22/2020 0.67%	1,856,168.40 1,857,716.58	93.61 2.88%	1,741,175.76 290.63	1.17% (116,540.82)	Aaa / AA+ AAA	2.98 2.91
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	2,500,000.00	Various 0.50%	2,499,227.30 2,499,648.09	92.85 2.91%	2,321,167.50 4,652.78	1.56% (178,480.59)	Aaa / AA+ AAA	3.13 3.06

Holdings Report

As of April 30, 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
3137EAEU9	FHLMC Note 0.375% Due 07/21/2025	1,250,000.00	07/21/2020 0.48%	1,243,775.00 1,245,983.10	92.30 2.89%	1,153,791.25 1,302.08	0.78% (92,191.85)	Aaa / AA+ AAA	3.23 3.16
3135G05X7	FNMA Note 0.375% Due 08/25/2025	2,500,000.00	Various 0.48%	2,487,983.75 2,491,785.40	92.03 2.91%	2,300,872.49 1,718.75	1.55% (190,912.91)	Aaa / AA+ AAA	3.32 3.25
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	2,500,000.00	Various 0.46%	2,489,362.80 2,492,611.31	91.80 2.93%	2,294,877.50 989.58	1.54% (197,733.81)	Aaa / AA+ AAA	3.40 3.33
3135G06G3	FNMA Note 0.500% Due 11/07/2025	2,500,000.00	Various 0.56%	2,492,700.00 2,494,843.21	91.90 2.94%	2,297,432.50 6,041.67	1.55% (197,410.71)	Aaa / AA+ AAA	3.53 3.43
TOTAL Agency		34,500,000.00	1.17%	34,950,141.65 34,669,979.58	2.75%	33,253,166.92 121,631.19	22.42% (1,416,812.66)	Aaa / AA+ Aaa	2.44 2.36
CMO									
3137B4WB8	FHLMC K033 A2 3.060% Due 07/25/2023	1,000,000.00	08/13/2019 2.02%	1,037,656.25 1,011,775.76	100.40 2.52%	1,003,953.00 510.00	0.67% (7,822.76)	Aaa / NR NR	1.24 1.07
3137B5JM6	FHLMC K034 A2 3.531% Due 07/25/2023	1,000,000.00	09/26/2019 2.00%	1,053,867.19 1,017,401.46	100.76 2.65%	1,007,647.00 2,942.50	0.68% (9,754.46)	NR / NR AAA	1.24 1.10
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	1,000,000.00	08/19/2019 1.92%	1,061,914.06 1,022,004.87	100.75 2.80%	1,007,471.00 587.83	0.68% (14,533.87)	Aaa / NR AAA	1.49 1.30
3137BFE98	FHLMC K041 A2 3.171% Due 10/25/2024	1,300,000.00	07/01/2021 0.72%	1,398,414.06 1,373,602.39	100.15 3.03%	1,301,912.30 3,435.25	0.88% (71,690.09)	Aaa / AAA AAA	2.49 2.27
3137BLMZ8	FHLMC K049 A2 3.010% Due 07/25/2025	1,000,000.00	07/01/2021 0.87%	1,079,687.50 1,063,366.62	99.52 3.13%	995,202.00 2,508.33	0.67% (68,164.62)	NR / NR AAA	3.24 2.93
3137BLW95	FHLMC K050 A2 3.334% Due 08/25/2025	950,000.00	11/16/2021 1.17%	1,018,132.81 1,009,912.49	100.47 3.13%	954,462.15 2,639.42	0.64% (55,450.34)	NR / NR AAA	3.32 2.97
3137BM7C4	FHLMC K051 A2 3.308% Due 09/25/2025	440,000.00	03/15/2022 2.21%	453,079.69 452,624.02	100.40 3.13%	441,770.12 1,212.93	0.30% (10,853.90)	NR / NR AAA	3.41 3.05
3137BN6G4	FHLMC K053 2.995% Due 12/25/2025	570,000.00	03/15/2022 2.29%	582,001.17 581,617.97	99.41 3.13%	566,626.17 1,422.63	0.38% (14,991.80)	NR / NR AAA	3.66 3.27
3137BSP72	FHLMC K058 A2 2.653% Due 08/25/2026	650,000.00	11/12/2021 1.35%	687,451.17 683,854.29	97.78 3.19%	635,596.00 1,437.04	0.43% (48,258.29)	NR / NR AAA	4.32 3.98
TOTAL CMO		7,910,000.00	1.51%	8,372,203.90 8,216,159.87	2.94%	7,914,639.74 16,695.93	5.33% (301,520.13)	Aaa / AAA Aaa	2.52 2.27

Holdings Report

As of April 30, 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
Corporate									
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.400% Due 06/26/2023	1,000,000.00	03/13/2019 2.80%	1,023,630.00 1,006,011.55	101.11 2.35%	1,011,058.00 11,805.56	0.69% 5,046.45	Aa2 / AA AA	1.16 1.04
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	1,300,000.00	Various 2.77%	1,345,306.00 1,315,087.17	100.78 3.07%	1,310,123.10 2,748.96	0.88% (4,964.07)	A3 / A- A	1.45 1.40
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 1,029,563.59	96.08 2.81%	989,640.48 1,339.00	0.67% (39,923.11)	A2 / A A	1.72 1.68
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.550% Due 03/05/2024	1,200,000.00	Various 2.57%	1,226,303.25 1,210,115.70	100.08 2.80%	1,200,954.01 6,626.67	0.81% (9,161.69)	A2 / A- AA-	1.85 1.77
89114QCA4	Toronto Dominion Bank Note 2.650% Due 06/12/2024	1,500,000.00	09/11/2019 2.24%	1,527,255.00 1,512,150.01	98.90 3.19%	1,483,440.00 15,347.92	1.01% (28,710.01)	A1 / A AA-	2.12 2.02
06367TQW3	Bank of Montreal Note 0.625% Due 07/09/2024	600,000.00	02/09/2022 1.89%	582,216.00 583,814.33	94.16 3.41%	564,976.80 1,166.67	0.38% (18,837.53)	A2 / A- AA-	2.19 2.14
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 1,750,687.70	94.78 3.09%	1,668,156.16 3,238.88	1.12% (82,531.54)	A2 / A+ NR	2.21 2.16
78013XZU5	Royal Bank of Canada Note 2.550% Due 07/16/2024	1,500,000.00	Various 1.98%	1,533,359.18 1,517,915.40	98.35 3.33%	1,475,256.00 11,156.26	1.00% (42,659.40)	A1 / A AA-	2.21 2.11
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 1,258,387.14	98.32 3.18%	1,229,052.50 7,583.33	0.83% (29,334.64)	A2 / A+ A+	2.25 2.16
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 1,715,692.21	100.50 3.09%	1,683,331.45 14,183.99	1.14% (32,360.76)	A2 / A NR	2.25 1.91
69371RR40	Paccar Financial Corp Note 0.500% Due 08/09/2024	680,000.00	08/03/2021 0.52%	679,632.80 679,721.58	94.31 3.11%	641,274.00 774.44	0.43% (38,447.58)	A1 / A+ NR	2.28 2.23
69371RQ25	Paccar Financial Corp Note 2.150% Due 08/15/2024	370,000.00	08/08/2019 2.20%	369,182.30 369,625.39	97.87 3.12%	362,118.26 1,679.39	0.24% (7,507.13)	A1 / A+ NR	2.30 2.20
14913Q3B3	Caterpillar Finl Service Note 2.150% Due 11/08/2024	1,100,000.00	01/28/2020 1.92%	1,111,517.00 1,106,088.69	97.82 3.05%	1,076,039.80 11,365.14	0.73% (30,048.89)	A2 / A A	2.53 2.41
74153WCQ0	Prcoa Global Funding Note 1.150% Due 12/06/2024	885,000.00	12/01/2021 1.19%	884,088.45 884,208.43	94.72 3.29%	838,263.15 4,042.73	0.57% (45,945.28)	Aa3 / AA- AA-	2.61 2.51
89114TZL9	Toronto-Dominion Bank Note 1.450% Due 01/10/2025	700,000.00	03/15/2022 2.79%	674,737.00 675,840.72	94.92 3.44%	664,449.80 3,073.19	0.45% (11,390.92)	A1 / A NR	2.70 2.59
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 1,213,532.33	95.33 3.27%	1,158,317.82 5,285.25	0.78% (55,214.51)	A1 / A+ A+	2.71 2.60
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 1,678,362.74	95.29 3.28%	1,600,826.64 7,240.33	1.08% (77,536.10)	Aaa / AA+ AAA	2.71 2.61

Holdings Report

As of April 30, 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
69371RR73	Paccar Financial Corp Note 2.850% Due 04/07/2025	885,000.00	03/31/2022 2.86%	884,769.90 884,774.94	99.07 3.19%	876,732.33 1,681.50	0.59% (8,042.61)	A1 / A+ NR	2.94 2.79
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 1,049,617.53	99.03 3.72%	1,039,849.65 1,673.44	0.70% (9,767.88)	A1 / A AA-	2.96 2.78
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 1,369,809.08	99.86 3.40%	1,368,088.85 637.43	0.92% (1,720.23)	A1 / A AA-	2.99 2.82
06367WB85	Bank of Montreal Note 1.850% Due 05/01/2025	1,240,000.00	07/23/2021 0.85%	1,285,656.80 1,276,419.11	95.00 3.62%	1,178,002.48 11,470.00	0.80% (98,416.63)	A2 / A- AA-	3.01 2.85
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 1,371,233.31	94.12 2.83%	1,289,474.14 4,703.67	0.87% (81,759.17)	A2 / A- AA-	3.09 3.00
46647PCK0	JP Morgan Chase & Co Callable Note Cont 6/23/2024 0.969% Due 06/23/2025	655,000.00	Various 0.93%	655,406.85 655,320.19	94.12 2.91%	616,495.17 2,256.70	0.42% (38,825.02)	A2 / A- AA-	3.15 3.05
74153WCM9	Pricoa Global Funding Note 0.800% Due 09/01/2025	904,000.00	04/06/2022 3.26%	832,972.72 834,288.04	91.52 3.52%	827,320.91 1,205.33	0.56% (6,967.13)	Aa3 / AA- AA-	3.34 3.24
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 1,024,446.56	101.66 3.44%	1,016,575.00 17,884.72	0.69% (7,871.56)	A1 / A AA-	3.56 3.16
40139LBC6	Guardian Life Glob Fun Note 0.875% Due 12/10/2025	1,400,000.00	Various 1.12%	1,385,860.00 1,387,788.23	90.83 3.60%	1,271,688.60 4,797.92	0.86% (116,099.63)	Aa2 / AA+ NR	3.62 3.48
66815L2A6	Northwestern Mutual Gbl Note 0.800% Due 01/14/2026	850,000.00	12/06/2021 1.47%	827,449.50 829,617.24	90.70 3.50%	770,915.15 2,021.11	0.52% (58,702.09)	Aaa / AA+ AAA	3.71 3.58
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%	620,988.00 615,737.14	94.67 3.52%	568,000.20 2,619.50	0.38% (47,736.94)	A2 / A- AA-	3.79 3.58
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%	415,969.33 412,386.75	94.09 3.71%	377,320.15 208.82	0.25% (35,066.60)	A2 / A- AA-	3.98 3.76
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 1,868,470.32	91.25 3.34%	1,710,907.50 8,802.08	1.16% (157,562.82)	A1 / AA AA-	4.04 3.87
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 1,025,880.10	91.24 3.49%	944,342.28 5,488.37	0.64% (81,537.82)	A3 / A+ A	4.04 3.87
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 1,384,496.39	90.88 3.52%	1,258,646.45 5,756.41	0.85% (125,849.94)	A1 / A+ A+	4.14 3.96

Holdings Report

As of April 30, 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
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%	701,274.00 701,020.09	91.69 3.53%	641,814.60 3,385.43	0.43% (59,205.49)	A2 / A- AA-	4.14 3.94
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 1,001,916.95	90.77 3.58%	907,663.00 3,500.00	0.61% (94,253.95)	Aa3 / AA+ AA+	4.21 4.03
58989V2D5	Met Tower Global Funding Note 1.250% Due 09/14/2026	770,000.00	09/07/2021 1.27%	769,291.60 769,380.44	90.37 3.65%	695,871.33 1,256.60	0.47% (73,509.11)	Aa3 / AA- AA-	4.38 4.18
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.050% Due 09/17/2026	350,000.00	09/08/2021 1.09%	349,338.50 349,420.37	91.09 3.25%	318,823.40 449.17	0.21% (30,596.97)	Aa2 / AA AA	4.39 4.21
59217GER6	Metlife Note 1.875% Due 01/11/2027	1,115,000.00	01/03/2022 1.90%	1,113,728.90 1,113,805.47	91.98 3.75%	1,025,563.62 6,388.02	0.69% (88,241.85)	Aa3 / AA- AA-	4.70 4.40
808513BY0	Charles Schwab Corp Callable Note Cont 2/3/2027 2.450% Due 03/03/2027	960,000.00	03/01/2022 2.46%	959,729.90 959,738.46	94.20 3.77%	904,287.36 3,789.33	0.61% (55,451.10)	A2 / A A	4.84 4.48
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 1,614,701.05	95.59 3.29%	1,543,805.96 4,746.31	1.04% (70,895.09)	Aa2 / AA A+	4.88 4.54
TOTAL Corporate		41,975,000.00	1.80%	42,178,269.78 42,007,072.44	3.29%	40,109,466.10 203,379.57	27.08% (1,897,606.34)	A1 / A+ AA-	3.03 2.88
Money Market Fund									
94975H270	Wells Fargo 100% Treasury Money Mkt Fund	562,715.17	Various 0.03%	562,715.17 562,715.17	1.00 0.03%	562,715.17 0.00	0.38% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund		562,715.17	0.03%	562,715.17 562,715.17	0.03%	562,715.17 0.00	0.38% 0.00	Aaa / AAA NR	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%	772,342.35 763,498.14	98.41 3.09%	742,987.95 1,510.00	0.50% (20,510.19)	Aa2 / AA- AA	2.42 2.32
TOTAL Municipal Bonds		755,000.00	1.91%	772,342.35 763,498.14	3.09%	742,987.95 1,510.00	0.50% (20,510.19)	Aa2 / AA- AA	2.42 2.32
Supranational									
45950KCP3	International Finance Corp Note 2.875% Due 07/31/2023	2,700,000.00	07/01/2021 0.31%	2,842,425.00 2,786,020.93	100.41 2.54%	2,711,016.00 19,621.88	1.83% (75,004.93)	Aaa / AAA NR	1.25 1.21
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 2,794,970.88	96.47 2.60%	2,701,106.80 3,227.78	1.82% (93,864.08)	Aaa / AAA NR	1.55 1.52

Holdings Report

As of April 30, 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
45950KCT5	International Finance Corp Note 0.375% Due 07/16/2025	2,500,000.00	05/27/2021 0.66%	2,471,150.00 2,477,548.34	92.11 2.97%	2,302,675.00 2,734.38	1.55% (174,873.34)	Aaa / AAA NR	3.21 3.14
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	2,400,000.00	Various 0.60%	2,388,859.25 2,391,719.85	91.80 2.99%	2,203,142.40 100.00	1.48% (188,577.45)	Aaa / AAA AAA	3.50 3.42
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 2,451,053.20	91.98 3.03%	2,262,683.40 657.71	1.52% (188,369.80)	Aaa / AAA AAA	3.98 3.85
TOTAL Supranational		12,860,000.00	0.57%	12,943,467.45 12,901,313.20	2.81%	12,180,623.60 26,341.75	8.20% (720,689.60)	Aaa / AAA Aaa	2.60 2.53
US Treasury									
912828T91	US Treasury Note 1.625% Due 10/31/2023	650,000.00	Various 1.94%	641,405.27 647,088.79	98.71 2.51%	641,595.50 28.71	0.43% (5,493.29)	Aaa / AA+ AAA	1.50 1.47
912828V23	US Treasury Note 2.250% Due 12/31/2023	1,500,000.00	06/21/2019 1.80%	1,529,472.66 1,510,871.50	99.45 2.59%	1,491,679.50 11,281.08	1.01% (19,192.00)	Aaa / AA+ AAA	1.67 1.61
912828B66	US Treasury Note 2.750% Due 02/15/2024	2,000,000.00	Various 2.14%	2,053,613.28 2,020,876.57	100.19 2.64%	2,003,750.00 11,395.03	1.35% (17,126.57)	Aaa / AA+ AAA	1.80 1.73
91282CBR1	US Treasury Note 0.250% Due 03/15/2024	1,450,000.00	03/30/2021 0.33%	1,446,488.28 1,447,775.91	95.62 2.66%	1,386,449.40 462.98	0.93% (61,326.51)	Aaa / AA+ AAA	1.88 1.85
912828X70	US Treasury Note 2.000% Due 04/30/2024	1,700,000.00	06/10/2019 1.92%	1,705,976.56 1,702,444.20	98.65 2.70%	1,677,089.10 92.39	1.13% (25,355.10)	Aaa / AA+ AAA	2.00 1.94
912828XX3	US Treasury Note 2.000% Due 06/30/2024	2,000,000.00	Various 1.80%	2,018,574.22 2,008,322.05	98.45 2.74%	1,968,906.00 13,370.16	1.33% (39,416.05)	Aaa / AA+ AAA	2.17 2.09
912828D56	US Treasury Note 2.375% Due 08/15/2024	1,700,000.00	09/18/2019 1.71%	1,753,191.41 1,724,844.43	99.02 2.82%	1,683,397.80 8,364.99	1.14% (41,446.63)	Aaa / AA+ AAA	2.30 2.21
912828YY0	US Treasury Note 1.750% Due 12/31/2024	2,100,000.00	03/15/2022 1.97%	2,087,203.13 2,087,779.68	97.17 2.86%	2,040,528.00 12,283.84	1.38% (47,251.68)	Aaa / AA+ AAA	2.67 2.57
912828ZC7	US Treasury Note 1.125% Due 02/28/2025	1,500,000.00	03/18/2020 0.81%	1,523,144.53 1,513,243.74	95.32 2.86%	1,429,746.00 2,843.07	0.96% (83,497.74)	Aaa / AA+ AAA	2.84 2.75
91282CED9	US Treasury Note 1.750% Due 03/15/2025	3,100,000.00	Various 2.23%	3,057,617.20 3,058,762.29	96.93 2.87%	3,004,820.70 6,928.66	2.02% (53,941.59)	Aaa / AA+ AAA	2.88 2.77
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	2,500,000.00	03/21/2022 2.24%	2,360,839.85 2,365,744.17	92.87 2.87%	2,321,680.00 25.48	1.56% (44,064.17)	Aaa / AA+ AAA	3.00 2.94
91282CAB7	US Treasury Note 0.250% Due 07/31/2025	1,500,000.00	03/12/2021 0.72%	1,469,765.63 1,477,555.85	91.79 2.91%	1,376,836.50 932.32	0.93% (100,719.35)	Aaa / AA+ AAA	3.25 3.19
91282CAM3	US Treasury Note 0.250% Due 09/30/2025	2,400,000.00	Various 0.56%	2,366,140.63 2,374,709.77	91.37 2.92%	2,192,906.40 508.20	1.47% (181,803.37)	Aaa / AA+ AAA	3.42 3.36

Holdings Report

As of April 30, 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
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	2,450,000.00	Various 0.49%	2,422,492.19 2,429,833.30	91.17 2.92%	2,233,616.00 16.65	1.50% (196,217.30)	Aaa / AA+ AAA	3.51 3.44
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	2,250,000.00	03/26/2021 0.77%	2,209,658.20 2,219,064.20	91.36 2.93%	2,055,586.50 3,523.35	1.38% (163,477.70)	Aaa / AA+ AAA	3.59 3.51
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	2,500,000.00	05/27/2021 0.75%	2,456,445.31 2,465,059.40	90.96 2.94%	2,274,022.50 2,330.80	1.53% (191,036.90)	Aaa / AA+ AAA	3.76 3.67
91282CBW0	US Treasury Note 0.750% Due 04/30/2026	2,500,000.00	05/27/2021 0.80%	2,493,652.34 2,494,845.62	91.81 2.94%	2,295,215.00 50.95	1.54% (199,630.62)	Aaa / AA+ AAA	4.00 3.89
91282CCZ2	US Treasury Note 0.875% Due 09/30/2026	1,400,000.00	10/18/2021 1.19%	1,379,054.68 1,381,303.38	91.50 2.94%	1,280,945.40 1,037.57	0.86% (100,357.98)	Aaa / AA+ AAA	4.42 4.27
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	1,400,000.00	11/15/2021 1.25%	1,391,468.75 1,392,246.89	92.39 2.94%	1,293,523.00 42.80	0.87% (98,723.89)	Aaa / AA+ AAA	4.51 4.33
TOTAL US Treasury		36,600,000.00	1.34%	36,366,204.12 36,322,371.74	2.84%	34,652,293.30 75,519.03	23.33% (1,670,078.44)	Aaa / AA+ Aaa	2.96 2.88
TOTAL PORTFOLIO		154,612,129.38	1.37%	155,530,364.49 154,828,347.12	2.94%	148,407,642.37 454,180.14	100.00% (6,420,704.75)	Aa1 / AA Aaa	2.83 2.50
TOTAL MARKET VALUE PLUS ACCRUALS						148,861,822.51			



Section 4 | Transactions

Transaction Ledger

As of April 30, 2022

City of Cupertino - Account #10659

January 31, 2022 through April 30, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/11/2022	06367TQW3	600,000.00	Bank of Montreal Note 0.625% Due: 07/09/2024	97.036	1.89%	582,216.00	333.33	582,549.33	0.00
Purchase	02/23/2022	36265MAC9	945,000.00	GM Financial Auto Lease Trust 2022-1 A3 1.9% Due: 03/20/2025	99.999	1.91%	944,991.87	0.00	944,991.87	0.00
Purchase	02/23/2022	43815BAC4	740,000.00	Honda Auto Receivables Trust 2022-1 A3 1.88% Due: 05/15/2026	99.985	1.89%	739,888.70	0.00	739,888.70	0.00
Purchase	02/28/2022	89238LAC4	1,150,000.00	Toyota Lease Owner Trust 2022-A A3 1.96% Due: 02/20/2025	99.984	1.98%	1,149,818.99	0.00	1,149,818.99	0.00
Purchase	03/03/2022	808513BY0	550,000.00	Charles Schwab Corp Callable Note Cont 2/3/2027 2.45% Due: 03/03/2027	99.892	2.47%	549,406.00	0.00	549,406.00	0.00
Purchase	03/03/2022	808513BY0	410,000.00	Charles Schwab Corp Callable Note Cont 2/3/2027 2.45% Due: 03/03/2027	100.079	2.43%	410,323.90	0.00	410,323.90	0.00
Purchase	03/15/2022	084664CZ2	1,615,000.00	Berkshire Hathaway Callable Note Cont 2/15/2027 2.3% Due: 03/15/2027	99.981	2.30%	1,614,693.15	0.00	1,614,693.15	0.00
Purchase	03/15/2022	91282CED9	2,100,000.00	US Treasury Note 1.75% Due: 03/15/2025	99.258	2.01%	2,084,414.07	0.00	2,084,414.07	0.00
Purchase	03/16/2022	448977AD0	1,010,000.00	Hyundai Auto Receivables Trust 2022-A A3 2.22% Due: 10/15/2026	99.996	2.23%	1,009,961.12	0.00	1,009,961.12	0.00
Purchase	03/16/2022	47787JAC2	450,000.00	John Deere Owner Trust 2022-A A3 2.32% Due: 09/16/2026	99.978	2.34%	449,900.46	0.00	449,900.46	0.00
Purchase	03/16/2022	912828YY0	2,100,000.00	US Treasury Note 1.75% Due: 12/31/2024	99.391	1.97%	2,087,203.13	7,613.95	2,094,817.08	0.00
Purchase	03/17/2022	89114TZL9	700,000.00	Toronto-Dominion Bank Note 1.45% Due: 01/10/2025	96.391	2.79%	674,737.00	1,832.64	676,569.64	0.00
Purchase	03/18/2022	3137BM7C4	440,000.00	FHLMC K051 A2 3.308% Due: 09/25/2025	102.973	2.21%	453,079.69	687.33	453,767.02	0.00
Purchase	03/18/2022	3137BN6G4	570,000.00	FHLMC K053 2.995% Due: 12/25/2025	102.105	2.29%	582,001.17	806.15	582,807.32	0.00

Transaction Ledger

As of April 30, 2022

City of Cupertino - Account #10659

January 31, 2022 through April 30, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	03/22/2022	44935FAD6	1,000,000.00	Hyundai Auto Receivables Trust 2021-C A3 0.74% Due: 05/15/2026	96.645	2.46%	966,445.31	143.89	966,589.20	0.00
Purchase	03/22/2022	912828ZL7	2,500,000.00	US Treasury Note 0.375% Due: 04/30/2025	94.434	2.24%	2,360,839.85	3,677.49	2,364,517.34	0.00
Purchase	03/23/2022	02589BAA8	1,545,000.00	American Express Credit Accoun 22-1 A 2.21% Due: 03/15/2027	98.664	2.69%	1,524,359.77	474.23	1,524,834.00	0.00
Purchase	03/25/2022	89238EAC0	700,000.00	Toyota Lease Owner Trust 2021-A A3 0.39% Due: 04/22/2024	98.000	2.16%	686,000.00	37.92	686,037.92	0.00
Purchase	04/07/2022	06406HCQ0	1,000,000.00	Bank of New York Callable Note Cont 10/18/2025 3.95% Due: 11/18/2025	102.491	3.21%	1,024,910.00	15,251.39	1,040,161.39	0.00
Purchase	04/07/2022	69371RR73	885,000.00	Paccar Financial Corp Note 2.85% Due: 04/07/2025	99.974	2.86%	884,769.90	0.00	884,769.90	0.00
Purchase	04/08/2022	74153WCM9	904,000.00	Pricoa Global Funding Note 0.8% Due: 09/01/2025	92.143	3.26%	832,972.72	743.29	833,716.01	0.00
Purchase	04/12/2022	91282CED9	1,000,000.00	US Treasury Note 1.75% Due: 03/15/2025	97.320	2.71%	973,203.13	1,331.52	974,534.65	0.00
Purchase	04/13/2022	362585AC5	390,000.00	GM Financial Securitized ART 2022-2 A3 3.1% Due: 02/16/2027	99.979	3.13%	389,918.49	0.00	389,918.49	0.00
Purchase	04/14/2022	78016EZ59	1,050,000.00	Royal Bank of Canada Note 3.375% Due: 04/14/2025	99.963	3.39%	1,049,611.50	0.00	1,049,611.50	0.00
Purchase	04/26/2022	06406RBC0	1,370,000.00	Bank of NY Mellon Corp Callable Note Cont 3/25/2025 3.35% Due: 04/25/2025	99.986	3.35%	1,369,808.20	0.00	1,369,808.20	0.00
Subtotal			25,724,000.00				25,395,474.12	32,933.13	25,428,407.25	0.00
TOTAL ACQUISITIONS			25,724,000.00				25,395,474.12	32,933.13	25,428,407.25	0.00
DISPOSITIONS										
Sale	02/17/2022	912828N30	50,000.00	US Treasury Note 2.125% Due: 12/31/2022	100.910	1.69%	50,455.08	140.88	50,595.96	266.78

Transaction Ledger

As of April 30, 2022

City of Cupertino - Account #10659

January 31, 2022 through April 30, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	02/18/2022	808513AT2	1,500,000.00	Charles Schwab Corp Callable Note Cont 12/25/2022 2.65% Due: 01/25/2023	101.135	2.40%	1,517,025.00	2,539.58	1,519,564.58	15,694.60
Sale	02/25/2022	912828N30	700,000.00	US Treasury Note 2.125% Due: 12/31/2022	100.953	1.69%	706,671.88	2,301.10	708,972.98	4,102.15
Sale	03/03/2022	3137EAER6	150,000.00	FHLMC Note 0.375% Due: 05/05/2023	99.057	0.39%	148,585.80	184.38	148,770.18	-1,389.53
Sale	03/03/2022	912828N30	750,000.00	US Treasury Note 2.125% Due: 12/31/2022	100.953	1.69%	757,148.44	2,729.63	759,878.07	4,448.62
Sale	03/08/2022	3137EAEN5	250,000.00	FHLMC Note 2.75% Due: 06/19/2023	101.717	1.83%	254,292.50	1,508.68	255,801.18	1,447.86
Sale	03/08/2022	912828T91	1,350,000.00	US Treasury Note 1.625% Due: 10/31/2023	100.156	1.82%	1,352,109.38	7,756.91	1,359,866.29	8,751.54
Sale	04/04/2022	69371RP59	435,000.00	Paccar Financial Corp Note 3.4% Due: 08/09/2023	101.510	2.56%	441,568.50	2,259.58	443,828.08	1,907.08
Sale	04/07/2022	06406RAG2	1,000,000.00	Bank of NY Mellon Corp Note 3.5% Due: 04/28/2023	101.441	3.15%	1,014,410.00	15,458.33	1,029,868.33	10,927.58
Sale	04/12/2022	037833AK6	1,000,000.00	Apple Inc Note 2.4% Due: 05/03/2023	100.336	2.79%	1,003,360.00	10,600.00	1,013,960.00	7,230.21
Sale	04/12/2022	24422ETG4	1,000,000.00	John Deere Capital Corp Note 2.8% Due: 03/06/2023	100.708	2.60%	1,007,080.00	2,800.00	1,009,880.00	5,351.04
Subtotal			8,185,000.00				8,252,706.58	48,279.07	8,300,985.65	58,737.93
Maturity	04/28/2022	89114W7M1	350,000.00	Toronto Dominion Yankee CD 0.24% Due: 04/28/2022	100.000		350,000.00	851.66	350,851.66	0.00
Subtotal			350,000.00				350,000.00	851.66	350,851.66	0.00
TOTAL DISPOSITIONS			8,535,000.00				8,602,706.58	49,130.73	8,651,837.31	58,737.93

Important Disclosures

As of April 30, 2022

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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.

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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.

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.

California State Treasurer
Fiona Ma, CPA



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

May 02, 2022

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[PMIA Average Monthly Yields](#)

CITY OF CUPERTINO

FINANCE MANAGER
10300 TORRE AVENUE
CUPERTINO, CA 95014

[Tran Type Definitions](#)



April 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2022	4/14/2022	QRD		N/A	SYSTEM	16,582 56

Account Summary

Total Deposit:	16,582.56	Beginning Balance:	21,043,169.35
Total Withdrawal	0.00	Ending Balance	21,059,751 91

CITY OF CUPERTINO
PARS Post-Employment Benefits TrustAccount Report for the Period
4/1/2022 to 4/30/2022Kristina Alfaro
Director of Administrative Services
City of Cupertino
10300 Torre Ave.
Cupertino, CA 95014

Account Summary

Source	Balance as of 4/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 4/30/2022
OPEB	\$36,063,575.16	\$0.00	-\$2,392,859.73	\$10,468.65	\$0.00	\$0.00	\$33,660,246.78
PENSION	\$17,536,945.14	\$0.00	-\$1,163,593.73	\$5,090.68	\$0.00	\$0.00	\$16,368,260.73
Totals	\$53,600,520.30	\$0.00	-\$3,556,453.46	\$15,559.33	\$0.00	\$0.00	\$50,028,507.51

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	-6.64%	-8.36%	-8.98%	5.40%	6.33%	6.25%	6/21/2010
PENSION	-6.64%	-8.36%	-9.12%	6.65%	-	-	3/26/2019

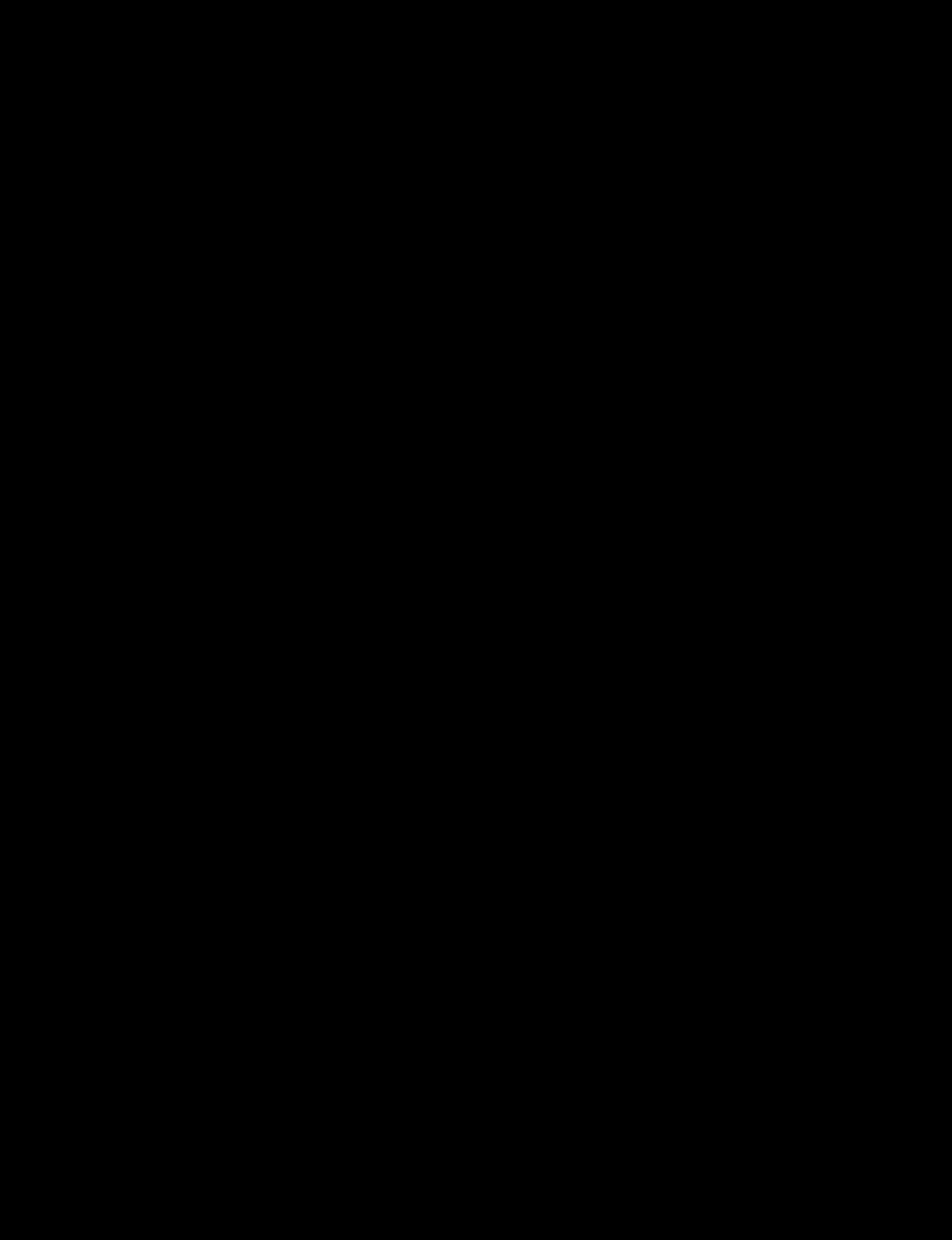
Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

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.

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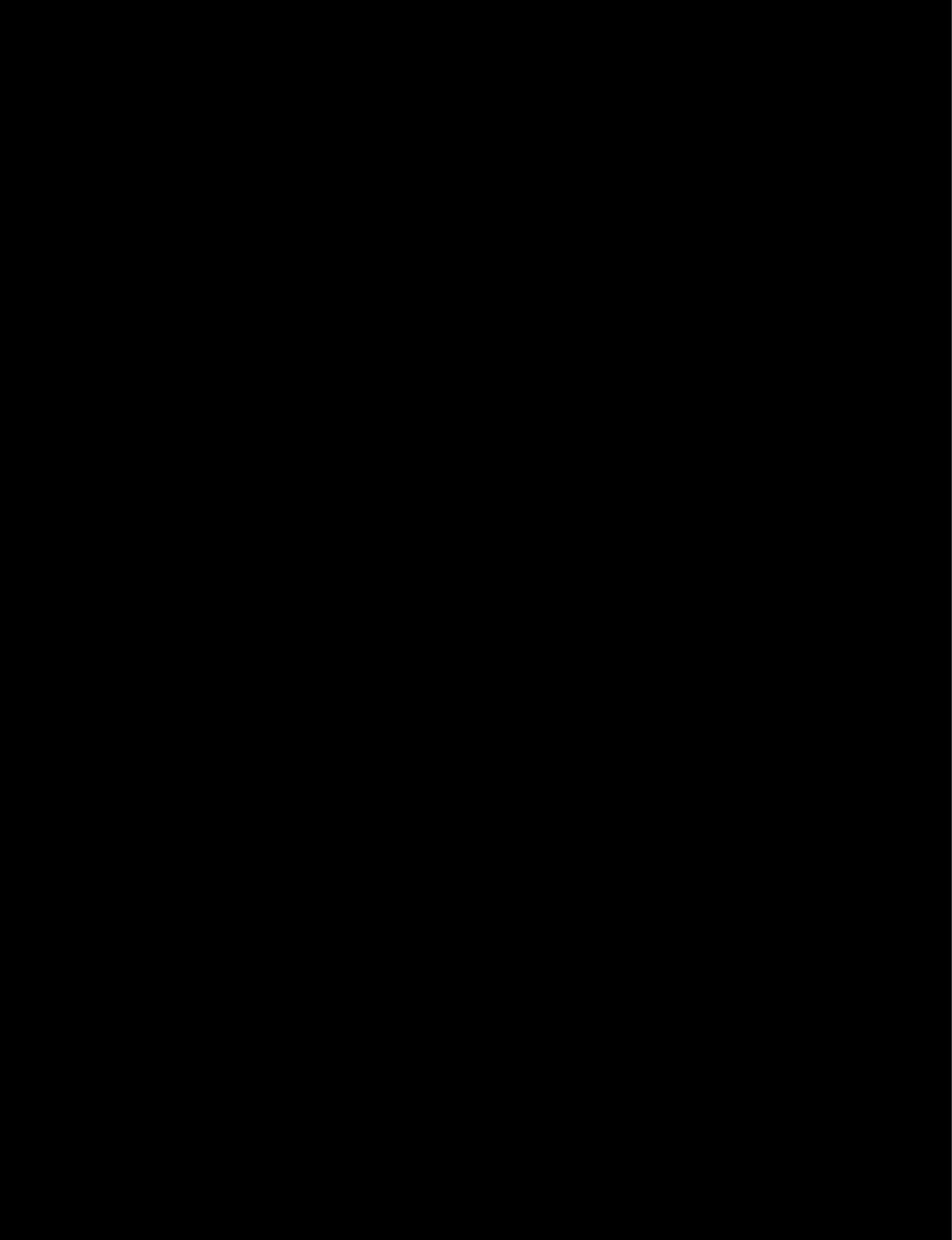
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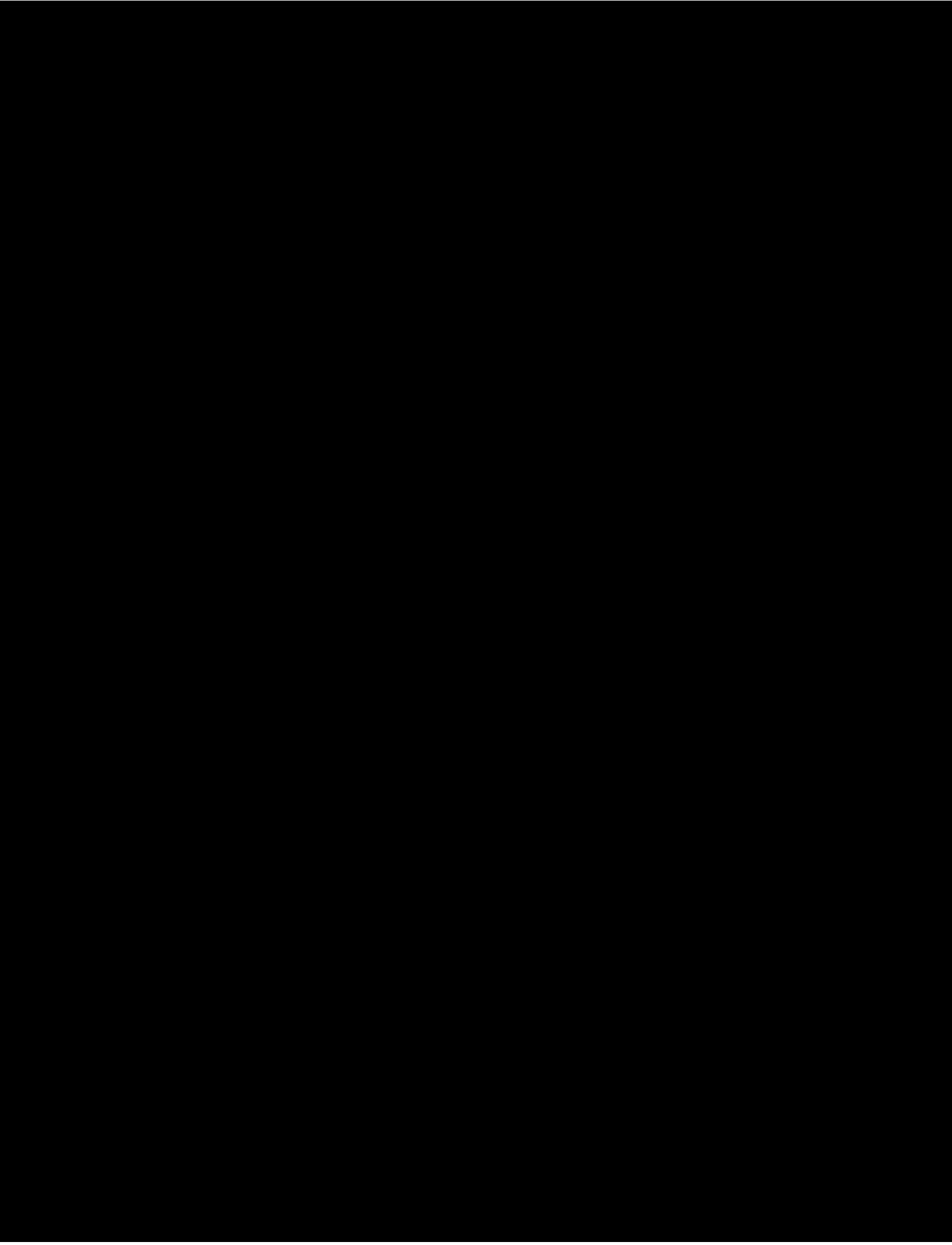


The first part of the paper discusses the importance of the research and the objectives of the study. It then presents a literature review of the existing research on the topic. The methodology section describes the research design and the data collection process. The results section presents the findings of the study, and the conclusion section summarizes the main findings and provides recommendations for future research.

The study was conducted in a laboratory setting. The participants were recruited from a local university and were assigned to two groups: the experimental group and the control group. The experimental group received the intervention, while the control group did not. The data were collected over a period of six weeks.

The results of the study show that the intervention had a significant positive effect on the outcome variable. The experimental group showed a significant improvement in the outcome variable compared to the control group. The findings suggest that the intervention is effective in improving the outcome variable.

The conclusion of the study is that the intervention is effective in improving the outcome variable. The findings suggest that the intervention is a promising approach for improving the outcome variable. Further research is needed to confirm the findings and to explore the long-term effects of the intervention.



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**CITY OF CUPERTINO -
CHANDLER ASSET MANAGEMENT**


MONTHLY STATEMENT
APRIL 1, 2022 THROUGH APRIL 30, 2022

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

PFGEDD

INVESTMENT CONTACT: IMR-SD/BAILEY JUERGENS
TELEPHONE NUMBER:

ADMINISTRATOR: DILLON GUERRERO
TELEPHONE NUMBER: 254-265-6137

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- 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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REPORT NAME	PAGE NUMBER
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STATEMENT OF ASSETS AND LIABILITIES	2
CASH SUMMARY	21
STATEMENT OF TRANSACTIONS	22

ASSET SUMMARY
AS OF APRIL 30, 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	515,433.92	515,433.92	0.35	0.00	274	0.05	14.40
BONDS AND NOTES	154,967,649.32	147,759,886.49	99.65	7,207,762.83-	2,350,984	1.59	505,776.58
TOTAL INVESTMENTS	155,483,083.24	148,275,320.41	100.00	7,207,762.83-	2,351,257	1.59	505,790.98
TOTAL ACCRUALS	505,790.98	505,790.98					
TOTAL ACCRUALS AND INVESTMENTS	155,988,874.22	148,781,111.39		7,207,762.83-	2,351,257	1.59	505,790.98

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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						
466,386.36	ALLSPRING 100% TREASURY MONEY MARKET FUND - #008	466,386.36 1.0000	466,386.36 1.0000	0.31	0.00	14.00
49,047.56	PRINCIPAL PUBLIC DEPOSIT SWEEP PROGRAM	49,047.56 1.0000	49,047.56 1.0000	0.03	0.00	0.40
TOTAL CASH EQUIVALENTS		515,433.92	515,433.92	0.35	0.00	14.40
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	1,682,721.75 100.4610	1.13	88,490.25-	14,183.99
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	1,709,512.50 91.1740	1.15	157,387.50-	8,802.08
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	1,502,419.80 97.2440	1.01	21,939.97-	1,517.53
1,300,000	AMERICAN HONDA FINANCE MED TERM NOTE DTD 10/10/18 3.625 10/10/2023 MOODY'S RATING A3 CUSIP 02665WCQ2	1,345,306.00 103.4851	1,309,776.00 100.7520	0.88	35,530.00-	2,748.96
1,200,000	BANK OF AMERICA CORP DTD 03/05/18 03/05/2024 MOODY'S RATING A2 CUSIP 06051GHF9	1,226,303.25 102.1920	1,200,768.00 100.0640	0.81	25,535.25-	6,626.67

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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	567,702.00 94.6170	0.38	53,286.00-	2,619.50
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	641,438.00 91.6340	0.43	59,836.00-	3,385.43
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	564,744.00 94.1240	0.38	17,472.00-	1,166.67
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	1,177,342.80 94.9470	0.79	108,314.00-	11,470.00
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	1,016,320.00 101.6320	0.69	8,590.00-	17,884.72
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	1,367,342.20 99.8060	0.92	2,466.00-	637.43
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	1,542,341.15 95.5010	1.04	72,352.00-	4,746.31

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
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	438,178.50 97.3730	0.30	11,754.23-	82.50
425,000	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	424,956.14 99.9897	413,733.25 97.3490	0.28	11,222.89-	19.48
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	742,987.95 98.4090	0.50	29,354.40-	1,510.00
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	1,075,547.00 97.7770	0.73	35,970.00-	11,365.14
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	903,436.80 94.1080	0.61	56,293.10-	3,789.33
2,100,000	FED HOME LN BK DTD 12/09/13 3.375 12/08/2023 MOODY'S RATING AAA CUSIP 3130A0F70	2,222,418.00 105.8294	2,125,137.00 101.1970	1.43	97,281.00-	28,153.13
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	1,514,925.00 100.9950	1.02	53,190.00-	7,177.08

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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	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	1,504,170.00 100.2780	1.01	60,720.20-	16,411.46
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	2,003,060.00 100.1530	1.35	100,320.00-	7,666.67
2,000,000	FED HOME LN BK DTD 10/17/14 2.375 09/08/2023 MOODY'S RATING AAA CUSIP 3130A3DL5	2,066,320.00 103.3160	1,996,860.00 99.8430	1.35	69,460.00-	6,993.06
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	1,301,352.00 100.1040	0.88	97,062.06-	3,435.25
1,000,000	FED HOME LN MTG CORP SER K033 CL A2 *24 DAY DELAY* DTD 10/01/13 07/25/2023 MOODY'S RATING AAA CUSIP 3137B4WB8	1,037,656.25 103.7656	1,003,710.00 100.3710	0.68	33,946.25-	2,550.00
550,000	FED HOME LN MTG CORP SER * DTD 06/11/18 2.750 06/19/2023 MOODY'S RATING AAA CUSIP 3137EAEN5	569,470.00 103.5400	552,585.00 100.4700	0.37	16,885.00-	5,545.83
2,365,000	FED HOME LN MTG CORP DTD 02/14/20 1.500 02/12/2025 MOODY'S RATING AAA CUSIP 3137EAEP0	2,363,178.95 99.9230	2,277,589.60 96.3040	1.54	85,589.35-	7,784.79

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
1,350,000	FED HOME LN MTG CORP DTD 05/07/20 0.375 05/05/2023 MOODY'S RATING AAA CUSIP 3137EAER6	1,349,433.00 99.9580	1,325,133.00 98.1580	0.89	24,300.00-	2,475.00
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	1,153,075.00 92.2460	0.78	90,700.00-	1,302.08
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	2,292,550.00 91.7020	1.55	196,812.80-	989.58
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	1,690,661.70 96.3340	1.14	62,600.85-	1,791.56
1,500,000	FED NATL MTG ASSN DTD 09/14/18 2.875 09/12/2023 MOODY'S RATING AAA CUSIP 3135G0U43	1,559,805.00 103.9870	1,507,965.00 100.5310	1.02	51,840.00-	5,869.79
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	1,468,860.00 97.9240	0.99	16,035.00-	8,677.08
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	1,917,330.00 97.0800	1.29	48,472.75-	1,426.39
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	1,252,912.50 96.7500	0.84	57,041.45-	6,663.85

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
1,860,000	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	1,740,774.00 93.5900	1.17	115,394.40-	290.63
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	2,318,100.00 92.7240	1.56	181,127.30-	4,652.78
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	2,299,425.00 91.9770	1.55	188,558.75-	1,718.75
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	2,295,900.00 91.8360	1.55	196,800.00-	6,041.67
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	994,620.00 99.4620	0.67	85,067.50-	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	953,895.00 100.4100	0.64	64,237.81-	2,639.42
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	441,496.00 100.3400	0.30	11,583.69-	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	566,243.70 99.3410	0.38	15,757.47-	1,422.63

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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	635,030.50 97.6970	0.43	52,420.67-	1,437.04
1,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K034 CL A2 *24 DAY DELAY* DTD 11/01/13 07/25/2023 CUSIP 3137B5JM6	1,053,867.19 105.3867	1,007,400.00 100.7400	0.68	46,467.19-	2,942.50
1,000,000	FHLMC MULTIFAMILY STRUCTURED P SER K036 CL A2 *24 DAY DELAY* DTD 02/01/14 10/25/2023 MOODY'S RATING AAA CUSIP 3137B7MZ9	1,061,914.06 106.1914	1,007,190.00 100.7190	0.68	54,724.06-	2,939.17
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	934,525.30 96.8420	0.63	30,461.58-	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	926,374.05 98.0290	0.62	18,617.82-	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	336,311.50 96.0890	0.23	13,679.58-	99.17
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	388,947.00 99.7300	0.26	971.49-	604.50

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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	283,306.20 96.0360	0.19	11,668.16-	154.88
1,400,000	GUARDIAN LIFE GLOB FUND 144A PRIV PLCMT 0.875 12/10/2025 MOODY'S RATING AA2 CUSIP 40139LBC6	1,385,860.00 98.9900	1,270,822.00 90.7730	0.86	115,038.00-	4,797.92
122,630.26	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	122,620.62 99.9922	121,574.41 99.1390	0.08	1,046.21-	44.69
295,000	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	294,994.60 99.9982	288,371.35 97.7530	0.19	6,623.25-	22.13
553,959.92	HONDA AUTO RECEIVABLES OWNER T SER 2020-3 CL A3 *0 DAY DELAY* DTD 09/29/20 0.370 10/18/2024 CUSIP 43813KAC6	553,878.54 99.9853	546,531.32 98.6590	0.37	7,347.22-	74.02
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	719,398.40 97.2160	0.49	20,490.30-	618.31
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	442,441.80 96.1830	0.30	17,461.23-	112.44

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296,609.03	HONDA AUTO RECEIVABLES OWNER T SER 2019-3 CL A3 *0 DAY DELAY* DTD 08/27/19 1.780 08/15/2023 MOODY'S RATING AAA CUSIP 43815NAC8	296,110.42 99.8319	296,784.03 100.0590	0.20	673.61	234.65
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	770,818.80 97.5720	0.52	19,062.70-	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	524,858.40 97.1960	0.35	15,129.67-	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	988,042.60 97.8260	0.67	21,918.52-	996.53
515,000	HYUNDAI AUTO RECEIVABLES TRUST SER 2021-A CL A3 *0 DAY DELAY* DTD 04/28/21 0.380 09/15/2025 CUSIP 44933LAC7	514,945.82 99.9895	500,065.00 97.1000	0.34	14,880.82-	86.98
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	1,271,679.50 95.6150	0.86	24,692.15-	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	2,700,348.00 96.4410	1.82	91,952.00-	3,227.78

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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	2,260,617.00 91.8950	1.52	188,116.20-	657.71
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	2,201,688.00 91.7370	1.48	187,171.25-	100.00
2,700,000	INTL FINANCE CORP DTD 07/31/18 2.875 07/31/2023 MOODY'S RATING AAA CUSIP 45950KCP3	2,842,425.00 105.2750	2,710,395.00 100.3850	1.83	132,030.00-	19,621.88
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	2,301,275.00 92.0510	1.55	169,875.00-	2,734.38
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	989,325.30 96.0510	0.67	39,943.40-	1,339.00
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	439,830.00 97.7400	0.30	10,070.46-	464.00
194,979.08	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	194,949.37 99.9848	192,676.38 98.8190	0.13	2,272.99-	44.20

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207,296.29	JOHN DEERE OWNER TRUST SER 2019-B CL A3 *0 DAY DELAY* DTD 07/24/19 2.210 12/15/2023 MOODY'S RATING AAA CUSIP 477870AC3	209,215.40 100.9258	207,704.66 100.1970	0.14	1,510.74-	203.61
57,586.04	JOHN DEERE OWNER TRUST SER 2019-A CL A3 *0 DAY DELAY* DTD 03/13/19 2.910 07/17/2023 MOODY'S RATING AAA CUSIP 47789JAD8	58,716.88 101.9638	57,634.41 100.0840	0.04	1,082.47-	65.17
177,030.71	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	177,019.88 99.9939	176,152.64 99.5040	0.12	867.24-	86.55
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	552,316.60 95.2270	0.37	27,631.66-	125.67
655,000	JPMORGAN CHASE & SER F2F DTD 06/23/21 06/23/2025 MOODY'S RATING A2 CUSIP 46647PCK0	655,406.85 100.0621	616,250.20 94.0840	0.42	39,156.65-	2,256.69
401,000	JPMORGAN CHASE & CO DTD 04/22/20 04/22/2026 MOODY'S RATING A2 CUSIP 46647PBK1	415,969.33 103.7330	377,112.43 94.0430	0.25	38,856.90-	208.82
1,370,000	JPMORGAN CHASE & CO DTD 06/01/21 06/01/2025 MOODY'S RATING A2 CUSIP 46647PCH7	1,371,773.90 100.1295	1,288,978.20 94.0860	0.87	82,795.70-	4,703.67

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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	906,900.00 90.6900	0.61	95,330.00-	3,500.00
324,386.81	MERCEDES-BENZ AUTO LEASE TRUST SER 2020-B CL A3 *0 DAY DELAY* DTD 09/23/20 0.400 11/15/2023 CUSIP 58769EAC2	324,370.36 99.9949	322,534.56 99.4290	0.22	1,835.80-	57.67
1,115,000	MET LIFE GLOB FUNDING I 144A PRIV PLCMT 1.875 01/11/2027 MOODY'S RATING AA3 CUSIP 59217GER6	1,113,728.90 99.8860	1,021,696.80 91.6320	0.69	92,032.10-	6,388.02
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	691,236.70 89.7710	0.47	78,054.90-	1,256.60
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	1,600,015.20 95.2390	1.08	78,170.40-	7,240.33
598,178.11	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	601,145.55 100.4961	598,106.33 99.9880	0.40	3,039.22-	513.10
850,000	NORTHWESTERN MUTUAL GLBL 144A PRIV PLCMT 0.800 01/14/2026 MOODY'S RATING AAA CUSIP 66815L2A6	827,449.50 97.3470	770,338.00 90.6280	0.52	57,111.50-	2,021.11
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	361,963.60 97.8280	0.24	7,218.70-	1,679.39

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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	641,002.00 94.2650	0.43	38,630.80-	774.44
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	876,256.20 99.0120	0.59	8,513.70-	1,681.50
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	826,726.08 91.4520	0.56	6,246.64-	1,205.33
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	837,767.55 94.6630	0.57	46,320.90-	4,042.73
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	1,474,665.00 98.3110	0.99	58,694.18-	11,156.25
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	1,038,859.50 98.9390	0.70	10,752.00-	1,673.44
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	1,667,476.80 94.7430	1.12	81,460.60-	3,238.89

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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	1,482,870.00 98.8580	1.00	44,385.00-	15,347.92
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	664,300.00 94.9000	0.45	10,437.00-	3,073.19
432,028.52	TOYOTA AUTO RECEIVABLES OWNER SER 2020-D CL A3 *0 DAY DELAY* DTD 10/13/20 0.350 01/15/2025 CUSIP 89236XAC0	431,948.03 99.9814	427,120.68 98.8640	0.29	4,827.35-	67.20
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	413,668.60 96.2020	0.28	16,322.24-	135.69
1,090,000	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	1,089,797.70 99.9815	1,066,913.80 97.8820	0.72	22,883.90-	125.96
700,000	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	686,000.00 98.0000	685,153.00 97.8790	0.46	847.00-	68.25
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	1,122,699.00 97.6260	0.76	27,119.99-	688.72

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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	1,256,375.05 90.7130	0.85	128,015.55-	5,756.41
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	1,157,056.65 95.2310	0.78	56,315.25-	5,285.25
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	3,003,125.00 96.8750	2.03	54,492.20-	6,928.67
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	943,578.45 91.1670	0.64	81,472.90-	5,488.38
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	1,228,550.00 98.2840	0.83	39,712.50-	7,583.33
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	1,375,965.00 91.7310	0.93	93,800.63-	932.32
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	2,191,416.00 91.3090	1.48	174,724.63-	508.20
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	2,231,901.00 91.0980	1.51	190,591.19-	3,079.14

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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	2,053,912.50 91.2850	1.39	155,745.70-	3,523.35
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	2,272,075.00 90.8830	1.53	184,370.31-	2,330.80
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	1,385,939.00 95.5820	0.93	60,549.28-	462.98
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	2,293,175.00 91.7270	1.55	200,477.34-	9,425.95
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	1,279,796.00 91.4140	0.86	99,258.68-	1,037.57
1,400,000	US TREASURY NOTE DTD 11/01/21 1.125 10/31/2026 CUSIP 91282CDG3	1,391,468.75 99.3906	1,292,270.00 92.3050	0.87	99,198.75-	7,917.80
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	2,003,200.00 100.1600	1.35	50,413.28-	11,395.03
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	1,682,609.00 98.9770	1.13	70,582.41-	8,364.99

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
650,000	US TREASURY NOTE DTD 10/31/16 1.625 10/31/2023 MOODY'S RATING AAA CUSIP 912828T91	641,405.27 98.6777	641,446.00 98.6840	0.43	40.73	5,309.95
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	1,491,270.00 99.4180	1.01	38,202.66-	11,281.08
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	1,967,960.00 98.3980	1.33	50,614.22-	13,370.17
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	1,676,557.00 98.6210	1.13	29,419.56-	17,092.39
2,100,000	US TREASURY NOTE DTD 12/31/19 1.750 12/31/2024 CUSIP 912828YY0	2,087,203.13 99.3906	2,039,457.00 97.1170	1.38	47,746.13-	12,283.84
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	1,429,050.00 95.2700	0.96	94,094.53-	2,843.07
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	2,320,325.00 92.8130	1.56	40,514.85-	4,712.98
800,000	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	799,832.00 99.9790	787,904.00 98.4880	0.53	11,928.00-	114.89

STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
239,729.44	VERIZON OWNER TRUST SER 2019-C CL A1A *0 DAY DELAY* 144A PRIV PLCMT 1.940 04/22/2024 CUSIP 92348AAA3	239,710.96 99.9923	239,885.26 100.0650	0.16	174.30	142.11
1,000,000	WALMART INC DTD 06/27/18 3.400 06/26/2023 MOODY'S RATING AA2 CUSIP 931142EK5	1,023,630.00 102.3630	1,010,860.00 101.0860	0.68	12,770.00-	11,805.56
350,000	WALMART INC DTD 09/17/21 1.050 09/17/2026 MOODY'S RATING AA2 CUSIP 931142ER0	349,338.50 99.8110	318,542.00 91.0120	0.21	30,796.50-	449.17
TOTAL BOND & NOTES		154,967,649.32	147,759,886.49	99.65	7,207,762.83-	505,776.58
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TOTAL INVESTMENTS		155,483,083.24	148,275,320.41	100.00	7,207,762.83-	505,790.98
=====						
TOTAL ACCRUALS		505,790.98	505,790.98			
=====						
TOTAL ACCRUALS AND INVESTMENTS		155,988,874.22	148,781,111.39			
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STATEMENT OF ASSETS AND LIABILITIES
AS OF APRIL 30, 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
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Asset Pricing:

Values reflected for publicly-traded assets are provided by unaffiliated financial industry sources believed to be reliable. Values for non-publicly traded assets may be determined from other unaffiliated sources. Assets for which a current value is unavailable may be reflected at the last reported price, at par, or may be shown as having nominal or no value. Reported values may not be the price at which an asset may be sold. Asset values are updated as pricing becomes available from external sources, and may be updated less frequently than statements are generated.

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 Relationship Manager.

Unclaimed Property Designated Representative Notification:

Except participants in qualified ERISA Plans - 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.

CASH SUMMARY
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 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	150,554.56
TRANSFER RECEIPTS	150,554.56	0.00
SALES	4,242,054.71	0.00
CASH MANAGEMENT SALES	4,555,151.44	0.00
TOTAL CASH RECEIPTS	8,947,760.71	150,554.56
DISBURSEMENTS		
INVESTMENT MANAGEMENT EXPENSES	17,437.57-	0.00
ADMINISTRATIVE EXPENSES	4,741.54-	0.00
TRANSFER DISBURSEMENTS	0.00	150,554.56-
PURCHASES	4,981,753.94-	0.00
CASH MANAGEMENT PURCHASES	3,943,827.66-	0.00
TOTAL CASH DISBURSEMENTS	8,947,760.71-	150,554.56-
ENDING BALANCE	0.00	0.00

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 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>155,345,319.71</u>	
		CASH EQUIVALENTS			
04/01/22		INTEREST RECEIVED AS 100% TREAS MM FD-SVC CL #008 INTEREST FROM 3/1/22 TO 3/31/22	34.44		
04/01/22		INTEREST RECEIVED PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM INTEREST FROM 3/1/22 TO 3/31/22	0.42		
04/28/22		INTEREST RECEIVED TORONTO DOMINION BK 0.240% 4/28/22 CUSIP 89114W7M1 INTEREST ON 350,000.000 UNITS	851.67		
04/28/22	350,000-	MATURED TORONTO DOMINION BK 0.240% 4/28/22 CUSIP 89114W7M1 AT \$100.0000 ON TRADE DATE 04/28/2022	349,999.99	349,999.99-	
04/30/22	3,943,827.24	CASH SWEEP PURCHASES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 14 TRANSACTIONS	3,943,827.24-	3,943,827.24	
04/30/22	0.42	CASH SWEEP PURCHASES FOR STMT PERIOD PRINCIPAL PUBLIC DEPOSIT SWEEP PRGRM 1 TRANSACTIONS	0.42-	0.42	
04/30/22	4,555,151.44-	CASH SWEEP SALES FOR STMT PERIOD AS 100% TREAS MM FD-SVC CL #008 8 TRANSACTIONS	4,555,151.44	4,555,151.44-	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
		BONDS & NOTES			
04/18/22		INTEREST RECEIVED AMERICAN EXPRES ABS 2.210% 3/15/27 CUSIP 02589BAA8 \$0.00166/PV ON 1,545,000.00 PV DUE 4/15/22	2,560.84		
04/11/22		INTEREST RECEIVED AMERICAN HONDA FINAN 3.625% 10/10/23 CUSIP 02665WCQ2 INTEREST ON 1,300,000.000 UNITS	23,562.50		
04/12/22	1,000,000-	SOLD APPLE INC 2.400% 5/03/23 CUSIP 037833AK6 AT \$100.3360 ON TRADE DATE 04/08/2022 TO SETTLE ON 04/12/2022 J.P. MORGAN SECURITIES INC., -	1,003,360.00	984,840.00-	18,520.00
04/12/22		ACCRUED INTEREST ON SALE APPLE INC 2.400% 5/03/23 CUSIP 037833AK6	10,600.00		
04/07/22	1,000,000	PURCHASED BANK OF NEW YORK MEL 3.950% 11/18/25 CUSIP 06406HCQ0 AT \$102.4910 ON TRADE DATE 04/05/2022 TO SETTLE ON 04/07/2022 US BANCORP INVESTMENTS, INC.	1,024,910.00-	1,024,910.00	
04/07/22		ACCRUED INTEREST ON PURCHASE BANK OF NEW YORK MEL 3.950% 11/18/25 CUSIP 06406HCQ0	15,251.39-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/26/22	1,370,000	PURCHASED BANK OF NY MELLON 3.350% 4/25/25 CUSIP 06406RBC0 AT \$99.9860 ON TRADE DATE 04/19/2022 TO SETTLE ON 04/26/2022 CITIGROUP GBL MKTS/SALOMON BRO	1,369,808.20-	1,369,808.20	
04/07/22	1,000,000-	SOLD BANK OF NY MELLON CO 3.500% 4/28/23 CUSIP 06406RAG2 AT \$101.4410 ON TRADE DATE 04/05/2022 TO SETTLE ON 04/07/2022 US BANCORP INVESTMENTS, INC.	1,014,410.00	1,013,650.00-	760.00
04/07/22		ACCRUED INTEREST ON SALE BANK OF NY MELLON CO 3.500% 4/28/23 CUSIP 06406RAG2	15,458.33		
04/25/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 0.330% 12/26/24 CUSIP 09690AAC7 \$0.00027/PV ON 425,000.00 PV DUE 4/25/22	116.88		
04/25/22		INTEREST RECEIVED BMW VEHICLE LEASE TR 1.100% 3/25/25 CUSIP 05601XAC3 \$0.00092/PV ON 450,000.00 PV DUE 4/25/22	412.50		
04/01/22		INTEREST RECEIVED CALIFORNIA ST 2.400% 10/01/24 CUSIP 13063DRK6 INTEREST ON 755,000.000 UNITS	9,060.00		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/01/22		REVERSAL ACCRUED INTEREST ON PURCHASE CHUBB INA HOLDINGS I 3.150% 3/15/25 CUSIP 00440EAS6	22,706.25		
04/01/22	1,500,000-	REVERSAL PURCHASE-REV CHUBB INA HOLDINGS I 3.150% 3/15/25 CUSIP 00440EAS6 AT \$102.8960- ON TRADE DATE 03/04/2022 TO SETTLE ON 04/01/2022 MORGAN STANLEY & CO.	1,543,440.00	1,543,440.00-	
04/25/22		INTEREST RECEIVED FED HOME LN MTG CORP 3.171% 10/25/24 CUSIP 3137BFE98 \$0.00264/PV ON 1,300,000.00 PV DUE 4/25/22	3,435.25		
04/22/22		INTEREST RECEIVED FED NATL MTG ASSN 0.625% 4/22/25 CUSIP 3135G03U5 INTEREST ON 1,860,000.000 UNITS	5,812.50		
04/15/22		INTEREST RECEIVED FED NATL MTG ASSN 1.625% 10/15/24 CUSIP 3135G0W66 INTEREST ON 1,975,000.000 UNITS	16,046.88		
04/25/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.653% 8/25/26 CUSIP 3137BSP72 \$0.00221/PV ON 650,000.00 PV DUE 4/25/22	1,437.04		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/26/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 2.995% 12/25/25 CUSIP 3137BN6G4 \$0.00250/PV ON 570,000.00 PV DUE 4/25/22	1,422.62		
04/25/22		INTEREST RECEIVED FHLMC MULTIFAMILY ST 3.010% 8/25/25 CUSIP 3137BLMZ8 \$0.00251/PV ON 1,000,000.00 PV DUE 4/25/22	2,508.33		
04/13/22	390,000	PURCHASED GM FINANCIAL ABS 3.100% 2/16/27 CUSIP 362585AC5 AT \$99.9791 ON TRADE DATE 04/05/2022 TO SETTLE ON 04/13/2022 RBC DAIN RAUSCHER INC.	389,918.49-	389,918.49	
04/22/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 0.390% 10/21/24 CUSIP 36262XAC8 \$0.00032/PV ON 965,000.00 PV DUE 4/20/22	313.63		
04/20/22		INTEREST RECEIVED GM FINANCIAL AUTOMOB 1.850% 3/20/25 CUSIP 36265MAC9 \$0.00154/PV ON 945,000.00 PV DUE 4/20/22	1,456.88		
04/18/22		INTEREST RECEIVED GM FINANCIAL SECURIT 0.680% 9/16/26 CUSIP 362554AC1 \$0.00057/PV ON 350,000.00 PV DUE 4/16/22	198.33		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/18/22		INTEREST RECEIVED GM FINANCIAL SECURIT 1.260% 11/16/26 CUSIP 380146AC4 \$0.00105/PV ON 295,000.00 PV DUE 4/16/22	309.75		
04/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.270% 4/21/25 CUSIP 43813GAC5 \$0.00023/PV ON 295,000.00 PV DUE 4/21/22	66.38		
04/18/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6 \$0.00031/PV ON 575,000.00 PV DUE 4/18/22	177.29		
04/18/22	21,040.08-	PAID DOWN HONDA AUTO RECEIVABL 0.370% 10/18/24 CUSIP 43813KAC6	21,040.08	21,036.99-	3.09
04/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2 \$0.00068/PV ON 133,629.84 PV DUE 4/15/22	91.31		
04/15/22	10,999.58-	PAID DOWN HONDA AUTO RECEIVABL 0.820% 7/15/24 CUSIP 43813DAC2	10,999.58	10,998.71-	0.87
04/21/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 0.880% 1/21/26 CUSIP 43815GAC3 \$0.00073/PV ON 460,000.00 PV DUE 4/21/22	337.33		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 1.000% 5/15/26 CUSIP 43815BAC4 \$0.00157/PV ON 740,000.00 PV DUE 4/15/22	1,159.33		
04/15/22		INTEREST RECEIVED HONDA AUTO RECEIVABL 1.780% 8/15/23 CUSIP 43815NAC8 \$0.00148/PV ON 352,726.20 PV DUE 4/15/22	523.21		
04/15/22	56,117.17-	PAID DOWN HONDA AUTO RECEIVABL 1.780% 8/15/23 CUSIP 43815NAC8 AT \$626.7989 ON TRADE DATE 04/15/2022	56,117.17	56,022.83-	94.34
04/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 0.330% 6/17/24 CUSIP 44891VAC5 \$0.00027/PV ON 790,000.00 PV DUE 4/15/22	217.25		
04/15/22		INTEREST RECEIVED HYUNDAI AUTO LEASE 1.160% 1/15/25 CUSIP 44891WAC3 \$0.00097/PV ON 540,000.00 PV DUE 4/15/22	522.00		
04/19/22		INTEREST RECEIVED HYUNDAI AUTO REC ABS 2.220% 10/15/26 CUSIP 448977AD0 \$0.00179/PV ON 1,010,000.00 PV DUE 4/15/22	1,806.22		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.380% 9/15/25 CUSIP 44933LAC7 \$0.00032/PV ON 515,000.00 PV DUE 4/15/22	163.08		
04/15/22		INTEREST RECEIVED HYUNDAI AUTO RECEIVA 0.740% 5/15/26 CUSIP 44935FAD6 \$0.00062/PV ON 1,330,000.00 PV DUE 4/15/22	820.17		
04/20/22		INTEREST RECEIVED INTER-AMERICAN DEVEL 0.875% 4/20/26 CUSIP 4581X0DV7 INTEREST ON 2,460,000.000 UNITS	10,762.50		
04/28/22		INTEREST RECEIVED INTL BK RECON & DEVE 0.500% 10/28/25 CUSIP 459058JL8 INTEREST ON 2,400,000.000 UNITS	6,000.00		
04/12/22	1,000,000-	SOLD JOHN DEERE CAPITAL 2.800% 3/06/23 CUSIP 24422ETG4 AT \$100.7080 ON TRADE DATE 04/08/2022 TO SETTLE ON 04/12/2022 US BANCORP INVESTMENTS, INC.	1,007,080.00	1,007,580.00-	500.00-
04/12/22		ACCRUED INTEREST ON SALE JOHN DEERE CAPITAL 2.800% 3/06/23 CUSIP 24422ETG4	2,800.00		
04/19/22		INTEREST RECEIVED JOHN DEERE OWNER ABS 2.320% 9/16/26 CUSIP 47787JAC2 \$0.00187/PV ON 450,000.00 PV DUE 4/15/22	841.00		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3 \$0.00042/PV ON 215,720.33 PV DUE 4/15/22	91.68		
04/15/22	20,741.25-	PAID DOWN JOHN DEERE OWNER TRU 0.510% 11/15/24 CUSIP 47787NAC3	20,741.25	20,738.09-	3.16
04/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 0.520% 3/16/26 CUSIP 47789QAC4 \$0.00043/PV ON 580,000.00 PV DUE 4/15/22	251.33		
04/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7 \$0.00092/PV ON 192,771.59 PV DUE 4/15/22	176.71		
04/15/22	15,740.88-	PAID DOWN JOHN DEERE OWNER TRU 1.100% 8/15/24 CUSIP 47789KAC7 AT \$1,128.5736 ON TRADE DATE 04/15/2022	15,740.88	15,739.92-	0.96
04/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3 \$0.00184/PV ON 258,036.46 PV DUE 4/15/22	475.22		
04/15/22	50,740.17-	PAID DOWN JOHN DEERE OWNER TRU 2.210% 12/15/23 CUSIP 477870AC3	50,740.17	51,209.91-	469.74-

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22		INTEREST RECEIVED JOHN DEERE OWNER TRU 2.910% 7/17/23 CUSIP 47789JAD8 \$0.00243/PV ON 104,239.61 PV DUE 4/15/22	252.78		
04/15/22	46,653.57-	PAID DOWN JOHN DEERE OWNER TRU 2.910% 7/17/23 CUSIP 47789JAD8 AT \$1,332.7297 ON TRADE DATE 04/15/2022	46,653.57	47,569.72-	916.15-
04/18/22		INTEREST RECEIVED MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2 \$0.00033/PV ON 345,000.00 PV DUE 4/15/22	115.00		
04/18/22	20,613.19-	PAID DOWN MERCEDES-BENZ AUTO 0.400% 11/15/23 CUSIP 58769EAC2 TO SETTLE ON 04/18/2022	20,613.19	20,612.15-	1.04
04/15/22		INTEREST RECEIVED MERCEDES-BENZ AUTO 1.840% 12/15/22 CUSIP 58770FAC6 \$0.00153/PV ON 45,840.79 PV DUE 4/15/22	70.29		
04/15/22	45,840.79-	PAID DOWN MERCEDES-BENZ AUTO 1.840% 12/15/22 CUSIP 58770FAC6	45,840.79	45,834.75-	6.04
04/15/22		INTEREST RECEIVED NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5 \$0.00161/PV ON 673,855.83 PV DUE 4/15/22	1,083.79		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22	75,677.72-	PAID DOWN NISSAN AUTO RECEIVAB 1.930% 7/15/24 CUSIP 65479JAD5 AT \$576.2417 ON TRADE DATE 04/15/2022	75,677.72	76,053.15-	375.43-
04/08/22	904,000	PURCHASED P/P PRICOA GLOBAL FU 0.800% 9/01/25 CUSIP 74153WCM9 AT \$92.1430 ON TRADE DATE 04/06/2022 TO SETTLE ON 04/08/2022 J.P. MORGAN SECURITIES INC., -	832,972.72-	832,972.72	
04/08/22		ACCRUED INTEREST ON PURCHASE P/P PRICOA GLOBAL FU 0.800% 9/01/25 CUSIP 74153WCM9	743.29-		
04/07/22	885,000	PURCHASED PACCAR FINANCIAL 2.850% 4/07/25 CUSIP 69371RR73 AT \$99.9740 ON TRADE DATE 03/31/2022 TO SETTLE ON 04/07/2022 MITSUBISHI UFJ SECURITIES (USA	884,769.90-	884,769.90	
04/04/22	435,000-	SOLD PACCAR FINANCIAL COR 3.400% 8/09/23 CUSIP 69371RP59 AT \$101.5100 ON TRADE DATE 03/31/2022 TO SETTLE ON 04/04/2022 WACHOVIA CAPITAL MARKETS, LLC.	441,568.50	449,315.85-	7,747.35-
04/04/22		ACCRUED INTEREST ON SALE PACCAR FINANCIAL COR 3.400% 8/09/23 CUSIP 69371RP59	2,259.58		
04/20/22	1,050,000	PURCHASED RYL BK CAN MTN CONV 3.375% 4/14/25 CUSIP 78016EZ59 AT \$99.9630 ON TRADE DATE 04/07/2022 TO SETTLE ON 04/20/2022 RBC DAIN RAUSCHER INC.	1,049,611.50-	1,049,611.50	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.260% 5/15/25 CUSIP 89240BAC2 \$0.00022/PV ON 1,090,000.00 PV DUE 4/15/22	236.17		
04/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0 \$0.00029/PV ON 455,000.00 PV DUE 4/15/22	132.71		
04/18/22	22,971.48-	PAID DOWN TOYOTA AUTO RECEIVAB 0.350% 1/15/25 CUSIP 89236XAC0 TO SETTLE ON 04/18/2022	22,971.48	22,967.20-	4.28
04/15/22		INTEREST RECEIVED TOYOTA AUTO RECEIVAB 0.710% 4/15/26 CUSIP 89238JAC9 \$0.00059/PV ON 430,000.00 PV DUE 4/15/22	254.42		
04/20/22		INTEREST RECEIVED TOYOTA LEASE OWN ABS 1.960% 2/20/25 CUSIP 89238LAC4 \$0.00163/PV ON 1,150,000.00 PV DUE 4/20/22	1,878.33		
04/12/22	1,000,000	PURCHASED U.S. TREASURY NOTES 1.750% 3/15/25 CUSIP 91282CED9 AT \$97.3203 ON TRADE DATE 04/08/2022 TO SETTLE ON 04/12/2022 CITADEL DERIVATIVES GROUP LLC	973,203.13-	973,203.13	

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/12/22		ACCRUED INTEREST ON PURCHASE U.S. TREASURY NOTES 1.750% 3/15/25 CUSIP 91282CED9	1,331.52-		
04/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 0.470% 2/20/25 CUSIP 92290BAA9 \$0.00039/PV ON 800,000.00 PV DUE 4/20/22	313.33		
04/20/22		INTEREST RECEIVED VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3 \$0.00162/PV ON 278,229.78 PV DUE 4/20/22	449.80		
04/20/22	38,500.34-	PAID DOWN VERIZON OWNER TRUST 1.940% 4/22/24 CUSIP 92348AAA3	38,500.34	38,497.37-	2.97
04/25/22		INTEREST RECEIVED VR FED HOME LN MTG 3.060% 7/25/23 CUSIP 3137B4WB8 \$0.00255/PV ON 1,000,000.00 PV DUE 4/25/22	2,550.00		
04/25/22		INTEREST RECEIVED VR FHLMC MULTIFAMI 3.334% 8/25/25 CUSIP 3137BLW95 \$0.00278/PV ON 950,000.00 PV DUE 4/25/22	2,639.42		
04/25/22		INTEREST RECEIVED VR FHLMC MULTIFAMILY 3.527% 10/25/23 CUSIP 3137B7MZ9 \$0.00294/PV ON 1,000,000.00 PV DUE 4/25/22	2,939.17		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/25/22		INTEREST RECEIVED VR FHLMC MULTIFAMILY 3.531% 7/25/23 CUSIP 3137B5JM6 \$0.00294/PV ON 1,000,000.00 PV DUE 4/25/22	2,942.50		
04/22/22		INTEREST RECEIVED VR JPMORGAN CHASE & 2.083% 4/22/26 CUSIP 46647PBK1 INTEREST ON 401,000.000 UNITS	4,176.42		
		TRANSFER RECEIPTS			
04/01/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	9,094.86		
04/04/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	24,965.83		
04/07/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	206.94		
04/11/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	22,819.21		
04/12/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	12,068.48		
04/18/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	24,238.70		
04/19/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	2,560.84		
04/20/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	16,951.69		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
04/21/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	403.71		
04/22/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	9,988.92		
04/25/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	18,981.09		
04/27/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	1,422.62		
04/28/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	6,000.00		
04/29/22		ADDITION TO ACCOUNT TRANSFER FROM INCOME	851.67		
		INVESTMENT MANAGEMENT EXPENSES			
04/06/22		INVESTMENT MGMT FEE PAID TO BRIDGE BANK CHANDLER ASSET MGMT FEE INVOICE #: 2202CUPERTIN	8,572.06-		
04/07/22		INVESTMENT MGMT FEE PAID TO BRIDGE BANK INV 2203CUPERTIN MARCH 2022	8,865.51-		
		ADMINISTRATIVE EXPENSES			
04/25/22		ADMINISTRATIVE FEE/EXPENSE CUSTODIAN FEE-PRIN	4,741.54-		

STATEMENT OF TRANSACTIONS
FOR THE PERIOD APRIL 1, 2022 THROUGH APRIL 30, 2022

CITY OF CUPERTINO
ACCOUNT NUMBER [REDACTED]

STATEMENT OF TRANSACTIONS

DATE	PAR VALUE/SHARES	DESCRIPTION	CASH	COST VALUE	REALIZED GAIN/LOSS
		TRANSFER DISBURSEMENTS			
04/01/22		TRANSFER TO PRINCIPAL	9,094.86-		
04/04/22		TRANSFER TO PRINCIPAL	24,965.83-		
04/07/22		TRANSFER TO PRINCIPAL	206.94-		
04/11/22		TRANSFER TO PRINCIPAL	22,819.21-		
04/12/22		TRANSFER TO PRINCIPAL	12,068.48-		
04/18/22		TRANSFER TO PRINCIPAL	24,238.70-		
04/19/22		TRANSFER TO PRINCIPAL	2,560.84-		
04/20/22		TRANSFER TO PRINCIPAL	16,951.69-		
04/21/22		TRANSFER TO PRINCIPAL	403.71-		
04/22/22		TRANSFER TO PRINCIPAL	9,988.92-		
04/25/22		TRANSFER TO PRINCIPAL	18,981.09-		
04/27/22		TRANSFER TO PRINCIPAL	1,422.62-		
04/28/22		TRANSFER TO PRINCIPAL	6,000.00-		
04/29/22		TRANSFER TO PRINCIPAL	851.67-		
ENDING BALANCE			0.00	155,483,083.24	

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

Agenda Item

22-10977

Agenda Date: 5/23/2022
Agenda #: 3.

Subject: INFORMATION ITEM Consider the Internal Audit Status Report

Receive Internal Audit Status Report and provide direction



Date: May 17, 2022
To: City of Cupertino Audit Subcommittee
From: Moss Adams
Subject: Internal Audit Status Report February 15, 2022 through May 17, 2022

Policy Inventory and Plan

- Objective: Perform an inventory of financial policies, compare to best practices, and establish a prioritized plan to develop/update priority policies.
- Schedule: October 2021 through February 2022
- Activities for This Period: Developed draft findings, reviewed draft findings and recommendations with City, and finalized report with management responses for presentation to the City. Report will be presented to the Audit Committee on May 23.
- Activities for Next Period: None.
- Issues: none

Capital Program Effectiveness Study

- Objective: Assess processes, interdepartmental collaboration, and throughput for capital planning and execution, including contract management and reporting.
- Schedule: January 2021 to through May 2022
- Activities for This Period: Conducted kickoff meeting, initiated field work, conducted interviews, developed draft findings, reviewed draft findings and recommendations with the City, and finalized report. Report will be presented to the Audit Committee on May 23.
- Activities for Next Period: none.
- Issues: none

Fraud, Waste, and Abuse Program

- Objective: Develop a FWA program, including program design, hotline implementation, ongoing hotline administration, and training.
- Schedule: April 2022 to through June 2022
- Activities for This Period: Conducted kickoff meeting.
- Activities for Next Period: Initiate policy and procedure development, review draft policy with City, finalize and present policy and procedure to the City, and develop training plan in collaboration with City.
- Issues: none



CITY OF CUPERTINO

Agenda Item

22-10978

Agenda Date: 5/23/2022
Agenda #: 4.

Subject: INFORMATION ITEM Consider the Capital Program Effectiveness Study Report

Receive Capital Program Effectiveness Study Report and provide direction
Presenter: Moss Adams



FINAL REPORT

City of Cupertino
CAPITAL PROGRAM EFFECTIVENESS STUDY

April 2022

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



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I. EXECUTIVE SUMMARY

A. INTRODUCTION

The City of Cupertino's (the City) Capital Improvement Program (CIP) Division is responsible for managing the City's capital projects, including the planning, permitting, environmental, design, and construction of buildings, parks, streets, utilities, and other facilities owned and operated by the City. Moss Adams LLP (Moss Adams) partnered with the City to evaluate the capital improvement program's people, processes, and systems. The goal of this engagement was to identify opportunities to improve the efficiency and effectiveness of the program.

As part of the assessment, we conducted planning, data collection, and analysis to gain an understanding of the existing environment, identify opportunities for improvement, and provide practical recommendations in this report. This engagement was conducted between October 2021 and February 2022.

Within the past several years, the CIP Division has experienced significant staff turnover. The current team has been making progress toward improving the consistency and efficiency of its operations. This report details additional steps that can be taken by the CIP Division and City leadership to continue the positive trajectory of this work and ensure that this team has the resources it needs to be highly successful.

B. SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

The observations and recommendations are grouped into three major categories: Planning and Prioritization, People, and Processes and Systems. A summary is provided in the table below, and full details are outlined in [Section III](#).

OBSERVATIONS AND RECOMMENDATIONS		
PLANNING AND PRIORITIZATION		
1.	Observation	The City primarily relies on the Annual CIP Budget document to guide yearly operations but has not yet developed a long-range CIP plan.
	Recommendation	A. Develop long-range CIP plan to strategically guide capital improvement investments. B. Increase the standardization and transparency of the CIP project prioritization process.
2.	Observation	The CIP financial forecasting process is short-term and prone to yearly variability. Long-term planning and stability in the program are hindered by fluctuations in annual budget allocation and City priorities.
	Recommendation	A. Implement a multi-year financial forecast for CIP projects to analyze CIP and budget implications for future operating years. B. Create a citywide grant strategy to fully leverage grant funding opportunities.

OBSERVATIONS AND RECOMMENDATIONS		
3.	Observation	A Facility Condition and Use Efficiency Assessment was completed in December 2018 and identified more than \$78 million dollars of required maintenance. However, this assessment is not meeting current needs and is out of date.
	Recommendation	Continue efforts to commission a new facility conditions assessment.
PEOPLE		
4.	Observation	The City's CIP team is sufficiently staffed to meet the needs of its current workload. However, the team is not staffed to provide backup for key roles and relies heavily on select individuals for essential institutional knowledge.
	Recommendation	<p>Consider the following staffing changes:</p> <ul style="list-style-type: none"> A. Pursue retaining the two limited-term project managers as full-time City employees. B. Immediately hire support for the Public Works senior management analyst. C. Establish a senior project manager position. D. Hire a grant management position to support City operations.
PROCESSES AND SYSTEMS		
5.	Observation	The CIP team has yet to develop updated and comprehensive policies and procedures, hindering the team's ability to execute operational activities quickly and consistently.
	Recommendation	Inventory current policies and procedures and create a prioritized schedule for policy and procedure development.
6.	Observation	The CIP Division has strong expertise in managing procurements and contracts. However, as a result of the City's decentralized procurement model, the CIP team is experiencing similar challenges within their purchasing processes as other departments across the City.
	Recommendation	Maintain strong collaboration with the City's Finance department to remain up to date on procurement changes resulting from the 2022 Procurement Operational Review.
7.	Observation	The CIP Division's systems are insufficient to meet the team's need for comprehensive project and budget management.
	Recommendation	Continue current efforts to develop a comprehensive CIP Management solution and clarify expectations for use of the current systems until the new solution is implemented.
8.	Observation	While the CIP Division uses a variety of tools to report project progress, staff note that there are barriers to effectively communicating program needs and trade-offs to City leadership.

OBSERVATIONS AND RECOMMENDATIONS

Recommendation

- A. Establish an annual CIP report detailing project progress, prior year expenditures, and CIP accomplishments to effectively communicate opportunities and challenges to stakeholders, including City leaders, internal staff, and the public.
- B. Correct the data accuracy issues in the community-facing dashboard to ensure public information is always current and accurate.

II. PROJECT OVERVIEW

A. BACKGROUND

The City's CIP Division provides design and construction administration for all capital improvement projects, including streets, sidewalks, storm drainage, buildings, parks, bicycle and pedestrian infrastructure, and other public facilities. The CIP Division ensures that all public improvements are designed and constructed in accordance with community expectations and City standards, and places safety of the public, City employees, and workers as the highest priority in the delivery of capital projects.

Each year, the CIP Division develops a schedule of proposed capital improvement projects ranked by priority and an estimate of project costs and financing sources. The CIP plan is reviewed and approved by the City Council along with the CIP budget. Annually, the CIP plan is reviewed and updated to reflect changing community needs, priorities, and funding opportunities.

B. SCOPE AND METHODOLOGY

Moss Adams serves as the outsourced internal auditor for the City of Cupertino (the City), and reports to the City Council's Audit Committee. As part of the 2021–22 internal audit work plan, the Audit Committee approved a Capital Improvement Program (CIP) study to identify opportunities for improvement to the CIP's operations, structure, service delivery, and process efficiency.

Within the past several years, the CIP Division has experienced significant staff turnover. The current team has been making progress toward improving the consistency and efficiency of its operations. This report details additional steps that can be taken by the CIP Division and City leadership to continue the positive trajectory of this work and ensure that this team has the resources it needs to be highly successful.

Moss Adams conducted this engagement between October 2021 and February 2022. For this study, Moss Adams evaluated the structure, function, and role of the CIP Division to improve the operational effectiveness and efficiency of its program. The project consisted of four major phases.

PHASE		DESCRIPTION
1	Start-Up and Management	<p>➤ Project initiation consisted of collaborative project planning with the City and project management, including developing our scope of work and final work plan.</p>
2	Fact-Finding and Data Collection	<p>➤ The second phase included interviews, document review, and best practice research. We worked with City staff to obtain the most current information and insights.</p> <ul style="list-style-type: none">• <i>Interviews:</i> We conducted interviews and focus groups with 21 members of City staff.• <i>Document review:</i> We received documents including policies, procedures, planning documents, reports, and others.• <i>Best practice research:</i> Based on the opportunities for improvement identified, we conducted research to ascertain best practices within the public sector.

PHASE		DESCRIPTION
3	Analysis	➤ Based on the information gained during our fieldwork phase, we assessed the current conditions and identified opportunities for improvement. Leveraging best practice information and our own experience from working with similar entities, we developed practical recommendations.
4	Reporting Results	➤ We communicated the results of our analysis with observations and recommendations presented first in a draft report that was reviewed with management to confirm the practicality and relevance of recommendations before finalizing the report.

C. COMMENDATIONS

Based on the insights gathered through interviews and document review, it is evident that the City's CIP Division has many commendable organizational attributes. Some examples are provided below.

- **Good Collaboration:** Interviewed staff generally noted that the CIP Division is a collaborative partner that strives to build constructive relationships. This group has placed emphasis on improving collaboration by establishing practices like holding regular meetings with key internal stakeholder groups.
- **Healthy Investment:** The City has made strong financial investments into capital infrastructure to improve streets, sidewalks, storm drainage, buildings, parks, bicycle and pedestrian infrastructure, and other public facilities.
- **Strong Project Management:** The CIP Division is currently supporting 42 active projects. The group has also made significant improvements to the number of projects that are completed on time and on budget—shifting from 70% of projects completed on time and 62% of projects completed on budget in fiscal year 2019, to 93% and 81%, respectively, in fiscal year 2020.
- **Dedication to Continual Improvement:** Interviewed staff within the CIP Division were uniformly interested and invested in making improvements to increase the efficiency and effectiveness of the team. When speaking with key partners in other divisions and departments, a consistent theme was that the CIP team has made continual improvements over the past year and is on a strong, positive trajectory.

We would like to thank City leadership and staff for their willingness to assist in this assessment.

III. OBSERVATIONS AND RECOMMENDATIONS

Based on the input gathered from interviews, document review, and focus groups, as well as comparisons to best practices, we prepared a comprehensive set of observations and recommendations.

A. PLANNING AND PRIORITIZATION

Capital Planning and Prioritization

1.	Observation	The City relies on the Annual CIP Budget document to prioritize projects and guide yearly operations but has not yet developed a long-range CIP plan.
	Recommendation	<p>A. Develop a long-range CIP plan to strategically guide capital improvement investments.</p> <p>B. Increase the standardization and transparency of the CIP project prioritization process.</p>

The City's capital planning process is well-defined but lacks two industry standard best practices: a long-range CIP plan and a standardized project prioritization process.

Capital Planning

To guide CIP activities, the City creates an Annual CIP Budget document that outlines the capital projects that will be initiated within the next 12 months. The Annual CIP Budget document focuses on the current fiscal year and includes new projects and existing projects with identified internal and external funding. While the plan does include existing projects with multi-year funding that are intended to be in-progress or completed over the course of the next five years, the plan does not provide a clear view of the City's planned capital improvements beyond the immediate upcoming year. The document does not include planning for projects starting in later years and does not maintain future estimates of CIP project impacts on the City's operating budget.

Industry best practice recommends that all municipalities develop a long-range (five- to ten-year) CIP plan. However, the City has historically placed a high value on responsiveness and flexibility to meet emergent needs. Continued changing priorities has made it difficult to prioritize or develop a useful long-range plan. In addition, the City's current funding structure (see Recommendation 3) creates barriers to effectively forecasting funding levels to support a realistic planning process. Despite these conditions, the City does have a Capital Improvement Policy that states the "City will prepare and update a five-year Capital Improvement Plan (CIP) encompassing all City facilities." The policy indicates that the plan shall encompass "all anticipated Capital Improvement Projects for the current fiscal year plus four additional fiscal years."

As noted in the 2020 Enterprise Risk Assessment, short-term planning for capital improvement projects can increase risks of higher long-term costs, reduce the City's ability to make strategic long-term investments, and can increase threats to health and safety. For example, employees reported

concerns about the safety of City Hall and the continued deferral of the City Hall project in favor of other CIP projects.

In alignment with industry best practice, the City should develop a five-year CIP plan and related financial forecast (see Recommendation 2). A prudent multi-year capital plan identifies projects beginning in later planning years (not just those starting in the current year's budget) and identifies and prioritizes expected needs based on the long-range vision articulated in the City's strategic plan and/or comprehensive plan. A CIP typically identifies capital project and acquisition needs; provides cost or expenditure estimates for those needs; identifies probable sources of financing; evaluates, prioritizes, and schedules projects and acquisitions; and forecasts the impact of projects and acquisitions on the operating budget.

A long-term CIP plan enables the City to be more strategic when prioritizing and planning for upcoming projects and is designed to be amended on an annual basis. Projects can be added or subtracted as the needs and resources of the community adjust. Typically, only the projects included in the first year of long-range CIP plans are legal appropriations. The second, third, fourth, and fifth years of the plan represent the City's best estimate of a fundable plan for capital improvements.

Project Prioritization

Another critical element of the City's CIP planning process is the prioritization of potential projects. Interviewed staff report that the current project selection and prioritization process functions well but is not highly formalized. The selection of CIP projects is informed by needs identified in various planning documents—including the City's General Plan, Parks and Recreation System Master Plan, Bicycle Transportation Plan, and Climate Action Plan—and an annual process by which individual departments submit project requests. Identified projects are then prioritized by the CIP Division staff who evaluate various factors including health and safety, available funding and grant opportunities, and political and community interest. High-priority projects are then submitted to City Council for approval. While the CIP Budget document lists several principles for project evaluation (like health and safety and funding availability), the City has not yet adopted a standardized or quantitative set of evaluative criteria to guide the prioritization process. As a result, some staff reported concerns that critical criteria—like sustainability—were inconsistently prioritized.

The CIP Division should create a scoring framework that can be applied to all projects and form the primary basis for prioritization. The criteria used to determine capital project prioritization varies across the industry with some cities simply utilizing a list of general criteria that a project must meet to be approved, while others have developed more complex ranking systems. Best practice is to use a rating system that assigns a quantitative value to a project priority. A decision-making tool such as a weighted decision matrix can be useful in attributing value to higher-priority criteria in the rating scale. The rating system helps facilitate decision making and standardizes the project prioritization process.

When evaluating capital project requests, the Government Finance Officers Association (GFOA) recommends that capital projects be prioritized by:

- Health and Safety – Priority should be given to high-risk safety issues that require a capital project to correct
- Asset Preservation – Capital assets that require renewal or replacement based on capital asset life cycle

- Service/Asset Expansion/Addition – Infrastructure improvements needed to support government’s policies, plans, and studies

Other common criteria to consider include:

- Input from major stakeholders and the community
- Submitting department initial prioritization
- The impact on operating budget
- Analytical techniques such as life cycle costing, cost-benefit analysis, and cash flow modeling
- Number of positively impacted residents

Appendix A contains a sample quantitative rating scale used by Chatham County, North Carolina.

Capital Program Funding

2.	Observation	The CIP financial forecasting process is short-term and prone to yearly variability. Long-term planning and stability in the program are hindered by fluctuations in annual budget allocation and City priorities.
	Recommendation	<p>A. Implement a multi-year financial forecast for CIP projects to analyze CIP and budget implications for future operating years.</p> <p>B. Create a citywide grant strategy to fully leverage grant funding opportunities.</p>

Financial Forecasting

In line with budget policy, the City uses a “pay as you go” funding approach for the CIP where project funds are approved on an annual basis. For multi-year projects, the City Council approves funding of capital improvements on a total project basis but allocates the funding annually. Within this context, the CIP fund allocation process is short-term and prone to change year-over-year, as there is no long-term CIP plan.

Capital projects are funded from a variety of sources including the General Fund, the Capital Reserve Fund, and external funds such as grants. The General Fund allocation is typically capped at \$1.5 million per year (which is fairly low in relation to the City’s capital improvement needs and activities), with the potential for additional mid-year transfers. While mid-year fund transfers are typically significant (the mid-year transfer for FY 2021 was around \$5 million), staff note that there can be a high degree of variability. The variation in the mid-year transfer makes developing accurate financial forecasts to support long-term CIP planning a challenging task.

This funding method enables the City to take a cautious approach to potential shortfalls in future revenue, and this strategy was developed, in part, to mitigate risks related to the City’s heavy reliance on revenue generated by the presence of Apple Inc. headquarters. However, without the ability to create a stable forecast for future projects, the City will not be able to develop a long-term CIP plan or make the most strategic long-term investments.

In alignment with developing a multi-year CIP Plan (Recommendation 1), a multi-year financial forecast for CIP projects should be implemented. A financial forecast puts local officials in a better position to select strategies that can be sustained over time as the forecast will assist in identifying opportunities, challenges, and limits that are likely to occur.

Financial forecasts are important tools to inform elected officials about revenue and spending trends and how changes in the local economy and environment are likely to affect future revenues and expenditures. A multi-year financial forecast can reveal whether future estimated revenues and other financing sources will support debt service, lease payment obligations, and pay-as-you-go capital financing on top of the continuation of current services in future years.

To support the forecast, the City can use trendlines to predict average CIP mid-year transfers. Trend analysis of historic revenue and expenditures data from prior fiscal years along with judgment-based forecasting are the industry standard for small- and medium-sized governments. For example, staff report that the average mid-year transfer was around \$9.6 million over the last five years, so \$7-\$9 million could be a reasonable estimate. Considering a practical implementation, the City should strive for the most realistic and accurate forecast that can reliably be used to make budgeting decisions. The assumptions used to forecast revenue and expenditure categories should be documented as the assumptions provide important context for interpreting the results and having buy in from stakeholders.

Grant Strategy

The City has not yet developed a comprehensive grant strategy to take advantage of CIP funding opportunities outside of City revenues. While grant funding is currently being used on CIP projects, staff report that there are large grant funding sources that have not yet been tapped into due to lack of staff capacity.

The City should develop a citywide grant strategy to utilize grant funding opportunities available to supplement City revenue and add stability to CIP funding and multi-year budgets. Diversifying CIP funding by adding a grant strategy would reduce some risk caused by the City's reliance on Apple-related revenue. This strategy could be led and supported by a grant manager position (see Recommendation 4).

Infrastructure Maintenance

3.	Observation	A Facility Condition and Use Efficiency Assessment was completed in December 2018 and identified more than \$78 million dollars of required maintenance. However, this assessment is not meeting current needs and is out of date.
	Recommendation	Continue efforts to commission a new facility conditions assessment.

Facility maintenance is overseen by the Public Works Department. As part of this work, the City commissioned a Comprehensive Facility Condition and Use Efficiency Assessment that was completed in December 2018. The intent of the study was to develop a long-range planning tool for investments needed to keep City facilities maintained and functioning adequately. The report

estimates that the ten-year cost for currently identified required maintenance is above \$78 million dollars.

These types of assessments are a critical tool to help City leadership identify pressing infrastructure needs that could result in major capital improvement projects. As such, this tool impacts the CIP group's work, as well as the City's ability to develop a strategic long-range CIP plan based on current infrastructure needs (see Recommendation 1).

However, multiple interviewed staff noted that the Comprehensive Facility Condition and Use Efficiency Assessment report is out of date and does not meeting staff needs. In particular, staff have questioned the methodology around how project needs are prioritized within the report, given that the assessment encompassed both building related issues and site-specific issues.

The City needs to have an up-to-date source of information to quantify relative needs and anticipated costs of current, future, and deferred maintenance. As such, the CIP team is currently developing a scope of work to commission a new analysis to capture all current and upcoming maintenance needs for City-owned buildings. The goal of this work would be to provide an updated understanding of deferred, current, and future infrastructure maintenance expenses. In general, the industry-standard recommendation is to reassess facility conditions every five years, so the timing of this work is appropriate.

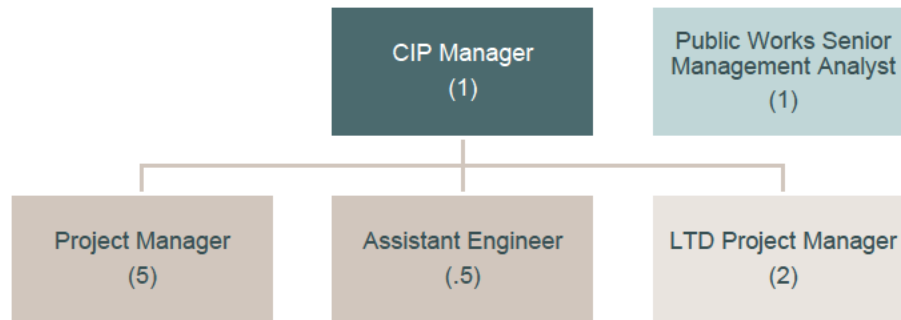
B. PEOPLE

Staffing

4.	Observation	The City's CIP team is sufficiently staffed to meet the needs of its current workload. However, the team is not staffed to provide backup for key roles and relies heavily on select individuals for essential institutional knowledge.
	Recommendation	Consider the following staffing changes: <ul style="list-style-type: none">A. Pursue retaining the two limited-term project managers as full-time City employees.B. Immediately hire support for the Public Works senior management analyst.C. Establish a senior project manager position.D. Hire a grant management position to support City operations.

CIP Structure

The CIP team is situated in the City's Public Works Department and consists of a CIP manager, five full-time project managers, two limited-term project managers, and an assistant engineer whose work is split evenly between the CIP and Transportation divisions. The CIP Division is further supported by the Public Works senior management analyst represented in the following graphic.



The overall staffing structure for the CIP Division is sufficient to accomplish the annual CIP plan. However, project volume, the lack of backups for key positions, and the flat structure present heightened areas of risk for the CIP Division. There are three key opportunities for the department to mitigate these risk areas and improve the overall efficiency of CIP operations. These are:

- Convert the limited-term project managers to permanent positions.
- Hire a project coordinator to provide critical support for the senior management analyst's tasks, including budget preparation and financial reporting, RFQ processing, and contract development and administration.
- Establish a senior project manager role by elevating a current project manager role.

Project Managers

The full-time and limited-term project managers, in addition to the assistant engineer, are responsible for managing the City's 42 active CIP projects. This results in a ratio of approximately 5.6 projects per individual. While current staffing levels are reportedly sufficient to manage the City's workload, staff expressed concern that workloads could become unsustainable if the two limited-term positions are not extended or made permanent.

The number of projects a person can simultaneously manage is an important element for departmental planning and resourcing. While there is no formalized standard, there are several methodologies that can help guide an individual's project load. For example, the Construction Management Guide recommends that 10% of the hours estimated for a project are for the project manager's work. The total volume of projects per individual can be calculated based on the total project hours and a standard 1,800-hour work year. However, this does not take into consideration project complexity or experience of the project manager.¹ Other studies of various industries indicate that three major projects at one time resulted in optimal efficiency.² However, several factors including project size, complexity, phasing, departmental structure, and the experience of the project manager can greatly influence the number of projects that should be managed by an individual.

Based on this information, the current number of projects per person is higher than industry standards. However, as mentioned above, interviewed staff noted that the current workload is manageable. If the City plans to continue investing in capital infrastructure projects at its current rate, leadership City should consider transitioning the two limited-term project managers into permanent

¹ Cabanis-Brewin, J. (2016, January 27). How many projects per pm? It depends. *PMSolutions*. Accessed February 23, 2022. <https://www.pmsolutions.com/blog/view/optimal-project-manager-load>.

² Patanakul, P. & Milosevic, D. (2009). The effectiveness in managing a group of multiple projects: Factors of influence and measurement criteria. *International Journal of Project Management*, 27, pp 216-233.

roles. If these positions are not converted to permanent roles, it is likely that the CIP Division will experience turnover in the limited-term positions. If the overall volume of project work does not decrease, that will require the CIP Division to continually onboard new limited-term roles—a process is inefficient and disruptive to ongoing projects.

When evaluating the optimal number of projects under management by one person, the CIP Division can use the 10% method as a baseline, then assess the experience of its managers, phasing, and complexity of projects, in addition to staff feedback to determine the target project load per person. This should be tracked over time to provide a baseline for the City's CIP team.

In addition, if the City invests in the creation of a multi-year CIP plan (see Recommendation 1), the Department will be significantly better equipped to forecast staffing needs and ensure that staffing levels are appropriate.

Administrative Support

The Public Works senior management analyst provides critical support to the entire Public Works function, and the CIP team, for many key activities, including budget preparation and financial reporting, RFQ processing, and contract development and administration. This individual is also often the sole Public Works user of the City's contract management and financial systems. This role is central to the success of several essential workflows for a large and complex department, and yet does not have a backup or counterpart in the City that can provide the same level of service if the need arises. For example, staff across the organization report that the senior management analyst is on call, even when taking time off, because no other staff members have the experience to take over these types of tasks. The lack of support and backup for this role has also resulted in extremely high workloads. This type of sole contributor role creates significant risks for the organization.

The CIP team does not have additional support staff or project coordinators to assist with administrative tasks such as scheduling, filing, and document management become the responsibility of the project manager. As a result, CIP staff report that they spend a significant amount of time coordinating these tactical tasks rather than completing higher-priority items. The volume of administrative work a project manager must conduct is an important factor that significantly impacts the projects-to-project-manager ratio.

The City should establish a project coordinator position and/or additional management analyst role to provide backup and additional support to the senior management analyst, CIP manager, and project managers. Shifting tactical coordination responsibilities to this role could help:

- Generate the capacity needed for the senior management analyst to focus on more strategic priorities.
- Provide essential backup of for the senior management analyst, and possibly a succession pathway.
- Improve operational continuity by supporting the whole CIP team with project coordination tasks.

Senior Project Manager

The CIP team operates in a flat organizational structure consisting of two levels, project managers and the CIP Manager. Under this current structure, the CIP Manager has eight direct reports. Industry best practices suggest that the ideal direct report ratio is no more than 1:7. While the number of direct reports is within an acceptable range, the additional administrative tasks required by the CIP manger

to successfully lead the team has resulted in a high workload for this position. Additionally, there is little career growth for project managers within the team.

This environment presents an opportunity for the CIP Division to establish a senior project management position. Senior project manager roles are common within municipal CIP divisions and have several benefits:

- They can provide oversight, coaching, and management to project managers, providing back-up and succession planning options for the CIP Manager.
- Establishing this position can help create a stronger career growth pathway within the CIP Division which can motivate employees and provide additional incentive to retain tenured staff who possess significant institutional knowledge.

Currently, the project manager with the most tenure in the group is informally undertaking additional leadership, coordination, and mentorship responsibilities. The City should consider elevating one of the currently approved project manager roles rather than adding an additional FTE to the team.

Grant Management

The CIP team—and Public Works, in general—does not have a grant management position. Without dedicated resources for this function, staff report that there are likely large grant funding sources that have not yet been tapped into due to lack of staff bandwidth (see additional details related to grant strategy in [Recommendation 1](#)).

The City as a whole would benefit from a grant manager position. While this role could be enterprise-wide, the size and volume of projects conducted by Public Works will make it important for the individual who fills this role to have considerable experience with Public Works grants. This role would be responsible for identifying grant opportunities, writing proposals, and providing support for grant coordination across the City. This role could also develop an overarching grant strategy for the City. Typically, the salary for grant management positions can be offset by grants awarded to the City.

C. PROCESSES AND SYSTEMS

Policies and Procedures

5.	Observation	The CIP team has yet to develop updated and comprehensive policies and procedures, hindering the team's ability to execute operational activities quickly and consistently.
	Recommendation	Inventory current policies and procedures and create a prioritized schedule for policy and procedure development.

Because of high levels of turnover and growth in the CIP team, several new CIP staff have been onboarded at varying stages of the program life cycle. During the onboarding period, staff report having limited documentation of standard operating procedures (SOPs) and rely on tenured team members to learn project processes. This is hindering the team's ability to perform the following functions quickly and consistently:

- Transition project knowledge among team members and departments. Historical project data and decision-making context is not always documented and stored in the project's folder.
- Manage project documents. While the CIP team has developed a standardized file structure, staff report that it is ungainly and has not been consistently adopted. The CIP Manager is in the process of developing a more streamlined standardized file structure to improve information management.
- Develop and administer contracts. The City has taken steps to update its contract templates and provide updated information to guide the contract development process. However, staff noted that not all templates have been updated and they continue to rely on peers for best practices.

There have been past efforts by administrative staff to document team SOPs, and the City is undertaking a broader effort to update and clarify citywide project processes, including contract development, purchasing, and budgeting. To support this process, the CIP team should inventory all current policies and procedures, determine what additional policies and procedures need to be created, and create a prioritized schedule for policy and procedure development and updates, starting with the procedures which will have the greatest impact on the efficiency of the team. Interviewed CIP staff highlighted opportunities to develop the following guidelines:

- Document management: This includes establishing standards for file naming, file structure, and guidelines for the types of documents contained in each folder, digitization, and retention requirements.
- CIP technology: This could include an overview of the various systems the team uses, their place in the project life cycle, and a superuser who can be contacted for training and questions.
- Review and approval: For example, a flowchart for decision-making requirements and approvals at different stages of the project life cycle.
- Reference materials: GL codes, phase checklists, and project templates are some examples of opportunities to optimize project operations.
- Interviewed staff also noted opportunities to develop policies and procedures related to the following topics:
 - Cost estimates: Developing a methodology to standardize and capture cost estimates can allow the team to track variances over time and determine if any issues arise.
 - Project prioritization: The team is mostly aligned on the informal elements that contribute to project prioritization. Formalizing this procedure will strengthen the team's planning abilities and lead to more consistently reproducible results.
 - Lessons learned: Capturing institutional knowledge is a valuable element to project management and the ability of the CIP team to advance its CIP program.

Prioritizing the development or updates to these guidelines will help the CIP Division to improve tactical capabilities, streamline operations, and onboard new staff more quickly.

Procurement and Contract Management

6.	Observation	The CIP Division has strong expertise in managing procurements and contracts. However, as a result of the City's decentralized procurement model, the CIP team is experiencing similar challenges within their purchasing processes as other departments across the City.
	Recommendation	Maintain strong collaboration with the City's Finance department to remain up to date on procurement changes resulting from the 2022 Procurement Operational Review.

Under the City's decentralized procurement model, CIP staff are the drivers of purchasing and contracting activities throughout the procurement life cycle. Other departments in the City use the CIP team as subject matter experts and as the primary source of updated information and best practices for the RFP/RFQ process because of the high volume of contracts and significant procurement the Public Works Department regularly processes. In addition, at times the CIP team has been asked to take on contract and procurement management for other departments, either because the department is short-staffed or their current staff is not as knowledgeable as the CIP division in this area. As a result, the CIP team sometimes performs work on non-CIP projects because of their specific skillset.

Throughout various stages of procurement, including budgeting, invoicing, and contract development, the CIP Division works closely with Finance and the City Attorney's Office. When partnering with other departments, interviewed staff positively characterized these relationships, and noted strong communication, collaboration, and responsiveness to CIP needs.

In conjunction with this engagement, Moss Adams conducted a Procurement Operational Review that captures the challenges experienced by CIP staff related to contract management, timely invoicing, and clear roles and responsibilities. The recommendations outlined in the 2022 Procurement Operational Review address the contracting and procurement process challenges experienced by the CIP team. The CIP team should maintain its strong collaboration with the City's Finance department to remain up to date on process changes.

The procurement operational review further recommends establishing a centralized purchasing authority, such as a procurement officer. If this happens, this role would be well positioned to take over leadership and guidance for procurement and contracting processes from the CIP team. If the City does not establish a centralized procurement role, the CIP team and other key contracting and procurement personnel across the City should continue to collaborate to develop self-serve guidance for procurement and contracting activities. In addition, the City should work to ensure that the CIP team is primarily focused on supporting procurement and contracting for CIP-related projects and that other departments can manage their own procurement and contracts.

Information Technology Systems

7.	Observation	The CIP Division's systems are insufficient to meet the team's need for comprehensive project and budget management.
	Recommendation	Continue current efforts to develop a comprehensive CIP Management solution and clarify expectations for use of the current systems until the new solution is implemented.

Project Management System

The CIP Division lacks a comprehensive project and budget management system. Historically, project managers have developed personal systems individually to manage projects and budgets outside any centralized system. For example, most project managers track project financials in Excel, passing along data to the senior management analyst, and then checking the financial reports generated out of New World Systems against their data. CIP Division project managers do not actively use New World Systems and rely on the senior management analyst to pull financial reports as needed (which interviewed staff report is the preferred method for all involved).

During the course of this assessment, the CIP Division began using Microsoft Project to provide updates on projects related to the City Council's Work Program. However, adoption of Microsoft Project for general project management is highly uneven, and staff report that expectations are not yet clear. This is exacerbated by the fact that Microsoft Projects does not currently integrate with New World Systems, so project financials must still be tracked manually outside the system.

In collaboration with information technology (IT), the CIP Division recently gained approval for a custom-built CIP Management solution. As described in the project charter, the goals for this implementation are that the management system will enable project managers to:

- Manage all project details including scheduling, budgeting, scope documents, reporting, and archiving.
- Enter project details such as project type, phase, project numbers, descriptions, and year initiated, as well as access a project document library, project-related links to Council Actions, and contract items.
- Pull in the pertinent financial data from New World Systems, such as approved budget, expense and encumbrance amounts, budget year, and funding sources.
- Provide an online portal for contractors/developers to upload submittals and invoices for City staff approval. Transitions will be set up to trigger notifications, log history, and display status. This process will also trigger and track the upload of financial records to New World Systems for processing.
- Access extensive reporting capabilities, including a view of entire CIP program and overviews of specific project scheduling and funds.

The City should continue current efforts to develop a comprehensive CIP Management solution, as many historical issues with IT systems will be resolved if the system meets the goals detailed in the project charter. Until the CIP Management solution is implemented, expectations for how the CIP Division project managers should be using Microsoft Project should be clarified.

Until the CIP Management solution is in place, the Public Works Department should consider establishing regular financial reports that are provided on a monthly basis to each project manager rather than relying on ad hoc requests. As part of this work, expectations should be set for what information each project manager should be reviewing monthly.

Other Systems

The CIP Division utilizes a variety of other systems to support their work.

- **Contracts:** In 2021, the City implemented Cobblestone software to improve the contract management process. The Public Works senior management analyst is the primary user of the Cobblestone system. No CIP Division staff have direct access to this system. Instead, information is routed through the senior management analyst. While this can create bottlenecks, staff generally appreciate the current process, as the senior management analyst provides a valuable quality control review.
- **Document Management:** The CIP Division uses Laserfiche as its primary document management system, and there are ongoing efforts to digitize and store all paper documents in the Laserfiche system. However, staff report that the group has struggled to implement an easy-to-navigate file structure. As a result, it has been challenging for new employees to find necessary information.

In collaboration with IT, efforts are currently underway to standardize the file naming and structure for all CIP Division project documents.

The CIP Division should continue current efforts digitize all CIP documents and standardize the file naming and structure for easy navigation.

Communication and Reporting

8.	Observation	While the CIP Division uses a variety of tools to report project progress, staff note that there are barriers to effectively communicating program needs and trade-offs to City leadership.
	Recommendation	<p>A. Establish an annual CIP report detailing project progress, prior year expenditures, and CIP accomplishments to effectively communicate opportunities and challenges to stakeholders, including City leaders, internal staff, and the public.</p> <p>B. Correct the data accuracy issues in the community-facing dashboard to ensure public information is always current and accurate.</p>

The CIP Division uses a variety of tools to communicate project progress to City leadership and members of the public. These tools include:

- CIP Adopted Budget document
- A section within the City's Adopted Budget document and an annual presentation to City Council as part of the budget development process
- A public-facing CIP dashboard

The CIP Adopted Budget document includes a narrative of Division accomplishments, descriptions and the status of currently budgeted projects, and proposed projects for the upcoming fiscal year. However, given that this report focuses primarily on the projects planned for the upcoming year, there is limited discussion on the performance of the previous year and forecasts for future year projects. The City's Adopted Budget document includes two key performance indicators (KPIs) to measure CIP performance: percentage of projects completed on budget and percentage of construction projects completed on time.

The CIP Manager makes an annual presentation to the City Council of the proposed projects for the next fiscal year. However, staff report that this annual presentation is too short to effectively present City Council with a holistic picture of the work performed by the CIP team.

Consistent with the City's emphasis on public transparency, the City has developed a community-facing dashboard to give Cupertino residents a snapshot of how taxes and fees are being used to maintain and improve the City's facilities and assets. This public dashboard is currently populated by data in an Excel spreadsheet, although there are plans in place to shift the data source to a more formalized system. The data is currently updated and reconciled with information from the financial system on a quarterly basis. However, this means that information provided to the public may be incorrect or incomplete between the quarterly reconciliations.

Despite the tools noted above, staff report challenges with clearly communicating CIP successes, challenges, and trade-offs to City leadership. While some of these issues may be resolved through the establishment of a multi-year CIP Plan (see Recommendation 2), CIP and Public Works management will need to place continued focus on ensuring that City leadership fully understands the opportunities and challenges associated with capital improvement efforts.

To enhance the City's communication efforts, the CIP Division should consider establishing an annual report detailing CIP accomplishments, prior year project expenditures, project progress, and expanded KPIs. The report should be presented to the City Council as an opportunity to represent CIP accomplishments and set expectations for the CIP budget. This is also an opportunity to articulate the City's total investments more clearly into capital improvements, which can be an important data point for members of the public. This report could be a standalone tool or part of an expanded Annual CIP Budget document.

Regardless of the specific format, for the annual report to be an effective tool, it is important to use plain language, be consistent, and provide project information to clearly communicate project status and activities to multiple stakeholders, including City leaders, internal staff, and the public. The report should highlight significant changes to project scope, scheduling, costs, or funding. It is best practice to report on project status by providing a comparison of actual results to the project plan. Those comparisons should include:

- Percent of project completed
- Progress on key project milestones
- Percent of project budget expended
- Contract status information including time remaining and percentage used
- Revenue and expenditure activity
- Cash flow and investment maturities
- Funding commitments

- Available appropriation
- Comparison of results in relation to established performance measures

In addition, the CIP Division should continue efforts to ensure that the community-facing dashboard can provide current, accurate CIP project data to the public. The data accuracy issues in the dashboard should be resolved to ensure the intention of the dashboard is realized.

APPENDIX A: SAMPLE PRIORITIZATION MATRIX

Source: ICMA *Capital Budgeting and Finance: A Guide for Local Governments*, page 92.

Rating Criteria	Definition/Explanation	Maximum Points	Percentage Weighting
Functional area priority	Priority of project among requests in functional area: 5 for top-ranked project to 0 for any project ranked sixth or below in priority.	5	3.79
Safety	Extent to which project eliminates, prevents, or reduces an immediate hazard to safety.	14	10.61
Mandates	Extent to which project helps county meet existing or new mandates.	13	9.83
Timing/linkages	Extent to which project is timely, a continuation of a project currently under way, related to other high-priority projects, etc.	12	9.09
Economic impact	Extent to which project enhances economic development in county, while it protects the environment or directly or indirectly adds to the tax base.	11	8.33
Efficiencies	Extent to which project contributes to savings in county operating or capital spending.	10	7.58
Maintaining current level of service	Extent to which project is necessary for county to continue to provide one or more services at current standards.	9	6.82
Improving access	Extent to which project improves citizen access to current services.	8	6.10
Service improvement	Extent to which project improves the quality of existing services.	7	5.30
Service addition	Extent to which project increases the quantity of existing services.	3	2.30
Operating budget impact	Projects that decrease future operating expenses receive a positive score, ranging from 0 to 15. Projects that have no effect on operating expenses receive a score of 0. Projects that increase operating expenses score anywhere from 0 to –15.	0 to 15, 0, or 0 to –15	11.34

Rating Criteria	Definition/Explanation	Maximum Points	Percentage Weighting
Community support and county long-term plans	Extent to which project has broad and/or strong support from the community and is consistent with the county strategic plan or other long-term plans.	10	7.58
Financing	Extent to which project can be financed with non-general fund revenue sources.	15	11.34
Maximum points, all categories		132	100.00



MOSSADAMS



CITY OF CUPERTINO

Agenda Item

22-10979

Agenda Date: 5/23/2022
Agenda #: 5.

Subject: INFORMATION ITEM Consider the Fiscal Policy Inventory and Gap Analysis Report

Receive Fiscal Policy Inventory and Gap Analysis Report and provide direction
Presenter: Moss Adams



FINAL REPORT

City of Cupertino

FISCAL POLICY INVENTORY AND GAP ANALYSIS

May 5, 2022

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



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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.



- 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



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.



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



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
<p>Cash Management</p>	<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.
<p>Payroll and Timekeeping</p>	<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)



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



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>



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

**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.



MOSSADAMS



CITY OF CUPERTINO

Agenda Item

22-10980

Agenda Date: 5/23/2022
Agenda #: 6.

Subject: INFORMATION ITEM Consider the report on Interim Audit and AUP Engagements

Receive report on Interim Audit and AUP Engagements and provide direction
Presenter: Crowe



CITY OF CUPERTINO

Agenda Item

22-10981

Agenda Date: 5/23/2022
Agenda #: 7.

Subject: ACTION ITEM Consider the Monthly Treasurer's Report for March 2022 (Continued from April 25, 2022)

Review Monthly Treasurer's Report for March 2022 and recommend filing with City Council
Presenter: Thomas Leung, Acting Finance Manager



ADMINISTRATIVE SERVICES DEPARTMENT

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

AUDIT COMMITTEE STAFF REPORT

Meeting: May 23, 2022

Subject

Monthly Treasurer's Report for March 2022

Recommended Action

Review Monthly Treasurer's Report for March 2022 and recommend filing with City Council

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 for review and filed with the City Clerk 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. Adjustments to the ending balance account for transactions recorded in other systems and imported into New World.

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 cash and fund balances for the City of Cupertino for March 2022.

March 2022

The City's General Fund ending cash and investment balance was \$108.9 million, a decrease of \$7.3 million from the prior month. Receipts were \$7.9 million, disbursements were (\$4.6) million, and journal adjustments were (\$10.6) million for the month.


The City's General Fund ending fund balance was \$97.8 million, decreasing \$11.8 million from the prior month due to revenues of \$6.1 million and expenditures of \$17.9 million.

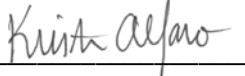
Sustainability Impact


No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by: 
Thomas Leung
Acting Finance Manager

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

Approved for Submission by: 
Dianne Thompson
Assistant City Manager

Attachments:

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

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

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

Cash and Investments

Fund Type	Fund Number/Name	Beginning Balance				Ending Balance	
		as of February 28, 2022	Receipts	Disbursements	Journal Adjustments	as of March 31, 2022	
General Fund	100 General Fund	\$ 116,236,763	\$ 7,904,640	\$ (4,625,187)	\$ (10,591,073)	\$ 108,925,143	
General Fund	130 Investment Fund	\$ (1,200)	\$ -	\$ -	\$ -	\$ (1,200)	
Special Revenue Funds	210 Storm Drain Improvement	\$ 2,378,451	\$ -	\$ (29,695)	\$ -	\$ 2,348,756	
Special Revenue Funds	215 Storm Drain AB1600	\$ 1,831,198	\$ 4,992	\$ -	\$ -	\$ 1,836,190	
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	\$ 1,376,381	\$ 16,102	\$ (94,716)	\$ (103,792)	\$ 1,193,974	
Special Revenue Funds	260 CDBG	\$ 556,275	\$ 662	\$ (16,821)	\$ -	\$ 540,116	
Special Revenue Funds	261 HCD Loan Rehab	\$ 232,280	\$ -	\$ -	\$ -	\$ 232,280	
Special Revenue Funds	265 BMR Housing	\$ 6,223,358	\$ 3,600	\$ (65,539)	\$ (25,652)	\$ 6,135,767	
Special Revenue Funds	270 Transportation Fund	\$ 14,113,661	\$ 197,816	\$ (316,424)	\$ (208,653)	\$ 13,786,400	
Special Revenue Funds	271 Traffic Impact	\$ 748,717	\$ -	\$ -	\$ -	\$ 748,717	
Special Revenue Funds	280 Park Dedication	\$ 22,245,709	\$ -	\$ (24,170)	\$ -	\$ 22,221,539	
Special Revenue Funds	281 Tree Fund	\$ 137,364	\$ 600	\$ -	\$ -	\$ 137,964	
Debt Service Funds	365 Public Facilities Corp	\$ 2,284,850	\$ -	\$ -	\$ -	\$ 2,284,850	
Capital Project Funds	420 Capital Improvement Fund	\$ 31,254,282	\$ -	\$ (1,398,650)	\$ -	\$ 29,855,633	
Capital Project Funds	427 Stevens Creek Corridor Park	\$ 176,498	\$ -	\$ -	\$ -	\$ 176,498	
Capital Project Funds	429 Capital Reserve	\$ (453,432)	\$ -	\$ -	\$ 10,000,000	\$ 9,546,568	
Enterprise Funds	520 Resource Recovery	\$ 6,275,660	\$ 119,834	\$ (155,527)	\$ (84,641)	\$ 6,155,326	
Enterprise Funds	560 Blackberry Farm	\$ 1,236,243	\$ -	\$ (46,327)	\$ 36,655	\$ 1,226,571	
Enterprise Funds	570 Sports Center	\$ 2,457,523	\$ -	\$ (338,889)	\$ 144,464	\$ 2,263,097	
Enterprise Funds	580 Recreation Program	\$ 3,183,186	\$ -	\$ (47,160)	\$ 173,442	\$ 3,309,468	
Internal Service Funds	610 Innovation & Technology	\$ 1,924,770	\$ 50	\$ (236,757)	\$ 736,187	\$ 2,424,249	
Internal Service Funds	620 Workers Compensation	\$ 3,952,872	\$ -	\$ (3,134)	\$ 63,100	\$ 4,012,839	
Internal Service Funds	630 Vehicle/Equip Replacement	\$ 659,856	\$ -	\$ (65,266)	\$ 426,124	\$ 1,020,714	
Internal Service Funds	641 Compensated Absence/LTD	\$ 698,079	\$ -	\$ 612	\$ (2,238)	\$ 696,453	
Internal Service Funds	642 Retiree Medical	\$ 343,308	\$ -	\$ (115,670)	\$ (3,720)	\$ 223,918	
Total		\$ 220,072,653	\$ 8,248,296	\$ (7,579,322)	\$ 560,202	\$ 221,301,829	

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

Printed April 21, 2022

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

Fund Type		Fund Number/Name		Beginning Fund Balance as of February 28, 2022		Revenues		Expenditures		Ending Fund Balance as of March 31, 2022	
General Fund	100	General Fund		\$	109,585,673	\$	6,133,203	\$	17,889,456	\$	97,829,419
General Fund	130	Investment Fund		\$	(1,200)	\$	-	\$	-	\$	(1,200)
Special Revenue Funds	210	Storm Drain Improvement		\$	2,378,451	\$	-	\$	29,695	\$	2,348,756
Special Revenue Funds	215	Storm Drain AB1600		\$	1,831,198	\$	4,992	\$	-	\$	1,836,190
Special Revenue Funds	230	Env Mgmt Cln Crk Strm Drain		\$	1,423,133	\$	(124)	\$	200,364	\$	1,222,646
Special Revenue Funds	260	CDBG		\$	1,087,635	\$	178	\$	16,821	\$	1,070,993
Special Revenue Funds	261	HCD Loan Rehab		\$	232,280	\$	-	\$	-	\$	232,280
Special Revenue Funds	265	BMR Housing		\$	6,223,358	\$	3,600	\$	112,971	\$	6,113,986
Special Revenue Funds	270	Transportation Fund		\$	14,109,163	\$	197,816	\$	969,768	\$	13,337,211
Special Revenue Funds	271	Traffic Impact		\$	748,717	\$	-	\$	-	\$	748,717
Special Revenue Funds	280	Park Dedication		\$	22,245,700	\$	-	\$	77,485	\$	22,168,215
Special Revenue Funds	281	Tree Fund		\$	137,964	\$	-	\$	-	\$	137,964
Debt Service Funds	365	Public Facilities Corp		\$	2,284,850	\$	-	\$	-	\$	2,284,850
Capital Project Funds	420	Capital Improvement Fund		\$	28,692,574	\$	1,402,454	\$	1,397,034	\$	28,697,994
Capital Project Funds	427	Stevens Creek Corridor Park		\$	176,498	\$	-	\$	-	\$	176,498
Capital Project Funds	429	Capital Reserve*		\$	(453,432)	\$	10,000,000	\$	-	\$	9,546,568
Enterprise Funds	520	Resource Recovery		\$	5,413,082	\$	119,834	\$	240,169	\$	5,292,747
Enterprise Funds	560	Blackberry Farm		\$	939,375	\$	47,055	\$	62,106	\$	924,324
Enterprise Funds	570	Sports Center		\$	2,761,054	\$	181,553	\$	470,446	\$	2,472,161
Enterprise Funds	580	Recreation Program		\$	2,686,369	\$	80,965	\$	147,442	\$	2,619,892
Internal Service Funds	610	Innovation & Technology		\$	703,267	\$	739,901	\$	353,559	\$	1,089,609
Internal Service Funds	620	Workers Compensation		\$	2,516,459	\$	89,208	\$	29,241	\$	2,576,425
Internal Service Funds	630	Vehicle/Equip Replacement		\$	1,899,112	\$	429,650	\$	53,102	\$	2,275,659
Internal Service Funds	641	Compensated Absence/LTD		\$	690,424	\$	8,568	\$	10,194	\$	688,798
Internal Service Funds	642	Retiree Medical		\$	343,308	\$	-	\$	119,391	\$	223,918
Total				\$	208,655,013	\$	19,438,853	\$	22,179,244	\$	205,914,621

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

Printed April 21, 2022



CITY OF CUPERTINO

Agenda Item

22-10982

Agenda Date: 5/23/2022
Agenda #: 8.

Subject: ACTION ITEM Consider the Monthly Treasurer's Report for April 2022

Review Monthly Treasurer's Report for April 2022 and recommend filing with City Council
Presenter: Thomas Leung, Acting Finance Manager



ADMINISTRATIVE SERVICES DEPARTMENT

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

AUDIT COMMITTEE STAFF REPORT

Meeting: May 23, 2022

Subject

Monthly Treasurer's Report for April 2022

Recommended Action

Review Monthly Treasurer's Report for April 2022 and recommend filing with City Council

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 for review and filed with the City Clerk 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. Adjustments to the ending balance account for transactions recorded in other systems and imported into New World.

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 cash and fund balances for the City of Cupertino for April 2022.

April 2022

The City's General Fund ending cash and investment balance was \$117.7 million, an increase of \$8.5 million from the prior month. Receipts were \$16.7 million, disbursements were (\$8.2) million, and journal adjustments were (\$20,838) for the month.

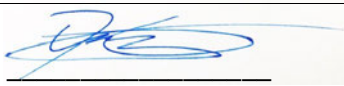
The City's General Fund ending fund balance was \$106.8 million, increasing by \$7.8 million from the prior month due to revenues of \$12.1 million and expenditures of \$4.3 million.

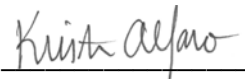
Sustainability Impact

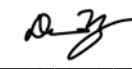
No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by: 
Thomas Leung
Acting Finance Manager

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

Approved for Submission by: 
Dianne Thompson
Assistant City Manager

Attachments:

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

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

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

Fund Type	Fund Number/Name	Beginning Balance as of March 31, 2022	Receipts	Disbursements	Journal Adjustments	Ending Balance as of April 30, 2022
General Fund	100 General Fund	\$ 109,253,426	\$ 16,714,592	\$ (8,237,628)	\$ (20,838)	\$ 117,709,552
General Fund	130 Investment Fund	\$ (1,200)	\$ -	\$ -	\$ -	\$ (1,200)
Special Revenue Funds	210 Storm Drain Improvement	\$ 2,354,881	\$ -	\$ -	\$ -	\$ 2,354,881
Special Revenue Funds	215 Storm Drain AB1600	\$ 1,840,989	\$ 9,280	\$ -	\$ -	\$ 1,850,269
Special Revenue Funds	230 Env Mgmt Cln Crk Strm Drain	\$ 1,197,085	\$ -	\$ (78,405)	\$ -	\$ 1,118,681
Special Revenue Funds	260 CDBG	\$ 542,125	\$ 1,382	\$ (64,924)	\$ -	\$ 478,584
Special Revenue Funds	261 HCD Loan Rehab	\$ 232,280	\$ -	\$ -	\$ -	\$ 232,280
Special Revenue Funds	265 BMR Housing	\$ 6,151,792	\$ 3,310	\$ (72,369)	\$ -	\$ 6,082,733
Special Revenue Funds	270 Transportation Fund	\$ 13,822,750	\$ 200,460	\$ (779,235)	\$ 13,225	\$ 13,257,200
Special Revenue Funds	271 Traffic Impact	\$ 750,695	\$ -	\$ -	\$ -	\$ 750,695
Special Revenue Funds	280 Park Dedication	\$ 22,279,753	\$ 15,000	\$ (90,150)	\$ -	\$ 22,204,603
Special Revenue Funds	281 Tree Fund	\$ 138,323	\$ -	\$ -	\$ -	\$ 138,323
Debt Service Funds	365 Public Facilities Corp	\$ 2,284,850	\$ -	\$ -	\$ -	\$ 2,284,850
Capital Project Funds	420 Capital Improvement Fund	\$ 29,855,633	\$ -	\$ (654,385)	\$ -	\$ 29,201,248
Capital Project Funds	427 Stevens Creek Corridor Park	\$ 176,498	\$ -	\$ (1,240)	\$ -	\$ 175,258
Capital Project Funds	429 Capital Reserve	\$ 9,546,568	\$ -	\$ -	\$ -	\$ 9,546,568
Enterprise Funds	520 Resource Recovery	\$ 6,171,414	\$ 188,798	\$ (60,503)	\$ -	\$ 6,299,708
Enterprise Funds	560 Blackberry Farm	\$ 1,227,745	\$ 882	\$ (43,575)	\$ 53,852	\$ 1,238,904
Enterprise Funds	570 Sports Center	\$ 2,256,879	\$ 560	\$ (307,551)	\$ 268,737	\$ 2,218,625
Enterprise Funds	580 Recreation Program	\$ 3,305,164	\$ 24,300	\$ (59,478)	\$ 148,199	\$ 3,418,184
Internal Service Funds	610 Innovation & Technology	\$ 2,430,568	\$ -	\$ (334,342)	\$ -	\$ 2,096,226
Internal Service Funds	620 Workers Compensation	\$ 4,023,274	\$ -	\$ (3,013)	\$ (36,394)	\$ 3,983,867
Internal Service Funds	630 Vehicle/Equip Replacement	\$ 1,023,412	\$ 2,734	\$ (90,194)	\$ -	\$ 935,951
Internal Service Funds	641 Compensated Absence/LTD	\$ 698,262	\$ -	\$ (7,786)	\$ -	\$ 690,476
Internal Service Funds	642 Retiree Medical	\$ 224,439	\$ -	\$ (114,277)	\$ -	\$ 110,162
Total		\$ 221,787,605	\$ 17,161,298	\$ (10,999,056)	\$ 426,781	\$ 228,376,628

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

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

Fund Type		Fund Number/Name		Beginning Fund Balance as of March 31, 2022		Revenues		Expenditures		Ending Fund Balance as of April 30, 2022	
General Fund	100	General Fund		\$	99,010,130	\$	12,125,420	\$	4,343,554	\$	106,791,996
General Fund	130	Investment Fund		\$	(1,200)	\$	-	\$	-	\$	(1,200)
Special Revenue Funds	210	Storm Drain Improvement		\$	2,354,881	\$	-	\$	-	\$	2,354,881
Special Revenue Funds	215	Storm Drain AB1600		\$	1,840,989	\$	9,280	\$	-	\$	1,850,269
Special Revenue Funds	230	Env Mgmt Cln Crk Strm Drain		\$	1,225,756	\$	-	\$	76,361	\$	1,149,395
Special Revenue Funds	260	CDBG		\$	1,073,001	\$	412	\$	95,196	\$	978,218
Special Revenue Funds	261	HCD Loan Rehab		\$	232,280	\$	-	\$	-	\$	232,280
Special Revenue Funds	265	BMR Housing		\$	6,130,012	\$	3,310	\$	50,973	\$	6,082,349
Special Revenue Funds	270	Transportation Fund		\$	13,373,561	\$	213,685	\$	334,735	\$	13,252,511
Special Revenue Funds	271	Traffic Impact		\$	750,695	\$	-	\$	-	\$	750,695
Special Revenue Funds	280	Park Dedication		\$	22,226,429	\$	15,000	\$	83,589	\$	22,157,839
Special Revenue Funds	281	Tree Fund		\$	138,323	\$	-	\$	-	\$	138,323
Debt Service Funds	365	Public Facilities Corp		\$	2,284,850	\$	-	\$	-	\$	2,284,850
Capital Project Funds	420	Capital Improvement Fund		\$	28,697,994	\$	-	\$	663,704	\$	28,034,290
Capital Project Funds	427	Stevens Creek Corridor Park		\$	176,498	\$	-	\$	2,480	\$	174,018
Capital Project Funds	429	Capital Reserve*		\$	9,546,568	\$	-	\$	-	\$	9,546,568
Enterprise Funds	520	Resource Recovery		\$	5,308,836	\$	119,834	\$	62,160	\$	5,366,509
Enterprise Funds	560	Blackberry Farm		\$	925,498	\$	54,572	\$	44,395	\$	935,675
Enterprise Funds	570	Sports Center		\$	2,463,773	\$	276,752	\$	393,499	\$	2,347,027
Enterprise Funds	580	Recreation Program		\$	2,612,155	\$	114,361	\$	96,475	\$	2,630,040
Internal Service Funds	610	Innovation & Technology		\$	1,095,928	\$	-	\$	370,182	\$	725,746
Internal Service Funds	620	Workers Compensation		\$	2,586,861	\$	-	\$	39,407	\$	2,547,454
Internal Service Funds	630	Vehicle/Equip Replacement		\$	2,278,357	\$	2,734	\$	405,262	\$	1,875,829
Internal Service Funds	641	Compensated Absence/LTD		\$	690,607	\$	40	\$	7,825	\$	682,821
Internal Service Funds	642	Retiree Medical		\$	224,439	\$	-	\$	114,277	\$	110,162
Total				\$	207,247,221	\$	12,935,400	\$	7,184,073	\$	212,998,547

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

Printed May 18, 2022



CITY OF CUPERTINO

Agenda Item

22-10983

Agenda Date: 5/23/2022
Agenda #: 9.

Subject: INFORMATION ITEM Consider the Audit Committee 2022 Schedule and Work Plan
(Continued from April 25, 2022)

Receive Audit Committee 2022 Schedule and Work Plan and provide direction to staff
Presenter: Thomas Leung, Acting Finance Manager

CITY OF CUPERTINO - AUDIT COMMITTEE 2022 SCHEDULE AND WORK PLAN

January 24, 2022	February 24, 2022	March 28, 2022	April 25, 2022	May 23, 2022	June 27, 2022	July 25, 2022	August 22, 2022	September 26, 2022	October 24, 2022	November 28, 2022	December 12, 2022
Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes	Approve Prior Meeting Minutes
Treasurer's Report for Quarter Ending December 31, 2021	Internal Audit Update	Monthly Treasurer's Report for January and February 2022	Monthly Treasurer's Report for March 2022	Internal Audit Update	Monthly Treasurer's Report for May 2022	Monthly Treasurer's Report for June 2022	Internal Audit Update	Monthly Treasurer's Report for August 2022	Monthly Treasurer's Report for September 2022	Internal Audit Update	Monthly Treasurer's Report for November 2022
OPEB & Pension Section 115 Trust Performance Report for Quarter Ending December 31, 2021	Budget Format Review		OPEB & Pension Section 115 Trust Performance Report for Quarter Ending March 31, 2022	Budget Format Review	Monthly Treasurer's Investment Report for May 2022	OPEB & Pension Section 115 Trust Performance Report for Quarter Ending June 30, 2022	External Audit Subcommittee and RFP Kickoff	Monthly Treasurer's Investment Report for August 2022	OPEB & Pension Section 115 Trust Performance Report for Quarter Ending September 30, 2022	ACFR and AUP Draft Review/Update	Monthly Treasurer's Investment Report for November 2022
Review of FY 2020-21 ACFR and Supplemental Reports			Annual Review of City Investment Policy	Monthly Treasurer's Report for April 2022	Budget Format Review of Committed, Unassigned Fund Balance, and Use of One-Time Funds Policy	Monthly Treasurer's Investment Report for June 2022	Monthly Treasurer's Report for July 2022		Annual Review of Pension and OPEB Trust Investment Policy	Monthly Treasurer's Report for October 2022	
			Committee Input to Independent Auditor on Interim Audit and AUP Engagements	Monthly Treasurer's Investment Report for April 2022	Budget Format Review of OpenGov Data Sources	Proposed FY 2022-23 Internal Audit Work Plan	Monthly Treasurer's Investment Report for July 2022		Monthly Treasurer's Investment Report for September 2022	Monthly Treasurer's Investment Report for October 2022	
			Follow-up on Previous Fiscal Year Management Letter Items and Management Responses								

**Summary of Duties – Powers – Responsibilities of
Cupertino Audit Committee**

Source: Cupertino, CA Municipal Code, Chapter 2.88.100: Audit Committee

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

- A: To review the annual audit report and management letter;
- B: To recommend appointment of auditors;
- C: To review the monthly Treasurer's report;
- D: To recommend a budget format;
- E: To review City investment policies and internal controls of such policies
- F: To recommend appointment of internal auditors;
- G: To review internal audit reports (Ord 20-2208, § 1, 2020; Ord 1679, § 1 (part), 1995)