

**TOWN OF COLMA**  
**COLMA, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2016**

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## **INTRODUCTORY SECTION**

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## TOWN OF COLMA

1198 El Camino Real • Colma, California • 94014-3212  
Tel 650-997-8300 • Fax 650-997-8308

December 15, 2016

To the Members of the City Council, and Residents of the Town of Colma:

### City Council

Diana Colvin  
Mayor

Helen Fiscaro  
Vice Mayor

Raquel "Rae" Gonzalez  
Council Member

Joseph Silva  
Council Member

Joanne F. del Rosario  
Council Member

### City Officials

Sean Rabé  
City Manager

Kirk Stratton  
Chief of Police

Christopher Diaz  
City Attorney

Caitlin Corley  
City Clerk

Brian Dossey  
Director of Recreation  
Services

Lori Burns  
Human Resources Manager

Brad Donohue  
Public Works Director

Michael Laughlin, AICP  
City Planner

Cyrus Kianpour  
City Engineer

I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the Town of Colma (the Town) for the year ended June 30, 2016. The purpose of the report is to provide the City Council, City Staff, residents, bond holders, and other interested parties with useful information concerning the Town's operations and financial position. The Town management is responsible for the accuracy, completeness, and fairness of the data presented in this report.

To the best of our knowledge, the following report is accurate in all material respects. It has been prepared in accordance with standards prescribed by the Governmental Accounting Standards Board (GASB), and other rule-making bodies. We believe the report contains all disclosures necessary for the reader to understand the Town's financial affairs.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose.

### STEWARDSHIP

The Town prepares financial reports to promote accountability. The Town's elected officials are accountable to the citizens; Town management is accountable to the elected officials. This report gives citizens and other interested parties one means of assessing whether the elected and appointed officials in the Town have faithfully carried out their role of being good stewards of the Town's resources.

In order to enhance the degree of confidence of intended users of the financial statements, The Town provides for an annual financial audit. The purpose of the audit is to provide reasonable assurance that the financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework. R. J. Ricciardi, Inc., Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Colma's financial statements for the year ended June 30, 2016. The independent auditor's report is located at the front of the financial section of this report.

## **REPORT FORMAT**

There are three main sections in this report:

- Section I, the introductory section, contains the table of contents, this transmittal letter, and other general interest material.
- Section II, the financial section, contains the auditor's opinion, Management's Discussion and Analysis (MD&A), the basic financial statements, notes to the financial statements, and detailed combining and individual statements and schedules for the Town's funds.
- Section III, the statistical section, includes a history of financial and non-financial data that give a context in which to understand the Town's financial statements.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

## **IMPORTANCE OF FINANCIAL REPORTING**

The Town's management is responsible for establishing a system of internal controls which are structured to protect the Town assets from loss or unauthorized use or disposal. Providing reliable financial records is also an integral component used to maintain accountability over Town assets.

As the Town's governing board, the City Council is responsible to ensure that the Town's administration fulfills its responsibilities in the preparation of the financial statements. Accordingly, the City Council reviews the scope of the Town's audits and the accounting principles applied in the Town's financial reporting.

To ensure independence, the Town's Auditor, R. J. Ricciardi, Inc., had full and free access to meet with the City Council to discuss the results of their assessment of the adequacy of internal accounting controls and the quality of the Town's financial reporting.

## **PROFILE OF THE GOVERNMENT**

The Town of Colma, known worldwide as the "City Of Souls," is the smallest city in San Mateo County with over 1,500 residents and 1.5 million "souls." However, Colma is more than just 16 cemeteries. Colma's commercial buildings make a distinct architectural statement resulting from design standards that encourage Spanish-Mediterranean motifs. Colma boasts an old-world charm, from its brick-paved residential streets and ornamental street lamps to its restored historical museum and railroad depot located at its 5,500 square foot Community Center. The state-of-the-art Police Station complements the architecture of the historic and charming Town Hall across the street.

Within its two square mile boundary, the Town enjoys a strong retail tax base with two shopping centers, one of Northern California's most complete collections of car dealerships and a cardroom. There are two Bay Area Rapid Transit (BART) Stations nearby.

The Town's five-member City Council establish the operating and planning policies. Colma has a modern infrastructure with a professional staff that is easily accessible to residents and local businesses. A monthly newsletter is distributed with timely information about the City Council Agenda, upcoming community events and special interest articles.

This small-town approach to modern, municipal government reflects a commitment to both a healthy business climate and a harmonious relationship with residents.

## **BUDGET PROCESS**

The Town Council is required to adopt a final budget by no later than July 1<sup>st</sup> which is the beginning of the fiscal year. The annual budget serves as the foundation for the Town of Colma's financial planning and control. The budget is prepared by fund, and by department (e.g., police). The Town's fiscal year starts on July 1st and ends on June 30th. Staff prepares a Mid-Year Budget Review and presents it to the Council and the public at a regular City Council meeting. The Proposed Budget for the next fiscal year is prepared by Staff and presented to the City Council for review and discussion at public meetings in April and May. The budget is available for public review several days prior to these meetings. Revisions to the Draft Budget are made and the document is presented again to the Council for additions discussion during a public hearing conducted at a June meeting. At the conclusion of the public hearing, the Council adopts the budget, which establishes the appropriations for the upcoming fiscal year.

## **ECONOMIC OVERVIEW**

Colma benefits from its location in a region where job growth has continued to outpace the national average with lower than average unemployment rates. In order for the Town's retail base to remain strong, positive employment factors support increased consumer purchases. In a November 2016 Economic Update – "The Peninsula Economy", published by Silicon Valley Institute for Regional Studies, the annual growth in jobs for the region was reported to have increased by 3.6%. This was higher than the State increase of 2.3% and the United States rate of 1.7%. The September 2016 unemployment rate for San Mateo County was 3.1% which was lower than the surrounding counties of Santa Clara and San Francisco, as well as less than the 5.5% posted by the State of California.

The Town of Colma is the smallest municipality in San Mateo County with 1,509 residents. Retail sales tax and cardroom taxes are the most significant funding sources. Due to a very small population and large retail sales outlets such as Serramonte Boulevard Auto Row and big box retail at its two shopping centers: 280 Metro and Serra Center; the Town's per capita sales tax ranking ranks very high. This reliance on sales taxes makes the Town vulnerable to changes in consumer spending and impacts when there is a downturn in the general economy, as well as competition from retail establishments relocating to other jurisdictions.

With auto sales representing a significant portion of the Sales tax base trends in this sector are also expected to impact the Towns Revenue. Projections prepared by HdL Companies in conjunction with Beacon Economics, project that future growth is sales tax from Auto Sales will be decreasing. HdL advises the Town on sales tax matters and monitors this important revenue source. In FY 2016 /17 they forecast the sector to grow by 2.8%, while in FY 2017/18 this is expected to decrease to 1.5%. Nationally the auto industry had new car sales peak in 2015.



Following the Great Recession there was additional demand for new automobiles. However, as replacement vehicles have been purchased the year over year growth in new car sales has been declining. Automotive News in a January 2016 report projected that this would be the trend. Contributing to this is the number of lease vehicle returns providing used car inventory, which may attract consumers. These sources projected 3.1 million lease vehicles returning to the market in 2016 and almost 4 million by 2018.

The Town is uniquely challenged in its efforts to diversify its revenue base. Property Tax revenue represented only about 3.2 percent of Town General Fund revenue. With 76% of the Town's two square miles developed as cemeteries or zoned for cemetery usage, and the remainder substantially developed. This limits the amount of property tax that can be generated.

Overall national economic forecasts continue to expect growth, which will support continued consumer spending. However, the rate of growth is expected to be lower than in the past 5 years.

## **GENERAL FUND BALANCE**

The City Council's approved Reserve Policy complies with Governmental Accounting Standards Board (GASB) Statement 54 which established five categories of reserves. The City Council also has adopted criteria for allocating its General Fund reserves among these categories.

The Town's total Fund Balance in the General Fund is \$22,594,248. Fund Balance is comprised of three components in accordance with the Town's reserve policy highlighted above: a Committed portion of \$14,287,000; an Assigned portion of \$950,000; and an Unassigned portion (available for spending at the government's discretion) of \$7,357,248.

## **MAJOR INITIATIVES DURING THE YEAR**

The following section provides information related to the progress achieved on key initiatives during Fiscal Year 2015-2016.

### New Solid Waste Franchise Agreement

Since 2010 the Town residents and businesses were served by two separate waste haulers based on location in the community. The Town conducted a request for proposal process and negotiated an exclusive agreement with a single provider to provide comprehensive waste and recycling services in the Town. Included in the agreement are provisions for recycling and diversion of waste from the landfill, which will meet the Town's share of State waste diversion goals. Since this is a major component of the agreement the company will provide personnel who will have assigned duties to coordinate diversion activities and programs.

### Implementation of Fleet Replacement Internal Service Fund

The timely replacement of vehicles used by the Town to provide municipal services is important to insuring the town is meeting its obligations. In the past the Town would include the replacement vehicle in the budget in the year that the replacement was made. In Fiscal Year 2015-16 as part of efforts to do longer range planning of resources the City Council approved establishing a Vehicle Replacement Fund. In future years contributions will be made on an incrementally based on the life of the vehicle. This will help smooth the expenditures and provide a source of financing the replacements as the need arises.

### Addressing Long-Term OPEB / Retiree Liabilities

Management of current costs as well as addressing liabilities is recognized as important for the long term fiscal health of the Town. The Town began discussion of retiree liabilities and financing options. As this is a complex area impacting current labor agreements as well as resources these efforts are expected to continue in the upcoming year.

### Capital Projects

The Town has under construction a Town Hall remodel project which will retain elements of the historical building and add new modern facilities to serve the Town residents. The remodeled Town Hall will be an accessible building and once completed will provide consolidation of public services from one facility.

### **AWARDS**

The Town received the Government Finance Officers Association's Distinguished Budget Presentation Award and the Excellence Award in Operating Budget from the California Society of Municipal Finance Officers for its FY 2015-16 document.

### **ACKNOWLEDGEMENTS**

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance and administration staff. Credit also must be given to the City Council for their strong support for maintaining the highest standards of professionalism in the management of the Town of Colma's finances.

Respectfully submitted,

A handwritten signature in blue ink that reads "Sean Rabé".

Sean Rabé

City Manager

**Town of Colma**  
**List of Elected and Appointed Officials**  
**As of June 30, 2016**

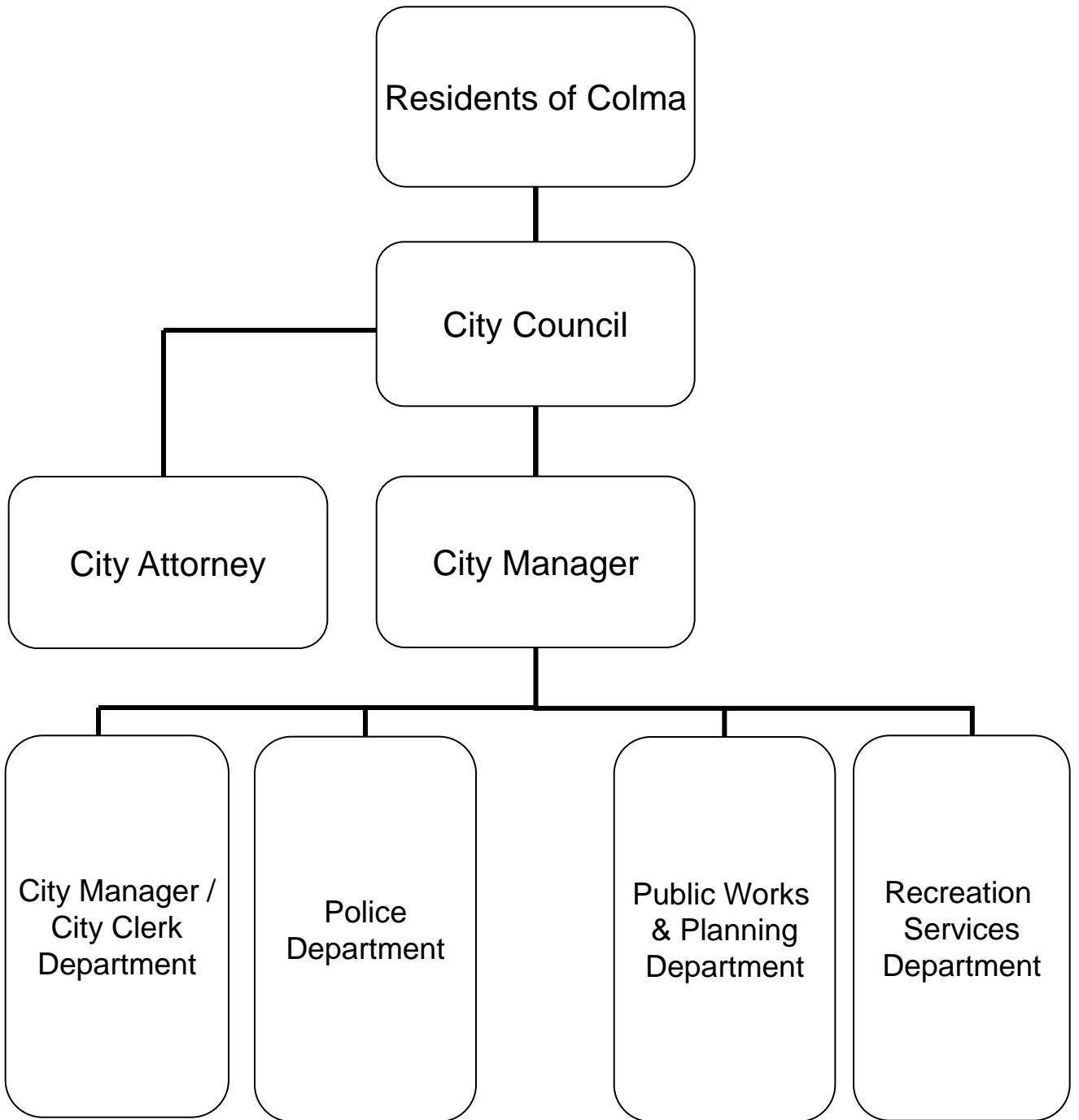
**Elected Officials**

Mayor	Diana Colvin
Vice Mayor	Helen Fisicaro
Council Member	Joanne F. del Rosario
Council Member	Raquel “Rae” Gonzales
Council Member	Joseph Silva

**Appointed Officials**

City Manager	Sean Rabé
City Attorney	Christopher Diaz
Building Official	Michael Cully
Chief of Police	Kirk Stratton
City Planner	Michael Laughlin
Human Resources	Lori Burns
Recreation Services Director	Brian Dossey
Public Works Director	Brad Donohue

# Town of Colma



## **FINANCIAL SECTION**

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INDEPENDENT AUDITORS' REPORT

Town Council  
Town of Colma  
Colma, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colma, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Colma's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to Town of Colma's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Colma's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Colma, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter and the Budgetary Comparison Schedule for the General Fund (page 41) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Town of Colma's basic financial statements. The Supplementary Information as identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, listed as Combining and Individual Fund Schedules, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*R. J. Ricciardi, Inc.*

R.J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California  
December 15, 2016



Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2016

The following discussion provides readers of Town of Colma's basic financial statements a narrative overview and analysis of the financial activities of Town of Colma (the Town) for the fiscal year ended June 30, 2016. Please read this document in conjunction with the accompanying basic financial statements.

### **FISCAL YEAR 2016 FINANCIAL HIGHLIGHTS**

Financial highlights of fiscal year 2016 include the following:

*Entity-wide:*

- The Town's total net position was \$64,307,264 as of June 30, 2016.
- Entity-wide Governmental revenues include program revenues of \$1,656,726 and general revenues of \$16,271,423 for a total of \$17,928,149.
- Entity-wide Governmental expenses were \$16,025,306.

*Fund Level:*

- Governmental Fund balances increased \$7,775,298 in fiscal year 2016.
- Governmental Fund revenues increased \$1,073,854 in fiscal year 2016.
- Governmental Fund expenditures decreased \$853,923 in fiscal year 2016.

*General Fund:*

- General Fund revenues were \$1,193,757 higher than the prior year.
- General Fund expenditures represented an increase of \$461,554 from the prior year.
- General Fund's fund balance of \$22,594,248 as of June 30, 2016, was less than fiscal year 2015's ending fund balance of \$28,117,913. This is a decrease of \$5,523,665. Contributing to the decrease in the General Fund were authorized transfers to the Capital Project Fund.

### **OVERVIEW OF THE ANNUAL FINANCIAL REPORT**

This Annual Financial Report is divided into two parts:

- 1) Management's Discussion and Analysis (MD&A);
- 2) The Basic Financial Statements, which include the Entity-wide and the Fund Financial Statements, along with the Notes to these financial statements.

### **The Basic Financial Statements**

The Basic Financial Statements comprise the Entity-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Town's financial activities and financial position.

The Entity-wide Financial Statements provide a longer-term view of the Town's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the Town as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations.

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2016

The Statement of Activities provides information about all of the Town's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the Town's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The Fund Financial Statements report the Town's operations in more detail than the Entity-wide statements and focus primarily on the short-term activities of the Town's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of the Town and are presented individually, while the activities of Non-major Funds are presented in summary. Major Funds are explained further in the following section below.

***The Entity-wide Financial Statements***

Entity-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the Town as a whole.

The Statement of Net Position and the Statement of Activities present information about the following:

- Governmental Activities – All of the Town's basic services are considered to be governmental activities. These services are supported by general Town revenues such as taxes, and by specific program revenues such as user fees and charges.

***Fund Financial Statements***

These statements provide additional detail for the Town's most significant Funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The funds used by the Town can be divided into two categories: Governmental funds and Proprietary funds.

**Governmental funds:** Governmental funds are used to account for the same functions reported as governmental activities on the Government-wide financial statements. However, this reporting has a focus on the near-term inflows and outflows of spendable resources, as well as the ending balances. The Town has a total of seven governmental funds.

The Fund Financial Statements provide detailed information about each of the Town's most significant funds, called Major Funds. Major Funds present the major activities of the Town for the year, and may change from year-to-year as a result of changes in the pattern of the Town's activities. In accordance with government finance reporting standards, the General Fund is always reported as a Major Fund. Based on these standards the General Capital Fund and Town Hall COP Project Fund are also Major Funds for the year ended June 30, 2016. Each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Subordinate schedules present the detail of these Non-major Funds (Measure A Transportation Tax Fund; State Gas Tax Fund; Law Enforcement Grant Fund; Debt Service Fund).

**Proprietary fund:** The Town maintains one type of Proprietary fund. An Internal Services Fund (ISF) is an accounting structure used to accumulate and allocate costs internally among the Town's various operating functions. In this case it is used to build up reserves for future replacement of vehicles and fleet equipment. These services solely benefit the government function. A separate Statement of Net Position and Statement of Cash Flow is included for the ISF.

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
 June 30, 2016

Fund Financial Statements include governmental funds as discussed below.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented only for the General Fund, as required by GASB Statement No. 34.

**FINANCIAL ACTIVITIES OF THE TOWN AS A WHOLE**

This analysis focuses on the net position and changes in net position of the Town as a whole. Tables 1, 2 and 3 focus on the Town's Governmental Statement of Net Position and Statement of Activities.

***Governmental Activities***

Table 1  
Governmental Net Position at June 30, 2016  
 Governmental Activities

	2016	2015
Current and other assets	\$ 37,506,125	\$ 28,657,680
Capital assets, net of accumulated depreciation	<u>46,657,014</u>	<u>46,404,513</u>
Total assets	<u>84,163,139</u>	<u>75,062,193</u>
Deferred outflows	<u>1,980,080</u>	<u>936,957</u>
Current liabilities	922,155	515,429
Long-term liabilities	<u>19,964,426</u>	<u>13,467,657</u>
Total liabilities	<u>20,886,581</u>	<u>13,983,086</u>
Deferred inflows	<u>949,374</u>	<u>(388,357)</u>
Net position:		
Invested in capital assets, net of debt	46,657,014	46,404,513
Unrestricted	<u>17,650,250</u>	<u>15,999,908</u>
Total net position	<u>\$ 64,307,264</u>	<u>\$ 62,404,421</u>

The Town's governmental net position amounted to \$64,307,264 as of June 30, 2016, an increase of \$1,902,843 from 2015. This increase is the Change in Net Position reflected in the Governmental Activities column of the Statement of Activities shown in Table 2.

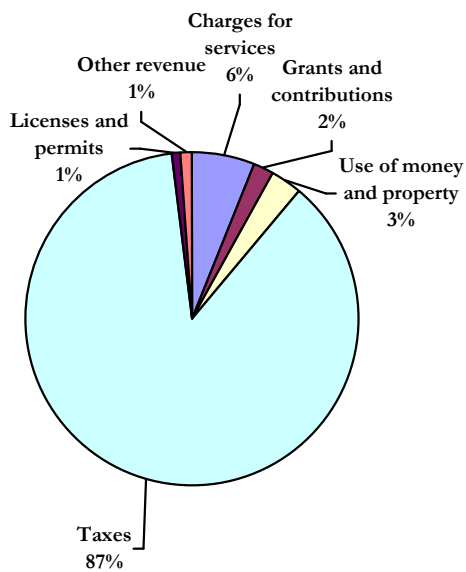
The Town's net position as of June 30, 2016 comprised the following:

- Cash and investments of \$34,070,675 in the Town Treasury. Substantially all of these amounts were held in short term investments in government securities, as detailed in Note 4A to the financial statements.
- Other assets of \$3,435,218 as explained in Note 4B to the financial statements.
- Capital assets of \$46,657,014, net of depreciation charges, which includes all the Town's capital assets used in governmental activities as discussed in Note 4C.

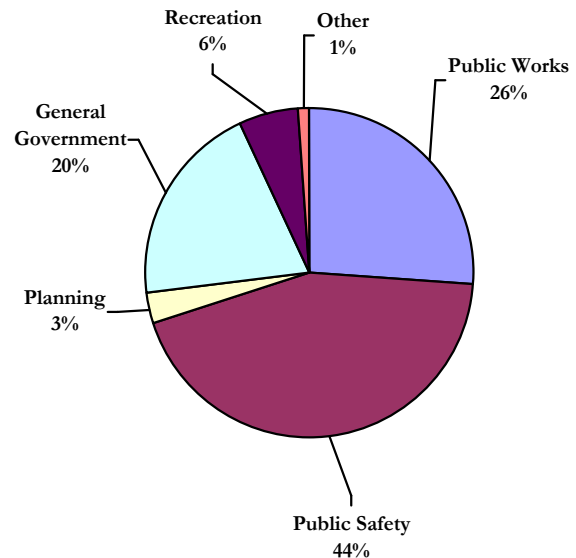
Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
 June 30, 2016

- Current liabilities, including accounts payable, claims and other amounts due currently, totaling \$922,155.
- Long-term liabilities payable of \$19,964,426, as explained in Note 4E to the financial statements. The increase in long-term liabilities is due to the 2015 Town Hall Remodel Certificates of Participation as well as the second year of reporting requirements for retirement plan liabilities.
- Net position invested in capital assets, net of related debt, of \$46,657,014, representing the Town's investment in capital assets used in Governmental Activities, net of amounts borrowed to finance those investments.
- Unrestricted net position is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The Town had \$17,650,250 of unrestricted net position as of June 30, 2016.

**Sources of Revenues**



**Functional Expenses**



As the Sources of Revenues Chart shows, \$15,623,338, or 87%, of the Town's fiscal year 2016 governmental activities revenue came from taxes, while \$282,497, or 2%, came from grants and contributions, \$473,432, or 3%, came from use of money and property, \$1,024,317, or 6%, came from charges for services, \$281,687, or 1%, came from licenses and permits, and \$242,878, or 1%, came from Other Revenue sources.

The Functional Expenses Chart includes only current year expenses; it does not include capital outlays, which were added to the Town's capital assets. As the Chart shows, general government is \$3,187,043, or 20%, of total government expenses, planning is \$512,090, or 3%, public works is \$4,216,784, or 26%, public safety is \$7,027,124, or 44%, recreation is \$968,178, or 6%, with other expenses comprising the final 1%.

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
 June 30, 2016

The Statement of Activities presents program revenues and expenses, and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2  
Changes in Governmental Net Position  
 Governmental Activities

	2016	2015
<u>Expenses</u>		
General government	\$ 3,187,043	\$ 3,903,936
Planning	512,090	410,942
Public works	4,216,784	4,285,679
Public safety	7,027,124	2,832,021
Recreation	968,178	946,869
Interest	114,087	-
Total expenses	16,025,306	12,379,447
<u>Revenues</u>		
Program revenues:		
Charges for services	1,374,229	1,121,707
Capital grants and contributions	282,497	138,809
Total program revenues	1,656,726	1,260,516
General revenues:		
Taxes	15,623,338	15,065,130
Use of money and property	473,841	427,801
Licenses and permits	174,653	148,351
Total general revenues	16,271,423	15,641,282
Total revenues	17,928,149	16,901,798
Change in net position	\$ 1,902,843	\$ 4,522,351

As the Sources of Revenue Chart and Table 2 above show, \$1,656,726, or 10%, of the Town's fiscal year 2016 governmental revenue, came from program revenues and \$16,271,423, or 90%, came from general revenues such as taxes, interest and miscellaneous receipts.

Program revenues were composed of charges for services of \$1,374,229, which include sewer service fees, permit revenues, fees and charges used to fund expenses incurred in providing services; and grants and contributions of \$282,497, which consists mainly of revenue from other agencies.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs.

**Analyses of Major Funds**

**Governmental Funds**

**General Fund**

At June 30, 2016, the Town's governmental funds reported combined ending balances of \$35.9 million, an increase of \$7,775,300. The table below provides a summary comparison to the previous year.

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
 June 30, 2016

**Governmental Fund Balance Changes (June 30, 2016 and 2015)**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>\$Change</u>
General Fund	\$ 22,594,248	\$ 28,117,913	\$ (5,523,665)
Town Capital Projects Fund	8,772,940	(47,219)	8,820,159
Town Hall COP Project Fund	4,343,192	-	4,343,192
Other Governmental Funds	<u>207,171</u>	<u>71,559</u>	<u>135,612</u>
Total Governmental Funds	<u>\$ 35,917,551</u>	<u>\$ 28,142,253</u>	<u>\$ 7,775,298</u>

General Fund

General Fund revenues increased \$1,193,757 this fiscal year mainly due to an increase in the revenue generated from sales tax and cardroom taxes as well as a small increase in charges for services.

Overall, General Fund expenditures increased \$461,554 from the prior year. Primary contributing factors included: increased salary and retiree benefit costs; initiation of vehicle replacement charges; off-set by various reductions on other items. Expenditures in the General Fund were \$217,045 lower than budgeted for the year ending June 30, 2016, as departments experienced staff vacancies and contract service levels were less than budgeted.

As of June 30, 2016, the General Fund's fund balance totaled \$22,594,248. The unassigned portion of fund balance is \$7,150,077 and represents available liquid resources.

Town Capital Project Fund

In the prior year this fund was not presented as a Major Fund and was consolidated in the "Other Governmental Fund" information. As of June 30, 2016, the Fund had a balance of \$8.7 million. During the year, \$723,006 in expenditures were accounted for in the fund. The fund received transfers from the General Fund totaling \$9.5 million.

Town Hall COP Project Fund

In September 2015, the Town completed a financing for a portion of the Town Hall Remodel project. The proceeds from this financing were placed in the separate fund. During the year total expenses were \$769,351 and the balance available at June 30, 2016 was \$4,343,192.

Other Governmental Funds

These funds are not presented separately in the basic financial statements.

**CAPITAL ASSETS**

GASB Statement No. 34 requires the Town to record all its capital assets including infrastructure, which was not recorded in prior years. Infrastructure includes roads, bridges, signals and similar assets used by the entire population.

In fiscal year 2016, the Town reported the cost of all its infrastructure assets and computed the amount of accumulated depreciation for these assets based on their original acquisition dates. At the end of fiscal year 2016 the cost of infrastructure and other capital assets recorded on the Town's financial statements is shown in Table 3 below:

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
 June 30, 2016

Table 3  
Capital Assets at Year-end

	Balance at June 30, 2016
<u>Governmental Activities</u>	
Land	\$ 7,595,471
Construction in progress	2,106,359
Infrastructure-street systems	27,025,710
Buildings	19,439,225
Improvements other than buildings	3,478,524
Machinery and equipment	2,189,840
Less: accumulated depreciation	(15,178,115)
Governmental activity capital assets, net	\$ 46,657,014

Detail on capital assets and current year additions can be found in Note 4C.

The Town depreciates all its capital assets over their estimated useful lives, as required by GASB Statement No. 34. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on depreciable lives may be found in Note 4C to the financial statements.

**DEBT ADMINISTRATION**

The Town issued certificates of participation (COP) in fiscal year 2016 in the amount of \$5,300,000. Additional information about the Town's long term obligations can be found in Note 4E to the basic financial statements.

As of June 30, 2016, the Town's debt issues comprised:

Table 4  
Outstanding Debt

	June 30, 2016
<u>Governmental Activity Debt:</u>	
Certificates of Participation	\$ 5,120,000
Net Other Post-Employment Benefit Obligation	6,215,179
Net Pension Liability	7,746,964
Compensated absences	992,283
	\$ 20,074,426

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Town of Colma is the smallest municipality in San Mateo County with 1,509 residents. The two most significant sources of annual revenue are retail sales tax and cardroom taxes. These two sources of revenue accounted for approximately 79% of the total revenue in government funds in the year ending June 30, 2016.

While this reliance on sales taxes makes Town of Colma vulnerable to changes in consumer spending, there are consistent signs that the economy has continued to recover compared to previous years. Sales tax revenues have continued to grow since FY 2010, the low point of the recession. The FY 2015-16 sales tax included one-time payments attributable to the State wind-down of the Triple Flip borrowing from local agencies. The FY 2016-17 Adopted Budget assumes sales tax revenues are \$10.55 million – or 2.8 percent less than FY 2015-16 actual revenues of \$10,851,063. A significant portion of the sales tax is related to automobile sales. Increases in sales of new cars are expected to taper off, resulting in slower growth in sales tax revenue for the Town.

Town of Colma  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2016

Cardroom taxes have continued to grow with revenue in FY 2015-16 increasing by 7% over the previous Fiscal Year to \$4,039,518.

The Operating Budget for FY 2016-17 provides \$14.16 million in funding to operating departments – an increase of about \$0.75 million from FY 2015-16 Actual of \$13.41 million. The increase is partially due to the following:

- Expected full year funding of positions which may have been vacant in the previous year.
- Medical benefit cost increases.
- Public Employee Retirement System (PERS) increases.
- Contributing the annual Actuarial Required Contribution (ARC) to a benefits trust which funds retiree medical benefits.

These increases were partially offset by decreases on other accounts throughout the budget. Also beyond the Operating Department Budgets the Town expects as part of the 2016-17 Budget to continue to contribute resources towards important capital improvement projects.

#### **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This Annual Financial Report is intended to provide citizens, taxpayers, and creditors with a general overview of Town of Colma's finances. Questions about this report should be directed to Town of Colma, at 1198 El Camino Real, Colma, CA 94014.



Town of Colma  
STATEMENT OF NET POSITION  
June 30, 2016

ASSETS

Current assets:

Cash and investments	\$	34,070,675
Receivables:		
Taxes		1,588,667
Accounts		1,802,545
Accrued interest		44,238
Total current assets		37,506,125

Noncurrent assets:

Capital assets:

Non-depreciable		9,701,832
Depreciable, net of accumulated depreciation		36,955,182
Total noncurrent assets		46,657,014

Total assets		84,163,139
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DEFERRED OUTFLOWS

Deferred outflows related to pensions		1,980,080
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LIABILITIES

Current liabilities:

Accounts payable and accrued expenses		597,340
Deposits		84,727
Compensated absences		130,088
Certificates of participation due in one year		110,000
Total current liabilities		922,155

Noncurrent liabilities due in more than one year:

Compensated absences		992,283
Certificates of participation		5,010,000
Net pension liability		7,746,964
Net other post-employment benefit obligation		6,215,179
Total noncurrent liabilities		19,964,426

Total liabilities		20,886,581
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DEFERRED INFLOWS

Deferred Inflows related to pensions		949,374
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NET POSITION

Invested in capital assets, net of related debt		46,657,014
Unrestricted		17,650,250
Total net position		\$ 64,307,264

The accompanying notes are an integral part of these financial statements.

Town of Colma  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position
<u>Town Government</u>		Charges for	Operating	Capital	Total Town
<u>Governmental Activities:</u>		Services	Grants and	Grants and	Governmental
		Expenses	Contributions	Contributions	Activities
General government	\$ 3,187,043	\$ -	\$ -	\$ -	\$ (3,187,043)
Public safety	7,027,124	68,225	149,594	-	(6,809,305)
Public works	4,216,784	500,000	132,903	-	(3,583,881)
Recreation	968,178	524,317	-	-	(443,861)
Planning	512,090	281,687	-	-	(230,403)
Interest on long-term debt	114,087	-	-	-	(114,087)
Total Governmental Activities	16,025,306	1,374,229	282,497	-	(14,368,580)
Total Town Government	\$ 16,025,306	\$ 1,374,229	\$ 282,497	\$ -	(14,368,580)
General revenues:					
Taxes:					
Property taxes					617,172
Sales taxes					10,851,063
Cardroom taxes					4,039,518
Other taxes					115,585
Use of money and property					473,432
Other revenues					174,653
Total general revenues and special items					16,271,423
Change in net position					1,902,843
Net position beginning of period					62,404,421
Net position ending of period					\$ 64,307,264

The accompanying notes are an integral part of these financial statements.

Town of Colma  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
June 30, 2016

	General Fund	Town Capital Projects Fund	Town Hall COP Project	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and investments	\$ 19,788,026	\$ 8,808,798	\$ 4,495,660	\$ 201,770	\$ 33,294,254
Taxes receivable	1,579,300	-	-	9,367	1,588,667
Accounts receivable	1,802,313	-	-	232	1,802,545
Accrued interest receivable	44,238	-	-	-	44,238
Total Assets	\$ 23,213,877	\$ 8,808,798	\$ 4,495,660	\$ 211,369	\$ 36,729,704
<u>LIABILITIES</u>					
Accounts payable	\$ 398,792	\$ 35,858	\$ 152,468	\$ 4,198	\$ 591,316
Accrued expenditures	6,022	-	-	-	6,022
Compensated absences	130,088	-	-	-	130,088
Deposits	84,727	-	-	-	84,727
Total Liabilities	619,629	35,858	152,468	4,198	812,153
<u>FUND BALANCES</u>					
Committed	14,287,000	-	4,343,192	-	18,630,192
Unassigned	7,357,248	-	-	-	7,357,248
Assigned	950,000	8,772,940	-	207,171	9,930,111
Total Fund Balances	22,594,248	8,772,940	4,343,192	207,171	35,917,551
Total Liabilities and Fund Balances	\$ 23,213,877	\$ 8,808,798	\$ 4,495,660	\$ 211,369	\$ 36,729,704
Total Governmental Fund Balances					\$ 35,917,551

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not reported in the funds. 46,657,014

The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position. 776,421

Some liabilities, including bonds, notes, leases and long-term portion of compensated absences are not due and payable in the current period and are therefore not reported in the funds. (19,043,722)

Net position of Governmental Activities \$ 64,307,264

The accompanying notes are an integral part of these financial statements.

Town of Colma  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016

	General Fund	Town Capital Projects Fund	Town Hall COP Project	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>					
Property taxes	\$ 617,172	\$ -	\$ -	\$ -	\$ 617,172
Sales taxes	10,851,063	-	-	-	10,851,063
Cardroom taxes	4,039,518	-	-	-	4,039,518
Other taxes	115,585	-	-	-	115,585
Licenses and permits	281,687	-	-	-	281,687
Fines and forfeits	68,225	-	-	-	68,225
Intergovernmental	37,602	-	-	244,895	282,497
Use of money and property	462,655	-	10,046	731	473,432
Other revenues	222,156	-	-	-	222,156
Charges for services	1,024,317	-	-	-	1,024,317
Total revenues	<u>17,719,980</u>	<u>-</u>	<u>10,046</u>	<u>245,626</u>	<u>17,975,652</u>
<u>EXPENDITURES</u>					
Current:					
General government	3,194,543	-	-	-	3,194,543
Public safety	5,655,678	-	-	93,134	5,748,812
Public works	3,074,526	723,006	769,351	163,258	4,730,141
Recreation	973,178	-	-	-	973,178
Planning	512,090	-	-	-	512,090
Debt service:					
Principal	-	-	-	180,000	180,000
Interest	-	-	-	114,087	114,087
Total expenditures	<u>13,410,015</u>	<u>723,006</u>	<u>769,351</u>	<u>550,479</u>	<u>15,452,851</u>
Excess (deficiency) of revenues over expenditures	<u>4,309,965</u>	<u>(723,006)</u>	<u>(759,305)</u>	<u>(304,853)</u>	<u>2,522,801</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Debt proceeds	-	-	5,102,497	150,000	5,252,497
Transfers in	-	9,543,165	-	290,465	9,833,630
Transfers out	<u>(9,833,630)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,833,630)</u>
Total other financing sources (uses)	<u>(9,833,630)</u>	<u>9,543,165</u>	<u>5,102,497</u>	<u>440,465</u>	<u>5,252,497</u>
Net change in fund balances	(5,523,665)	8,820,159	4,343,192	135,612	7,775,298
Fund balances, beginning of period	<u>28,117,913</u>	<u>(47,219)</u>	<u>-</u>	<u>71,559</u>	<u>28,142,253</u>
Fund balances, end of period	<u>\$ 22,594,248</u>	<u>\$ 8,772,940</u>	<u>\$ 4,343,192</u>	<u>\$ 207,171</u>	<u>\$ 35,917,551</u>

The accompanying notes are an integral part of these financial statements.

Town of Colma  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ 7,775,298

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation (\$1,239,320) exceeds capital outlays \$1,491,821 in the current period. 252,501

Internal service funds are closed by charging additional amounts or reducing charges to participating governmental activities to completely cover the internal service funds costs for each year 776,421

Accrual of Non-Current Items

The amounts below included in the statement of activities do not require the use of or provide current financial resources and are therefore not reported as expenditures or revenues in the governmental funds.

Compensated Absences	(49,756)
Certificates of participation	(5,120,000)
Pension expense	(1,156,948)
Net other post-employment benefit obligation	<u>(574,673)</u>

Net difference (5,872,455)

Change in Net Position of Governmental Activities \$ 1,902,843

The accompanying notes are an integral part of these financial statements.

Town of Colma  
 PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
 June 30, 2016

	Enterprise Funds
	Governmental Activities Internal Service Fund
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 776,421
Total current assets	776,421
 <u>NET POSITION</u>	
Unrestricted	776,421
Total net position	\$ 776,421

The accompanying notes are an integral part of these financial statements.

Town of Colma  
 PROPRIETARY FUNDS  
STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET POSITION  
 For the year ended June 30, 2016

	Enterprise Funds
	Governmental Activities Internal Service Fund
	Fund
Operating revenues:	
Charges for services	\$ 776,012
Total operating revenues	776,012
Operating expenses:	
Materials, supplies, rent and services	-
Total operating expenses	-
Operating income (loss)	776,012
Non-operating revenues (expenses):	
Interest income	409
Total non-operating revenues (expenses)	409
Change in net position	776,421
Net position, beginning of period	-
Net position, end of period	\$ 776,421

The accompanying notes are an integral part of these financial statements.

Town of Colma  
 PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
 For the year ended June 30, 2016

	Enterprise Funds
	Governmental Activities Internal Service Fund
Cash flows from operating activities:	
Receipts from other funds for services	\$ 776,012
Payments to employees	-
Net cash provided (used) by operating activities	776,012
 Cash flows from investing activities:	
Interest earned	409
Net cash provided by investing activities	409
Net increase (decrease) in cash and cash equivalents	776,421
Cash and cash equivalents - beginning of period	-
 Cash and cash equivalents - end of period	\$ 776,421
 Reconciliation of operating income (loss) to net cash provided (used in) operating activities:	
Operating income (loss)	\$ 776,012
 Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
None	-
 Changes in certain assets and liabilities:	
None	-
 Net cash provided by (used for) operating activities	\$ 776,012

The accompanying notes are an integral part of these financial statements.



Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Colma (the Town) is a municipal corporation governed by an elected five-member City Council. The accompanying basic financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The Town has no component units.

The Town provides customary municipal services including general governmental activities, police protection, streets, maintenance, parks and recreation activities, planning and zoning, and building and public works. The Town contracts for sanitary sewer services with local providers in Daly City and South San Francisco, for street lighting services with San Mateo County, and for water service from CalWater.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the Town with the effect of interfund activity removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the Town's governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, & Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when "measurable" and "available". Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, & Financial Statement Presentation (concluded)

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, card room taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental fund:

The General Fund is the government's primary operating fund and the only major fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. This includes elimination of interfund payables and receivables and of interfund transfers.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The Town may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The Town's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Additionally the Town reports the following fund type:

The Internal Service Fund is used to account for the replacement of the Town's fleet and associated equipment provided to other Town departments on a cost reimbursement basis.

D. Assets, Liabilities and Net Position or Equity

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, the State Treasurer's Investment Pool, and other permitted investments.

Investments for the Town are reported at fair value. Investments in guaranteed investment contracts are reported at cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs - other than quoted prices included within level 1 - that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”.

The Town has determined that an allowance for uncollectibles is not necessary as all receivables have been deemed collectible.

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the county, and be shared by applicable jurisdictions. The County of San Mateo (the County) collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on November 1 and March 1, and each installment becomes delinquent after December 10 and April 10, respectively. The Town receives property taxes pursuant to an arrangement with the County known as the “Teeter Plan”. Under the plan, the County assumes responsibility for the collection of the delinquent taxes and pays the full allocation to the Town. The Town recognizes property tax revenues in the fiscal year in which they are levied for the Town.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure-type assets such as roads, bridges, sidewalks, and street lights, are reported in the accompanying basic financial statements. They are reported in the applicable governmental-type activities columns in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost when available, or at estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Town is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure – street system	40-50
Vehicles	8
Equipment	5-25
Improvements	20

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. There is a liability for a portion of unpaid accumulated sick leave since the Town does have a policy to pay certain amounts when certain employees separate from service with the Town. All vacation and sick leave is accrued when incurred in the government-wide financial statements. The liability for vacation and sick leave is recorded in the fund financial statements only when immediately due and payable, such as amounts that arise from employee retirements.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, the District recognizes deferred outflows and inflows of resources.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the Town that is applicable to a future reporting period.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities and Net Position or Equity (continued)

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town of Colma's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government-type activities statement of net position.

Net Position

Government-wide net position consists of the following:

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position – This amount includes all net position that does not meet the definition of “invested in capital assets, net of related debt” or “restricted net position”.

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Governmental fund balance consists of the following:

Fund Equity

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental *funds* now reflect the component classifications described below.

In the fund financial statements, governmental fund balances are reported in the following classifications:

**Nonspendable** fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

**Restricted** fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

D. Assets, Liabilities and Net Position or Equity (concluded)

**Committed** fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level decision-making authority. The Town Council serves as the Town's highest level decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes' action.

**Assigned** fund balance includes amounts intended to be used by the Town for specific purposes, subject to change, as established either directly by the Town Council or by management officials to whom the assignment authority has been delegated by the Town Council.

**Unassigned** fund balance is the residual classification that includes the spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the Town's policy specifies that restricted revenues will be applied first. When expenditures are incurred for the purposes for which committed, assigned, or unassigned fund balances are available, the Town's policy is to apply committed fund balances first, then apply assigned fund balances, and finally unassigned fund balances.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, "capital assets are not financial resources and are not reported in the funds."

The details of this difference are as follows:

Capital assets	\$ 61,835,129
Less: accumulated depreciation	<u>(15,178,115)</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 46,657,014</u>

Another element of the reconciliation explains that "long-term liabilities" are not due and payable in the current period and are therefore not reported in the funds. The details are as follows:

Long-Term Debt Obligations:	
Deferred outflows	\$ 1,980,080
Deferred inflows	(949,374)
Compensated absences	(992,285)
Certificates of participation	(5,120,000)
Net other post-employment benefit obligation	(6,215,179)
Net pension liability	<u>(7,746,964)</u>
Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (19,043,722)</u>

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS (concluded)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances with the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference and other significant components of the difference are as follows:

Capital outlay	\$ 1,491,821
Depreciation expense	(1,239,320)
Internal service fund	776,421
Compensated absences	(49,756)
Certificates of participation	(5,120,000)
Pension expense	(1,156,948)
Net other post-employment benefit obligation (OPEB)	<u>(574,673)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (5,872,455)</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all funds. All annual appropriations lapse at fiscal year end. Before the end of each fiscal year, all departments of the Town submit requests to the City Manager so that a budget may be prepared. Before June 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Expenditures for capital projects or the creation of additional positions requires the specific authorization of the Town Council. Encumbrance accounting is not employed.

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments consisted of the following at June 30:

	Maturity 12 months or less
Demand deposits	\$ 7,317,633
Cash and investments with fiscal agent	4,463,253
Local Agency Investment Fund (LAIF)	3,753,308
San Mateo County Treasurer’s Investment Pool	<u>18,536,481</u>
Total	<u>\$ 34,070,675</u>

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

The Town's total cash and investments consisted of:

Unrestricted	\$ <u>29,607,422</u>
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Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the Town's investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the Town's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the above table that shows the distribution of the Town's investments by maturity or earliest call date.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the Town's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the Town's name and places the Town ahead of general creditors of the institution.

As of June 30, 2016, the Town holds \$4,495,660 in unexpended proceeds from the Certificates of Participation, which were included in Cash and Investments recorded in the Capital Projects Fund. These restricted funds are spent on project costs as defined in the underlying indenture.

The Town does not enter into reverse repurchase agreements. Trustees under bond indentures may also invest in guaranteed investment contracts.

The Town's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles. The Town adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Town reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. At June 30, 2016 the fair value was \$2,332 greater than the Town's cost. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2016, these investments matured in an average of 167 days.

The Town maintains specific cash deposits with the County and voluntarily participates in the external investment pool of the County. The County is restricted by state code in the types of investments it can make. Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee that performs regulatory oversight for its pool as required by California Government Code Section 27134.



Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

The County's investment policy authorizes the County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool.

At June 30, 2016, the Town's cash with the County Treasurer is stated at fair value. However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Town's position in the pool. At June 30, 2016, the fair value was \$56,722 greater than the Town's cost.

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the Town as of June 30, 2016:

<u>Investment Type</u>	<u>Level 2</u>	<u>Exempt</u>	<u>Total</u>
California Local Agency Investment Fund	\$ 3,753,308	\$ -	\$ 3,753,308
San Mateo County Treasurer's Pool	18,536,481	-	18,536,481
Held by Trustees:			
California Local Agency Investment Fund	<u>4,463,253</u>	-	<u>4,463,253</u>
Total Investments	<u>\$ 26,753,042</u>	<u>\$ -</u>	26,753,042
Cash in banks and on hand			<u>7,317,633</u>
Total cash and Investments			<u>\$ 34,070,675</u>

The California Local Agency Investment Fund (LAIF) classified in Level 2 of the fair value hierarchy, are valued using quoted prices for a non-active market portfolio at fiscal year end. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2016 are provided by Standard and Poor's except as noted.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (concluded)

<u>Investment Type</u>	<u>Total</u>
Money Market Mutual Funds	\$ 360
<b>Not rated:</b>	
California Local Agency Investment Fund	8,216,201
San Mateo County Treasurer's Pool	18,536,481
Cash in banks and on hand	<u>7,317,633</u>
Total cash and Investments	<u>\$ 34,070,675</u>

B. Receivables

Receivables as of year-end for the government's individual major and nonmajor funds in the aggregate were as follows:

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:			
Interest	\$ 44,238	\$ -	\$ 44,238
Taxes	1,579,300	9,367	1,588,667
Accounts	<u>1,802,313</u>	<u>-</u>	<u>1,802,313</u>
Net total receivables	<u>\$ 3,425,851</u>	<u>\$ 9,367</u>	<u>\$ 3,435,218</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 7,595,471	\$ -	\$ -	\$ 7,595,471
Construction in progress	<u>614,005</u>	<u>1,492,354</u>	<u>-</u>	<u>2,106,359</u>
Total capital assets, not being depreciated	<u>8,209,476</u>	<u>1,492,354</u>	<u>-</u>	<u>9,701,830</u>
Capital assets, being depreciated				
Buildings	19,439,225	-	-	19,439,225
Improvements other than buildings	3,478,524	-	-	3,478,524
Machinery and equipment	2,190,373	119,977	120,510	2,189,840
Infrastructure - street systems	<u>27,025,710</u>	<u>-</u>	<u>-</u>	<u>27,025,710</u>
Total capital assets, being depreciated	<u>52,133,832</u>	<u>119,977</u>	<u>120,510</u>	<u>52,133,299</u>
Less accumulated depreciation for:				
Buildings	(4,128,616)	(390,830)	-	(4,519,446)
Improvements other than buildings	(1,717,714)	(162,628)	-	(1,880,342)
Machinery and equipment	(1,297,569)	(168,814)	-	(1,466,383)
Infrastructure - street systems	<u>(6,794,896)</u>	<u>(517,048)</u>	<u>-</u>	<u>(7,311,944)</u>
Total accumulated depreciation	<u>(13,938,795)</u>	<u>\$(1,239,320)</u>	<u>\$ -</u>	<u>(15,178,115)</u>
Total capital assets, being depreciated, net	<u>38,195,037</u>			<u>36,955,184</u>
Governmental activities capital assets net	<u>\$46,404,513</u>			<u>\$46,657,014</u>

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (concluded)

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental activities:	
Public works	\$ 1,239,320
Total depreciation expense - governmental activities	<u>\$ 1,239,320</u>

D. Interfund Receivables, Payables and Transfers

Interfund transfers at June 30, 2016 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 9,833,630
Debt service	289,370	-
Town Capital Project Fund	9,543,165	-
Local law enforcement	<u>1,095</u>	<u>-</u>
Totals	<u>\$ 9,833,630</u>	<u>\$ 9,833,630</u>

The transfers out of the General Fund were made for the purpose of financing capital projects and debt service undertaken during the fiscal year.

E. Long-Term Debt

Changes in long-term liabilities

Long-term debt activity for the 2016 fiscal year was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Certificates of Participation	\$ -	\$ 5,300,000	\$ 180,000	\$ 5,120,000	\$ 110,000
Net OPEB	5,640,506	574,672	-	6,215,178	-
Net Pension Liability	6,884,624	862,340	-	7,746,964	-
Compensated absences	<u>942,526</u>	<u>49,756</u>	<u>-</u>	<u>992,282</u>	<u>-</u>
Totals	<u>\$13,467,656</u>	<u>\$ 6,786,768</u>	<u>\$ 180,000</u>	<u>\$20,074,424</u>	<u>\$ 110,000</u>

Certificates of Participation

On September 24, 2015, the Town issued \$5.3 million in Certificates of Participation through Stifel, Nicolaus & Company, Incorporated. The funds and debt service payments are administered under a Trustee Agreement with Bank of New York Mellon. This financing will be used to fund a portion of the Town Hall renovation project.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 4 - DETAILED NOTES ON ALL FUNDS (concluded)

E. Long-Term Debt (concluded)

The annual requirements to amortize the debt outstanding as of June 30, 2016, including interest payments, are as follows:

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 110,000	\$ 185,669	\$ 295,669
2018	110,000	183,469	293,469
2019	115,000	181,269	296,269
2020	115,000	178,969	293,969
2021	120,000	174,369	294,369
2022	125,000	169,569	294,569
2023	130,000	164,569	294,569
2024	135,000	160,669	295,669
2025	135,000	156,619	291,619
2026	140,000	151,219	291,219
2027	145,000	146,319	291,319
2028	150,000	141,969	291,969
2029	155,000	137,281	292,281
2030	160,000	132,244	292,244
2031	165,000	126,844	291,844
2032	175,000	121,069	296,069
2033	180,000	115,163	295,163
2034	185,000	108,638	293,638
2035	190,000	101,238	291,238
2036	200,000	93,638	293,638
2037	210,000	86,138	296,138
2038	215,000	78,263	293,263
2039	225,000	70,200	295,200
2040	230,000	61,200	291,200
2041	240,000	52,000	292,000
2042	250,000	42,400	292,400
2043	260,000	32,400	292,400
2044	270,000	22,000	292,000
2045	280,000	11,200	291,200
Total	<u>\$ 5,120,000</u>	<u>\$ 3,386,594</u>	<u>\$ 8,506,594</u>

NOTE 5 - OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town obtains insurance coverage. The Town is a member of the ABAG PLAN Corporation (PLAN), which provides a pooled risk sharing insurance program. The PLAN provides the Town with insurance coverage of \$15 million per loss for liability claims. The Town has a \$50,000 self-insurance retention limit similar to a deductible.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

A. Risk Management (concluded)

The PLAN insurance has two different layers of coverage. Layer 1 is a \$5 million self-insured layer shared by participants; Layer 2 is commercial excess insurance coverage for \$10 million beyond the \$5 million PLAN coverage. The PLAN also provides the Town with \$1 million pooled employee dishonesty coverage. Property coverage is also provided by the PLAN with the Town having a \$10,000 deductible. The PLAN provides the coverage using a self-insured pool to cover losses up to \$100,000. The PLAN purchases an insurance policy to cover losses above its \$100,000 self-insured retention with a per occurrence coverage for all members combined up to \$1 billion. Workers' compensation insurance is provided to the Town by EIA (Entity Insurance Authority) at statutory coverage limits, without a deductible. The Town had no significant changes in insurance coverage during the year. For the Fiscal Year ending June 30, 2016, the Town incurred liability claims expenses totaling \$73,362. There was one open claim as of June 30, 2016.

B. Contingencies and Commitments

Litigation

The Town is involved in litigation incurred in the normal course of conducting Town business. Town management believes, based upon consultation with its counsel, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the Town.

C. Public Employees Retirement System

Plan Description: Based on PERS eligibility criteria all qualified permanent and probationary employees are eligible to participate in the Town's following cost-sharing multiple employer defined benefit pension plans (Plans):

- Town Miscellaneous (Tier 1)
- Town Miscellaneous (Tier 2)
- Town Miscellaneous (Tier 3 - PEPR)
- Town Safety (Tier 1)
- Town Safety (Tier 2)
- Town Safety (Tier 3 - PEPR)

The Plans are administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The applicable PERS plan depends on the employee classification and hire date. In some situations hiring of an employee who was previously an active member in PERS results in the "Classic" Plan benefit regardless of the date of hiring.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

The Plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Town Miscellaneous		
	Prior to August 1, 2012	8/1/2012 – 12/31/2012 (or "Classic")	On or after January 1, 2013
Hire date			
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensations	2.0% to 2.5%	1.091% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8%	7%	6.25%
Required employer contribution rates	19.176%	8.005%	6.25%
	Town Safety		
	Prior to January 1, 2012	On or after January 1, 2012 (or "Classic")	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensations	3%	2.4 to 3%	2.0% to 2.7%
Required employee contribution rates	9%	9%	11.5%
Required employer contribution rates	34.595%	20.774%	11.5%

The City's Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees' Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The Town sponsors six rate plans (three miscellaneous and three safety).

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

For the year ended June 30, 2016, the contributions recognized as part of pension expense for each Plan were as follows:

	Misc Tier 1	Misc Tier 2	Misc Tier 3	Total Misc
Employer Contributions	\$255,805	\$24,318	\$10,397	\$290,520

	Safety Tier 1	Safety Tier 2	Safety Tier 3	Total Safety
Employer Contributions	\$638,389	\$87,358	\$31,608	\$757,355

As of June 30, 2016, the Town reported net pension liabilities for its proportionate shares of the net pension liability of the Miscellaneous and Safety Plans as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 2,267,047
Safety	<u>5,479,917</u>
Total Net Pension Liability	<u>\$ 7,746,964</u>

The Town's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2015, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Town's proportionate share of the net pension liability for each Plan as of June 30, 2014 and 2015 was as follows:

<u>Town Miscellaneous Plan</u>	<u>Miscellaneous</u>
Proportion - June 30, 2014	.075%
Proportion - June 30, 2015	.083%
Change – Increase (Decrease)	.008%
<u>Town Safety Plan</u>	<u>Safety</u>
Proportion - June 30, 2014	.133%
Proportion - June 30, 2015	.133%
Change – Increase (Decrease)	.000%

For the year ended June 30, 2016, the Town recognized pension expense of \$1,373,756. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,047,875	\$ -
Differences between actual and expected experience	15,988	90,888
Changes in assumptions	-	569,290
Net differences between projected and actual earnings on plan investments	-	287,690
Change in proportions and differences between actual contributions and proportionate share of contributions	916,217	1,506
Total	\$ 1,980,080	\$ 949,374

\$1,047,875 reported as deferred outflows of resources related to contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>		
2017		\$ 14,118
2018		20,041
2019		20,593
2020		(71,921)
2021		-
Total		\$ (17,169)

Actuarial Assumptions - For the measurement period ended June 30, 2015, the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2015 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.5% (1)
Mortality	Derived using CalPERS Membership Data for all Funds (2)

(1) Net of pension plan investment expenses, including inflation

(2) The mortality table used was developed based on Cal PERS' specific data. The table includes 5 years of mortality improvements using Society of Actuaries Scale AA. For more details on this table, please refer to the CalPERS 2014 experience study report available on CalPERS' website.



Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

Change of Assumptions - GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense. All other assumptions for the June 30, 2014 measurement date were the same as those used for the June 30, 2015 measurement date.

Discount Rate - The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10</u>	<u>Real Return Years 11+</u>
Global Equity	51%	5.25%	5.71%
Global Fixed Income	19	0.99	2.43
Inflation Sensitive	6	0.45	3.36
Private Equity	10	6.83	6.95
Real Estate	10	4.50	5.13
Infrastructure and Forestland	2	4.50	5.09
Liquidity	2	(0.55)	(1.05)
Total	<u>100%</u>		

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.65%	6.65%
Net Pension Liability	\$3,449,358	\$8,519,477
Current Discount Rate	7.65%	7.65%
Net Pension Liability	\$2,267,047	\$5,479,917
1% Increase	8.65%	8.65%
Net Pension Liability	\$1,290,912	\$2,987,533

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

As of June 30, 2016  
 Last 10 Years\*

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 2015

	Town Safety Plan	Miscellaneous Plan
<u>Town Safety Plan</u>		
Proportion of the net pension liability	0.133405%	0.082647%
Proportionate share of the net pension liability	\$5,496,891	\$2,267,401
Covered - employee payroll	\$2,286,496	\$1,932,410
Proportionate Share of the net pension liability as percentage of covered-employee payroll	240%	117%
Plan fiduciary net position as a percentage of the total pension liability	75%	74%

As of June 30, 2016  
 Last 10 Years\*

SCHEDULE OF CONTRIBUTIONS  
 2015

	Safety Plan	Miscellaneous Plan
Contractually required contribution (actuarially determined)	\$ 565,473	\$ 219,157
Contributions in relation to the actuarially determined contributions	(565,473)	(219,157)
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	\$2,286,469	\$1,932,410
Contributions as a percentage of covered-employee payroll	25%	11.34%

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 5 - OTHER INFORMATION (concluded)

C. Public Employees Retirement System (concluded)

Notes to Required Supplementary Information

Benefit changes – In 2015, benefit terms were modified to a base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

Changes in assumptions - In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees

\* Fiscal year 2015 was the first year of implementation

D. Restricted Net Position and Fund Balances

Portions of the unassigned fund balance in the fund financial statements may be assigned to indicate tentative plans for financial resources being utilized in a future period, such as for general contingencies or capital projects. Such plans are subject to change, have not been legally authorized, and may not result in expenditures.

Purpose	General Fund	Other Funds	Total
Committed fund balances were:			
Debt service costs	\$ 618,000	\$ -	\$ 618,000
Retiree Health Care costs	42,000	-	42,000
Budget Stabilization	13,627,000	-	13,627,000
Town Hall COP Project	-	<u>4,343,192</u>	<u>4,343,192</u>
<b>Total</b>	<u>14,287,000</u>	<u>4,343,192</u>	<u>18,630,192</u>
Assigned fund balances were:			
Litigation	100,000	-	100,000
Insurance	100,000	-	100,000
Disaster response	750,000	-	750,000
Measure A – Transportation Tax	-	58,439	58,439
Gas Tax – Streets and Roads	-	28,012	28,012
Law Enforcement – State Grants	-	120,658	120,658
Debt Service - Trustee	-	62	62
Capital Projects – Town Capital Project	-	<u>8,772,940</u>	<u>8,772,940</u>
<b>Total</b>	<u>950,000</u>	<u>8,980,111</u>	<u>9,930,111</u>
Unassigned fund balances were:			
General Fund	<u>7,357,248</u>	-	<u>7,357,248</u>
<b>Grand Total</b>	<u>\$ 22,594,248</u>	<u>\$ 13,323,303</u>	<u>\$ 35,917,551</u>

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2016

NOTE 6 - DEFERRED COMPENSATION PLAN

The Town employees may defer a portion of their compensation under a Town sponsored Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. Under this Plan, participants are not taxed on the deferred portion of the compensation until it is distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

Separate from any amounts that employees voluntarily defer, regular employees are eligible to receive a \$100 monthly matching contribution made to the Plan as a benefit by the Town. A total of 34 employees received this benefit during the Fiscal year ending June 30, 2016. The Town's contributions towards this benefit for the fiscal year ended June 30, 2016 were \$41,425.

The laws governing the Plan assets require Plan assets to be held by a Trust for the exclusive benefits of Plan participants and their beneficiaries. Since the assets held under this Plan are not the Town's property, are not managed by the Town and are not subject to claims by general creditors of the Town, they have been excluded from these financial statements.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT

*Plan Description.* The Town defined benefit post-employment healthcare plan provides medical benefits to eligible Town employees and elected officials who retire from the Town at age 50 or older and are eligible for a PERS pension.

The Town provides retiree healthcare benefits to employees retiring directly from the Town under PERS. Medical coverage is provided through PEMHCA. Medical and dental benefits are continued to a surviving spouse and eligible dependents, if any, upon the retiree's death.

*Funding Policy.* There is no statutory requirement for the Town to prefund its OPEB obligation. The Town currently pays for retiree healthcare benefits on a pay as you go basis.

There are no employee contributions. For the fiscal year ending June 30, 2016, the Town paid approximately \$727,565 for retiree healthcare and dental plan benefits. As of July 1, 2014, the plan membership consisted of 38 active participants and 27 retirees and beneficiaries currently receiving benefits.

The Town is required to contribute or accrue the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed thirty years.

*Annual OPEB Cost and Net OPEB Obligation.*

The following table shows the components of the Town's Annual OPEB Cost for the fiscal years ended June 30, 2016 and June 30, 2015, the amount actually contributed to the plan (including implicit subsidy, if any), and changes in the Town's NET OPEB Obligation/(Asset):

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (continued)

Item	6/30/16	6/30/15
Annual Required Contributions	\$ 1,361,265	\$ 1,281,226
Interest on Net OPEB Obligation/(Asset)	265,048	234,063
Adjustment to Annual Required Contributions	<u>(324,075)</u>	<u>(275,231)</u>
Annual OPEB cost (expense)	1,302,238	1,240,058
Contributions to OPEB Trust	-	(1,000,000)
Contributions and Retiree Premium cost	<u>(727,565)</u>	<u>(451,131)</u>
Increase/(decrease) in net OPEB Obligation	574,673	(211,073)
Net OPEB Obligation – beginning of year	<u>5,640,506</u>	<u>5,851,579</u>
Net OPEB Obligation – end of year	<u>\$ 6,215,179</u>	<u>\$ 5,640,506</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation was as follows, based on the Town's actuarial valuation as of July 1, 2008, 2011 and 2014:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/11	\$ 1,210,202	\$ 235,945	19.5%	\$ 2,753,205
6/30/12	\$ 1,274,489	\$ 298,384	23.3%	\$ 3,729,310
6/30/13	\$ 1,362,657	\$ 332,686	24.4%	\$ 4,759,282
6/30/14	\$ 1,455,093	\$ 362,795	24.9%	\$ 5,851,579
6/30/15	\$ 1,240,058	\$ 1,451,131	101.2%	\$ 5,640,506
6/30/16	\$ 1,302,238	\$ 727,565	56%	\$ 6,215,179

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and the assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses), which is the expected long-term investment returns from assets used to pay benefits; and a 3.25% annual increase in projected payroll. Assumptions include a healthcare cost trend rate of 7.3% in 2014, reduced by 0.3% per year to an ultimate rate of 5.5% in 2018. The UAAL is being amortized over a fixed 30 year period as a level percentage of projected payroll beginning with the year ended June 30, 2009.

Town of Colma  
NOTES TO FINANCIAL STATEMENTS  
 June 30, 2016

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (concluded)

	(A)	(B)	(C)	(D)	(E)	(F)
Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Liability (Excess Assets) [(B)-(A)]	Funded Status [(A)/(B)]	Annual Covered Payroll	UAAL as a % of Payroll {[ (B) - (A) ] / (E) }
7/01/08	\$ -0-	\$ 9,680,563	\$ 9,680,563	0%	\$4,198,207	231%
7/01/11	\$ -0-	\$14,716,283	\$14,716,283	0%	\$4,365,743	337%
7/01/14	\$ -0-	\$13,408,236	\$13,408,236	0%	\$3,610,247	371%

Town of Colma  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
For the Year Ended June 30, 2016  
(UNAUDITED)

	<u>Budgeted</u> <u>Amounts</u>		Variance with Final Budget
	<u>Original and</u> <u>Final</u>	<u>Actual</u> <u>Amounts</u>	
<u>REVENUES</u>			
Property taxes and other taxes	\$ 14,893,400	\$ 15,623,338	\$ 729,938
Licenses and permits	304,300	281,687	(22,613)
Fines and forfeits	60,250	68,225	7,975
Intergovernmental	196,270	37,602	(158,668)
Use of money and property	437,700	462,655	24,955
Other revenues	89,300	222,156	132,856
Charges for services	822,000	1,024,317	202,317
Total revenues	<u>16,803,220</u>	<u>17,719,980</u>	<u>916,760</u>
<u>EXPENDITURES</u>			
Current:			
General government	3,356,690	3,194,543	162,147
Public safety	5,370,490	5,655,678	(285,188)
Public works	3,434,190	3,074,526	359,664
Planning	588,000	512,090	75,910
Recreation	877,690	973,178	(95,488)
Total expenditures	<u>13,627,060</u>	<u>13,410,015</u>	<u>217,045</u>
Excess (deficiency) of revenues over expenditures	<u>3,176,160</u>	<u>4,309,965</u>	<u>1,133,805</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	93,670	-	(93,670)
Transfers out	<u>(2,070,990)</u>	<u>(9,833,630)</u>	<u>(7,762,640)</u>
Total other financing sources (uses)	<u>(1,977,320)</u>	<u>(9,833,630)</u>	<u>(7,856,310)</u>
Net change in fund balance	<u>\$ 1,198,840</u>	<u>(5,523,665)</u>	<u>\$ (6,722,505)</u>
Fund balance, beginning of period		<u>28,117,913</u>	
Fund balance, end of period		<u>\$ 22,594,248</u>	

Town of Colma  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2016

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Measure A	Gas Tax	Local law Enforcement Grants	Debt Service	
<u>ASSETS</u>					
Cash and investments	\$ 50,766	\$ 31,046	\$ 119,896	\$ 62	\$ 201,770
Receivables from other governments	7,673	-	1,694	-	9,367
Prepaid items	-	-	232	-	232
Total Assets	<u>\$ 58,439</u>	<u>\$ 31,046</u>	<u>\$ 121,822</u>	<u>\$ 62</u>	<u>\$ 211,369</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ 3,034	\$ 1,164	\$ -	\$ 4,198
Total Liabilities	-	3,034	1,164	-	4,198
Fund balances:					
Assigned	58,439	28,012	120,658	62	207,171
Total Fund Balances	58,439	28,012	120,658	62	207,171
Total Liabilities and Fund Balances	<u>\$ 58,439</u>	<u>\$ 31,046</u>	<u>\$ 121,822</u>	<u>\$ 62</u>	<u>\$ 211,369</u>



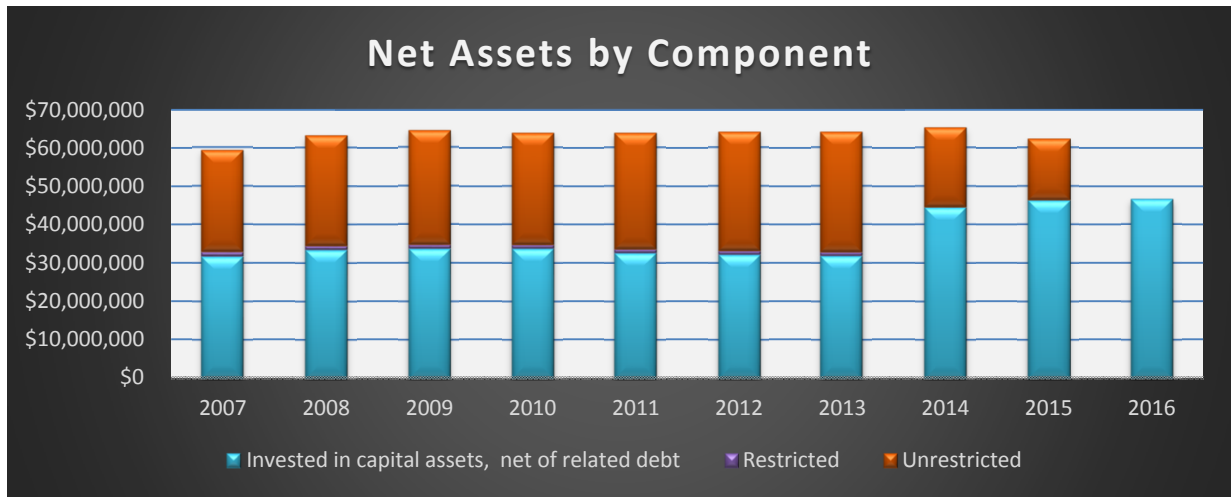
Town of Colma  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2016

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	Gas tax (Fund 21)	Measure A (Fund 22)	Local Law Enforcement Grant Fund	Debt Service	
Revenues:					
Intergovernmental	\$ 45,196	\$ 50,105	\$ 149,594	\$ -	\$ 244,895
Use of money and property	114	186	362	69	731
Total revenues	<u>45,310</u>	<u>50,291</u>	<u>149,956</u>	<u>69</u>	<u>245,626</u>
Expenditures:					
Current:					
Public safety	-	-	93,134	-	93,134
Public works	17,968	-	-	145,290	163,258
Debt service:					
Principal	-	-	-	180,000	180,000
Interest	-	-	-	114,087	114,087
Total expenditures	<u>17,968</u>	<u>-</u>	<u>93,134</u>	<u>439,377</u>	<u>550,479</u>
Excess (deficiency) of revenues over expenditures	<u>27,342</u>	<u>50,291</u>	<u>56,822</u>	<u>(439,308)</u>	<u>(304,853)</u>
Other financing sources (uses):					
Debt proceeds	-	-	-	150,000	150,000
Transfers in	-	-	1,095	289,370	290,465
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,095</u>	<u>439,370</u>	<u>440,465</u>
Net change in fund balances	27,342	50,291	57,917	62	135,612
Fund balances, July 1	670	8,148	62,741	-	71,559
Fund balances, June 30	<u>\$ 28,012</u>	<u>\$ 58,439</u>	<u>\$ 120,658</u>	<u>\$ 62</u>	<u>\$ 207,171</u>

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## STATISTICAL SECTION

**TOWN OF COLMA**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**



	2007	2008	2009	2010	2011
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$31,843,145	\$33,566,689	\$33,839,601	\$33,872,406	\$32,716,909
Restricted	1,123,395	984,613	959,750	959,750	959,750
Unrestricted	26,428,834	28,818,698	29,731,736	29,091,738	30,259,243
<b>Total governmental activities net position</b>	<b>\$59,395,374</b>	<b>\$63,370,000</b>	<b>\$64,531,087</b>	<b>\$63,923,894</b>	<b>\$63,935,902</b>

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$32,290,889	\$31,939,040	\$44,599,385	\$46,404,513	\$46,657,014
959,750	958,050	0	0	0
30,931,462	31,280,801	20,760,067	15,999,908	17,650,250
<u>\$64,182,101</u>	<u>\$64,177,891</u>	<u>\$65,359,452</u>	<u>\$62,404,421</u>	<u>\$64,307,264</u>

**TOWN OF COLMA**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	<b>Fiscal Year Ended June 30,</b>				
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Expenses</b>					
Governmental Activities:					
General Government	\$2,564,505	\$2,674,755	\$2,874,961	\$2,735,280	\$2,825,518
Public Safety	4,412,765	5,130,869	5,962,790	5,887,593	5,988,451
Public Works	3,627,096	3,132,289	2,978,182	3,468,651	3,118,437
Recreation & Parks	957,452	1,051,869	1,096,387	1,040,969	1,066,492
Planning	436,141	575,085	549,198	533,042	584,957
Interest on long-term debt	635,882	627,581	667,582	608,114	598,294
Total Governmental Activities Expenses	<u>12,633,841</u>	<u>13,192,448</u>	<u>14,129,100</u>	<u>14,273,649</u>	<u>14,182,149</u>
Total Primary Government Expenses	<u>\$12,633,841</u>	<u>\$13,192,448</u>	<u>\$14,129,100</u>	<u>\$14,273,649</u>	<u>\$14,182,149</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$0	\$0	\$0	\$0	\$0
Public Safety:	115,869	80,240	84,039	70,604	98,673
Public Works	212,433	267,508	383,707	348,140	362,472
Recreation & Parks	167,265	167,053	43,763	50,014	51,440
Planning	212,433	267,507	383,707	348,139	362,471
Operating Grants and Contributions	0	0	0	0	0
Capital Grants and Contributions	\$2,588,504	\$2,729,032	\$2,155,277	\$1,793,072	\$2,252,336
Total Government Activities Program Revenues	<u>\$3,296,504</u>	<u>\$3,511,340</u>	<u>\$3,050,493</u>	<u>\$2,609,969</u>	<u>\$3,127,392</u>

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
\$3,132,552	\$3,346,125	\$2,967,299	\$3,903,936	\$3,187,043
5,944,039	6,913,654	6,257,453	2,832,021	7,027,124
2,990,162	3,047,313	3,915,614	4,285,679	4,216,784
1,061,289	1,058,521	908,687	946,869	968,178
464,616	573,399	417,626	410,942	512,090
587,357	575,585	483,814	0	114,087
14,180,015	15,514,597	14,950,493	12,379,447	16,025,306
<b>\$14,180,015</b>	<b>\$15,514,597</b>	<b>\$14,950,493</b>	<b>\$12,379,447</b>	<b>\$16,025,306</b>

\$0	\$0	\$20,175	\$0	\$0
83,732	67,536	102,641	106,935	217,819
385,942	421,062	709,810	826,619	632,903
61,940	82,825	71,176	78,592	524,317
385,942	421,063	100,113	109,561	281,687
0	0	0	138,809	0
\$2,037,958	\$2,314,303	\$479,793	\$0	\$0
<b>\$2,955,514</b>	<b>\$3,306,789</b>	<b>\$1,483,708</b>	<b>\$1,260,516</b>	<b>\$1,656,726</b>

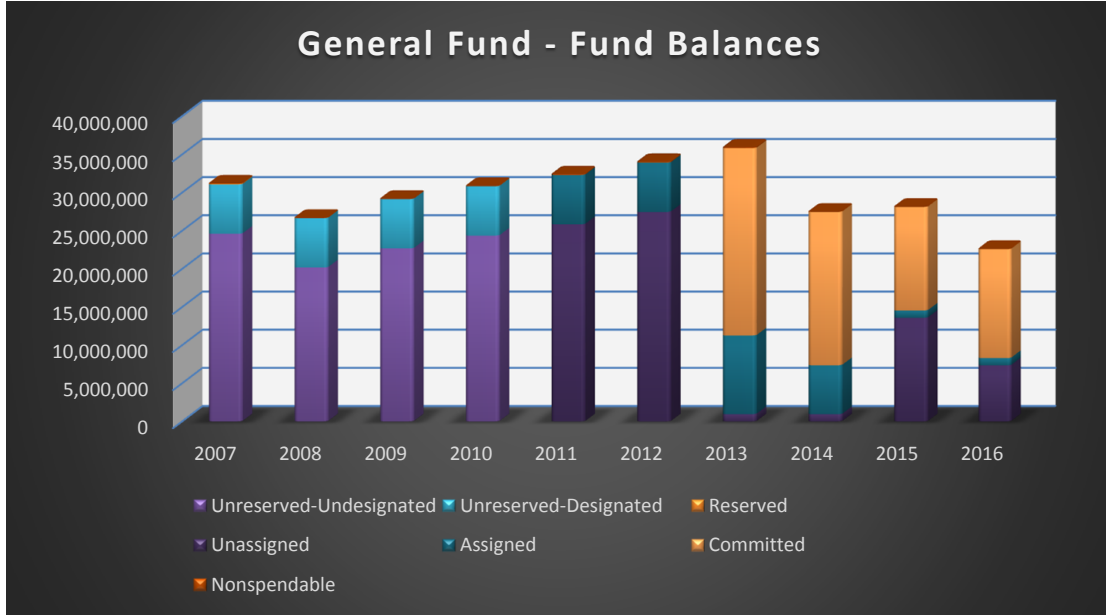
**TOWN OF COLMA**  
**Changes in Net Position**  
**(continued)**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

Total Primary Government Program Revenues	<u>\$3,296,504</u>	<u>\$3,511,340</u>	<u>\$3,050,493</u>	<u>\$2,609,969</u>	<u>\$3,127,392</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	<u>(\$9,337,337)</u>	<u>(\$9,681,108)</u>	<u>(\$11,078,607)</u>	<u>(\$11,663,680)</u>	<u>(\$11,054,757)</u>
Total Primary Government Net Expense	<u>(\$9,337,337)</u>	<u>(\$9,681,108)</u>	<u>(\$11,078,607)</u>	<u>(\$11,663,680)</u>	<u>(\$11,054,757)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Taxes					
Property taxes	\$1,323,855	388,565	\$385,709	\$366,266	\$334,320
Sales taxes	\$6,026,969	5,669,898	5,337,807	4,901,120	5,045,150
Cardroom taxes	\$3,448,351	3,923,552	5,484,544	4,938,532	5,091,032
Motor vehicle in-lieu, unrestricted	\$53,656	53,775	52,262	50,024	0
Other taxes	\$1,500,419	1,414,317	278,912	513,254	56,455
Use of Money/Property and interest earnings	135,515	2,205,627	700,460	287,291	476,595
Other revenues	0	0	0	0	63,213
Extraordinary items:					
Special item - forgiveness of assessments	0	0	0	0	0
Total Government Activities	<u>12,488,765</u>	<u>13,655,734</u>	<u>12,239,694</u>	<u>11,056,487</u>	<u>11,066,765</u>
Total Primary Government	<u>\$12,488,765</u>	<u>\$13,655,734</u>	<u>\$12,239,694</u>	<u>\$11,056,487</u>	<u>\$11,066,765</u>
<b>Change in Net Assets</b>					
Governmental Activities	<u>\$3,151,428</u>	<u>\$3,974,626</u>	<u>\$1,161,087</u>	<u>(\$607,193)</u>	<u>\$12,008</u>
Total Primary Government	<u>\$3,151,428</u>	<u>\$3,974,626</u>	<u>\$1,161,087</u>	<u>(\$607,193)</u>	<u>\$12,008</u>



<u>\$2,955,514</u>	<u>\$3,306,789</u>	<u>\$1,483,708</u>	<u>\$1,260,516</u>	<u>\$1,656,726</u>
<u>(\$11,224,501)</u>	<u>(\$12,207,808)</u>	<u>(\$13,466,785)</u>	<u>(\$11,118,931)</u>	<u>(\$14,368,580)</u>
<u>(\$11,224,501)</u>	<u>(\$12,207,808)</u>	<u>(\$13,466,785)</u>	<u>(\$11,118,931)</u>	<u>(\$14,368,580)</u>
\$354,574	\$617,618	\$472,157	\$554,778	\$617,172
5,517,652	6,232,713	6,843,923	10,327,853	10,851,063
4,957,234	4,703,462	4,140,070	3,774,885	4,039,518
0	0	0	0	0
74,736	105,257	2,454,113	407,614	115,585
496,197	503,140	615,754	427,801	473,432
70,307	41,408	122,329	148,351	174,653
0	0	0	0	0
<u>11,470,700</u>	<u>12,203,598</u>	<u>14,648,346</u>	<u>15,641,282</u>	<u>16,271,423</u>
<u>\$11,470,700</u>	<u>\$12,203,598</u>	<u>\$14,648,346</u>	<u>\$15,641,282</u>	<u>\$16,271,423</u>
\$246,199	(\$4,210)	\$1,181,561	\$4,522,351	\$1,902,843
<u>\$246,199</u>	<u>(\$4,210)</u>	<u>\$1,181,561</u>	<u>\$4,522,351</u>	<u>\$1,902,843</u>

**TOWN OF COLMA**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**



	2007	2008	2009	2010	2011
<b>General Fund</b>					
Reserved	\$89,148	\$6,975	\$5,804	\$9,102	\$0
Unreserved-Designated	6,464,640	6,464,640	6,464,640	6,464,640	0
Unreserved-Undesignated	24,605,176	20,190,578	22,683,168	24,362,588	0
Nonspendable	0	0	0	0	\$88,822
Committed	0	0	0	0	0
Assigned	0	0	0	0	6,464,640
Unassigned	0	0	0	0	25,848,027
<b>Total General Fund</b>	<b>\$31,158,964</b>	<b>\$26,662,193</b>	<b>\$29,153,612</b>	<b>\$30,836,330</b>	<b>\$32,401,489</b>
<b>All Other Governmental Funds</b>					
Reserved	\$959,750	\$1,123,395	\$984,613	\$959,750	0
Unreserved-Designated	0	0	0	0	0
Unreserved-Undesignated	0	0	(\$180,260)	0	0
Unreserved, reported in:					
Special revenue funds	109,887	124,776	118,490	105,593	0
Restricted	0	0	0	0	\$959,750
Assigned	0	0	0	0	79,716
Unassigned	0	0	0	0	0
<b>Total all other governmental funds</b>	<b>\$1,069,637</b>	<b>\$1,248,171</b>	<b>\$922,843</b>	<b>\$1,065,343</b>	<b>\$1,039,466</b>

- (a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.
- (b) In Fiscal 2011, the Town implemented Governmental Accounting Standard Board number 54.

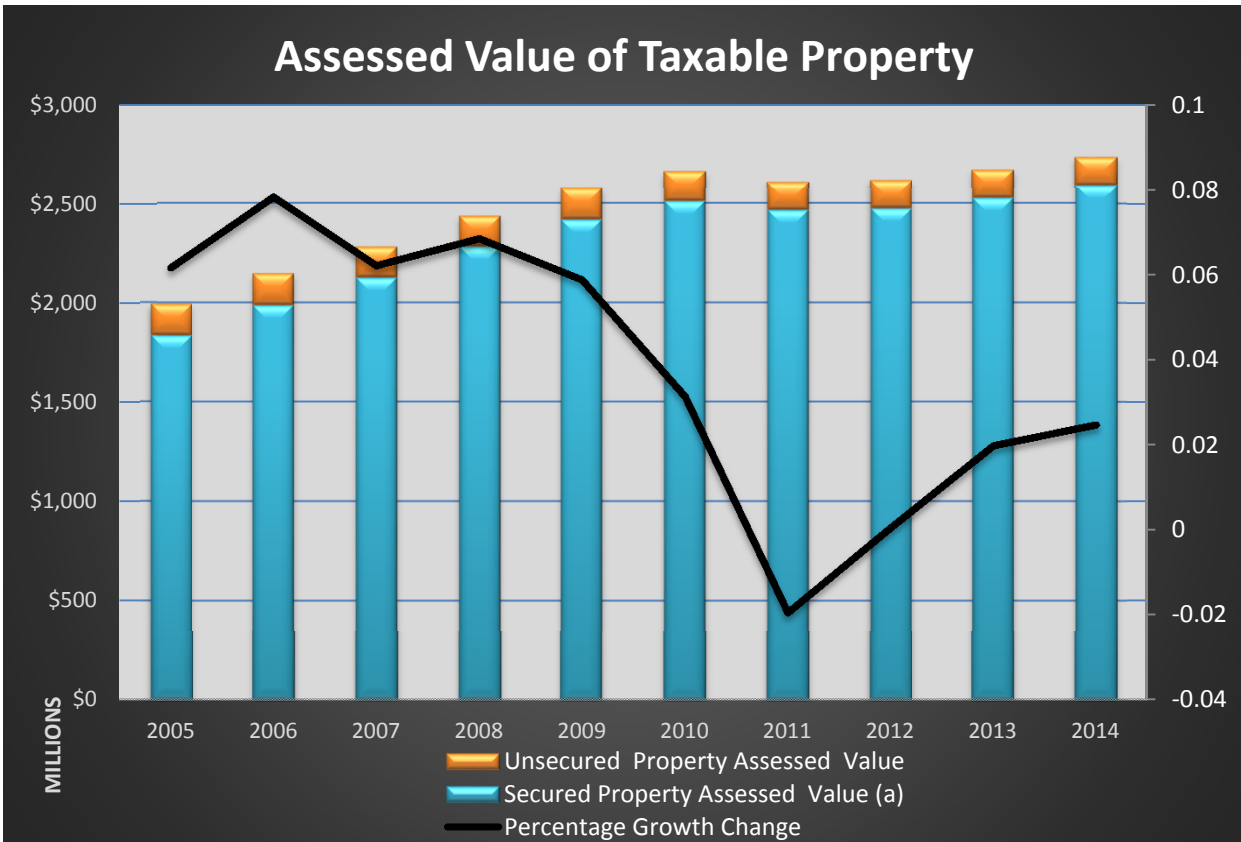
2012	2013	2014	2015	2016
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
\$103,788	\$98,956	0	0	0
0	24,552,790	20,100,000	13,576,000	14,287,000
6,464,640	10,319,919	6,417,979	950,000	950,000
27,462,519	950,000	950,000	13,591,913	7,357,248
<u>\$34,030,947</u>	<u>\$35,921,665</u>	<u>\$27,467,979</u>	<u>\$28,117,913</u>	<u>\$22,594,248</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
\$959,750	\$958,050	0	0	0
120,291	203,792	79,249	71,557	13,323,303
0	0	0	(47,219)	0
<u>\$1,080,041</u>	<u>\$1,161,842</u>	<u>\$79,249</u>	<u>\$24,338</u>	<u>\$13,323,303</u>

**TOWN OF COLMA**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Revenues</b>					
Property taxes	\$1,323,855	\$388,565	\$385,709	\$366,266	\$334,320
Sales taxes	6,026,969	5,669,898	5,337,807	4,901,120	5,045,150
Cardroom taxes	3,448,351	3,923,552	5,484,544	4,938,532	5,091,032
Other taxes	53,656	53,775	52,262	50,024	56,455
Licenses and permits	90,335	200,908	238,163	189,550	108,763
Fines and forfeits	115,869	80,240	84,039	70,604	98,673
Intergovernmental	2,588,504	2,729,032	2,155,277	1,793,072	2,252,336
Use of money and property	1,500,419	1,414,317	278,912	513,254	476,595
Other revenues	135,516	2,205,627	700,460	287,291	63,213
Charges for services	501,796	501,157	573,014	556,743	667,620
<b>Total Revenues</b>	<b>15,785,270</b>	<b>17,167,071</b>	<b>15,290,187</b>	<b>13,666,456</b>	<b>14,194,157</b>
<b>Expenditures</b>					
Current:					
General Government	2,917,750	2,908,289	2,680,083	2,509,572	2,620,539
Public Safety	4,774,913	4,951,501	4,906,617	4,807,033	4,929,990
Public Works	3,989,244	4,915,179	3,667,122	3,857,314	3,179,758
Recreation	321,757	872,501	899,458	859,300	888,871
Planning	843,068	395,717	352,269	351,375	407,336
Capital Outlay	0	0	0	0	0
Debt service:					
Principal repayment	330,000	335,000	345,000	350,000	360,000
Interest and fiscal charges	631,097	622,796	614,421	604,934	595,309
Costs of Issuance	0	0	0	0	0
<b>Total Expenditures</b>	<b>13,807,829</b>	<b>15,000,983</b>	<b>13,464,970</b>	<b>13,339,528</b>	<b>12,981,803</b>
Excess (deficiency) of revenues over (under) expenditures	1,977,441	2,166,088	1,825,217	326,928	1,212,354
<b>Other Financing Sources (Uses)</b>					
Issuance of long-term debt					
Transfers in	2,467,892	2,767,920	2,076,222	1,515,520	1,274,755
Transfers (out)	(2,467,892)	(2,767,920)	(2,076,222)	(1,515,520)	(1,274,755)
<b>Total other financing sources (uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in fund balances</b>	<b>\$1,977,441</b>	<b>\$2,166,088</b>	<b>\$1,825,217</b>	<b>\$326,928</b>	<b>\$1,212,354</b>
Debt service as a percentage of noncapital expenditures	2.6%	2.5%	2.4%	2.5%	2.5%

2012	2013	2014	2015	2016
\$354,574	\$617,618	\$472,157	\$554,778	\$617,172
5,517,652	6,232,713	6,843,923	10,327,853	10,851,063
4,957,234	4,703,462	4,140,070	3,774,885	4,039,518
74,736	105,257	2,454,113	138,463	115,585
83,862	114,546	100,113	109,724	281,687
83,732	67,536	66,611	65,785	68,225
2,037,958	2,314,303	479,793	407,960	282,497
496,197	503,140	615,754	427,801	473,432
70,307	41,408	122,329	148,351	222,156
749,962	810,404	837,191	946,198	1,024,317
14,426,214	15,510,387	16,132,054	16,901,798	17,975,652
2,936,363	2,921,076	2,967,299	3,903,936	3,194,543
4,822,180	5,445,546	5,397,761	4,961,165	5,748,812
2,866,880	2,936,622	3,299,749	6,083,862	4,730,141
883,961	880,931	908,687	946,869	973,178
287,288	395,809	417,626	410,942	512,090
0	0	0	0	0
375,000	385,000	12,100,000	0	180,000
584,509	572,884	577,209	0	114,087
0	0	0	0	0
12,756,181	13,537,868	25,668,331	16,306,774	15,452,851
1,670,033	1,972,519	(9,536,277)	595,024	2,522,801
				5,252,497
1,140,692	1,230,450	12,246,681	0	9,833,630
(1,140,692)	(1,230,450)	(12,246,681)	0	(9,833,630)
0	0	0	0	5,252,497
\$1,670,033	\$1,972,519	(\$9,536,277)	\$595,024	\$7,775,298
2.6%	2.5%	80.9%	0.0%	1.1%

**TOWN OF COLMA**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**



Fiscal Year	Secured Property Assessed Value (a)	Unsecured Property Assessed Value	SBE Nonunitary Value (a)	Total Assessed Value (a)	Total Direct Tax Rate (b)	Percentage Growth Change
2007	473,383,998	43,853,642	314,288	517,551,928	1.0%	
2008	458,310,704	42,682,910	723,100	501,716,714	1.0%	-3.1%
2009	518,887,963	42,215,361	723,100	561,826,424	1.0%	12.0%
2010	497,649,479	45,180,770	723,100	543,553,349	1.0%	-3.3%
2011	493,189,593	35,162,186	723,100	529,074,879	1.0%	-2.7%
2012	497,097,100	34,175,946	542,325	531,815,371	1.0%	0.5%
2013	520,782,477	36,007,528	542,325	557,332,330	1.0%	4.8%
2014	534,119,184	36,578,906	542,325	571,240,415	1.0%	2.5%
2015	577,284,551	36,807,516	542,325	614,634,392	1.0%	7.6%
2016	583,049,863	38,607,884	723,100	622,380,847	1.0%	1.3%

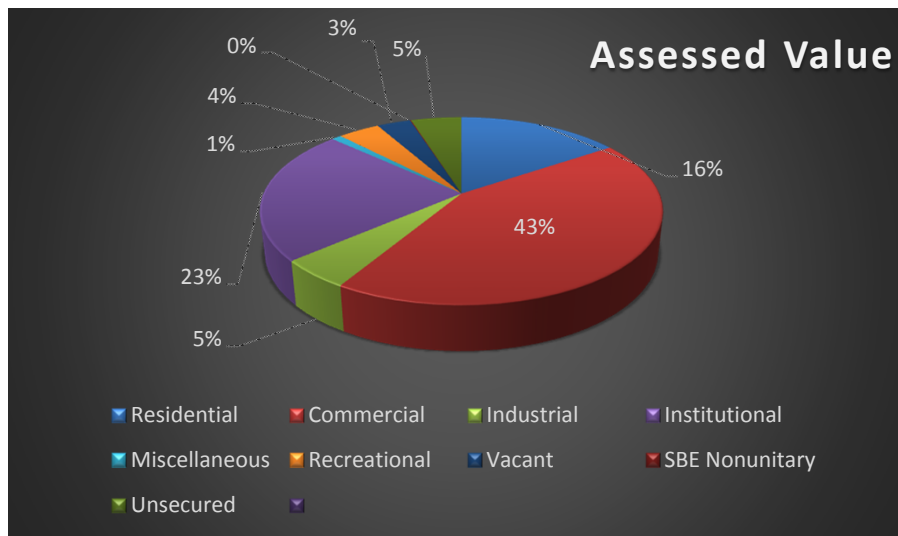
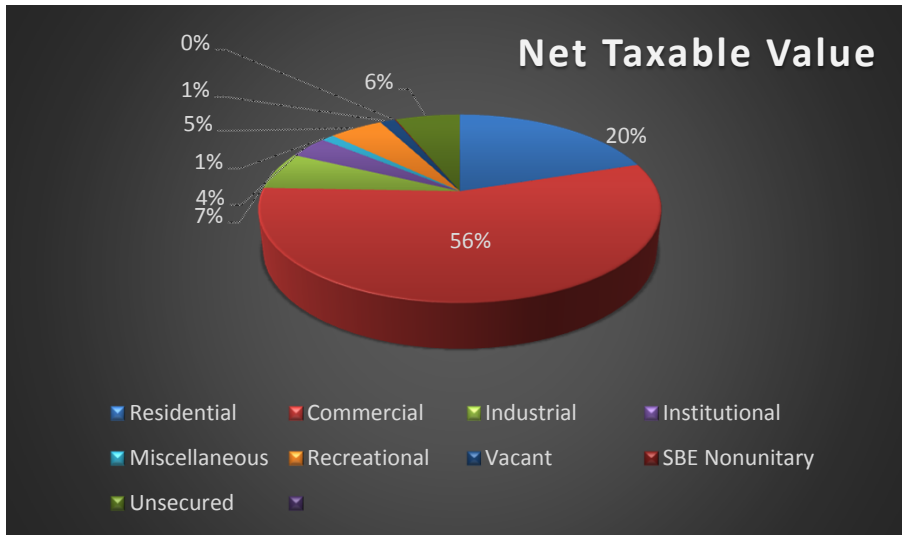
(a) Assessed values presented are net of exemptions.

The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

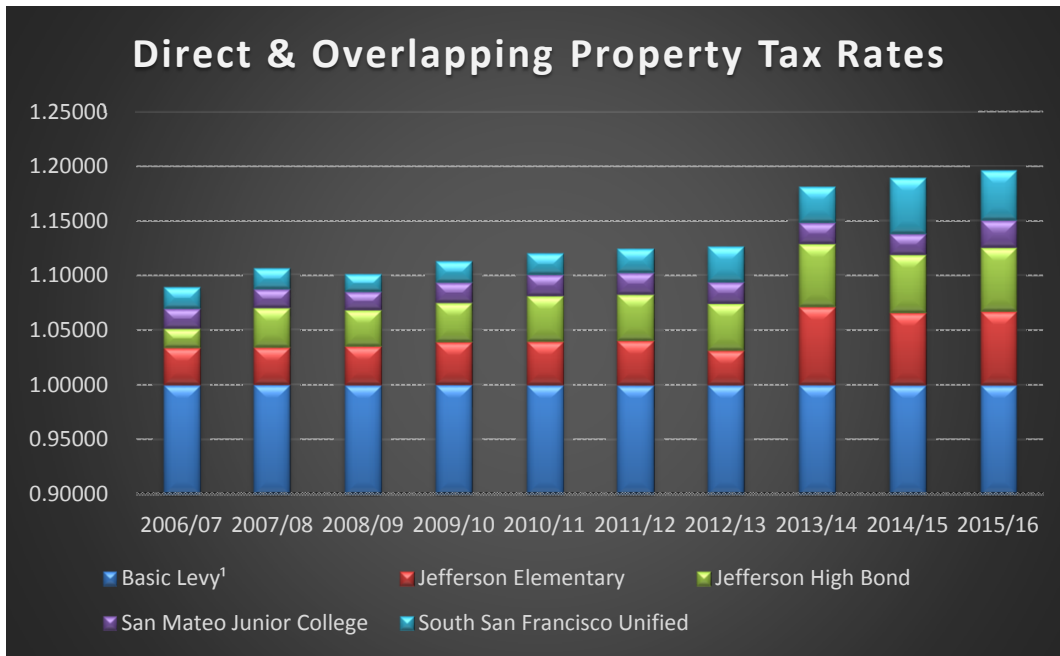
(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The Town of Colma encompasses 7 tax rate areas.

**TOWN OF COLMA**  
**Assessed Value of Taxable Property by Use**  
**Fiscal year ending June 30, 2016**

Category	Parcels	Assessed Value	% of Total	Net Taxable Value	% of Total
Residential	314	124,601,195	15.5%	124,601,195	20.0%
Commercial	70	345,911,929	43.1%	345,911,929	55.6%
Industrial	19	40,166,570	5.0%	40,166,570	6.5%
Institutional	50	186,488,804	23.2%	23,724,471	3.8%
Miscellaneous	21	7,539,362	0.9%	7,539,362	1.2%
Recreational	2	32,173,879	4.0%	32,173,879	5.2%
Vacant	109	26,027,537	3.2%	8,932,457	1.4%
SBE Nonunitary	[3]	723,100	0.1%	723,100	0.1%
Unsecured	[129]	38,968,074	4.9%	38,607,884	6.2%
<b>TOTALS</b>	<b>585</b>	<b>802,600,450</b>		<b>622,380,847</b>	



**TOWN OF COLMA**  
**Direct & Overlapping Property Tax Rates**  
**(Rate per \$100 of Taxable Value)**  
**Last Ten Fiscal Years**



Agency	2006/07	2007/08	2008/09	2009/10	2010/11
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000	1.00000
Jefferson Elementary	0.03410	0.03400	0.03540	0.03890	0.03990
Jefferson High Bond	0.01740	0.03610	0.03330	0.03600	0.04160
San Mateo Junior College	0.01840	0.01710	0.01650	0.01820	0.01930
South San Francisco Unified	0.01950	0.01890	0.01620	0.01950	0.01960
<b>Total Direct &amp; Overlapping Tax Rates</b>	<b>1.08940</b>	<b>1.10610</b>	<b>1.10140</b>	<b>1.11260</b>	<b>1.12040</b>



<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
1.00000	1.00000	1.00000	1.00000	1.00000
0.04070	0.03160	0.07130	0.06620	0.06740
0.04220	0.04300	0.05740	0.05300	0.05830
0.01990	0.01940	0.01940	0.01900	0.02500
0.02210	0.03270	0.03280	0.05130	0.04570
<b>1.12490</b>	<b>1.12670</b>	<b>1.18090</b>	<b>1.18950</b>	<b>1.19640</b>

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**Town of Colma**

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**Principal Sales Tax Producers  
Last Fiscal Year and Nine Years Ago****2015-16**

<b>Taxpayer</b>	<b>Business Type</b>
Babies R Us	Specialty Stores
Best Buy	Electronics/ApplianceStores
BevMo	Package Liquor Stores
Cypress Lawn Cemetery	Morticians and Undertakers
Golden Gate Acura	New Motor Vehicle Dealers
Home Depot	Lumber/Building Materials
Honda Lease Trust	Auto Lease
Honda of Serramonte	New Motor Vehicle Dealers
Hyundai Serramonte	New Motor Vehicle Dealers
Kohls	Department Stores
Lexus of Serramonte	New Motor Vehicle Dealers
Marshalls	Family Apparel
Michaels Arts & Crafts	Art/Gift/Novelty Stores
Nissan Serramonte Certified Center	New Motor Vehicle Dealers
Nordstrom Rack	Department Stores
Office Depot	Office Supplies / Furniture
Old Navy	Family Apparel
Pacific Nurseries	Garden Agriculture Supplies
Serramonte Ford	New Motor Vehicle Dealers
South Bay Serramonte	New Motor Vehicle Dealers
Serramonte Ford	New Motor Vehicle Dealers
Stewart Chevrolet Chrysler	New Motor Vehicle Dealers
Target	Discount DeptStores
Team Volkswagen Subaru	New Motor Vehicle Dealers
Toyota Lease Trust	Auto Lease

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Percent of Fiscal Year Paid by Top 25 Accounts = 89.78%

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**2006-07**

<b>Taxpayer</b>	<b>Business Type</b>
Babies R Us	Specialty Stores
Bed Bath & Beyond	Home Furnishings
Best Buy	Electronics/ApplianceStores
BevMo	Package Liquor Stores
Colma Buick Pontiac GMC	New Motor Vehicle Dealers
Cypress Lawn Cemetery	Morticians and Undertakers
Golden Gate Acura	New Motor Vehicle Dealers
Home Depot	Lumber/Building Materials
Honda of Serramonte	New Motor Vehicle Dealers
Infiniti Serramonte	New Motor Vehicle Dealers
Kohls	Department Stores
Lexus of Serramonte	New Motor Vehicle Dealers
Lucky Chances Casino & Dining	Leisure/Entertainment
Magnolia Hi Fi	Electronics/ApplianceStores
Marshalls	Family Apparel
Nissan Infiniti	Auto Lease
Nordstrom Rack	Department Stores
Old Navy	Family Apparel
Pacific Nurseries	Garden Agriculture Supplies
Serramonte Ford	New Motor Vehicle Dealers
Serramonte Nissan	New Motor Vehicle Dealers
Sleep Train	Home Furnishings
Stewart Chevrolet Chrysler	New Motor Vehicle Dealers
Target	Discount DeptStores
Toyota Motor Credit Corporation	Auto Lease

Percent of Fiscal Year Paid by Top 25 Accounts = 90.52%

**Town of Colma  
Taxable Sales by Category  
Last Ten Calendar Years  
(in thousands of dollars)**

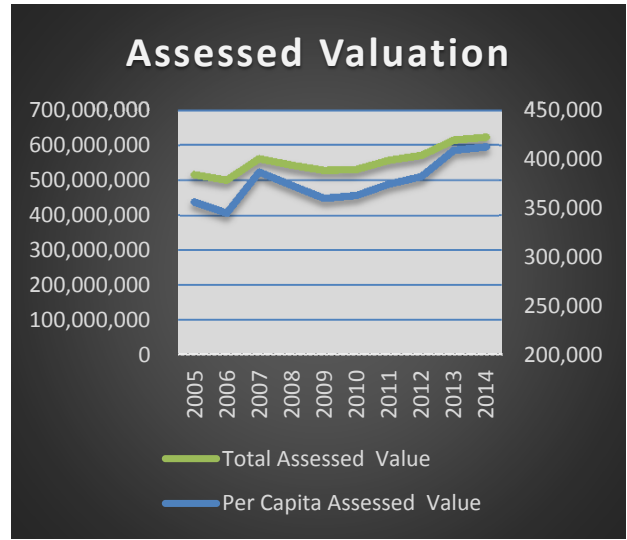
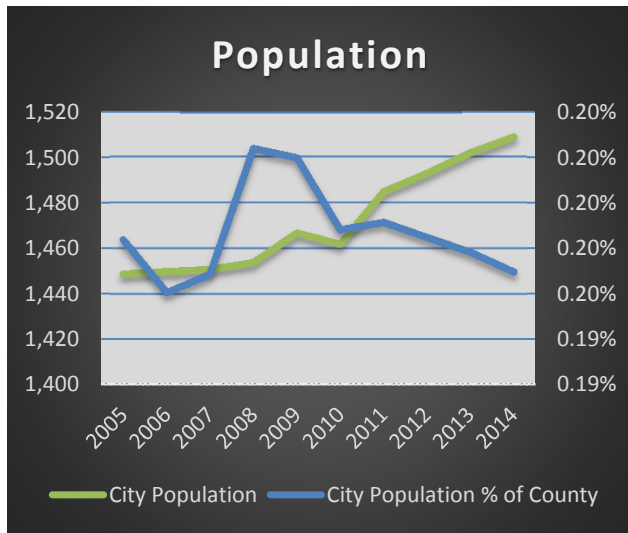
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Apparel Stores	\$26,497	\$26,673	\$25,114	\$27,422	\$27,968
General Merchandise	110,147	117,177	116,220	119,226	115,692
Eating and Drinking Places	8,943	9,155	9,552	9,792	9,457
Auto Dealers and Supplies	340,392	316,270	231,679	216,082	230,034
Other Retail Stores	257,377	253,505	238,439	214,132	209,665
All Other Outlets	120,873	116,908	97,427	90,437	100,490
<b>Total</b>	<b>\$864,229</b>	<b>\$839,688</b>	<b>\$718,431</b>	<b>\$677,091</b>	<b>\$693,306</b>

Source: State of California Board of Equalization and the HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the source of the Town's revenue.

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$28,689	\$32,947	\$31,688	\$31,247	\$31,160
124,346	127,389	125,974	119,542	117,424
13,039	13,999	13,993	15,527	16,398
266,119	341,689	412,869	484,190	509,092
203,216	205,340	221,492	225,104	225,953
107,414	123,123	146,423	171,083	185,864
<u>\$742,823</u>	<u>\$844,487</u>	<u>\$952,439</u>	<u>\$1,046,693</u>	<u>\$1,085,891</u>

**TOWN OF COLMA**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**



Fiscal Year	City Population	Total Assessed Value	Per Capita Assessed Value	Personal Income (in thousands)	Per Capita Personal Income	San Mateo County Population	City Population % of County
2007	1,449	517,551,928	357,179	35,636	22,641	730,339	0.20%
2008	1,450	501,716,714	346,012	36,876	23,281	739,469	0.20%
2009	1,451	561,826,424	387,199	37,649	23,428	736,951	0.20%
2010	1,454	543,553,349	373,833	37,248	22,965	718,451	0.20%
2011	1,467	529,074,879	360,651	36,937	22,564	726,305	0.20%
2012	1,462	531,815,371	363,759	45,492	25,429	735,256	0.20%
2013	1,485	557,332,330	375,308	53,392	36,620	745,626	0.20%
2014	1,493	571,240,415	382,612	53,218	36,203	752,145	0.20%
2015	1,502	614,634,392	409,211	54,449	37,015	759,155	0.20%
2016	1,509	622,380,847	412,446	55,581	36,832	766,041	0.20%