

**TOWN OF COLMA
COLMA, CALIFORNIA**

BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

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TOWN OF COLMA

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Tel 650-997-8300 • Fax 650-997-8308

January 11, 2018

City Council

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

Raquel P. Gonzalez
Mayor

Joanne F. del Rosario
Vice Mayor

John Irish Goodwin
Council Member

Diana Colvin
Council Member

Helen Fiscaro
Council Member

City Manager

Brian Dossey
City Manager

I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the Town of Colma (the Town) for the year ended June 30, 2017. 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.

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, 2017. 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 TOWN & TOWN 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 2-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 1st 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. After 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. For the Town's retail base to remain strong, positive employment factors support increased consumer purchases.

In a July 2017 Economic Update – “The Peninsula Economy”, published by Silicon Valley Institute for Regional Studies, the economic data showed four trends:

- Job growth has slowed after a remarkable surge from 2012 thru 2016
- Unemployment rates are the lowest since the dot com boom
- Growth in the labor force has stopped
- The housing shortage on the Peninsula remains with record prices and rents

The report notes that the Peninsula economy was adding nearly 100,000 jobs year over year through midyear 2015. By May 2017 the year over year gains had declined to 40,000 jobs. It suggests that job growth is slowing from a shortage of workers with appropriate skills. On the Peninsula this has become more acute given the high cost of housing.

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 ranks very high compared to most cities in San Mateo County. 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. Sales tax receipts also show a slow but continued growth of on-line sales and a slow but continued decline in consumer purchases from local businesses.

With auto sales representing a significant portion of the Sales Tax base trends in this sector are also expected to impact the Town’s Revenue. Projections prepared by HdL Companies in conjunction with Beacon Economics, project that new car sales peaked during 2015 and will decline over the next several quarters because consumers in the U.S. continue to purchase pricier SUV’s, crossovers and light trucks in lieu of less expensive passenger cars. Manufacturer’s incentives, reasonable gas prices, favorable interest rates and longer-term loans are cited as factors propping up the current sales numbers. Revenues in this category are expected to level out in 2018-19 as pent-up demand is satisfied and larger numbers of newer used cars hit the market.

HdL advises the Town on sales tax matters and monitors this important revenue source. In FY 2017-18 they forecast the auto sales sector to grow by 3.3%, while in FY 2018-19 this growth rate is expected to slow to a 1.4% gain.

The Town has challenges 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. The Town will explore a Transient Occupancy (Hotel) Tax to diversify future revenues. A review of the Cost of Services during 2017-18 will give the Council an opportunity to update fees and reduce subsidies for services.

Overall national economic forecasts expect slight growth in the 2% range (U.S. Real GDP growth of 2.4% in 2017-18 and 2.2% in 2018-19), which will support continued consumer spending. However, the rate of growth is 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 \$21,547,836. 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 City Council's discretion) of \$6,310,836.

MAJOR INITIATIVES DURING THE YEAR

The following section provides information related to the progress achieved on key initiatives during Fiscal Year 2016-2017.

Adoption of 2017 – 2019 Strategic Plan

In October of 2016, the City Council and Staff met for their annual workshop to update the Strategic Plan. During the meeting staff presented updates to the accomplishments in 2014-2016 Strategic Plan, and carried over any outstanding items to the 2017-2019 Strategic Plan. Council and Staff also worked together identifying programs for the 2017-2019 Strategic Plan.

The 2017-2019 Strategic Plan is broken into five program goals and have priority programs to support the goals. For example; one goal is to implement programs that support Economic Development. To diversify the town's revenue sources, the Town staff is currently working with Council to develop a transient occupancy (hotel) tax for a potential Ballot Measure in November 2018. Staff and Council are planning a workshop in February 2018 to provide a program update to the 2017- 2019 Strategic Plan and possibly identify new programs that support the Town's goals.

Completed Employee Negotiations

In January 2017, City Council approved memorandum of understandings between the Town and Colma and the Colma Peace Officers Association and the Colma Police Communications/Records Association for the period of January 1, 2016 – June 30, 2019. The City Council also approved a cost of living salary increase for certain unrepresented employees and modified the Town's salary schedule. The increase to the Town's salaries and benefits is estimated to cost \$570,000 over the life of the MOU's. This amount has been calculated into the Town's long term financial forecast and can be accommodated.

Development and Implementation of New Town Website

In the early part of 2017 staff contracted with Proud City, a web hosting company, to improve the Town's website and online services. The main purpose of this project was to allow forms to be completed and submitted online; provide better analytics; and greater searching ability. Since the launch of the new website in May 2017, staff has witnessed an increase of online traffic to the site. The Town now receives many forms such as, job applications, public records requests, guest parking permits etc., through the site improving services to the community.

Capital Projects

The Town has under construction a Town Hall remodel project. The project will retain elements of the historic Town Hall building and add new modern facilities to serve the Town's residents. The remodeled Town Hall will be an accessible building and once completed will consolidate public services at 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 2016-17 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,



Brian Dossey
City Manager

Town of Colma
List of Elected Officials, Appointed Officials & Contract Service Providers
as of June 30, 2017

Elected City Officials

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

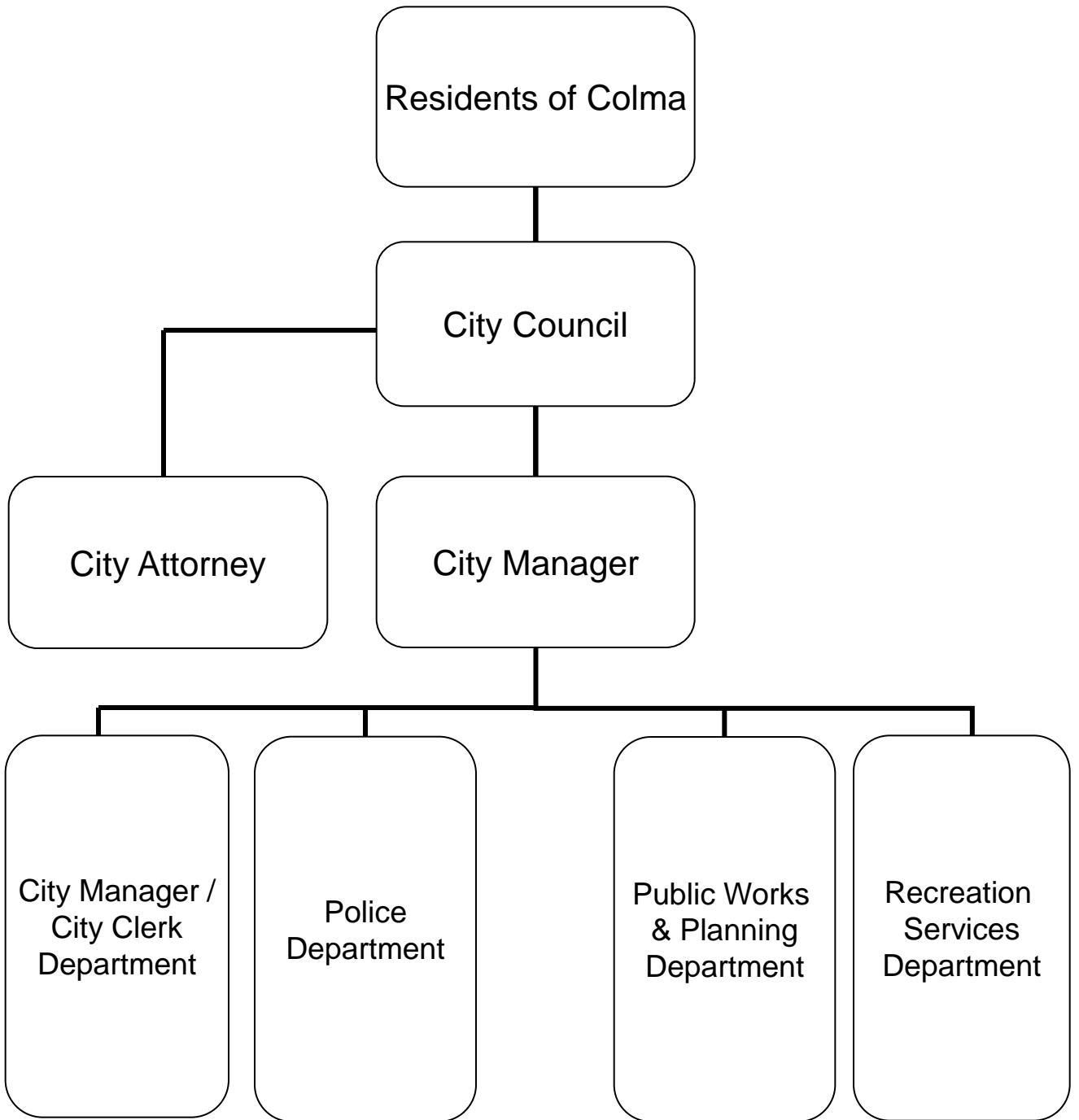
Appointed City Officials

City Manager	Sean Rabé
Chief of Police	Kirk Stratton
Administrative Services Director	Brian Dossey
Human Resources Manager	Lori Burns

City Services Provided Under Contract

Building Official (Contractor from CSG)	Michael Cully
City Attorney (Contractor from Best Best & Krieger)	Christopher Diaz
City Planner (Contractor from CSG)	Michael Laughlin
Public Works Director (Contractor from CSG)	Brad Donohue

Town of Colma



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, 2017, 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, 2017, 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, Local Government's Proportionate Share of Net Pension Liability, and Schedules of Contributions (page 40-44) 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
February 14, 2018

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

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, 2017. Please read this document in conjunction with the accompanying basic financial statements.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of fiscal year 2017 include the following:

Entity-wide:

- The Town's total net position was \$68,259,955 as of June 30, 2017.
- Entity-wide Governmental revenues include program revenues of \$1,754,102 and general revenues of \$16,786,041 for a total of \$18,540,143.
- Entity-wide Governmental expenses were \$14,756,656.

Fund Level:

- Governmental Fund balances decreased \$1,046,412 in fiscal year 2017.
- Governmental Fund revenues increased \$733,695 in fiscal year 2017.
- Governmental Fund expenditures increased \$2,057,184 in fiscal year 2017.

General Fund:

- General Fund revenues were \$405,631 higher than the prior year.
- General Fund expenditures represented a decrease of \$86,989 from the prior year.
- General Fund's fund balance of \$21,547,836 as of June 30, 2017, was less than fiscal year 2016's ending fund balance of \$22,594,248. 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, 2017

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, 2017. 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, 2017

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, 2017
 Governmental Activities

	2017	2016
Current and other assets	\$ 38,857,263	\$ 37,506,125
Capital assets, net of accumulated depreciation	48,736,758	46,657,014
Total assets	87,594,021	84,163,139
Deferred outflows	3,588,760	1,980,080
Current liabilities	1,097,238	922,155
Long-term liabilities	21,266,729	19,964,426
Total liabilities	22,363,967	20,886,581
Deferred inflows	558,859	949,374
Net position:		
Invested in capital assets, net of debt	43,726,758	46,657,014
Unrestricted	24,533,197	17,650,250
Total net position	\$ 68,259,955	\$ 64,307,264

The Town's governmental net position amounted to \$68,259,955 as of June 30, 2017, an increase of \$3,952,691 from 2016. This increase is the Change in Net Position reflected in the Governmental Activities column of the Statement of Activities shown in Table 2.

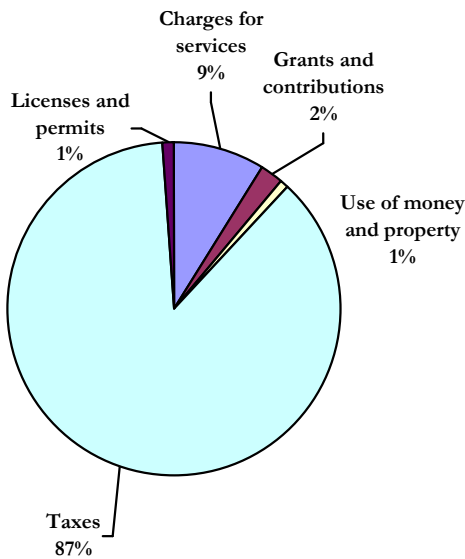
The Town's net position as of June 30, 2017 comprised the following:

- Cash and investments of \$36,628,048 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 \$2,229,215 as explained in Note 4B to the financial statements.
- Capital assets of \$48,736,758, net of depreciation charges, which includes all the Town's capital assets used in governmental activities as discussed in Note 4C.

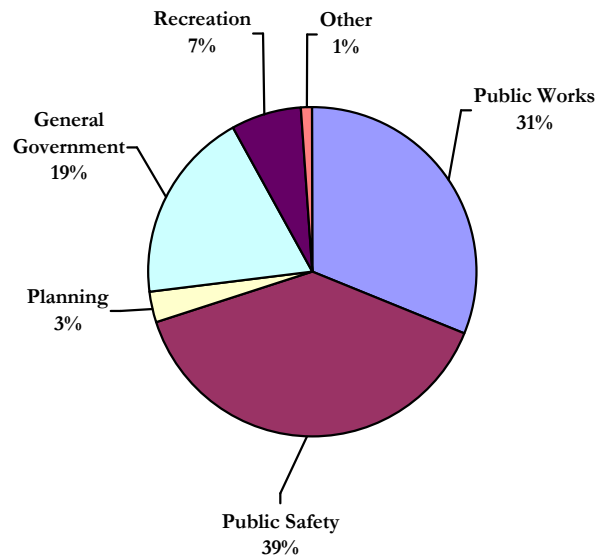
Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2017

- Current liabilities, including accounts payable, claims and other amounts due currently, totaling \$1,097,238.
- Long-term liabilities payable of \$21,266,729, as explained in Note 4E to the financial statements. The increase in long-term liabilities is due to the increase in the net pension liability.
- Net position invested in capital assets, net of related debt, of \$43,726,758, 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 \$24,533,197 of unrestricted net position as of June 30, 2017.

Sources of Revenues



Functional Expenses



As the Sources of Revenues Chart shows, \$16,295,452, or 87%, of the Town's fiscal year 2017 governmental activities revenue came from taxes, while \$325,979, or 2%, came from grants and contributions, \$247,803, or 1%, came from use of money and property, \$1,597,327, or 9%, came from charges for services, \$242,786, or 1%, came from licenses and permits.

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 \$2,821,469, or 19%, of total government expenses, planning is \$470,802, or 3%, public works is \$4,519,003, or 31%, public safety is \$5,693,256, or 39%, recreation is \$1,066,457, or 7%, with other expenses comprising the final 1%.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2017

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

	2017	2016
<u>Expenses</u>		
General government	\$ 2,821,469	\$ 3,187,043
Planning	470,802	512,090
Public works	4,519,003	4,216,784
Public safety	5,693,256	7,027,124
Recreation	1,066,457	968,178
Interest	185,669	114,087
Total expenses	14,756,656	16,025,306
 <u>Revenues</u>		
Program revenues:		
Charges for services	1,597,327	1,374,229
Capital grants and contributions	325,979	282,497
Total program revenues	1,923,306	1,656,726
General revenues:		
Taxes	16,295,452	15,623,338
Use of money and property	247,803	473,432
Licenses and permits	242,786	174,653
Total general revenues	16,786,041	16,271,423
Total revenues	18,709,347	17,928,149
 Change in net position	 \$ 3,952,691	 \$ 1,902,843

As the Sources of Revenue Chart and Table 2 above show, \$1,923,306, or 11%, of the Town's fiscal year 2017 governmental revenue, came from program revenues and \$16,786,041, or 89%, came from general revenues such as taxes, interest and miscellaneous receipts.

Program revenues were composed of charges for services of \$1,597,327, which include sewer service fees, permit revenues, fees and charges used to fund expenses incurred in providing services; and grants and contributions of \$325,979, 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, 2017, the Town's governmental funds reported combined ending balances of \$37.1 million, an increase of \$1,199,312.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2017

General Fund revenues increased \$405,631 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 decreased \$86,989 from the prior year. Primary contributing factors included lower than budgeted expenses as departments experienced staff vacancies and contract service levels that were less than budgeted.

As of June 30, 2017, the General Fund's fund balance totaled \$21,547,836. The unassigned portion of fund balance is \$6,310,836 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, 2017, the Fund had a balance of \$13.6 million. During the year, \$1,080,540 in expenditures were accounted for in the fund. The fund received transfers from the General Fund totaling \$5.5 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 \$2,637,356 and the balance available at June 30, 2017 was \$1,729,570.

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 2017, 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 2017 the cost of infrastructure and other capital assets recorded on the Town's financial statements is shown in Table 3 below:

Table 3
Capital Assets at Year-end

	Balance at June 30, 2017
<u>Governmental Activities</u>	
Land	\$ 7,595,471
Construction in progress	5,439,550
Infrastructure-street systems	26,525,709
Buildings	19,507,125
Improvements other than buildings	3,478,524
Machinery and equipment	2,458,828
Less: accumulated depreciation	(16,268,449)
Governmental activity capital assets, net	\$ 48,736,758

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

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2017

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 2017 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, 2017, the Town's debt issues comprised:

Table 4
Outstanding Debt

	June 30, 2017
<u>Governmental Activity Debt:</u>	
Certificates of Participation	\$ 5,010,000
Net Other Post-Employment Benefit Obligation	5,796,067
Net Pension Liability	9,449,072
Compensated absences	1,121,590
Total	\$ 21,376,729

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, 2017.

While this reliance on sales taxes makes the 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 2017-18 Adopted Budget assumes sales tax revenues are \$11,191,458 – or a 3.1% increase over the prior year's actual revenues of \$10,851,070. In Colma, a significant portion of the sales tax is related to automobile sales. Increases in sales of new cars peaked in 2015 and are expected slow in the next two years (3.3% growth in 2017-18 and 1.4% growth in 2018-19), resulting in slower growth in sales tax revenue for the Town.

Cardroom taxes have continued to grow with revenue in FY 2016-17 increasing by 5.9% over the previous Fiscal Year to \$4,278,510

The Operating Budget for FY 2017-18 provides \$15,030,300 in funding to operating departments – an increase of almost \$570,000 from the FY 2016-17 amended budget of \$14,460,085. The increase is partially due to the following:

- Employee salary and benefit increases in newly completed agreements.
- 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.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2017

These increases were partially offset by decreases on other accounts throughout the budget. Also beyond the Operating Department Budgets, in the 2017-18 Budget the Town will transfer \$888,840 in resources from the General Fund 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, 2017

ASSETS

Current assets:

Cash and investments	\$	36,628,048
Receivables:		
Taxes		1,680,080
Accounts		487,668
Accrued interest		61,467
Total current assets		38,857,263

Noncurrent assets:

Capital assets:

Non-depreciable		13,035,021
Depreciable, net of accumulated depreciation		35,701,737
Total noncurrent assets		48,736,758

Total assets		87,594,021
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DEFERRED OUTFLOWS

Deferred outflows related to pensions		3,588,760
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LIABILITIES

Current liabilities:

Accounts payable and accrued expenses		562,231
Deposits		283,225
Compensated absences		141,782
Certificates of participation due in one year		110,000
Total current liabilities		1,097,238

Noncurrent liabilities due in more than one year:

Compensated absences		1,121,590
Certificates of participation		4,900,000
Net pension liability		9,449,072
Net other post-employment benefit obligation		5,796,067
Total noncurrent liabilities		21,266,729

Total liabilities		22,363,967
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DEFERRED INFLOWS

Deferred Inflows related to pensions		558,859
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NET POSITION

Invested in capital assets, net of related debt		43,726,758
Unrestricted		24,533,197
Total net position		\$ 68,259,955

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

Town of Colma
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Town Governmental Activities	Total Town Governmental Activities
<u>Town Government</u>					
Governmental Activities:					
General government	\$ 2,821,469	\$ -	\$ -	\$ -	\$ (2,821,469)
Public safety	5,693,256	250,905	156,775	-	(5,285,576)
Public works	4,519,003	290,067	-	169,204	(4,059,732)
Recreation	1,066,457	580,133	-	-	(486,324)
Planning	470,802	476,222	-	-	5,420
Interest on long-term debt	185,669	-	-	-	(185,669)
	14,756,656	1,597,327	156,775	169,204	(12,833,350)
Total Governmental Activities					
Total Town Government	<u>\$ 14,756,656</u>	<u>\$ 1,597,327</u>	<u>\$ 156,775</u>	<u>\$ 169,204</u>	<u>(12,833,350)</u>
General revenues:					
Taxes:					
Property taxes					578,560
Sales taxes					11,202,349
Cardroom taxes					4,290,660
Other taxes					223,883
Use of money and property					247,803
Other revenues					242,786
					16,786,041
Total general revenues and special items					
Change in net position					3,952,691
Net position beginning of period					64,307,264
Net position ending of period					<u>\$ 68,259,955</u>

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

Town of Colma
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2017

	General Fund	Town Capital Projects Fund	Town Hall COP Project	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and investments	\$ 20,094,365	\$ 13,615,694	\$ 1,899,906	\$ 264,923	\$ 35,874,888
Taxes receivable	1,676,600	-	-	3,480	1,680,080
Accounts receivable	487,059	609	-	-	487,668
Accrued interest receivable	61,467	-	-	-	61,467
Total Assets	\$ 22,319,491	\$ 13,616,303	\$ 1,899,906	\$ 268,403	\$ 38,104,103
<u>LIABILITIES</u>					
Accounts payable	\$ 340,382	\$ 36,365	\$ 170,336	\$ 8,882	\$ 555,965
Accrued expenditures	6,266	-	-	-	6,266
Compensated absences	141,782	-	-	-	141,782
Deposits	283,225	-	-	-	283,225
Total Liabilities	771,655	36,365	170,336	8,882	987,238
<u>FUND BALANCES</u>					
Committed	14,287,000	-	1,729,570	-	16,016,570
Unassigned	6,310,836	-	-	-	6,310,836
Assigned	950,000	13,579,938	-	259,521	14,789,459
Total Fund Balances	21,547,836	13,579,938	1,729,570	259,521	37,116,865
Total Liabilities and Fund Balances	\$ 22,319,491	\$ 13,616,303	\$ 1,899,906	\$ 268,403	\$ 38,104,103
Total Governmental Fund Balances					\$ 37,116,865

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. 48,736,758

The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position. 753,160

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. (18,346,828)

Net position of Governmental Activities \$ 68,259,955

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, 2017

	General Fund	Town Capital Projects Fund	Town Hall COP Project	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>					
Property taxes	\$ 578,560	\$ -	\$ -	\$ -	\$ 578,560
Sales taxes	11,202,349	-	-	-	11,202,349
Cardroom taxes	4,290,660	-	-	-	4,290,660
Other taxes	136,895	-	-	-	136,895
Licenses and permits	372,321	-	-	-	372,321
Fines and forfeits	64,740	-	-	-	64,740
Intergovernmental	23,230	169,204	-	220,533	412,967
Use of money and property	222,137	-	23,734	1,932	247,803
Other revenues	74,453	168,333	-	-	242,786
Charges for services	1,160,266	-	-	-	1,160,266
Total revenues	<u>18,125,611</u>	<u>337,537</u>	<u>23,734</u>	<u>222,465</u>	<u>18,709,347</u>
<u>EXPENDITURES</u>					
Current:					
General government	2,821,469	-	-	-	2,821,469
Public safety	6,173,255	-	-	106,896	6,280,151
Public works	2,791,043	1,080,540	2,637,356	66,548	6,575,487
Recreation	1,066,457	-	-	-	1,066,457
Planning	470,802	-	-	-	470,802
Debt service:					
Principal	-	-	-	110,000	110,000
Interest	-	-	-	185,669	185,669
Total expenditures	<u>13,323,026</u>	<u>1,080,540</u>	<u>2,637,356</u>	<u>469,113</u>	<u>17,510,035</u>
Excess (deficiency) of revenues over expenditures	<u>4,802,585</u>	<u>(743,003)</u>	<u>(2,613,622)</u>	<u>(246,648)</u>	<u>1,199,312</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	-	5,550,000	-	298,997	5,848,997
Transfers out	<u>(5,848,997)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,848,997)</u>
Total other financing sources (uses)	<u>(5,848,997)</u>	<u>5,550,000</u>	<u>-</u>	<u>298,997</u>	<u>-</u>
Net change in fund balances	(1,046,412)	4,806,997	(2,613,622)	52,349	1,199,312
Fund balances, beginning of period	<u>22,594,248</u>	<u>8,772,941</u>	<u>4,343,192</u>	<u>207,172</u>	<u>35,917,553</u>
Fund balances, end of period	<u>\$ 21,547,836</u>	<u>\$ 13,579,938</u>	<u>\$ 1,729,570</u>	<u>\$ 259,521</u>	<u>\$ 37,116,865</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, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ 1,199,312
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>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 (\$1,253,687) exceeds capital outlays \$3,333,432 in the current period.</p>	2,079,745
<p>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</p>	(23,261)
<p>Accrual of Non-Current Items</p> <p>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.</p>	
Compensated Absences	(129,304)
Certificates of participation	110,000
Pension expense	297,087
Net other post-employment benefit obligation	<u>419,112</u>
Net difference	<u>2,753,379</u>
Change in Net Position of Governmental Activities	<u>\$ 3,952,691</u>

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

Town of Colma
 PROPRIETARY FUNDS
STATEMENT OF NET POSITION
 June 30, 2017

	Enterprise Funds
	Governmental Activities Internal Service Fund
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 753,160
Total current assets	753,160
 <u>NET POSITION</u>	
Unrestricted	753,160
Total net position	\$ 753,160

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, 2017

	Enterprise Funds
	Governmental Activities Internal Service Fund
	Fund
Operating revenues:	
Charges for services	\$ -
Total operating revenues	-
Operating expenses:	
Materials, supplies, rent and services	30,964
Total operating expenses	30,964
Operating income (loss)	(30,964)
Non-operating revenues (expenses):	
Interest and other income	7,703
Total non-operating revenues (expenses)	7,703
Change in net position	(23,261)
Net position, beginning of period	776,421
Net position, end of period	\$ 753,160

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, 2017

	Enterprise Funds
	Governmental Activities Internal Service Fund
	Fund
Cash flows from operating activities:	
Receipts from other funds for services	\$ -
Payments to suppliers	(30,964)
Net cash provided (used) by operating activities	(30,964)
 Cash flows from investing activities:	
Interest and other income	7,703
Net cash provided by investing activities	7,703
 Net increase (decrease) in cash and cash equivalents	(23,261)
Cash and cash equivalents - beginning of period	776,421
 Cash and cash equivalents - end of period	\$ 753,160
 Reconciliation of operating income (loss) to net cash provided (used in) operating activities:	
Operating income (loss)	\$ (30,964)
 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	\$ (30,964)

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

Town of Colma
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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 Town 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 activities) 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, 2017

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. 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, 2017

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, 2017

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 Town 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, 2017

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, 2017

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	\$ 65,005,207
Less: accumulated depreciation	(16,268,449)
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	\$ 48,736,758

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	\$ 3,588,760
Deferred inflows	(558,859)
Compensated absences	(1,121,590)
Certificates of participation	(5,010,000)
Net other post-employment benefit obligation	(5,796,067)
Net pension liability	(9,449,072)
Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	\$ (18,346,828)

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

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	\$ 3,333,432
Depreciation expense	(1,253,687)
Internal service fund	(23,261)
Compensated absences	(129,304)
Certificates of participation	110,000
Pension expense	297,087
Net other post-employment benefit obligation (OPEB)	<u>419,112</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>\$ 2,753,379</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 Town Manager so that a budget may be prepared. Before June 30, the proposed budget is presented to the Town Council for review. The Town 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
	<u>months or less</u>
Demand deposits	\$ 4,691,148
Cash and investments with fiscal agent	1,899,951
Local Agency Investment Fund (LAIF)	8,777,750
San Mateo County Treasurer’s Investment Pool	<u>8,701,826</u>
Total	<u>\$ 34,070,675</u>

Town of Colma
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

The Town's total cash and investments consisted of:

Unrestricted	\$ <u>32,170,724</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, 2017, the Town holds \$1,729,570 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. 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.

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, 2017

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (concluded)

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, 2017, 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.

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, 2017:

<u>Investment Type</u>	<u>Level 2</u>	<u>Exempt</u>	<u>Total</u>
California Local Agency Investment Fund	\$ 8,777,750	\$ -	\$ 8,777,750
San Mateo County Treasurer's Pool	18,701,826	-	18,701,826
Held by Trustees:			
U.S. Treasury Notes	<u>1,899,951</u>	-	<u>1,899,951</u>
Total investments	<u>\$ 29,379,527</u>	<u>\$ -</u>	29,379,527
Cash in banks and on hand			<u>4,691,148</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, 2017 are provided by Standard and Poor's except as noted.

<u>Investment Type</u>	<u>Total</u>
Money Market Mutual Funds	\$ -
Not rated:	
California Local Agency Investment Fund	8,777,750
San Mateo County Treasurer's Pool	18,701,826
Cash in banks and on hand	4,691,148
Exempt from rating requirement:	
U.S. Treasury Notes	<u>1,899,951</u>
Total cash and investments	<u>\$ 34,070,675</u>

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

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	\$ 61,467	\$ -	\$ 61,467
Taxes	1,676,600	3,480	1,680,080
Accounts	<u>487,059</u>	<u>-</u>	<u>487,059</u>
Net total receivables	<u>\$ 2,225,126</u>	<u>\$ 3,480</u>	<u>\$ 2,228,606</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2017 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>2,106,360</u>	<u>3,333,190</u>	<u>-</u>	<u>5,439,550</u>
Total capital assets, not being depreciated	<u>9,701,831</u>	<u>3,333,190</u>	<u>-</u>	<u>13,035,021</u>
Capital assets, being depreciated				
Buildings	19,439,225	67,900	-	19,507,125
Improvements other than buildings	3,478,524	-	-	3,478,524
Machinery and equipment	2,189,838	305,270	36,280	2,458,828
Infrastructure - street systems	<u>27,025,710</u>	<u>-</u>	<u>500,001</u>	<u>26,525,709</u>
Total capital assets, being depreciated	<u>52,133,297</u>	<u>373,170</u>	<u>536,281</u>	<u>51,970,186</u>
Less accumulated depreciation for:				
Buildings	(4,519,446)	(389,131)	-	(4,908,577)
Improvements other than buildings	(1,880,342)	(162,628)	-	(2,042,970)
Machinery and equipment	(1,466,383)	(186,003)	156,689	(1,495,697)
Infrastructure - street systems	<u>(7,311,944)</u>	<u>(515,925)</u>	<u>6,664</u>	<u>(7,821,205)</u>
Total accumulated depreciation	<u>(15,178,115)</u>	<u>\$(1,253,687)</u>	<u>\$ 163,353</u>	<u>(16,268,449)</u>
Total capital assets, being depreciated, net	<u>36,955,182</u>			<u>35,701,737</u>
Governmental activities capital assets net	<u>\$46,657,013</u>			<u>\$46,736,758</u>

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

Governmental activities:	
Public works	<u>\$ 1,253,687</u>
Total depreciation expense - governmental activities	<u>\$ 1,253,687</u>

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

D. Interfund Receivables, Payables and Transfers

Interfund transfers at June 30, 2017 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 5,848,997
Debt service	298,997	-
Town Capital Project Fund	5,550,000	-
Totals	\$ 5,848,997	\$ 5,848,997

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 2017 fiscal year was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Certificates of Participation	\$ 5,120,000	\$ -	\$ 110,000	\$ 5,010,000	\$ 110,000
Net OPEB	6,215,178	-	419,112	5,796,066	-
Net Pension Liability	7,746,964	1,702,108	-	9,449,072	-
Compensated absences	992,282	129,304	-	1,121,586	-
Totals	\$20,074,424	\$ 1,831,412	\$ 529,112	\$21,376,724	\$ 110,000

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, 2017

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, 2017, including interest payments, are as follows:

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	<u>280,000</u>	<u>11,200</u>	<u>291,200</u>
Total	<u>\$ 5,010,000</u>	<u>\$ 3,200,925</u>	<u>\$ 8,210,925</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, 2017

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, 2017, the Town incurred liability claims expenses totaling \$73,362. There was one open claim as of June 30, 2017.

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 - PEPRA)
- Town Safety (Tier 1)
- Town Safety (Tier 2)
- Town Safety (Tier 3 - PEPRA)

The Plans are administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Town 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, 2017

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

The Plan provisions and benefits in effect at June 30, 2017, 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 Town’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, 2017

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

For the year ended June 30, 2017, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Total Miscellaneous</u>
Employer Contributions	\$194,559
	<u>Total Safety</u>
Employer Contributions	\$523,087

As of June 30, 2017, 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	\$ 2,689,973
Safety	6,759,099
Total Net Pension Liability	\$ 9,449,072

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, 2016, 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, 2015 rolled forward to June 30, 2016 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, 2015 and 2016 was as follows:

<u>Town Miscellaneous Plan</u>	<u>Miscellaneous</u>
Proportion - June 30, 2015	.083%
Proportion - June 30, 2016	.077%
Change – Increase (Decrease)	(.006%)
 <u>Town Safety Plan</u>	 <u>Safety</u>
Proportion - June 30, 2015	.20%
Proportion - June 30, 2016	.19%
Change – Increase (Decrease)	(.01%)

For the year ended June 30, 2017, the Town recognized pension expense of \$841,820. At June 30, 2017, the Town 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, 2017

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	\$ 1,138,907	\$ -
Differences between actual and expected experience	9,898	61,485
Changes in assumptions	-	351,834
Net differences between projected and actual earnings on plan investments	1,755,861	-
Change in proportions and differences between actual contributions and proportionate share of contributions	684,093	145,540
Total	\$ 3,588,759	\$ 558,859

\$1,138,907 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, 2018.

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>		
2018		\$ 311,740
2019		319,380
2020		803,414
2021		456,460
Total		\$ 1,890,994

Actuarial Assumptions - For the measurement period ended June 30, 2016, the total pension liability was determined by rolling forward the June 30, 2015 total pension liability. The June 30, 2016 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS Membership Data for all Funds (2)
Increase	Contract COLA up to 2.75% until purchasing power protection allowance floor on power applies, 2.75% thereafter

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2015 experience study report available on CalPERS' website.

Town of Colma
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

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.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statement Nos. 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as they have changed their methodology.

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.

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (concluded)

<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	<u>2</u>	(0.55)	(1.05)
Total	<u><u>100%</u></u>		

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:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.65%	6.65%
Net Pension Liability	\$3,919,069	\$10,088,661
Current Discount Rate	7.65%	7.65%
Net Pension Liability	\$2,689,973	\$6,759,099
1% Increase	8.65%	8.65%
Net Pension Liability	\$1,674,185	\$4,025,871

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

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.

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

NOTE 5 - OTHER INFORMATION (concluded)

D. Restricted Net Position and Fund Balances (concluded)

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>1,729,570</u>	<u>1,729,570</u>
Total	<u>14,287,000</u>	<u>1,729,570</u>	<u>16,016,570</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	-	111,144	111,144
Gas Tax – Streets and Roads	-	1	1
Law Enforcement – State Grants	-	148,331	148,331
Debt Service - Trustee	-	45	45
Capital Projects - Town Capital Project	-	<u>13,579,938</u>	<u>13,579,938</u>
Total	<u>950,000</u>	<u>13,839,459</u>	<u>14,789,459</u>
Unassigned fund balances were:			
General Fund	<u>6,310,836</u>	-	<u>6,310,836</u>
Grand Total	<u>\$ 21,547,836</u>	<u>\$ 15,569,029</u>	<u>\$ 37,116,865</u>

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, 2017. The Town's contributions towards this benefit for the fiscal year ended June 30, 2017 were \$42,350.

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.

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

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, 2017, the Town paid approximately \$597,244 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, 2017 and June 30, 2016, the amount actually contributed to the plan (including implicit subsidy, if any), and changes in the Town's NET OPEB Obligation/(Asset):

Item	6/30/17	6/30/16
Annual Required Contributions	\$ 1,448,305	\$ 1,361,265
Interest on Net OPEB Obligation/(Asset)	296,286	265,048
Adjustment to Annual Required Contributions	<u>(377,406)</u>	<u>(324,075)</u>
Annual OPEB cost (expense)	1,367,185	1,302,238
Contributions to OPEB Trust	(1,189,053)	-
Contributions and Retiree Premium cost	<u>(597,244)</u>	<u>(727,565)</u>
Increase/(decrease) in net OPEB Obligation	(419,112)	574,673
Net OPEB Obligation – beginning of year	<u>6,215,179</u>	<u>5,640,506</u>
Net OPEB Obligation – end of year	<u>\$ 5,796,067</u>	<u>\$ 6,215,179</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:

Town of Colma
NOTES TO FINANCIAL STATEMENTS
 June 30, 2017

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

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
6/30/17	\$ 1,367,185	\$ 1,786,297	130%	\$ 5,796,067

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.

Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability	(C) Unfunded Liability (Excess Assets) [(B)-(A)]	(D) Funded Status [(A)/(B)]	(E) Annual Covered Payroll	(F) 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
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - NEW ACCOUNTING PRONOUNCEMENT

The GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB).

It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The provisions in Statement No. 75 are effective for fiscal years beginning after June 15, 2017. The Town will implement this statement, as applicable, to its financial statements for the year ending June 30, 2018.

Town of Colma
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2017
(UNAUDITED)

	<u>Budgeted Amounts</u>		
	<u>Original and Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<u>REVENUES</u>			
Property taxes and other taxes	\$ 15,034,200	\$ 16,208,464	\$ 1,174,264
Licenses and permits	149,050	372,321	223,271
Fines and forfeits	68,000	64,740	(3,260)
Intergovernmental	16,060	23,230	7,170
Use of money and property	427,402	222,137	(205,265)
Other revenues	36,300	74,453	38,153
Charges for services	851,700	1,160,266	308,566
Total revenues	<u>16,582,712</u>	<u>18,125,611</u>	<u>1,542,899</u>
<u>EXPENDITURES</u>			
Current:			
General government	3,663,520	2,821,469	842,051
Public safety	6,215,960	6,173,255	42,705
Public works	2,675,530	2,791,043	(115,513)
Planning	497,000	470,802	26,198
Recreation	961,740	1,066,457	(104,717)
Total expenditures	<u>14,013,750</u>	<u>13,323,026</u>	<u>690,724</u>
Excess (deficiency) of revenues over expenditures	<u>2,568,962</u>	<u>4,802,585</u>	<u>2,233,623</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	-	-	-
Transfers out	<u>(853,170)</u>	<u>(5,848,997)</u>	<u>(4,995,827)</u>
Total other financing sources (uses)	<u>(853,170)</u>	<u>(5,848,997)</u>	<u>(4,995,827)</u>
Net change in fund balance	<u>\$ 1,715,792</u>	(1,046,412)	<u>\$ (2,762,204)</u>
Fund balance, beginning of period		<u>22,594,248</u>	
Fund balance, end of period		<u>\$ 21,547,836</u>	

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MISCELLANEOUS
 June 30, 2017

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.07743%	0.08263%	0.07547%
Proportion share of the net pension liability	\$ 2,689,973	\$ 2,267,047	\$ 1,865,120
Covered - employee payroll	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421
Proportionate share of the net pension liability as percentage of covered-employee payroll	156.93%	144.49%	129.57%
Plan's fiduciary net position	\$ 239,798	\$ 221,883	\$ 175,625
Plan fiduciary net position as a percentage of the total pension liability	77.69%	73.89%	70.53%

* Fiscal year 2015 was the 1st year of implementation.

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - SAFETY
 June 30, 2017

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.19457%	0.19974%	0.20336%
Proportion share of the net pension liability	\$ 6,759,099	\$ 5,479,917	\$ 5,026,111
Covered - employee payroll	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223
Proportionate share of the net pension liability as percentage of covered-employee payroll	291.79%	251.33%	232.24%
Plan's fiduciary net position	\$ 613,977	\$ 567,784	\$ 435,862
Plan fiduciary net position as a percentage of the total pension liability	72.44%	75.28%	75.39%

* Fiscal year 2015 was the 1st year of implementation.

Town of Colma
SCHEDULE OF CONTRIBUTIONS - MISCELLANEOUS
 June 30, 2017

City Miscellaneous Plan			
<u>Fiscal Year Ending June 30</u>	2016	2015	2014
Contractually required contribution (actuarially determined)	\$ 294,899	\$ 359,763	\$ 226,748
Contributions in relation to the actuarially determined contributions	<u>(290,520)</u>	<u>(249,024)</u>	<u>(226,748)</u>
Contribution deficiency (excess)	<u>\$ 4,379</u>	<u>\$ 110,739</u>	<u>\$ -</u>
Covered - employee payroll	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421
Contributions as a percentage of covered-employee payroll	17.20%	22.93%	15.75%
percentage of covered-employee payroll			

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool.

Changes of Assumptions: There were no changes of assumptions.

* Fiscal year 2015 was the 1st year of implementation.

Town of Colma
SCHEDULE OF CONTRIBUTIONS - SAFETY
 June 30, 2017

City Safety Plan

<u>Fiscal Year Ending June 30</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution (actuarially determined)	\$ 788,713	\$ 820,095	\$ 712,647
Contributions in relation to the actuarially determined contributions	<u>(757,355)</u>	<u>(687,933)</u>	<u>(712,647)</u>
Contribution deficiency (excess)	<u>\$ 31,358</u>	<u>\$ 132,162</u>	<u>\$ -</u>
Covered - employee payroll	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223
Contributions as a percentage of covered-employee payroll	34.05%	37.61%	32.93%
percentage of covered-employee payroll			

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool.

Changes of Assumptions: There were no changes of assumptions.

* Fiscal year 2015 was the 1st year of implementation.

Town of Colma
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2017

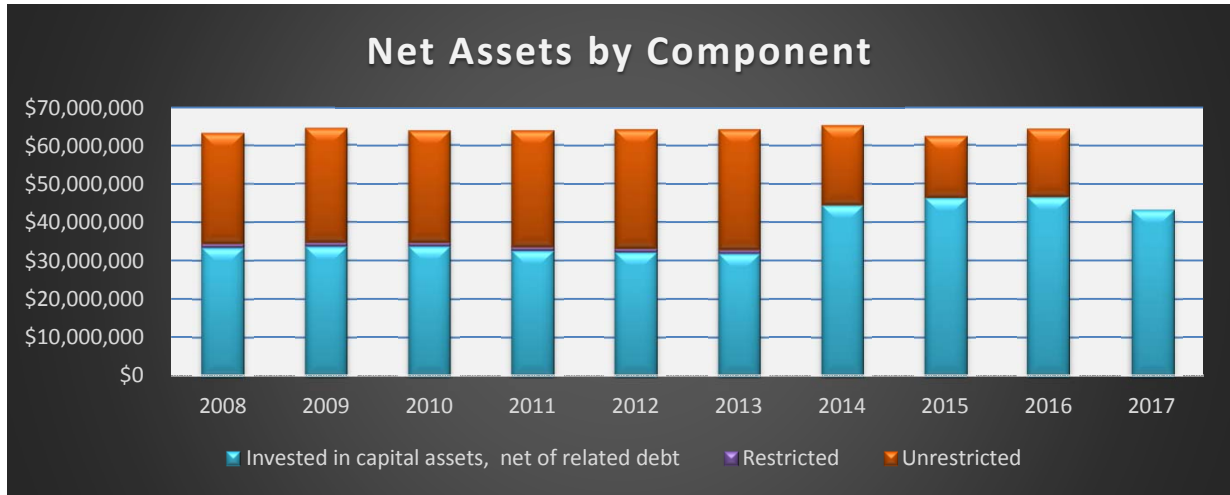
	Special Revenue Funds				Total
	Measure A	Gas Tax	Local law Enforcement Grants	Debt Service	Nonmajor Governmental Funds
<u>ASSETS</u>					
Cash and investments	\$ 107,664	\$ 1,992	\$ 155,222	\$ 45	\$ 264,923
Receivables from other governments	3,480	-	-	-	3,480
Prepaid items	-	-	-	-	-
	-	-	-	-	-
 Total Assets	<u>\$ 111,144</u>	<u>\$ 1,992</u>	<u>\$ 155,222</u>	<u>\$ 45</u>	<u>\$ 268,403</u>
 <u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ 1,991	\$ 6,891	\$ -	\$ 8,882
	-	1,991	6,891	-	8,882
 Total Liabilities	<u>-</u>	<u>1,991</u>	<u>6,891</u>	<u>-</u>	<u>8,882</u>
 Fund balances:					
Assigned	111,144	1	148,331	45	259,521
	<u>111,144</u>	<u>1</u>	<u>148,331</u>	<u>45</u>	<u>259,521</u>
 Total Fund Balances	<u>111,144</u>	<u>1</u>	<u>148,331</u>	<u>45</u>	<u>259,521</u>
 Total Liabilities and Fund Balances	<u>\$ 111,144</u>	<u>\$ 1,992</u>	<u>\$ 155,222</u>	<u>\$ 45</u>	<u>\$ 268,403</u>

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2017

	<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	\$ 34,889	\$ 52,099	\$ 133,545	\$ -	\$ 220,533
Use of money and property	248	606	1,023	55	1,932
Total revenues	<u>35,137</u>	<u>52,705</u>	<u>134,568</u>	<u>55</u>	<u>222,465</u>
Expenditures:					
Current:					
Public safety	-	-	106,896	-	106,896
Public works	63,148	-	-	3,400	66,548
Debt service:					
Principal	-	-	-	110,000	110,000
Interest	-	-	-	185,669	185,669
Total expenditures	<u>63,148</u>	<u>-</u>	<u>106,896</u>	<u>299,069</u>	<u>469,113</u>
Excess (deficiency) of revenues over expenditures	<u>(28,011)</u>	<u>52,705</u>	<u>27,672</u>	<u>(299,014)</u>	<u>(246,648)</u>
Other financing sources (uses):					
Debt proceeds	-	-	-	-	-
Transfers in	-	-	-	298,997	298,997
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,997</u>	<u>298,997</u>
Net change in fund balances	(28,011)	52,705	27,672	(17)	52,349
Fund balances, July 1	28,012	58,439	120,659	62	207,172
Fund balances, June 30	<u>\$ 1</u>	<u>\$ 111,144</u>	<u>\$ 148,331</u>	<u>\$ 45</u>	<u>\$ 259,521</u>

STATISTICAL SECTION

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



	2008	2009	2010	2011	2012
Governmental activities					
Invested in capital assets, net of related debt	\$33,566,689	\$33,839,601	\$33,872,406	\$32,716,909	\$32,290,889
Restricted	984,613	959,750	959,750	959,750	959,750
Unrestricted	28,818,698	29,731,736	29,091,738	30,259,243	30,931,462
Total governmental activities net position	\$63,370,000	\$64,531,087	\$63,923,894	\$63,935,902	\$64,182,101

2013	2014	2015	2016	2017
\$31,939,040	\$44,599,385	\$46,404,513	\$46,657,014	\$43,276,758
958,050	0	0	0	0
31,280,801	20,760,067	15,999,908	17,650,250	24,533,197
<u>\$64,177,891</u>	<u>\$65,359,452</u>	<u>\$62,404,421</u>	<u>\$64,307,264</u>	<u>\$67,809,955</u>

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

	Fiscal Year Ended June 30,				
	2008	2009	2010	2011	2012
Expenses					
Governmental Activities:					
General Government	\$2,674,755	\$2,874,961	\$2,735,280	\$2,825,518	\$3,132,552
Public Safety:	5,130,869	5,962,790	5,887,593	5,988,451	5,944,039
Public Works	3,132,289	2,978,182	3,468,651	3,118,437	2,990,162
Recreation & Parks	1,051,869	1,096,387	1,040,969	1,066,492	1,061,289
Planning	575,085	549,198	533,042	584,957	464,616
Interest on long-term debt	627,581	667,582	608,114	598,294	587,357
Total Governmental Activities Expenses	<u>13,192,448</u>	<u>14,129,100</u>	<u>14,273,649</u>	<u>14,182,149</u>	<u>14,180,015</u>
Total Primary Government Expenses	<u>\$13,192,448</u>	<u>\$14,129,100</u>	<u>\$14,273,649</u>	<u>\$14,182,149</u>	<u>\$14,180,015</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$0	\$0	\$0	\$0	\$0
Public Safety:	80,240	84,039	70,604	98,673	83,732
Public Works	267,508	383,707	348,140	362,472	385,942
Recreation & Parks	167,053	43,763	50,014	51,440	61,940
Planning	267,507	383,707	348,139	362,471	385,942
Operating Grants and Contributions	0	0	0	0	0
Capital Grants and Contributions	\$2,729,032	\$2,155,277	\$1,793,072	\$2,252,336	\$2,037,958
Total Government Activities Program Revenues	<u>\$3,511,340</u>	<u>\$3,050,493</u>	<u>\$2,609,969</u>	<u>\$3,127,392</u>	<u>\$2,955,514</u>

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

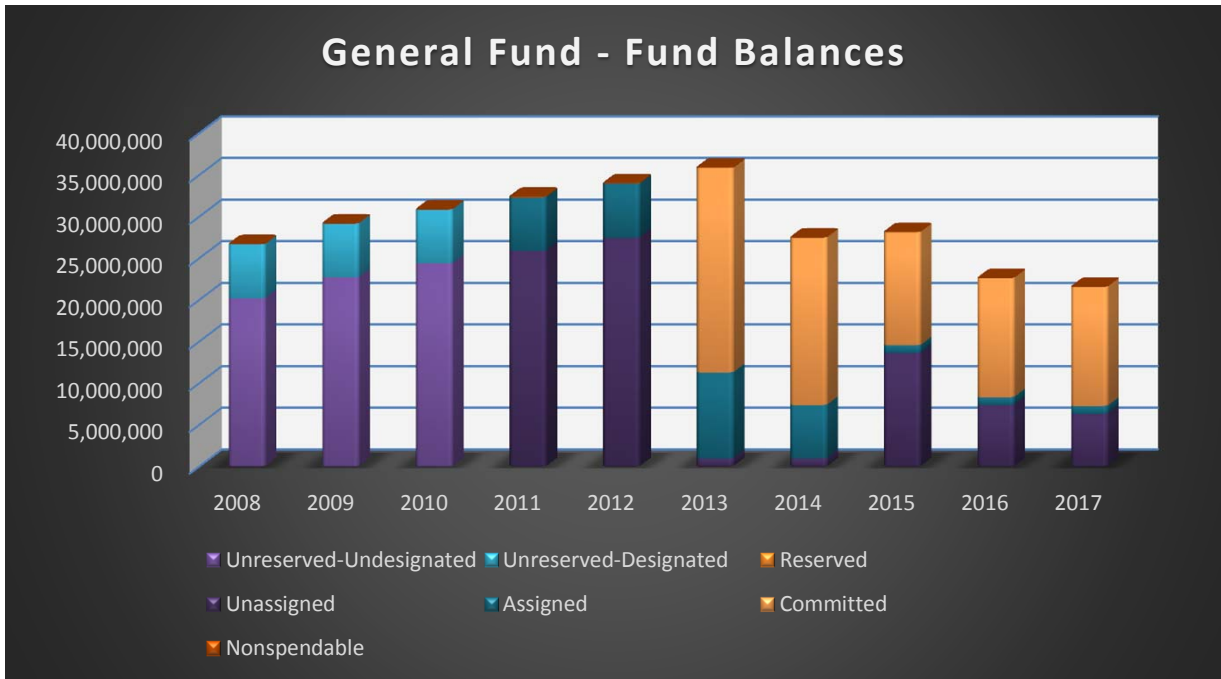
Total Primary Government Program Revenues	\$3,511,340	\$3,050,493	\$2,609,969	\$3,127,392	\$2,955,514
Net (Expense)/Revenue					
Governmental Activities	(\$9,681,108)	(\$11,078,607)	(\$11,663,680)	(\$11,054,757)	(\$11,224,501)
Total Primary Government Net Expense	(\$9,681,108)	(\$11,078,607)	(\$11,663,680)	(\$11,054,757)	(\$11,224,501)
General Revenues and Other Changes in Net Assets					
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 Governmental Activities	12,488,765	13,655,734	12,239,694	11,056,487	11,066,765
Total Primary Government	\$12,488,765	\$13,655,734	\$12,239,694	\$11,056,487	\$11,066,765
Change in Net Assets					
Governmental Activities	\$2,807,657	\$2,577,127	\$576,014	\$1,730	(\$157,736)
Total Primary Government	\$2,807,657	\$2,577,127	\$576,014	\$1,730	(\$157,736)

2013	2014	2015	2016	2017
\$3,346,125	\$2,967,299	\$3,903,936	\$3,187,043	\$2,821,469
6,913,654	6,257,453	2,832,021	7,027,124	5,693,256
3,047,313	3,915,614	4,285,679	4,216,784	4,519,003
1,058,521	908,687	946,869	968,178	1,066,457
573,399	417,626	410,942	512,090	470,802
575,585	483,814	0	114,087	185,669
15,514,597	14,950,493	12,379,447	16,025,306	14,756,656
\$15,514,597	\$14,950,493	\$12,379,447	\$16,025,306	\$14,756,656

\$0	\$20,175	\$0	\$0	\$0
67,536	102,641	106,935	68,225	250,905
421,062	709,810	826,619	500,000	290,067
82,825	71,176	78,592	524,317	580,133
421,063	100,113	109,561	281,687	476,222
0	0	138,809	282,497	156,775
\$2,314,303	\$479,793	\$0	\$0	\$169,204
\$3,306,789	\$1,483,708	\$1,260,516	\$1,656,726	\$1,923,306

\$3,306,789	\$1,483,708	\$1,260,516	\$1,656,726	\$1,923,306
(\$12,207,808)	(\$13,466,785)	(\$11,118,931)	(\$14,368,580)	(\$12,833,350)
(\$12,207,808)	(\$13,466,785)	(\$11,118,931)	(\$14,368,580)	(\$12,833,350)
\$354,574	\$617,618	\$472,157	\$617,172	\$578,560
5,517,652	6,232,713	6,843,923	10,851,063	11,202,349
4,957,234	4,703,462	4,140,070	4,039,518	4,290,660
0	0	0	0	0
74,736	105,257	2,454,113	115,585	223,883
496,197	503,140	615,754	473,432	247,803
70,307	41,408	122,329	174,653	242,786
0	0	0	0	0
11,470,700	12,203,598	14,648,346	16,271,423	16,786,041
\$11,470,700	\$12,203,598	\$14,648,346	\$16,271,423	\$16,786,041
(\$737,108)	(\$1,263,187)	\$3,529,415	\$1,902,843	\$3,952,691
(\$737,108)	(\$1,263,187)	\$3,529,415	\$1,902,843	\$3,952,691

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



	2008	2009	2010	2011	2012
General Fund					
Reserved	\$6,975	\$5,804	\$9,102	\$0	\$0
Unreserved-Designated	6,464,640	6,464,640	6,464,640	0	0
Unreserved-Undesignated	20,190,578	22,683,168	24,362,588	0	0
Nonspendable	0	0	0	\$88,822	\$103,788
Committed	0	0	0	0	0
Assigned	0	0	0	6,464,640	6,464,640
Unassigned	0	0	0	25,848,027	27,462,519
Total General Fund	\$26,662,193	\$29,153,612	\$30,836,330	\$32,401,489	\$34,030,947
All Other Governmental Funds					
Reserved	\$1,123,395	\$984,613	\$959,750	0	0
Unreserved-Designated	0	0	0	0	0
Unreserved-Undesignated	0	(\$180,260)	0	0	0
Unreserved, reported in:					
Special revenue funds	124,776	118,490	105,593	0	0
Committed	0	0	0	\$959,750	\$959,750
Assigned	0	0	0	79,716	120,291
Unassigned	0	0	0	0	0
Total all other governmental funds	\$1,248,171	\$922,843	\$1,065,343	\$1,039,466	\$1,080,041

- (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.

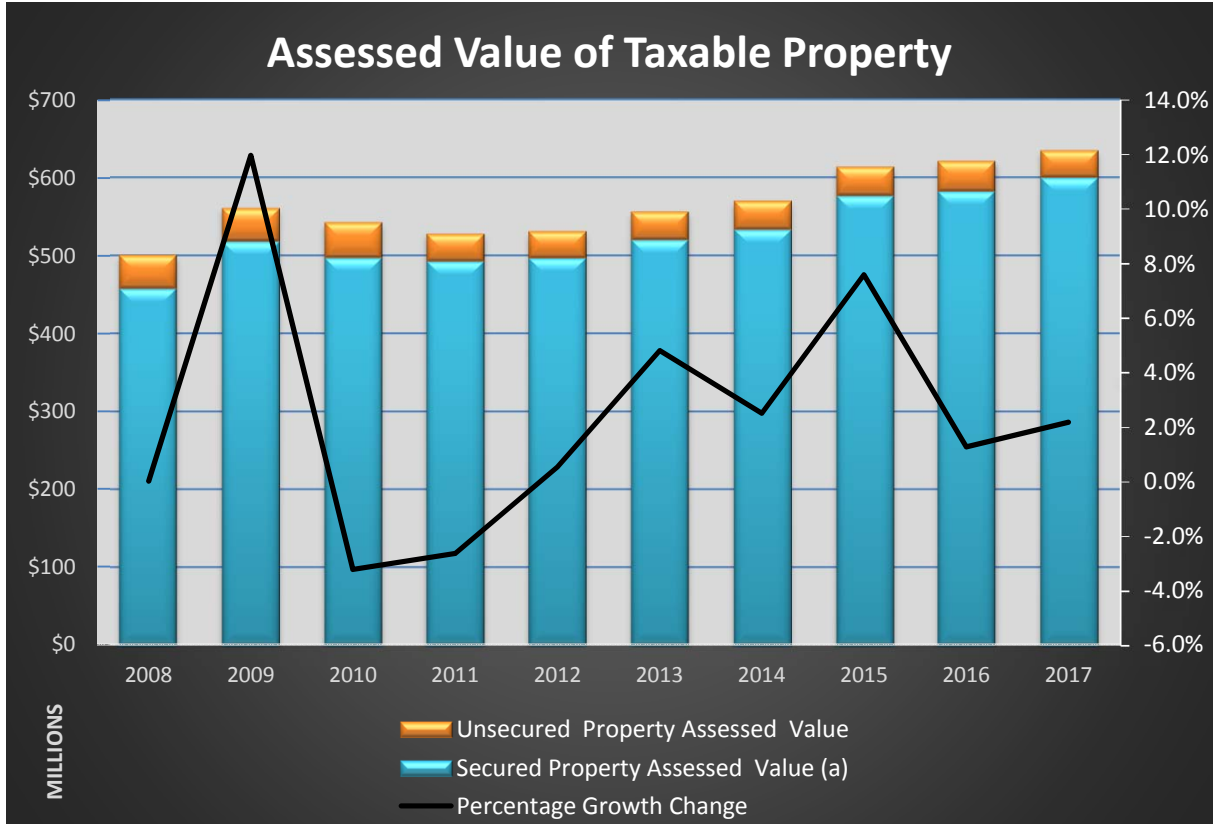
2013	2014	2015	2016	2017
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
\$98,956	0	0	0	0
24,552,790	20,100,000	13,576,000	14,287,000	14,287,000
10,319,919	6,417,979	950,000	950,000	950,000
950,000	950,000	13,591,913	7,357,248	6,310,836
<u>\$35,921,665</u>	<u>\$27,467,979</u>	<u>\$28,117,913</u>	<u>\$22,594,248</u>	<u>\$21,547,836</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
\$958,050	0	0	4,343,192	1,729,570
203,792	79,249	71,557	8,980,111	13,839,459
0	0	(47,219)	0	0
<u>\$1,161,842</u>	<u>\$79,249</u>	<u>\$24,338</u>	<u>\$13,323,303</u>	<u>\$15,569,029</u>

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

	2008	2009	2010	2011	2012
Revenues					
Property taxes	\$388,565	\$385,709	\$366,266	\$334,320	\$354,574
Sales taxes	5,669,898	5,337,807	4,901,120	5,045,150	5,517,652
Cardroom taxes	3,923,552	5,484,544	4,938,532	5,091,032	4,957,234
Other taxes	53,775	52,262	50,024	56,455	74,736
Licenses and permits	200,908	238,163	189,550	108,763	83,862
Fines and forfeits	80,240	84,039	70,604	98,673	83,732
Intergovernmental	2,729,032	2,155,277	1,793,072	2,252,336	2,037,958
Use of money and property	1,414,317	278,912	513,254	476,595	496,197
Other revenues	2,205,627	700,460	287,291	63,213	70,307
Charges for services	501,157	573,014	556,743	667,620	749,962
Total Revenues	17,167,071	15,290,187	13,666,456	14,194,157	14,426,214
Expenditures					
Current:					
General Government	2,908,289	2,680,083	2,509,572	2,620,539	2,936,363
Public Safety	4,951,501	4,906,617	4,807,033	4,929,990	4,822,180
Public Works	4,915,179	3,667,122	3,857,314	3,179,758	2,866,880
Recreation	872,501	899,458	859,300	888,871	883,961
Planning	395,717	352,269	351,375	407,336	287,288
Capital Outlay	0	0	0	0	0
Debt service:					
Principal repayment	335,000	345,000	350,000	360,000	375,000
Interest and fiscal charges	622,796	614,421	604,934	595,309	584,509
Costs of Issuance	0	0	0	0	0
Total Expenditures	15,000,983	13,464,970	13,339,528	12,981,803	12,756,181
Excess (deficiency) of revenues over (under) expenditures	2,166,088	1,825,217	326,928	1,212,354	1,670,033
Other Financing Sources (Uses)					
Issuance of long-term debt					
Transfers in	2,767,920	2,076,222	1,515,520	1,274,755	1,140,692
Transfers (out)	(2,767,920)	(2,076,222)	(1,515,520)	(1,274,755)	(1,140,692)
Total other financing sources (uses)	0	0	0	0	0
Net Change in fund balances	\$2,166,088	\$1,825,217	\$326,928	\$1,212,354	\$1,670,033
Debt service as a percentage of noncapital expenditures	2.5%	2.4%	2.5%	2.5%	2.6%

2013	2014	2015	2016	2017
\$617,618	\$472,157	\$554,778	\$617,172	\$578,560
6,232,713	6,843,923	10,327,853	10,851,063	11,202,349
4,703,462	4,140,070	3,774,885	4,039,518	4,290,660
105,257	2,454,113	138,463	115,585	136,895
114,546	100,113	109,724	281,687	372,321
67,536	66,611	65,785	68,225	64,740
2,314,303	479,793	407,960	282,497	412,967
503,140	615,754	427,801	473,432	247,803
41,408	122,329	148,351	222,156	242,786
810,404	837,191	946,198	1,024,317	1,160,266
15,510,387	16,132,054	16,901,798	17,975,652	18,709,347
2,921,076	2,967,299	3,903,936	3,194,543	2,821,469
5,445,546	5,397,761	4,961,165	5,748,812	6,280,151
2,936,622	3,299,749	6,083,862	4,730,141	6,575,487
880,931	908,687	946,869	973,178	1,066,457
395,809	417,626	410,942	512,090	470,802
0	0	0	0	0
385,000	12,100,000	0	180,000	110,000
572,884	577,209	0	114,087	185,669
0	0	0		
13,537,868	25,668,331	16,306,774	15,452,851	17,510,035
1,972,519	(9,536,277)	595,024	2,522,801	1,199,312
1,230,450	12,246,681	0	5,252,497	5,848,997
(1,230,450)	(12,246,681)	0	(9,833,630)	(5,848,997)
0	0	0	5,252,497	0
\$1,972,519	(\$9,536,277)	\$595,024	\$7,775,298	\$1,199,312
2.5%	80.9%	0.0%	1.1%	0.6%

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
2008	458,310,704	42,682,910	723,100	501,716,714	1.0%	-
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%
2017	600,830,262	34,339,922	723,100	635,893,284	1.0%	2.2%

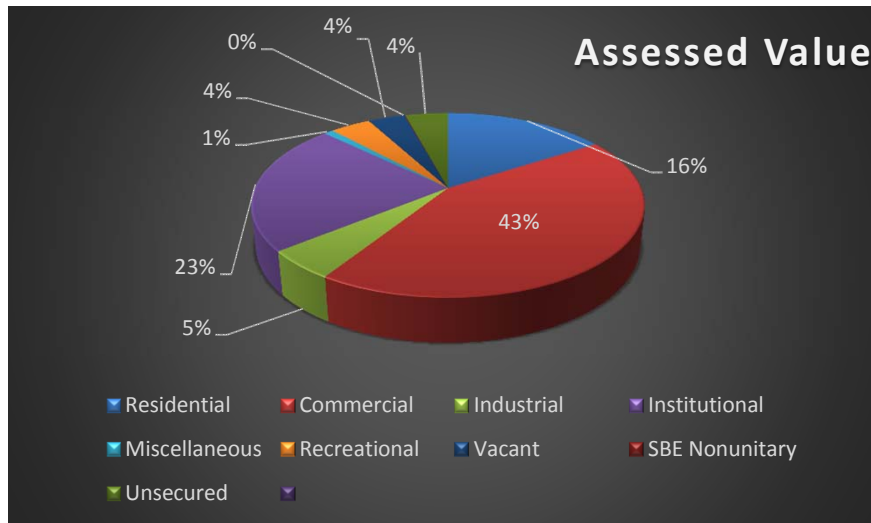
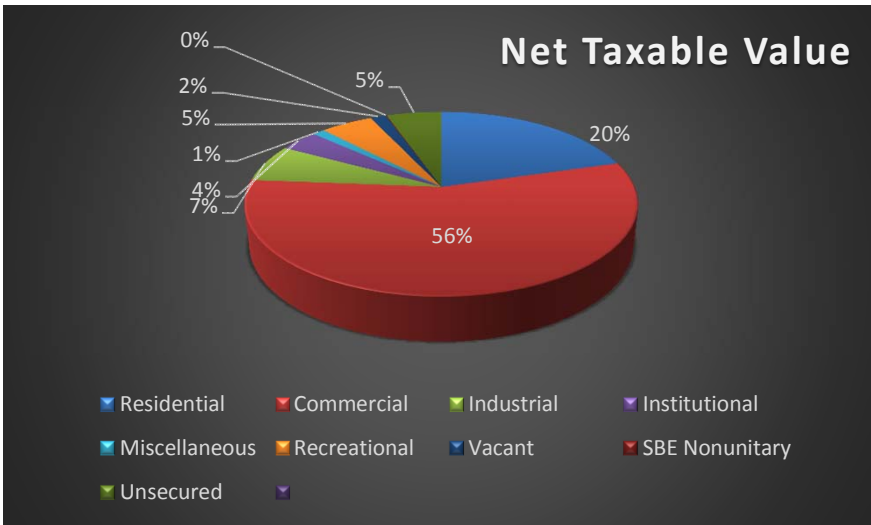
(a) Assessed values presented are net of exemptions.

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.

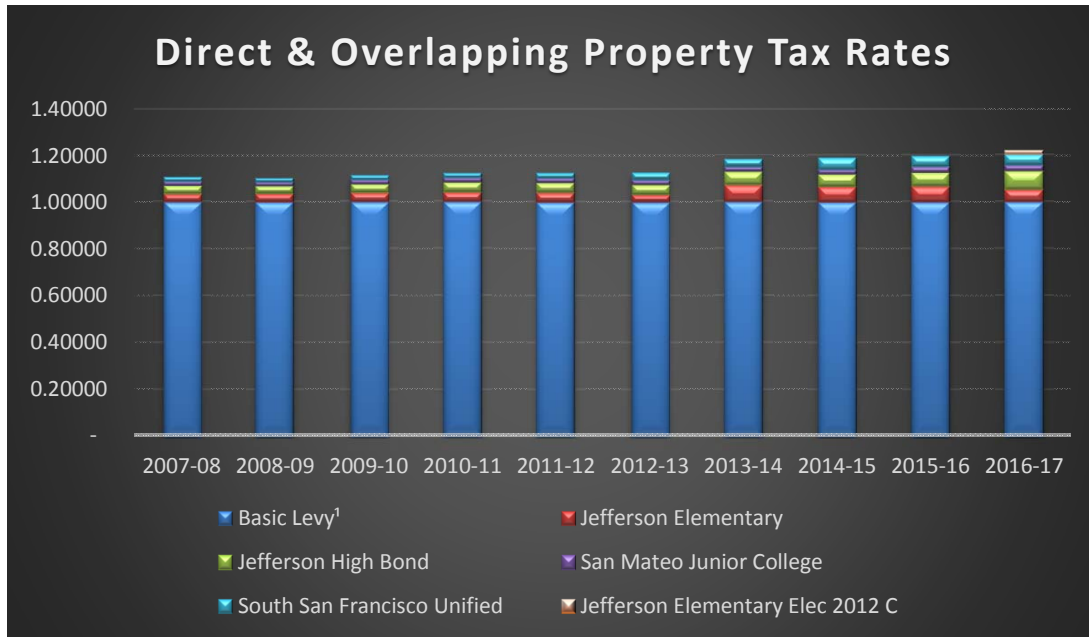
(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The Town of Colma encompasses 7 tax rate areas.

TOWN OF COLMA
Assessed Value of Taxable Property by Use
Fiscal year ending June 30, 2017

Category	Parcels	Assessed Value	% of Total	Net Taxable Value	% of Total
Residential	313	130,433,612	15.9%	130,433,612	20.5%
Commercial	70	354,389,289	43.2%	354,389,289	55.7%
Industrial	19	42,065,678	5.1%	42,065,678	6.6%
Institutional	49	189,056,542	23.0%	24,083,305	3.8%
Miscellaneous	20	7,645,452	0.9%	7,645,452	1.2%
Recreational	2	32,570,642	4.0%	32,570,642	5.1%
Vacant	81	29,814,409	3.6%	9,642,284	1.5%
SBE Nonunitary	[3]	723,100	0.1%	723,100	0.1%
Unsecured	[122]	34,545,800	4.2%	34,339,922	5.4%
TOTALS	554	821,244,524		635,893,284	



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



Agency	2007-08	2008-09	2009-10	2010-11	2011-12
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Jefferson Elementary	0.03400	0.03540	0.03890	0.03990	0.04070
Jefferson Elementary Elec 2012 C	-	-	-	-	-
Jefferson High Bond	0.03610	0.03330	0.03600	0.04160	0.04220
San Mateo Junior College	0.01710	0.01650	0.01820	0.01930	0.01990
South San Francisco Unified	0.01890	0.01620	0.01950	0.01960	0.02210
Total Direct & Overlapping Tax Rates	1.10610	1.10140	1.11260	1.12040	1.12490
City's Share of 1% Basic Levy	0.01223	0.01223	0.01223	0.01223	0.01223

Source: San Mateo County Assessor, 2007-08 thru 2016-17 Tax Rate Table

2012-13	2013-14	2014-15	2015-16	2016-17
1.00000	1.00000	1.00000	1.00000	1.00000
0.03160	0.07130	0.06620	0.06740	0.05190
-	-	-	-	0.01610
0.04300	0.05740	0.05300	0.05830	0.08000
0.01940	0.01940	0.01900	0.02500	0.02470
0.03270	0.03280	0.05130	0.04570	0.04670
1.12670	1.18090	1.18950	1.19640	1.21940
0.01223	0.01223	0.01223	0.01223	0.01223

Town of Colma

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

2016-17

Taxpayer	Business Type
Best Buy	Electronics/Appliance Stores
BevMo	Convenience Stores/Liquor
Cypress Lawn Cemetery	Morticians and Undertakers
General Motors Acceptance	Auto Lease
Golden Gate Acura	New Motor Vehicle Dealers
Home Depot	Building Materials
Honda Lease Trust	Auto Lease
Honda of Serramonte	New Motor Vehicle Dealers
Kohls	Department Stores
Lexus of Serramonte	New Motor Vehicle Dealers
Lucky Chances Casino	Leisure/Entertainment
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
Ross	Family Apparel
Serramonte Ford	New Motor Vehicle Dealers
South Bay Serramonte	New Motor Vehicle Dealers
Stewart Chevrolet Chrysler	New Motor Vehicle Dealers
Target	Discount Dept Stores
Team Volkswagen Subaru	New Motor Vehicle Dealers
Toyota Lease Trust	Auto Lease

Percent of Fiscal Year Paid by Top 25 Accounts = 89.71%

2007-08

Business Name	Business Category
Babies R Us	Specialty Stores
Bed Bath & Beyond	Home Furnishings
Best Buy	Electronics/ApplianceStores
BevMo	Convenience Stores/Liquor
Colma Buick Pontiac GMC	New Motor Vehicle Dealers
Cypress Lawn Cemetary	Morticians and Undertakers
Golden Gate Acura	New Motor Vehicle Dealers
Home Depot	Building Materials
Honda Lease Trust	Auto Lease
Honda of Serramonte	New Motor Vehicle Dealers
Infiniti of Serramonte	New Motor Vehicle Dealers
Jo Ann Fabrics & Crafts	Specialty Stores
Kohls	Department Stores
Lexus of Serramonte	New Motor Vehicle Dealers
Lucky Chances Casino & Dining	Leisure/Entertainment
Marshalls	Family Apparel
Nissan Infiniti	Auto Lease
Nordstrom Rack	Department Stores
Old Navy	Family Apparel
Pacific Nurseries	Garden/Agriculture Supplies
Serramonte Auto Plaza	New Motor Vehicle Dealers
Serramonte Ford	New Motor Vehicle Dealers
Stewart Chevrolet Chrysler	New Motor Vehicle Dealers
Target	Discount Dept Stores
Toyota Motor Credit	Auto Lease

Percent of Fiscal Year Paid by Top 25 Accounts = 90.46%

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

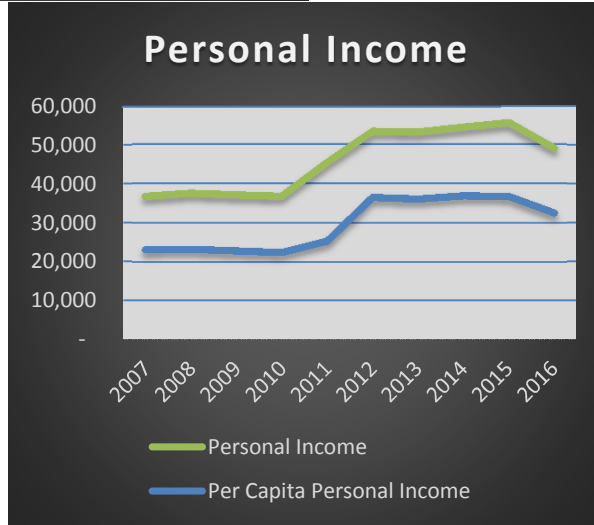
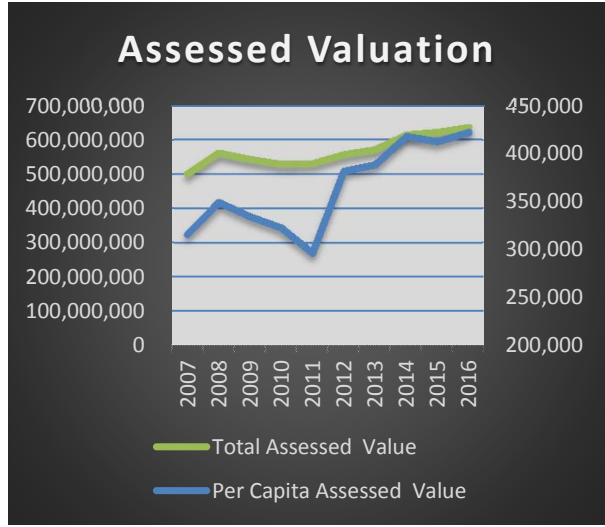
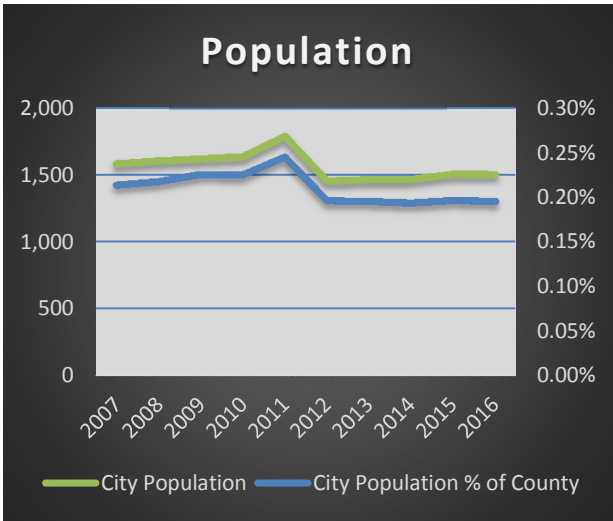
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Apparel Stores	\$26,673	\$25,114	\$27,422	\$27,968	\$28,693
General Merchandise	117,177	116,220	119,226	115,695	124,348
Eating and Drinking Places	9,155	9,552	9,792	9,457	13,039
Auto Dealers and Supplies	316,270	231,679	216,075	230,020	266,064
Other Retail Stores	253,505	238,418	214,482	210,112	203,533
All Other Outlets	116,724	97,521	90,401	100,377	107,290
Total	<u>\$839,504</u>	<u>\$718,504</u>	<u>\$677,398</u>	<u>\$693,629</u>	<u>\$742,967</u>

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.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$32,956	\$31,698	\$31,256	\$30,954	\$35,504
127,391	125,933	119,402	117,424	114,147
14,095	13,994	15,528	16,383	16,998
341,651	412,832	484,173	509,094	540,131
205,686	222,006	225,440	228,333	225,433
123,365	146,528	176,818	185,589	214,841
<u>\$845,144</u>	<u>\$952,991</u>	<u>\$1,052,617</u>	<u>\$1,087,777</u>	<u>\$1,147,054</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	1,584	501,716,714	316,740	36,876	23,281	739,469	0.21%
2008	1,607	561,826,424	349,612	37,649	23,428	736,951	0.22%
2009	1,622	543,553,349	335,113	37,248	22,965	718,451	0.23%
2010	1,637	529,074,879	323,198	36,937	22,564	726,305	0.23%
2011	1,789	531,815,371	297,270	45,492	25,429	729,429	0.25%
2012	1,458	557,332,330	382,258	53,392	36,620	740,850	0.20%
2013	1,470	571,240,415	388,599	53,218	36,203	749,165	0.20%
2014	1,471	614,634,392	417,834	54,449	37,015	756,866	0.19%
2015	1,509	622,380,847	412,446	55,581	36,832	764,711	0.20%
2016	1,506	635,893,284	422,240	49,093	32,598	768,507	0.20%