



**AGENDA
REGULAR MEETING**

**City Council of the Town of Colma
Colma Community Center
1520 Hillside Boulevard
Colma, CA 94014**

Wednesday, September 12, 2018
CLOSED SESSION – 5:30 PM
REGULAR SESSION - 7:00 PM

CLOSED SESSION – 5:30 PM

1. **In Closed Session under Government Code §54956.9(d)(1) - CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Workers Compensation Appeals Board Case No. ADJ10113539

PLEDGE OF ALLEGIANCE AND ROLL CALL – 7:00 PM

ADOPTION OF AGENDA

PRESENTATIONS

- Introduction of new Facility Attendant Lisa Augustine
- Recognition of Honor Roll Students

PUBLIC COMMENTS

Comments on the Consent Calendar and Non-Agenda Items will be heard at this time. Comments on Agenda Items will be heard when the item is called.

CONSENT CALENDAR

2. Motion to Accept the Minutes from the August 22, 2018 Regular Meeting.
3. Motion to Approve Report of Checks Paid for July 2018.
4. Motion to Approve Report of Checks Paid for August 2018.
5. Motion Approving the Town's Response to the Grand Jury Report Dated July 17, 2018, Regarding "Soaring Pension Costs – Time for Hard Choices."
6. Motion Approving the Town's Response to the Grand Jury Report Dated July 19, 2018, Regarding "Cooperative Purchasing – A Roadmap to More Effective Procurement."

NEW BUSINESS

7. GRANT FUNDING REQUEST FOR DALY CITY PUBLIC LIBRARY ASSOCIATES

Consider: Motion to Adopt a Resolution Approving a Grant to Daly City Public Library Associates, Finding That the Grant Serves a Public Purpose, and Authorizing a Contract with Daly City Public Library Associates for the Use of Town Funds.

8. FY 2018-19 NON-PROFIT FUNDING

Consider: Motion to Adopt a Resolution Determining Eligibility for Grant Funding, Approving Grants to Eligible Organizations, Finding That Each Approved Grant Serves a Public Purpose, and Authorizing Contracts with Each Eligible Organization for the Use of Town Funds.

REPORTS

Mayor/City Council
City Manager

ADJOURNMENT

The City Council Meeting Agenda Packet and supporting documents are available for review at the Colma Town Hall, 1188 El Camino Real, Colma, CA during normal business hours (Mon – Fri 8am-5pm). Persons interested in obtaining an agenda via e-mail should call Caitlin Corley at 650-997-8300 or email a request to ccorley@colma.ca.gov.

Reasonable Accommodation

Upon request, this publication will be made available in appropriate alternative formats to persons with disabilities, as required by the Americans with Disabilities Act of 1990. Any person with a disability, who requires a modification or accommodation to view the agenda, should direct such a request to Pak Lin, ADA Coordinator, at 650-997-8300 or pak.lin@colma.ca.gov. Please allow two business days for your request to be processed.

1. **In Closed Session under Government Code §54956.9(d)(1) - CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Workers Compensation Appeals Board Case No. ADJ10113539

There is no staff report associated with this item.



**MINUTES
REGULAR MEETING**

City Council of the Town of Colma
Colma Community Center, 1520 Hillside Boulevard
Colma, CA 94014

Wednesday, August 22, 2018

CLOSED SESSION – 6:00 PM

1. In Closed Session under Government Code § 54957.6, CONFERENCE WITH LABOR NEGOTIATOR

Agency Negotiator:	Brian Dossey, City Manager
Unrepresented Employees:	Facility Attendant Recreation Leader Senior Recreation Leader

CALL TO ORDER – 7:00 PM

Mayor Raquel Gonzalez called the Regular Meeting of the City Council to order at 7:02 p.m.

Council Present – Mayor Raquel “Rae” Gonzalez, Vice Mayor Joanne F. del Rosario, Council Members John Irish Goodwin, Diana Colvin and Helen Fiscaro were all present.

Staff Present – City Manager Brian Dossey, City Attorney Christopher Diaz, Chief of Police Kirk Stratton, Director of Public Works Brad Donohue, City Planner Michael Laughlin, City Clerk Caitlin Corley, Assistant Engineer Abdulkader Hashem and Assistant Planner Jonathan Kwan were in attendance.

ADOPTION OF THE AGENDA

Mayor Gonzalez asked if there were any changes to the agenda. Council Member Fiscaro asked to pull item #7 from the Consent Calendar, to be discussed separately. The Mayor asked for a motion to adopt the agenda with the requested changes.

Action: Council Member Colvin moved to adopt the agenda with the requested changes; the motion was seconded by Council Member Fiscaro and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fiscaro	✓				
	5	0			

REPORT FROM CLOSED SESSION

Mayor Gonzalez recused herself from the Closed Session, as she had a potential conflict of interest. Vice Mayor del Rosario stated that no action was taken during the closed session.

PRESENTATIONS

City Manager Brian Dossey introduced new Human Resources Manager Letty Juarez.
Chief of Police Kirk Stratton introduced and swore in new Reserve Police Officer Tejinder Arurkar.

PUBLIC COMMENTS

Mayor Gonzalez opened the public comment period at 7:12 p.m. and seeing no one come forward to speak, she closed the public comment period.

CONSENT CALENDAR

- 2. Motion to Accept the Minutes from the July 25, 2018 Regular Meeting.
- 3. Motion to Accept the Minutes from the July 27, 2018 Special Meeting.
- 4. Motion to Adopt an Ordinance Adding Subchapter 2.08 to the Colma Municipal Code, Relating to Smoking Control and Determining Such Action to be Categorically Exempt from Environmental Review Pursuant to CEQA Guidelines 15061(b)(3) and 15308 (second reading).
- 5. Motion to Adopt a Resolution in Opposition of Prop 6.
- 6. FY 2017-18 and 2018-19 Revised Appropriation (GANN) Limits
 - a. Motion to Adopt a Resolution Adopting the Revised 2017-18 Appropriation Limit
 - b. Motion to Adopt a Resolution Adopting the Revised 2018-19 Appropriation Limit
- 7. [Pulled from Consent Calendar]

Action: Council Member Fisicaro moved to approve the Consent Calendar items #2 through #6; the motion was seconded by Vice Mayor del Rosario and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
	5	0			

- 7. Motion to Adopt a Resolution Awarding and Authorizing the City Manager to Execute a Construction Contract for the Sterling Park Playground Improvement Project to Community Playgrounds, Inc.

Council Member Fisicaro asked when construction would begin; Director of Public Works Brad Donohue stated it would begin shortly after the Town Picnic on September 8, 2018. Council requested that the stone sign at the back entrance to the property be swapped with the wooden sign at the front of the entrance.

Action: Council Member Fisicaro moved to Adopt a Resolution Awarding and Authorizing the City Manager to Execute a Construction Contract for the Sterling Park Playground

Improvement Project to Community Playgrounds, Inc.; the motion was seconded by Council Member John Goodwin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
	5	0			

OLD BUSINESS

8. SERRAMONTE COLLINS MASTER PLAN

City Manager Brian Dossey and City Planner Michael Laughlin presented the staff report. Mayor Gonzalez opened the public comment period at 7:56 p.m. Sohail Tabar, General manager of Serramonte Ford; Dustin Chase, General Manager of Lucky Chances; residents Tom and Liz Taylor; and Catherine Hughes, owner of Serra Center made comments. The Mayor closed the public comment period at 8:05 p.m. Council discussion followed.

Action: Council Member Goodwin moved to give staff direction to pursue Option 2 in the Serramonte/Collins Master Plan; the motion was seconded by Council Member Colvin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
	5	0			

PUBLIC HEARING

9. GENERAL PLAN LOCAL HAZARD MITIGATION

City Planner Michael Laughlin presented the staff report. Mayor Gonzalez opened the public hearing at 9:12 p.m. and seeing no one come forward to speak, she closed the public hearing. Council discussion followed.

Action: Council Member Goodwin moved to Adopt a Resolution to Amend the Town of Colma General Plan Safety Element to Incorporate the Local Hazard Mitigation Plan into the Element; the motion was seconded by Council Member Colvin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
	5	0			

NEW BUSINESS

10. AD HOC COMMITTEE

City Manager Brian Dossey presented the staff report. Mayor Gonzalez opened the public comment period at 9:16 p.m. and seeing no one come forward to speak, she closed the public comment period. Council discussion followed.

Action: Council Member Fisicaro moved to Appoint Raquel Gonzalez and Diana Colvin to an Ad Hoc Committee Along with Staff for the Selection and Placement of Photos and Artwork in Town Hall; the motion was seconded by Vice Mayor del Rosario and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel Gonzalez, Mayor	✓				
Joanne F. del Rosario	✓				
John Irish Goodwin	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
	5	0			

COUNCIL CALENDARING

The next Regular City Council Meetings will be on Wednesday, September 12, 2018 and Wednesday, September 26 at 7:00 p.m.

REPORTS

Raquel "Rae" Gonzalez

Council of Cities Dinner, hosted by Hillsborough, 7/27

National Night Out, 8/7

Joanne F. del Rosario

National Night Out, 8/7

John Irish Goodwin

National Night Out, 8/7

Helen Fisicaro

National Night Out, 8/7

City Manager Brian Dossey gave a report on the following topics:

- There will be a closed session on September 12, 2018 at 5:30pm.
- Staff will be moving in to the Town Hall on September 8, 2018.
- The Town Picnic and the Chamber of Commerce Business to Consumers Event will take place on September 8, 2018.

ADJOURNMENT

Mayor Gonzalez adjourned the meeting at 9:20 p.m. in memory of Alfred "Fred" Bononi, Colma resident and Colma Fire Fighter for over 40 years.

Respectfully submitted,

Caitlin Corley
City Clerk



Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48108	7/1/2018	00050	CA POLICE CHIEFS ASSN	10310	5/1/2018	FY 2018-2019 MEMBERSHIP P	348.00
48109	7/1/2018	00055	CORA	Col FY18-19	7/1/2018	FY 2018-2019 ERP SERVICES	493.00
48110	7/1/2018	00117	DELTA DENTAL OF CALIFORN	BE002867234	7/1/2018	DENTAL INSURANCE	12,797.60
48111	7/1/2018	00345	SMC SHERIFF'S OFFICE	July 16-17 Driver	6/22/2018	JULY 16-17 DRIVER TRAINING	450.00
48112	7/1/2018	00363	SMC NARCOTICS TASK FOR	CFY 2018-2019	5/29/2018	FY 2018-2019 JPA CONTRIBU	3,105.00
48113	7/1/2018	00388	SONITROL	1318416-IN	6/1/2018	427 F ST. MONTHLY MONITO	113.00
48114	7/1/2018	00432	VISION SERVICE PLAN	July 2018	6/18/2018	VISION SERVICE PLAN	1,080.66
48115	7/1/2018	00507	COLMA FIRE DISTRICT	07/14/18 Street f	6/12/2018	07/14/18 CCC STREET FAIR I	112.00
48116	7/1/2018	00630	MAD SCIENCE OF THE BAY	AF21918	7/10/2018	JULY 10, 2018 DRY ICE WOR	335.00
48117	7/1/2018	00646	ICMA	FY 2018-2019 D	6/12/2018	FY 2018-2019 DUES B. DOSS	200.00
48118	7/1/2018	01036	MANAGED HEALTH NETWOR	IPRM-025456	7/1/2018	EMPLOYEE ASSISTANCE PRG	99.20
48119	7/1/2018	01037	COMCAST CABLE	06/27-07/26 XFII	6/17/2018	8155 20 022 0002770 1520 HIL	10.20
48120	7/1/2018	01038	ALLIANT INSURANCE SER	VIC863076	6/22/2018	07.01.18 to 07.01.19 Differ	125,836.40
48121	7/1/2018	01414	VERANO HOMEOWNERS ASS	7	6/22/2018	VERANO OWNERS ASSOCIAT	320.00
48122	7/1/2018	01431	CSAC EXCESS INSURANCE	A 19150006	7/1/2018	FY 2018-2019 Primary Workers	227,390.00
48123	7/1/2018	01687	UNITED SITE SERVICES OF	114-6921476	7/1/2018	FY 2018-2019 Excess Workers	115,720.00
48124	7/1/2018	02224	STANDARD INSURANCE COM	July 2018	6/18/2018	STANDARD AND REGULAR SI	149.37
48125	7/1/2018	02542	JOHNSON CONTROLS SECUF	30711631	6/14/2018	LIFE INSURANCE	231.00
48126	7/1/2018	02787	AECO SYSTEMS, INC.	19150-Revised	6/9/2018	FIRE SYSTEM AT SR. HOUSIN	410.53
48127	7/1/2018	02848	UNITED COACH TOURS	13898WF	6/6/2018	JULY 2018 FIRE ALARM & BUF	205.00
48128	7/1/2018	02849	U.S. BANK PARS ACCOUNT,	6 July 2018 OPEB	5/4/2018	JULY 25, AUG 8 & 22 BUS TRI	2,603.00
48129	7/1/2018	02874	NATIONAL ASSOCIATION OF	CFY 2018-2019	7/1/2018	OPEB CONTRIBUTION	141,560.00
48130	7/1/2018	02965	HAPPYCAKE FACE PAINTING	683686	7/1/2018	FY 2018-2019 MEMBERSHIP P	60.00
48131	7/1/2018	03034	FLEX ADVANTAGE	July 2018	6/19/2018	JULY 3 & 27, 2018 3 HOUR FA	750.00
48132	7/1/2018	03142	BOOMERS LIVERMORE	0000033586 Bal	6/19/2018	RETIREE HEALTH REIMBURS	37,603.33
48133	7/1/2018	03165	EXPLORATORIUM	5129063000	6/22/2018	JULY 25, 2018 GROUP PACK E	1,049.50
48134	7/1/2018	03166	ABADA CAPOEIRA SAN FRAN	00021634	1/16/2018	AUGUST 22, 2018 TRIP FOR E	1,022.25
48135	7/1/2018	03167	AQUA ADVENTURE WATERPA	37	5/16/2018	AUGUST 2, 2018 BRAZILLIAN	350.00
7012018	7/2/2018	00282	CALIFORNIA PUBLIC EMPLO	Y1000000153332	7/11/2018	07/11/18 AQUA ADVENTURE V	600.00
					6/14/2018	MEDICAL INSURANCE	4,730.72

o total for FIRST NATIONAL BANK OF DALY CITY: 679,734.76

29 checks in this report.

Grand Total All Checks:

679,734.76

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48136	7/2/2018	00051	CALIFORNIA WATER SERVICE6544607057	6/18/2018	6544607057 SW CORNER HIL	598.94	598.94
48137	7/2/2018	00071	CSG CONSULTANTS, INC. 04/28/18 - 05/25,	6/27/2018	CSG	130,408.50	130,408.50
48138	7/2/2018	00188	IRVINE & JACHENS INC 2398	6/27/2018	ADD NEW TOP RIBBONS	87.00	87.00
48139	7/2/2018	00254	METRO MOBILE COMMUNICA42508	6/26/2018	4 KMC35 MOBILE PALM MICR	228.38	228.38
48140	7/2/2018	00307	PACIFIC GAS & ELECTRIC 0678090639-9	6/19/2018	0678090639-9 S/E CORNER H	57.23	57.23
48141	7/2/2018	00311	9593452526-2	6/19/2018	9593452526-2 1500 HILLSIDE	34.06	34.06
48142	7/2/2018	00563	PITNEY BOWES INC. 3102239266	6/20/2018	POSTAGE MACHINE LEASE 0	895.58	895.58
48143	7/2/2018	00773	PETTY CASH 06.29.18 Petty C	6/29/2018	06/29/18 PETTY CASH REIMB	86.78	86.78
48144	7/2/2018	01030	CHIAPPARI, DIANNE 2001204.003	6/25/2018	06.25.18 DEPOSIT REFUND	50.00	50.00
48145	7/2/2018	02249	STEPFORD, INC. 1801539	6/20/2018	MAY 2018 HOURS IN EXCESS	1,433.75	1,433.75
48146	7/2/2018	02413	ONTIVEROS, ANTONIO Citation CO0485	6/14/2018	CITATION CO048555 REFUNC	38.00	38.00
			G. BORTOLOTTO & CO. INC. 4630	6/20/2018	2018 STREET MAINTENANCE	71,155.00	71,155.00
			1	6/19/2018	JUNE 19-20, 2018 SINK HOLE	5,865.08	5,865.08
			2	6/20/2018	JUNE 19-20, 2018 SINK HOLE	2,484.05	2,484.05
48147	7/2/2018	02949	WELLS FARGO VENDOR FINA100725282	6/20/2018	ADMIN COPY MACHINE	1,362.61	1,362.61
48148	7/2/2018	03043	WATER WORKS ENGINEERS, 8849	6/30/2018	JUNE 2018 COLMA WASTEW/	3,990.00	3,990.00
48149	7/2/2018	03061	NORTH BAY PETROLEUM 1941659	6/15/2018	PW GAS PURCHASES	268.94	268.94
48150	7/2/2018	03098	JIMENEZ, MARIA 2001205.003	6/25/2018	06.25.18 DEPOSIT REFUND	200.00	200.00
48151	7/2/2018	03117	KITTELSON & ASSOCIATES, I0096188	6/20/2018	COLMA SYSTEMIC SAFETY A	6,525.63	6,525.63
48152	7/2/2018	03168	ENGINEERING DATA SOFTWA06/19/2018	6/19/2018	PLACE THE TOWN'S SANITAF	7,000.00	7,000.00
48153	7/2/2018	03169	ARI FLEET LT LSR Citation CO0479	6/14/2018	CITATION CO047916 REFUNC	80.00	80.00

o total for FIRST NATIONAL BANK OF DALY CITY: 232,849.53

18 checks in this report.

Grand Total All Checks:

232,849.53

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48154	7/2/2018	00005	ASSOCIATION OF BAY AREA AR017684	7/1/2018	FY 2018-2019 ABAG MEMBER	1,103.00	1,103.00
48155	7/2/2018	00254	METRO MOBILE COMMUNICA 180718	7/1/2018	MAINTENANCE CONTRACT	602.00	602.00
48156	7/2/2018	01030	STEPFORD, INC. 1801598	6/20/2018	MONTHLY SERVICE CONTRA	5,622.00	5,622.00
48157	7/2/2018	03151	AVID4 ADVENTURE, INC. 1871 Balance D	4/23/2018	07/14/18 ONE DAY MOUNTAIN	880.00	880.00

b total for FIRST NATIONAL BANK OF DALY CITY: 8,207.00

4 checks in this report.

Grand Total All Checks:

8,207.00

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48158	7/6/2018	00068	07062018 B	7/6/2018	COLMA PEACE OFFICERS: P/	690.83	690.83
48159	7/6/2018	01340	07062018 B	7/6/2018	FLEX 125 PLAN: PAYMENT	286.92	286.92
48160	7/6/2018	01375	07062018 B	7/6/2018	NATIONWIDE: PAYMENT	5,300.00	
			07062018 M	7/6/2018	NATIONWIDE: PAYMENT	1,200.00	6,500.00
48161	7/6/2018	02377	07062018 B	7/6/2018	CALIFORNIA STATE DISBURSI	871.38	871.38
93746	7/6/2018	00521	07062018 M	7/6/2018	FEDERAL TAX: PAYMENT	916.80	916.80
93747	7/6/2018	01360	07062018 M	7/6/2018	ICMA CONTRIBUTION: PAYME	463.86	463.86
93748	7/6/2018	00631	07062018 M	7/6/2018	PERS MISC NON-TAX: PAYME	588.12	588.12
93749	7/6/2018	00282	07062018 M	7/6/2018	JULY 2018 ACTIVE PREMIUM:	4,694.70	4,694.70
93750	7/6/2018	00130	07062018 B	7/6/2018	CALIFORNIA STATE TAX: PAY	11,144.33	11,144.33
93751	7/6/2018	01340	07062018 B	7/6/2018	COMMUTER PLAN: PAYMENT	62.00	62.00
93752	7/6/2018	00521	07062018 B	7/6/2018	FEDERAL TAX: PAYMENT	53,337.68	53,337.68
93753	7/6/2018	00282	07062018 B	7/6/2018	JULY 2018 ACTIVE PREMIUM:	56,865.69	56,865.69
93754	7/6/2018	00631	07062018 B	7/6/2018	PERS - BUYBACK: PAYMENT	39,982.88	39,982.88
93755	7/6/2018	01360	07062018 B	7/6/2018	ICMA CONTRIBUTION: PAYME	4,181.67	4,181.67
7062018	7/6/2018	00631	FY2018-2019 Lu	7/6/2018	FY2018-2019 LUMP SUM PRE	754,225.00	754,225.00
total for FIRST NATIONAL BANK OF DALY CITY:						934,811.86	934,811.86

15 checks in this report.

Grand Total All Checks:

934,811.86

Final Check List
Town of Colma

apChkLst
07/09/2018 10:56:49AM

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48162	7/9/2018	00099	D.C. LOCK & SECURITY SERV76895	3/1/2018	4 EA: 5 PIN C DND-#M, 6 PIN (43.50	43.50
48163	7/9/2018	00280	OFFICE DEPOT, INC.	6/28/2018	OFFICE SUPPLIES	101.67	101.67
			157555186001	6/28/2018	OFFICE SUPPLIES	19.27	120.94
			157555052001	6/22/2018	PG&E	2,411.91	
48164	7/9/2018	00307	PACIFIC GAS & ELECTRIC	6/28/2018	0567147369-1 JSB S/O SERR/	133.57	2,545.48
			06/28/18	7/2/2018	ALLOCATION OF PARKING PE	2,373.90	2,373.90
48165	7/9/2018	00500	SMC CONTROLLERS OFFICE June 2018	6/28/2018	TREE PRUNING E STREET	4,800.00	4,800.00
48166	7/9/2018	00649	DAVEY TREE EXPERT COMPA912746045	6/28/2018	TREE PRUNING F STREET	4,500.00	4,500.00
			912746042	6/28/2018	TREE PRUNING CLARKAVEN	4,500.00	4,500.00
			912746047	6/28/2018	TREE PRUNING 400 BLOCK C	4,300.00	4,300.00
			912740683	6/28/2018	TREE PRUNING 400 BLOCK C	3,010.00	3,010.00
			912746044	6/28/2018	TREE PRUNING HISTORICAL	1,800.00	1,800.00
			912733964	6/25/2018	TREE REMOVAL E STREET	950.00	23,860.00
			912746048	6/28/2018	SECTION 125 PARTICIPANT 8	75.00	75.00
48167	7/9/2018	01340	NAVIA BENEFIT SOLUTIONS: 10144071	6/29/2018	JUNE 27-29, 2018 CA LEAGUE	576.92	576.92
48168	7/9/2018	01345	GOODWIN, JOHN	7/2/2018	CELL PHONE SERVICE	1,708.61	1,708.61
48169	7/9/2018	01370	VERIZON WIRELESS SERVICE980911285	6/15/2018	JUNE 26, 2018 CERAMICS WC	280.00	280.00
48170	7/9/2018	01462	JACOBSON, RUTH	6/26/2018	TRAP SERVICE	102.71	102.71
48171	7/9/2018	01569	DARLING INGREDIENTS INC., 600:3109580	7/6/2018	AUDIT SERVICES	2,130.00	2,130.00
48172	7/9/2018	01629	R. J. RICCIARDI INC., CPAS 10690	6/30/2018	JUNE 2018 CARDROOM BAG	1,540.00	1,540.00
48173	7/9/2018	01995	CELESTE, MIKE L.	6/30/2018	OFFICE SUPPLIES	184.77	184.77
48174	7/9/2018	02082	VINCE'S OFFICE SUPPLY, INC June 2018 21105	6/29/2018	TAE KWON DO	800.00	800.00
48175	7/9/2018	02144	DOMINIC A. DE LUCCA DBA DI June 2018	7/6/2018	APRIL 1-13, 2018 SWAT TRAI	554.61	554.61
48176	7/9/2018	02878	MENDOZA, DANIEL	4/20/2018	JUNE 18-29, 2018 MILEAGE A	113.07	113.07
48177	7/9/2018	02909	TAPIA, ELIZABETH	6/27/2018	2 T-SHIRTS FOR CAMPERS	44.75	44.75
48178	7/9/2018	02931	PRINT WORKS	6/27/2018	APRIL 4-5 & JUNE 27-28, 2018	114.27	114.27
48179	7/9/2018	02947	ABELLANA, ANGELIKA	7/6/2018	JUNE 11-13, 2018 BICYCLE P	34.10	34.10
48180	7/9/2018	02952	ALVARADO, JORGE	7/3/2018			

b total for FIRST NATIONAL BANK OF DALY CITY: 37,202.63

19 checks in this report.

Grand Total All Checks:

37,202.63

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48181	7/9/2018	00005	PLAN-2019-006	7/6/2018	FY 2018-2019 GENERAL LIABI	122,319.00	122,319.00
48182	7/9/2018	01037	ASSOCIATION OF BAY AREA COMCAST CABLE	6/26/2018 6/27/2018	8155 20 022 0094769 TOWN C 8155 20 022 0097069 INTERNI	13,510.48 291.16	
			06/25-07/24 427	6/20/2018	8155 20 022 0097028 427 F ST	286.16	
			06/25-07/24 Intel	6/20/2018	8155 20 022 0097051 Internet	286.16	14,373.96
48183	7/9/2018	01276	2001215.003	7/2/2018	07.02.18 DEPOSIT REFUND	80.00	80.00
48184	7/9/2018	01445	2001218.003	7/3/2018	07.03.2018 SUMMER CAMP R	15.00	15.00
48185	7/9/2018	01480	25126	6/19/2018	07/01/18-06/30/19 LE UPDATE	3,600.00	3,600.00
48186	7/9/2018	01565	BAY CONTRACT MAINTENAN(21054	7/2/2018	CLEAN CARPET IN SQUAD RI	360.00	360.00
48187	7/9/2018	02787	19212	7/1/2018	AUGUST 2018 FIRE & BURGL	205.00	205.00
48188	7/9/2018	02799	05769194	6/23/2018	RIMS INTERNET W/SSF	400.00	400.00
total for FIRST NATIONAL BANK OF DALY CITY:							141,352.96

8 checks in this report.

Grand Total All Checks:

141,352.96

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48189	7/13/2018	00013	ANDY'S WHEELS & TIRES	6/30/2018	TIRE SERVICE	173.33	173.33
48190	7/13/2018	00020	ASSOCIATED SERVICES INC	6/28/2018	WATERBLOCK	76.13	76.13
48191	7/13/2018	00051	CALIFORNIA WATER SERVICE	6/27/2018	WATER BILL	7,981.78	7,981.78
48192	7/13/2018	00057	CINTAS CORPORATION #2	6/30/2018	CLEANING SERVICE	1,166.80	1,166.80
48193	7/13/2018	00099	D.C. LOCK & SECURITY SERV	6/27/2018	5 MASTERPADLOCKS #1MK S	91.02	91.02
48194	7/13/2018	00112	DEPARTMENT OF JUSTICE	6/30/2018	PD ACCOUNT #140503	686.00	686.00
48195	7/13/2018	00174	HOME DEPOT CREDIT SERVI	6/29/2018	PW SUPPLY PURCHASES	1,697.37	1,697.37
48196	7/13/2018	00364	SMC SHERIFF'S OFFICE	7/3/2018	FY 2017/2018 LIVE SCAN SUR	1,715.00	1,715.00
48197	7/13/2018	00414	TERMINEX INTERNATIONAL	7/6/2018	PEST CONTROL	401.00	401.00
48198	7/13/2018	00623	ARAMARK	7/6/2018	601 F St.	63.00	464.00
48199	7/13/2018	01181	STONE, SHIRLEY	6/30/2018	UNIFORM SERVICE	309.00	309.00
48200	7/13/2018	01183	BEST BEST & KRIEGER LLP	4/2/2018	REPLACES CK#47671 04.02.1	28.00	28.00
48201	7/13/2018	01184	PENINSULA UNIFORMS & EQ	7/13/2018	CITY ATTORNEY SERVICES	18,063.96	18,063.96
48202	7/13/2018	01540	R & S ERECTION NORTH PEN	7/13/2018	EMPLOYEE BENEFITS/TAX	662.40	662.40
48203	7/13/2018	01816	QUALITY STRIPING, INC.	7/13/2018	CITY ATTORNEY SPECIAL SE	200.70	200.70
48204	7/13/2018	02179	HUB INTERNATIONAL OF CA	6/30/2018	UNIFORMS	2,088.78	2,088.78
48205	7/13/2018	02182	DALY CITY KUMON CENTER	6/30/2018	REMOVE & INSTALL PORVEN	2,492.00	2,492.00
48206	7/13/2018	02216	RAMOS OIL CO. INC.	5/20/2018	06/20/18 INSTALL NEW LIFTM	2,265.00	4,757.00
				7/2/2018	COLMA BLVD. FURNISH & INS	4,490.00	4,490.00
				7/9/2018	INSURANCE EVENTS	314.90	314.90
				7/10/2018	TUTORING	5,465.00	5,465.00
				6/30/2018	PD GASOLINE PURCHASES 2	1,477.47	1,477.47
				6/10/2018	PD GASOLINE PURCHASES 1	1,431.85	1,431.85
				6/20/2018	PD GASOLINE PURCHASES 1	1,371.48	1,371.48
				6/10/2018	RECREATION GASOLINE PUF	60.31	4,341.11

Bank : first FIRST NATIONAL BANK OF DALY (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48207	7/13/2018	02274	FRANK AND GROSSMAN LANI40447867	6/30/2018	CLARK BETWEEN E & F ST: F	5,448.15	
			40447866	6/30/2018	CLARK BETWEEN D & E ST: F	4,099.71	
			40447857	6/30/2018	VERANO CUT DOWN & REMC	3,037.43	
			40447855	6/30/2018	CLARK ST. REMOVE (5) BUBE	2,668.89	
			40447860	6/30/2018	PD REMOVE (30) EXISTING S	1,946.67	
			40447856	6/30/2018	E STREET. DIG OUT REMAINI	1,491.04	
			40447863	6/30/2018	JSB/SERRAMONTE MEDIAN F	1,457.92	
			40447861	6/30/2018	JSB MEDIAN NEAR STARBUC	1,302.67	
			40447862	6/30/2018	MUSEUM & COMMUNITY CEN	513.85	
			40447869	6/30/2018	HILLSIDE & LAWDALE IRRIG	489.00	
			40447859	6/30/2018	JSB MEDIAN AT COLMA BLVD	405.78	
			40447868	6/30/2018	PD REMOVE LEANING TREE	200.00	
			40447858	6/30/2018	1520 HILLSIDE SPRAY ROUNI	188.27	23,249.38
48208	7/13/2018	02510	REGIONAL GOVERNMENT SE8559	6/30/2018	CONTRACT FINANCE SERVIC	4,192.00	4,192.00
48209	7/13/2018	02583	CRIME SCENE CLEANERS, IN69007	6/22/2018	Vehicle #* Clean & Disinfect, Re	70.00	
48210	7/13/2018	03015	U.S. BANK CORPORATE PMT 06/22/18 Tapia	6/22/2018	CREDIT CARD PURCHASE	2,822.05	
			06/22/18 Gogan	6/22/2018	CREDIT CARD PURCHASE	2,519.61	
			06/22/18 Abellan	6/22/2018	CREDIT CARD PURCHASE	1,969.20	
			06/22/18 Morque	6/22/2018	CREDIT CARD PURCHASE	1,129.97	
			06/22/18 Lin	6/22/2018	CREDIT CARD PURCHASE	851.46	
			06/22/18 Gotelli	6/22/2018	CREDIT CARD PURCHASE	670.31	
			06/22/18 De Leo	6/22/2018	CREDIT CARD PURCHASE	383.93	
			06/22/18 Corley	6/22/2018	CREDIT CARD PURCHASE	226.90	
			06/22/18 Lum	6/22/2018	CREDIT CARD PURCHASE	203.34	
			06/22/18 Pfothen	6/22/2018	CREDIT CARD PURCHASE	137.81	
			06/22/18 Jordan	6/22/2018	CREDIT CARD PURCHASE	53.08	
			06/22/18 Dossey	6/22/2018	CREDIT CARD PURCHASE	15.00	
			06/22/18 Stratton	6/22/2018	CREDIT CARD PURCHASE	14.12	
48211	7/13/2018	03061	NORTH BAY PETROLEUM	6/30/2018	PW GAS PURCHASES	586.38	10,996.78
48212	7/13/2018	03170	GREAT AMERICA TOWING	6/25/2018	WHITE FORD EXPLORER JUI	60.00	586.38
					total for FIRST NATIONAL BANK OF DALY CITY:	60.00	60.00
							93,926.82

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48213	7/13/2018	00054	C/CAG	7/5/2018	FY 2018-2019 GENERAL FUNI	10,872.00	10,872.00
48214	7/13/2018	00181	IEDA	7/1/2018	LABOR RELATIONS CONSULT	1,419.00	1,419.00
48215	7/13/2018	00388	SONITROL	7/1/2018	427 F ST. MONTHLY MONITO	113.00	113.00
48216	7/13/2018	00412	TELECOMMUNICATIONS ENG4506	7/10/2018	Facilities Mgmt & Maintenance	1,328.00	1,328.00
48217	7/13/2018	00614	DENINA, PERLA	7/9/2018	07.09.18 DEPOSIT REFUND	50.00	50.00
48218	7/13/2018	00630	MAD SCIENCE OF THE BAY A121919	8/21/2018	08/21/18 WORKSHOPS	350.00	350.00
48219	7/13/2018	01565	BAY CONTRACT MAINTENANCE July 2018	7/10/2018	JANITORIAL SERVICES	10,473.35	
			21156	7/10/2018	PAPER SUPPLIES	1,931.24	12,404.59
48220	7/13/2018	01715	HORTON, SHANNON	7/10/2018	07.10.18 BASKETBALL CLINIC	11.00	11.00
48221	7/13/2018	02274	FRANK AND GROSSMAN LANI152991	7/1/2018	LANDSCAPE MAINTENANCE	10,608.00	10,608.00
48222	7/13/2018	02320	SANCHEZ, FATIMA	7/9/2018	07.09.18 DEPOSIT REFUND	300.00	300.00
48223	7/13/2018	02336	CONSERVATION EARTH	1/19/2018	08/14/18 CREEPY CRITTERS	495.00	495.00
48224	7/13/2018	02499	GE CAPITAL INFORMATION	7/5/2018	REC COPY MACHINE RENTAL	601.18	601.18
48225	7/13/2018	02743	UTILITY TELEPHONE, INC	7/1/2018	INTERNET ACCESS 128070	714.62	714.62
48226	7/13/2018	02793	DITO'S MOTORS	7/9/2018	SERVICE	433.55	433.55
48227	7/13/2018	02860	PACIS, VIVIAN	7/10/2018	07.10.18 BASKETBALL CLINIC	11.00	11.00
48228	7/13/2018	02935	EMCOR SERVICES-MESA ENF001332083	6/14/2018	1520 HILLSIDE BLVD. HVAC P	1,478.00	
			001332085	6/14/2018	1500 HILLSIDE BLVD. HVAC P	564.50	
			001332084	6/14/2018	427 F STREET HVAC PREVEN	277.38	
o total for FIRST NATIONAL BANK OF DALY CITY:							42,030.82

16 checks in this report.

Grand Total All Checks: 42,030.82

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48229	7/20/2018	00047	07202018 B	7/20/2018	CLEA: PAYMENT	294.00	294.00
48230	7/20/2018	00068	07202018 B	7/20/2018	COLMA PEACE OFFICERS: P/	690.83	690.83
48231	7/20/2018	01340	07202018 B	7/20/2018	FLEX 125 PLAN: PAYMENT	286.92	286.92
48232	7/20/2018	01375	07202018 B	7/20/2018	NATIONWIDE: PAYMENT	5,150.00	5,150.00
48233	7/20/2018	02224	07202018 B	7/20/2018	LIFE INSURANCE: PAYMENT	436.50	436.50
48234	7/20/2018	02377	07202018 B	7/20/2018	WAGE GARNISHMENT: PAYM	871.38	871.38
93757	7/20/2018	00130	07202018 B	7/20/2018	CALIFORNIA STATE TAX: PAY	11,300.53	11,300.53
93758	7/20/2018	00521	07202018 B	7/20/2018	FEDERAL TAX: PAYMENT	53,790.92	53,790.92
93759	7/20/2018	00631	07202018 B	7/20/2018	PERS - BUYBACK: PAYMENT	41,851.51	41,851.51
93760	7/20/2018	01360	07202018 B	7/20/2018	ICMA CONTRIBUTION: PAYME	4,187.22	4,187.22

b total for FIRST NATIONAL BANK OF DALY CITY: 118,859.81

10 checks in this report.

Grand Total All Checks: 118,859.81

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48235	7/23/2018	00051	CALIFORNIA WATER SERVICE3997460385	7/6/2018	3997460385 HILLSIDE BLVD &	1,204.52	1,204.52
48236	7/23/2018	00093	CITY OF SOUTH SAN FRANCISCO517283	6/14/2018	TRAFFIC SIGNAL MAINTENAN	846.80	846.80
48237	7/23/2018	00110	DEPARTMENT OF TRANSPORTS181052	7/10/2018	SIGNALS & LIGHTING	1,376.35	1,376.35
48238	7/23/2018	00307	PACIFIC GAS & ELECTRIC 07/10/2018	7/10/2018	PG&E	6,398.55	6,398.55
48239	7/23/2018	00411	TURBO DATA SYSTEMS 28258	6/30/2018	CITATION PROCESSING	437.11	437.11
48240	7/23/2018	01001	SIGNET TESTING LABS, INC. 6719	6/29/2018	JUNE 14-22, 2018	3,168.00	
			6662	6/15/2018	MAY 25-JUNE 8, 2018	1,724.25	
			6753	7/13/2018	JUNE 25-JULY 6, 2018	923.45	5,815.70
48241	7/23/2018	01076	API CONSULTING 18-06 Colma	7/11/2018	RECORDS MANAGEMENT	6,280.00	
48242	7/23/2018	01680	18-07 Colma	7/11/2018	RECORDS MANAGEMENT	5,120.00	11,400.00
			NBS GOVERNMENT FINANCE71800004	7/9/2018	USER FEE CONSULTING SER	478.75	
			71800005	7/9/2018	JUNE 2018 COMPREHENSIVE	222.50	701.25
48243	7/23/2018	02118	BAY AREA NEWS GROUP 0001137688	6/30/2018	JUNE 4-11, 2018 LEVY OF SEI	385.86	385.86
48244	7/23/2018	02398	ADVANCED BUSINESS FORMS30505	7/10/2018	1,000 4-PT. PARKING CITATIO	421.93	
			30506	7/10/2018	1,000 3-PT. MOVING CITATIO	280.60	702.53
48245	7/23/2018	02435	CORLEY, CAITLIN Spring, 2018 Tufti	7/13/2018	SPRING 2018 TUITION REIME	1,000.00	1,000.00
48246	7/23/2018	02676	DYETT & BHATIA, URBAN ANE17-552-09 REV	7/13/2018	SERRAMONTE BLVD & COLLI	13,450.08	13,450.08
48247	7/23/2018	02730	THE RATCLIFF ARCHITECTS 9542	7/12/2018	COLMA TOWN HALL RENOVA	17,274.80	17,274.80
48248	7/23/2018	02827	CORODATA SHREDDING, INC.RS2991565	6/30/2018	STORAGE, PICKUP/DELIVER	385.60	385.60
48249	7/23/2018	03110	BHM CONSTRUCTION, INC. 9	7/18/2018	TOWN HALL BUILDING INFILL	1,343,462.14	1,343,462.14
48250	7/23/2018	03124	KAZ & ASSOCIATES ENVIRON10618	7/10/2018	JUNE 6 & 20, 2018 QSP SITE I	550.00	550.00

total for FIRST NATIONAL BANK OF DALY CITY: 1,405,391.29

16 checks in this report.

Grand Total All Checks:

1,405,391.29

Bank : first FIRST NATIONAL BANK OF DALY

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48251	7/23/2018	00004	000011627213	7/13/2018	C3-AB-12-10-TS-01 06/13-07/1	1,507.59	1,507.59
48252	7/23/2018	00020	118070351	7/11/2018	RENTAL	69.00	
			118070001	7/2/2018	Spring Water 5 Gal	13.12	
			118070350	7/1/2018	RENTAL	9.00	91.12
48253	7/23/2018	00051	CALIFORNIA WATER SERVICE	7/12/2018	1727052702 JSB ACROSS FR	221.12	221.12
48254	7/23/2018	00060	CITY OF SOUTH SAN FRANCISCO	7/19/2018	SEWER TREATMENT	849,487.04	849,487.04
48255	7/23/2018	00272	NPMC SANITATION DISTRICT	7/19/2018	SEWER TREATMENT	48,303.76	48,303.76
48256	7/23/2018	00539	FIREMASTER DEPT 1019	7/13/2018	1500 HILLSIDE ANNUAL MAIN	602.76	
			0000553231	7/13/2018	1198 EL CAMINO ANNUAL MA	103.00	
			0000553233	7/13/2018	427 F STREET ANNUAL MAIN	86.00	
			0000553232	7/13/2018	8155 20 022 0096715 601 F ST	106.16	
48257	7/23/2018	01037	COMCAST CABLE	7/7/2018	8155 20 022 0096327 Bulk DTA	0.96	107.12
			07/06/18-08/05/1	7/3/2018	DANCE CLASSES	250.00	250.00
48258	7/23/2018	01367	DUO DANCE ACADEMY	7/18/2018	VERANO OWNERS ASSOCIATION	320.00	320.00
48259	7/23/2018	01414	VERANO HOMEOWNERS ASS	8/1/2018	07.16.18 CREEKSIDE VILLAS	3.00	3.00
48260	7/23/2018	01457	BATERINA, BARBARA	7/16/2018	FENCE RENTAL	504.71	504.71
48261	7/23/2018	01687	UNITED SITE SERVICES OF	7/10/2018	REMOVE EXISTING MARKER	1,810.00	1,810.00
48262	7/23/2018	01816	QUALITY STRIPING, INC.	7/19/2018	07.16.18 DEPOSIT REFUND	50.00	50.00
48263	7/23/2018	02074	FRIIS, EVA	7/16/2018	08.20.18-08.20.19 SERVICE RI	1,900.00	1,900.00
48264	7/23/2018	02122	S & J SALES	7/20/2018	PD COPY MACHINE RENTAL	808.92	808.92
48265	7/23/2018	02499	GE CAPITAL INFORMATION	7/6/2018	07.16.18 DEPOSIT REFUND	50.00	50.00
48266	7/23/2018	02545	MURRAY, JOHN MICHAEL	7/16/2018	SERVICE	47.96	
48267	7/23/2018	02793	DITO'S MOTORS	7/18/2018	SERVICE	15.25	
			18337	7/18/2018	OIL	3.50	66.71
			18351	7/16/2018			
48268	7/23/2018	02864	MOBILE MODULAR MANAGEMENT	7/12/2018	24 X 60 HCD OFFICE RENTAL	906.86	
			1691412	7/12/2018	8 X 20 OFFICE HCD, RAMP RI	517.11	1,423.97
			1686127	7/6/2018	JULY 2-13, 2018 MILEAGE REI	113.93	113.93
48269	7/23/2018	02909	TAPIA, ELIZABETH	7/16/2018	06.17.18 COOKING CLASS RE	16.00	16.00
48270	7/23/2018	02954	VENEGAS, LAURA	7/17/2018	07/14/18 COMMUNITY FAIR S	3,500.00	
48271	7/23/2018	02960	THOR AUDIO SOLUTIONS	7/12/2018	07/14/18 COMMUNITY FAIR S	2,500.00	6,000.00
			12607	6/28/2018	10 MUTT MITT SINGLES/2000	933.64	933.64
			12608	7/9/2018	HEALTH REIMBURSEMENT A	37,603.33	37,603.33
48272	7/23/2018	03009	MUTT MITT	7/23/2018	09.08.18 50% DEPOSIT FOR I	410.00	410.00
48273	7/23/2018	03034	FLEX ADVANTAGE	5/17/2018	OCT 30-NOV 1, 2018 "BASIC F	299.00	299.00
48274	7/23/2018	03171	PARTY PRINCESS PRODUCT	7/16/2018			
48275	7/23/2018	03172	THE COUNSELING TEAM				

o total for FIRST NATIONAL BANK OF DALY CITY: 953,072.72

25 checks in this report.

Grand Total All Checks: 953,072.72

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48276	8/3/2018	00068	COLMA PEACE OFFICER'S 08032018 B	8/3/2018	COLMA PEACE OFFICERS: PAY	690.83	690.83
48277	8/3/2018	01340	NAVIA BENEFIT SOLUTIONS 08032018 B	8/3/2018	FLEX 125 PLAN: PAYMENT	286.92	286.92
48278	8/3/2018	01375	NATIONWIDE RETIREMENT S:08032018 B	8/3/2018	NATIONWIDE: PAYMENT	5,300.00	
			08032018 M	8/3/2018	NATIONWIDE: PAYMENT	1,200.00	6,500.00
48279	8/3/2018	02377	CALIFORNIA STATE DISBURS:08032018 B	8/3/2018	WAGE GARNISHMENT: PAYM	871.38	871.38
93761	8/3/2018	00521	UNITED STATES TREASURY 08032018 M	8/3/2018	FEDERAL TAX: PAYMENT	916.80	916.80
93762	8/3/2018	01360	VANTAGE TRANSFER AGENT:08032018 M	8/3/2018	ICMA CONTRIBUTION: PAYME	463.86	463.86
93763	8/3/2018	00631	P.E.R.S. 08032018 M	8/3/2018	PERS MISC NON-TAX: PAYME	604.81	604.81
93764	8/3/2018	00282	CALIFORNIA PUBLIC EMPLOY:08032018 M	8/3/2018	AUGUST 2018 ACTIVE PREMI	4,694.70	4,694.70
93765	8/3/2018	00130	EMPLOYMENT DEVELOPMEN:08032018 B	8/3/2018	CALIFORNIA STATE TAX: PAY	10,455.15	10,455.15
93766	8/3/2018	00521	UNITED STATES TREASURY 08032018 B	8/3/2018	FEDERAL TAX: PAYMENT	51,656.60	51,656.60
93767	8/3/2018	00282	CALIFORNIA PUBLIC EMPLOY:08032018 B	8/3/2018	AUGUST 2018 ACTIVE PREMI	56,865.69	56,865.69
93768	8/3/2018	00631	P.E.R.S. 08032018 B	8/3/2018	PERS - BUYBACK: PAYMENT	40,661.41	40,661.41
93769	8/3/2018	01360	VANTAGE TRANSFER AGENT:08032018 B	8/3/2018	ICMA CONTRIBUTION: PAYME	4,184.64	4,184.64
Sub total for TRI COUNTIES BANK:						178,852.79	

13 checks in this report.

Grand Total All Checks:

178,852.79

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48280	8/8/2018	00057	CINTAS CORPORATION #2 464157696	6/7/2018	CLEANING SERVICE	200.12	
			464163702	6/21/2018	CLEANING SERVICE	200.12	400.24
48281	8/8/2018	00071	CSG CONSULTANTS, INC. 05/26/18 - 06/30/18	7/30/2018	CSG	170,502.15	170,502.15
48282	8/8/2018	00215	FEDEX OFFICE AND PRINT 625056043	7/20/2018	06/25/18 FEDEX FIRST OVERI	78.45	78.45
48283	8/8/2018	00364	SMC SHERIFF'S OFFICE CL05464	6/30/2018	LAB FEES	2,750.00	2,750.00
48284	8/8/2018	00534	SMC INFORMATION SERVICE:1YCL11806	7/17/2018	MICRO CHANNEL & LINES	782.50	782.50
48285	8/8/2018	00830	STAPLES BUSINESS CREDIT 1620186969	6/25/2018	OFFICE SUPPLIES	502.96	502.96
48286	8/8/2018	00955	DIVISION OF THE STATE Apr - June 2018	7/25/2018	DISABILITY ACCESS & EDUC/	4.80	4.80
48287	8/8/2018	01442	INTERSTATE GRADING & PAV 5398	7/17/2018	SINK HOLE REPAIR	14,760.15	14,760.15
48288	8/8/2018	02317	CUS, ERIN 05/19/18-06/30/18	7/16/2018	BOOT CAMP FITNESS	700.00	700.00
48289	8/8/2018	02787	AECO SYSTEMS, INC. 19258	7/20/2018	FIRE ALARM CONTROL PANE	4,950.00	4,950.00
48290	8/8/2018	02788	LUNA-SEVILLA, MARGARET-R22 21	7/30/2018	PALANGO/TONING CLASSES	280.00	
				7/30/2018	ZUMBA CLASSES	210.00	490.00
48291	8/8/2018	02827	CORODATA SHREDDING, INC.DN1197363	6/30/2018	SHREDDING SERVICE	105.74	105.74
48292	8/8/2018	03015	U.S. BANK CORPORATE PMT 07/23/18 Tapia	7/23/2018	CREDIT CARD PURCHASE	915.64	
			07/23/18 Abellan	7/23/2018	CREDIT CARD PURCHASE	558.61	1,634.85
			07/23/18 Lum	7/23/2018	CREDIT CARD PURCHASE	150.60	
			07/23/18 Strattor	7/23/2018	CREDIT CARD PURCHASE	10.00	1,634.85
48293	8/8/2018	03117	KITTELSON & ASSOCIATES, I10096596	7/18/2018	COLMA SYSTEMIC SAFETY A	18,390.51	18,390.51
Sub total for TRI COUNTIES BANK:						216,052.35	

14 checks in this report.

Grand Total All Checks:

216,052.35

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48294	8/8/2018	00003	A. S. F. ELECTRIC	7/15/2018	REMOVE CABLING & PROVID	340.00	340.00
48295	8/8/2018	00051	CALIFORNIA WATER SERVICE6544607057	7/17/2018	6544607057 SW CORNER HIL	546.97	546.97
48296	8/8/2018	00057	CINTAS CORPORATION #2 July 2019	7/5/2018	CLEANING SERVICE	400.24	400.24
48297	8/8/2018	00057	CINTAS CORPORATION #2 8403737371	7/13/2018	PW FIRST AID SUPPLIES	291.76	291.76
48298	8/8/2018	00093	CITY OF SOUTH SAN FRANCISCO:517322	7/31/2018	DISPATCH SERVICES	23,409.00	23,409.00
48299	8/8/2018	00117	DELTA DENTAL OF CALIFORNIA:BE002948631	8/1/2018	DENTAL INSURANCE	12,797.60	12,797.60
48300	8/8/2018	00280	OFFICE DEPOT, INC.	7/13/2018	OFFICE SUPPLIES	110.75	
				7/19/2018	OFFICE SUPPLIES	85.77	
				7/13/2018	JACKET POLY SLASH 5PK	3.87	200.39
48301	8/8/2018	00307	PACIFIC GAS & ELECTRIC	7/25/2018	PG&E	2,424.88	2,424.88
48302	8/8/2018	00311	PITNEY BOWES INC.	7/13/2018	#0004857537 CONNECT + RE	175.62	175.62
48303	8/8/2018	00345	SMC SHERIFF'S OFFICE	7/24/2018	AUG 27-28, 2018 DRIVER TRA	450.00	450.00
48304	8/8/2018	00422	UNDERGROUND SERVICE AL18070840	7/20/2018	FY18/19 ANNUAL MEMBERSH	1,065.02	1,065.02
48305	8/8/2018	00432	VISION SERVICE PLAN	7/16/2018	VISION SERVICE PLAN	1,080.66	1,080.66
48306	8/8/2018	00500	SMC CONTROLLERS OFFICE July 2018	8/1/2018	ALLOCATION OF PARKING PE	2,227.80	2,227.80
48307	8/8/2018	00928	SUPPLYWORKS	7/19/2018	TISSUE AND CUPS	481.80	481.80
48308	8/8/2018	01001	SIGNET TESTING LABS, INC. 6813	7/27/2018	JULY 13-20, 2018	1,589.02	1,589.02
48309	8/8/2018	01030	STEPFORD, INC.	7/24/2018	PARKS AND REC, C. MORQUI	453.46	453.46
48310	8/8/2018	01036	MANAGED HEALTH NETWORK:PRM-026743	7/17/2018	EMPLOYEE ASSISTANCE PRG	99.20	99.20
48311	8/8/2018	01037	COMCAST CABLE	7/25-08/24 Inte	8155 20 022 0097051 INTERNI	582.32	
				7/25-08/24 427	8155 20 022 0097028 427 F ST	582.32	
				07/27-08/26 XFII	8155 20 022 0002770 XFINITY	10.20	1,174.84
48312	8/8/2018	01200	HEALEY, MARY	7/25/2018	07.25.18 SC FOLLIES WITHDF	23.00	46.00
48313	8/8/2018	01201	ZAPANTA, HERBIE	7/25/2018	07.25.18 SC FOLLIES WITHDF	23.00	275.00
48314	8/8/2018	01370	VERIZON WIRELESS SERVICE:9810964483	7/20/2018	07.20.18 REFUND PERMIT CH	275.00	1,747.20
48315	8/8/2018	01557	CITY OF FOSTER CITY	7/15/2018	CELL PHONE SERVICE	1,747.20	3,768.00
48316	8/8/2018	01687	UNITED SITE SERVICES OF	7/1/2018	FY18/19 BAERS ANNUAL MEM	149.37	149.37
48317	8/8/2018	01995	CELESTE, MIKE L.	7/31/2018	STANDARD AND REGULAR SI	1,520.00	1,520.00
48318	8/8/2018	02026	CATALON, JOEL	7/30/2018	CARDROOM BACKGROUN	50.00	50.00
48319	8/8/2018	02082	VINGE'S OFFICE SUPPLY, INC:July 2018	7/31/2018	07.30.18 REFUND PERMIT CH	914.19	914.19
48320	8/8/2018	02144	DOMINICA. DE LUCCA DBA:July 2018	8/1/2018	OFFICE SUPPLIES	800.00	800.00
48321	8/8/2018	02224	STANDARD INSURANCE COM:August 2018	7/16/2018	TAE KWON DO	231.00	231.00
48322	8/8/2018	02258	KIM, SEUNG NAM	7/28/2018	LIFE INSURANCE	140.00	140.00
					GOLF LESSONS		

(Continued)

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48323	8/8/2018	02317	July 7, 2018	7/16/2018	BOOT CAMP FITNESS	100.00	100.00
48324	8/8/2018	02430	2001236.003	7/26/2018	07.26.18 REFUND PERMIT CF-	300.00	300.00
48325	8/8/2018	02542	COLMA0908201	7/20/2018	FIRE SYSTEM AT SR. HOUSIN	541.45	541.45
48326	8/8/2018	02604	07/16-17/18 Reir	09/08/18	PICNIC MASSAGE CI	290.00	290.00
48327	8/8/2018	02605	July 18, 2018	7/25/2018	07/16-17/18 REIMBURSEMEN'	33.00	33.00
48328	8/8/2018	02623	Aug 2, 2018	7/30/2018	ADULT COOKING CLASS	490.00	490.00
48329	8/8/2018	02660	2018-045	8/2/2018	COOKING CLASS	400.00	400.00
48330	8/8/2018	02788	LUNA-SEVILLA, MARGARET-R22	8/1/2018	07/09/18 PRE-EMPLOYMENT I	400.00	400.00
48331	8/8/2018	02793	21	7/30/2018	PALANGO/TONING CLASSES	105.00	105.00
48332	8/8/2018	02799	18435	7/30/2018	ZUMBA CLASSES	90.00	90.00
48333	8/8/2018	02886	06043665	7/30/2018	CHANGE ENGINE OIL AND FII	41.00	41.00
48334	8/8/2018	02909	07/18-26/18 Reir	7/23/2018	RIMS INTERNET W/SSF	400.00	400.00
48335	8/8/2018	02935	EMCOR SERVICES-MESA ENF001336593	7/20/2018	BOTTLED WATER SERVICE	39.89	39.89
48336	8/8/2018	02965	HAPPYCAKE FACE PAINTING 686389	7/26/2018	07/18-26/18 REIMBURSEMEN'	814.13	814.13
48337	8/8/2018	02993	MOSQUEDA VELEZ, VANESSA08022018	7/19/2018	PD HVAC PREVENTIVE MAIN'	2,467.00	2,467.00
48338	8/8/2018	03015	U.S. BANK CORPORATE PMT 07/23/18 Tapia	6/21/2018	09/08/18 FACE PAINTING	312.50	312.50
48339	8/8/2018	03061	1948838	8/2/2018	YOGA FOR SENIORS	900.00	900.00
48340	8/8/2018	03098	2001231.003	7/23/2018	CREDIT CARD PURCHASE	3,006.10	3,006.10
48341	8/8/2018	03116	2001235.003	7/23/2018	CREDIT CARD PURCHASE	2,246.45	2,246.45
48342	8/8/2018	03174	2001244.003	7/23/2018	CREDIT CARD PURCHASE	1,025.03	1,025.03
48343	8/8/2018	03175	2001245.003	7/23/2018	CREDIT CARD PURCHASE	106.18	106.18
48344	8/8/2018	03176	PROJECT RESOURCES GRO1272286	7/23/2018	CREDIT CARD PURCHASE	60.63	60.63
48345	8/8/2018	03177	3447095	7/15/2018	JULY 3-12, 2018 PW GAS PUR	153.49	153.49
8082018	8/8/2018	00282	CALIFORNIA PUBLIC EMPLOY 1000000153666'	7/23/2018	07.23.18 REFUND PERMIT CF-	300.00	300.00
				7/26/2018	07.26.18 REFUND PERMIT CF-	50.00	50.00
				7/30/2018	07.30.18 REFUND PERMIT CF-	275.00	275.00
				7/30/2018	07.30.18 BEGINNING KEYBOA	38.00	38.00
				8/3/2018	FACILITY RELOCATION	4,497.06	4,497.06
				7/30/2018	10/13/18 SCREEN RENTAL	634.77	634.77
				7/16/2018	MEDICAL INSURANCE	4,627.17	4,627.17
					Sub total for TRI COUNTIES BANK:	83,592.87	83,592.87

53 checks in this report.

Grand Total All Checks:

83,592.87

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48346	8/8/2018	01164	STATE OF CALIFORNIA, FRAN08/08/2018	8/8/2018	CA PERSONAL INCOME TAX	222.50	222.50
48347	8/8/2018	02623	BLOEBAUM, CYNTHIA July 18, 2018	7/30/2018	ADULT COOKING CLASS	367.50	667.50
			Aug 2, 2018	8/2/2018	COOKING CLASS	300.00	
Sub total for TRI COUNTIES BANK:							890.00

2 checks in this report.

Grand Total All Checks:

890.00

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48348	8/17/2018	00068	COLMA PEACE OFFICER'S	8/17/2018	COLMA PEACE OFFICERS: P/	690.83	690.83
48349	8/17/2018	01340	NAVIA BENEFIT SOLUTIONS	8/17/2018	FLEX 125 PLAN: PAYMENT	286.92	286.92
48350	8/17/2018	02377	CALIFORNIA STATE DISBURS	8/17/2018	WAGE GARNISHMENT: PAYM	871.38	871.38
93771	8/17/2018	00130	EMPLOYMENT DEVELOPMEN	8/17/2018	CALIFORNIA STATE TAX: PAY	11,600.39	11,600.39
93772	8/17/2018	00521	UNITED STATES TREASURY	8/17/2018	FEDERAL TAX: PAYMENT	54,477.73	54,477.73
93773	8/17/2018	00631	P.E.R.S.	8/17/2018	PERS - BUYBACK: PAYMENT	41,286.96	41,286.96
93774	8/17/2018	01360	VANTAGE TRANSFER AGENT	8/17/2018	RETIREMENT HEALTH SAVIN	243.64	243.64
Sub total for TRI COUNTIES BANK:							109,457.85

7 checks in this report.

Grand Total All Checks:

109,457.85

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48351	8/16/2018	00093	CITY OF SOUTH SAN FRANCISCO	7/31/2018	TRAFFIC SIGNAL MAINTENANCE	1,097.05	1,097.05
48352	8/16/2018	00099	D.C. LOCK & SECURITY SERV	5/25/2018	5 SCH-S123	54.38	54.38
48353	8/16/2018	00174	HOME DEPOT CREDIT SERV	6/29/2018	JUNE 29, 2018 PW PURCHAS	86.95	86.95
48354	8/16/2018	00854	PACIFIC INTERLOCK PAVING	6/21/2018	HOLLAND AND PALLET	1,090.69	1,090.69
48355	8/16/2018	01030	STEFFORD, INC.	7/20/2018	JUNE 2018 HOURS IN EXCES	1,007.50	1,007.50
48356	8/16/2018	02762	CORNERSTONE EARTH GROU	8/1/2018	06/18 & 06/28/18 ELECTRICAL	1,177.20	1,177.20
48357	8/16/2018	02935	EMCOR SERVICES-MESA	8/6/2018	05/09/18 LEAK CHECK AND AI	576.00	576.00
48358	8/16/2018	03015	U.S. BANK CORPORATE PMT	7/23/2018	CREDIT CARD PURCHASE	2,703.95	2,703.95
				07/23/18 De Leo	CREDIT CARD PURCHASE	493.01	493.01
				07/23/18 Corley	CREDIT CARD PURCHASE	4.49	4.49
48359	8/16/2018	03178	GOMEZ, YVETTE	8/16/2018	06/08/18 REIMBURSEMENT F	35.00	35.00
Sub total for TRI COUNTIES BANK:							8,326.22

VOID

9 checks in this report.

Grand Total All Checks:

8,326.22

F119

Bank : first TRI-COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48360	8/16/2018	00020	ASSOCIATED SERVICES INC 118080048	8/1/2018	WATERLOGIC WL100 C/T POI	69.00	
			118080047	8/1/2018	MTN H/C BWC	9.00	78.00
48361	8/16/2018	00051	CALIFORNIA WATER SERVICE 07/27/18	7/27/2018	WATER BILL	6,720.40	6,720.40
48362	8/16/2018	00057	CINTAS CORPORATION #2 July 2018	7/31/2018	CLEANING SERVICE	766.56	766.56
48363	8/16/2018	00112	DEPARTMENT OF JUSTICE 317469	8/3/2018	PD ACCOUNT #140503	438.00	438.00
48364	8/16/2018	00174	HOME DEPOT CREDIT SERVICE 07/09/18-07/25/1	7/25/2018	JULY 9-25, 2018 PW PURCHA	560.82	560.82
48365	8/16/2018	00181	IEDA 22221	8/1/2018	LABOR RELATIONS CONSULT	1,419.00	1,419.00
48366	8/16/2018	00280	OFFICE DEPOT, INC. July 25-26, 2018	7/26/2018	OFFICE SUPPLIES	33.92	
			175079097001	8/1/2018	LABEL LSR ADDR WHT 3000C	28.07	61.99
48367	8/16/2018	00307	PACIFIC GAS & ELECTRIC 07/30/2018	7/30/2018	PG&E	4,833.32	4,833.32
48368	8/16/2018	00345	SMC SHERIFF'S OFFICE 09/10-13/2018	8/15/2018	SEP. 10-13, 2018 CIT ACADEM	275.00	275.00
48369	8/16/2018	00352	SERRAMONTE FORD, INC. 226335	8/2/2018	2015 FORD EXPLORER, CHE	394.19	394.19
48370	8/16/2018	00364	SMC SHERIFF'S OFFICE CL05490	7/31/2018	LAB FEES	2,095.10	2,095.10
48371	8/16/2018	00388	SONITROL 1321059-IN	8/1/2018	427 F ST. MONTHLY MONITOI	113.00	113.00
48372	8/16/2018	00394	TENNANT 915616321	8/1/2018	BRUSH ASSY, DISK, SCB, 16.1	350.83	
			915604720	7/27/2018	BRUSH ASSY, DISK, SCB, 16.1	175.41	526.24
48373	8/16/2018	00411	TURBO DATA SYSTEMS 28416	7/31/2018	CITATION PROCESSING	434.98	434.98
48374	8/16/2018	00412	TELECOMMUNICATIONS ENG45549	8/10/2018	FACILITIES MANAGEMENT AI	1,328.00	1,328.00
48375	8/16/2018	00414	TERMINEX INTERNATIONAL L377791646	7/31/2018	PEST CONTROL	464.00	
			377791647	7/11/2018	PEST CONTROL	63.00	527.00
48376	8/16/2018	00534	SMC INFORMATION SERVICE:1YCL11807	8/7/2018	MICRO CHANNEL & LINES	778.12	778.12
48377	8/16/2018	00614	DENINA, PERLA 2001265.003	8/13/2018	08.13.18 REFUND PERMIT CH-	50.00	50.00
48378	8/16/2018	01001	SIGNET TESTING LABS, INC. 6889	8/10/2018	AUG 2-3, 2018 PROFESSIONA	947.80	947.80
48379	8/16/2018	01030	STEPFORD, INC. 1801709	8/10/2018	10G BETWEEN BUILDINGS &	26,845.39	
			1801690	7/20/2018	MONTHLY SERVICE CONTRA	5,622.00	32,467.39
48380	8/16/2018	01037	COMCAST CABLE Aug 2018	7/26/2018	8155 20 022 0094769 TOWN C	13,510.48	13,801.64
			08/02-09/01	7/27/2018	8155 20 022 0097069 INTERNI	291.16	13,801.64
48381	8/16/2018	01184	PENINSULA UNIFORMS & EQ 07/24/18	7/24/2018	UNIFORMS	2,084.25	2,084.25
48382	8/16/2018	01687	UNITED SITE SERVICES OF 114-7159397	8/9/2018	FENCE RENTAL	504.71	504.71
48383	8/16/2018	01707	DAILY JOURNAL CORPORATI(B3154032	7/30/2018	ELECTION NOTICE	1,323.40	1,323.40
48384	8/16/2018	01734	WORLD JOURNAL 07/17/18	8/6/2018	TRANSLATION FEE & AD	640.00	640.00
48385	8/16/2018	02020	JAMES STANDFIELD CATERINE56899	5/8/2018	09/08/18 PICNIC LUNCH BUFF	9,253.85	9,253.85
48386	8/16/2018	02118	BAY AREA NEWS GROUP 0001143270	7/31/2018	CLASSIFIED ADVERTISING	516.66	516.66
48387	8/16/2018	02132	WOLLMAN, JASON Aug 6-7, 2018 R	8/9/2018	AUG 6-7, 2018 NIBRS TRAININ	36.80	36.80

Bank : first TRI COUNTIES BANK (Continued)

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48388	8/16/2018	02149	HDL COREN & CONE	0025651-IN	8/2/2018	2017-18 CAFR STATISTICAL R	645.00
48389	8/16/2018	02173	THE RADAR SHOP	11720	8/6/2018	RECERTIFIED RADAR UNITS	592.00
48390	8/16/2018	02216	RAMOS OIL CO. INC.	July 2018	7/31/2018	JULY 2018 GAS PURCHASES	4,995.15
48391	8/16/2018	02274	FRANK AND GROSSMAN LANI	153086	8/1/2018	AUGUST 2018 LANDSCAPE M	10,608.00
				40447945	7/31/2018	07/31/18 IRRIGATION SYSTEM	1,958.00
48392	8/16/2018	02293	MALIMBAN, OFELIA	2001264.003	8/13/2018	08.13.18 REFUND PERMIT CH	300.00
48393	8/16/2018	02386	VIBO MUSIC SCHOOL	Sep 8, 2018	4/13/2018	09/08/18 PICNIC MUSIC PERF	1,200.00
48394	8/16/2018	02499	GE CAPITAL INFORMATION	100860905	7/20/2018	1505881-1009545A8 ADMIN C	1,760.79
				100936825	8/7/2018	1505881-1009545A7 PD COPY	808.92
48395	8/16/2018	02518	VELASCO, MARTHA	2001255.003	8/6/2018	08/06/18 REFUND PERMIT CH	300.00
48396	8/16/2018	02604	LOPEZ, FRANK L.	COLMA0908201	8/8/2018	09/08/18 PICNIC FINAL PAYME	900.00
48397	8/16/2018	02700	FBINAA CA SF	Sep 10-12, 2018	8/8/2018	SEP. 10-12, 2018 STATE CONI	495.00
48398	8/16/2018	02743	UTILITY TELEPHONE, INC	August 2018	8/1/2018	INTERNET ACCESS 128070	714.62
48399	8/16/2018	02762	CORNERSTONE EARTH GRO	12572	8/1/2018	SIDEWALKS AND ELECTRICA	494.10
48400	8/16/2018	02787	AECO SYSTEMS, INC.	19285	8/1/2018	09/01/18-09/30/18 FIRE & BUR	205.00
48401	8/16/2018	02793	DITO'S MOTORS	18511	8/9/2018	2010 FORD CROWN: CHECK	290.45
				18451	8/1/2018	2016 FORD EXPLORER: CHAI	59.95
48402	8/16/2018	02827	CORODATA SHREDDING, INC.	RS2999371	7/31/2018	STORAGE, PICKUP/DELIVER	203.03
48403	8/16/2018	02864	MOBILE MODULAR MANAGEM	1712827	8/5/2018	08/05/18-09/03/18 8X20 OFFIC	517.11
48404	8/16/2018	03015	U.S. BANK CORPORATE PMT	07/23/18 Morque	7/23/2018	CREDIT CARD PURCHASES	2,234.34
				07/23/18 De Leo	7/23/2018	CREDIT CARD PURCHASE	535.75
				07/23/18 Corley	7/23/2018	CREDIT CARD PURCHASE	219.38
				07/23/18 Pfortent	7/23/2018	CREDIT CARD PURCHASE	160.87
				07/23/18 Dossey	7/23/2018	CREDIT CARD PURCHASE	55.95
48405	8/16/2018	03034	FLEX ADVANTAGE	105494	7/31/2018	FLEX PROCESSING FEES	165.00
48406	8/16/2018	03061	NORTH BAY PETROLEUM	1953232	7/31/2018	JUL 7-30, 2018 PW GAS PURC	452.85
48407	8/16/2018	03062	GLASS COAT PHOTO BOOTH, 1414		8/7/2018	PHOTO BOOTH RENTAL	281.25
48408	8/16/2018	03110	BHM CONSTRUCTION, INC. 10		7/31/2018	TOWN HALL BUILDING INFILL	1,289,867.58
48409	8/16/2018	03124	KAZ & ASSOCIATES ENVIRON	10728	8/7/2018	07/02 & 07/17/18 QSP SITE IN	1,550.00
48410	8/16/2018	03164	EDGEWORTH INTEGRATION I1		7/30/2018	MAY 22 - JULY 30, 2018 ACCE	125,549.32
48411	8/16/2018	03171	PARTY PRINCESS PRODUCT 5570		5/17/2018	09/08/18 PICNIC CHARACTER	410.00

Sub total for TRI COUNTIES BANK: 1,531,505.63

52 checks in this report.

Grand Total All Checks: 1,531,505.63

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48412	8/21/2018	00057	8403757177	7/31/2018	FIRST AID SUPPLIES	161.64	161.64
48413	8/21/2018	00307	0512181543-4	8/9/2018	0512181543-4 STREETLIGHTS	1,932.13	1,932.13
48414	8/21/2018	00352	641403	8/17/2018	2018 FORD EXPLORER 1FM5	38,257.90	38,257.90
48415	8/21/2018	00623	July 2018	7/31/2018	UNIFORM SERVICE	515.00	515.00
48416	8/21/2018	00830	1620519133	7/25/2018	OFFICE SUPPLIES	892.89	892.89
48417	8/21/2018	01037	08/11-09/10 601	8/7/2018	8155 20 022 0096715 601 F ST	106.16	106.16
48418	8/21/2018	01183	828633	8/13/2018	CITY ATTORNEY BASIC SERV	19,156.88	
			827707	8/3/2018	FY 2018-2019 ANNUAL PUBLI	2,100.00	
			828634	8/13/2018	EMPLOYEE BENEFITS/TAX	1,540.00	22,796.88
48419	8/21/2018	01340	10146984	7/31/2018	SECTION 125 PARTICIPANT &	75.00	75.00
48420	8/21/2018	01832	07/27/2018 Meet	8/21/2018	7/27/18 R. GONZALEZ COUNC	50.00	50.00
48421	8/21/2018	02182	August 2018	8/20/2018	TUTORING	5,525.00	5,525.00
48422	8/21/2018	02198	August 2018	8/10/2018	RECREATION GUIDE	1,676.02	1,676.02
48423	8/21/2018	02337	SI-1547419	8/9/2018	BLACK X26P CEW HANDLE; 4	4,898.38	4,898.38
48424	8/21/2018	02499	100921566	8/3/2018	REC COPY MACHINE RENTAL	601.18	601.18
48425	8/21/2018	02510	100921566	7/31/2018	CONTRACT FINANCE SERVIC	2,814.00	2,814.00
48426	8/21/2018	02637	REGIONAL GOVERNMENT SE8705	7/27/2018	CUSTOM SIGN 24X30 WHITE	860.63	860.63
48427	8/21/2018	02803	Z.A.P. MANUFACTURING INC. 1591	8/14/2018	08/13/18 SEMI ANNUAL PREVE	120.00	120.00
48428	8/21/2018	02849	GYMDOC, INC.	8/20/2018	OPEB CONTRIBUTION	141,560.00	141,560.00
48429	8/21/2018	03034	U.S. BANK PARS ACCOUNT, 6 August 2018 OP	8/20/2018	RETIREE UNREIMBURSED M	37,603.33	37,603.33
48430	8/21/2018	03179	Sept 2018	7/17/2018	60 TABS PRINTED 2 SIDES-5	696.75	696.75
48431	8/21/2018	03180	1472899	8/8/2018	09/08/18 2 HOURS OF BALLO	215.00	215.00
48432	8/21/2018	03181	00009	8/13/2018	09/08/18 LIZARD LADY REPTII	300.00	300.00
48433	8/21/2018	03183	09082018	8/16/2018	24" CIPP - APPROX 183 LF ST	44,900.00	44,900.00
			18323				

Sub total for TRI COUNTIES BANK: 306,557.89

22 checks in this report.

Grand Total All Checks:

306,557.89

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48434	8/22/2018	00174	HOME DEPOT CREDIT SERVI(06/29/18	6/29/2018	JUNE 29, 2018 PW PURCHAS	86.95	86.95

Sub total for TRI COUNTIES BANK:

86.95

1 checks in this report.

Grand Total All Checks:

86.95

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48435	8/27/2018	00004	AT&T	8/4/6018	C3-AB-12-10-TS-01 7/13/18-8/	1,524.25	1,524.25
48436	8/27/2018	00051	CALIFORNIA WATER SERVICE	8/16/2018	6544607057 SW CORNER HIL	849.17	849.17
				8/13/2018	1727052702 JSB ACROSS FR	225.75	1,074.92
48437	8/27/2018	00057	CINTAS CORPORATION #2	8/10/2018	FIRST AID SUPPLIES PW	86.82	86.82
48438	8/27/2018	00112	DEPARTMENT OF JUSTICE	8/3/2018	HR ACCOUNT #145931	49.00	49.00
48439	8/27/2018	00117	DELTA DENTAL OF CALIFORN	9/1/2018	DENTAL INSURANCE	12,797.60	12,797.60
48440	8/27/2018	00254	METRO MOBILE COMMUNICA	8/1/2018	MAINTENANCE CONTRACT	602.00	602.00
48441	8/27/2018	00280	OFFICE DEPOT, INC.	8/16/2018	OFFICE SUPPLIES	89.31	89.31
48442	8/27/2018	00432	VISION SERVICE PLAN	8/16/2018	VISION SERVICE PLAN	1,080.66	1,080.66
48443	8/27/2018	00464	HINDERLITER, DE LLAMAS	8/8/2018	SALES TAX SERVICES	3,251.17	3,251.17
48444	8/27/2018	00693	DEGUIA, PRISCILLA	8/21/2018	08.21.18 WITHDRAWAL REFU	74.00	74.00
48445	8/27/2018	01036	MANAGED HEALTH NETWORK	8/21/2018	08.21.18 WITHDRAWAL REFU	20.00	94.00
48446	8/27/2018	01039	CONTRA COSTA COUNTY SHI	8/17/2018	EMPLOYEE ASSISTANCE PR	99.20	99.20
48447	8/27/2018	01414	VERANO HOMEOWNERS ASS	8/17/2018	M. FRANCISCO FIRST AID/CP	497.00	497.00
48448	8/27/2018	01565	BAY CONTRACT MAINTENAN	9/1/2018	VERANO OWNERS ASSOCIAI	320.00	320.00
				8/10/2018	JANITORIAL SERVICES	10,473.35	10,473.35
				8/6/2018	PAPER SUPPLIES	1,174.96	1,174.96
48449	8/27/2018	01569	DARLING INGREDIENTS INC.	8/14/2018	TRAP SERVICE	102.71	102.71
48450	8/27/2018	01643	AUSTRIA, HELEN	8/20/2018	08.20.18 DEPOSIT REFUND	50.00	50.00
48451	8/27/2018	01687	UNITED SITE SERVICES OF	8/14/2018	STANDARD AND REGULAR SI	149.37	149.37
48452	8/27/2018	02050	CALDERON, CARLOS	8/20/2018	08.20.18 DEPOSIT REFUND	300.00	300.00
48453	8/27/2018	02224	STANDARD INSURANCE COM	8/15/2018	LIFE INSURANCE	231.00	231.00
48454	8/27/2018	02864	MOBILE MODULAR MANAGEM	8/11/2018	24 X 60 HCD OFFICE RENTAL	906.86	906.86
48455	8/27/2018	02886	READY REFRESH BY NESTLE	8/21/2018	BOTTLED WATER SERVICE	44.89	44.89
48456	8/27/2018	02966	PARTY JUMP	8/20/2018	09/08/18 ROCKWALL INCLUDI	1,349.00	1,349.00
48457	8/27/2018	03035	DALY, RACHELAGNES	8/18/2018	08/18/18 ADULT AND PEDIATF	400.00	400.00
48458	8/27/2018	03062	GLASS COAT PHOTO BOOTH	8/7/2018	09/08/18 PHOTO BOOTH BAL	281.25	281.25
48459	8/27/2018	03077	FIRSTTWO, INC.	8/9/2018	FIRSTTWO 50 OFFICER AGEI	2,400.00	2,400.00
48460	8/27/2018	03182	PLANETXONE LTD LLC	8/7/2018	2 HOUR 20FTX40FT 25-PLAYE	297.50	297.50
48461	8/27/2018	03184	FLYNN, FIONA	June 5-Aug 14, 2	8/15/2018 YOGA	1,035.00	1,035.00
Sub total for TRI COUNTIES BANK:						40,761.82	

27 checks in this report.

Grand Total All Checks:

40,761.82

Bank : first TRI COUNTIES BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
48462	8/31/2018	00047	08312018 B	8/31/2018	CLEA: PAYMENT	294.00	294.00
48463	8/31/2018	00068	08312018 B	8/31/2018	COLMA PEACE OFFICERS: P/	690.83	690.83
48464	8/31/2018	01340	08312018 B	8/31/2018	NAVIA BENEFIT SOLUTIONS FLEX 125 PLAN: PAYMENT	286.92	286.92
48465	8/31/2018	01375	08312018 B	8/31/2018	NATIONWIDE RETIREMENT S08312018 B	5,150.00	5,150.00
48466	8/31/2018	02224	08312018 B	8/31/2018	STANDARD INSURANCE COM08312018 B	436.50	436.50
48467	8/31/2018	02377	08312018 B	8/31/2018	CALIFORNIA STATE DISBURS08312018 B	871.38	871.38
93778	8/31/2018	00130	08312018 B	8/31/2018	EMPLOYMENT DEVELOPMEN08312018 B	10,737.50	10,737.50
93779	8/31/2018	00521	08312018 B	8/31/2018	UNITED STATES TREASURY 08312018 B	51,194.43	51,194.43
93780	8/31/2018	00631	08312018 B	8/31/2018	P.E.R.S.	42,083.00	42,083.00
93781	8/31/2018	01360	08312018 B	8/31/2018	VANTAGE TRANSFER AGENT:08312018 B	4,184.94	4,184.94

Sub total for TRI COUNTIES BANK:

115,929.50

10 checks in this report.

Grand Total All Checks:

115,929.50





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brian Dossey, City Manager
 MEETING DATE: September 12, 2018
 SUBJECT: Grand Jury Response to Soaring Pension Cost

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION APPROVING THE TOWN'S RESPONSE TO THE GRAND JURY REPORT DATED JULY 17, 2018, REGARDING "SOARING PENSION COSTS – TIME FOR HARD CHOICES."

EXECUTIVE SUMMARY

The City Council is required under California penal code section 933.05 to respond to the Grand Jury Report. The draft response letter is attached as Attachment B.

FISCAL IMPACT

There are no fiscal implications associated with the approval of the Town's response to the Grand Jury report.

Background

The County Grand Jury is a volunteer body of 19 citizens, selected at random from a pool of nominees, to investigate local governmental agencies and make recommendations to improve the efficiency of local government. The July 17, 2018 Grand Jury report contains findings and recommendations on a number of subjects that are applicable to agencies in San Mateo County. The Presiding Judge of the County Superior Court has formally requested that the Town review the report and file a written response indicating the following:

- For the "findings", the Town was to indicate one of the following;
 1. The respondent agrees with the finding.
 2. The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

- Additionally, for each Grand Jury “recommendation”, the Town was requested to report one of the following actions;
 1. The recommendation has been implemented, with a summary regarding the implemented action.
 2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
 3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
 4. The recommendation will not be implemented because it is not warranted or reasonable, with an explanation therefore.
- The response was approved by your governing body at a public meeting.

ANALYSIS

Grand Jury Findings

The proposed July 17, 2018 Grand Jury response, which includes the Grand Jury’s findings and recommendations, is attached as Attachment B.

Council Adopted Values

Approving the Town’s Grand Jury response is in the responsible action; reviewing the Town’s pension costs is in the best interest of the Town, residents and community at large.

CONCLUSION

Staff recommends that the City Council approve, by motion, the Town’s proposed response to the July 17, 2018 Grand Jury report regarding “Soaring City Pension Costs – Time for Hard Choices.”

ATTACHMENTS

- A. Copy of Grand Jury Report
- B. Town’s draft response letter for July 17, 2018 Grand Jury Report



Superior Court of California, County of San Mateo
Hall of Justice and Records
400 County Center
Redwood City, CA 94063-1655

RODINA M. CATALANO
COURT EXECUTIVE OFFICER
CLERK & JURY COMMISSIONER

(650) 261-5066
FAX (650) 261-5147
www.sanmateocourt.org

July 17, 2018

Town Council
Town of Colma
1198 El Camino Real
Colma, CA 94014

Re: Grand Jury Report: "Soaring City Pension Costs – Time for Hard Choices"

Dear Councilmembers:

The 2017-2018 Grand Jury filed a report on July 17, 2018 which contains findings and recommendations pertaining to your agency. Your agency must submit comments, within 90 days, to the Hon. V. Raymond Swope. Your agency's response is due no later than October 16, 2018. **Please note that the response should indicate that it was approved by your governing body at a public meeting.**

For all findings, your responding agency shall indicate one of the following:

1. The respondent agrees with the finding.
2. The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

Additionally, as to each Grand Jury recommendation, your responding agency shall report one of the following actions:

1. The recommendation has been implemented, with a summary regarding the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
4. The recommendation will not be implemented because it is not warranted or reasonable, with an explanation therefore.

JUL 19 '18 PM 5:12

Please submit your responses in all of the following ways:

1. Responses to be placed on file with the Clerk of the Court by the Court Executive Office.
 - Prepare original on your agency's letterhead, indicate the date of the public meeting that your governing body approved the response address and mail to Judge Swope.

Hon. V. Raymond Swope
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063-1655.

2. Responses to be placed at the Grand Jury website.
 - Copy response and send by e-mail to: grandjury@sanmateocourt.org. (Insert agency name if it is not indicated at the top of your response.)
3. Responses to be placed with the clerk of your agency.
 - File a copy of the response directly with the clerk of your agency. Do not send this copy to the Court.

For up to 45 days after the end of the term, the foreperson and the foreperson's designees are available to clarify the recommendations of the report. To reach the foreperson, please call the Grand Jury Clerk at (650) 261-5066.

If you have any questions regarding these procedures, please do not hesitate to contact Paul Okada, Chief Deputy County Counsel, at (650) 363-4761.

Very truly yours,



Rodina M. Catalano
Court Executive Officer

RMC:ck
Enclosure

cc: Hon. V. Raymond Swope
Paul Okada

Information Copy: City Manager

This is an advanced copy of a Grand Jury report that will be publicly released on July 17, 2018. Penal Code section 933.05 (f) prohibits any officer, agency, department, or governing body of a public agency from disclosing any contents of the report prior to the public release of this report.

Soaring City Pension Costs – Time for Hard Choices.

Table of Contents

SOARING CITY PENSION COSTS – TIME FOR HARD CHOICES	1
ISSUES	1
SUMMARY	1
GLOSSARY	2
BACKGROUND	4
The Cities’ Pension Plans	4
Importance of Rate of Return on Investment	6
Importance of Discount Rates	6
Debate Over CalPERS’ Discount Rates and Projected Rates of Return	7
Importance of Amortization Periods	9
Public Employees Pension Reform Act of 2013 (PEPRA)	10
“California Rule”	12
CalPERS’ changes	13
CalPERS’ reduction of Discount Rate from 7.5 to 7 percent.....	14
CalPERS’ adoption of new mortality rate assumptions.....	15
CalPERS’ reduction of Amortization Period.....	15
DISCUSSION	15
Why are Unfunded Liabilities and Funded Percentages so important?	15
The Cities’ Pension Costs and Unfunded Liabilities Today	16
Unfunded Liabilities and Funded Percentages of the Cities.....	16
Table No. 1 - Increasing Unfunded Liabilities and Decreasing Funded Percentages.....	16
Increase in Unfunded Liabilities and Decrease in Funded Percentages if a Lower Discount Rate is Used.....	17
Table No. 2 - Increased Pension Unfunded Liabilities and Decreased Funded Percentages if Discount Rate is Reduced By 1 percentage point.....	17
Increasing Pension Contribution Payments.....	17
Table No. 3 - Increasing Pension Contribution Payments.....	17
Percentage of Employer Contribution Paid for Amortization Costs.....	18
Table No. 4 - Percentage of Cities’ FY 2017-18 Pension Costs that are Amortization Costs.....	18
Interest Charges on Unfunded Liabilities.....	19
Table No. 5 - Interest payment savings where shorter Amortization Periods are applied.....	19
What does the future hold? The Impact of Increasing Pension Costs on the Cities	20
Table No. 6 - Increasing Pension Costs for Cities.....	21
Table No. 7.1 - Redwood City’s projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028.....	22

Table No. 7.2 – Menlo Park’s projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028	22
Table No. 7.3 – City of Pacifica’s projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028	23
Pension Information Provided by the Cities Could be Substantially Improved.	23
What can the Cities do About Their Rising Pension Costs?	24
Develop a Financial Plan	24
Specific Measures for the Cities to Consider	25
(1) Make Supplemental Contributions to CalPERS.	26
(2) Make Contributions to a Reserve.....	28
(3) Establish IRS Section 115 non-revocable trusts.	30
(4) Negotiate Cost-Sharing Arrangements with Employees.....	31
(5) Pension Obligation Bonds (POBs).....	31
(6) Shorten Amortization Periods.....	32
(7) Keep Salary Increases Within the Rate Assumed by CalPERS.....	33
(8) Reduce Operating Costs.....	33
(9) Seek New Revenue.	34
Measures That Appear Unavailable at this Time.....	34
(a) Renegotiating employee pension formulas.	34
(b) Adopting a defined contribution pension plan for new employees.....	35
(c) Withdrawing from CalPERS.....	35
Conclusion.	35
FINDINGS	36
RECOMMENDATIONS	38
REQUEST FOR RESPONSES	40
METHODOLOGY	41
APPENDIX A – CITIES’ PENSION DATA	1
APPENDIX B - HOW TO FIND PENSION DATA IN THE CITIES’ CAFRS	1
BIBLIOGRAPHY	1
Articles and Reports that are cited in report	1
Cities’ Annual Financial Reports that are cited in the report or relied upon for the data reflected in Appendix A.	11
Supplemental materials not cited in report but that were reviewed in the Grand Jury’s investigation	15



SOARING CITY PENSION COSTS – TIME FOR HARD CHOICES

ISSUES

How high will the pension costs of cities within San Mateo County be in the next ten years and what actions can the cities take now to meet those obligations?

SUMMARY

Public pension costs are already eating into city budgets and represent a serious threat to public services in San Mateo County's cities.

In FY 2016-2017, the 20 cities within the county of San Mateo (the Cities) spent a total of \$102 million on their pension plans, representing an average of approximately 13.6 percent of their general fund expenditures. As heavy a financial burden as this is, the Cities' pension costs are projected to double by FY 2024-2025 if new actuarial assumptions made by CalPERS - the administrator of the Cities' pension plans - prove to be correct. Many experts argue, however, that CalPERS' assumptions are unduly optimistic. If these experts are correct, increases in the Cities' pension costs could be even greater.

The most important change in CalPERS' actuarial assumptions is a lowered expectation for the Return on Investment for CalPERS' pension fund assets. Since Return on Investment is expected to pay for the majority of retiree pensions, a lower investment return means that the Cities and their employees must make up the difference by making larger payments into the pension fund. The Cities have no control over CalPERS' assumptions, and each year they must pay the amount of money required by CalPERS. In each City, the city government and employees share a "Normal Cost" of paying for future retiree benefits. These will increase as a result of the changed CalPERS's assumptions. However, each City also has an "Unfunded Liability" that represents the difference between the value of their pension fund assets and the present value of their long-term pension obligations. As a result, the Cities are required to pay "Amortization Costs" (principal plus interest) to CalPERS on their Unfunded Liabilities. Amortization Costs will also increase because of the changed CalPERS' assumptions. On average, the Cities' Normal Costs comprise 41 percent of their total pension payments to CalPERS, while Amortization Costs comprise 59 percent.

The Cities have a number of options for paying steeply rising pension costs, each of which can be implemented on its own, or in combination. First, the Cities can cut public services, reduce employee salaries and benefits, or lay off employees in order to free up additional funds. Second, the Cities can negotiate with bargaining units to increase the employees' share of pension costs. Third, the Cities can attempt to increase revenues from taxes. Fourth, the Cities can use other existing resources, if any, to pay down the Unfunded Liabilities early. The San Mateo Civil Grand Jury of 2017-2018 has found that the last choice could result in large savings for all the

Cities. In one scenario, the savings could exceed \$125 million each for the Cities of San Mateo and Redwood City.

In the course of its investigation, the Grand Jury learned that none of the Cities have adopted long-term financial plans to address their rising pension costs. Some Cities informed the Grand Jury that, while rising pension costs are important, they must be balanced against “other priorities” for new spending. While the Grand Jury understands the desire on the part of the Cities to expand their services in these times of growth and increasing property tax revenues, it is difficult to think of a more important issue for them to address than the looming pension crisis. Currently, the region enjoys unprecedented economic conditions, resulting in higher tax revenues and budget surpluses for many Cities. The Grand Jury asks: If the Cities do not address Unfunded Liabilities now, when will they ever be able to?

The Grand Jury has compiled data regarding pension costs of each of the Cities, which are set forth in Appendix A of this report, as well as aggregate information for all of the Cities. This report also provides a general overview of public pension obligations, the major variables that drive pension cost and Unfunded Liability calculations, including how these variables can understate Unfunded Liabilities. This report describes the options available to the Cities to address the looming budgetary crises they face from rising pension costs.

The Grand Jury recommends that the Cities make addressing pension costs a higher priority and that they engage residents in a discussion about the hard choices that their local governments will have to make. The Grand Jury also recommends that each City develop a financial plan to address rising pension costs. The Grand Jury does not recommend specific policies or implementation measures for the Cities to adopt, but the Grand Jury does identify a number of options for them to consider.

GLOSSARY

- Agency: Any city, county, or other public entity employer that offers a pension plan to its employees through CalPERS. Each of the Cities is, accordingly, an “Agency” for purposes of this report.
- Amortization Cost: Payments by the Cities to CalPERS, to pay down their Unfunded Liability. It includes payments of (a) principal needed to pay off (amortize) the Unfunded Liability over a period of years, plus (b) interest charged by CalPERS on that liability.
- Amortization Period: The number of years over which an Unfunded Liability is to be paid off.
- Benefits or Benefits obligations: Amounts to be paid out of a pension plan’s assets to Members or their beneficiaries.

- Comprehensive Annual Financial Report or CAFR: An annual financial report issued by government entities, such as the Cities.
- CalPERS: The California Public Employees Retirement System, which administers pension plans for all of the Cities.
- County: The government of San Mateo County. The geographic area of San Mateo County is referred to as the “county.”
- Discount Rate: The interest rate used in calculating the present value of future cash flows. CalPERS determines the Discount Rate it will use to calculate each pension plan’s Total Plan Liabilities and Unfunded Liabilities. Under public pension plan accounting rules, the Discount Rate is the same as the annual Return on Investment that CalPERS projects it will earn on plan assets.
- Funded Ratio or Funded Percentage: Measures the extent to which a pension plan’s assets match the present value of its projected future pension obligations. It is the ratio that results from dividing Total Plan Assets by Total Plan Liabilities.
- GASB: The Government Accounting Standards Board. Among other things, it sets financial accounting standards for public service employee pension plans.
- Members: Current and vested former employees of the Cities, or their beneficiaries, who participate in one of the Cities’ CalPERS pension plans.
- Miscellaneous Plans: Pension plans for public service employees who do not provide safety services such as police and fire protection. Miscellaneous Plans are generally less expensive to maintain than Safety Plans.
- Normal Cost: The contribution payments Agencies and their employees make to CalPERS in order to fund the projected lifetime cost (discounted to present value) of Benefits that accrue to current employee Members during that year. It does not include Amortization Costs.
- Return on Investment or Rate of Return: The annual gain or loss on invested pension plan assets. In public pension plans, this is the same as the Discount Rate.
- Safety Plans: Pension plans for public service employees who provide safety services, such as police and fire protection.
- Cities: The 20 cities located within the San Mateo County.

- Total Plan Assets: The current dollar value of all assets within a pension plan (sometimes referred to in CAFRs as “Fiduciary Net Position”).
- Total Plan Liabilities: The present value of all future Benefit obligations under a pension plan (sometimes referred to in a CAFR as “Total Pension Liability”).
- Unfunded Liability: The dollar amount, if any, by which Total Plan Liabilities of a pension plan exceed its Total Plan Assets (sometimes referred to in a CAFR as “Net Pension Liability”).

BACKGROUND

The Cities’ Pension Plans.

Each of the Cities provides its employees with a pension plan administered by CalPERS¹ as an integral part of their compensation package. All of these plans are defined benefit plans² in which future Benefits are determined by a formula that is set at the outset of employment.^{3,4} The Benefits are guaranteed by the Cities and do not depend on how well pension contributions are invested. Benefits are financed from three sources:⁵

¹ See, the Comprehensive Annual Financial Reports (CAFRs) listed in the BIBLIOGRAPHY section below for each of the Cities.

² See, CAFRs for each of the Cities listed in the BIBLIOGRAPHY section below. CalPERS, *Comprehensive Annual Financial Report for the Year Ended June 30, 2017*, p. 7, <<https://www.calpers.ca.gov/docs/forms-publications/cafr-2017.pdf>>.

³ Biggs, Andrew and Smetters, Kent, *Understanding the Argument for Market Valuation of Public Pension Liabilities*, American Enterprise Institute. May 2013, p. 1, <http://www.aei.org/wp-content/uploads/2013/05/-understanding-the-argument-for-market-valuation-of-public-pension-liabilities_10491782445.pdf>. Ruloff, Mark, *Defined Benefit Plans vs. Defined Contribution Plans*, Pension Section News of Society of Actuaries, January 2005 – Issue No. 57, p. 1. Money-Zine, *Defined Benefit versus Contribution Plans*, July 5, 2017, <<https://www.money-zine.com/financial-planning/retirement/defined-benefit-versus-contribution-plans/>>. Investopedia, *How does a defined benefit pension plan differ from a defined contribution plan?*, March 2015, <<https://www.investopedia.com/ask/answers/032415/how-does-defined-benefit-pension-plan-differ-defined-contribution-plan.asp>>.

⁴ In contrast, most private companies’ retirement plans are defined contribution plans, such as 401k’s, where the amounts of future benefit payments vary depending on returns achieved on investments. Greenhut, Steven, *California Still Facing Pension Crisis Even with Good Stock Market Returns*, California Policy Center, July 14, 2017, <<http://reason.com/archives/2017/07/14/dont-let-unions-use-good-returns-to-defl>>.

⁵ CalPERS at a Glance, *CalPERS Communications and Stakeholder Relations*, <<https://www.calpers.ca.gov/docs/forms-publications/calpers-at-a-glance.pdf>>. CalPERS 2017 CAFR, p. 47. Lin, Judy, *Retirement Debt: What’s the problem and how does it affect you?* CalMatters.org, February 21, 2018, <<https://calmatters.org/articles/california-retirement-pension-debt-explainer/>>. Nation, Joe, *Pension Math: How California’s Retirement Spending is Squeezing the State Budget*. SIEPR (Stanford Institute for Economic Policy Research). December 13, 2011, p. 23, <<http://arc.asm.ca.gov/NSR.pdf>>. Nation, Joe and Storms, Evan, *More Pension Math: Funded Status, Benefits, and Spending Trends for California’s Largest Independent Public Employee Pension Systems*. SIEPR (Stanford Institute for Economic Policy Research). February 21, 2012, p. 3, <http://siepr.stanford.edu/sites/default/files/publications/Nation_More_Pension_0.pdf>. Biggs and Smetters, *Understanding the Argument for Market Valuation*, p. 3.

- Current employee contributions to CalPERS of a fixed percentage of their salaries. These contributions go towards Normal Costs and pay for approximately 13 percent of Benefits paid under CalPERS' pension plans).
- Agency (that is, employer) contributions to CalPERS of
 - (i) the Normal Cost of the pension plan for that year (less the employee contributions amounts), plus
 - (ii) if the pension plan has an Unfunded Liability (as do all of the Cities' pension plans⁶), the Amortization Cost (that is, the cost of paying off that Unfunded Liability, including both principal and interest, over a period of years).

These employer contributions pay for approximately 26 percent of Benefits paid under CalPERS' pension plans.⁷

- Return on Investment achieved by CalPERS from investing the contributions made by employees and Agencies between the time that the contributions are made and the date when Benefits payments come due. Historically, these Returns on Investment have paid for approximately 61 percent of Benefits paid under CalPERS' pension plans.⁸

CalPERS determines the contributions that Agencies (that is, employers) must pay to CalPERS to cover future Benefits by calculating:

- (i) Benefits amounts that will have to be paid, based on assumptions that include projected future retirement rates, inflation, wage increases and post-retirement longevity, and
- (ii) Returns on Investment CalPERS expects to earn on employee and Agency contributions.

To the extent that projected costs of Benefits increase unexpectedly, or Returns on Investment fall short of projections, pension plans will have Unfunded Liabilities. The Agencies rather than CalPERS are responsible for paying down all Unfunded Liabilities through increased contributions and the Agencies bear all the risk of CalPERS' projections being wrong.⁹ Agencies

⁶ Appendix A.

⁷ CalPERS at a Glance.

⁸ CalPERS at a Glance.

⁹ The Economist, Buttonwood's Notebook, *The soaring cost of old age, The real problem with pensions*, March 7, 2018, <<https://www.economist.com/blogs/buttonwood/2018/03/soaring-cost-old-age>>. Oliveira, Anthony, *The Local Challenges of Pension Reform*, Bartel Associates, May 24, 2010, p. 4, <http://www.bartel-associates.com/docs/default-source/articles/oliveira_a_the-challenges-of-pension-reform-1.pdf?sfvrsn=2>. Andonov, Aleksander, Bauer, Rob, Cremers, Martijn, *Pension Fund Asset Allocation and Liability Discount Rates*,

have no control over CalPERS' determinations and must pay all contribution increases mandated by CalPERS.¹⁰

Importance of Rate of Return on Investment.

As noted above, Returns on Investments are the primary funding source for meeting Benefits obligations. Accordingly, annual Returns on Investment achieved by CalPERS have a major impact on its ability to fund Benefits payments. As of June 30, 2017, CalPERS reported the following annualized net Returns on Investment over different periods of time:¹¹

- Past 3 years: 4.6 percent
- Past 5 years: 8.8 percent
- Past 10 years: 4.4 percent
- Past 20 years: 6.6 percent

Even small changes in CalPERS' annual Returns on Investments over the long-term can drive substantial changes in its ability to meet Benefit obligations. For example, if a pension plan had an obligation to pay Benefits of \$150 million in 20 years and CalPERS projected that its annual Return on Investment over that time would average 7.5 percent, then CalPERS would need \$35.5 million at the outset to meet that obligation. However, if the actual Return on Investment achieved by CalPERS over that period was only 6.5 percent instead of 7.5 percent, then the pension plan would only have \$124.4 million available to pay Benefits in the 20th year,¹² a shortfall of more than \$35 million on the \$150 million obligation.

Importance of Discount Rates.

To determine the Funded Percentage of a pension plan, CalPERS compares the value of the pension plan's assets (Total Plan Assets) to the present value of the plan's Benefits payment obligations (Total Plan Liabilities).¹³ If the present value of the Benefits obligations is larger than the current value of pension assets, then the plan is not fully funded and has an Unfunded Liability equal to the difference.

In economic terms, the promise to make a future Benefit payment is worth less today than an immediate payment of the same amount. In order to compare the value of a promise to pay a

March 2016, p. 1, <http://www.icpmnetwork.com/wp-content/uploads/2016/05/Rob-Buaer_What-Is-the-Biggest-Challenge-Facing-Public-Plan-Sponsors_Optional.pdf>.

¹⁰ Interviews by Grand Jury.

¹¹ CalPERS, *Investment & Pension Funding Facts at a Glance for Fiscal Year 2016-17*, <<https://www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf>>.

¹² The formula for the 7.5 percent Return on Investment example is: \$150 million / ((1.0 + 0.075)²⁰) = \$35,311,972. The formula for the 6.5 percent Return on Investment example is: \$35,311,972 x (1.065²⁰) = \$124,426,856.

¹³ Biggs and Smetters, *Understanding the Argument for Market Valuation*, p. 1.

Benefit in the future to the value of plan assets today, the value of the promise to make a future payment must first be discounted to its present value. As explained by Messrs. Biggs and Smetters:

“Discounting is a process similar to compound interest. While compound interest begins with a current dollar amount and adds interest to determine the future value, discounting begins with the future value and subtracts interest each year until a present value is arrived at.”¹⁴

Even small changes in the annual interest to be subtracted from the future value (that is, the Discount Rate), significantly impact present value and, consequently, a plan’s Unfunded Liability.¹⁵ See, the section of this report entitled “Increase in Unfunded Liabilities and Decrease in Funded Percentages if a Lower Discount Rate is Used” at p. [16] for an example of the impact on the Cities of a drop of just one percentage point in the Discount Rate. As a result, the Discount Rate selected for this calculation matters a great deal.

Debate Over CalPERS’ Discount Rates and Projected Rates of Return.

Discount rates are set based on CalPERS’ projections for long-term Returns on Investment.¹⁶ The higher the projected Return on Investment, the higher the Discount Rate and the lower the Unfunded Liability. That is often referred to as the “assumed return approach”.¹⁷ Although GASB mandates this method of setting public pension plan Discount Rates,¹⁸ it is controversial.¹⁹ Many economists, academics and commentators claim it understates the size of Unfunded Liabilities.²⁰ They argue that the present value of future Benefit obligations should be

¹⁴ Ibid., p. 4.

¹⁵ Nation, *Pension Math* 2011, pp. 9 and 11.

¹⁶ GASB Statement No. 68, Paragraph 64,

http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176160220621&acceptedDisclaimer=true.
Mixon, Peter, *Estimating Future Costs at Public Pension Plans: Setting the Discount Rate*. Pensions & Investments, April 29, 2015, p. 1, <http://www.pionline.com/article/20150429/ONLINE/150429853/estimating-future-costs-at-public-pension-plans-setting-the-discount-rate>.
Brewington, Autumn, *Making Sense of the Mathematics of California’s Pension Liability*, Hoover Institution, August 21, 2012, <https://www.hoover.org/research/making-sense-mathematics-californias-pension-liability>.
Biggs and Smetters, *Understanding the Argument for Market Valuation*, p. 4.

¹⁷ U.S. Government Accountability Office, *Pension Plan Valuation: Views on Using Multiple Measures to Offer a More Complete Financial Picture*, September 30, 2014, p. 2, <https://www.gao.gov/products/GAO-14-264> and <https://www.gao.gov/assets/670/666287.pdf>.
Mixon, *Estimating Future Costs at Public Pension Plans*, p. 1.
Turner, John, Godinez-Olivares, Humberto, McCarthy, David, del Carmen Boado-Penas, Maria, *Determining Discount Rates Required to Fund Defined Benefit Plans*, Society of Actuaries, January 2017, p. 6, www.actuaries.org/oslo2015/papers/PBSS-Turner&GO&McC&B-P.pdf.

¹⁸ GASB Statement No. 68, Paragraph 64.

¹⁹ Angelo, Paul, *Understanding the Valuation of Public Pension Liabilities – Expected Cost versus Market Price*, In the Public Interest, January 2016, p. 9, <https://www.soa.org/library/newsletters/in-public-interest/.../ip-2016-iss12-angelo.aspx>.

²⁰ Mixon, *Estimating Future Costs at Public Pension Plans*, p. 1. U.S. Government Accountability Office, p. 2. Bui, Truong and Randazzo, Anthony, *Why Discount Rates Should Reflect Liabilities: Best Practices for Setting Public Sector Pension Fund Discount Rates*, Reason Foundation, September 2015, p. 4, <https://reason.org/wp->

based on a Discount Rate that reflects the value of those Benefits payments to the beneficiaries (that is, the amount an investor would pay today in exchange for the right to receive that future cash flow). Noting that obligations to pay Benefits in the future are similar to obligations to make future payments on municipal bonds, they argue that yield rates on municipal bonds having a duration and risk of non-payment similar to pension Benefits obligations are the best yardstick for establishing the value of those Benefit obligations and, accordingly, the Discount Rate.²¹ This approach is sometimes referred to as the “bond-based approach” or “market-based method.”²²

However, other experts, particularly actuarial professionals, argue that this bond or market-based approach does not provide useful information to the Agency sponsoring a pension plan about the cost to that Agency of funding future benefit obligations. They point out that, for purposes of calculating contribution rates, the expected costs of meeting future Benefit obligations are the only relevant consideration and that such costs are best calculated based on “assumed rates of return.”²³ Yet other experts believe that a variation on the assumed rate of return method in which the risk that future additional amortization payments will be necessary is factored into the Discount Rate offers the most useful information.²⁴

This debate has important implications because CalPERS’ assumed Return on Investment (7.5 percent per year from 2012 to the present) is significantly greater than municipal bond yield rates.²⁵ Since CalPERS’ projected Return on Investment exceeds that of municipal bonds yields, the result is greater Discount Rates and smaller present values of Benefit payment obligations and Unfunded Liabilities.

Other experts do not engage in the debate between proponents of the assumed return approach and the bond or market-based approach but focus instead on concerns that CalPERS’ new projection of a 7.0 percent annual Return on Investment – approved in December 2016 but not

[content/uploads/files/pension_discount_rates_best_practices.pdf](#)>. Biggs and Smetters, *Understanding the Argument for Market Valuation*, pp. 2-5. American Academy of Actuaries. *Measuring Pension Obligations: Discount Rates Serve Various Purposes*. American Academy of Actuaries Issue Brief, November 2013, <http://www.actuary.org/files/IB_Measuring-Pension-Obligations_Nov-21-2013.pdf>.

²¹ Bui and Randazzo, *Why Discount Rates Should Reflect Liabilities*, p. 2. U.S. Government Accountability Office, p. 2. Biggs and Smetters, *Understanding the Argument for Market Valuation*, p. 5. American Academy of Actuaries, p. 2.

²² Mixon, *Estimating Future Costs at Public Pension Plans*, p. 2. U.S. Government Accountability Office, p. 2.

²³ American Academy of Actuaries, p. 2. Angelo, *Understanding the Valuation of Public Pension Liabilities*, pp. 9, 11-12. Mixon, *Estimating Future Costs at Public Pension Plans*, p. 2. See also, Nation, *Pension Math* 2011, p. 12, for a chart outlining the arguments for and against public pension systems using high Discount Rates.

²⁴ Turner, *Determining Discount Rates*, p. 3.

²⁵ Boyd, Donald, Kiernan, Peter, *Strengthening the Security of Public Sector Defined Benefit Plans*, The Blinken Report, The Nelson A. Rockefeller Institute of Government. January 2014, pp. 38-39, footnote 12, <www.rockinst.org/pdf/government_finance/2014-01-Blinken_Report_One.pdf>. Angelo, *Understanding the Valuation of Public Pension Liabilities*, p. 10. U.S. Government Accountability Office, pp. 2-3.

yet implemented²⁶ – is unrealistically high. They claim that a more reasonable projection would be 6.0 - 6.5 percent.²⁷ Wilshire Consulting, CalPERS' general consultant, has advised CalPERS' board that it expects the CalPERS' Return on Investment over the next ten years to be just 6.2 percent.²⁸ It should be noted, however, that CalPERS makes Discount Rate decisions based on projected Returns on Investments over 60-year periods, not 10. CalPERS' projected 60-year Returns on Investment are in line with its new 7 percent Discount Rate.²⁹

As noted above, if Discount Rates and projected Returns on Investment are too high, then they understate the size of the Cities' Benefit payment obligations and Unfunded Liabilities.

Importance of Amortization Periods.

If a pension plan has Unfunded Liabilities, CalPERS requires the sponsoring Agency to pay off (amortize) that Unfunded Liability, together with interest accrued at a rate equal to CalPERS' projected Rate of Return,³⁰ through higher annual contribution payments over the Amortization Period. Historically, CalPERS' standard Amortization Period for investment gains and losses

²⁶ League of California Cities, *CalPERS Stays the Course, Adopts a 7 Percent Assumed Rate of Return*, December 22, 2017, <<https://www.cacities.org/Top/News/News-Articles/2017/December/CAIPERS-Stays-the-Course.-Adopts-a-7-Percent-Assum>>.

²⁷ Nation, *Pension Math* 2011, p. 13. Lin, *Retirement Debt*. Munnell, Alicia, *Appropriate discount rate for public plans is not simple*, MarketWatch, October 5, 2015, <<https://www.marketwatch.com/story/appropriate-discount-rate-for-public-plans-is-not-simple-2016-10-05>>.

²⁸ Rose-Smith, Imogen, *How Low Can CalPERS Go?* Institutional Investor.com, November 30, 2016, <<https://www.institutionalinvestor.com/article/b14z9p7tw9pdz0/how-low-can-calpers-go>>. Kasler, Dale, *With investments soft, CalPERS eyes higher contribution rates. What does that mean for workers?* Sacramento Bee, November 21, 2016, <www.sacbee.com/news/business/article116331443.html>. Kasler, Dale, *CalPERS moves to slash investment forecast. That means higher pension contributions are coming.*, Sacramento Bee, December 21, 2016, <<http://www.sacbee.com/news/business/article122088759.html>>. League of California Cities, *CalPERS Stays the Course*.

²⁹ Diamond, Randy, *CalPERS considers 4 asset allocation options; local officials prefer avoiding major changes*, November 14, 2017, p. 2, <<http://www.pionline.com/article/20171114/ONLINE/171119918/calpers-considers-4-asset-allocation-options-local-officials-prefer-avoiding-major-changes>>. CNBC.com, *CalPERS's sees 5.8 percent return with new allocation; below 7 percent goal*, February 8, 2017, <<https://www.cnbc.com/2017/02/08/calpers-sees-58-percent-return-with-new-allocation-below-7-percent-goal.html>>. See also, League of California Cities, *League of California Cities Retirement System Sustainability Study and Findings*, January 2018, p. 29, <[https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-\(web\)-FINAL.aspx](https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-(web)-FINAL.aspx)>, in which the authors note that CalPERS' determines its Discount Rate based on expectations for returns on investment over a 60 year period.

³⁰ Interviews by Grand Jury. Mendel, Ed, *Old cause of pension debt gets new attention*, Calpensions, July 10, 2017, p. 1, <<https://calpensions.com/2017/07/10/old-cause-of-pension-debt-gets-new-attention/>>. City of La Palma, *CalPERS Update and Additional Payment Discussion*, February 20, 2018, slide 22, <<https://www.cityoflapalma.org/ArchiveCenter/ViewFile/Item/2374>>. Eastman, Becky, *Report on status of Belvedere's employee pension funds*, May 13, 2013, p. 6, <<http://www.cityofbelvedere.org/DocumentCenter/View/1425>>.

was 30 years,³¹ but an Agency could elect a shorter Amortization Period.³² Like home loan repayment terms, the longer the Amortization Period, the lower the annual payment, but the larger the accrued interest costs. Examples of the cost of accrued interest to four of the Cities over different Amortization Periods are given in Table No. 5.

Public Employees Pension Reform Act of 2013 (PEPRA).

In response to soaring public pension Unfunded Liabilities, the California Legislature adopted the California Public Employees Pension Reform Act of 2013 (PEPRA), which imposed significant reductions on state and local government pension benefits, primarily for employees hired after January 1, 2013 (referred to as “New Members”). Employees hired prior to that date are termed “Classic Members.”³³ Classic Members who change public employers retain their “Classic” status.³⁴ Thus, to date, the impact of PEPRA on public pension liabilities has been small.³⁵ However, it will increase over time as Classic Members retire and are replaced by New Members.

Some of the most important changes mandated by PEPRA include:

- Reduced pension benefit formulas for New Members. For New Member employees with Miscellaneous Plans, PEPRA requires a “2 percent at age 62” benefit formula, that is, a New Member retiring at age 62 is entitled to a pension equal to his number of years of

³¹ League of California Cities, *CalPERS Board Reduces Amortization Policy*, February 14, 2018, <<https://www.cacities.org/Top/News/News-Articles/2018/February/CalPERS-Board-Reduces-Amortization-Policy>>. Lowe, Stephanie and Rogers, Frances, *CalPERS Reduces Amortization Period with Impacts to Employer Contribution Rates*, California Public Agency Labor & Employment Blog, Liebert Cassidy Whitmore), March 1, 2018, <<https://www.calpublicagencylaboremploymentblog.com/retirement/calpers-reduces-amortization-period-with-impacts-to-employer-contribution-rates/>>. CalPERS Actuarial Office, *Finance and Administration Committee, Agenda Item 7a, Amortization Policy (Second Reading)*, February 13, 2018, <https://www.calpers.ca.gov/docs/board-agendas/201802/financeadmin/item-7a-00_a.pdf>. Jacobius, Arleen, *CalPERS shortens amortization period to 20 years*, Pensions & Investments, February 14, 2018, <<http://www.pionline.com/article/20180214/ONLINE/180219934/calpers-shortens-amortization-period-to-20-years>>.

³² Interviews by Grand Jury. However, if an Agency selects a shorter Amortization Period, CalPERS does not permit it to reverse that election later. Interviews by Grand Jury.

³³ CalPERS, *Summary of Public Employees Pension Reform Act of 2013 and Related Changes to Public Employees' Retirement Law*, November 27, 2012, pp. 1-2, <http://www.counties.org/sites/main/files/file-attachments/calpers_summary.pdf>.

³⁴ Ibid. CalPERS, *A Guide to CalPERS: When You Change Retirement Systems*, p. 3, <<https://www.calpers.ca.gov/docs/forms-publications/change-retirement-systems.pdf>>.

³⁵ League of California Cities, *2018 Retirement System Sustainability Study*, pp. 2 and 5. Hutchings, Dane, *Closing the Pension Funding Gap*, League of California Cities, slide 4, <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwj4wYnghL7bAhUPJ3wKHqPCW0QFggpMAA&url=https%3A%2F%2Fwww.cacities.org%2FResources-Documents%2FPolicy-Advocacy-Section%2FHot-Issues%2FRetirement-System-Sustainability%2FPension_Gap_Public.aspx&usq=AOvVaw2C02vB9pPOI9v_n_zbeA38>. Redwood City, *Report – FY 2017-18 Mid-Year Budget Study Session and Proposed Process for Development of the FY 2018-19 Budget*, February 26, 2018, p. 10, <<https://www.redwoodcity.org/home/showdocument?id=14650>>.

service, times 2 percent, times his average salary.³⁶ A New Member retiring before age 62 would have a pension that is further reduced. For instance, at age 55, a New Member is entitled to a pension equal to his years of service, times 1.3 percent, times his average salary.³⁷ Many Classic Members are entitled to more generous Benefits. For example, many City of San Carlos Classic employees under Miscellaneous Plans have pensions calculated according to a “2.7 percent at 55” formula.³⁸ Such an employee with 30 years of government service is entitled to a pension equal to 81 percent of their salary at age 55.³⁹ By comparison, a New Member with 30 years of government service would be entitled to a pension equal to just 39 percent of salary at that same age,⁴⁰ or less than 50 percent of what a Classic Member would receive. PEPRAs specifies similar but more complex reductions for New Members under Safety Plans.⁴¹

- Caps on annual salary basis for calculation. PEPRAs also caps the amount of annual salary that can be used to calculate pensions for New Members at \$113,700 (if Social Security is also offered) plus cost of living adjustments (COLAs), or \$136,440 (if Social Security is not offered) plus COLA.⁴² These caps are less than the salaries of many middle and upper management government employees.⁴³ Classic Members are not subject to salary caps in calculating their pensions.⁴⁴
- Averaging of salaries for calculation. PEPRAs requires, in calculating the annual salary used to calculate pensions, that New Members use the average of the three highest consecutive years salary.⁴⁵ In contrast, some public agencies allow Classic Members to use just their highest salary year.
- Prohibition on “spiking” salaries. PEPRAs also prohibits “spiking” salaries used to calculate pensions by including overtime, bonuses, cash payouts for unused vacation or sick leave, severance pay and the like.⁴⁶

³⁶ CalPERS, *Summary Public Employee Reform Act*, p. 2.

³⁷ CalPERS, *Retirement Formulas and Benefit Factors: Your Benefits / Your Future What You Need to Know About Your CalPERS Local Miscellaneous Benefits*, p. 28, <<http://www.reedley.ca.gov/departments/administrative/pdfs/CalPERS%202016-01-01%20Local%20Miscellaneous%20Pub%208.pdf>>.

³⁸ City of San Carlos, Teamsters Group – Benefits Summary 2018, p. 3.

³⁹ CalPERS, *Retirement Formulas and Benefit Factors*, pp. 32-33.

⁴⁰ *Ibid.*, pp. 28-29.

⁴¹ CalPERS, *Summary Public Employee Reform Act*, p. 2.

⁴² *Ibid.*, p. 3.

⁴³ Interviews by Grand Jury.

⁴⁴ CalPERS, *Summary Public Employee Reform Act*, p. 3.

⁴⁵ *Ibid.*, pp. 9-10.

⁴⁶ *Ibid.*, pp. 8-9.

- Prohibition on purchases of “airtime”. PEPRA also prohibits employees from purchasing nonqualified service time (“airtime”), which allows Members to boost their pensions by buying up to five years of additional service credit.⁴⁷

As discussed below, PEPRA may have intended to apply some of these prohibitions to both Classic and New Members. However, whether these provisions apply to Classic Members is currently before the California Supreme Court.

“California Rule”.

A major obstacle to reducing the pension Benefits to be earned by Classic employees in the future is the so-called “California rule,” an interpretation of a 1955 state Supreme Court decision⁴⁸ that public employee pension Benefits, once granted, can never be modified, even for future work, without providing “comparable new advantages,” and that also still leave employees with a “reasonable” pension.⁴⁹ However, in 2016, a Court of Appeal ruled that, under the Supreme Court’s decision, employees only have a vested right to “a ‘reasonable pension’ – not an immutable entitlement to the most optimal formula of calculating the pension.”⁵⁰ At issue in that case was the prohibition on “spiking” discussed above at p. 11. A few months later, another Court of Appeal reached a similar conclusion in upholding a prohibition on the purchasing of “airtime” discussed above at p. 12.⁵¹ However, a third Court of Appeal recently reached a different conclusion, finding that detrimental changes to pension benefits of Classic Members would only be upheld as “reasonable” if supported by “compelling evidence that the required changes ‘bear a material relation to the theory ... of a pension system’ and its successful operation.”⁵² The California Supreme Court is currently considering appeals of all three Court of

⁴⁷ Ibid., pp. 7-8.

⁴⁸ *Allen v. City of Long Beach*, 45 Cal.2d 128 (1955), <<https://scocal.stanford.edu/opinion/allen-v-city-long-beach-26585>>.

⁴⁹ *Allen v. City of Long Beach*, 45 Cal.2d 128 at 131. Beyerdorf, Brian, *The Fate of Public Employee Pensions: Marin’s Revision of the ‘California Rule’*, California Law Review Online, September 2017, p. 1, <www.californialawreview.org/wp-content/uploads/2017/09/Beyersdorf-02-formatted-62-72.pdf>. Walters, Dan, *Jerry Brown, nearing end of terms, defies unions on pensions*, San Francisco Chronicle, November 28, 2017, <<https://www.sfchronicle.com/news/article/Jerry-Brown-nearing-end-of-term-defies-unions-12389814.php>>.

⁵⁰ *Marin Association of Public Employees v. Marin County Employees Retirement Association*, 2 Cal. App. 5th 674 at 680 (1st Dist. 2016), <<https://www.leagle.com/decision/incaco20160817007>>.

⁵¹ *Cal Fire Local 2881 et al., v. California Public Employees’ Retirement System et al.*, 7 Cal. App. 5th 115 (1st Dist. 2016), <<https://www.eastbaytimes.com/wp-content/uploads/2017/01/123016-appellate-court-ruling.pdf>>.

⁵² *Alameda County Deputy Sheriff’s Association, et al. v. Alameda County Employees’ Retirement Assn., et al.*, Case No. A141913, filed January 8, 2018, as modified February 5, 2018, <<https://www.gmsr.com/wp-content/uploads/2018/04/scw-A141913M.pdf>>. Rogers, Frances and Overby, Brett, *California Court of Appeal Issues A Contrary Decision Addressing “Vested Rights” of Public Employees in the Aftermath of PEPRA: Where will the Supreme Court Land?*, California Public Agency Labor & Employment Blog (Liebert Cassidy Whitmore), January 10, 2018, <<https://www.calpublicagencylaboremploymentblog.com/pension/california-court-of-appeal-issues-a-contrary-decision-addressing-vested-rights-of-public-employees-in-the-aftermath-of-pepra-where-will-the-supreme-court-land/>>.

Appeal rulings.⁵³ Acceptance of the “reasonable pension” standard enunciated in the first two Court of Appeal cases could have significant implications for future pension reform efforts, as well as eliminate the pension “spiking” and “air time” practices for both Classic and New Members.

CalPERS’ changes.

CalPERS administers pension plans for Agencies throughout California. CalPERS’ system-wide Funded Percentage (that is, value of current assets divided by the present value of future Benefit payments) is only 68 percent.^{54,55} As discussed below in the section entitled “Unfunded Liabilities and Funded Percentages of the Cities” at p. 16, among private sector pension plans, a Funded Percentage of 80 percent is the threshold below which a plan’s solvency is considered “at risk”.⁵⁶ CalPERS’ reported 68 percent Funded Percentage is based on a Return on Investment and Discount Rate assumption of 7 percent. CalPERS has been criticized in the past for inaccurate assumptions made in its calculations of future Benefits obligations and Returns on Investment.⁵⁷ The May 2017 Roeder Survey of California public pension plans ranked CalPERS a poor 34th out of 37 California public pension plans rated for “funding assumptions.”⁵⁸ However, CalPERS has begun taking actions to strengthen its pension system.

⁵³ Webster, Keeley, *More briefs ask State Supreme Court to weaken California rule on pensions*, The Bond Buyer, February 27, 2018, <<https://www.bondbuyer.com/news/more-briefs-ask-state-supreme-court-to-weaken-california-rule-on-pensions>>. GMSR Appellate Lawyers, *California Supreme Court Watch*, #18-49, <<https://www.gmsr.com/18-49-alameda-county-deputy-sheriffs-assn-v-alameda-county-employees-retirement-assn-s247095-a141913-19-cal-app-5th-61-mod-19-cal-app-5th-945a-contra-costa-county-superior/>>.

⁵⁴ Terando, Scott, *Strategies for Managing the New Reality*, CalPERS, September 15, 2017, slide 8, <<https://www.cacities.org/Resources-Documents/Education-and-Events-Section/Annual-Conference/2017-Handouts/Strategies-for-Managing-the-New-Reality-of-CalPERS>>. CalPERS 2017 CAFR, p. 27. CalPERS, *CalPERS Reports Preliminary 11.2 Percent Investment Return for Fiscal Year 2016-17*, July 14, 2017, p. 1, <<https://www.calpers.ca.gov/page/newsroom/calpers-news/2017/preliminary-fiscal-year-investment-returns>>.

⁵⁵ A Funded Percentage of 68 percent is low compared to CalPERS’ historic Funded Percentages over the last 25 years. For a chart showing these percentages since 1993, see, Fox, Kelly, *CalPERS Update and Path Forward*, December 13, 2017, p. 16, <<https://www.cacities.org/Resources-Documents/Education-and-Events-Section/Fire-Chiefs/2017-Session-Materials/CalPERS-History-and-Pension-Updates>>.

⁵⁶ Nation, *Pension Math* 2011, p. 17. Financial analyst Rick Roeder notes that a public pension plan with a Funded Percentage in the 80-90 percent range is considered “reasonably well funded.” Roeder, Rick, Roeder Financial, *California Pension Systems: Ranking their Funding Assumptions*, May 2017, p. 2, <<http://roederfinancial.com/ramblings.php?ramble=42>>.

⁵⁷ See, for example, the following: Ring, Edward, *Did CalPERS Use Accounting “Gimmicks” to Enable Financially Unsustainable Pensions?*, California Policy Center, January 24, 2018, <<https://californiapolicycenter.org/calpers-use-accounting-gimmicks-enable-financially-unsustainable-pensions/>>. Dolan, Jack, *How a pension deal went wrong and cost California taxpayers billions*, Los Angeles Times, September 18, 2016, <<http://www.latimes.com/projects/la-me-pension-crisis-davis-deal/>>. Malanga, Steven, *The Pension Fund that Ate California*, The City Journal, <<https://www.city-journal.org/html/pension-fund-ate-california-13528.html>>.

⁵⁸ Roeder, Rick, Roeder Financial, *California 2017 Funding Assumption Survey*, May 2017, <<http://roederfinancial.com/RoederSurvey2017.html>>.

CalPERS' reduction of Discount Rate from 7.5 to 7 percent.

In late 2016, CalPERS decided to lower its Discount Rate from 7.5 to 7.0 percent.⁵⁹ This will have the effect of significantly increasing the size of CalPERS' Unfunded Liabilities and, accordingly, the contribution amounts Agencies must pay. One expert has estimated that, for every one quarter percentage point decrease in the Discount Rate, Agency contribution rates (that is, the size of their contribution payments as a percentage of total payroll) go up by approximately 2.5 percentage points.⁶⁰ A 5 percentage point increase in the contribution rate would represent a large increase in payments by the Cities as their average contribution rate in FY 2017-2018 was 27.3 percent.⁶¹ In order to give Agencies time to prepare for these increased costs, CalPERS intends to phase in the change in its Discount Rate from 7.5 to 7 percent over a three-year period as follows⁶²:

- FY 2018-2019: 7.35%
- FY 2019-2020: 7.25%
- FY 2020-2021: 7.00%

To further ease the impact on Agencies of these Discount Rate reductions, CalPERS plans to phase in the resulting contribution payment increases over an additional 5 years.⁶³ As a result, the full cost of the Discount Rate decreases to 7 percent will not be felt by Agencies until approximately FY 2024-2025.⁶⁴ This phasing-in process comes at a cost, however, as it allows interest to continue to accrue on Unfunded Liabilities for a longer time, thereby increasing total costs that the Cities will eventually have to pay.

In late 2017, CalPERS considered lowering its Discount Rate even further, down to 6.75 or even 6.5 percent.⁶⁵ Agencies objected because of the increased contribution costs this would impose on them and CalPERS decided not to lower the Discount Rate below 7 percent.⁶⁶ However, one expert has projected that it is "likely" CalPERS' Discount Rate will be lowered, in a series of steps, down to 6 percent over the course of the next 20 years or so.⁶⁷

⁵⁹ CalPERS, *CalPERS to Lower Discount Rate to Seven Percent Over the Next Three Years*, December 21, 2016, <<https://www.calpers.ca.gov/page/newsroom/calpers-news/.../calpers-lower-discount-rate>>.

⁶⁰ Nation, *Pension Math* 2011, pp. 25-26.

⁶¹ Appendix A.

⁶² CalPERS, *CalPERS to Lower Discount Rate to Seven Percent*. Terando, *Strategies for Managing the New Reality*, slide 6.

⁶³ Mendel, *Old cause of pension debt*, p. 3.

⁶⁴ League of California Cities, *CalPERS Stays the Course*.

⁶⁵ Diamond, *CalPERS considers 4 asset allocation options*, p. 1.

⁶⁶ Ibid. League of California Cities, *CalPERS Stays the Course*.

⁶⁷ Lin, Bianca and Childs, Matthew, *City of Pacifica Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, September 18, 2017, slide 3, <<http://www.cityofpacific.org/civicax/filebank/blobdload.aspx?BlobID=13378>>. Lin, Bianca and Yam, Wai Man, *City of Menlo Park Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, May 2, 2017, slide 10, <<https://www.menlopark.org/DocumentCenter/View/14392/D2-MenloPark-17-05-02-CalPERS-Misc-Safety>>. Lin,

CalPERS' adoption of new mortality rate assumptions.

In 2014, CalPERS adopted new mortality rate assumptions reflecting the fact that retirees are expected to live longer. These assumption changes were projected to have the effect of increasing Agencies' pension contribution costs.⁶⁸

CalPERS' reduction of Amortization Period.

In February 2018, CalPERS reduced its standard Amortization Period from 30 to 20 years.⁶⁹ To “avoid undue disruption” to Agency budgets, CalPERS proposes to implement the new period prospectively only, starting with amortization bases established by its June 30, 2017 valuation. Amortization bases established prior to that date would continue as scheduled under current policy.⁷⁰ Although this change will decrease the Cities' pension costs over the long run (see, Table No. 5 below for examples of such savings), in the near term shortened Amortization Periods will increase their contribution payments.

DISCUSSION

Why are Unfunded Liabilities and Funded Percentages so important?

The Grand Jury chose to study public pension costs and Unfunded Liabilities because they represent a serious threat to public services county-wide and are already eating into public agency budgets.⁷¹ The League of California Cities recently warned:

“Rising pension costs will require cities over the next seven years to nearly double the percentage of their general fund dollars they pay to CalPERS...[U]nder current law, cities have two choices – attempt to increase revenue or reduce services. Given that police and fire services comprise a large percentage of city general fund budgets, public safety, including response time, will likely be impacted.”⁷²

The effects of increasing pension costs are clear:

- As payments consume a larger share of cities' budgets, it becomes more difficult to maintain, much less improve, public services.

Bianca and Yang Kevin, *Redwood City Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, February 13, 2017, slide 7.

⁶⁸ Bartel Associates, LLC, *New CalPERS Assumptions Will Increase Rates*, February 23, 2014, <<http://www.bartel-associates.com/news/2014/02/23/new-calpers-assumptions-will-increase-rates>>.

⁶⁹ Lowe and Rogers, *CalPERS Reduces Amortization Period*. CalPERS, *Agenda Item 7a, Amortization Policy*, p. 1..

⁷⁰ *Ibid.*, p. 4.

⁷¹ Nation, *Pension Math: Public Pension Spending and Service Crowd Out in California, 2003-2030*, October 2, 2017, p. xi, <<https://siepr.stanford.edu/research/publications/pension-math-public-pension-spending-and-service-crowd-out-california-2003>>. League of California Cities, *2018 Retirement System Sustainability Study*, p. 5.

⁷² League of California Cities, *2018 Retirement System Sustainability Study*, p. 1.

- As Unfunded Liabilities increase, cities’ municipal bond ratings may be hurt, which could increase the cost of other public improvement projects that require bonds.
- Public employees may face reduced compensation, reduced COLAs, or layoffs.
- Retired employees may find the security of their pensions threatened (obligations “guaranteed” by the state constitution have been voided in situations of bankruptcy)⁷³.
- Residents may be asked to raise taxes; a difficult “sell” in the present political climate when the reason is to pay for legacy pension costs and not current services.⁷⁴

The Cities’ Pension Costs and Unfunded Liabilities Today.

Appendix A shows each City’s pension costs, Funded Percentage and Unfunded Liabilities for FY 2016-2017 (the most recent year for which information is available), together with a comparison to each of the two immediately preceding fiscal years. A review of Appendix A data on a consolidated basis (shown at the bottom of Appendix A) is also revealing. A discussion of that consolidated data for the Cities follows.

Unfunded Liabilities and Funded Percentages of the Cities.

Two important measures of the health of pension plans are the size of their Unfunded Liabilities and their Funded Percentages. Table No. 1 (below) shows, based on the 7.5 percent Discount Rate then being used by CalPERS, that the Cities’ aggregate Unfunded Liabilities increased by 10.7 percent from FY 2014-2015 to FY 2015-2016 and by another 22.2 percent from FY 2015-2016 to FY 2016-2017. Funded Percentages correspondingly decreased, at an accelerating rate, over these 3 years.

Table No. 1 - Increasing Unfunded Liabilities and Decreasing Funded Percentages			
(\$000)			
	Unfunded Liabilities	Percent Increase in Unfunded Liabilities	Funded Percentage
2016-2017	\$1,215,465	22.2%	70.5%
2015-2016	\$994,535	10.7%	75.1%
2014-2015	\$898,036		76.8%

(See, Appendix A.)

As noted previously, among private sector pension plans, a Funded Percentage of 80 percent is the threshold below which a plan’s solvency is considered “at risk”.⁷⁵ Table No. 1 shows that the Funded Percentage for the Cities’ pension plans, while slightly higher than CalPERS’ system-wide Funded Percentage of 68 percent, has dropped to 70.5 percent, almost 10 percentage points below this 80 percent “at risk” threshold. The Funded Percentages in Table No. 1 would be significantly lower, and the Unfunded Liabilities correspondingly higher, if a lower Discount Rate were applied. This difference is shown in Table No. 2, below.

⁷³ Ang, Kimberly, *What Happens to Public Employee Retirement Benefits When Municipalities Go Bankrupt?*, United States Common Sense, March 10, 2016, p. 3, <<http://govrank.org/research/researchText/45>>.

⁷⁴ Interviews by Grand Jury.

⁷⁵ Nation, *Pension Math* 2011, p. 17.

Increase in Unfunded Liabilities and Decrease in Funded Percentages if a Lower Discount Rate is Used.

The Cities' Unfunded Liabilities and Funded Percentages in Table No. 1 were calculated using CalPERS then-applicable Discount Rate of 7.5 percent. If, however, the Discount Rate had been just one percentage point lower, the Cities' Unfunded Liabilities for FY 2016-2017 would have been approximately 44 percent larger (as shown in Table No. 2) and the corresponding Funded Percentage that year would have been 62.4 percent rather than 70.5 percent, almost 18 percentage points below the 80 percent Funded Percentage standard.

Table No. 2 - Increased Pension Unfunded Liabilities and Decreased Funded Percentages if Discount Rate is Reduced By 1 percentage point				
(\$000)				
Fiscal Year	Unfunded Liabilities based on 7.5 % Discount Rate	Unfunded Liabilities based on 6.5 % Discount Rate	Funded Percentages based on 7.5 % Discount Rates	Funded Percentages based on 6.5 % Discount Rates
2016-2017	\$1,215,465	\$1,755,047	70.5%	62.4%
2015-2016	\$994,535	\$1,515,521	75.1%	66.5%
2014-2015	\$898,036	\$1,399,702	76.8%	68.0%

(See, Appendix A.)

Applying its new Discount Rate of 7 percent (which will be implemented in stages over the three fiscal years ending FY 2020-2021), CalPERS states that its current, system-wide Funded Percentage is 68 percent.⁷⁶ However, if long-term Returns on Investment decrease, or are projected to decrease, below 7 percent, then CalPERS' Funded Percentage (and corresponding Discount Rate) would drop even lower. For example, at a Discount Rate of 6.2 percent, it has been estimated that CalPERS' Funded Percentage would drop by almost 10 percentage points, from 68 to 58.3 percent.⁷⁷

Increasing Pension Contribution Payments.

Increasing Unfunded Liabilities result in larger contribution payment costs. Table No. 3 shows how the Cities' contribution costs have risen from FY 2014-2015 through FY 2016-2017 and how the percentages of cities' payroll and general fund spending consumed by contribution payments have been increasing.

Table No. 3 - Increasing Pension Contribution Payments			
(\$000)			
Fiscal Year	Total Contribution Payments	Contributions as a percent of covered payroll	Contributions as a percent of general fund spending
2016-2017	\$104,986	27.3%	13.6%
2015-2016	\$95,987	27.4%	13.2%
2014-2015	\$85,335	25.5%	12.8%

(See, Appendix A.)

⁷⁶ Terando, *Strategies for Managing the New Reality*, slide 8. CalPERS 2017 CAFR, p. 27. League of California Cities, *2018 Retirement System Sustainability Study*, p. 1.

⁷⁷ Nation, *2011 Pension Math*, p. vii.

The average, statewide percentage of Agencies' general fund budgets projected to be paid to CalPERS in FY 2017-2018 is 11.2 percent.⁷⁸ In comparison, the Cities' pension costs in FY 2016-2017 represented an average of 13.6 percent of their general fund spending.

Percentage of Employer Contribution Paid for Amortization Costs.

All of the Cities have substantial Unfunded Liabilities⁷⁹ and a significant and increasing portion of their contribution payments go to paying Amortization Costs (that is, payments required to pay off Unfunded Liabilities, including accrued interest). Table No. 4 (below) shows that well over half of the Cities' contribution payments in FY 2017-2018 have been applied to payment of Amortization Costs.

Table No. 4 - Percentage of Cities' FY 2017-18 Pension Costs that are Amortization Costs			
(\$000)			
City	2017-2018 Normal Costs	2017-2018 Amortization Costs	% of 2017-2018 Total Contribution Costs for Amortization
Belmont	\$1,473	\$2,046	58.1%
Brisbane	\$989	\$912	48.0%
Burlingame	\$2,552	\$3,183	55.5%
Daly City	\$6,281	\$7,184	53.4%
East Palo Alto	\$1,024	\$635	38.3%
Half Moon Bay	\$174	\$654	79.0%
Menlo Park	\$2,841	\$2,915	50.6%
Millbrae	\$783	\$2,907	78.8%
Pacifica	\$2,084	\$2,043	49.5%
Redwood City	\$8,767	\$12,479	58.7%
San Bruno	\$3,334	\$4,070	55.0%
San Carlos	\$715	\$2,565	78.2%
City of San Mateo	\$6,750	\$11,239	62.5%
South San Francisco	\$5,872	\$9,171	61.0%
	Total	Total	Weighted Average
	\$43,637	\$62,001	58.7%

California Policy Center, *CalPERS Actuarial Report Data – Cities (\$=M)*, <<http://californiapolicycenter.org/wp-content/uploads/2018/02/CalPERS-Actuarial-Report-Data-Cities-and-Counties-w-totals.xlsx>>. The California Policy Center provides pension cost data for 14 of the 20 Cities. Data for Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside was not provided.

⁷⁸ League of California Cities, *2018 Retirement System Sustainability Study*, p. 4.

⁷⁹ Appendix A.

Interest Charges on Unfunded Liabilities.

CalPERS charges interest on Unfunded Liabilities at an annual rate equal to the then-current Discount Rate.⁸⁰ Accordingly, the 30-year Amortization Period historically used by CalPERS to amortize Unfunded Liabilities results in interest payments that make up a large percentage of total Amortization Costs. Table No. 5 (below) shows, by way of example, that more than 50 percent of the Amortization Costs paid by South San Francisco, Redwood City, the City of San Mateo, and Daly City go to interest payments. It also shows that, if the Amortization Periods were shortened to 20 years, or even 15, those Cities would realize large savings on interest. Most notably, the City of San Mateo would save \$56 million under a 20-year Amortization Period and \$126 million with a 15-year period. Redwood City would save \$55 million by switching to a 20-year Amortization Period and \$134 million with a 15-year period.

Table No. 5 - Interest payment savings where shorter Amortization Periods are applied							
(\$000)							
City	Interest over 30 years			Interest over 20 years		Interest over 15 years	
	Total payments over 30-years (using 30-year Amortization Period).	Interest payments over 30-years.	Percent of 30-year. Amortization Cost payments consisting of interest payments.	Interest payments over 20-years (using 20-year Amortization Period).	Savings compared to 30-year period.	Interest payments over 15-years (using 15-year Amortization Period).	Savings compared to 30-year period
South S.F. ⁸¹	\$390,708	\$206,436	52.8%	\$185,162	\$20,574	\$127,457	\$78,979
Redwood City ⁸²	\$553,787	\$305,671	55.2%	\$250,256	\$55,415	\$171,616	\$134,055
City of San Mateo ⁸³	\$502,874	\$280,510	55.8%	\$224,282	\$56,228	\$153,805	\$126,706
Daly City ⁸⁴	\$371,749	\$201,920	54.3%	\$171,295	\$30,625	\$117,468	\$84,452

Shortening the Amortization Period is only one way that savings on interest can be achieved. Savings can also be made by reducing the size of the Unfunded Liabilities through supplemental

⁸⁰ Interviews by Grand Jury. Mendel, *Old cause of pension debt*, p. 1. City of La Palma, slide 22. Eastman, p. 6. City of Daly City, *Comprehensive Biennial Operating and Capital Budget, Fiscal Years 2017 and 2018*, p. 25.

⁸¹ CalPERS, *Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of South San Francisco*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/south-san-francisco-city-miscellaneous-2016.pdf>>. CalPERS, *Actuarial Valuation – June 30, 2016 Safety Plan of the City of South San Francisco*, p. 17, <<https://www.calpers.ca.gov/page/.../actuarial.../public-agency-actuarial-valuation-reports>>.

⁸² CalPERS, *Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of Redwood City*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/redwood-city-miscellaneous-2016.pdf>>. CalPERS, *Actuarial Valuation – June 30, 2016 Safety Plan of the City of Redwood City*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/redwood-city-safety-2016.pdf>>.

⁸³ CalPERS, *Actuarial Valuation as of June 30, 2016 for the Miscellaneous Plans of the City of San Mateo*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/san-mateo-city-miscellaneous-2016.pdf>>. CalPERS *Actuarial Valuation as of June 30, 2016 for the Safety Plans of the City of San Mateo*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/san-mateo-city-safety-2016.pdf>>.

⁸⁴ CalPERS *Actuarial Valuation as of June 30, 2016 for Miscellaneous Plans of Daly City*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/daly-city-miscellaneous-2016.pdf>>. CalPERS *Actuarial Valuation as of June 30, 2016 for Safety Plans of Daly City*, p. 17, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/daly-city-safety-2016.pdf>>.

payments to CalPERS beyond the required contribution amounts. This can be done through a commitment by the Cities to make additional payments on a regular basis that is reflected in the annual budget, and/or by the Cities making additional payments as funds become available, as when there is a budget surplus or non-recurring revenue source. The process is similar to the experience of a credit card holder. If the holder only pays the minimum monthly balance, long-term interest expenses are higher than if the holder pays more than the minimum per month in order to work down the principal amount.

What does the future hold? The Impact of Increasing Pension Costs on the Cities.

Rising Unfunded Liabilities will generate increasing pension costs. A “Key Finding” of the League of California Cities’ January 2018 report is that “City pension costs will *dramatically increase to unsustainable levels*” (emphasis added).⁸⁵ The League reports that the average percentage of its 426-member cities’ general fund spending on CalPERS pension plans will almost double between FY 2006-2007 and FY 2024-2025 (from 8.3 percent to 15.8 percent).⁸⁶

CalPERS projects that the \$3.1 billion in pension costs being paid by member cities in FY 2017-2018 will almost double (to \$5.8 billion) by FY 2024-2025.⁸⁷ The Cities’ projected future pension costs, as estimated by CalPERS, are also projected to almost double during that period,⁸⁸ and some experts project even larger increases.⁸⁹ Table No. 6 sets out CalPERS’ projections for increasing pension costs for 15 of the Cities from FY 2017-2018 through FY 2024-2025 and shows that they will have to pay pension costs that are rising by an average of 13.3 percent per year.

⁸⁵ League of California Cities, *2018 Retirement System Sustainability Study and Findings*, p. 2.

⁸⁶ *Ibid.*, pp. 1 and 4.

⁸⁷ Ring, Edward, *Did CalPERS Use Accounting “Gimmicks ...?”*

⁸⁸ California Policy Center, *CalPERS Actuarial Report Data – Cities (\$=M)*,

<https://californiapolicycenter.org/CalPERS-Actuarial-Report-Data-Cities-and-Counties/>. This source provides pension cost data for 15 of the 20 Cities in the County. Data for Atherton, Colma, Foster City, Hillsborough and Woodside is not included. The weighted average percent increase in costs for these 15 Cities from FY 2017-18 to FY 2024-25 is 92.7 percent.

⁸⁹ See, discussion following Table No. 6 about higher projections by Bartel Associates, LLC and Table Nos. 7.1, 7.2 and 7.3 (below).

Table No. 6 - Increasing Pension Costs for Cities					
(S000)					
City	2017-2018 Total Pension Costs	2024-2025 Total Projected Pension Costs	Percent Increase from 2017-2018 to 2024-2025	Average Annual Total Pension Cost Increase	Average Annual Percent Increase
Belmont	\$3,518	\$6,039	71.7%	\$360	10.2%
Brisbane	\$1,901	\$3,851	102.6%	\$279	14.7%
Burlingame	\$5,735	\$11,435	99.4%	\$814	14.2%
Daly City	\$13,464	\$28,579	112.3%	\$2,159	16.0%
East Palo Alto	\$1,658	\$2,873	73.3%	\$174	10.5%
Half Moon Bay	\$828	\$1,519	83.5%	\$99	11.9%
Menlo Park	\$5,756	\$11,258	95.6%	\$786	13.7%
Millbrae	\$3,690	\$6,828	85.0%	\$448	12.1%
Pacifica	\$4,127	\$8,899	115.6%	\$682	16.5%
Redwood City	\$21,246	\$39,955	88.1%	\$2,673	12.6%
San Bruno	\$7,404	\$14,695	98.5%	\$1,042	14.1%
San Carlos	\$3,280	\$5,407	64.8%	\$304	9.3%
City of San Mateo	\$17,988	\$33,178	84.4%	\$2,170	12.1%
South San Francisco	\$15,043	\$28,960	92.5%	\$1,988	13.2%
	Total	Total	Weighted Average	Total	Weighted Average
	\$105,638	\$203,477	92.6%	\$13,977	13.2%

California Policy Center, *CalPERS Actuarial Report Data – Cities (\$=M)*, <<http://californiapolicycenter.org/wp-content/uploads/2018/02/CalPERS-Actuarial-Report-Data-Cities-and-Counties-w-totals.xlsx>>. The California Policy Center provides pension cost data for 14 of the 20 Cities. Data for Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside was not provided.

Bartel Associates, LLC⁹⁰ projects even larger increases in pension costs than CalPERS. For example, as shown in Table Nos. 7.1, 7.2 and 7.3, Bartel projected in 2017 that pension costs for Redwood City, Menlo Park and Pacifica will more than double from FY 2016-2017 through FY 2024-2025 (which is substantially greater than CalPERS’ projections for those Cities shown in Table 6) and are projected to continue to increase substantially thereafter through FY 2027-2028.⁹¹

⁹⁰ The public pension actuarial consulting firm of Bartel Associates, LLC reports having served as consultants to over 400 public sector clients since 2012 including, within the San Mateo county alone, the Cities of Belmont, Burlingame, Daly City, East Palo Alto, Foster City, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the Town of Hillsborough. See, Bartel website, <<http://www.bartel-associates.com/about-us/client-list>>.

⁹¹ It should be noted that the Bartel Associates, LLC projections on which Table Nos. 7.1, 7.2 and 7.3 rely were set forth in reports dated February 17, 2017, May 2, 2017 and September 18, 2017, respectively. They were based on CalPERS numbers as of June 30, 2015. Last summer, CalPERS issued updated its numbers as of June 30, 2016 and it is expected to issued June 30, 2017 numbers again this summer. Were the Bartel projections to be re-run based on the most recent CalPERS data, they would be somewhat different from those reflected in Table Nos. 7.1., 7.2 and 7.3. Source: Grand Jury interviews.

Table No. 7.1 - Redwood City's projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028 ⁹²								
(\$000)								
	Miscellaneous Plans				Safety Plans			
	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016-2017	% Increase in Annual Pension Costs since FY 2016-2017	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016-2017	% Increase in Annual Pension Costs since FY 2016-2017
FY 2027-2028	37.3%	\$16,764	\$8,691	107.7%	67.2%	\$24,771	\$13,246	114.9%
FY 2024-2025	42.7%	\$17,530	\$9,457	117.1%	65.6%	\$22,148	\$10,623	92.2%
FY 2016-2017	26.3%	\$8,073			42.9%	\$11,525		

Table No. 7.2 – Menlo Park's projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028 ⁹³								
(\$000)								
(Before ⁹⁴ taking into account any employee cost sharing.)								
	Miscellaneous Plans				Safety Plans			
	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016-2017	% Increase in Annual Pension Costs since FY 2016-2017	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016-2017	% Increase in Annual Pension Costs since FY 2016-2017
FY 2027-2028	33.9%	\$7,190	\$4,140	135.7%	60.5%	\$5,389	\$3,285	156.1%
FY 2024-2025	34.5%	\$6,695	\$3,645	119.5%	58.4%	\$4,756	\$2,652	126.0%
FY 2016-2017	21.2%	\$3,050			32.3%	\$2,104		

⁹² Data in Table No. 7.1 is derived from Lin, Bianca and Yang Kevin, *Redwood City Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, February 13, 2017, slides 17, 18, 29 and 30.

⁹³ Data in Table No. 7.2 is derived from Lin, Bianca and Yam, Wai Man, *City of Menlo Park Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, May 2, 2017, slides 23, 24, 39 and 40, <https://www.menlopark.org/DocumentCenter/View/14392>.

⁹⁴ Menlo Park's projected Miscellaneous Plan annual pension costs in Table No. 7.2 would be approximately 15 percent lower than shown if employee cost sharing were taken into account and its Safety Plan pension costs would be 5 - 9 percent lower. Lin, Bianca and Yam, Wai Man, *City of Menlo Park Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, May 2, 2017, slides 25, 28, 40 and 41.

Table No. 7.3 – City of Pacifica’s projected increases in pension contribution costs from FY 2016-2017 to FY 2024-2025 and FY 2027-2028 ⁹⁵								
(S000)								
(Before ⁹⁶ taking into account any employee cost sharing.)								
	Miscellaneous Plans				Safety Plans			
	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016- 2017	% Increase in Annual Pension Costs since FY 2016- 2017	Pension Costs as a Percent of Payroll (Projected)	Annual Pension Costs (Projected)	Increase in Annual Pension Costs since FY 2016- 2017	% Increase in Annual Pension Costs since FY 2016- 2017
FY 2027-2028	36.3%	\$4,435	\$2,992	207.3%	71.8%	\$6,186	\$3,910	171.8%
FY 2024-2025	34.4%	\$3,846	\$2,403	166.5%	69.0%	\$5,428	\$3,152	138.5%
FY 2016-2017	16.7%	\$1,443			34.6%	\$2,276		

Pension Information Provided by the Cities Could be Substantially Improved.

Clear information about the Cities’ current and projected pension costs, as well as their plans for meeting these rising expenses in the future, is not readily found in the Cities’ CAFRs, nor (with a few notable exceptions^{97,98,99}) in their most recent budgets published in the finance section of

⁹⁵ Data in Table No. 7.3 is derived from Lin, Bianca and Childs, Matthew, *City of Pacifica Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, September 18, 2017, slides 8, 9, 18 and 19, <http://www.cityofpacifica.org/civicax/filebank/blobdload.aspx?BlobID=13378>.

⁹⁶ Pacifica’s projected Miscellaneous Plan annual pension costs in Table No. 7.3 would be approximately 15, 7.3 and 7 percent lower in FY 2016-17, FY 2024-25 and FY 2027-28 respectively than shown if employee cost sharing were taken into account and its Safety Plan pension costs would be approximately 11, 5.6 and 5.4 percent lower in FY 2016-17, FY 2024-25 and FY 2027-28 respectively. Lin, Bianca and Childs, Matthew, *City of Pacifica Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, September 18, 2017, slides 11, 12, 20, 21, 29, 30.

⁹⁷ Redwood City’s FY 2017-18 Adopted Budget provides projections of projected future pension costs through FY 2030-31, together with a description of steps the city is taking to begin addressing these costs. City of Redwood City, *Report - FY 2017-18 Mid-Year Budget Study Session*. See also, City of Redwood City, *Fiscal Year 2018-2019 Recommended Budget*, pp. 13 and 14, <<http://www.redwoodcity.org/home/showdocument?id=15124>>.

⁹⁸ The City of San Mateo’s FY 2017-18 Adopted Budget includes a table showing how the City’s pension costs will increase from FY 2017-18 through FY 2027-28. City of San Mateo, *Adopted 2017-18 Budget*, p. 11, <<https://www.cityofsanmateo.org/DocumentCenter/View/60043/Adopted-2017-18-Budget>>. The City’s proposed 2018-20 Business Plan also includes annual pension cost projections through FY 2028-29. City of San Mateo, *Proposed 2018-20 Business Plan*, pp. 9, 11, and 65, <<https://www.cityofsanmateo.org/DocumentCenter/View/64801/Proposed-FY-2018-20-Business-Plan>>.

⁹⁹ Menlo Park’s FY 2017-18 budget shows total pension costs for each of the next 10 years. City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48.

their websites.^{100,101,102,103} Appendix B’s guide to locating pension information in CAFRs shows that a certain level of specialized knowledge and concerted effort is required to extract information about pension costs from CAFRs. While the Cities’ published budgets often refer to growing budgetary challenges faced by pension costs, the information provided about costs, especially projected future costs and descriptions of how the Cities are planning to meet them, is generally not set out in a systematic way. The information falls far short of what it should be given the importance and growing urgency of the subject matter.

What can the Cities do About Their Rising Pension Costs?

Develop a Financial Plan.

As with any challenge, the first step is to acknowledge the problem. In the case of pensions, this requires an analysis of future obligations, under various scenarios, over at least a 10-year time horizon. The second step is for each City to develop a long-term financial plan over at least a 10-year time period to address rising costs. Such a plan should include:

- Specific objectives, such as identifying a target Funded Percentage, eliminating the Unfunded Liabilities over “n” years and maintaining the City’s share of Normal Costs at “n” percentage of payroll
- Policies to achieve these objectives, such as making supplemental contributions to CalPERS, making annual contributions to a reserve or IRS Section 115 trust (described below) for the purpose of meeting unanticipated future pension costs, keeping salary increases below the actuarially assumed increase rate, or negotiating cost-sharing

¹⁰⁰ The City of Burlingame provides information about its plans for addressing rising pension costs in Staff Reports and proposed budgets. See for example, Augustine, Carol, Staff Report to Burlingame City Council, July 3, 2017, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=145f1c47-afe4-48e6-8c90-7af86841c428.docx>>; Augustine, Carol, Staff Report to Burlingame City Council, March 14, 2018, pp. 11, 12, 27, 28 and 48, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=8bf430f2-6a90-46f4-a5e8-bc50ad710524.docx>>; Augustine, Carol, Staff Report to Burlingame City Council, May 9, 2018, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=68ce413d-4c73-4e2b-abf2-d2e04b1dde86.docx>>.

¹⁰¹ The Town of Hillsborough’s FY 2018-19 Proposed Budget notes that annual pension costs are projected to double over the next ten years (from \$2.4 to \$5.7 million). The Town also provides a 10-year forecast of expenditures that incorporates data regarding projected pension costs, but the actual pension costs themselves are not broken out. Town of Hillsborough, *FY 2018-19 Proposed Budget*, pp. 27 and 96, <<https://www.hillsborough.net/ArchiveCenter/ViewFile/Item/212>>.

¹⁰² Foster City’s preliminary budget for FY 2018-19 states that, between FY 2017-18 and FY 2022-23, the City’s Miscellaneous Plan contribution rate will rise from 27.9 to 40.8 percent and its Safety Plan contribution rate will rise from 45.2 to 70.4 percent. City of Foster City, *Preliminary Budget Fiscal Year 2018-2019*, p. 10, <https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3521/fy_2018-2019_preliminary_budget_published.pdf>. The proposed budget does not include more specific information about dollar amounts represented by these percentages.

¹⁰³ The City of Belmont’s 2018 Budget includes a chart showing increasing pension contribution rates over the next 4 years. City of Belmont, *FY 2018 Budget*, p. 18, <<https://www.belmont.gov/home/showdocument?id=15433>>.

agreements with employees that cap the Cities' share of Normal Costs (which are described below in "Specific Measures for the Cities to Consider")

- Specific measures to implement the policies
- A process to monitor progress in implementing the measures and in achieving the objectives
- Consideration of alternative policies and measures, or a "Plan B," that may be used in the event that CalPERS's Return on Investment assumptions are not met in future years.

Finally, tough decisions need public support. This cannot be achieved without the public being informed about the issue at every step. The Cities' plans should include a public awareness component.

The Cities' CAFRs and budget documents published by the Cities in the finance section of their websites that were reviewed by the Grand Jury show that none of them has adopted a long-term financial plan with all of the components described above.^{104,105,106,107}

Specific Measures for the Cities to Consider.

There are a number of measures that can be taken to meet objectives that might be included in the Cities' long-term financial plans. Some of these are summarized below. Most have been employed by one or more Cities, although not necessarily in a systematic way. Not every City will be in a financial position to take aggressive action now, but there are options, including the following nine:

¹⁰⁴ The City of San Mateo states that it has a plan for eliminating its Unfunded Pension Liabilities; it intends to achieve this by 2050. City of San Mateo, *Adopted 2017-18 Budget*, p. 20.

¹⁰⁵ The City of Foster City plans to "[i]dentify and implement pension sustainability strategies to reduce the City Unfunded Accrued Liability and improve the City funded status with CalPERS" in FY 2018-19. City of Foster City, *Preliminary Budget Fiscal Year 2018-2019*, p. 188.

¹⁰⁶ It should be noted, however that the City of Redwood City does have a five-year plan that provides for supplemental payments to CalPERS (beyond required contributions) of \$0.5 million per year; it has funded a Section 115 pension trust (described below) with an initial \$10.5 million and plans to make additional contributions to the trust of \$1.1 million per year over the next five years, and employee cost sharing. Redwood City also adopted a lower tier, less expensive, pension plan even before the passage of PEPR. See, "Specific Measures for the Cities to Consider" below for references to Redwood City's actions.

¹⁰⁷ In 2014 San Carlos published annual pension cost projections through FY 2035-36. City of San Carlos, *Long-Term Financial Plan*, November 5, 2014, pp. 21 and 22, <<http://www.cityofsancarlos.org/Home/ShowDocument?id=700>>. The City also published a graph showing pension costs through FY 2047-48. City of San Carlos, *City Council Staff Report*, Item 7.b of March 12, 2018 Agenda Packet, p. 117, <<http://sancarlosca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=2699&Inline=True>>.

(1) Make Supplemental Contributions to CalPERS.

By making supplemental contributions to CalPERS beyond the required payments, the Cities can reduce the amounts on which they are paying interest. The Cities generally cannot earn returns on their reserves equal to the interest rates CalPERS will be charging,¹⁰⁸ so using reserves to make supplemental contributions can result in substantial net savings over the long-term.

Although not a subject of this report,¹⁰⁹ actions taken by the County to reduce its pension costs are instructive. In FY 2011-2012 and FY 2012-2013, the County paid “supplemental contributions” to SamCERA (the plan administrator for the County’s pension plans) to reduce its Unfunded Liability. These were in addition to its Annual Required Contribution (ARC)¹¹⁰ payments.¹¹¹ However, these supplemental contributions were applied to the entire SamCERA system, not the County alone.¹¹² Then, in November 2013, SamCERA and the County signed a Memorandum of Understanding (MOU) to formalize a plan to pay supplemental contributions.¹¹³ Under the MOU, the County made two commitments. First, it agreed to pay supplemental contributions in a lump sum of \$50 million in the initial fiscal year (FY 2013-2014) and then to pay an additional \$10 million in each of the following nine years. Second, the County stated that it intended to maintain a minimum average employer contribution rate of 38 percent of payroll during the 10-year period. Since the ARC would otherwise decrease each year, as the Unfunded Liability is reduced, maintaining a contribution rate higher than the ARC would provide a second source of supplemental payments. For its part, SamCERA committed to establish a Supplemental Contribution Account to receive the supplemental contributions, which would be credited just to the County, rather than all three SamCERA employers. If SamCERA’s actuarial assumptions are met, the County’s supplemental contributions are expected to eliminate the Unfunded Liability within 10 years (FY 2022-2023).¹¹⁴

The MOU includes language stating that the County’s supplemental contributions are not legally binding. However, as of June 30, 2017, the MOU had been implemented on schedule. The

¹⁰⁸ City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48, <<https://www.menlopark.org/ArchiveCenter/ViewFile/Item/6273>>.

¹⁰⁹ Progress made by the County of San Mateo in planning for and reducing its pension costs is the subject of the Grand Jury’s report for 2017-2018, entitled “County Pension Costs – Hard Choices Paying Off.” San Mateo County Civil Grand Jury 2017-2018 report, “County Pension Costs – Hard Choices Paying Off.”

¹¹⁰ Annual Required Contribution (ARC) is the sum of an Agencies’ share of Normal Cost and, if any, the Amortization Cost. ARC is the amount an Agency is legally required to pay to the plan administrator in order to fund a pension plan. See, Brainard, Keith and Brown, Alex, *The Annual Required Contribution Experience of State Retirement Plans, FY01 to FY13*, National Association of State Retirement Administrators, March 2015, p. 2, <https://www.nasra.org/files/JointPublications/NASRA_ARC_Spotlight.pdf>.

¹¹¹ Referred to by SamCERA as the annual “statutory contribution rate.” SamCERA, *2017 Comprehensive Annual Financial Report for the Fiscal Year Ended on June 30, 2017*, p. 49, <https://www.samcera.org/sites/main/files/file-attachments/2017cafr_final.pdf>.

¹¹² County Pension Costs – Hard Choices Paying Off, p. 6.

¹¹³ Memorandum of Understanding Between the County of San Mateo and the San Mateo County Employees’ Retirement System Funding, November 19, 2013.

¹¹⁴ County Pension Costs – Hard Choices Paying Off., p. 7.

County's supplemental contributions, including payments made before the MOU, as well as payments made pursuant to the MOU, total nearly \$139 million, through June 30, 2017.¹¹⁵

In theory, without supplemental contributions, the Unfunded Liability would be paid off at the end of the 15-year Amortization Period used by SamCERA. The benefit of making supplemental contributions to pay off the Unfunded Liability early is to reduce the interest payments that are included in the Amortization Cost. This is substantial. Prior to adoption of the MOU, the County Manager estimated the cumulative savings at \$304 million.¹¹⁶ In 2017 the County Manager reported that the County could expect annual savings approaching \$90 million to \$100 million in principal and interest payments, beginning in FY 2023-2024, assuming the Unfunded Liability has been paid off by that date.¹¹⁷

It should be noted that the County was fortunate in having a non-recurring gain of about \$50 million from the 2014 sale of the County-owned Circle Star Plaza, which helped fund its capital plan.¹¹⁸ The County general fund benefitted from passage of Measure A in 2012, which adds a one-half cent countywide sales tax for 10 years, through April 2023, as well as Measure K (2016) which extended the sales tax through 2043.¹¹⁹

Among the Cities, Redwood City's Preliminary Five-Year Forecast calls for additional payments to CalPERS of \$500,000 per year beyond the required contribution amounts.¹²⁰ As discussed below in "Establish IRS Section 115 non-revocable trusts," at p. 29, Redwood City's Preliminary Five-Year Forecast also calls for the city to annually contribute additional amounts to an irrevocable fund for the purposes of paying pension costs.

In April 2018, the City of San Carlos approved making an additional payment to CalPERS of \$5 million, beyond the required contribution, to pay down a portion of the City's Unfunded Liability.¹²¹ The City estimates that this payment will result in \$4.3 million of net savings over the long-term.¹²²

The City of San Mateo made additional payments to CalPERS of \$1.375 million in FY 2016-17 and \$1.4 million in FY 2017-18. The City's proposed 2018-20 budget recommends continued additional payments to CalPERS out of the general fund in the amounts of \$1.625 million in FY 2018-19 and an additional \$14 million thereafter over the course of approximately the next 10

¹¹⁵ Ibid.

¹¹⁶ Ibid., pp. 7-8.

¹¹⁷ Ibid., p. 8.

¹¹⁸ Torres, Blanca, *San Mateo County cashes in with sale of Circle Star Plaza for \$90.1 million*, The San Francisco Business Times, May 20, 2014, <<https://www.bizjournals.com/sanfrancisco/blog/real-estate/2014/05/circle-star-plaza-griffin-capital-san-mateo-county.html>>.

¹¹⁹ Ballotpedia, *San Mateo County Sales Tax Increase, Measure A (November 2012)*, <[http://ballotpedia/San_Mateo_County_Sales_Tax_Increase,_Measure_A_\(November_2012\)](http://ballotpedia/San_Mateo_County_Sales_Tax_Increase,_Measure_A_(November_2012))>. Ballotpedia, *San Mateo County Sales Tax Increase, Measure K (November 2016)*, <[https://ballotpedia.org/San_Mateo_County,_California,_Sales_Tax,_Measure_K_\(November_2016\)](https://ballotpedia.org/San_Mateo_County,_California,_Sales_Tax,_Measure_K_(November_2016))>.

¹²⁰ Redwood City Report - FY 2017-18 Mid-Year Budget Study Session, pp. 20 and 21. Grand Jury Interviews.

¹²¹ Interviews by Grand Jury. San Carlos, *City Council Staff Report*, Item 9.a of April 9, 2018 Agenda Packet, <<http://sancarlosca.ig2.com/Citizens/FileOpen.aspx?Type=1&ID=2707&Inline=True>>.

¹²² Ibid.

years.¹²³ The City does not indicate how much savings is expected to result from these additional payments.

The City of Foster City's preliminary budget for FY 2018-19 calls for an additional payment to CalPERS of \$2.1 million, representing 4.3% of its projected general fund operating expenditures budget that year.¹²⁴

(2) Make Contributions to a Reserve.

In the current good financial times, most of the Cities have experienced rising revenues and should be able to set their general fund budgets to yield a surplus of revenues over expenses and put the difference into a general fund reserve to be applied in their discretion against future unanticipated, special, or one-time expenses.¹²⁵ A portion of such reserves could be used to manage or smooth payments to CalPERS, consistent with budgetary needs. However, since the Cities retain the right to use these reserves as they deem appropriate, there is no guarantee that these reserves will be applied to pension costs.¹²⁶ Payments into a reserve do not reduce the Amortization Costs charged by CalPERS.

Several of the Cities have established reserves out of their general fund budgets that are earmarked for future increased pension contributions.

Menlo Park. The City has established a "Strategic Pension Funding reserve" which, as of June 30, 2017, held assets of \$3.2 million. That represents approximately 7 months of its annual pension contribution costs of \$5.56 million.¹²⁷ Menlo Park's policy is to assign 25 percent of any general fund operating budget surpluses to this pension reserve.¹²⁸ Based on its expected general fund operating budget surplus of approximately \$2.5 to \$3.5 million in FY 2017-2018, this policy will add another \$625,000 to \$875,000 to the reserve.¹²⁹ However, the Strategic Pension Funding reserve currently represents only approximately 10 percent of the City's total general fund reserves¹³⁰ and, even assuming continued growth in the Strategic Pension Funding reserve similar to FY 2017-2018, would only modestly help pay for increases in the City's expected pension costs over the next 10 years.¹³¹

¹²³ City of San Mateo, *Proposed 2018-20 Business Plan*, pp. 58 and 67.

¹²⁴ City of Foster City, *Preliminary Budget Fiscal Year 2018-2019*, p. 50.

¹²⁵ See, for example, City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, pp. 8, 33 – 38; City of San Mateo, *Adopted 2017-18 Budget*, pp. 6, 32, 36; City of Foster City, *Preliminary Budget Fiscal Year 2018-2019*, pp. 47 – 48; City of Belmont, *FY 2018 Budget*, p. 16, 22; City of Brisbane, *Fiscal Years 2016-2017 & 2017-2018, Adopted Two Year Operating Budget*, p. 11, <http://www.brisbaneca.org/sites/default/files/City%20of%20Brisbane_1.pdf>; Town of Portola Valley, *Adopted Budget, Fiscal Year 2017-2018*, p. 4, <<http://www.portolavalley.net/home/showdocument?id=10921>>; Town of Hillsborough, *FY 2017-18 Adopted Budget*, p. 26; Town of Hillsborough, *FY 2018-19 Proposed Budget*, p. 95.

¹²⁶ Interviews by Grand Jury.

¹²⁷ Appendix A.

¹²⁸ City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48.

¹²⁹ Interviews by Grand Jury.

¹³⁰ City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 49.

¹³¹ Menlo Park expects its pension costs to almost double to \$10.14 million per year by FY 2027-28. City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48.

Half Moon Bay. The City has established a pension stabilization fund.¹³² As of June 30, 2017, the City reported having approximately \$1 million in the fund¹³³ and its FY 2017-2018 budget provides for the transfer of another \$0.51 million into the fund.¹³⁴ This would bring the fund total to slightly more than \$1.5 million by the end of FY 2017-2018. When compared to Half Moon Bay's pension costs of \$0.59 million in FY 2016-2017,¹³⁵ a \$1.5 million pension stabilization fund represents a reasonable start to the city's preparations for rising pension costs. It compares favorably to Menlo Park's pension reserve, which holds only approximately 7 months' worth of pension costs.¹³⁶ In contrast, Half Moon Bay's fund holds the equivalent of well over 2 years of pension costs.

The City of San Mateo. The city's long-term budget calls for funding an \$8.95 million pension cost reserve, with \$1.4 million to be contributed in FY 2017-2018 and additional annual amounts thereafter equal to 50 percent of certain budget surpluses.¹³⁷ The City of San Mateo's annual pension costs were over \$17.5 million in FY 2016-2017,¹³⁸ so this reserve amount for pension costs is modest.

South San Francisco. The city reports that it established a "CalPERS Stabilization Reserve" with an initial amount of \$3.99 million in FY 2015-2016. It funded this reserve with another \$509,104 in FY 2016-2017 and projects funding it with an additional \$586,968 in FY 2018-2019, for a combined total of approximately \$5.1 million.¹³⁹ This \$5.1 million total would represent 27.3 percent of the City's \$18.7 million in unassigned reserves as of June 30, 2017¹⁴⁰ and roughly 5 months' worth of its FY 2016-2017 pension costs of \$13.3 million.¹⁴¹

Brisbane. The City of Brisbane reports having adopted a policy of allocating 40 percent of unanticipated ending fund balance to be used to be set aside to pay for unfunded pension and OPEB obligations.¹⁴²

¹³² City of Half Moon Bay, *FY 2017-18 Adopted Operating Budget*, pp. 68, 71 and 224, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/940>>.

¹³³ City of Half Moon Bay, California, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017, p. 102, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/1341>>.

¹³⁴ City of Half Moon Bay, *FY 2017-18 Adopted Operating Budget*, pp. 69 and 71.

¹³⁵ Appendix A.

¹³⁶ Menlo Park's pension costs in FY 2016-17 were approximately \$5.6 million. Appendix A.

¹³⁷ City of San Mateo, *Adopted 2017-18 Budget*, pp. 54 and 117, <<https://www.cityofsanmateo.org/DocumentCenter/View/60043>>.

¹³⁸ Appendix A.

¹³⁹ South San Francisco, Letter from City of South San Francisco to Grand Jury, dated June 11, 2018. City of South San Francisco, *FY 2018-19 Addendum to Adopted FY 2018-19 Biennial Operating Budget*, p. B-5. City of South San Francisco, *FY 2018-19 Operating Budget Study Session*, May 23, 2018, p. 28. City of South San Francisco, *Adopted Biennial Operating Budget and Capital Improvement Program Fiscal Years 2017-19*, p. D-5, <<http://www.ssf.net/home/showdocument?id=2027>>.

¹⁴⁰ City of South San Francisco, Letter from South San Francisco to Grand Jury, dated June 7, 2018.

¹⁴¹ Appendix A.

¹⁴² Brisbane, Letter from City of Brisbane to Grand Jury, dated June 11, 2018. The City's letter does not disclose the estimated amounts that might be set aside as a result of this policy.

(3) Establish IRS Section 115 non-revocable trusts.

The Cities can also put reserves that are set aside for pension costs into non-revocable trusts under Section 115 of the Internal Revenue Code. Contributions to Section 115 trusts are voluntary and can be made as city budgets allow. Funds in such trusts can only be used to pay pension costs.¹⁴³ As with ordinary reserves, the Cities can use funds in Section 115 trusts to manage or smooth payments to CalPERS, consistent with their budgetary needs.¹⁴⁴ The non-revocable feature assures employees, retirees and taxpayers that the funds will be used for pension costs. Another advantage of Section 115 trusts is that they offer different investment choices and risk profiles¹⁴⁵ which can yield higher rates of Return on Investments than the rates available to the Cities for their general fund reserves.¹⁴⁶ Payments into a reserve do not reduce the Amortization Costs charged by CalPERS.

In January 2018 Redwood City deposited \$10.5 million into a Section 115 trust,¹⁴⁷ representing approximately 7 months of its annual pension costs of \$17.7 million in FY 2016-2017.¹⁴⁸ Redwood City's finance group has recommended that the City deposit \$1.1 million per year from general fund reserves into the Section 115 trust over the 5-year period from and including FY 2018-2019 through FY 2022-2023.¹⁴⁹ This \$1.1 million per year would represent slightly less than 50 percent of the estimated \$2.5 million per year increase in pension costs that Redwood City is likely to experience.¹⁵⁰ In FY 2016-2017, the Redwood City Council adopted a general fund reserve policy, where the unreserved portion of the general fund's balance would be 15 percent of anticipated general fund revenues. Any excess balance above a 15 percent reserve threshold would be utilized to fund a Section 115 Trust Account to help pay pension expenses.¹⁵¹

In October 2017 Burlingame contributed \$3.7 million into a Section 115 trust for the purpose of paying pension obligations and, approximately six months later, an additional \$1 million.¹⁵² The

¹⁴³ CalPERS, Finance and Administration Committee, *Proposed California Employers' Pension Prefunding Trust (CEPPT) Legislation*, February 17, 2016, pp. 1-2, 4, <<https://www.calpers.ca.gov/docs/board-agendas/201602/financeadmin/item-6a-00.pdf>>.

¹⁴⁴ Ibid.

¹⁴⁵ Ibid.

¹⁴⁶ The City of Menlo Park notes that, if it moves funds in its Strategic Pension Funding reserve into a Section 115 trust, it would expect to earn returns on those assets of approximately 4 percent per year, as compared to the approximately 1 percent per year it earns on general fund reserves to due restrictions imposed on available investments for general fund reserves. City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48.

¹⁴⁷ Redwood City Report – FY 2017-18 Mid-Year Budget Study Session, p. 10. City of Redwood City, *Fiscal Year 2017-2018 Adopted Budget*, Budget Message, pp. 13 and 28, <<http://webapps.redwoodcity.org/files/finance/main/1.-Redwood-City-CA-Adopted-FY-17-18-Budget-.pdf>>.

¹⁴⁸ Appendix A.

¹⁴⁹ City of Redwood City, *Fiscal Year 2018-2019 Recommended Budget*, p. 174, <<http://www.redwoodcity.org/home/showdocument?id=15124>>.

¹⁵⁰ Table No. 7.1, above shows that Redwood City's pension costs (Miscellaneous and Safety plans) are projected to increase by \$20.1 million between FY 2016-17 and FY 2024-25. \$20.1 million / 8 years = \$2.5 million in increases per year.

¹⁵¹ City of Redwood City, 2017 CAFR, p. v of Letter of Transmittal.

¹⁵² Letter from City of Burlingame to Grand Jury, dated June 7, 2018. Augustine, Carol, Staff Report to Burlingame City Council, March 14, 2018, pp. 11 and 12.

City's proposed FY 2018-19 budget recommends contributing another \$3.4 million to the Section 115 trust,¹⁵³ which would bring total funds in the trust to \$8.1 million. The City's five-year forecast projects ongoing annual contributions to the Section 115 trust in the amounts of \$2.7 million in FY 2019-20, \$2.1 million in FY 2020-21, \$1.5 million in FY 2021-22 and \$1.21 million in FY 202-23.¹⁵⁴ If the additional FY 2018-19 contribution of \$3.4 million is made, the \$8.1 million total Section 115 trust amount would represent 29 percent of Burlingame's projected total general fund reserves of \$28.19 million at the end of FY 2017-2018, of which \$9.15 million will be unassigned¹⁵⁵ and approximately 19 months' worth of its \$5.3 million in pension costs in FY 2016-2017.

The City of Brisbane also reports having recently established a Section 115 trust to help pay any unexpected increases in pension payment obligations. The City's financial plan calls for it to put aside funding for additional payments into the 115 trust.¹⁵⁶

(4) Negotiate Cost-Sharing Arrangements with Employees.

The Cities can reduce their pension costs through cost-sharing agreements with employees under which employees agree to pay a portion of the Cities' Normal Costs. For example, the City of Menlo Park has negotiated cost-sharing agreements with non-sworn employees under which those employees will pay an additional amount equal to 50 percent of the City's future pension cost increases and agreements with sworn employees under which they will pay a portion of the City's pension costs equal to 3 percent of total payroll.¹⁵⁷ Redwood City has also negotiated cost-sharing agreements with employees under which those employees pay a portion of the City's Normal Costs,¹⁵⁸ as have Atherton,¹⁵⁹ Burlingame,¹⁶⁰ Hillsborough,¹⁶¹ and Millbrae.¹⁶²

(5) Pension Obligation Bonds (POBs).

Another option is to accelerate repayment of Unfunded Liabilities with the proceeds of pension obligation bonds issued by the City. Where the interest rate being charged by CalPERS on Unfunded Liabilities is higher than the interest rate on the bonds, this can result in savings for a City. For example, in FY 2003-2004, Daly City issued \$36.2 million in pension obligation bonds and applied the proceeds to reduce its Unfunded Liabilities. At the time, CalPERS was charging annual interest of 8.25 percent on Unfunded Liabilities and the interest on the bonds was only 5.973 percent. According to Daly City, the difference between the interest rate charged by

¹⁵³ Burlingame, Letter from City of Burlingame to Grand Jury, dated June 7, 2018.

¹⁵⁴ Burlingame, Email from City of Burlingame to Grand Jury, dated June 9, 2018. See also, Augustine, Staff Report March 14, 2018, p. 48 for information on the portion of these payments that will be made out of the general fund.

¹⁵⁵ City of Burlingame, *Fiscal Year 2017-18 Adopted Budget*, p. xiii.

¹⁵⁶ Brisbane, Letter from City of Brisbane to Grand Jury, dated June 11, 2018. The City's letter does not disclose the amount(s) contributed into its Section 115 Trust.

¹⁵⁷ City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*, p. 48.

¹⁵⁸ Redwood City Report - FY 2017-18 Mid-Year Budget Study Session, p. 10.

¹⁵⁹ Town of Atherton, *Fiscal Year 2017/18 Operating & Capital Improvement Budget*, p. 4, <<http://www.ci.atherton.ca.us/ArchiveCenter/ViewFile/Item/2535>>.

¹⁶⁰ City of Burlingame, *Fiscal Year 2017-18 Adopted Budget*, p. xviii.

¹⁶¹ Interviews by Grand Jury.

¹⁶² City of Millbrae, Letter from City of Millbrae to Grand Jury, dated June 11, 2018.

CalPERS, and the lower rate paid to bondholders, resulted in \$7 million in net present value savings.¹⁶³ However, these bonds did not solve Daly City's pension problems. As of June 30, 2017, Daly City had a remaining unpaid balance of \$22.8 million on these bonds, which mature on August 1, 2022.¹⁶⁴ In evaluating Daly City's total Unfunded Liabilities and pension costs in Appendix A, the reader should take into account that Appendix A does not reflect Daly City's outstanding balance on the bonds, nor the annual costs of repayments of principal and interest on the bonds (which totaled approximately \$3.54 million in FY 2016-2017).¹⁶⁵ If these amounts were included, then Daly City's FY 2016-2017 Unfunded Liabilities in Appendix A would rise from \$139.86 million to \$162.66 million and its annual pension costs would rise from \$11.63 million to \$15.17 million. Daly City's interest payments on the bonds, however, do remain lower than the interest it would otherwise have had to pay on Unfunded Liabilities.

In 2013, the City of San Bruno issued \$13.2 million in pension obligation bonds.¹⁶⁶ The City of Brisbane issued \$4.7 million in pension obligation bonds in 2006 and took out a \$1.6 million loan in 2013 to pay off certain pension obligations,¹⁶⁷ and the City of Burlingame issued \$33 million in pension obligation bonds in 2007.¹⁶⁸

An analysis of the risks and benefits of pension obligation bonds is beyond the scope of this report. See the Government Finance Officers Association's analysis of pension obligation bonds for an analysis of the reasons not to issue such bonds.¹⁶⁹

(6) Shorten Amortization Periods.

The Cities may instruct CalPERS to shorten the Amortization Period of their Unfunded Liabilities. That would increase their contribution costs in the short-term but decrease aggregate interest costs over the long-term.¹⁷⁰ Such a decision, however, is irrevocable. Once it has shortened an Amortization Period at the request of an Agency, CalPERS will not subsequently increase it at the request of the Agency.¹⁷¹ The City of Palo Alto, although outside the borders of the county, has stated that it is looking at this option.¹⁷² In essence, asking CalPERS to shorten

¹⁶³ City of Daly City, *Comprehensive Biennial Operating and Capital Budget, Fiscal Years 2017 and 2018*, p. 25, <<http://www.dalycity.org/Assets/Departments/Finance+and+Administration/Operating+Budget+2017-2018.pdf>>.

¹⁶⁴ City of Daly City, 2017 CAFR, p. 15.

¹⁶⁵ City of Daly City, 2017 CAFR, p. 53.

¹⁶⁶ City of San Bruno, *Fiscal Year 2013-14 City Council Adopted General Fund, Enterprise Funds, Internal Service Funds and Special Revenue Funds Operating Budget*, p. K-4,

<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=23046>

¹⁶⁷ City of Brisbane, 2014 CAFR, pp. 54, 55 and 59,

<<http://brisbaneca.org/sites/default/files/brisbane%20cafr%20ocr.pdf>>.

¹⁶⁸ City of Burlingame, 2010 CAFR, p. 60,

<https://www.burlingame.org/document_center/Finance/Comprehensive%20Annual%20Financial%20Reports/CAFR%2009-10.pdf>. City of Burlingame, *Fiscal Year 2017-18 Adopted Budget*, p. x.

¹⁶⁹ League of California Cities, *2018 Retirement System Sustainability Study*, pp. 6 and 33.

¹⁷⁰ Lin, Bianca and Yam, Wai Man, *City of Menlo Park Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, May 2, 2017, p. 48.

¹⁷¹ Interviews by Grand Jury.

¹⁷² Keene, James, Palo Alto City Manager, Letter to Tamara L. Davis, Deputy Manager, Jury Services, Santa Clara County Civil Grand Jury, January 30, 2017, p. 1, (Updated response to 2011-12 Santa Clara County Civil Grand

the Amortization Period is a more structured way to achieve the same goal as making supplemental contributions to CalPERS beyond the required contribution. CalPERS has announced that it will be phasing in a 20-year amortization schedule for all member Agencies.¹⁷³ However, Agencies remain free to elect more aggressive reductions in their Amortization Periods.

(7) Keep Salary Increases Within the Rate Assumed by CalPERS.

Calculations of future Benefit obligations are based, in part, on assumptions CalPERS makes about future salary increases by the Cities. Cities can impact the size of their contribution payments over time by ensuring that future employee salary increases do not exceed CalPERS's assumed amounts.

(8) Reduce Operating Costs.

Painful though it may be, the Cities can reduce operating costs to create additional reserves, which they could then apply to pension costs. Redwood City's finance group has warned of "future recessionary impacts that loom in the future"¹⁷⁴ and notes that, to meet these challenges, it recommends reducing operating costs by \$3.7 million in the FY 2018-2019 budget (primarily through reductions in budgeted headcount, including police and firefighters) and another \$2.3 million in FY 2019-2020.¹⁷⁵ Indeed, Redwood City's finance group stated that rising pension costs are the biggest factor driving the city's efforts to reduce operating costs.¹⁷⁶

Daly City describes its increasing pension costs as a "major challenge for the City's budget in coming years."¹⁷⁷ It is in the process of cutting operating costs through, among other things, a freeze on filling six vacant police officer positions and eliminating nine firefighter positions through attrition. Daly City notes that its general fund has a structural budget deficit of approximately \$6 million in the biennial budget for FY 2016-2017 and 2017-2018 and that it is drawing down existing general fund reserves to close this budget gap.¹⁷⁸ The Town of Colma notes that "Rising costs of health care and pension rates are placing extraordinary pressure on the fiscal health of most California municipalities, including the Town of Colma" and, among other responses to this pressure, has elected to terminate its retiree health premium payments programs for all employees hired after January 1, 2017.¹⁷⁹

Jury report, *An Analysis of Pension and Other Post-Employment Benefits*,
<http://www.scsccourt.org/court_divisions/civil/cgj/2012/responses/pension/02.03.17%20Response%20-%20Palo%20Alto.PDF>.

¹⁷³ League of California Cities, *CalPERS Board Reduces Amortization Policy*. Lowe and Rogers, *CalPERS Reduces Amortization Period with Impacts to Employer Contribution Rates*. CalPERS Actuarial Office, *Finance and Administration Committee, Agenda Item 7a*. Jacobius, Arleen, *CalPERS shortens amortization period to 20 years*.

¹⁷⁴ Redwood City, *Report - FY 2017-18 Mid-Year Budget Study Session*, pp. 7 and 11.

¹⁷⁵ City of Redwood City, *Fiscal Year 2018-2019 Recommended Budget*, pp. 9, 18 and 19.

¹⁷⁶ Interviews by Grand Jury.

¹⁷⁷ City of Daly City, *Adopted Comprehensive Biennial Operating and Capital Budget, Fiscal Years 2017 and 2018*, p. 26.

¹⁷⁸ *Ibid.*, at p. 7.

¹⁷⁹ Town of Colma, *FY 2017-18 Adopted Budget*, p. 8.

(9) Seek New Revenue.

Although raising additional revenues for the purpose of paying down pension obligations may be difficult, it may still be possible for the Cities to supplement their funding of services through new revenue sources to protect them from cuts that might otherwise have to be made to pay rising pension costs. Redwood City's finance group notes that the City has increased revenues by approximately \$2 million per year through higher development fees and that it is in the process of developing a phased approach to cannabis regulation as a result of which it expects to generate at least \$0.3 million a year in additional taxes.¹⁸⁰ Redwood City is also exploring the possibility of implementing new solid waste fees to support street sweeping and parking enforcement services. The city's finance group concludes that: "Without new revenues, staff projects deficits beginning in FY 2019-20."¹⁸¹ These deficits are projected to reach \$6.6 million per year in the general fund budget by FY 2022-2023.¹⁸² In November 2016, Daly City residents voted on Measure V, a five-year supplemental parcel tax of \$162 per parcel for the purpose of restoring police and fire personnel and related operational costs. Measure V was defeated by a vote of 53 to 47 percent.¹⁸³

Measures That Appear Unavailable at this Time.

Several more obvious strategies appear to be off the table at this time:

(a) Renegotiating employee pension formulas.

As described in BACKGROUND (pages 12-13), the California Rule, a California Supreme Court interpretation of the state constitution, appears to prohibit even prospective reductions in pension Benefits for existing employees. As noted, cases challenging that interpretation are currently before the California Supreme Court. In the event that the Supreme Court loosens the California Rule, local jurisdictions may be able to renegotiate pension Benefits with their employees. Under PEPRA, Benefits for "New Members" hired after January 1, 2013, are much lower than for the "Classic Members" hired prior to that date. The California League of Cities "supports a change in state law or judicial precedent to allow employers to negotiate plan changes with classic CalPERS members" and suggests "converting all currently deemed "Classic" employees to the same provisions (Benefits and employee contributions) currently in place for "PEPRA" employees for all future years of service."

¹⁸⁰ Redwood City, *Report - FY 2017-18 Mid-Year Budget Study Session*, p. 12.

¹⁸¹ *Ibid.*

¹⁸² City of Redwood City, *Fiscal Year 2018-2019 Recommended Budget*, p. 174.

¹⁸³ Ballotpedia, *Daly City, California, Parcel Tax for Police and Fire Departments, Measure V (November 2016)*, <[https://ballotpedia.org/Daly_City,_California,_Parcel_Tax_for_Police_and_Fire_Departments,_Measure_V_\(November_2016\)](https://ballotpedia.org/Daly_City,_California,_Parcel_Tax_for_Police_and_Fire_Departments,_Measure_V_(November_2016))>.

(b) Adopting a defined contribution pension plan for new employees.

As noted in BACKGROUND (page 4), defined contribution (as opposed to defined benefit) plans such as 401k plans relieve municipalities of the risks and uncertainties of below-projected investment returns and other assumptions about the future (for example, mortality rates). A large percentage of private companies have now adopted this approach¹⁸⁴ but they may be compensating for this, at least in part, with salaries that are greater than public agency salaries. As of 2009, only 7 percent of private-sector employees had their sole pension plan in the form of a defined benefit plan, down from 62 percent in 1975.¹⁸⁵ The Cities could achieve much greater certainty with respect to future pension costs if they could switch to a defined contribution plan for new employees. However, CalPERS does not currently offer defined contribution plans as an option for its member agencies and it requires that all new employees of the member Agencies participate in CalPERS' pension plans.¹⁸⁶ As a result, the Cities could only offer defined contribution plans to new employees in addition to, rather than in place of, existing pension plans with the result that defined contribution plans would increase, rather than reduce, overall costs for the Cities. In addition, offering only defined contribution plans could put the Cities at a significant employee recruiting and retention disadvantage compared to private industry unless the Cities increased salaries to rates more competitive with private industry.

(c) Withdrawing from CalPERS.

Several cities have considered the possibility of withdrawing from CalPERS altogether in order to have more flexibility and visibility into their future pension costs. However, CalPERS' termination payment requirements are prohibitive.¹⁸⁷ The City of Palo Alto determined that, in order to leave CalPERS, it would first need to "immediately deposit" in excess of \$1 billion to the CalPERS Pension Trust, and then establish a new deferred compensation plan for employees.¹⁸⁸ A City of San Carlos official advised the Grand Jury that withdrawal from CalPERS is effectively "impossible" because of the high termination fees imposed by CalPERS.

Conclusion.

Most of the Cities do not yet appear to have adopted a long-term financial plan to address their rising pension costs. They have not adopted target Funded Percentages for their plans, dates for achieving them, or plans for monitoring progress against their targets. Thus far, they have not made it a priority to provide clear, regular and public disclosure to their residents of their future projected pension costs and Unfunded Liabilities, nor the cuts in services that they will make, or

¹⁸⁴ Since 1980, when participation in defined benefits plans was at its peak in the United States, 30.1 million people participated in defined benefit plans. That number has dropped by 40 percent over the past 30 years. Money-Zine, *Defined Benefit versus Contribution Plans*, July 5, 2017, p. 2, <<https://www.money-zine.com/financial-planning/retirement/defined-benefit-versus-contribution-plans/>>.

¹⁸⁵ Nation, *Pension Math* 2011, p. 3, footnote 11.

¹⁸⁶ Interviews by Grand Jury.

¹⁸⁷ Interviews by Grand Jury.

¹⁸⁸ Keene, James, Palo Alto City Manager, Letter to Tamara L. Davis.

increases in revenues they will seek, in response to rapidly increasing pension costs. Where projected pension costs are disclosed, they are often based on CalPERS projections for returns on investment that some experts argue are optimistic, and residents are not apprised of the potential for far greater costs should another recession occur, or other CalPERS assumptions prove inaccurate.

The steps necessary to address the pension crisis are unpleasant to think about, much less implement. Indeed, some of the Cities have advised the Grand Jury that, while important, amortization of Unfunded Liabilities must be balanced against “other priorities” for new spending.¹⁸⁹ While the Grand Jury understands the desire on the part of the Cities to expand city services in these times of economic growth and increasing property tax revenues, it is difficult to think of a more important issue for the Cities to focus on than the looming pension crisis. Currently, the county enjoys good economic conditions. Its unemployment rate recently dropped to 2.1 percent.¹⁹⁰ Many of the Cities are experiencing rising revenues.¹⁹¹ If the Cities do not address Unfunded Liabilities in a decisive way now, when will they ever be able to? The next recession may well reduce CalPERS’ Returns on Investment below their projected level, resulting in even larger Unfunded Liabilities and higher pension costs. The next recession may also reduce or eliminate the Cities’ budget surpluses, making it harder for them to cope.¹⁹² Now is the time for the Cities to engage their residents in the issue and, with the residents’ support, take the difficult actions necessary to secure a bright future for their communities.

FINDINGS

- F1. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported covered payroll for the City’s pension plans in the amount set forth beside its name for that year in Appendix A.
- F2. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported contribution payments to CalPERS on the City’s pension plans in the amount set forth beside its name for that year in Appendix A.
- F3. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported Unfunded Liabilities (as defined in this report) for the City’s pension plans in the amount set forth beside its name for that year in Appendix A. Each City has been required to make large Amortization Cost (as defined in this report) payments of principal and interest to CalPERS on those Unfunded Liabilities. These payments have diverted money that could otherwise have been used to provide public services or to add to reserves.

¹⁸⁹ Interviews by Grand Jury.

¹⁹⁰ Glover, Mark, *California sets a new record for lowest unemployment rate*, The Sacramento Bee, January 19, 2018, <www.sacbee.com/news/business/article/195571634.html>.

¹⁹¹ See footnote 125 above.

¹⁹² Redwood City notes that the current expansion phase of the economy has now lasted for eight years, and that, historically, expansionary cycles only last an average of five years. It cautions that the economy is in a “late stage of expansion” and that prudent long-term budgeting requires the city to “proactively prepare for future recessionary impacts that loom in the future.” Redwood City, *Report - FY 2017-18 Mid-Year Budget Study Session*, p. 11.

- F4. Each City's CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported Funded Percentages (as defined in this report) for the City's pension plans in the amount set forth beside its name for that year in Appendix A.
- F5. Each City's CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported what the Unfunded Liabilities (as defined in this report) for the City's pension plans would have been if the applicable Discount Rate applied to calculate them had been 1 percentage point lower in the amount set forth beside its name for that year in Appendix A.
- F6. Each City's CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported general fund total expenditures for that year in the amount set forth beside its name for that year in Appendix A.
- F7. In each of the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017, each City's contribution payments to CalPERS on the City's pension plans represented the percentage of that City's general fund total expenditures for that year set forth beside its name for that year in Appendix A in the column entitled "Contribution Payments as % of General Fund Total Expenditures."
- F8. In each of the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017, each City's contribution payments to CalPERS on the City's pension plans represented the percentage of that City's covered payroll for the City's pension plans in the amount set forth beside its name for that year in Appendix A in the column entitled "Contribution Rate (i.e., Contribution Payments as % of Covered Payroll)."
- F9. In FY 2017-2018, each City (excluding Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside) has paid CalPERS for its Normal Costs (as defined in this report) and Amortization Costs (as defined in this report) in the amounts set forth beside its name on Table No. 4. (The Cities of Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside are not included in Table No. 4 because the source for that table did not include data for them.)
- F10. As a result, among other things, of CalPERS' decreasing its Discount Rate from 7.5 percent to 7 percent by FY 2020-2021, its reduction of future Amortization Periods from 30 to 20 years, and its use of updated mortality assumptions reflecting projected increases in the longevity of Members, each City faces increasing pension contribution payments to CalPERS which are likely to more than double by FY 2024-2025.
- F11. Principal and interest payments on each City's Unfunded Liabilities will increasingly impair such City's provision of public services, impair the security of employee salary and pension Benefits, and/or result in proposals for revenue increases. Paying down Unfunded Liabilities early results in large savings. Every City in the county would save substantial money by paying down their Unfunded Liabilities early.
- F12. The financial documents for each City reviewed by the Grand Jury show that no City has adopted a long-term financial plan with at least a 10-year time horizon to address rising Normal Costs and Amortization Costs that includes each of the following:

- objectives, such as achieving a target Funded Percentage, eliminating the Unfunded Liabilities over “n” years or maintaining the cities’ share of Normal Costs below “n” percentage of payroll,
- policies to achieve these objectives, such as making supplemental payments to CalPERS to reduce their Unfunded Liability, keeping salary increases below the actuarially assumed increase rate, capping the cities’ share of Normal Costs, reducing operational costs or increasing revenue,
- measures to implement such policies,
- processes to monitor progress in implementing the measures, and
- alternative financial strategies, or a “Plan B,” that may be used in the event that CalPERS’ assumptions are not met in future years.

F13. Despite the fact that rising pension costs and Unfunded Liabilities are a significant problem for each City, no City (except for Redwood City, the City of San Mateo, the City of Burlingame, the City of Belmont and the City of Menlo Park) includes specific, annual projections of future pension contribution costs in their budgets published in the finance section of their websites.

RECOMMENDATIONS

- R1. The Grand Jury recommends that, by December 31, 2018, each City schedule public hearings to engage its residents in addressing the city’s increasing pension costs and to develop a long-term plan to address them.
- R2. The Grand Jury recommends that, by December 31, 2018, and annually thereafter, each City publish a report on its website detailing its pension obligations. The report should include, at a minimum, the following:
 - a) The City’s total pension contribution costs under all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such costs in each of the following 10 fiscal years, assuming CalPERS’ actuarial assumptions are met.
 - b) The City’s total Unfunded Liabilities under all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such Unfunded Liabilities in each of the next 10 fiscal years, assuming CalPERS’ actuarial assumptions are met.
 - c) The City’s Funded Percentage across all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such Funded Percentages in each of the next 10 fiscal years, assuming CalPERS’ actuarial assumptions are met.
 - d) The percentage of the City’s general fund expenditures and covered payroll represented by the pension costs described in (a) above (using estimates of general fund expenditures in future fiscal years).

- e) In addition, estimated information for all projections regarding the next 10 fiscal years set forth in items (a) through (e) above should be presented using a Discount Rate that is 1 percentage point below CalPERS' then-current Discount Rate.

R3. The Grand Jury does not recommend specific policies or implementation measures to address pension costs. However, it recommends that, by no later than December 31, 2018, and annually thereafter, each City instruct its staff to deliver a report to the City Council in connection with the City's financial plan evaluating available options to address pension costs and that each City hold public hearings to discuss and consider such options no less than every other fiscal year. These include (but may not be limited to):

- Regular supplemental payments to CalPERS (beyond those required by CalPERS) to accelerate the amortization of their Unfunded Liabilities.
- Irregular supplemental payments to CalPERS (beyond those required by CalPERS), as when a City has a budget surplus or receives special non-recurring revenues.
- Electing to apply shorter Amortization Periods (that is, less than 20 years) to their Unfunded Liabilities.
- Issuing pension obligation bonds.
- Establishing substantial reserves that can be applied in the future to help meet rising pension costs and/or accelerate amortization of Unfunded Liabilities.
- Establishing Section 115 trusts for the exclusive purposes of meeting rising pension costs and/or accelerating amortization of Unfunded Liabilities.
- Reductions in general fund operating costs other than pensions.
- Seeking additional general fund revenues that can be applied directly to paying pension costs or that can offset general fund budget shortfalls that would otherwise occur.
- Keeping employee salary increases at or below the levels assumed by CalPERS.
- Negotiating cost-sharing agreements with employees under which employees pay a portion of the City's pension costs (without at the same time agreeing to offsetting compensation increases).
- Maintaining growth in employee salaries and COLAs at or below the assumed CalPERS rates.
- To the extent allowed by law, consider the recommendation of the League of California Cities to renegotiate employee contracts to bring the pension Benefits of Classic Members in line with PEPRA Members, for future work. In particular, ensure that the salary used to determine final retirement compensation is based on the average of the final 3 years of employment (rather than highest 1 year), and that the salary is not enhanced by "spiking," such as by including overtime, unused vacation or sick leave, purchases of "air time," and the like.

R4: The Grand Jury recommends that, by June 30, 2019, each City develop and publish a long-term financial plan to deal with rising pension costs, and update that plan annually. Such a plan should include:

- Specific objectives, such as identifying a target Funded Percentage, eliminating the Unfunded Liabilities over “n” years and maintaining the City’s share of Normal Costs at “n” percentage of payroll.
- Policies to achieve these objectives.
- Specific measures to implement the policies.
- A process to monitor progress in implementing the measures and in achieving the objectives.
- Consideration of alternative policies and measures, or a “Plan B,” that may be used in the event that CalPERS’s actuarial assumptions, especially the Discount Rate, are not met in future years.

REQUEST FOR RESPONSES

Pursuant to Penal Code Section 933.05, the Grand Jury requests that the City Councils of each of the following respond to the foregoing Findings and Recommendations referring in each instance to the number thereof:

- The Town of Atherton
- The City of Belmont
- The City of Brisbane
- The City of Burlingame
- The Town of Colma
- The City of Daly City
- The City of East Palo Alto
- The City of Foster City
- The City of Half Moon Bay
- The Town of Hillsborough
- The City of Menlo Park
- The City of Millbrae
- The City of Pacifica
- The Town of Portola Valley
- The City of Redwood City
- The City of San Bruno
- The City of San Carlos
- The City of San Mateo
- The City of South San Francisco
- The Town of Woodside

In responding to the foregoing Findings and Recommendations, each city and town should understand references to “[E]ach City” as referring only to itself. No city or town should be responding as to an entity other than itself.

METHODOLOGY

The Grand Jury reviewed each of the documents listed in “BIBLIOGRAPHY” below. In addition, the Grand Jury interviewed representatives of 6 of the Cities, the County, and an independent public pensions expert.

APPENDIX A – CITIES’ PENSION DATA

(Based on the Cities’ Annual Financial Reports for FY 2014-2015, FY 2015-2016 and FY 2016-2017)

All dollar amounts in thousands.

CITIES	Fiscal Year	Covered Payroll	Contribution Payments	Contribution Rate (i.e., Contribution Payments as % of Covered Payroll)	Unfunded Liability	Funded Percentage	Unfunded Liability if Discount Rate Is Reduced 1 Percentage Point	General Fund Total Expenditures	Contribution Payments as % of General Fund Total Expenditures*
Atherton	2016-2017	\$4,327	\$1,155	26.7%	\$13,982	74.3%	\$21,344	\$11,437	10.1%
	2015-2016	\$4,261	\$617	14.5%	\$10,674	80.4%	\$17,326	\$10,611	5.8%
	2014-2015	\$3,988	\$826	20.7%	\$9,253	81.9%	\$16,088	\$11,622	7.1%
Belmont	2016-2017	\$15,198	\$3,582	23.6%	\$32,835	72.0%	\$48,680	\$18,344	19.5%
	2015-2016	\$11,794	\$4,191	35.5%	\$26,626	76.2%	\$41,855	\$16,800	24.9%
	2014-2015	\$14,176	\$2,788	19.7%	\$25,059	76.7%	\$39,412	\$16,777	16.6%
Brisbane	2016-2017	\$7,916	\$1,713	21.6%	\$18,227	74.8%	\$27,989	\$15,521	11.0%
	2015-2016	\$7,101	\$883	12.4%	\$13,952	79.9%	\$23,410	\$14,850	5.9%
	2014-2015	6,152	1,153	18.7%	12,074	82.2%	\$21,119	\$13,247	8.7%
Burlingame	2016-2017	\$18,617	\$5,294	28.4%	\$57,694	73.4%	\$86,051	\$49,707	10.7%
	2015-2016	\$17,654	\$3,840	21.8%	\$46,987	77.8%	\$75,062	\$47,459	8.1%
	2014-2015	16,713	3,822	22.9%	41,762	80.1%	\$69,042	\$44,405	8.6%
Colma	2016-2017	\$4,031	\$1,048	26.0%	\$9,449	74.2%	\$14,008	\$13,323	7.9%
	2015-2016	\$3,749	\$937	25.0%	\$7,747	74.7%	\$11,969	\$13,410	7.0%
	2014-2015	\$3,604	\$939	26.1%	\$6,885	76.1%	\$10,724	\$12,948	7.3%
Daly City	2016-2017	\$40,070	\$11,631	29.0%	\$139,861	75.7%	\$213,918	\$77,139	15.1%
	2015-2016	\$42,608	\$12,081	28.4%	\$112,195	80.0%	\$185,217	\$79,062	15.3%
	2014-2015	42,226	8,862	21.0%	99,631	81.9%	\$169,965	\$72,649	12.2%
East Palo Alto	2016-2017	8,464	1,493	17.6%	9,459	74.1%	13,750	\$18,109	8.2%
	2015-2016	\$8,408	\$1,372	16.3%	\$8,112	78.4%	\$12,086	\$17,735	7.7%
	2014-2015	7,926	1,477	18.6%	7,856	70.6%	\$11,417	\$16,524	8.9%
Foster City	2016-2017	\$19,875	\$7,209	36.3%	\$69,207	68.7%	\$98,575	\$36,416	19.8%
	2015-2016	\$18,724	\$5,294	28.3%	\$56,390	76.7%	\$84,686	\$33,048	16.0%
	2014-2015	17,696	4,552	25.7%	50,458	78.2%	\$77,534	\$31,322	14.5%
Half Moon Bay	2016-2017	\$2,423	\$594	24.5%	\$9,502	74.6%	\$14,557	\$10,418	5.7%
	2015-2016	\$2,014	\$583	28.9%	\$7,319	80.1%	\$12,332	\$8,781	6.6%
	2014-2015	1,987	529	26.6%	6,736	81.6%	\$11,620	\$8,352	6.3%
Hillsborough	2016-2017	\$8,661	\$2,158	24.9%	\$22,387	74.5%	\$34,262	\$21,224	10.2%
	2015-2016	\$9,089	\$1,893	20.8%	\$17,187	80.2%	\$28,063	\$19,693	9.6%
	2014-2015	8,625	1,605	18.6%	14,770	79.8%	\$25,822	\$18,721	8.6%

*Note: Covered Payroll amounts in CAFRs may include compensation paid to certain employees whose activities are not accounted for as part of General Fund activities, and their compensation would not be included in General Fund Total Expenditures. As a result, the percentage of General Fund Total Expenditures represented by Covered Payroll may somewhat overstate the percentage represented by General Fund Covered Payroll. Some experts have estimated that this might result in an overstatement of the percentage by 10 – 30 percent, such that a Contribution Payment as a % of General Fund Total Expenditures of 10 percent might actually be somewhere between 7 and 9 percent.

CITIES	Fiscal Year	Covered Payroll	Contribution Payments	Contribution Rate (i.e., Contribution Payments as % of Covered Payroll)	Unfunded Liability	Funded Percentage	Unfunded Liability if Discount Rate Is Reduced 1 Percentage Point	General Fund Total Expenditures	Contribution Payments as % of General Fund Total Expenditures*
Menlo Park	2016-2017	\$23,112	\$5,565	24.1%	\$50,993	74.4%	\$77,514	\$47,314	11.8%
	2015-2016	\$19,868	\$4,747	23.9%	\$38,881	79.3%	\$64,170	\$42,565	11.2%
	2014-2015	19,969	4,228	21.2%	34,371	81.2%	\$58,596	\$40,581	10.4%
Millbrae	2016-2017	\$6,165	\$2,335	37.9%	\$42,769	74.1%	\$62,676	\$25,494	9.2%
	2015-2016	\$5,835	\$2,064	35.4%	\$34,256	78.4%	\$53,883	\$22,514	9.2%
	2014-2015	6,871	1,400	20.4%	28,989	78.6%	47,979	\$18,201	7.7%
Pacifica	2016-2017	\$15,720	\$3,736	23.8%	\$44,400	77.5%	\$70,650	\$28,781	13.0%
	2015-2016	\$15,000	\$2,749	18.3%	\$32,841	82.7%	\$56,750	\$27,358	10.0%
	2014-2015	\$14,365	\$2,739	19.1%	\$28,089	85.0%	\$52,855	\$25,354	10.8%
Portola Valley	2016-2017	\$1,442	\$116	8.1%	\$524	91.8%	\$1,382	\$4,361	2.7%
	2015-2016	\$1,072	\$84	7.8%	\$82	98.6%	\$881	\$4,303	2.0%
	2014-2015	\$993	\$1,019	102.6%	\$957	83.0%	\$1,706	\$5,587	18.2%
Redwood City	2016-2017	\$62,098	\$17,722	28.5%	\$215,202	65.7%	\$298,653	\$112,142	15.8%
	2015-2016	\$57,352	\$17,363	30.3%	\$177,937	70.1%	\$257,798	\$101,684	17.1%
	2014-2015	\$54,275	\$16,467	30.3%	\$164,149	71.6%	\$240,111	\$95,856	17.2%
San Bruno	2016-2017	\$25,173	\$6,344	25.2%	\$78,198	70.7%	\$114,180	\$43,244	14.7%
	2015-2016	\$21,315	\$4,434	20.8%	\$61,771	75.6%	\$96,281	\$38,882	11.4%
	2014-2015	\$20,532	\$4,979	24.3%	\$53,531	78.4%	\$86,637	\$36,738	13.6%
San Carlos	2016-2017	\$11,047	\$2,134	19.3%	\$47,009	63.3%	\$64,530	\$33,182	6.4%
	2015-2016	\$10,486	\$2,601	24.8%	\$40,263	67.3%	\$57,293	\$41,264	6.3%
	2014-2015	\$8,480	\$2,296	27.1%	\$27,741	75.5%	\$42,824	\$29,067	7.9%
San Mateo (City)	2016-2017	\$58,645	\$17,537	29.9%	\$197,822	66.2%	\$271,523	\$103,992	16.9%
	2015-2016	\$52,345	\$15,908	30.4%	\$168,693	70.1%	\$240,459	\$95,779	16.6%
	2014-2015	\$49,788	\$13,860	27.8%	\$159,585	71.4%	\$228,588	\$88,078	15.7%
South San Francisco	2016-2017	\$48,954	\$13,300	27.2%	\$152,786	68.4%	\$216,103	\$92,367	14.4%
	2015-2016	\$40,396	\$13,938	34.5%	\$130,042	72.2%	\$191,669	\$86,795	16.1%
	2014-2015	\$34,478	\$11,403	33.1%	\$124,085	73.2%	\$184,305	\$76,805	14.8%
Woodside	2016-2017	\$1,996	\$323	16.2%	\$3,164	72.3%	\$4,702	\$6,801	4.8%
	2015-2016	\$1,809	\$409	22.6%	\$2,578	75.8%	\$4,325	\$6,638	6.2%
	2014-2015	\$1,640	\$389	23.7%	\$2,053	79.1%	\$3,356	\$6,107	6.4%

Totals & Weighted Averages	2016-2017	\$383,935	\$104,986	27.3%	\$1,215,467	70.5%	\$1,755,047	\$769,315	13.6%
	2015-2016	\$350,879	\$95,987	27.4%	\$994,535	75.1%	\$1,515,516	\$729,230	13.2%
	2014-2015	\$334,484	\$85,335	25.5%	\$898,036	76.8%	\$1,399,702	\$668,939	12.8%

APPENDIX B - HOW TO FIND PENSION DATA IN THE CITIES' CAFRS

Set forth below is a guide to where information compiled in Appendix A can be found in the Cities' CAFRs.

Amount of Employer Contributions to Pension Plans: This information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule(s) of Contributions" for the pension plans. Sometimes a separate Schedule of Contribution is included for each pension plan, other times only an aggregate number for all plans is given.

Covered Payroll for Pension Plans: This information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule(s) of Contributions" for the pension plans. Where the CAFR has a separate Schedule of Contributions for each pension plan, it will also show the payroll specific to that plan's employees. Where plan information is aggregated, then the payroll number will also be aggregated.

Amount of Unfunded Liabilities: This information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule of Proportionate Share of The Net Pension Liability" as "Plan's proportionate share of the Net Pension Liability (Asset)." Note: The amounts given for "covered payroll" in this schedule should not be relied upon as they often apply to the year (either one or two years prior) in which pension assets and liabilities were last measured, rather than the fiscal year covered in the CAFR itself. For information as to covered payroll during the current fiscal year, rely only on the information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule(s) of Contributions" for the pension plans.

Funded Percentage of Pension Plan. This information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule of Proportionate Share of The Net Pension Liability" as "Plan's proportionate share of Fiduciary Net Position as a Percentage of Plan's Total Pension Liability." As used in CAFRs, "Fiduciary Net Position" refers to the total assets in the pension plan. Hence, the Funded Percentage of a pension plan is equal to its "Fiduciary Net Position" divided by "Total Pension Liability." The term, "Net Pension Liability" refers to the difference between plan assets ("Fiduciary Net Position") and plan liabilities ("Total Pension Liability"). The amounts given for "covered payroll" in this schedule should not be relied upon as they often apply to the year (either one or two years prior) in which pension assets and liabilities were last measured, rather than the fiscal year covered in the CAFR itself. For information as to covered payroll during the current fiscal year, rely only on the information is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule(s) of Contributions" for the pension plans.

Total Assets, Total Liabilities and Total Unfunded Liabilities of Pension Plan: This information, if provided in the CAFR, is set forth in the "Required Supplemental Information" section of the CAFR, in the "Schedule of Changes in the Net Pension Liability and Related Ratios" as (i) "Plan

Fiduciary Net Position – ending (b)” with respect to plan assets, (ii) “Total Pension Liability – ending (a)” with respect to total plan liabilities, and (iii) “Net Pension Liability – ending (a) - (b)” with respect to unfunded pension liabilities. Note: In many CAFRs the amount of unfunded pension liabilities (“Net Pension Liabilities”) and the Funded Percentage of the pension plan are given, but the total assets amount (“Plan Fiduciary Net Position”) and the total liabilities amount (“Total Pension Liability”) are not given. They can, however, be calculated in the following way. To derive total liabilities, simply divide the Unfunded Liability amount (“Net Pension Liabilities”) by 1 minus the Funded Percentage for the fund. To derive total assets (“Plan Fiduciary Net Position”) simply subtract the Unfunded Liabilities amount (“Net Pension Liability”) from the amount of total plan liabilities (“Total Pension Liability”). Where the aggregate Funded Percentage of all pension plans is not given in a CAFR, it can be derived simply by dividing the sum of all of the plan asset amounts for each plan by the sum of all plan liabilities for each plan.

The following example will demonstrate the foregoing. Assume the CAFR provides the following information:

Net Pension Liability under Miscellaneous Plan is \$15 million.
Funded percentage under Miscellaneous Plan is 75%.
Net Pension Liability under Safety Plan is \$20 million.
Funded percentage under Safety Plan is 80%.

Accordingly,

Total liabilities under the Miscellaneous Plan are \$60 million ($\$15\text{M net pension liability} / (1 - 75\% \text{ Funded Percentage}) = \60 million)

Total assets under the Miscellaneous Plan are \$35M ($\$60\text{M total liabilities amount minus } \$15\text{M net pension liability} = \35M)

Total liabilities under the Safety Plan are \$100M ($\$20\text{M net pension liability} / (1 - 80\% \text{ Funded Percentage}) = \100M)

Total assets under Safety Plan are \$80M ($\$100\text{M total liabilities amount minus } \$20\text{M net pension liability} = \80M)

Total liabilities under all pension plans are \$160M ($\$60\text{M under Miscellaneous Plan and } \$100\text{M under Safety Plan}$)

Total assets under all pension plans are \$105M ($\$35\text{M under Miscellaneous Plan plus } \$80\text{M under Safety Plan}$)

Aggregate Funded Percentage under all plans is 65.6% (\$105M aggregate total assets divided by \$160M aggregate total liabilities).

Unfunded Liabilities Where Discount Rate Is Increased/Decreased by 100 Points (i.e., 1 percentage point): This information is set forth in the section of “Notes to Basic Financial Statements” describing the pension plans under the heading “Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate.” It is sometimes provided separately for each pension plan and other times only an aggregate number for all pension plans is given.

General Fund Spending by City: This information is found in the “Government Fund Financial Statements” section of the CAFR in the “Statement of Revenue, Expenditures and Changes in Fund Balances, Governmental Funds for the Year Ended _____”.

BIBLIOGRAPHY

Articles and Reports that are cited in report

Alameda County Deputy Sheriff's Association, et al. v. Alameda County Employees' Retirement Assn., et al., Case No. A141913, filed January 8, 2018, as modified February 5, 2018, <<https://www.gmsr.com/wp-content/uploads/2018/04/scw-A141913M.pdf>>. (Last accessed, June 5, 2018.)

Allen v. City of Long Beach, 45 Cal.2d 128 (1955), <<https://scocal.stanford.edu/opinion/allen-v-city-long-beach-26585>>. (Last accessed, June 3, 2018.)

American Academy of Actuaries. *Measuring Pension Obligations: Discount Rates Serve Various Purposes*. American Academy of Actuaries Issue Brief. November 2013, <http://www.actuary.org/files/IB_Measuring-Pension-Obligations_Nov-21-2013.pdf>. (Last accessed, June 10, 2018.)

Ang, Kimberly. *What Happens to Public Employee Retirement Benefits When Municipalities Go Bankrupt?* United States Common Sense, March 10, 2016, <<http://govrank.org/research/researchText/45>>. (Last accessed, June 10, 2018.)

Angelo, Paul, *Understanding the Valuation of Public Pension Liabilities – Expected Cost versus Market Price*, In the Public Interest, January 2016, <http://www.retirement.saccounty.net/Documents/sac_033972.pdf>. (Last accessed, June 10, 2018.)

Andonov, Aleksander, Bauer, Rob, Cremers, Martijn, *Pension Fund Asset Allocation and Liability Discount Rates*, March 2016, <http://www.icpmnetwork.com/wp-content/uploads/2016/05/Rob-Bauer_What-Is-the-Biggest-Challeng-Facing-Public-Plan-Sponsors_Optional.pdf>. (Last accessed, June 10, 2018.)

Augustine, Carol, Staff Report to Burlingame City Council, July 3, 2017, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=145f1c47-afe4-48e6-8c90-7af86841c428.docx>>. (Last accessed, June 8, 2018.)

Augustine, Carol, Staff Report to Burlingame City Council, March 14, 2018, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=8bf430f2-6a90-46f4-a5e8-bc50ad710524.docx>>. (Last accessed, June 8, 2018.)

Augustine, Carol, Staff Report to Burlingame City Council, May 9, 2018, <<http://burlingameca.legistar.com/gateway.aspx?M=F&ID=68ce413d-4c73-4e2b-abf2-d2e04b1dde86.docx>>. (Last accessed, June 10, 2018.)

Ballotpedia, *Daly City, California, Parcel Tax for Police and Fire Departments, Measure V (November 2016)*, <[https://ballotpedia.org/Daly_City,_California,_Parcel_Tax_for_Police_and_Fire_Departments,_Measure_V_\(November_2016\)](https://ballotpedia.org/Daly_City,_California,_Parcel_Tax_for_Police_and_Fire_Departments,_Measure_V_(November_2016))>. (Last accessed, June 6, 2018.)

Ballotpedia, *San Mateo County Sales Tax Increase, Measure A (November 2012)*, <[https://ballotpedia.org/San_Mateo_County_Sales_Tax_Increase,_Measure_A_\(November_2012\)](https://ballotpedia.org/San_Mateo_County_Sales_Tax_Increase,_Measure_A_(November_2012))>. (Last accessed, June 10, 2018.)

Ballotpedia, *San Mateo County Sales Tax Increase, Measure K (November 2016)*, <[https://ballotpedia.org/San_Mateo_County,_California,_Sales_Tax,_Measure_K_\(November_2016\)](https://ballotpedia.org/San_Mateo_County,_California,_Sales_Tax,_Measure_K_(November_2016))>. (Last accessed, June 10, 2018.)

Bartel Associates, LLC, *New CalPERS Assumptions Will Increase Rates*, February 23, 2014, <<http://www.bartel-associates.com/news/2014/02/23/new-calpers-assumptions-will-increase-rates>>. (Last accessed, June 6, 2018.)

Bartel Associates, LLC website, <<http://www.bartel-associates.com/about-us/client-list>>. (Last accessed, June 10, 2018.)

Beyersdorf, Brian, *The Fate of Public Employee Pensions: Marin's Revision of the 'California Rule'*, California Law Review Online, September 2017, <www.californialawreview.org/wp-content/uploads/2017/09/Beyersdorf-02-formatted-62-72.pdf>. (Last accessed, June 5, 2018.)

Biggs, Andrew and Smetters, Kent. *Understanding the Argument for Market Valuation of Public Pension Liabilities*. American Enterprise Institute. May 2013, <http://www.aei.org/wp-content/uploads/2013/05/-understanding-the-argument-for-market-valuation-of-public-pension-liabilities_10491782445.pdf>. (Last accessed, June 10, 2018.)

Boyd, Donald, Kiernan, Peter, *Strengthening the Security of Public Sector Defined Benefit Plans*, The Blinken Report, The Nelson A. Rockefeller Institute of Government. January 2014, <https://www.schiffhardin.com/Templates/Media/Files/Publications/PDF/Kiernan_Blinken_Report_Jan2014.pdf>. (Last accessed, June 10, 2018.)

Brainard, Keith and Brown, Alex, *The Annual Required Contribution Experience of State Retirement Plans, FY01 to FY13*, National Association of State Retirement Administrators, March 2015, <https://www.nasra.org/files/JointPublications/NASRA_ARC_Spotlight.pdf>. (Last accessed, June 6, 2018.)

Brewington, Autumn, *Making Sense of the Mathematics of California's Pension Liability*, Hoover Institution, August 21, 2012, <<https://www.hoover.org/research/making-sense-mathematics-californias-pension-liability>>. (Last accessed, June 10, 2018.)

Bui, Truong and Randazzo, Anthony. *Why Discount Rates Should Reflect Liabilities: Best Practices for Setting Public Sector Pension Fund Discount Rates*, Reason Foundation, September 2015, <https://reason.org/wp-content/uploads/files/pension_discount_rates_best_practices.pdf>. (Last accessed, June 10, 2018.)

Burlingame, Email from City of Burlingame Finance Director dated June 9, 2018.

Burlingame, Letter from City of Burlingame Finance Director dated June 7, 2018.

Cal Fire Local 2881 et al., v. California Public Employees' Retirement System et al., 7 Cal. App. 5th 115 (1st Dist. 2016), <<https://www.eastbaytimes.com/wp-content/uploads/2017/01/123016-appellate-court-ruling.pdf>>. (Last accessed, June 5, 2018.)

California Policy Center, *CalPERS Actuarial Report Data – Cities (\$=M)*, <<https://californiapolicycenter.org/CalPERS-Actuarial-Report-Data-Cities-and-Counties/>>. (Last accessed, June 7, 2018.)

CalPERS Actuarial Office, *Finance and Administration Committee, Agenda Item 7a, Amortization Policy (Second Reading)*, February 13, 2018, <https://www.calpers.ca.gov/docs/board-agendas/201802/financeadmin/item-7a-00_a.pdf>. (Last accessed, June 5, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of Daly City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/daly-city-miscellaneous-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Safety Plan of the City of Daly City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/daly-city-safety-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/redwood-city-miscellaneous-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Safety Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/redwood-city-safety-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of San Mateo, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/san-mateo-city-miscellaneous-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Safety Plan of the City of San Mateo, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/san-mateo-city-safety-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Miscellaneous Plan of the City of South San Francisco, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/south-san-francisco-city-miscellaneous-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2016 Safety Plan of the City of South San Francisco, <<https://www.calpers.ca.gov/docs/actuarial-reports/2016/south-san-francisco-city-safety-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *Addressing Benefit Equity, The CalPERS Proposal SB 400 (Ortiz and Burton)*, 1999, <<http://davidgrane.org/wp-content/uploads/2012/06/CalPERS-SB-400-Proposal-1999.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *A Guide to CalPERS: When You Change Retirement Systems*, <<https://www.calpers.ca.gov/docs/forms-publications/change-retirement-systems.pdf>>. (Last accessed, June 5, 2018.)

CalPERS at a Glance, *CalPERS Communications and Stakeholders Communications*, <<https://www.calpers.ca.gov/docs/forms-publications/calpers-at-a-glance.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *CalPERS Reports Preliminary 11.2 Percent Investment Return for Fiscal Year 2016-17*, July 14, 2017, <<https://www.calpers.ca.gov/page/newsroom/calpers-news/2017/preliminary-fiscal-year-investment-returns>>. (Last accessed, June 10, 2018.)

CalPERS, *Comprehensive Annual Financial Report for the Fiscal Year Ending June 30, 2006*, <http://cafr1.com/STATES/CALIFORNIA%20DIRECTORY/CALPERS/CALPERS_CAFR2006.pdf>. (Last accessed, June 10, 2018.)

CalPERS, *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2013*, <<https://www.calpers.ca.gov/docs/forms-publications/cafr-2013.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2016*, <<https://www.calpers.ca.gov/docs/forms-publications/cafr-2016.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017*, <<https://www.calpers.ca.gov/docs/forms-publications/cafr-2017.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, Finance and Administration Committee, *Proposed California Employers' Pension Prefunding Trust (CEPPT) Legislation*, February 17, 2016, <<https://www.calpers.ca.gov/docs/board-agendas/201602/financeadmin/item-6a-00.pdf>>. (Last accessed, June 6, 2018.)

CalPERS, *Investment & Pension Funding Facts at a Glance for Fiscal Year 2016-17*, <<https://www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf>>. (Last accessed on June 4, 2018.)

CalPERS, *Perspective Winter 2018*, <<https://www.calpers.ca.gov/docs/forms-publications/perspective-winter-2018.pdf>>. (Last accessed, June 10, 2018.)

CalPERS, *Retirement Formulas and Benefit Factors: Your Benefits / Your Future What You Need to Know About Your CalPERS Local Miscellaneous Benefits*, <<http://www.reedley.ca.gov/departments/administrative/pdfs/CalPERS%202016-01-01%20Local%20Miscellaneous%20Pub%208.pdf>>. (Last accessed, June 5, 2018.)

CalPERS, *Summary of Public Employees Pension Reform Act of 2013 and Related Changes to Public Employees' Retirement Law*, November 27, 2012, <http://www.counties.org/sites/main/files/file-attachments/calpers_summary.pdf>. (Last accessed, June 10, 2018.)

CalPERS, *CalPERS to Lower Discount Rate to Seven Percent Over the Next Three Years*, December 21, 2016, <<https://www.calpers.ca.gov/page/newsroom/calpers-news/2016/calpers-lower-discount-rate>>. (Last accessed, June 10, 2018.)

Center for Continuing Study of the California Economy, *Numbers in the News, The Bay Area Led the State and Nation in GDP Growth in 2016*, September 2017, <<http://www.ccsce.com/PDF/Numbers-Sept-2017-CA-Regional-Economy-Rankings-2016.pdf>>. (Last accessed, June 10, 2018.)

City of Belmont, *FY 2018 Budget*, <<https://www.belmont.gov/home/showdocument?id=15433>>. (Last accessed, June 10, 2018.)

City of Burlingame, *CA Fiscal Year 2017-18 Adopted Budget*, <https://www.burlingame.org/document_center/Finance/Budget%20Information/Adopted%20Budget%2017-18.pdf>. (Last accessed, June 10, 2018.)

City of Brisbane, Letter from City of Brisbane to Grand Jury, dated June 11, 2018.

City of Brisbane, *Fiscal Years 2016-2017 & 2017-2018, Adopted Two Year Operating Budget*, <http://www.brisbaneca.org/sites/default/files/City%20of%20Brisbane_1.pdf>. (Last accessed, June 10, 2018.)

City of Daly City, *Adopted Comprehensive Biennial Operating and Capital Budget, Fiscal Years 2017 and 2018*, <<http://www.dalycity.org/Assets/Departments/Finance+and+Administration/Operating+Budget+2017-2018.pdf>>. (Last accessed, June 6, 2018.)

City of Foster City, *Preliminary Budget Fiscal Year 2018-2019*, p. 10,
<https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3521/fy_2018-2019_preliminary_budget_published.pdf>. (Last accessed, June 9, 2018.)

City of Half Moon Bay, *FY 2017-18 Adopted Operating Budget*, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/940>>. (Last accessed, June 10, 2018.)

City of La Palma, *CalPERS Update and Additional Payment Discussion*, February 20, 2018,
<<https://www.cityoflapalma.org/ArchiveCenter/ViewFile/Item/2374>>. (Last accessed, June 6, 2018.)

City of Menlo Park, *Adopted Budget, Fiscal Year 2017-18*,
<<https://www.menlopark.org/ArchiveCenter/ViewFile/Item/6273>>. (Last accessed, June 10, 2018.)

City of Millbrae, Letter from City of Millbrae to Grand Jury, dated June 11, 2018.

City of Redwood City, *Fiscal Year 2017-2018 Adopted Budget*,
<<http://webapps.redwoodcity.org/files/finance/main/1.-Redwood-City-CA-Adopted-FY-17-18-Budget-pdf>>.
(Last accessed, June 10, 2018.)

City of Redwood City, *Report – FY 2017-18 Mid-Year Budget Study Session and Proposed Process for Development of the FY 2018-19 Budget*, February 26, 2018,
<<https://www.redwoodcity.org/home/showdocument?id=14650>>. (Last accessed, June 5, 2018.)

City of Redwood City, *Fiscal Year 2018-2019 Recommended Budget*,
<<http://www.redwoodcity.org/home/showdocument?id=15124>>. (Last accessed, June 9, 2018.)

City of San Bruno, *Fiscal Year 2013-14 City Council Adopted General Fund, Enterprise Funds, Internal Service Funds and Special Revenue Funds Operating Budget*,
<<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=23046>>. (Last accessed, June 10, 2018.)

City of San Carlos, *Long-Term Financial Plan*, November 5, 2014,
<<http://www.cityofsancarlos.org/Home/ShowDocument?id=700>>. (Last accessed, June 9, 2018.)

City of San Carlos, *Teamsters Group – Benefits Summary 2018*.

City of San Carlos, *City Council Staff Report*, Item 7.b of March 12, 2018 Agenda Packet,
<<http://sancarlosca.ig2.com/Citizens/FileOpen.aspx?Type=1&ID=2699&Inline=True>>. (Last accessed, June 9, 2018.) (Note: The Staff Report, Item 7.b can be found at p. 113 of the Agenda Packet that opens when this URL is accessed.)

City of San Carlos, *City Council Staff Report*, Item 9.a of April 9, 2018 Agenda Packet,
<<http://sancarlosca.ig2.com/Citizens/FileOpen.aspx?Type=1&ID=2707&Inline=True>>. (Last accessed, June 9, 2018.) (Note: The Staff Report, Item 9.a of April 9, 2018 Agenda Packet can be found at p. 34 of the Agenda Packet that opens when this URL is accessed.)

City of San Mateo, *Adopted 2017-18 Budget*,
<<https://www.cityofsanmateo.org/DocumentCenter/View/60043/Adopted-2017-18-Budget>>. (Last accessed, June 9, 2018.)

City of San Mateo, *Proposed 2018-20 Business Plan*, <<https://www.cityofsanmateo.org/DocumentCenter/View/64801/Proposed-FY-2018-20-Business-Plan>>. (Last accessed, June 9, 2018.)

City of South San Francisco, *Adopted Biennial Operating Budget and Capital Improvement Program Fiscal Years 2017-19*, <<http://www.ssf.net/home/showdocument?id=2348>>. (Last accessed, June 10, 2018.)

City of South San Francisco, *FY 2018-19 Addendum to Adopted FY 2018-19 Biennial Operating Budget*.

City of South San Francisco, *FY 2018-19 Operating Budget Study Session*, May 23, 2018.

City of South San Francisco, Letter from City of South San Francisco to Grand Jury, dated June 7, 2018.

City of South San Francisco, Letter from City of South San Francisco to Grand Jury, dated June 11, 2018.

CNBC.com, *CalPERS's sees 5.8 percent return with new allocation; below 7 percent goal*, February 8, 2017, <<https://www.cnbc.com/2017/02/08/calpers-sees-58-percent-return-with-new-allocation-below-7-percent-goal.html>>. (Last accessed, June 10, 2018.)

County of San Mateo, *Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2017*, <<https://controller.smcgov.org/document/2017-cafr>>. (Last accessed, June 10, 2018.)

Costigan, Richard, Hollinger, Dana and Slaton, Bill, *The Pension Debate: Our Focus is on the Future*, September 28, 2016, <<https://www.calpers.ca.gov/page/newsroom/for-the-record/2016/pension-debate-our-focus-is-the-future>>. (Last accessed, June 10, 2018.)

Diamond, Randy, *CalPERS considers 4 asset allocation options; local officials prefer avoiding major changes*, November 14, 2017, <<http://www.pionline.com/article/20171114/ONLINE/171119918/calpers-considers-4-asset-allocation-options-local-officials-prefer-avoiding-major-changes>>. (Last accessed, June 5, 2018.)

Dolan, Jack, *How a pension deal went wrong and cost California taxpayers billions*, Los Angeles Times, September 18, 2016, <<http://www.latimes.com/projects/la-me-pension-crisis-davis-deal/>>. (Last accessed, June 10, 2018.)

Eastman, Becky, *Report on status of Belvedere's employee pension funds*, May 13, 2013, <<http://www.cityofbelvedere.org/DocumentCenter/View/1425>>. (Last accessed, June 6, 2018.)

The Economist, Buttonwood's Notebook, *Another discount rate illusion*, May 30, 2013, <<https://www.economist.com/buttonwoods-notebook/2013/05/30/another-discount-rate-illusion>>. (Last accessed, June 10, 2018.)

The Economist, Buttonwood's Notebook, *The soaring cost of old age, The real problem with pensions*, March 7, 2018, <<https://www.economist.com/blogs/buttonwood/2018/03/soaring-cost-old-age>>. (Last accessed, June 10, 2018.)

Fox, Kelly, *CalPERS Update and Path Forward*, December 13, 2017, <<http://www.cacities.org/Resources-Documents/Education-and-Events-Section/Fire-Chiefs/2017-Session-Materials/CalPERS-History-and-Pension-Updates>>. (Last accessed, June 10, 2018.)

GASB Statement No. 68. Summary at <http://www.gasb.org/jsp/GASB/Pronouncement_C/GASBSummaryPage&cid=1176160219492>. Full text at

<http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176160220621&acceptedDisclaimer=true>. (Last accessed June 4, 2018.)

Glover, Mark, *California sets a new record for lowest unemployment rate*, The Sacramento Bee, January 19, 2018, <www.sacbee.com/news/business/article/195571634.html>. (Last accessed, June 6, 2018.)

GMSR Appellate Lawyers, *California Supreme Court Watch*, #18-49, <<https://www.gmsr.com/18-49-alameda-county-deputy-sheriffs-assn-v-alameda-county-employees-retirement-assn-s247095-a141913-19-cal-app-5th-61-mod-19-cal-app-5th-945a-contra-costa-county-superior/>>. (Last accessed, June 5, 2018.)

Government Officers Finance Association, *Best Practices Guide*, <<http://www.gfoa.org/best-practices>>. (Last accessed, June 10, 2018.)

Greenhut, Steven, *California Still Facing Pension Crisis Even with Good Stock Market Returns*, July 14, 2017, <<http://reason.com/archives/2017/07/14/dont-let-unions-use-good-returns-to-defl/print>>. (Last accessed, June 10, 2018.)

Hutchings, Dane, *Closing the Pension Funding Gap*, League of California Cities, <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwj4wYngL7bAhUPJ3wKHeqPCW0QFggpMAA&url=https%3A%2F%2Fwww.cacities.org%2FResources-Documents%2FPolicy-Advocacy-Section%2FHot-Issues%2FRetirement-System-Sustainability%2FPension_Gap_Public.aspx&usq=AOvVaw2C02vB9pPOI9v_n_zbeA38>. (Last accessed, June 5, 2018.)

Investopedia, *How does a defined benefit pension plan differ from a defined contribution plan?*, March 2015, <<https://www.investopedia.com/ask/answers/032415/how-does-defined-benefit-pension-plan-differ-defined-contribution-plan.asp>>. (Last accessed, June 10, 2018.)

Jacobius, Arleen, *CalPERS shortens amortization period to 20 years*, Pensions & Investments, February 14, 2018, <<http://www.pionline.com/article/20180214/ONLINE/180219934/calpers-shortens-amortization-period-to-20-years>>. (Last accessed, June 5, 2018.)

Kasler, Dale, *CalPERS moves to slash investment forecast. That means higher pension contributions are coming.*, Sacramento Bee, December 21, 2016, <<http://www.sacbee.com/news/business/article122088759.html>>. (Last accessed, June 5, 2018.)

Kasler, Dale, *With investments soft, CalPERS eyes higher contribution rates. What does that mean for workers?* Sacramento Bee, November 21, 2016, <www.sacbee.com/news/business/article116331443.html>. (Last accessed, June 5, 2018.)

Keene, James, Palo Alto City Manager, Letter to Tamara L. Davis, Deputy Manager, Jury Services, Santa Clara County Civil Grand Jury, January 30, 2017 (Updated response to 2011-12 Santa Clara County Civil Grand Jury report, *An Analysis of Pension and Other Post-Employment Benefits*.) <http://www.scsccourt.org/court_divisions/civil/cgj/2012/responses/pension/02.03.17%20Response%20-%20Palo%20Alto.PDF>. (Last accessed, June 10, 2018.)

League of California Cities, *Retirement System Sustainability: A Secure Future for California Cities, Existing General Pension Principles* (modified), adopted June 30, 2017.

League of California Cities, *League of California Cities Retirement System Sustainability Study and Findings*, January 2018, <<https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot->

[Issues/Retirement-System-Sustainability/League-Pension-Survey-\(web\)-FINAL.aspx](#)>. (Last accessed, June 5, 2018.)

League of California Cities, *CalPERS Board Reduces Amortization Policy*, February 14, 2018, <<https://www.cacities.org/Top/News/News-Articles/2018/February/CalPERS-Board-Reduces-Amortization-Policy>>. (Last accessed, June 10, 2018.)

League of California Cities, *CalPERS Stays the Course, Adopts a 7 Percent Assumed Rate of Return*, December 22, 2017, <<https://www.cacities.org/Top/News/News-Articles/2017/December/CAIPERS-Stays-the-Course.-Adopts-a-7-Percent-Assum>>. (Last accessed on June 5, 2018.)

Lin, Bianca and Childs, Matthew, *City of Pacifica Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, September 18, 2017, <<http://www.cityofpacifica.org/civicax/filebank/blobload.aspx?BlobID=13378>>. (Last accessed, June 10, 2018.)

Lin, Bianca and Yam, Wai Man, *City of Menlo Park Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, May 2, 2017, <<https://www.menlopark.org/DocumentCenter/View/14392>>. (Last accessed, June 10, 2018.)

Lin, Bianca and Yang, Kevin, *Redwood City Miscellaneous and Safety Plans, CalPERS Actuarial Issues – 6/30/15 Valuation Preliminary Results*, Bartel Associates LLC, February 13, 2017.

Lin, Judy, *Retirement Debt: What's the problem and how does it affect you?* CalMatters.org, February 21, 2018, <<https://calmatters.org/articles/california-retirement-pension-debt-explainer/>>. (Last accessed on June 5, 2018.)

Lowe, Stephanie and Rogers, Frances, *CalPERS Reduces Amortization Period with Impacts to Employer Contribution Rates*, California Public Agency Labor & Employment Blog, Liebert Cassidy Whitmore), March 1, 2018, <<https://www.calpublicagencylaboremploymentblog.com/retirement/calpers-reduces-amortization-period-with-impacts-to-employer-contribution-rates/>>. (Last accessed, June 5, 2018.)

Malanga, Steven, *The Pension Fund that Ate California*, The City Journal, <<https://www.city-journal.org/html/pension-fund-ate-california-13528.html>>. (Last accessed, June 9, 2018.)

Marin Association of Public Employees v. Marin County Employees Retirement Association, 2 Cal. App. 5th 674 (1st Dist. 2016), <<https://www.leagle.com/decision/incaco20160817007>>. (Last accessed, June 5, 2018.)

McDermid, Riley, *Bay Area economy growing three times faster than national average*, San Francisco Business Times, <<https://www.bizjournals.com/sanfrancisco/news/2017/09/26/bay-area-economic-growth.html>>. (Last accessed, June 9, 2018.)

Memorandum of Understanding Between the County of San Mateo and the San Mateo County Employees' Retirement System Funding, November 19, 2013.

Mendel, Ed, *Archive for the "Funding" Category, CalPERS stays the course on rates, investing risk*, Calpensions, December 19, 2017, <<https://calpensions.com/category/calpers/funding/>>. (Last accessed, June 9, 2018.)

Mendel, Ed, *Old cause of pension debt gets new attention*, Calpensions, July 10, 2017, <<https://calpensions.com/2017/07/10/old-cause-of-pension-debt-gets-new-attention/>>. (Last accessed, June 9, 2018.)

Mixon, Peter, *Estimating Future Costs at Public Pension Plans: Setting the Discount Rate*. Pensions & Investments. April 29, 2015, <<http://www.pionline.com/article/20150429/ONLINE/150429853/estimating-future-costs-at-public-pension-plans-setting-the-discount-rate>>. (Last accessed June 4, 2018.)

Money-Zine, *Defined Benefit versus Contribution Plans*, July 5, 2017, <<https://www.money-zine.com/financial-planning/retirement/defined-benefit-versus-contribution-plans/>>. (Last accessed, June 9, 2018.)

Munnell, Alicia, *Appropriate discount rate for public plans is not simple*, MarketWatch, October 5, 2015, <<https://www.marketwatch.com/story/appropriate-discount-rate-for-public-plans-is-not-simple-2016-10-05>>. (Last accessed, June 5, 2018.)

Nation, Joe, *Pension Math: How California's Retirement Spending is Squeezing the State Budget*. SIEPR (Stanford Institute for Economic Policy Research). December 13, 2011, <<http://arc.asm.ca.gov/NSR.pdf>>. (Last accessed, June 9, 2018.)

Nation, Joe, *Pension Math: Public Pension Spending and Service Crowd Out in California, 2003-2030*, October 2, 2017, <<https://siepr.stanford.edu/research/publications/pension-math-public-pension-spending-and-service-crowd-out-california-2003>>. (Last accessed, June 9, 2018.)

Nation, Joe and Storms, Evan. *More Pension Math: Funded Status, Benefits, and Spending Trends for California's Largest Independent Public Employee Pension Systems*. SIEPR (Stanford Institute for Economic Policy Research). February 21, 2012. <http://siepr.stanford.edu/sites/default/files/publications/Nation_More_Pension_0.pdf>. (Last accessed, June 9, 2018.)

Novy-Marx, Robert and Rauh, Joshua D., *The Liabilities and Risks of State-Sponsored Pension Plans*, Journal of Economic Perspectives – Volume 23, Number 4 – Fall 2009, <http://web.stanford.edu/~rauh/research/JEP_Fall2009.pdf>. (Last accessed, June 9, 2018.)

Oliveira, Anthony, *The Local Challenges of Pension Reform*, Bartel Associates, May 24, 2010, <http://www.bartel-associates.com/docs/default-source/articles/oliveira_a_the-challenges-of-pension-reform-1.pdf?sfvrsn=2>. (Last accessed, June 9, 2018.)

Ring, Edward, *Did CalPERS Use Accounting "Gimmicks" to Enable Financially Unsustainable Pensions?*, California Policy Center, January 24, 2018, <<https://californiapolicycenter.org/calpers-use-accounting-gimmicks-enable-financially-unsustainable-pensions/>>. (Last accessed, June 9, 2018.)

Roeder, Rick, Roeder Financial, *California Pension Systems: Ranking their Funding Assumptions*, May 2017, <<http://roederfinancial.com/ramblings.php?ramble=42>>. (Last accessed, June 9, 2018.)

Roeder, Rick, Roeder Financial, *California 2017 Funding Assumption Survey*, May 2017, <<http://roederfinancial.com/RoederSurvey2017.html>>. (Last accessed, June 9, 2018.)

Rogers, Frances and Overby, Brett, *California Court of Appeal Issues A Contrary Decision Addressing "Vested Rights" of Public Employees in the Aftermath of PEPR: Where will the Supreme Court Land?*, California Public Agency Labor & Employment Blog (Liebert Cassidy Whitmore), January 10, 2018, <<https://www.calpublicagencylaboremploymentblog.com/pension/california-court-of-appeal-issues-a-contrary-decision-addressing-vested-rights-of-public-employees-in-the-aftermath-of-pepra-where-will-the-supreme-court-land/>>. (Last accessed, June 5, 2018.)

Rose-Smith, Imogen, *How Low Can CalPERS Go?* Institutional Investor.com, November 30, 2016, <<https://www.institutionalinvestor.com/article/b14z9p7tw9pdz0/how-low-can-calpers-go>>. (Last accessed, June 5, 2018.)

Ruloff, Mark, *Defined Benefit Plans vs. Defined Contribution Plans*, Pension Section News of Society of Actuaries, January 2005 – Issue No. 57.

SamCERA, *2017 Comprehensive Annual Financial Report for the Fiscal Year Ended on June 30, 2017*, <https://www.samcera.org/sites/main/files/file-attachments/2017cafr_final.pdf>. (Last accessed, June 9, 2018.)

San Mateo County Civil Grand Jury 2017-18 report, County Pension Costs – Hard Choices Paying Off.

Terando, Scott, *Strategies for Managing the New Reality*, CalPERS, September 15, 2017, slide 8, <<https://www.cacities.org/Resources-Documents/Education-and-Events-Section/Annual-Conference/2017-Handouts/Strategies-for-Managing-the-New-Reality-of-CalPERS>>. (Last accessed, June 5, 2018.)

Torres, Blanca, *San Mateo County cashes in with sale of Circle Star Plaza for \$90.1 million*, The San Francisco Business Times, May 20, 2014, <<https://www.bizjournals.com/sanfrancisco/blog/real-estate/2014/05/circle-star-plaza-griffin-capital-san-mateo-county.html>>. (Last accessed, June 9, 2018.)

Town of Atherton, *Fiscal Year 2017/18 Operating & Capital Improvement Budget*, <<http://www.ci.atherton.ca.us/ArchiveCenter/ViewFile/Item/2535>>. (Last accessed, June 9, 2018.)

Town of Colma, *FY 2017-18 Adopted Budget*, <<https://www.colma.ca.gov/documents/fiscal-year-2017-18-budget/>>. (Last accessed, June 9, 2018.)

Town of Hillsborough, *FY 20187-19 Proposed Budget*, <<https://www.hillsborough.net/ArchiveCenter/ViewFile/Item/212>>. (Last accessed, June 9, 2018.)

Town of Portola Valley, *Adopted Budget, Fiscal Year 2017-2018*, <<http://www.portolavalley.net/home/showdocument?id=10921>>. (Last accessed, June 9, 2018.)

Turner, John, Godinez-Olivares, Humberto, McCarthy, David, del Carmen Boado-Penas, Maria, *Determining Discount Rates Required to Fund Defined Benefit Plans*, Society of Actuaries, January 2017, <www.actuaries.org/oslo2015/papers/PBSS-Turner&GO&McC&B-P.pdf>. (Last accessed, June 9, 2018.)

U.S. Government Accountability Office, *Pension Plan Valuation: Views on Using Multiple Measures to Offer a More Complete Financial Picture*, September 30, 2014, <<https://www.gao.gov/products/GAO-14-264>> and <<https://www.gao.gov/assets/670/666287.pdf>>. (Last accessed June 4, 2018.)

Walters, Dan, *Jerry Brown, nearing end of terms, defies unions on pensions*, in *San Francisco Chronicle*, November 28, 2017, <<https://www.sfchronicle.com/news/article/Jerry-Brown-nearing-end-of-term-defies-unions-12389814.php>>. (Last accessed, June 5, 2018.)

Walsh, Mary Williams, *A Sour Surprise for Public Pensions: Two Sets of Books*, New York Times, September, 17, 2016, <<https://www.nytimes.com/2016/09/18/business/dealbook/a-sour-surprise-for-public-pensions-two-sets-of-books.html>>. (Last accessed, June 9, 2018.)

Webster, Keeley, *More briefs ask State Supreme Court to weaken California rule on pensions*, The Bond Buyer, February 27, 2018, <<https://www.bondbuyer.com/news/more-briefs-ask-state-supreme-court-to-weaken-california-rule-on-pensions>>. (Last accessed, June 5, 2018.)

Cities' Annual Financial Reports that are cited in the report or relied upon for the data reflected in Appendix A.

Town of Atherton, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2015*, <<http://ca-atherton.civicplus.com/ArchiveCenter/ViewFile/Item/2279>>. (Last accessed, June 10, 2018.)

Town of Atherton, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2016*.

Town of Atherton, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2017*, <<http://ca-atherton.civicplus.com/ArchiveCenter/ViewFile/Item/2538>>. (Last accessed, June 10, 2018.)

City of Belmont, California, *Comprehensive Annual Financial Report 2016, Fiscal Year Ended June 30, 2015*, <<https://www.belmont.gov/home/showdocument?id=12680>>. (Last accessed, June 10, 2018.)

City of Belmont, California, *Comprehensive Annual Financial Report 2016, Fiscal Year Ended June 30, 2016*, <<https://www.belmont.gov/home/showdocument?id=14894>>. (Last accessed, June 10, 2018.)

City of Belmont, California, *Comprehensive Annual Financial Report 2017, Fiscal Year Ended June 30, 2017*, <<https://www.belmont.gov/home/showdocument?id=15900>>. (Last accessed, June 10, 2018.)

City of Brisbane, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2014*, <<http://brisbaneca.org/sites/default/files/brisbane%20cafr%20ocr.pdf>>. (Last accessed, June 10, 2018.)

City of Brisbane, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://brisbaneca.org/sites/default/files/2015%20CAFR.pdf>>. (Last accessed, June 10, 2018.)

City of Brisbane, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://brisbaneca.org/sites/default/files/Brisbane%202016%20CAFR.pdf>>. (Last accessed, June 10, 2018.)

City of Brisbane, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://brisbaneca.org/sites/default/files/2017%20Brisbane%20CAFR.pdf>>. (Last accessed, June 10, 2018.)

City of Burlingame, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2010*, <https://www.burlingame.org/document_center/Finance/Comprehensive%20Annual%20Financial%20Reports/CAFR%2009-10.pdf>. (Last accessed, June 10, 2018.)

City of Burlingame, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <https://www.burlingame.org/document_center/Finance/Comprehensive%20Annual%20Financial%20Reports/CAFR%2014-15.pdf>. (Last accessed, June 10, 2018.)

City of Burlingame, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <https://www.burlingame.org/document_center/Finance/Comprehensive%20Annual%20Financial%20Reports/CAFR%2015-16.pdf>. (Last accessed, June 10, 2018.)

City of Burlingame, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <https://www.burlingame.org/document_center/Finance/Comprehensive%20Annual%20Financial%20Reports/CAFR%2016-17.pdf>. (Last accessed, June 10, 2018.)

Town of Colma, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.colma.ca.gov/documents/basic-financials-2014-15/>>. (Last accessed, June 10, 2018.)

- Town of Colma, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.colma.ca.gov/documents/basic-financials-2015-2016/>>. (Last accessed, June 10, 2018.)
- Town of Colma, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.colma.ca.gov/documents/basic-financials-2016-17/>>. (Last accessed, June 10, 2018.)
- City of Daly City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <http://www.dalycity.org/Assets/Departments/Finance+and+Administration/pdf/2015_cafir.pdf>. (Last accessed, June 10, 2018.)
- City of Daly City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.dalycity.org/Assets/Departments/Finance+and+Administration/2016-cafr.pdf>>. (Last accessed, June 10, 2018.)
- City of Daly City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.dalycity.org/Assets/Departments/Finance+and+Administration/2017+CAFR.pdf>>. (Last accessed, June 10, 2018.)
- City of East Palo Alto, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/318>>. (Last accessed, June 10, 2018.)
- City of East Palo Alto, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/399>>. (Last accessed, June 10, 2018.)
- City of East Palo Alto, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/422>>. (Last accessed, June 10, 2018.)
- City of Foster City and Estero Municipal Improvement District, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3501/cafr-2015.pdf>. (Last accessed, June 10, 2018.)
- City of Foster City and Estero Municipal Improvement District, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3501/cafr-2016.pdf>. (Last accessed, June 10, 2018.)
- City of Foster City and Estero Municipal Improvement District, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3501/cafr_2017.pdf>. (Last accessed, June 10, 2018.)
- City of Half Moon Bay, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/1131>>. (Last accessed, June 10, 2018.)
- City of Half Moon Bay, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/1130>>. (Last accessed, June 10, 2018.)
- City of Half Moon Bay, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.half-moon-bay.ca.us/DocumentCenter/View/1341>>. (Last accessed, June 10, 2018.)

- Town of Hillsborough, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://www.hillsborough.net/ArchiveCenter/ViewFile/Item/162>>. (Last accessed, June 10, 2018.)
- Town of Hillsborough, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.hillsborough.net/ArchiveCenter/ViewFile/Item/177>>. (Last accessed, June 10, 2018.)
- Town of Hillsborough, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.hillsborough.net/ArchiveCenter/ViewFile/Item/207>>. (Last accessed, June 10, 2018.)
- City of Menlo Park, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.menlopark.org/ArchiveCenter/ViewFile/Item/4161>>. (Last accessed, June 10, 2018.)
- City of Menlo Park, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.menlopark.org/ArchiveCenter/ViewFile/Item/5019>>. (Last accessed, June 10, 2018.)
- City of Menlo Park, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.menlopark.org/ArchiveCenter/ViewFile/Item/7607>>. (Last accessed, June 10, 2018.)
- City of Millbrae, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.ci.millbrae.ca.us/home/showdocument?id=14201>>. (Last accessed, June 10, 2018.)
- City of Millbrae, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.ci.millbrae.ca.us/home/showdocument?id=14199>>. (Last accessed, June 10, 2018.)
- City of Millbrae, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.ci.millbrae.ca.us/home/showdocument?id=14193>>. (Last accessed, June 10, 2018.)
- City of Pacifica, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://www.cityofpacific.org/civicax/filebank/blobdload.aspx?blobid=8379>>. (Last accessed, June 10, 2018.)
- City of Pacifica, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.cityofpacific.org/civicax/filebank/blobdload.aspx?BlobID=11776>>. (Last accessed, June 10, 2018.)
- City of Pacifica, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.cityofpacific.org/civicax/filebank/blobdload.aspx?BlobID=13974>>. (Last accessed, June 10, 2018.)
- Town of Portola Valley, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2015*, <<http://www.portolavalley.net/home/showdocument?id=8710>>. (Last accessed, June 10, 2018.)
- Town of Portola Valley, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2016*, <<http://www.portolavalley.net/home/showdocument?id=10318>>. (Last accessed, June 10, 2018.)
- Town of Portola Valley, California, *Basic Financial Statements, Fiscal Year Ended June 30, 2017*, <<http://www.portolavalley.net/home/showdocument?id=10885>>. (Last accessed, June 10, 2018.)
- City of Redwood City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.redwoodcity.org/home/showdocument?id=7291>>. (Last accessed, June 10, 2018.)

City of Redwood City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.redwoodcity.org/home/showdocument?id=10165>>. (Last accessed, June 10, 2018.)

City of Redwood City, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.redwoodcity.org/home/showdocument?id=14244>>. (Last accessed, June 10, 2018.)

City of San Bruno, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=25976>>. (Last accessed, June 10, 2018.)

City of San Bruno, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=28343>>. (Last accessed, June 10, 2018.)

City of San Bruno, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=28819>>. (Last accessed, June 10, 2018.)

City of San Carlos, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://www.epackets.net/sirepub/cache/2/owig1pixqmu4zpxvfxpx1fj1/1088927906032018104751470.PDF>>. (Last accessed June 3, 2018.)

City of San Carlos, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.epackets.net/sirepub/cache/2/owig1pixqmu4zpxvfxpx1fj1/1088927806032018104339266.PDF>>. (Last accessed June 3, 2018.)

City of San Carlos, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.cityofsancarlos.org/Home/ShowDocument?id=1015>>. (Last accessed, June 10, 2018.)

City of San Mateo, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<https://www.cityofsanmateo.org/DocumentCenter/View/47909>>. (Last accessed, June 10, 2018.)

City of San Mateo, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<https://www.cityofsanmateo.org/DocumentCenter/View/51086>>. (Last accessed, June 10, 2018.)

City of San Mateo, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<https://www.cityofsanmateo.org/DocumentCenter/View/62063>>. (Last accessed, June 10, 2018.)

City of South San Francisco, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015*, <<http://www.ssf.net/home/showdocument?id=558>>. (Last accessed, June 10, 2018.)

City of South San Francisco, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2016*, <<http://www.ssf.net/home/showdocument?id=560>>. (Last accessed, June 10, 2018.)

City of South San Francisco, California, *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017*, <<http://www.ssf.net/home/showdocument?id=10504>>. (Last accessed, June 10, 2018.)

Town of Woodside, California, *Annual Financial Report, Fiscal Year Ended June 30, 2015*, <https://www.woodsidetown.org/sites/default/files/fileattachments/item_8_attachment_a1.pdf>. (Last accessed June 3, 2018.)

Town of Woodside, California, Annual Financial Report, Fiscal Year Ended June 30, 2016, <https://www.woodsidetown.org/sites/default/files/fileattachments/woodside_financial_statement_2016_final_002.pdf>. (Last accessed June 3, 2018.)

Town of Woodside, California, Annual Financial Report, Fiscal Year Ended June 30, 2017, <https://www.woodsidetown.org/sites/default/files/fileattachments/basic_financial_statements_2016-17.pdf>. (Last accessed June 3, 2018.)

Supplemental materials not cited in report but that were reviewed in the Grand Jury's investigation

An Analysis of Public Employee Retirement Systems in California, The Center for Government Analysis, January 2007, <<http://www.hjta.org/pdf/HJTA.Pension.pdf>>. (Last accessed, June 10, 2018.)

Ashton, Adam, *CalPERS beats earnings target for first time in three years*, Sacramento Bee, July 14, 2017, <<http://www.sacbee.com/news/politics-government/the-state-worker/article161359963.html>>. (Last accessed, June 10, 2018.)

Barron III, Robert, Finance Director, Town of Atherton Finance Committee Staff Report, *Review and Discuss CalPERS Actuarial Reports as Of June 30, 2015, And New Pension Discount Rate Assumptions for Discussion of Paying Down Long-Term Liabilities; If Appropriate Make Recommendations of Options for Council Consideration*, July 11, 2017, <<https://www.ci.atherton.ca.us/DocumentCenter/View/4367>>. (Last accessed, June 10, 2018.)

Bartel, John, *CalPERS (Pension) Employer Contribution Rates: What Can You Expect?*, Bartel Associates, LLC, December 7, 2017, <<http://www.bartel-associates.com/docs/default-source/articles/ba-calpelra-17-12-07.pdf?sfvrsn=4>>. (Last accessed, June 10, 2018.)

Biggs, Andrew, *The Public Pension Funding Trap*, The Wall Street Journal, May 31, 2015, <<https://www.wsj.com/articles/the-public-pension-funding-trap-1433109363>>.

CalPERS Actuarial Office, *Finance and Administration Committee, Agenda Item 8b, Amortization Policy (First Reading)*, November 14, 2017, <<https://www.calpers.ca.gov/docs/board-agendas/201711/financeadmin/item-8b-00.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2015 Miscellaneous Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2015/redwood-city-miscellaneous-2015.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2015 Safety Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2015/redwood-city-safety-2015.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2014 Miscellaneous Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2014/redwood-city-miscellaneous-2014.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2014 Safety Plan of the City of Redwood City, <<https://www.calpers.ca.gov/docs/actuarial-reports/2014/redwood-city-safety-2014.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2015 Miscellaneous Plan of the City of South San Francisco, <<https://www.calpers.ca.gov/docs/actuarial-reports/2015/south-san-francisco-city-miscellaneous-2015.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2015 Safety Plan of the City of South San Francisco. <<https://www.calpers.ca.gov/docs/actuarial-reports/2015/south-san-francisco-city-safety-2015.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2014 Miscellaneous Plan of the City of South San Francisco, <<https://www.calpers.ca.gov/docs/actuarial-reports/2014/south-san-francisco-city-miscellaneous-2014.pdf>>. (Last accessed, June 10, 2018.)

CalPERS Actuarial Valuation – June 30, 2014 Safety Plan of the City of South San Francisco. <<https://www.calpers.ca.gov/docs/actuarial-reports/2014/south-san-francisco-city-safety-2014.pdf>>. (Last accessed, June 10, 2018.)

City of East Palo Alto, Adopted Biennial Budget, Fiscal Years 2016-2018, <<https://www.ci.east-palo-alto.ca.us/Archive/ViewFile/Item/384>>. (Last accessed, June 10, 2018.)

City of Foster City Estero Municipal Improvement District Final Budget, Fiscal Year 2017-2018, <https://www.fostercity.org/sites/default/files/fileattachments/financial_services/page/3521/fy-2017-2018-final-budget.pdf>. (Last accessed, June 10, 2018.)

City of Millbrae, City Council Agenda Report on Second Budget Study Session for the Fiscal Years 2016-17 and 2017-18 as approved by City Council on June 14, 2016, <<https://www.ci.millbrae.ca.us/home/showdocument?id=7853>>. (Last accessed, June 10, 2018.)

City of Pacifica, *Adopted Annual Operating and Capital Budget 2017-2018*, <<http://www.cityofpacificca.org/civicax/filebank/blobdload.aspx?BlobID=13242>>. (Last accessed, June 10, 2018.)

City of San Bruno, *Adopted Operating Budget, Fiscal Year 2017-18*, <<https://www.sanbruno.ca.gov/civicax/filebank/blobdload.aspx?BlobID=28944>>. (Last accessed, June 10, 2018.)

City of San Carlos, *FY 2017-18 Adopted Budget Update*, <<http://www.cityofsancarlos.org/Home/ShowDocument?id=672>>. (Last accessed, June 10, 2018.)

City of San Mateo, *General Fund Financial Forecast, FY 2015-16 – FY 2021-22*, <<https://www.cityofsanmateo.org/DocumentCenter/View/46893>>. (Last accessed, June 10, 2018.)

County of Contra Costa Civil Grand Jury. “Pension Reform, If Not Now, When?” May 10, 2016, <http://www.cc-courts.org/civil/docs/grandjury/1603_PensionReport_Final_signed.pdf>. (Last accessed, June 10, 2018.)

County of Marin Civil Grand Jury. *Pension Enhancements: A Case of Government Code Violations and A Lack of Transparency*. April 16, 2015, <<https://www.marincounty.org/depts/gj/reports-and-responses/reports-responses/2014-15/pension-enhancements>>. (Last accessed, June 10, 2018.)

County of San Mateo Civil Grand Jury, *Unfunded Pension Liabilities: Early Results Under GASB Standard 68*, June 27, 2017, <http://www.sanmateocourt.org/documents/grand_jury/2016/unfunded_pension.pdf>. (Last accessed, June 10, 2018.)

County of San Mateo Civil Grand Jury. *SamCERA's Unfunded Liability: The Elephant in The Room*, 2013, <http://www.sanmateocourt.org/documents/grand_jury/2012/samcera_liability.pdf>. (Last accessed, June 10, 2018.)

County of Santa Clara Civil Grand Jury. *An Analysis of Pension and Other Post-Employment Benefits*. May 17, 2012, <http://www.sccourt.org/court_divisions/civil/cgi/2012/pension.pdf>. (Last accessed, June 10, 2018.)

The Economist, *Promise now, bill your children* June 16, 2012, <<https://www.economist.com/node/21556945>>. (Last accessed, June 10, 2018.)

The Economist, *Public Pensions America's Greece?*, December 20, 2014, <<https://www.economist.com/news/united-states/21636786-illinois-risks-default-if-it-fails-tackle-its-public-pension-crisis-americas-greece>>. (Last accessed, June 10, 2018.)

The Financial Times. *A Realistic Discount Rate for Pensions*. The Financial Times, Opinion. August 19, 2012, <<https://www.ft.com/content/b5e7a3bc-e133-11e1-9c72-00144feab49a>>. (Last accessed, June 10, 2018.)

Garstka, Stanley J. and Antle, Rick, *Can better accounting avert a pension crisis?* Yale School of Management, January 8, 2013, <<https://insights.som.yale.edu/insights/can-better-accounting-avert-pension-crisis>>. (Last accessed, June 10, 2018.)

GASB Statement No. 67, Summary at <http://www.gasb.org/jsp/GASB/Pronouncement_C/GASBSummaryPage&cid=1176160219444>. (Last accessed, June 10, 2018.) Full text at <http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176160220594&acceptedDisclaimer=true>. (Last accessed, June 10, 2018.)

GASB Statement No. 74. Summary at <https://www.gasb.org/cs/ContentServer?c=Pronouncement_C&cid=1176166370715&d=&pagename=GASB%2FPronouncement_C%2FGASBSummaryPage>. (Last accessed, June 10, 2018.) Full text at <http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176166143121&acceptedDisclaimer=true>. (Last accessed, June 10, 2018.)

GASB Statement No. 75. Summary at <https://www.gasb.org/cs/ContentServer?c=Pronouncement_C&cid=1176166370763&d=&pagename=GASB%2FPronouncement_C%2FGASBSummaryPage>. (Last accessed, June 10, 2018.) Full text at <http://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176166144750&acceptedDisclaimer=true>. (Last accessed, June 10, 2018.)

Jacobius, Arleen, *How CalPERS's strategy backfired, Pensions & Investments*, December 28, 2009, <<http://www.pionline.com/article/20091228/PRINT/312289983/how-calpers-strategy-backfired>>. (Last accessed, June 10, 2018.)

Johnson, Dorothy and Sullivan, Tracy, California State Association of Counties (CSAC), *CalPERS Needs Feedback on Proposed Amortization Changes*, January 18, 2018, <<http://www.counties.org/csac-bulletin-article/calpers-needs-feedback-proposed-amortization-changes>>. (Last accessed, June 10, 2018.)

Lin, Judy, *Understanding California's public pension debt*, Los Angeles Times, September 18, 2016, <<http://www.latimes.com/projects/la-me-pension-unfunded/>>. (Last accessed, June 10, 2018.)

- Melcon, Mel and Gross, Ashley, *Why the Dot-Com Bubble Is Key To Understanding California's Growing Public Employee Pension Debt*, Capital Public Radio, Los Angeles Times and CalMatters, September 19, 2016, <<http://www.capradio.org/articles/2016/09/19/why-the-dot-com-bubble-is-key-to-understanding-californias-growing-public-employee-pension-debt/>>. (Last accessed, June 10, 2018.)
- Mendel, Ed, *Archive for the 'SB 400' Category, How more generous pensions boosted city costs*, Calpensions, March 5, 2018, <<http://www.publicceo.com/2018/03/how-more-generous-pensions-boosted-city-costs/>>. (Last accessed, June 10, 2018.)
- Moorlach, John, *Setting the Record Straight on CalPERS and SB 400*, Fox&Hounds, March 7, 2018, <<http://www.foxandhoundsdaily.com/2018/03/setting-record-straight-calpers-sb-400/>>. (Last accessed, June 10, 2018.)
- Pellisier, Dan, *How did CalPERS dig a \$153 billion pension hole?* San Jose Mercury News, November 13, 2017, <<https://www.mercurynews.com/2017/11/13/opinion-how-did-calpers-dig-a-153-billion-pension-hole/>>. (Last accessed, June 10, 2018.)
- Pozen, Robert C. and Hamacher, Theresa. *A Realistic Discount Rate for Pensions*, Brookings, August 20, 2012, <<https://www.brookings.edu/opinions/a-realistic-discount-rate-for-pensions/>>. (Last accessed, June 10, 2018.)
- Ring, Edward, *If You Think the Bull Market Rescued Pensions, Think Again*, California Policy Center, December 7, 2017, <<https://californiapolicycenter.org/think-bull-market-rescued-pensions-think/>>. (Last accessed, June 10, 2018.)
- Town of Woodside, *Adopted Budget, Fiscal Years 2017-19*, <https://www.woodsidetown.org/sites/default/files/fileattachments/adopted_2017-19_budget.pdf>. (Last accessed, June 10, 2018.)
- Underfunded Pensions: Tackling an 'Invisible' Crisis*, Wharton University of Pennsylvania Knowledge@Wharton, January 26, 2015, <<http://knowledge.wharton.upenn.edu/article/underfunded-pensions-tackling-an-invisible-crisis/>>. (Last accessed, June 10, 2018.)
- The Underfunding of State and Local Pension Plans*, Congressional Budget Office Economic and Budget Issue Brief, May 2011, <<https://www.cbo.gov/sites/default/files/112th-congress-2011-2012/reports/05-04-pensions.pdf>>. (Last accessed, June 10, 2018.)
- Town of Hillsborough, California, *Adopted Budget Fiscal Year 2017-18*, <<https://www.hillsborough.net/ArchiveCenter/ViewFile/Item/181>>. (Last accessed, June 10, 2018.)
- Warshawsky, Mark J. and Norcross, Eileen, *Underfunded Pensions: The Expanding and Escalating Challenge*, Mercatus Center George Mason University, September 1, 2016, <<https://www.mercatus.org/publication/underfunded-pensions-expanding-and-escalating-challenge>>. (Last accessed, June 10, 2018.)
- Weintraub, Daniel, *Cozy state pension deal costs taxpayers billions*, The Sacramento Bee, August 10, 2003, <<http://www.caltax.org/documents/2003/Weintraub-CozyStatePensionDealCostsBillions8-10-03.pdf>>. (Last accessed, June 10, 2018)





TOWN OF COLMA

1198 El Camino Real • Colma, California • 94014-3212
Tel 650.997.8300 • Fax 650.997.8308

September 12, 2018

Honorable V. Raymond Swope
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063-1655

Re: Grand Jury Report: "Soaring City Pension Costs – Time for Hard Choices."

Dear Judge Swope;

The City Council received the San Mateo Civil Grand Jury report titled, "Soaring City Pension Costs – Time for Hard Choices."

The Town was requested to submit comments regarding the findings and recommendations within 90 days and no later than October 16, 2018. The Town of Colma's response to both the findings and recommendations are listed below.

The Grand Jury instructed all agencies in San Mateo County including the County to respond to findings 1-13 (F1-F13) and for Cities to respond to recommendations 1-4 (R1-R4).

For the "findings", the Town was to indicate one of the following;

1. The respondent agrees with the finding.
2. The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

Additionally, for each Grand Jury "recommendation", the Town was requested to report one of the following actions;

1. The recommendation has been implemented, with a summary regarding the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or

Raquel P. Gonzalez, Mayor
Joanne F. del Rosario, Vice Mayor

John Irish Goodwin, Council Member • Diana Colvin, Council Member • Helen Fisicaro, Council Member
Brian Dossey, City Manager

reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.

4. The recommendation will not be implemented because it is not warranted or reasonable, with an explanation therefore

The following are responses to findings 1-13:

F1. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported covered payroll for the City’s pension plans in the amount set forth beside its name for that year in Appendix A.

Town Response: The Town disagrees with this finding. The correct pension data for the Town of Colma is stated below. This is the same data provided in the June 7, 2018 Grand Jury request.

Fiscal Year	Covered Payroll	Contribution Payments	Contribution Rates	Unfunded Liability	Funded Percentage	Unfunded Liability @ 1% Disc Rate	General Fund Total Expenditures	% of Contribution to Total GF Expenditures
2016-2017	\$ 4,031	\$ 1,139	28.3%	\$ 9,449	73.9%	\$ 14,008	\$ 13,323	8.5%
2015-2016	\$ 4,219	\$ 1,048	24.8%	\$ 7,747	74.7%	\$ 11,969	\$ 13,410	7.8%
2014-2015	\$ 3,209	\$ 982	30.6%	\$ 6,884	76.0%	\$ 10,724	\$ 12,948	7.6%

F2. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported contribution payments to CalPERS on the City’s pension plans in the amount set forth beside its name for that year in Appendix A.

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F3. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported Unfunded Liabilities (as defined in this report) for the City’s pension plans in the amount set forth beside its name for that year in Appendix A. Each City has been required to make large Amortization Cost (as defined in this report) payments of principal and interest to CalPERS on those Unfunded Liabilities. These payments have diverted money that could otherwise have been used to provide public services or to add to reserves.

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1. While annual pension contributions increase, the Town has been maintaining an excess of \$20.0 million in general fund reserves during the last several years. Service fee increases are related to equability and sustainability. The Town plans to establish and implement a long-range financial strategy to ensure future fiscal stability.

F4. Each City’s CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported Funded Percentages (as defined in this report) for the City’s pension plans in the amount set forth beside its name for that year in Appendix A.

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F5. Each City's CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported what the Unfunded Liabilities (as defined in this report) for the City's pension plans would have been if the applicable Discount Rate applied to calculate them had been 1 percentage point lower in the amount set forth beside its name for that year in Appendix A.

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F6. Each City's CAFR for the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017 reported general fund total expenditures for that year in the amount set forth beside its name for that year in Appendix A.

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F7. In each of the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017, each City's contribution payments to CalPERS on the City's pension plans represented the percentage of that City's general fund total expenditures for that year set forth beside its name for that year in Appendix A in the column entitled "Contribution Payments as % of General Fund Total Expenditures."

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F8. In each of the fiscal years ending June 30, 2015, June 30, 2016 and June 30, 2017, each City's contribution payments to CalPERS on the City's pension plans represented the percentage of that City's covered payroll for the City's pension plans in the amount set forth beside its name for that year in Appendix A in the column entitled "Contribution Rate (i.e., Contribution Payments as % of Covered Payroll)."

Town Response: The Town disagrees with this finding. The corrected pension data is summarized under Town Response for F1.

F9. In FY 2017-2018, each City (excluding Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside) has paid CalPERS for its Normal Costs (as defined in this report) and Amortization Costs (as defined in this report) in the amounts set forth beside its name on Table No. 4. (The Cities of Atherton, Colma, Foster City, Hillsborough, Portola Valley and Woodside are not included in Table No. 4 because the source for that table did not included data for them.)

Town Response: Not applicable to the Town of Colma.

F10. As a result, among other things, of CalPERS' decreasing its Discount Rate from 7.5 percent to 7 percent by FY 2020-2021, its reduction of future Amortization Periods from 30 to 20 years, and its use of updated mortality assumptions reflecting projected increases in the longevity of Members, each City faces increasing pension contribution payments to CalPERS which are likely to more than double by FY 2024-2025.

Town Response: The Town agrees with this finding.

F11. Principal and interest payments on each City's Unfunded Liabilities will increasingly impair such City's provision of public services, impair the security of employee salary and pension Benefits, and/or result in proposals for revenue increases. Paying down Unfunded Liabilities early results in large savings. Every City in the county would save substantial money by paying down their Unfunded Liabilities early.

Town Response: The Town agrees with this finding but is cautious in only focusing on unfunded pension liability. Supplemental contributions will reduce overall interest payments, resulting in substantial savings. It, however, also reduces the Town's ability to meet other obligations and community needs.

F12. The financial documents for each City reviewed by the Grand Jury show that no City has adopted a long-term financial plan with at least a 10-year time horizon to address rising Normal Costs and Amortization Costs that includes each of the following:

- objectives, such as achieving a target Funded Percentage, eliminating the Unfunded Liabilities over "n" years or maintaining the cities' share of Normal Costs below "n" percentage of payroll,
- policies to achieve these objectives, such as making supplemental payments to CalPERS to reduce their Unfunded Liability, keeping salary increases below the actuarially assumed increase rate, capping the cities' share of Normal Costs, reducing operational costs or increasing revenue,
- measures to implement such policies,
- processes to monitor progress in implementing the measures, and
- alternative financial strategies, or a "Plan B," that may be used in the event that CalPERS' assumptions are not met in future years.

Town Response: The Town agrees with this finding. The Town has not published a 10-year financial forecast specifically addressing the rising pension cost. A 5-year financial forecast is included in the budget document.

F13. Despite the fact that rising pension costs and Unfunded Liabilities are a significant problem for each City, no City (except for Redwood City, the City of San Mateo, the City of Burlingame, the City of Belmont and the City of Menlo Park) includes specific, annual projections of future pension contribution costs in their budgets published in the finance section of their websites.

Town Response: The Town agrees with this finding. The 5-year financial forecast mentioned under F12 includes rising pension cost but did not separately highlight pension cost.

The following are responses to recommendations 1-4:

R1: The Grand Jury recommends that, by December 31, 2018, each City schedule public hearings to engage its residents in addressing the city's increasing pension costs and to develop a long-term plan to address them

Town Response: This recommendation has not yet been implemented, but the Town is scheduled to discuss unfunded pension liability, along with other unfunded liabilities, during the September 26 City Council meeting. The discussion will include an initial funding plan and ongoing funding strategy.

R2: The Grand Jury recommends that, by December 31, 2018, and annually thereafter, each City publish a report on its website detailing its pension obligations. The report should include, at a minimum, the following:

- a) The City's total pension contribution costs under all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such costs in each of the following 10 fiscal years, assuming CalPERS' actuarial assumptions are met.
- b) The City's total Unfunded Liabilities under all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such Unfunded Liabilities in each of the next 10 fiscal years, assuming CalPERS' actuarial assumptions are met.
- c) The City's Funded Percentage across all plans, and also broken out into subtotals for all Miscellaneous Plans, and all Safety Plans, for each of the 3 preceding fiscal years as well as estimates for such Funded Percentages in each of the next 10 fiscal years, assuming CalPERS' actuarial assumptions are met.
- d) The percentage of the City's general fund expenditures and covered payroll represented by the pension costs described in (a) above (using estimates of general fund expenditures in future fiscal years).
- e) In addition, estimated information for all projections regarding the next 10 fiscal years set forth in items (a) through (e) above should be presented using a Discount Rate that is 1 percentage point below CalPERS' then-current Discount Rate.

Town Response: This recommendation has not yet been implemented, but the Town will implement it by December 31, 2018.

R3: The Grand Jury does not recommend specific policies or implementation measures to address pension costs. However, it recommends that, by no later than December 31, 2018, and annually thereafter, each City instruct its staff to deliver a report to the City Council in connection with the City's financial plan evaluating available options to address pension costs and that each City hold public hearings to discuss and consider such options no less than every other fiscal year. These include (but may not be limited to):

- Regular supplemental payments to CalPERS (beyond those required by CalPERS) to accelerate the amortization of their Unfunded Liabilities.
- Irregular supplemental payments to CalPERS (beyond those required by CalPERS), as when a City has a budget surplus or receives special non-recurring revenues.

- Electing to apply shorter Amortization Periods (that is, less than 20 years) to their Unfunded Liabilities.
- Issuing pension obligation bonds.
- Establishing substantial reserves that can be applied in the future to help meet rising pension costs and/or accelerate amortization of Unfunded Liabilities.
- Reductions in general fund operating costs other than pensions.
- Seeking additional general fund revenues that can be applied directly to paying pension costs or that can offset general fund budget shortfalls that would otherwise occur.
- Keeping employee salary increases at or below the level assumed by CalPERS.
- Negotiating cost-sharing agreements with employees under which employees pay a portion of the City's pension costs (without at the same time agreeing to offsetting compensation increases).
- Maintaining growth in employee salaries and COLAs at or below the assumed CalPERS rates.
- To the extent allowed by law, consider the recommendation of the League of California Cities to renegotiate employee contracts to bring the pension Benefits of Classic Members in line with PEPRA Members, for future work. In particular, ensure that the salary used to determine final retirement compensation is based on the average of the final 3 years of employment (rather than highest 1 year), and that the salary is not enhanced by "spiking," such as by including overtime, unused vacation or sick leave, purchases of "air time," and the like.

Town Response: This recommendation has not been implemented and requires further analysis. The initial pension costs discussion is planned for the September 26 City Council meeting.

R4: The Grand Jury recommends that, by June 30, 2019, each City develop and publish a long-term financial plan to deal with rising pension costs, and update that plan annually. Such a plan should include:

- Specific objectives, such as identifying a target Funded Percentage, eliminating the Unfunded Liabilities over "n" years and maintaining the City's share of Normal Costs at "n" percentage of payroll.
- Policies to achieve these objectives.
- Specific measures to implement the policies.
- A process to monitor progress in implementing the measures and in achieving the objectives.

- Consideration of alternative policies and measures, or a “Plan B,” that may be used in the event that CalPERS’ actuarial assumptions, especially the Discount Rate, are not met in future years.

Town Response: The recommendation has not yet been implemented, but the Town will implement this as part of the annual reporting process, with the 2018-19 plan by December 2018.

Sincerely,

Raquel P. Gonzalez
Mayor





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brian Dossey, City Manager
 MEETING DATE: September 12, 2018
 SUBJECT: Grand Jury Response

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION APPROVING THE TOWN'S RESPONSE TO THE GRAND JURY REPORT DATED JULY 19, 2018, REGARDING "COOPERATIVE PURCHASING – A ROADMAP TO MORE EFFECTIVE PROCUREMENT."

EXECUTIVE SUMMARY

The City Council is required under California penal code section 933.05 to respond to the Grand Jury Report. The draft response letter is attached as Attachment B.

FISCAL IMPACT

There are no fiscal implications associated with the approval of the Town's response to the Grand Jury report.

Background

The County Grand Jury is a volunteer body of 19 citizens, selected at random from a pool of nominees, to investigate local governmental agencies and make recommendations to improve the efficiency of local government. The July 19, 2018 Grand Jury report contains findings and recommendations on a number of subjects that are applicable to agencies in San Mateo County. The Presiding Judge of the County Superior Court has formally requested that the Town review the report and file a written response indicating the following:

- That the Town agrees with the finding;
- The Town disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

- The recommendation has been implemented, with a summary regarding the implemented action;
- The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation;
- The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report;
- The recommendation will not be implemented because it is not warranted or reasonable, with an explanation; and
- The response was approved by your governing body at a public meeting.

ANALYSIS

Grand Jury Findings

The proposed July 19, 2018 Grand Jury response, which includes the Grand Jury's findings and recommendations, is attached as Attachment B.

Council Adopted Values

Approving the Town's Grand Jury response is in the responsible action; reviewing the Town's purchasing policies is in the best interest of the Town, residents and community at large.

CONCLUSION

Staff recommends that the City Council approve, by motion, the Town's proposed response to the July 19, 2018 Grand Jury report regarding "Cooperative Purchasing – A Roadmap to More Effective City Procurement."

ATTACHMENTS

- A. Copy of Grand Jury Report
- B. Town's draft response letter for July 19, 2018 Grand Jury Report



Superior Court of California, County of San Mateo
Hall of Justice and Records
400 County Center
Redwood City, CA 94063-1655

RODINA M. CATALANO
COURT EXECUTIVE OFFICER
CLERK & JURY COMMISSIONER

(650) 261-5066
FAX (650) 261-5147
www.sanmateocourt.org

July 19, 2018

Town Council
Town of Colma
1198 El Camino Real
Colma, CA 94014

Re: Grand Jury Report: "Cooperative Purchasing – A Roadmap to More Effective City Procurement"

Dear Councilmembers:

The 2017-2018 Grand Jury filed a report on July 19, 2018 which contains findings and recommendations pertaining to your agency. Your agency must submit comments, within 90 days, to the Hon. V. Raymond Swope. Your agency's response is due no later than October 17, 2018. **Please note that the response should indicate that it was approved by your governing body at a public meeting.**

For all findings, your responding agency shall indicate one of the following:

1. The respondent agrees with the finding.
2. The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

Additionally, as to each Grand Jury recommendation, your responding agency shall report one of the following actions:

1. The recommendation has been implemented, with a summary regarding the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
4. The recommendation will not be implemented because it is not warranted or reasonable, with an explanation therefore.

JUL 23 '18 PM 4:31

Please submit your responses in all of the following ways:

1. Responses to be placed on file with the Clerk of the Court by the Court Executive Office.
 - Prepare original on your agency's letterhead, indicate the date of the public meeting that your governing body approved the response address and mail to Judge Swope.

Hon. V. Raymond Swope
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063-1655.

2. Responses to be placed at the Grand Jury website.
 - Copy response and send by e-mail to: grandjury@sanmateocourt.org. (Insert agency name if it is not indicated at the top of your response.)
3. Responses to be placed with the clerk of your agency.
 - File a copy of the response directly with the clerk of your agency. Do not send this copy to the Court.

For up to 45 days after the end of the term, the foreperson and the foreperson's designees are available to clarify the recommendations of the report. To reach the foreperson, please call the Grand Jury Clerk at (650) 261-5066.

If you have any questions regarding these procedures, please do not hesitate to contact Paul Okada, Chief Deputy County Counsel, at (650) 363-4761.

Very truly yours,



Rodina M. Catalano
Court Executive Officer

RMC:ck
Enclosure

cc: Hon. V. Raymond Swope
Paul Okada

✓ Information Copy: City Manager



COOPERATIVE PURCHASING—A ROADMAP TO MORE EFFECTIVE CITY PROCUREMENT

ISSUE

How can cities in San Mateo County save taxpayer money by adopting cooperative procurement practices?

SUMMARY

The 20 cities in San Mateo County (the Cities) spent \$425 million and the County of San Mateo (the County) \$300 million on goods and services in FY 2015-16, for an estimated total in purchasing of \$725 million.¹² The Cities and the County could spend millions less – without increasing costs – by increasing the use of “piggyback³” contracts and cooperative purchasing agreements. The Cities and the County could save the most money, an estimated annual savings between 5 and 15 percent, through cooperatively purchasing goods and services with the County’s Procurement Division for a total annual savings between \$35 million and \$108 million.

All of the Cities procure goods and services through decentralized purchasing systems in which individual municipal departments are authorized to identify the need for a good or service, conduct the appropriate selection process, and place a purchase order, under the supervision of their city’s finance department and or city manager. Decentralized purchasing systems successfully allow cities to procure goods and services at fair market prices while minimizing labor costs associated with centralized procurement departments by assigning purchasing functions to individual departments.

However, the Grand Jury found that while city employees receive training on municipal purchasing guidelines and policies, many employees who conduct purchasing operations as a secondary responsibility are not trained and or instructed to negotiate optimum prices by leveraging market power.⁴

Further, in exchange for minimizing labor and related costs, the Cities have forfeited the benefits associated with a centralized purchasing system. Under a centralized purchasing system, trained and experienced purchasing agents, located in a central purchasing department, are responsible

¹ California State Controller’s Office, *Schedule of Total City Expenditures by Major Object Classification*, Accessed On: October 2017 <https://bythenumbers.sco.ca.gov/City-Expenditures/Schedule-of-Total-City-Expenditures-by-Major-Objec/q6pc-n5bp>.

² San Mateo County Civil Grand Jury, “San Mateo County Procurement Division Recommendations Follow-Up” *Superior Court of California San Mateo County*, June 21, 2017: 2.

<http://www.sanmateocourt.org/documents/grand_jury/2016/procurement.pdf>

³ A form of intergovernmental cooperative purchasing in which an entity will be extended the same pricing and terms of a contract entered by another entity. Generally, the originating entity will competitively award a contract that will include language allowing for other entities to utilize the contract, which may be to their advantage in terms of pricing, thereby gaining economies of scale that they would otherwise not receive if they competed on their own.

⁴ Clifford McCue, Jack Pitzer “Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices” *Journal of Public Budgeting, Accounting, and Financial Management* (Vol 12, Issue: 3) 2000: 400. <https://www.emeraldinsight.com/doi/pdfplus/10.1108/JPBAFM-12-03-2000-B003>.

for all purchasing functions. Due to centralized purchasing authority, purchasing agents are better able to identify goods and services with a high potential for savings and then leverage their experience, greater knowledge of markets, and their municipality's market power to negotiate better terms, including lower prices, with vendors.

This report identifies ways the Cities can attain the cost-saving benefits of centralized purchasing systems while retaining the benefits of a decentralized purchasing system.

Three approaches can improve decentralized purchasing systems without increasing staffing and operations costs:

(1) Increase the use of "piggybacking" to access beneficial terms of contracts previously entered by public entities.

(2) Utilize cooperative purchasing agreements to allow Cities to obtain volume discounts among themselves, even without County participation.

(3) Collaborate with the County's Procurement Division to negotiate lower prices for common goods and services.

If these changes resulted in even a conservative five percent average savings on procurements, the County could save more than \$15 million and the Cities collectively could save more than \$21.25 million per year.

GLOSSARY and ABBREVIATIONS

California Association of Public Procurement Officials (the CAPPO): The CAPPO is a nonprofit organization dedicated to maintaining the highest standards of professional behavior and ethical conduct in public purchasing. As the oldest public procurement association in the United States, CAPPO works to provide tools to buyers in the public sector that will help them develop their professional skills for their benefit and the benefit of their agencies.

California Department of General Services (the DGS or General Services?): The DGS serves as business manager for the state of California. The DGS provides a variety of services to state agencies, including procurement and acquisition solutions.

Centralized Procurement: Centralized procurement means that a single department controls and manages the purchasing for the whole organization. Ideally a manager oversees the purchasing department regarding what materials need to be purchased and in what quantity.⁵

City-County Procurement Cooperation (C-CPC): C-CPC is a term for practices, if adopted, that will allow Cities and the County to save millions of dollars on procurement each year.

Cooperative Purchasing Agreements: A type of procurement in which multiple purchasing entities collaborate in purchasing to increase their market power, thereby gaining access to lower prices.

⁵ Effia Soft, "Centralized vs. Decentralized Purchasing" *Effiasoft.com* Accessed on May 20, 2018 <https://effiasoft.com/centralized-vs-decentralized-purchasing>.

All 20 cities in San Mateo County (the Cities): the Town of Atherton, the City of Belmont, the City of Brisbane, the City of Burlingame, the Town of Colma, the City of Daly City, the City of East Palo Alto, the City of Foster City, the City of Half Moon Bay, the Town of Hillsborough, the City of Menlo Park, the City of Millbrae, the City of Pacifica, the Town of Portola Valley, the City of Redwood City, the City of San Bruno, the City of San Carlos, the City of San Mateo, the City of South San Francisco, and the Town of Woodside.

Decentralized Procurement: Purchasing control and authority is granted to local branches or departments. They have the authority to purchase items necessary as per their requirements.⁶

Piggyback Contracts: A form of intergovernmental cooperative purchasing in which an entity will be extended the same pricing and terms of a contract entered by another entity. Generally, the originating entity will competitively award a contract that will include language allowing for other entities to utilize the contract, which may be to their advantage in terms of pricing, thereby gaining economies of scale that they would otherwise not receive if they competed on their own.⁷

San Mateo County Finance Officers Group (the SAMFOG): The SAMFOG is an informal professional group for municipal finance officers in San Mateo County to share information and resources.

County of San Mateo Procurement Division (the PD): The PD provides procurement services to all county departments and acts as a regulatory mechanism to help County departments obtain maximum value for each dollar spent while maintaining compliance with all relevant county, state and federal laws, ordinances, and policies.

Volume Discount: A Volume Discount is an incentive offered to a buyer that results in a decreased cost per unit of goods or materials when purchased in greater numbers. Sellers often offer a volume discount to entice buyers to purchase in larger quantities. The seller can move more goods or materials, and the buyer receives a more favorable price for the goods.⁸

BACKGROUND

The 20 cities in San Mateo County together purchased approximately \$425 million of in goods and services in FY 2015-16, representing an estimated 35 percent of their General Fund spending.^{9,10} In a time defined by rising labor costs, exploding pension program payments, and other municipal budget constraints, spending on goods and services still represents a significant portion of a city's discretionary spending.¹¹

⁶ Effia Soft, "Centralized vs. Decentralized Purchasing" *Effiasoft.com*

⁷ Principles and Practices of Public Procurement "Use of Cooperative Contracts for Public Procurement" *California Association of Public Procurement Officials* Accessed on August 28, 2017: 1. <http://c.ymcdn.com/sites/www.cappo.org/resource/collection/FBBFC7BF-369D-43DE-B609-3D41BA05D10E/Cooperative%20Contracts.pdf>.

⁸ "Quantity Discount" *Investopedia*, Accessed on: May 20, 2018 <https://www.investopedia.com/terms/q/quantity-discount.asp#ixzz5F2r4B9Sp>.

⁹ California State Controller's Office, *Schedule of Total City Expenditures by Major Object Classification* (2017).

¹⁰ *ibid.*

¹¹ Interviews with City Finance Officials.

While every city in the County operates its own purchasing system, all cities share common practices and operations.¹² These commonalities stem from shared state and federal regulatory requirements, adherence to generally accepted best practices, and similar economic pressures.¹³ By identifying systemic purchasing challenges and common solutions, cities have the potential to achieve consequential cost savings.

In addition to benefiting from cost savings, the effective and efficient purchasing of goods and services is essential to the proper function of municipal government. When purchasing fails to achieve the highest standard of excellence, the quality and variety of services fall and the potential for wasting taxpayer money increases.

Advantages of Decentralized Procurement Practices

In decentralized purchasing systems, individual departments are responsible for: (a) identifying the need for a good or service, (b) conducting the appropriate vendor selection process, and (c) placing a purchase order for the good or negotiating a contract for services.¹⁴ In contrast, under a centralized purchasing system, individual departments still identify the need for a good or service, but a central purchasing department is responsible for conducting the appropriate selection process, negotiating with the vendor, and purchasing the good or service.¹⁵

Although these processes might appear identical—a city entity identifies goods and services for purchase, competitively bids the product, and purchases it from a vendor—fundamental operational differences and outcomes exist between these two systems.

Historically, limited supply chains and less competitive markets for goods and services required municipalities to rely on specialized purchasing agents for competitive purchasing.¹⁶ These purchasing agents, working in central purchasing departments, could negotiate directly with producers to secure lower prices for goods and services.¹⁷ Specialized purchasing roles also gave agents substantial expertise and experience in their field that today’s employees cannot accumulate.¹⁸

However, as the market for goods and services has grown more competitive (a result of globalization, the internet, lower transportation costs, and gains to economic productivity) prices have fallen, leading many to believe that the need for specialized purchasing agents has

¹² Interviews with City Finance Officials, Grand Jury Review of City Procurement Documents.

¹³ Interviews with City Finance Officials.

¹⁴ Clifford McCue, Jack Pitzer “Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices” (2000): 4.

¹⁵ *ibid.*

¹⁶ “Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices” *Journal of Public Budgeting, Accounting, and Financial Management* (2000).

¹⁷ Money Matters “Centralized & Decentralized Purchase: Suitability, Merits and Detriments” *Accountlearning.com* Accessed on March 28, 2018. <https://accountlearning.com/centralized-decentralized-purchase-suitability-merits-demerits-differences>.

¹⁸ *Ibid.*

diminished.^{19,20} Additionally, the high cost of labor in the San Francisco Bay Area, coupled with the economic contractions in 2002 and 2008, has placed pressure on public entities to reduce costs by consolidating positions.²¹ Under these pressures, decentralized purchasing became the norm throughout the San Mateo County and California.²²

Common Practices in Decentralized Purchasing Systems

In its investigation, the Grand Jury learned that the cities in San Mateo County generally regulate their decentralized purchasing systems through three primary mechanisms--graduated purchasing authority levels, competitive bidding requirements, and budget controls.

All of the Cities delegate purchasing authority to different levels of city employees based on the size of the purchase; higher ranking employees must approve costlier purchases.²³ While the exact purchasing authority levels vary between cities, Figure 1 is an example of the allocation of purchasing authority levels for the City of San Mateo. This graduated purchasing authority system, which is like those in other cities, gives individual departments the power to make smaller purchases quickly at market prices, while subjecting larger purchases to increasing scrutiny.

FIGURE 1		
<i>Award Authorization and Competitive Bidding Requirement Levels for the City of San Mateo²⁴</i>		
Purchase Levels	Authority Required to Approve Purchase	Competitive Bidding Requirement
Purchases over \$100,000	City Council	Formal Bid Procedure (RFP)
Purchases between \$50,000 and \$99,999	City Manager	Open Market Procedures
Purchases between \$25,000 and \$49,999	Department Head	Open Market Procedures
Purchase under \$25,000	Division Manager	Open Market Procedures

The Cities also regulate decentralized purchasing systems through competitive bidding requirements.²⁵ These requirements are meant to ensure fair market prices by requiring purchasers to obtain multiple vendor bids and to select the lowest responsible bidder.²⁶ As with purchasing authority, competitive bidding requirements follow a graduated approval system

¹⁹ Michael Spasi, "The Effect of Globalization of Market Structure, Industry Evolution and Pricing" *Federal Reserve Bank of Dallas, Globalization and Monetary Policy Institute 2013 Annual Report*, May 31, 2013: 24. <https://www.dallasfed.org/~media/documents/institute/annual/2013/annual13f.pdf>

²⁰ Clifford McCue, Jack Pitzer "Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices" (2000) 400.

²¹ Ibid.

²² Interview with City Finance Officials.

²³ Grand Jury Review of City Procurement Documents.

²⁴ Grand Jury Review of City Procurement Documents.

²⁵ Grand Jury Review of City Procurement Documents.

²⁶ Qualified bidder with the lowest or best bid price, and whose business and financial capabilities, past performance, and reputation meet the required standards.

based on size of purchase. For smaller purchases of commodity items where competition already exists between vendors (e.g., paper products and other office supplies), the Cities allow for purchases on the open market without multiple bids. However, for larger purchases where generally less competition exists between vendors, stricter bidding requirements apply. Competitive bidding requirements range from requiring informal bids and formal bids to issuing a Request for Proposals.

Departmental budget controls are another regulatory check on decentralized purchase systems.²⁷ Budget controls require city finance officials to confirm that any proposed purchase fits within a department's budget prior to authorizing a purchase order. As a result of these controls, a department proposing to make a substantial purchase is incentivized to seek the lowest responsible price.²⁸

DISCUSSION

The Limitations of Decentralized Purchasing Systems

While the Cities' decentralized purchasing systems have technically achieved the goals of obtaining fair market prices while minimizing labor costs, such decentralized purchasing approaches are not designed to use the Cities' collective marketing power, together with that of the County,²⁹ to obtain optimum prices and terms.

In modern supply chains, few goods and services have fixed prices. Rather, prices are generally negotiable, with outcomes contingent on factors like the quantity being purchased, the potential for future sales, the present level of market demand, the vendor's available stock, and profit margins.³⁰ Often, the given market price—the price quoted on a store shelf or business' website—does not represent this variance.³¹

In the private sector, dedicated buyers with deep expertise and experience take advantage of that knowledge and their firms' market power to negotiate lower prices.³² Depending on the particular good, buyers can often negotiate prices 30 to 40 percent below "market." For some goods, like software, savings upwards of 50 percent are attainable.³³

²⁷ Grand Jury Review of City Procurement Documents.

²⁸ Interviews with City Finance Officials.

²⁹ Market Power represents a firm's or, in this case, city's capacity to negotiate prices better than the going market price. Market power can be exerted through negotiation, buying in bulk, buying "higher" (e.g. buying from a wholesaler) in the supply chain, etc.

³⁰ Henry Hazlitt, "How Should Prices Be Determined" Foundation for Economic Education, February 1, 1967. Accessed On: June 6, 2012 <https://fee.org/articles/how-should-prices-be-determined>.

³¹ Krishna, Aradhna, Richard Briesch, Donald Lehmann, and Hong Yuan (2002), "A Meta-Analysis of the Impact of Price Presentation on Perceived Savings." *Journal of Retailing* 78 (2), 101–18. <https://www8.gsb.columbia.edu/researcharchive/articles/969>.

³² Severin Borenstein "Understanding Competitive Pricing and Market Power in Wholesale Electricity Markets" *The Electricity Journal* July 2000: 50. <<http://faculty.haas.berkeley.edu/borenste/mba212/Elecjo00mktPower.pdf>>

³³ Seeking Alpha Editorial Board "Chart: Software Companies - Gross Profit Margins" *seekingalpha.com* May 7, 2006. Accessed On: June 12, 2018 <https://seekingalpha.com/article/10166-chart-software-companies-gross-profit-margins>.

The Cities' shift from centralized to decentralized purchasing systems evolved over time on a local basis, with individual cities responding to the immediate needs and available resources. Regardless of a particular city's path towards decentralized purchasing, cities lost the expertise necessary to negotiate these kinds of savings. Apart from some employees in public works and engineering departments, most purchasing activities are a secondary responsibility for the employees responsible for their department's procurement function.³⁴ While these employees all receive training on municipal purchasing guidelines and policies, they often lack training and familiarity with advanced procurement practices.³⁵ For many cities, training employees in purchasing practices found in a centralized purchasing department is prohibitively expensive.³⁶

This loss of purchasing expertise has real financial consequences. For instance, most of the Cities' employees are unaware of and untrained in the use of cooperative purchasing databases.³⁷ Cooperative purchasing databases, like the California Department of General Services' (DGS's) State Contracts Index Listing and State Leveraged Procurement Agreements, are databases of pre-negotiated contracts for common goods and services, for prices lower than market.³⁸ By not piggybacking on these pre-negotiated contracts, the Cities miss the opportunity to purchase a wide range of products at lower prices.

Employees in decentralized systems often do not identify commonly purchased goods that other departments are also buying and so miss the opportunity to negotiate lower costs which could be obtained by purchasing the items in bulk for multiple departments.³⁹ While finance officers do track purchases on a departmental level, only the City of San Mateo has a staff position dedicated to tracking the cost, type, quantity, and frequency with which all city departments are purchasing products.⁴⁰ In cities that fail to track products purchased across multiple departments, finance officers cannot identify goods (like office supplies, furniture, automobile parts) and services (like translators), that could be purchased in bulk through a volume discount contract. In effect, each individual department pays for goods and services at a price that is higher than could be achieved through purchasing at the municipal level.⁴¹

Conversely, in centralized purchasing systems a dedicated staff of purchasing agents specializes in securing the lowest prices for goods and services.⁴² Purchasing agents have the training, resources, time, and specialization to identify the best vendors and negotiate below-market prices through leveraging their city's market power.⁴³ Purchasing agents have the authority and capacity to unlock low prices by buying in bulk, authorizing long term contracts, and negotiating volume discounts. Centralized purchasing agents also have acquired specific purchasing

³⁴ Interviews with City Finance Officials.

³⁵ Interviews with City Finance Officials.

³⁶ Interviews with City Finance Officials.

³⁷ Interviews with Finance Officials.

³⁸ Procurement Division "Leveraged Procurement Agreements (LPAs) *California Department of General Services* Accessed on April 5, 2018. <<http://www.dgs.ca.gov/pd/Programs/Leveraged.aspx>>

³⁹ Money Matters "Centralized & Decentralized Purchase: Suitability, Merits and Detriments" 2018.

⁴⁰ Interview with City Finance Officials.

⁴¹ Ibid.

⁴² Clifford McCue, Jack Pitzer "Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices" 2000.

⁴³ Ibid.

knowledge over the course of their careers, knowledge which enables them to access lower prices through hidden markets.⁴⁴

Cooperative Purchasing Solutions

In the course of its investigation, the Grand Jury learned that each City could adopt three practices which would improve its decentralized purchasing system without increasing staffing and operations costs: (1) utilizing piggybacking to access pre-negotiated contracts, (2) collaborating with other Cities to purchase goods through the use of cooperative purchasing agreements, and (3) collaborating with San Mateo County's Procurement Division to negotiate lower prices for common goods and services.

1. Utilize Piggyback Contracts

Piggybacking on pre-negotiated contracts with favorable pricing allows Cities to benefit from those terms without changing their purchasing practices. Per the California Association of Public Procurement Officials, Piggybacking (a "Piggyback Cooperative") is:

A form of intergovernmental cooperative purchasing in which an entity will be extended the same pricing and terms of a contract entered by another entity. Generally, the originating entity will competitively award a contract that will include language allowing for other entities to utilize the contract, which may be to their advantage in terms of pricing, **thereby gaining economies of scale that they would otherwise not receive if they competed on their own** (Emphasis added).⁴⁵

Piggyback contracts are widely used by public entities in California and nationwide.⁴⁶ Piggyback contracts can be to the benefit of both the vendor and the public entity that negotiated the original cost (the originating entity), as well as any other public entities that ultimately utilize the contract (piggybacking entities). Benefits can accrue to the vendor by increasing the potential volume of sales under the agreement, which results in increased product sales.

The Grand Jury's investigation revealed that although some Cities have used piggyback contracts in the past, the practice is currently underutilized.⁴⁷ In fact, the Grand Jury found during its interviews that City employees at the departmental level were generally unaware of: (a) the existence of piggyback contracts, (b) the possible cost savings from piggyback contracts, (c) the numerous piggyback contract databases, and (d) how to use a piggyback contract in a decentralized purchasing system.

When asked why they did not make greater use of piggyback contracts, officials from seven of the Cities expressed concerns about compatibility with their City's legal

⁴⁴ Interview with City Finance Officials.

⁴⁵ Principles and Practices of Public Procurement "Use of Cooperative Contracts for Public Procurement" *California Association of Public Procurement Officials* (2017) 1.

⁴⁶ Interviews with City Finance Officials.

⁴⁷ Interviews with City Finance Officials.

requirements.⁴⁸ They also expressed concern that the time necessary to train department-level employees to use piggyback contracts and, subsequently, the time spent selecting the best contract, would be costlier than potential savings. Those officials were also concerned that existing piggyback contracts would not reflect their city's purchasing policies, such as environmental and local purchasing preference requirements.⁴⁹

While these concerns are legitimate, approaches to piggyback contracting, such as the one illustrated below, are available:

- The City's Finance Office identifies the most commonly purchased goods and services across all city departments.
- The City Finance Office, in conjunction with city attorneys, searches piggyback contract databases for compatible contracts on the most common goods and services and evaluates whether such contracts would follow the city's purchase preference requirements.
- Once compatible contracts have been identified and confirmed with vendors, the City Finance Office disseminates an internal list of preferred vendors for the specific goods and services covered by these contracts, in accordance with the municipality's preferred vendor requirements.
- Individual city departments conduct normal purchasing activities, using the list of preferred vendors when applicable.

2. Utilize Cooperative Purchasing Agreements

The Cities generally provide comparable services to residents using similar resources and procedures.⁵⁰ Accordingly, they often purchase nearly identical goods and services. Yet, by purchasing common goods and services individually, each city can only leverage its own market power to negotiate lower prices. Were the Cities to collaborate with one another in their purchases of common goods and services, they would increase their purchasing power and facilitate the negotiation of lower prices.

Cooperative purchasing agreements, in which multiple public entities collaborate in purchasing to increase their market power, are not new to the Cities.⁵¹ They have successfully achieved significant cost savings in the past through cooperative purchasing agreements. Most notably, in 2015, all of the Cities, together with the County, jointly entered into a cooperative purchasing agreement with Turbo Data Systems Inc. for common parking ticket citation and adjudication services. In this arrangement, the Cities paid the County to hire a consultant, issue a request for proposal (an RFP), and evaluate the responses with a committee consisting of representatives from Belmont, Burlingame, Daly City, San Mateo, and South San Francisco.⁵² This committee, on behalf of all member agencies, selected Turbo Data Systems as the best candidate.

⁴⁸ Interviews with City Finance Officials.

⁴⁹ Interviews with City Finance Officials.

⁵⁰ Interviews with City Finance Officials.

⁵¹ Interviews with City Finance Officials.

⁵² Grand Jury Review of City Procurement Documents.

By utilizing a collaborative purchase agreement when selecting Turbo Data systems, Cities realized an estimated savings approaching 35 to 40 percent of original costs.⁵³ Before negotiations, Turbo Data charged processing fees of \$1.28 for electronic citations and \$1.35 for hand-written citations. These rates were lowered to \$0.50 and \$0.80 for electronic and hand-written citations, respectively.⁵⁴ Based on the number of citations issued, the County saved approximately \$17,000 per year under the new agreement. A city's approximate savings varied with the number of citations but were consistent with the County's rates. For smaller cities which lacked the market power to achieve the pre-contract rates achieved by the County, savings exceeded 45 percent.⁵⁵

Moreover, by paying a nominal sum to San Mateo County to conduct the RFP process, cities were able to produce a superior RFP at a significantly lower cost than had each city issued its own request.⁵⁶

The Turbo Data Systems cooperative purchasing agreement serves as model of what these agreements can achieve. When asked why they did not make greater use of cooperative purchasing agreements, City officials responded that they had difficulty identifying goods and services to collaboratively purchase. They attributed this difficulty to the limited communication channels among city finance officers and the deprioritization of the purchasing function in finance departments.⁵⁷ For instance, while the San Mateo County Finance Officer Group (SAMFOG), which consists of all City finance officials, meets on a bimonthly basis, procurement is rarely discussed. Despite these difficulties, city officials recognized that cooperative purchasing agreements have earned Cities significant savings.

To help expand the use of cooperative purchasing agreements, the Grand Jury asked city officials to identify commonalities between goods and services that could be purchased cooperatively. Finance officials reported that goods and services best suited for cooperative purchase are:

- Common: products which are purchased by multiple or all Cities
- Homogeneous Products that are substantially similar
- Discrete: Products that are measurable in individual units such that they can be individually purchased
- Foreseeable: Products whose purchase can be predicted, allowing the Cities time to negotiate and prepare a cooperative purchasing agreement

3. Collaborate with the County's Purchasing Division

The highest potential for cost savings, while maintaining the Cities' decentralized purchasing systems, can be achieved through collaboration with the County of San Mateo (City-County

⁵³ Grand Jury Review of City Procurement Documents.

⁵⁴ Ibid.

⁵⁵ Grand Jury Review of City Procurement Documents.

⁵⁶ Interviews with City Finance Officials.

⁵⁷ Interviews with City Finance Officials.

Procurement Cooperation or C-CPC).

Unlike the Cities, the County maintains a hybrid centralized/decentralized purchasing system, which includes a dedicated procurement division. Under the County's system, the County of San Mateo's Procurement Division (PD) is generally responsible for purchases of goods that are greater than \$5,000, while individual departments retain responsibility for smaller purchases.⁵⁸ The PD employs a staff of specialized buyers to fulfill its purchasing functions. In FY 2015-2016, the County spent more than \$300 million on goods and services.⁵⁹

Collaborating with the County's Procurement Department (PD) provides a unique opportunity for C-CPC to maximize cost savings for all parties.

As described above, specialized purchasing agents in centralized purchasing departments have the training, experience, and resources to identify superior vendors and negotiate lower prices using their entity's market power. Were the Cities to collaborate with the PD in their purchases of common goods and services, they could increase their purchasing power and thereby facilitate even greater savings than from their own intercity cooperative purchasing agreements.

This example demonstrates one way the Cities could collaborate with the PD:

- The PD coordinates with City finance officers to identify the common goods and services used by participating entities.
- The PD competitively negotiates and awards contracts for those goods and services that allow for the Cities to piggyback on the contract.
- During negotiations, PD purchasing agents implement volume-discounting, such that the participation of any of the Cities thereafter unlocks lower prices for all parties.
- Once the PD finalizes these contracts, City finance officers disseminate internal lists of preferred vendors under these agreements, in accordance with the Cities' preferred vendor requirements, to their respective departments.
- To minimize impact on City employees, and thereby increase transition costs, authorized city employees should be able to buy goods and services in a method similar to their current systems.

For instance, buyers would search the County Purchasing System for the desired goods, generate a purchase order through the system, and that pending order would be sent to the appropriate city purchasing authority for review and approval.

Upon approval, the County Purchasing System executes the order, sending it to the vendor. The County Purchasing System also tallies the order for discounts, recording and reporting to the City the initial savings from negotiated prices and additional volume discounts.

⁵⁸ Interview with County Finance Officials.

⁵⁹ San Mateo County Civil Grand Jury, "San Mateo County Procurement Division Recommendations Follow-Up" (2017) 2.

The Cities and County can implement these processes, without substantially changing their existing procurement processes.⁶⁰ City finance departments already create preferred vendor lists and disseminate them to departments. The PD's purchasing agents already conduct negotiations with vendors to unlock volume-based discounts. Indeed, the increased cost savings are unlocked by combining preexisting and previously independent operations as to maximize the negotiating power of all parties involved.

Given that the Cities and the County spend over \$725 million per year, and assuming only a 1 percent average cost saving, for example, municipalities in San Mateo County would save upwards of \$7 million. In a review of the federal government's Strategic Sourcing,⁶¹ the Government Accountability Office found that, "when strategic sourcing was used, annual savings was along the lines of 5-20 percent."⁶² While the mechanisms by which federal government's Strategic Sourcing achieved savings is equivalent to C-CPC, Strategic Sourcing's larger scale means C-CPC is unlikely to achieve 20 percent savings. The Grand Jury estimates that a 5-15 percent annual savings spread is achievable through C-CPC.

When the 5-15 percent annual average savings spread is applied to C-CPC, projected savings are between \$15 million and \$45 million for the County and \$21.25 million and \$63.75 million for the Cities, for a total savings of \$108.75 million.

There is precedent for C-CPC within the County and throughout California. As previously discussed, the Cities and the County have already achieved significant savings through cooperatively purchased goods and services. Because of this cooperation, the Cities and the County are familiar with cooperative purchasing agreements and piggyback contracts. As such, C-CPC would not be introducing new purchasing methods, but rather be introducing a formal mechanism by which the Cities and County could expand and formalize the use of cooperative purchasing practices to achieve greater savings.

Other counties and the State of California have successfully adopted similar C-CPC practices. For instance, in 1999 Los Angeles County created a cooperative purchasing program with the cities with its jurisdiction for the purchase of recycled paper goods.⁶³ Under this program, cities could join Los Angeles County in purchasing recycled paper such that participating entities benefitted from greater purchasing power. Per the Los Angeles County Procurement Program website, 26 cities participate in the program, with the City of Los Angeles and County of Los Angeles alone saving \$84,000 and \$40,000 per year, respectively.⁶⁴ Similarly, Alameda County uses cooperative purchasing with cities to achieve its Strategic Vision for environmental

⁶⁰ Interviews with City Finance Officials.

⁶¹ Strategic Sourcing is the term for cooperative purchasing between federal agencies overseen by the Office of Federal Procurement Policy.

⁶² Charles Clark, "Government Doesn't use Bulk-Purchasing Initiative Enough, Auditors Say" *Government Executive* October 4, 2014. Accessed On: May 15, 2018. <<https://www.govexec.com/contracting/2012/10/government-doesnt-use-bulk-purchasing-initiative-enough-auditors-say/58590/>>

⁶³ Department of Public Works "Los Angeles County Procurement Programs" *The County of Los Angeles* Accessed on April 20, 2018 <https://dpw.lacounty.gov/epd/awards/procurement.cfm>.

⁶⁴ Ibid.

sustainability and economic growth.⁶⁵ Specifically, Alameda County invites public entities within its jurisdiction to piggyback on green contracts, in order to achieve lower prices, defray the higher costs associated with sustainable materials, and promote environmental sustainability among public agencies.⁶⁶ To facilitate this C-CPC, Alameda County opens its Procurement Department and Contracts Team to support and facilitate local public agencies piggybacking on sustainable contracts.⁶⁷ While both Los Angeles County and Alameda County leveraged cooperative purchasing to achieve environmental objectives, the success of these programs underscores the effectiveness of City-County Procurement Cooperation for achieving cost savings.

However, there are barriers to collaboration between the Cities and the County. The Grand Jury has already issued three reports (in 2004, 2015, and 2017), identifying dysfunction within the County's procurement system. Among other issues, the 2016-2017 Grand Jury identified that the PD's subordination to a Deputy Director of Human Resources, is inconsistent with best practices set forth by the Institute for Public Procurement and the California Association of Public Procurement Officials and inconsistent with the operational practices of 45 California Counties.⁶⁸ The 2016-2017 Civil Grand Jury concluded that the Procurement Division manager lacked sufficient independent authority to implement the changes necessary to improve County procurement. Moreover, as of the date of this writing, the County's Procurement Division manager position is vacant with the County's most recent director having left for employment with another public entity.

While the PD is not functioning well now, the County can take steps to improve the PD's function. Revising the County's purchasing process to allow effective cooperation between the Cities and the County will not only grant access to aforementioned savings, but also lower current operational costs. To that end, the Grand Jury has identified nine checkpoints along the pathway toward City-County Procurement Cooperation. The first three checkpoints are steps the County can take to prepare for C-CPC. The remaining checkpoints are actions the PD needs to take in order to implement C-CPC.

⁶⁵ "Strategic Vision 2026" *The County of Alameda*, Accessed on April 20, 2018
<http://www.acgov.org/government/strategic.htm>.

⁶⁶ "Piggybacking" *The County of Alameda*, Accessed on: April 20, 2018
<https://www.acgov.org/sustain/what/purchasing/bids/piggyback.htm>.

⁶⁷ Stop Waste "Piggybacking for Green Purchasing" *The County of Alameda*, Accessed on: April 20, 2018
<https://www.acgov.org/sustain/documents/PiggybackingResources.pdf>.

⁶⁸ San Mateo County Civil Grand Jury, "San Mateo County Procurement Division Recommendations Follow-Up": 5-6.

Checkpoints on the Pathway toward City-County Procurement Cooperation

- 1. Move the PD into an Appropriate Department**

Per the CAPPO, “the placement of the procurement (division) should be operationally distinct from other departments and divisions within the entity.”⁶⁹

When subordinate to another department, procurement lacks the authority and credibility to effectively regulate the entity’s procurement system and/or effectively negotiate with vendors.

“In the Grand Jury’s opinion, these bureaucratic layers reduce the authority and effectiveness of the procurement function.”⁷⁰

The PD would be more appropriately located as a direct report to the County Manager.⁷¹
- 2. Hire Experienced Buyers**

Implementation of C-CPC requires the PD to be staffed with buyers who have procurement management experience.

Procurement management experience is essential for (a) implementing structural changes required for C-CPC, (b) managing current PD buyers, and (c) negotiating deep discounts with vendors.
- 3. Develop and Insert Piggyback Language into County Contracts**

Piggyback contracts are the vehicles through which the Cities and the County can combine their purchasing power, gain access to deep discounts, and save millions of dollars.

The PD must develop and insert piggyback language into procurement contracts where applicable.
- 4. Create and Distribute to the Cities a Register of Open Contracts**

For the Cities to piggyback on the County’s contracts, the Cities must first be aware of available contracts.

⁶⁹ “Use of Cooperative Contracts for Public Procurement” *California Association of Public Procurement Officials* (2017): 1.

⁷⁰ *Ibid.* 5.

⁷¹ *Ibid.* 8.

The PD should create and distribute to city finance officers a searchable register of open contracts, including:

- the goods and services
- the terms and conditions
- the vendor
- other pertinent information

5. Identify the Goods and Services with the Highest Potential Savings in Conjunction with the Cities.

To focus the PD's efforts and secure the greatest savings for the Cities and the County, the PD needs to identify the goods and services with the highest potential savings.

To this end, the PD should survey the Cities to identify (a) the most commonly purchased category and classes of goods and services and (b) the goods and service with the highest potential discounts.

6. Ensure County Purchasing Software Can Track Key Indicators

Volume discounts on goods and services are predominately earned through "steps" (e.g., the first 100 purchases are discounted at 10 percent, purchases 101-200 are discounted at 15 percent, and purchases 200+ are discounted at 20 percent.

To achieve discounts, purchasing software must be able to track key indicators. These indicators include:

- Purchases, by vendor
- Purchases, by category
- Purchases, by date
- Purchases, by buyer
- Vendor Performance

The PD should ensure their current procurement system can track these performance indicators.

7. Ensure County Purchasing Software Can Accommodate City Purchases

To effectively track purchases such that the County can accurately distribute rebates to the Cities, the PD must track the number and variety of purchases by City.

Operational costs can be minimized by allowing City employees to place purchase orders to vendors through the PD procurement system.

The PD should ensure their current procurement system can accommodate this purchasing arrangement.

8. Negotiate Discounted Contracts for those Goods and Services

City participation in C-CPC requires County negotiated contracts to offer a better deal than the Cities could achieve on their own.

Once the goods and services with the highest potential for savings have been identified, the PD's buyers should negotiate leveraged contract with vendors, achieving maximum savings through discounting.

9. Distribute and Report Discounts to the Cities on a Consistent Basis

In a volume-based discount contract, discounts are based on the total sales in a given accounting period. Often, discounts take the form of a rebate; however, the exact specifications will depend on the product and the contract.

The PD should develop the tools to effectively report and distribute discounts to cities.

While implementing the changes necessary to allow C-CPC will come at a cost, the benefits accrued from crossing these checkpoints will go to great lengths to address the current "dysfunction" in the PD, in addition to the potential savings from C-CPC.⁷² The County's Purchasing Compliance Committee identified in "Purchasing Redesign Report, Procurement of Goods" 48 deviations from best practices and issued 84 recommendations for improving the County's procurement process. Notable findings included:

1. "It is unclear who is supposed to monitor the purchasing process."⁷³
2. "Departments and Purchasing Unit staff sometimes go around purchasing procedures but there is no way to know when this happens; when it is discovered there is no follow up or action taken and is not clear who should take that action or when."⁷⁴
3. "Staff often do not know that processes, rules, and regulations exist."⁷⁵
4. "Written documents such as handbooks, reference tools and other materials have not been updated, sometimes for more than 10 years"⁷⁶
5. "There are no methods to monitor if the County is receiving the best value or if purchases are consistent from one department to another (maybe one department is paying more than another for the same item)."⁷⁷
6. "There is no system in place to know if/when current processes either save the County money or lose money."⁷⁸
7. "No data is collected and used to monitor performance of the overall purchasing process."⁷⁹
8. "We have no way of knowing if we are being fiscally responsible."⁸⁰

⁷² San Mateo County Civil Grand Jury, "San Mateo County Procurement Division Recommendations Follow-Up": 4.

⁷³ Ibid. 18.

⁷⁴ Ibid. 18.

⁷⁵ Ibid. 18.

⁷⁶ Ibid. 20.

⁷⁷ Ibid. 19.

⁷⁸ Ibid. 19.

⁷⁹ Ibid. 20.

⁸⁰ Ibid. 19.

From the Grand Jury's prior reports and the County's Purchasing Compliance Committee's report, it is eminently clear that the Purchasing Division requires significant reform. The Grand Jury recommends that the County develop and study a plan to achieve the Checkpoints on the Pathway towards City-County Procurement Cooperation within current plans to improve the Purchasing Division.

The Grand Jury recognizes that the implementation of C-CPC will require upfront investment by the County before significant savings can be achieved. To the extent the County determines the cost of implementing this plan would result in greater cost to the County not recouped by cost savings, the County could propose a cost sharing fee for those Cities accessing the collective purchasing program. City officials expressed pleasure with the RFP cost sharing arrangement for the Turbo Data Systems contract and expressed willingness to participate in cost sharing arrangements when those contracts would allow their city to access greater savings.

As the County continues to improve the PD, beginning with a Controller's Office Audit to be completed by December 31, 2018,⁸¹ achieving these nine checkpoints may unlock C-CPC and tens of millions of dollars in potential savings each year.

FINDINGS

- F1. All 20 of the cities in the County purchase goods and services through decentralized purchasing systems.
- F2. Decentralized purchasing systems successfully allow the Cities to procure goods and services at fair market prices while minimizing labor costs.
- F3. The creation of a centralized purchasing department to provide the organization with advanced procurement services and guidance can be cost prohibitive.
- F4. While city employees receive training on municipal purchasing guidelines and policies, many employees who conduct purchasing operations as a secondary responsibility are not trained or instructed to negotiate optimum prices by leveraging market power.
- F5. City employees who conduct purchasing operations as a secondary responsibility often do not identify commonly purchased goods that other departments also purchase and so miss the opportunity to negotiate lower costs which could be obtained by purchasing the items in bulk for multiple departments.
- F6. Cooperative purchasing practices allow multiple public entities to collaboratively purchase goods and services, thereby gaining economies of scale that they would otherwise not have.
- F7. Cooperative purchasing practices are compatible with decentralized purchasing systems and can allow the Cities to leverage their collective market power, without changing existing purchasing systems.

⁸¹ Ibid. 27.

- F8. Adoption of cooperative purchasing practices, including piggyback agreements and cooperative purchasing agreements, can enable all Cities to obtain lower prices on goods and services.
- F9. Each city has limited communications with each other regarding procurement best practices, shared purchasing challenges, and purchasing solutions.
- F10. The County of San Mateo's Procurement Division is the only remaining public centralized purchasing department at the City and County level within San Mateo County.
- F11. Collaboration between the Cities and the Procurement Division through cooperative purchasing practices could achieve significant cost savings for both the Cities and the County.
- F12. The Procurement Division presently lacks the operational capacity to fully collaborate with the Cities.
- F13. There are no formal channels for communication between the County and the Cities regarding procurement cooperation opportunities.

RECOMMENDATIONS

The 2017-2018 San Mateo County Civil Grand Jury recommends that each City undertake the following by no later than February 1, 2019:

- R1. Increase the use of cooperative purchasing practices, including piggyback contracts and joint procurement agreements.
- R2. Share with other Cities and the County Procurement Division their procurement needs in order to identify opportunities for cooperative procurements between the Cities and the County.

The 2017-2018 San Mateo County Civil Grand Jury recommends that the County of San Mateo do the following by no later than February 1, 2019:

- R3. Increase the use of cooperative purchasing practices, including the development and insertion of piggyback language into County contracts, with the Cities.
- R4. Share with the Cities the County's procurement needs to identify opportunities for further cooperative purchasing.
- R5. Relocate the County's Procurement Division into an appropriate reporting structure, such that the Procurement Division shall report directly to the County Manager.

The 2017-2018 San Mateo County Civil Grand Jury recommends that the County of San Mateo do the following by no later than July 1, 2019.

- R6. Develop and study a plan to achieve the Checkpoints on the Pathway towards City-County Procurement Cooperation within current plans to improve the Purchasing Division, including:
- a. Hire experienced buyers.
 - b. Create and distribute to the Cities a register of open contracts.
 - c. Ensure the County's purchasing software can track key indicators.
 - d. Ensure the County's purchasing software can accommodate city purchases.
 - e. Identify, in conjunction with the Cities, the goods and services with the highest potential savings.
 - f. Negotiate discounted contracts for those goods and services.
 - g. Distribute and report discounts to the Cities on a consistent basis.

REQUESTS FOR RESPONSES

Pursuant to Penal Code Section 933.05, the Grand Jury requests the following to respond to the foregoing Findings and Recommendations referring in each instance to the number thereof:

- The City Councils of The Town of Atherton, the City of Belmont, the City of Brisbane, the City of Burlingame, the Town of Colma, the City of Daly City, the City of East Palo Alto, the City of Foster City, the City of Half Moon Bay, the Town of Hillsborough, the City of Menlo Park, the City of Millbrae, the City of Pacifica, the Town of Portola Valley, the City of Redwood City, the City of San Bruno, the City of San Carlos, the City of San Mateo, the City of South San Francisco, and the Town of Woodside to respond no later than 90 days after the date of this Grand Jury Report.
- San Mateo County Board of Supervisors to respond no later than 90 days after the date of this Grand Jury Report.

Each City Council and the County Board of Supervisors should respond to the findings and recommendations with respect to their own policies, procedures, and operations, not in regards to the Cities and the County as a whole.

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted subject to the notice, agenda, and open meeting requirements of the Brown Act.

METHODOLOGY

Documents

The Grand Jury reviewed the following documents:

- Purchasing Policy Manuals or equivalent documents from: the Town of Atherton, the City of Belmont, the City of Brisbane, the City of Burlingame, the Town of Colma, the City of Daly City, the City of East Palo Alto, the City of Foster City, the City of Half

Moon Bay, the Town of Hillsborough, the City of Menlo Park, the City of Millbrae, the City of Pacifica, the Town of Portola Valley, the City of Redwood City, the City of San Bruno, the City of San Carlos, the City of San Mateo, the City of South San Francisco, and the Town of Woodside.

- The California Association of Public Procurement Officials, Inc.:
Best Practices: Global Procurement Best Practices
- The Turbo Data Contract between San Mateo County and Turbo Data Systems Inc.
- Memo to the Burlingame City Council: Turbo Data Contract Recommendation
- Memo to the San Mateo County Board of Supervisors: Turbo Data Contract Recommendation

Interviews

- The Grand Jury conducted interviews with City Procurement Officers, City Management, County Procurement Officers, and County Management.

BIBLIOGRAPHY

- Borenstein, Severin. "Understanding Competitive Pricing and Market Power in Wholesale Electricity Markets" *The Electricity Journal* July, 2000: 50
<http://faculty.haas.berkeley.edu/borenste/mba212/Elecjo00mktPower.pdf>.
- Clark, Charles. "Government Doesn't use Bulk-Purchasing Initiative Enough, Auditors Say" *Government Executive* October 4, 2014. <
<https://www.govexec.com/contracting/2012/10/government-doesnt-use-bulk-purchasing-initiative-enough-auditors-say/58590/>>
- Department of Public Works "Los Angeles County Procurement Programs" *The County of Los Angeles* Accessed on April 20, 2018 <https://dpw.lacounty.gov/epd/awards/procurement.cfm>.
- Hazlitt, Henry. "How Should Prices Be Determined" *Foundation for Economic Education*, February 1, 1967. <https://fee.org/articles/how-should-prices-be-determined>.
- Krishna, Aradhna, Richard Briesch, Donald Lehmann, and Hong Yuan (2002), "A Meta-Analysis of the Impact of Price Presentation on Perceived Savings." *Journal of Retailing* 78 (2), 101–18. <https://www8.gsb.columbia.edu/researcharchive/articles/969>.
- McCue, Clifford. Pitzer, Jack. "Centralized vs. Decentralized Purchasing: Current Trends in Governmental Procurement Practices" *Journal of Public Budgeting, Accounting, and Financial Management* (Vol 12, Issue: 3) 2000: 400
<https://www.emeraldinsight.com/doi/pdfplus/10.1108/JPBAFM-12-03-2000-B003>.
- Money Matters. "Centralized & Decentralized Purchase: Suitability, Merits and Detriments" *Accountlearning.com* Accessed on March 28, 2018. <https://accountlearning.com/centralized-decentralized-purchase-suitability-merits-demerits-differences>.
- "Piggybacking" *The County of Alameda*, Accessed on: April 20, 2018
<https://www.acgov.org/sustain/what/purchasing/bids/piggyback.htm>.
- Principles and Practices of Public Procurement "Use of Cooperative Contracts for Public Procurement" *California Association of Public Procurement Officials* Accessed on August 28, 2017: 1.
<http://c.ymcdn.com/sites/www.cappo.org/resource/collection/FBBFC7BF-369D-43DE-B609-3D41BA05D10E/Cooperative%20Contracts.pdf>
- Procurement Division "Leveraged Procurement Agreements (LPAs) *California Department of General Services* Accessed on April 5, 2018
<http://www.dgs.ca.gov/pd/Programs/Leveraged.aspx>.
- "Quantity Discount" *Investopedia*, Accessed on: May 20, 2018
<https://www.investopedia.com/terms/q/quantity-discount.asp#ixzz5F2r4B9Sp>.

San Mateo County Civil Grand Jury. "San Mateo County Procurement Division Recommendations Follow-Up" *Superior Court of California San Mateo County*, June 21, 2017: 2 http://www.sanmateocourt.org/documents/grand_jury/2016/procurement.pdf.

"Schedule of Total City Expenditures by Major Object Classification" *California State Controller's Office*, Accessed on: October 21, 2017 <https://bythenumbers.sco.ca.gov/City-Expenditures/Schedule-of-Total-City-Expenditures-by-Major-Objec/q6pc-n5bp>.

Seeking Alpha Editorial Board "Chart: Software Companies - Gross Profit Margins" *seekingalpha.com* May 7, 2006 <https://seekingalpha.com/article/10166-chart-software-companies-gross-profit-margins>.

Soft, Effia. "Centralized vs. Decentralized Purchasing" *Effiasoft.com* Accessed on May 20, 2018 <https://effiasoft.com/centralized-vs-decentralized-purchasing>.

Sposi, Michael. "The Effect of Globalization of Market Structure, Industry Evolution and Pricing" *Federal Reserve Bank of Dallas, Globalization and Monetary Policy Institute 2013 Annual Report*, May 31, 2013: pg. 24 <https://www.dallasfed.org/~media/documents/institute/annual/2013/annual13f.pdf>.

Stop Waste "Piggybacking for Green Purchasing" *The County of Alameda*, Accessed on: April 20, 2018 <https://www.acgov.org/sustain/documents/PiggybackingResources.pdf>.

"Strategic Vision 2026" *The County of Alameda*, Accessed on April 20, 2018 <http://www.acgov.org/government/strategic.htm>.

Issued: July 19, 2018



TOWN OF COLMA

1198 El Camino Real • Colma, California • 94014-3212
Tel 650.997.8300 • Fax 650.997.8308

September 12, 2018

Honorable V. Raymond Swope
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Re: Grand Jury Report: "Cooperative Purchasing – A Roadmap to More Effective City Procurement."

Dear Judge Swope:

The City Council received the San Mateo Civil Grand Jury report titled, "Cooperative Purchasing – A Roadmap to More Effective City Procurement."

The Town was requested to submit comments regarding the findings and recommendations within 90 days and no later than October 17, 2018. The Town of Colma's response to both the findings and recommendations are listed below.

The Grand Jury instructed all agencies in San Mateo County including the County to respond to findings 1-13 (F1-F13) and for Cities to respond to recommendations 1-2 (R1-R2).

For the "findings", the Town was to indicate one of the following;

1. The respondent agrees with the finding.
2. The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

Additionally, for each Grand Jury "recommendation", the Town was requested to report one of the following actions;

1. The recommendation has been implemented, with a summary regarding the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.

Raquel P. Gonzalez, Mayor
Joanne F. del Rosario, Vice Mayor
John Irish Goodwin, Council Member • Diana Colvin, Council Member • Helen Fisicaro, Council Member
Brian Dossey, City Manager

3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
4. The recommendation will not be implemented because it is not warranted or reasonable, with an explanation therefore.

The following are responses to findings 1-13;

F1. All 20 of the cities in the County purchase goods and services through decentralized purchasing systems.

Town Response: Based on the Grand Jury Report, the Town of Colma agrees with this finding.

F2. Decentralized purchasing systems successfully allow Cities to procure goods and services at fair market prices while minimizing labor costs.

Town Response: The Town of Colma agrees with this finding.

F3. The creation of a centralized purchasing department to provide the organization with advanced procurement services and guidance can be cost prohibitive.

Town Response: The Town of Colma agrees with this finding.

F4. While city employees receive training on municipal purchasing guidelines and policies, many employees who conduct purchasing operations as a secondary responsibility are not trained or instructed to negotiate optimum prices by leveraging market power.

Town Response: The Town of Colma agrees with this finding.

F5. City employees who conduct purchasing operations as a secondary responsibility often do not identify commonly purchased goods that other departments also purchase and so miss the opportunity to negotiate lower costs which could be obtained by purchasing the items in bulk for multiple departments.

Town Response: The Town of Colma agrees with this finding; however, the Town is small and has limited storage capability, there are rarely opportunities to purchase in bulk and realize cost savings.

F6. Cooperative purchasing practices allow multiple public entities to collaboratively purchase goods and services, thereby gaining economies of scale that they would otherwise not have.

Town Response: The Town of Colma agrees with this finding.

F7. Cooperative purchasing practices are compatible with decentralized purchasing systems and can allow the Cities to leverage their collective market power, without changing existing purchasing systems.

Town Response: The Town of Colma agrees with this finding.

F8. Adoption of cooperative purchasing practices, including piggyback agreements and cooperative purchasing agreements, can enable all Cities to obtain lower prices on goods.

Town Response: The Town of Colma agrees with this finding.

F9. Each city has limited communications with each other regarding procurement best practices, shared purchasing challenges, and purchasing solutions.

Town Response: The Town of Colma agrees with this finding.

F10. The County of San Mateo's Procurement Division is the only remaining public centralized purchasing department at the City and County level within San Mateo.

Town Response: Based on the Grand Jury Report, the Town of Colma agrees with this finding.

F11. Collaboration between the Cities and the Procurement Division through cooperative purchasing practices could achieve significant cost savings for both Cities and the County.

Town Response: The Town of Colma agrees with this finding.

F12. The Procurement Division presently lacks the operational capacity to fully collaborate with Cities.

Town Response: Based on the Grand Jury Report, the Town of Colma agrees with this finding.

F13. There are no formal channels for communication between the County and the Cities regarding procurement cooperation opportunities.

Town Response: The Town of Colma agrees with this finding.

The following are responses to recommendations 1-2;

R1. Increase the use of cooperative purchasing practices, including piggyback contracts and joint procurement agreements.

Town Response: The recommendation has partially been implemented, see Colma Municipal Code 1.06.180 or <https://www.colma.ca.gov/documents/cmc-1-06-purchasing-contracting/>. but will be implemented by December 31, 2018. Staff will review the advantages and disadvantages to piggyback contracts and will bring to Council for consideration within the next six months.

R2. Share with other Cities and the County Procurement Division their procurement needs in order to identify opportunities for cooperative procurements between the Cities and the County.

Town Response: The recommendation requires further analysis. Until the County Procurement Division has the operational capacity to collaborate with Cities and a formal channel of communication for procurement amongst cities is established, the operational costs may outweigh the cost savings. Once the County Procurement Division has the operational capacity to collaborate with Cities, the Town of Colma will revisit this issue.

This response was approved by the City Council at the September 12, 2018 public meeting.

On behalf of the Town of Colma, I would like to thank the Grand Jury for their work on this report.

Sincerely,

Raquel P. Gonzalez
Mayor



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Darcy De Leon, Administrative Technician
 VIA: Brian Dossey, City Manager
 MEETING DATE: September 12, 2018
 SUBJECT: Grant Funding Request for Daly City Public Library Associates

RECOMMENDATION

Staff recommends that the City Council adopt the following resolution:

RESOLUTION APPROVING A GRANT TO DALY CITY PUBLIC LIBRARY ASSOCIATES, FINDING THAT THE GRANT SERVES A PUBLIC PURPOSE, AND AUTHORIZING A CONTRACT WITH DALY CITY PUBLIC LIBRARY ASSOCIATES FOR THE USE OF TOWN FUNDS

EXECUTIVE SUMMARY

The proposed resolution would find that the Daly City Public Library Associates has met all the criteria and is therefore eligible for grant funding from the Town of Colma, that the approved grant serves a public purpose and is not a gift of public funds, and that the grant should be approved and authorized as follows:

Grantee	Proposed Grant Amount
Daly City Public Library Associates	\$4,000

This separate action is required for Daly City Public Library Associates due to a conflict of interest for one Council Member. Other funding requests will be heard under a separate agenda item.

FISCAL IMPACT

The 2018-19 budget includes a total of \$113,000 for grant funding (spread through various departments).

BACKGROUND

The Town’s process for non-profit funding requests, as outlined in subchapter 4.03 of the Colma Administrative Code, spells out several requirements for organizations to be funded by the Town.

Grants may be made to three types of eligible organizations: 501(c)(3) charities, government entities, and the Chamber of Commerce. In addition, the organization must meet a basic rough

proportionality requirement which means: the organization's mission must include providing a benefit to a defined geographical area that encompasses the Town of Colma (for example, a food pantry that serves residents of San Mateo County); the organization's governing board must reflect the diverse interests of the community; and the organization must have policies and procedures to assure that the grant's purposes are met.

Grants cannot be given to fund existing debts; to a religious organization unless it is for a general need and the project does not promote the teachings of a particular church; or to support a political campaign. Grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee.

To help guide the nonprofits in identifying a public purpose in their requested program and assist the Council in making that determination, five categories of qualifying programs or projects are established in the Administrative Code. To qualify for a grant, the program or project to be funded must:

- (1) Provide shelter, food, or clothing to persons in need of the *Necessities of Life*;
- (2) Provide physical or mental health services to persons with special needs, or *Integrated Care Services*;
- (3) *Educate* and engage residents;
- (4) Promote *Economic Development* or support businesses located or doing business in the Town; or
- (5) Provide, support, or enhance a *Complementary Service*, e.g., a service that the Town could provide to its residents or businesses.

The \$113,000 in available funding is broken down into three discrete budget line items: \$65,000 allocated to the General Services budget specifically for economic development promotion (line item *Grants*); \$40,000 allocated to the City Council budget under the line item *Donations*; and \$8,000 allocated to the Planning Department budget under the line item *Legal Mandates*.

ANALYSIS

The Council must make two determinations with respect to this application: first, that the applicant meets the criteria for an eligible organization set forth in section 4.03.030 of the Colma Administrative Code, and second, that each proposed use of funds will serve a public purpose, as set forth in section 4.03.020 of the Colma Administrative Code. There is substantial evidence in the application to support findings on each of these determinations.

Findings of Organizational Eligibility

Daly City Public Library Associates ("Library Associates") is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section code 501(c)(3). Its mission is to raise private funds to supplement public funding of the four branch libraries in Daly City. The Town of Colma is located within its service area. Colma residents may borrow materials from any of the

Daly City branch libraries. Thus, Colma residents are benefited by the support provided to the Daly City Library by Library Associates.

Library Associates has adopted and follows policies and procedures to ensure that the terms and conditions of all grants are satisfied. Further, it has not participated or intervened in any political campaign (including publishing or distributing campaign statements) on behalf of or in opposition to any candidate for public office within the past 36 months.

Findings of Public Purpose

The expenditure of public funds to assist in the purchase for the replacement of bi-lingual early literacy computer stations, as requested by the ***Daly City Public Library Associates***. The Services could be provided by the Town, but the Town has chosen otherwise. Specifically, the Town could provide these same services through its Recreation Services program. In this case, the Town would likely expend the amount of the grant to provide these services.

Values

By providing public funds for charitable purposes, the Council is being compassionate to the needs of others. At the same time, by adhering to the Council's policies and procedures, the Council is acting with *responsibility*.

Alternatives

The Council could fund the Daly City Public Library Associates at a level higher or lower than the requested amount. Increasing the funding, however, would impact the remaining available grant funding.

CONCLUSION

Staff recommends the Council adopt the attached resolution which sets the grant funding level as proposed by staff.

ATTACHMENTS

- A. Resolution
- B. Funding request



RESOLUTION NO. 2018-__
OF THE CITY COUNCIL OF THE TOWN OF COLMA

RESOLUTION APPROVING A GRANT TO DALY CITY PUBLIC LIBRARY ASSOCIATES, FINDING THAT THE GRANT SERVES A PUBLIC PURPOSE, AND AUTHORIZING A CONTRACT WITH DALY CITY PUBLIC LIBRARY ASSOCIATES FOR THE USE OF TOWN FUNDS

The City Council of the Town of Colma does hereby resolve as follows:

1. Background

(a) Pursuant to subchapter 4.03 of the Colma Administrative Code and the police power granted to cities by the California Constitution, the Town of Colma may expend public money by making grants upon finding that the organization is eligible for grant funding, the expenditure will serve a public purpose, and for an expenditure that provides benefits to the public and private persons at the same time, there is a direct and substantial benefit to the public with only an incidental benefit to private persons.

(b) To be eligible, an organization must be an IRC 501(c)(3) charity, a governmental entity, or a chamber of commerce. In addition, the organization's mission must include providing a benefit to a defined geographical area that encompasses the Town of Colma, the organization's governing board must reflect the diverse interests of the community, and the organization must have policies and procedures to assure that the grant's purposes are met.

(c) Grants cannot be given to fund existing debts; to a religious organization unless it is for a general need and the project does not promote the teachings of a particular church; or to support a political campaign. Grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee.

(d) An organization may submit a request for determination of eligibility for grant funding, which shall include documents and information described in section 4.03.050 of the Colma Administrative Code. Each year after a determination of eligibility has been made, an organization need only update each item of new or changed information.

(e) An organization may submit an application for a charitable donation for each program or project to be funded.

2. Findings of Eligibility for Grant Funding

The City Council has reviewed the funding requests from Daly City Public Library Associates and finds as follows:

(a) Daly City Public Library Associates ("Library Associates") is eligible for grant funding from the Town of Colma.

Discussion. Library Associates is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section code 501(c)(3). Its mission is to

raise private funds to supplement public funding of the four branch libraries in Daly City. The Town of Colma is located within its service area. Colma residents may borrow materials from any of the Daly City branch libraries. Thus, Colma residents are benefited by the support provided to the Daly City Library by Library Associates.

(b) Library Associates has adopted and follows policies and procedures to ensure that the terms and conditions of all grants are satisfied, and none has participated or intervened in any political campaign (including publishing or distributing campaign statements) on behalf of or in opposition to any candidate for public office within the past 36 months.

3. Findings of Public Purpose

The City Council has reviewed the application for grant funds from the Daly City Public Library Associates and finds as follows:

(a) A grant in the amount of \$4,000 to the Daly City Public Library Associates will serve a public purpose.

Discussion. The expenditure of public funds to assist in the purchase of the replacement of bi-lingual early literacy computer stations, as requested by the Daly City Public Library Associates, could be provided by the Town but the Town has chosen otherwise. Specifically, the Town could provide these same services through its Recreation Services program. In that case, the Town would likely expend the amount of the grant to provide these services.

(b) None of these grants will be used to fund existing obligations, debts or liabilities, national and regional charitable organizations, religious organizations, a political campaign, or lobbying activities. The grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee and that the grantee will not discriminate on the basis of race, color, religion, gender, age, weight, height, sexual orientation, marital status, national origin, disability or other characteristic protected by law.

4. Order

(a) The City Council approves grant funding of \$4,000 to the Daly City Public Library Associates.

(b) The Grantee must execute a Grant Agreement with the Town before any funds may be paid. The Grant Agreement shall include a statement of the goal or purpose of the Grant, a time within which the goal is expected to be achieved, and reporting requirements.

//

//

//

//

Certification of Adoption

I certify that the foregoing Resolution No. 2018-__ was duly adopted at a regular meeting of said City Council held on September 12, 2018 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel "Rae" Gonzalez					
Joanne F. del Rosario					
John Irish Goodwin					
Diana Colvin					
Helen Fisicaro					
<i>Voting Tally</i>					

Dated _____

Raquel "Rae" Gonzalez, Mayor

Attest: _____
Caitlin Corley, City Clerk





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Daly City Public Library Associates

Contact Person: Susan Brissenden-Smith

Address: P. O. Box 3283, Daly City, CA 94015-3283
Street Address City State Zip Code

Phone Number: 650 224-2356 Email Address: info@dcpla.org

1. Mission Statement: The Mission of DCPLA is to raise private funds to supplement public funding of the Daly City libraries. We accomplish this by developing community, civic, and business support for fundraising, advocacy, and innovative programs that benefit our diverse community.

2. Amount of Request: \$ 4,000

- a. Total Agency Annual Budget: \$ 63,000 (includes about \$35,000 in grants to the City)
- b. Number of Agency Employees: one part time
- c. Payroll is 14 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

"C" - educate and engage residents. The Early Literacy Computer stations are designed for children ages 2 - 8. This is the population that needs to get a head start in language skills (Daly City students face challenges in this regard, falling short of reaching 3rd grade proficiency in reading).

4. Describe reason for request and how funds will be used:

The library's bi-lingual early literacy computer stations are wearing out and need to be replaced. The library has an opportunity to replace some of these units through a state library program. We have raised about half of the funds and are seeking the balance.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

We have increased our request, in recognition of the need and importance of this educational tool for our families, and in recognition of our organization's overhead costs. The stations cost about \$3,500 each. The overhead cost included amounts to \$500 (within the 10-15% range for nonprofits overhead).

6. Describe the benefit to the Town derived from funding your organization:

All residents of Colma have access to the four Daly City branch libraries. Our organization funds programs, equipment and materials to supplement the bare bones funding provided by the City. These grants benefit all the patrons of the library.

7. Describe the following:

A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;

B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

The libraries' resources are accessible to all Colma residents and businesses.

There are four locations (Serramonte at 40 Wembley; Westlake at 275 Southgate;

John Daly at 134 Hillside and Bayshore at 460 Martin Street). We reach out to many

members of the Colma community including making presentations to groups.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

The 2017-2018 grant was used to purchase children's books for all four

branch libraries (\$2,000). The library staff and City Council were very appreciative

of this infusion of new materials.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

none

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____**

If yes, please provide details.

11. Charitable Trust # or EIN # 27-3262898

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Darcy De Leon, Administrative Technician
 VIA: Brian Dossey, City Manger
 MEETING DATE: September 12, 2018
 SUBJECT: FY 2018-19 Non-profit Funding

RECOMMENDATION

Staff recommends that the City Council adopt the following resolution:

RESOLUTION DETERMINING ELIGIBILITY FOR GRANT FUNDING, APPROVING GRANTS TO ELIGIBLE ORGANIZATIONS, FINDING THAT EACH APPROVED GRANT SERVES A PUBLIC PURPOSE, AND AUTHORIZING CONTRACTS WITH EACH ELIGIBLE ORGANIZATION FOR THE USE OF TOWN FUNDS

EXECUTIVE SUMMARY

The proposed resolution would find that each of the following organizations has met all the criteria and is therefore eligible for grant funding from the Town of Colma, that each approved grant serves a public purpose and is not a gift of public funds, and that grants should be approved and authorized as proposed by Staff:

Grantee	Amount Funded FY 2017-18	FY 2018-19 Grantee Request	FY 2018-19 Staff Proposed Grant Amount
ALLICE	\$1,800	\$0	N/A
Clinic by the Bay	\$3,000	\$3,000	\$3,000
Colma - Daly City Chamber of Commerce	\$30,000	\$45,000	\$25,000
Community Gatepath	\$6,000	\$7,500	\$6,500
CORA	N/A	\$10,000	\$1,500
Daly City Peninsula Partnership Collaborative	\$15,000	\$20,000	\$15,000
Daly City Youth Health Center	\$6,000	\$7,500	\$6,000
Human Investment Project (HIP Housing) ¹	\$5,000	\$5,000	\$5,000
Jefferson Union School District (Wilderness School)	\$4,500	\$6,000	\$5,000

¹ Funding to come from Legal Mandates line item in Planning Department budget

Grantee	Amount Funded FY 2017-18	FY 2018-19 Grantee Request	FY 2018-19 Staff Proposed Grant Amount
LifeMoves ¹	\$3,500	\$5,000	\$4,000
North Peninsula Food Pantry & Dining Center of Daly City	\$12,500	\$12,500	\$12,500
Operation Santa Claus	N/A	\$1,500	\$1,000
Peninsula Conflict Resolution Center (PCRC)	\$1,313	\$1,378.65	\$1,378.65
SMC Community College Foundation (Skyline College President's Innovation Fund)	\$3,000	\$5,000	\$3,400
SMC Jobs for Youth	\$1,500	\$3,000	\$2,000
SMC Pride Center	N/A	\$5,000	\$2,000
SMC Resource Conservation District	\$5,000	\$5,985	\$5,000
Sitike Counseling Center	\$6,000	\$8,000	\$6,500
Sustainable San Mateo County	\$3,000	\$5,000	\$3,500
Veterans Sportsman Alliance (VSA)	N/A	\$10,000	\$1,200
TOTALS	\$109,113²	\$170,363.65³	\$112,978.65³

A total of \$170,363.65 has been requested by the various entities (including the Daly City Public Library Associates, which was addressed in a separate agenda item).

If Council approves the funding levels as proposed by Staff, the total amount funded will be under budget by \$21.35.

FISCAL IMPACT

The 2018-19 budget includes a total of \$113,000 for grant funding (spread through various departments).

BACKGROUND

The Town's process for non-profit funding requests, as outlined in subchapter 4.03 of the Colma Administrative Code, spells out several requirements for organizations to be funded by the Town.

Grants may be made to three types of eligible organizations: IRS 501(c)(3) charities, government entities, and the Chamber of Commerce. In addition, the organization must meet a basic rough proportionality requirement which means: the organization's mission must include providing a benefit to a defined geographical area that encompasses the Town of Colma (for example, a food pantry that serves residents of San Mateo County); the organization's governing board must

² This amount includes \$2,000 approved funding amount for DCPLA.

³ This amount includes \$4,000 requested funding amount for DCPLA.

reflect the diverse interests of the community; and the organization must have policies and procedures to assure that the grant's purposes are met.

Grants cannot be given to fund existing debts; to a religious organization unless it is for a general need and the project does not promote the teachings of a particular church; or to support a political campaign. Grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee.

To help guide the nonprofits in identifying a public purpose in their requested program and assist the Council in making that determination, five categories of qualifying programs or projects are established in the Administrative Code. To qualify for a grant, the program or project to be funded must:

- (1) Provide shelter, food, or clothing to persons in need of the *Necessities of Life*;
- (2) Provide physical or mental health services to persons with special needs, or *Integrated Care Services*;
- (3) *Educate* and engage residents;
- (4) Promote *Economic Development* or support businesses located or doing business in the Town; or
- (5) Provide, support, or enhance a *Complementary Service*, e.g., a service that the Town could provide to its residents or businesses.

The \$113,000 in available funding is broken down into three discrete budget line items: \$40,000 allocated to the General Services budget specifically for economic development promotion (line item *Grants*); \$65,000 allocated to the City Council budget under the line item *Donations*; and \$8,000 allocated to the Planning Department budget under the line item *Legal Mandates*.

For some entities, staff's proposed grant amounts may differ from the funding that was approved in Fiscal Year 2017-18. Of course the City Council has ultimate discretion regarding the actual amount of funding granted; however, if City Council opts to increase the proposed funding beyond the available budget, a budget amendment will need to be processed at a future meeting.

ANALYSIS

The Council must make two determinations with respect to each application: first, that the applicant meets the criteria for an eligible organization set forth in section 4.03.030 of the Colma Administrative Code, and second, that each proposed use of funds will serve a public purpose, as set forth in section 4.03.020 of the Colma Administrative Code. There is substantial evidence in each application to support findings on each of these determinations.

Findings of Organizational Eligibility

Clinic by the Bay is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to operate a free, volunteer-powered health clinic that provides high-quality, primary care to the hard working uninsured men and women in its

service area. The Town of Colma is within its service area. The Town benefits by having low income adults, in the Town and in the surrounding area, served by free primary medical care from Clinic by the Bay. The Town also benefits as Clinic by the Bay provides residents with meaningful volunteer opportunities to be part of a neighborhood solution to health care issues. The grant funds will be used to expand primary care, continue to offer Saturday hours, and expand chronic disease management programs. If City Council approves funding, Clinic by the Bay will have to update their status from "reporting incomplete" to "current" with the Attorney General as a condition for funds to be disbursed.

Greater Colma-Daly City Chamber of Commerce, aka Colma/Daly City Chamber of Commerce ("Chamber"), is registered with the California Attorney General as a mutual benefit nonprofit corporation and has provided the Town with a copy of a letter from the Internal Revenue Service ("IRS") stating that it is exempt from tax under Internal Revenue Code ("IRC") section 501(c)(6). Its mission is to encourage business development and networking, and to provide members with useful information and services. The Chamber serves commercial establishments within the Town of Colma and the City of Daly City. The Town of Colma is located within the Chamber's membership area. The Chamber takes an active leadership role in promoting economic, professional, commercial and civic vitality for the Town of Colma and surrounding communities. The Chamber's programs and activities benefit its members by providing them with business development and networking opportunities as well as educational materials. These programs and activities improve the quality of services rendered to the public by the Chamber's members and help increase its members' sales. In turn, improved services and increased sales will increase the Town's tax revenues, which ultimately inure to the benefit of all residents and businesses located in the Town. If City Council approves funding, the Chamber of Commerce will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

Community Gatepath is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide greater independence for persons with special needs and disabilities through education and support services that empower them. The Town of Colma is within its service area. The Town benefits by having people with disabilities becoming active members of the community, spending money at local businesses, volunteering and working in the Town.

CORA is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide safety, support and healing for individuals who experience abuse in an intimate relationship, and educate the community to break the cycle of intimate partner abuse. CORA serves all of San Mateo County and the Town of Colma is within its service area. If City Council approves funding, CORA will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

Daly City Peninsula Partnership Collaborative is registered with the Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to guide collaborative efforts and connect the community to services that promote well-being. The Partnership runs two programs that would receive funding through the granting process: The Daly City Community Service Center and the Partnership's Family Resource Center. The Community Center serves low income

individuals and families in danger of becoming homeless and those needing assistance through emergency shelter or housing assistance grants. The Family Resource Center works with families, early childhood education professionals and caregivers to promote healthy development, academic readiness and safety for children.

Daly City Youth Health Center, as part of the Jefferson Union High School District (JUHSD), is a California governmental entity. The school-linked program's mission statement is to provide safe, respectful, comprehensive health services and education to underserved teens and young adults, preparing them for a healthy adulthood. The community wellness center's activities are directed by the JUHSD Board of Directors and Advisory Council. The Center served 14 Colma youth and their families two or more times during the 2015-16 school year. In addition, five youth from Colma became peer health educators in schools and were trained on leadership development and public speaking skills. The Town of Colma is within its service area. The Town benefits by the Center providing accessibility and availability of integrated wellness services to youth, especially those who belong to the low-income and immigrant populations residing in Colma. The Town also benefits by the Center providing counseling for Colma youth who are suffering from mental health issues, substance use and abuse, and suicidal ideation to help youth better cope with their challenges in life.

HIP Housing Development Corporation is registered with the Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to improve the housing and lives of people in the community. HIP Housing enables people with special needs to live independent, self-sufficient lives in decent, safe, low-cost homes. The Town of Colma is within its service area.

Jefferson Union High School District (Community Environmental Education Program) is a California governmental entity. The Community Environmental Education Program - Susan B. Anthony School Project is a joint program administered by Jefferson Union High School District. Its mission is to teach high school students leadership skills and responsibility and to provide elementary school children with field trip chaperones, on-site tutors, and positive role models. The project consists of field trips, hiking and camping. Many students from the Town of Colma attend Jefferson High School or Susan B. Anthony Elementary School, and the number varies from year to year.

LifeMoves is a nonprofit corporation and has provided the Town with a copy of a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to help homeless families and individuals in the area and assist them in returning to permanent housing and self-sufficiency. The Town of Colma is located within LifeMoves' service area. The Town benefits from LifeMoves' work as low-income and homeless individuals and families in the area are provided support services to reduce the homeless population in the area. If City Council approves funding, LifeMoves will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

North Peninsula Food Pantry and Dining Center of Daly City ("Food Pantry") is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide nutrition and sustenance to anyone in need. The Town Colma is located within its service area. Any Colma resident in need may obtain food from the Food Pantry, but the Food Pantry does not track the residency locations of its clients.

Operation Santa Claus is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide a traditional Christmas experience to families in the communities of Daly City, Colma and Broadmoor that are homeless or whose income is less than their monthly expenses. The Town of Colma is within its service area.

Peninsula Conflict Resolution Center ("PCRC") is registered with the California Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to promote positive collaboration and active engagement among people. It facilitates group discussions and trains people in conflict resolution. The Town of Colma is located within its service area, which is all of San Mateo County. PCRC will provide free or low-cost information and referral services, mediation services, and training to all Colma residents.

San Mateo Community College Foundation (Skyline College President's Innovation Fund) is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to promote student success and nourish project innovation and excellence by providing special financial support for the three community colleges in the District. In particular, the Foundation seeks grant funds for the President's Innovation Fund which is to provide start-up funding and financial support to faculty and staff devising innovative programs and services. The Town of Colma is within the geographic area that the Foundation serves. The Foundation estimates that 24% of students registered at Skyline College live in the Colma/Daly City region. If City Council approves funding, the foundation will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

San Mateo County (Jobs for Youth Program) is a California governmental entity. Jobs for Youth is a program sponsored by San Mateo County. Jobs' mission is to provide all youths with employment services that will assist in gaining necessary job skills. The Town of Colma is located within its service area. Jobs for Youth served five youth through the Colma and Daly City region.

San Mateo County Pride Center (StarVista) is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to increase access to mental health services and community support through connections to resources, advocacy, and social activities for the LGBTQ+ Community. San Mateo County Pride Center serves all of San Mateo County and the Town of Colma is within its service area. Colma residents will benefit from targeted outreach to increase awareness of the wealth of resources that the Pride Center offers.

San Mateo County Resource Conservation District (San Mateo County RCD) is a California governmental entity. San Mateo County RCD is a special district that helps people protect, conserve and restore natural resources through non-regulatory technical assistance. The Town of Colma is located within its service area. San Mateo County RCD has previously worked with the Town of Colma by providing project ideas and services with focus on cemetery irrigation efficiency.

Sitike Counseling Center ("Sitike") is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide community-based

substance-abuse counseling and education services. The Town of Colma is located within its service area. Sitike has not provided any information about the residency locations of its clients.

Sustainable San Mateo County is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to stimulate community action on economic, environmental and social issues by providing accurate, timely and empowering information. In general, the funds will be used to support the research and production of the Indicators for a Sustainable San Mateo County Report. The Indicators Report evaluates the health of San Mateo County and its cities in terms of sustainability and provides a mean for city officials, non-profits, and business leaders, to make educated decisions when considering sustainable policies. The Town of Colma is within the geographic area served by Sustainable San Mateo County and the Indicators Report covers the area where the Town is located. If City Council approves funding, Sustainable San Mateo County will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

Veterans Sportsman Alliance (VSA) is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to enhance the lives of disabled military veterans by offering a variety of outdoor sporting activities and providing service dogs trained to help mitigate disabilities. VSA has specifically chosen to serve the Town of Colma because of the new Veteran's Village Project that is expected to be completed in Spring 2019.

Each of these organizations has adopted and follows policies and procedures to ensure that the terms and conditions of all grants are satisfied, and none has participated or intervened in any political campaign (including publishing or distributing campaign statements) on behalf of or in opposition to any candidate for public office within the past 36 months.

Findings of Public Purpose

The expenditure of public funds to pay for healthcare services to low income, working and uninsured adults, as requested by **Clinic by the Bay**, will provide an identifiable benefit to the community at large. The Town and the community at large will benefit from increased healthcare services and continuing to provide medical visits 16 hours per week, including two evenings, while working to expand hours over the next few years until operating at full capacity which will be 4-6 days per week. All of these services are readily accessible to Colma residents and the public benefit is substantial as the Town and the community all benefit from a healthy populace.

The expenditure of public funds to pay for networking opportunities, business grand openings, business promotions, facilitating workshops for businesses, and operational costs, as requested by the greater **Colma-Daly City Chamber of Commerce, aka Colma/Daly City Chamber of Commerce** could be provided by the Town but the Town has chosen otherwise. Specifically, the Town could provide these same services as part of its economic development program. In that case, the Town would likely expend the amount of the grant in staff time and incidental materials to provide these services.

The expenditure of public funds to pay for the opportunity to learn healthy eating through basic education, menu planning, ingredient purchasing, food preparation and cooking offered by **Community Gatepath**, an identifiable benefit to the Colma community at large. The Town benefits by having people with disabilities become active members of the community through

recreational, educational and volunteer opportunities with businesses in the Town. The services offered by Community Gatepath are readily accessible to Colma residents and the public benefit is substantial as people with disabilities have the opportunity to learn and thrive.

The expenditure of public funds to pay for programmatic support of the Safe House Program, as requested by **CORA**, will provide an identifiable benefit to the community at large. Specifically, the funds will be used for staff salaries and benefits, staff trainings, program supplies, among other operational costs of the Safe House Program. This service goes in hand with the already established relationship between CORA and the Colma Police Department. In the last fiscal year Colma Police Department paid CORA \$493 for 24-hour law enforcement referral program (Emergency Response Program).

The expenditure of public funds to pay for shelter and supportive services, as requested by **Daly City Peninsula Partnership Collaborative**, could be provided by the Town but the Town has chosen otherwise. In that case, the Town would likely exceed the amount of the grant in staff time and incidental materials to provide these services. The services offered by Daly City Partnership are readily accessible to individuals in Colma as the Town is located within the Partnership's service area. Further, the public benefit is substantial as Partnership services ensure Colma residents have family support services that are not readily accessible elsewhere.

The expenditure of public funds to pay for comprehensive health services and education to underserved teens and young adults from Colma, as requested by the **Daly City Youth Health Center**, will provide an identifiable benefit to the community at large. Specifically, provide increased screening and counseling services on-site and at high schools. These services are readily accessible to Colma youth and provide a substantial public benefit by ensuring the health and vitality of Colma's youth.

The expenditure of public funds to support its Home Sharing program, as requested by **HIP Housing Development Corporation**, could be provided by the Town but the Town has chosen otherwise. The services offered by HIP Housing are readily accessible to Colma residents, with HIP Housing providing direct assistance and resources to 12 clients in Colma in FY 2017-18. Finally, the public benefit is substantial as providing housing to help people live independent lives is important for a well-functioning society.

The expenditure of public funds to pay for walking field trips, Bay Area field trips, nature lessons, and an overnight camping trip on the mountain, as requested by **Jefferson Union High School District for the Wilderness School Program/Susan B. Anthony School Project**, will provide an identifiable benefit to the community at large. The public benefit provided by these services is substantial as the services provide education to the Town's youth, which will make them better, more informed, and more productive citizens.

The expenditure of public funds to pay for shelter and supportive services, as requested by **LifeMoves** could be provided by the Town but the Town has chosen otherwise. In that case, the Town would likely expend the amount of the grant in staff time and incidental materials to provide these services. The services offered by LifeMoves are readily accessible to individuals in Colma as the Town is located within LifeMoves' service area. Further, the public benefit is substantial as LifeMoves' services ensure Colma residents, or anyone traveling through LifeMoves' network, have shelter and other support services.

The expenditure of public funds to pay for nutrition and sustenance (e.g., three days of staple groceries and a hot meal three nights each week) to needy persons as requested, as requested by **North Peninsula Food Pantry and Dining Center of Daly City** will provide an identifiable benefit to the community at large. The Food Pantry provides services that are readily accessible to Colma residents as groceries and hot meals would be available to anyone living or traveling through Colma. Overall, the benefit to the public is substantial as the services offered by the Food Pantry prevent the public from going hungry.

The expenditure of public funds to pay for toys, Target and store gift cards, as requested by **Operation Santa Claus**, will provide an identifiable benefit to the community at large. However, Operation Santa Claus has not listed how many families or individuals they will serve if they are funded.

The expenditure of public funds to support a staff position to work with its trained volunteers, as requested by **Peninsula Conflict Resolution Center ("PCRC")**, will provide an identifiable benefit to the community at large. The services offered by PCRC are readily accessible to Colma residents and business owners. Further, the benefit to the public is substantial as the services offered by PCRC help avoid conflict issues that may exist among neighbors, landlords and tenants, families, consumers and businesses, work associates and others in the community.

The expenditure of public funds to pay for Skyline Promise Scholarships which includes covering fees, books and a transportation incentive for first time full time students, as requested by the **San Mateo Community College Foundation**, will provide educational opportunities to engage citizens that are students at Skyline College. The Town and the community at large will benefit from increased educational opportunities by ensuring a well-educated public and citizen base. A better educated community will advance the Town economically, politically, and socially. The services offered by the San Mateo Community College Foundation are readily accessible to any Colma residents attending Skyline College. Further, the public benefit is substantial as college students are able to experience new and unique educational opportunities.

The expenditure of public funds to pay for job preparation workshops, counseling, job placement and internships, as requested by the **San Mateo County Jobs for Youth Program**, will provide an identifiable benefit to the Colma community at large. Specifically, this program will help youths transition into adulthood and gain work experience, which will make them better, more informed, and more productive citizens. The services offered by San Mateo County Jobs for Youth are readily accessible to Colma youth as in years past, two Colma residents participated in this program.

The expenditure of public funds to pay for increased outreach to the Town of Colma and neighboring cities, as requested by **San Mateo County Pride Center**, will provide an identifiable benefit to the Colma community at large. For example, a Youth Program Coordinator will visit the Gay-Straight Alliances (GSAs) of high schools serving Colma residents to create a mixer in an effort to engage LGBTQ+ high school students in the area. In addition to supporting targeted outreach efforts, funding would support staff to organize and facilitate these mixers, provide food and/or rental fees for locations.

The expenditure of public funds to pay for the continuation of technical sustainable expertise management, as requested by the **San Mateo County Resource Conservation District**, providing expertise to develop sustainable management practices which will reduce water and

energy use and operational costs. The benefit to the public would be substantial, specifically the cemeteries in Town.

The expenditure of public funds to supplement the actual cost of providing services to clients, as requested by ***the Sitike Counseling Center (“Sitike”)*** will provide an identifiable benefit to the Colma community at large. Sitike must charge a fee for the services received, the funding will allow Sitike to charge lower fees to those clients in need, ensuring that they will meet the requirements of completing treatment. The services offered by Sitike are readily available to Colma residents and the public benefit is substantial as Sitike helps stop the cycle of dependency and mental health issues.

The expenditure of public funds will support a contract Program Manager who coordinates volunteer researchers, writers, graphic designers, printing and dissemination of reports, as requested by ***Sustainable San Mateo County***. In addition, these funds will help cover the costs of community meeting venues and materials, publicity and outreach.

The expenditure of public funds to pay for targeted programming, specifically for veterans living in the Town of Colma, as requested by ***Veterans Sportsman Alliance (VSA)***, will provide an identifiable benefit to the Colma community at large. However, the Veteran’s Village Housing project has not yet been completed. The services offered by VSA may be of more benefit when the majority of their targeted population is located within the Town.

None of these grants will be used to fund existing obligations, debts or liabilities, national and regional charitable organizations, religious organizations, a political campaign, or lobbying activities. The grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee and that the grantee will not discriminate on the basis of race, color, religion, gender, age, weight, height, sexual orientation, marital status, national origin, disability or other characteristic protected by law.

Values

By providing public funds for charitable purposes, the Council is being compassionate to the needs of others. At the same time, by adhering to the Council’s policies and procedures, the Council is acting with *responsibility*.

Alternatives

The Council could fund some entities at a different level than staff’s proposed amount. Doing so, however, could result in the need to identify additional funding sources as the Adopted 2018-19 Budget includes only \$113,000 in available grant funding.

CONCLUSION

Staff recommends the Council approve the attached resolution which sets grant funding levels as proposed by staff.

ATTACHMENTS

- A. Resolution
- B. Funding request summary
- C. Historical funding levels
- D. Funding requests

RESOLUTION NO. 2018-_____
OF THE CITY COUNCIL OF THE TOWN OF COLMA

**RESOLUTION DETERMINING ELIGIBILITY FOR GRANT FUNDING,
 APPROVING GRANTS TO ELIGIBLE ORGANIZATIONS, FINDING THAT EACH
 APPROVED GRANT SERVES A PUBLIC PURPOSE, AND AUTHORIZING
 CONTRACTS WITH EACH ELIGIBLE ORGANIZATION FOR THE USE OF TOWN
 FUNDS**

The City Council of the Town of Colma does hereby resolve as follows:

1. Background

(a) Pursuant to subchapter 4.03 of the Colma Administrative Code and the police power granted to cities by the California Constitution, the Town of Colma may expend public money by making grants upon finding that the organization is eligible for grant funding, the expenditure will serve a public purpose, and for an expenditure that provides benefits to the public and private persons at the same time, there is a direct and substantial benefit to the public with only an incidental benefit to private persons.

(b) To be eligible, an organization must be an IRC 501(c)(3) charity, a governmental entity, or a chamber of commerce. In addition, the organization's mission must include providing a benefit to a defined geographical area that encompasses the Town of Colma, the organization's governing board must reflect the diverse interests of the community, and the organization must have policies and procedures to assure that the grant's purposes are met.

(c) Grants cannot be given to fund existing debts; to a religious organization unless it is for a general need and the project does not promote the teachings of a particular church; or to support a political campaign. Grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee.

(d) An organization may submit a request for determination of eligibility for grant funding, which shall include documents and information described in section 4.03.050 of the Colma Administrative Code. Each year after a determination of eligibility has been made, an organization need only update each item of new or changed information.

(e) An organization may submit an application for a charitable donation for each program or project to be funded.

2. Findings of Eligibility for Grant Funding

The City Council has reviewed the funding requests from each of the following organization and finds as follows:

(a) Clinic by the Bay is eligible for grant funding from the Town of Colma.

Discussion. Clinic by the Bay is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to operate a free,

volunteer-powered health clinic that provides high-quality, primary care to the hard working uninsured men and women in its service area. The Town of Colma is within its service area. The Town benefits by having low income adults, in the Town and in the surrounding area, served by free primary medical care from Clinic by the Bay. The Town also benefits as Clinic by the Bay provides residents with meaningful volunteer opportunities to be part of a neighborhood solution to health care issues. The grant funds will be used to expand primary care, continue to offer Saturday hours, and expand chronic disease management programs. If City Council approves funding, Clinic by the Bay will have to update their status from "reporting incomplete" to "current" with the Attorney General as a condition for funds to be disbursed.

- (b) Greater Colma-Daly City Chamber of Commerce, aka Colma/Daly City Chamber of Commerce ("Chamber"), is eligible for grant funding from the Town of Colma.

Discussion: The Chamber is registered with the California Attorney General as a mutual benefit nonprofit corporation and has provided the Town with a copy of a letter from the Internal Revenue Service ("IRS") stating that it is exempt from tax under Internal Revenue Code ("IRC") section 501(c)(6). Its mission is to encourage business development and networking, and to provide members with useful information and services. The Chamber serves commercial establishments within the Town of Colma and the City of Daly City. The Town of Colma is located within the Chamber's membership area. The Chamber takes an active leadership role in promoting economic, professional, commercial and civic vitality for the Town of Colma and surrounding communities. The Chamber's programs and activities benefit its members by providing them with business development and networking opportunities as well as educational materials. These programs and activities improve the quality of services rendered to the public by the Chamber's members and help increase its members' sales. In turn, improved service and increased sales will increase the Town's tax revenues, which ultimately inure to the benefit of all residents and businesses located in the Town. If City Council approves funding, the Chamber of Commerce will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

- (c) Community Gatepath is eligible for grant funding from the Town of Colma.

Discussion. Community Gatepath is registered with the Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide greater independence for persons with special needs and disabilities through education and support services that empower them. The Town of Colma is within its service area. The Town benefits by having people with disabilities becoming active members of the community, spending money at local businesses, volunteering and working in the Town.

- (d) CORA is eligible for grant funding from the Town of Colma.

Discussion: CORA is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide safety, support and healing for individuals who experience abuse in an intimate relationship, and educate the community to break the cycle of intimate partner abuse. CORA serves all of

San Mateo County and the Town of Colma is within its service area. If City Council approves funding, CORA will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

- (e) Daly City Peninsula Partnership Collaborative is eligible for grant funding from the Town of Colma.

Discussion: The Daly City Peninsula Partnership Collaborative is registered with the Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to guide collaborative efforts and connect the community to services that promote well-being. The Town of Colma is within its service area. The Partnership runs two programs that would receive funding through the granting process: The Daly City Community Service Center and the Partnership's Family Resource Center. The Community Center serves low income individuals and families in danger of becoming homeless and those needing assistance through emergency shelter or housing assistance grants. The Family Resource Center works with families, early childhood education professionals and caregivers to promote healthy development, academic readiness and safety for children.

- (f) Daly City Youth Health Center is eligible for grant funding from the Town of Colma.

Discussion: As part of the Jefferson Union High School District (JUHSD), the Daly City Youth Health Center is a California governmental entity. The school-linked program's mission statement is to provide safe, respectful, comprehensive health services and education to underserved teens and young adults, preparing them for a healthy adulthood. The community wellness center's activities are directed by the JUHSD Board of Directors and Advisory Council. The Center served 14 Colma youth and their families two or more times during the 2015-16 school year. In addition, five youth from Colma became peer health educators in schools and were trained on leadership development and public speaking skills. The Town of Colma is within its service area. The Town benefits by the Center providing accessibility and availability of integrated wellness services to youth, especially those who belong to the low-income and immigrant populations residing in Colma. The Town also benefits by the Center providing counseling for Colma youth who are suffering from mental health issues, substance use and abuse, and suicidal ideation to help youth better cope with their challenges in life.

- (g) HIP Housing Development Corporation ("HIP Housing) is eligible for grant funding from the Town of Colma.

Discussion. HIP Housing is registered with the Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to improve the housing and lives of people in the community. HIP Housing enables people with special needs to live independent, self-sufficient lives in decent, safe, low-cost homes. The Town of Colma is within its service area.

- (h) Jefferson Union High School District (Community Environmental Education Program) is eligible for grant funding from the Town of Colma.

Discussion. Jefferson is a California governmental entity. The Community Environmental Education Program - Susan B. Anthony School Project is a joint program administered by Jefferson Union High School District. Its mission is to teach high school students leadership skills and responsibility and to provide elementary school children with field trip chaperones, on-site tutors, and positive role models. The project consists of field trips, hiking and camping. Many students from the Town of Colma attend Jefferson High School or Susan B. Anthony Elementary School, and the number varies from year to year.

- (i) LifeMoves (formerly InnVision Shelter Network) is eligible for grant funding from the Town of Colma.

Discussion: is a nonprofit corporation and has provided the Town with a copy of a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to help homeless families and individuals in the area and assist them in returning to permanent housing and self-sufficiency. The Town of Colma is located within LifeMoves' service area. The Town benefits from LifeMoves' work as low-income and homeless individuals and families in the area are provided support services to reduce the homeless population in the area. If City Council approves funding, LifeMoves will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

- (j) North Peninsula Food Pantry and Dining Center of Daly City ("Food Pantry") is eligible for grant funding from the Town of Colma.

Discussion. The Food Pantry is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide nutrition and sustenance to anyone in need. The Town Colma is located within its service area. Any Colma resident in need may obtain food from the Food Pantry, but the Food Pantry does not track the residency locations of its clients.

- (k) Operation Santa Clause is eligible for grant funding from the Town of Colma.

Discussion. Operation Santa Claus is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide a traditional Christmas experience to families in the communities of Daly City, Colma and Broadmoor that are homeless or whose income is less than their monthly expenses. The Town of Colma is within its service area.

- (l) Peninsula Conflict Resolution Center ("PCRC") is eligible for grant funding from the Town of Colma.

Discussion. PCRC is registered with the California Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is

exempt from tax under IRC section 501(c)(3). Its mission is to promote positive collaboration and active engagement among people. It facilitates group discussions and trains people in conflict resolution. The Town of Colma is located within its service area, which is all of San Mateo County. PCRC will provide free or low-cost information and referral services, mediation services, and training to all Colma residents.

- (m) San Mateo Community College Foundation (Skyline College President's Innovation Fund) is eligible for grant funding from the Town of Colma.

Discussion. San Mateo Community College District Foundation is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to promote student success and nourish project innovation and excellence by providing special financial support for the three community colleges in the District. In particular, the Foundation seeks grant funds for the President's Innovation Fund which is to provide start-up funding and financial support to faculty and staff devising innovative programs and services. The Town of Colma is within the geographic area that the Foundation serves. The Foundation estimates that 24% of students registered at Skyline College live in the Colma/Daly City region. If City Council approves funding, the foundation will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

- (n) San Mateo County (Jobs for Youth Program) is eligible for grant funding from the Town of Colma.

Discussion. San Mateo County is a California governmental entity. Jobs for Youth is a program sponsored by San Mateo County. Jobs' mission is to provide all youths with employment services that will assist in gaining necessary job skills. The Town of Colma is located within its service area. Jobs For Youth served five youth through the Colma and Daly City region.

- (o) San Mateo County Pride Center (StarVista) is eligible for grant funding from the Town of Colma.

Discussion: an Mateo County Pride Center (StarVista) is registered with the Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to increase access to mental health services and community support through connections to resources, advocacy, and social activities for the LGBTQ+ Community. San Mateo County Pride Center serves all of San Mateo County and the Town of Colma is within its service area. Colma residents will benefit from targeted outreach to increase awareness of the wealth of resources that the Pride Center offers.

- (p) San Mateo County Resource Conservation District (San Mateo County RCD) is eligible for grant funding from the Town of Colma.

San Mateo County RCD is a California governmental entity. San Mateo County RCD is a special district that helps people protect, conserve and restore natural resources through non-regulatory technical assistance. The Town of Colma is located within its service

area. San Mateo County RCD has previously worked with the Town of Colma by providing project ideas and services with focus on cemetery irrigation efficiency.

(q) Sitike Counseling Center ("Sitike") is eligible for grant funding from the Town of Colma.

Discussion. Sitike is registered with the California Attorney General as a public benefit nonprofit corporation and has provided Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to provide community-based substance-abuse counseling and education services. The Town of Colma is located within its service area. Sitike has not provided any information about the residency locations of its clients.

(r) Sustainable San Mateo County is eligible for grant funding from the Town of Colma.

Discussion. Sustainable San Mateo County is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to stimulate community action on economic, environmental and social issues by providing accurate, timely and empowering information. In general, the funds will be used to support the research and production of the Indicators for a Sustainable San Mateo County Report. The Indicators Report evaluates the health of San Mateo County and its cities in terms of sustainability and provides a mean for city officials, non-profits, and business leaders, to make educated decisions when considering sustainable policies. The Town of Colma is within the geographic area served by Sustainable San Mateo County and the Indicators Report covers the area where the Town is located. If City Council approves funding, Sustainable San Mateo County will have to update their status from "delinquent" to "current" with the Attorney General as a condition for funds to be disbursed.

(s) Veterans Sportsman Alliance (VSA) is eligible for grant funding from the Town of Colma.

Discussion: Veterans Sportsman Alliance (VSA) is registered with the California Attorney General as a public benefit nonprofit corporation and has provided the Town with a letter from the IRS stating that it is exempt from tax under IRC section 501(c)(3). Its mission is to enhance the lives of disabled military veterans by offering a variety of outdoor sporting activities and providing service dogs trained to help mitigate disabilities. VSA has specifically chosen to serve the Town of Colma because of the new Veteran's Village Project that is expected to be completed in Spring 2019.

(t) Each of these organizations has adopted and follows policies and procedures to ensure that the terms and conditions of all grants are satisfied, and none has participated or intervened in any political campaign (including publishing or distributing campaign statements) on behalf of or in opposition to any candidate for public office within the past 36 months.

3. Findings of Public Purpose

The City Council has reviewed the applications for grant funds from each of the following organization and finds as follows:

(a) A grant in the amount shown in section 4(a) to Clinic by the Bay will serve a public purpose.

Discussion. The expenditure of public funds to pay for healthcare services to low income, working and uninsured adults, as requested by Clinic by the Bay, will provide an identifiable benefit to the community at large. The Town and the community at large will benefit from increased healthcare services and continuing to provide medical visits 16 hours per week, including two evenings, while working to expand hours over the next few years until operating at full capacity which will be 4-6 days per week. All of these services are readily accessible to Colma residents and the public benefit is substantial as the Town and the community all benefit from a healthy populace.

(b) A grant in the amount shown in section 4(a) to the Greater Colma-Daly City Chamber of Commerce, aka Colma/Daly City Chamber of Commerce will serve a public purpose.

Discussion. The expenditure of public funds to pay for networking opportunities, business grand openings, business promotions, facilitating workshops for businesses, and operational costs, as requested by the Colma/Daly City Chamber of Commerce could be provided by the Town but the Town has chosen otherwise. Specifically, the Town could provide these same services as part of its economic development program. In that case, the Town would likely expend the amount of the grant in staff time and incidental materials to provide these services.

(c) A grant in the amount shown in section 4(a) to Community Gatepath will serve a public purpose.

Discussion: The expenditure of public funds to pay for education and support services offered by Community Gatepath to persons with special needs will provide an identifiable benefit to the Colma community at large. The Town benefits by having people with disabilities become active members of the community through recreational, educational and volunteer opportunities with businesses in the Town. The services offered by Community Gatepath are readily accessible to Colma residents and the public benefit is substantial as people with disabilities have the opportunity to learn and thrive.

(d) A grant in the amount shown in section 4(a) to CORA will serve a public purpose.

Discussion: The expenditure of public funds to pay for programmatic support of the Safe House Program, as requested by CORA, will provide an identifiable benefit to the community at large. Specifically, the funds will be used for staff salaries and benefits, staff trainings, program supplies, among other operational costs of the Safe House Program. This service goes in hand with the already established relationship between CORA and the Colma Police Department. In the last fiscal year Colma Police Department paid CORA \$493 for 24-hour law enforcement referral program (Emergency Response Program). The services offered by CORA are readily accessible to Colma residents

(e) A grant in the amount shown in section 4(a) to the Daly City Peninsula Partnership Collaborative will serve a public purpose.

Discussion: The expenditure of public funds to pay for shelter and supportive services, as requested by Daly City Peninsula Partnership Collaborative, could be provided by the Town but the Town has chosen otherwise. In that case, the Town would likely exceed the amount of the grant in staff time and incidental materials to provide these services. The services offered by Daly City Partnership are readily accessible to individuals in Colma as the Town is located within the Partnership's service area. Further, the public benefit is substantial as Partnership services ensure Colma residents have family support services that are not readily accessible elsewhere.

(f) A grant in the amount shown in section 4(a) to the Daly City Youth Health Center will serve a public purpose.

Discussion: The expenditure of public funds to pay for comprehensive health services and education to underserved teens and young adults from Colma, as requested by the Daly City Youth Health Center, will provide an identifiable benefit to the community at large. Specifically, this program will help youths by providing accessibility and availability of integrated wellness services, which will make them better, more informed, and more productive citizens. These services are readily accessible to Colma youth, and provide a substantial public benefit by ensuring the health and vitality of Colma's youth.

(g) A grant in the amount shown in section 4(a) to HIP Housing Development Corporation will serve a public purpose.

Discussion. The expenditure of public funds to support its Home Sharing program, as requested by HIP Housing Development Corporation, could be provided by the Town but the Town has chosen otherwise. The services offered by HIP Housing are readily accessible to Colma residents, with HIP Housing providing direct assistance and resources to 12 clients in Colma in FY 2017-2018. Finally, the public benefit is substantial as providing housing to help people live independent lives is important for a well-functioning society.

(h) A grant in the amount shown in section 4(a) to the Jefferson Union High School District for the Wilderness School Program/Susan B. Anthony School Project will serve a public purpose.

Discussion. The expenditure of public funds to pay for walking field trips, Bay Area field trips, nature lessons, and an overnight camping trip on the mountain, as requested by Jefferson Union High School District for the Wilderness School Program/Susan B. Anthony School Project, will provide an identifiable benefit to the community at large. The public benefit provided by these services is substantial as the services provide education to the Town's youth, which will make them better, more informed, and more productive citizens.

(i) A grant in the amount shown in section 4(a) to LifeMoves (formerly InnVision Shelter Network) will serve a public purpose.

Discussion. The expenditure of public funds to pay for shelter and supportive services, as requested by LifeMoves (formerly the InnVision Shelter Network) could be provided by the Town but the Town has chosen otherwise. In that case, the Town would likely expend the amount of the grant in staff time and incidental materials to provide these services. The services offered by LifeMoves are readily accessible to individuals in Colma as the Town is located within LifeMoves' service area. Further, the public benefit is substantial as LifeMoves' services ensure Colma residents, or anyone traveling through LifeMoves' network, have shelter and other support services.

(j) A grant in the amount shown in section 4(a) to North Peninsula Food Pantry and Dining Center of Daly City ("Food Pantry") will serve a public purpose.

Discussion. The expenditure of public funds to pay for nutrition and sustenance (e.g., three days of staple groceries and a hot meal three nights each week) to needy persons as requested, as requested by the Food Pantry, will provide an identifiable benefit to the community at large. The Food Pantry provides services that are readily accessible to Colma residents as groceries and hot meals would be available to anyone living or traveling through Colma. Overall, the benefit to the public is substantial as the services offered by the Food Pantry prevent the public from going hungry.

(k) A grant in the amount shown in Section 4(a) to Operation Santa Claus will serve a public purpose.

Discussion. The expenditure of public funds to pay for toys, Target and store gift cards, as requested by Operation Santa Claus, will provide an identifiable benefit to the community at large.

(l) A grant in the amount shown in section 4(a) to the Peninsula Conflict Resolution Center ("PCRC") will serve a public purpose.

Discussion. The expenditure of public funds to support a staff position to work with its trained volunteers, as requested by PCRC, will provide an identifiable benefit to the community at large. The services offered by PCRC are readily accessible to Colma residents and business owners. Further, the benefit to the public is substantial as the services offered by PCRC help avoid conflict issues that may exist between members of the Colma community.

(m) A grant in the amount shown in section 4(a) to the Sitike Counseling Center ("Sitike") will serve a public purpose.

Discussion. The expenditure of public funds to pay for counselling persons with substance abuse and mental health disorders, as requested by Sitike, will provide an identifiable benefit to the Colma community at large. Sitike must charge a fee for the services received and the funding will allow Sitike to charge lower fees to those clients in need, ensuring that they will meet the requirements of completing treatment. The

services offered by Sitike are readily available to Colma residents and the public benefit is substantial as Sitike helps stop the cycle of dependency and mental health issues.

(n) A grant in the amount shown in section 4(a) to the San Mateo Community College Foundation will serve a public purpose.

Discussion. The expenditure of public funds to pay for Skyline Promise Scholarships which includes covering fees, books and a transportation incentive for first time full time students, as requested by the San Mateo Community College Foundation, will provide educational opportunities to engage citizens that are students at Skyline College. The Town and the community at large will benefit from increased educational opportunities by ensuring a well-educated public and citizen base. A better educated community will advance the Town economically, politically, and socially. The services offered by the San Mateo Community College Foundation are readily accessible to any Colma residents attending Skyline College. Further, the public benefit is substantial as college students are able to experience new and unique educational opportunities.

(o) A grant in the amount shown in section 4(a) to the San Mateo County Jobs for Youth Program will serve a public purpose.

Discussion. The expenditure of public funds to pay for job preparation workshops, counseling, job placement and internships, as requested by the San Mateo County Jobs for Youth Program, will provide an identifiable benefit to the Colma community at large. Specifically, this program will help youths transition into adulthood and gain work experience, which will make them better, more informed, and more productive citizens. The services offered by San Mateo County Jobs for Youth are readily accessible to Colma youth as in years past, two Colma residents participated in this program.

(p) A grant in the amount shown in section 4(a) to the San Mateo County Pride Center, will serve a public purpose.

Discussion. The expenditure of public funds to pay for increased outreach to the Town of Colma and neighboring cities, as requested by San Mateo County Pride Center, will provide an identifiable benefit to the Colma community at large. For example, a Youth Program Coordinator will visit the Gay-Straight Alliances (GSAs) of high schools serving Colma residents to create a mixer in an effort to engage LGBTQ+ high school students in the area. In addition to supporting targeted outreach efforts, funding would support staff to organize and facilitate these mixers, provide food and/or rental fees for locations.

(q) A grant in the amount shown in section 4(a) to the San Mateo County Resource Conservation District ("San Mateo County RCD") will serve a public purpose.

Discussion. The expenditure of public funds to pay for technical sustainable expertise management, as requested by the San Mateo County RCD, providing expertise to develop sustainable management practices which will reduce water and energy use and operational costs. The benefit to the public would be substantial, specifically the cemeteries in Town.

(r) A grant in the amount shown in section 4(a) to the Sustainable San Mateo County will serve a public purpose.

Discussion. The expenditure of public funds will support a contract Program Manager who coordinates volunteer researchers, writers, graphic designers, printing and dissemination of reports, as requested by Sustainable San Mateo County. In addition, these funds will help cover the costs of community meeting venues and materials, publicity and outreach.

(s) A grant in the amount shown in section 4(a) to Veterans Sportman Alliance (VSA) will serve a public purpose.

Discussion. The expenditure of public funds to pay for targeted programming, specifically for veterans living in the Town of Colma, as requested by Veterans Sportsman Alliance (VSA), will provide an identifiable benefit to the Colma community at large, especially once Veteran’s Village Housing opens.

(t) None of these grants will be used to fund existing obligations, debts or liabilities, national and regional charitable organizations, religious organizations, a political campaign, or lobbying activities.

(u) The grants will be made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee and that the grantee will not discriminate on the basis of race, color, religion, gender, age, weight, height, sexual orientation, marital status, national origin, disability or other characteristic protected by law.

4. Order

(a) The City Council approves grant funding to each of the following organizations in the amounts shown:

Grantee	Amount
Clinic by the Bay	\$3,000
Colma - Daly City Chamber of Commerce	\$25,000
Community Gatepath	\$6,500
CORA	\$1,500
Daly City Peninsula Partnership Collaborative	\$15,000
Daly City Youth Health Center	\$6,000
Human Investment Project (HIP Housing)	\$5,000
Jefferson Union School District (Wilderness School)	\$5,000
LifeMoves	\$4,000
North Peninsula Food Pantry	\$12,500
Operation Santa Claus	\$1,000
Peninsula Conflict Resolution Center	\$1,378.65
San Mateo Community College Foundation (Skyline College President's Innovation Fund)	\$3,400

SMC Jobs for Youth	\$2,000
SMC Pride Center	\$2,000
SMC Resource Conservation District	\$5,000
Sitike Counseling Center	\$6,500
Sustainable San Mateo County	\$3,500
Veterans Sportsman Alliance	\$1,2000
TOTAL	\$112,978.65

(b) Each Grantee must execute a Grant Agreement with the Town before any funds may be paid. The Grant Agreement shall include a statement of the goal or purpose of the Grant, a time within which the goal is expected to be achieved, and reporting requirements.

Certification of Adoption

I certify that the foregoing Resolution No. 2018-___ was duly adopted at a regular meeting of said City Council held on September 12, 2018 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Raquel "Rae" Gonzalez, Mayor					
Joanne F. del Rosario					
John Irish Goodwin					
Diana Colvin					
Helen Fisicaro					
<i>Voting Tally</i>					

Dated _____

Raquel "Rae" Gonzalez, Mayor

Attest: _____
Caitlin Corley, City Clerk

Requesting Party	Organization's Purpose	Town's Money Will be Spent On	Number of Colma Residents or Businesses Served	Public Benefit	Amount Requested	Annual Report Submitted	Verified Non-Profit
Clinic by the Bay	Provide healthcare to low-income, working, uninsured adults.	Expanding primary care, continuing to offer medical visits 16 hours per week	33 residents	Healthcare	\$ 3,000.00	Yes	No
Colma - DC Chamber of Commerce	Provide members with business development, networking & resources.	Networking events, directory & newsletter	Available for all businesses - Unclear how many Colma businesses are members	Chamber of Commerce	\$ 45,000.00	Yes	No
Community Gatepath	Help people with special needs & disabilities gain independence.	Nutrition education program	27 residents & 7 businesses	Life & Vocational skills	\$ 7,500.00	Yes	Yes
CORA	Safety, support and shelter for individuals who experience abuse in an intimate relationship.	Safe House Program	Available to all residents	Safe, shelter and resources	\$ 10,000.00	N/A	No
Daly City Peninsula Partnership Collaborative	Provide emergency safety net services, education, mental health programs, and social services.	Provide support to the Daly City Community Service Center and Partnership's Family Resource	97 residents	Education, affordable housing, and shelter	\$ 20,000.00	Yes	Yes
Daly City Public Library Associates	Supplement public funding of the 4 branch libraries in Daly City.	Digital media lab for the library system	All residents	Access to programs & books at the library	\$ 4,000.00	Yes	Yes
Daly City Youth Health Center	To provide safe, respectful, comprehensive health services to unserved youth, preparing them for a healthy adulthood.	Increase screening for mental health and substance abuse in youth and provide counseling services.	175 youth	Healthcare	\$ 7,500.00	Yes	Yes
Human Investment Project (HIP)	Improving the housing & lives of people in our community.	The Home Sharing Program interviews & provides direct assistance & resources	12 residents	Safe, affordable housing	\$ 5,000.00	Yes	Yes
Jefferson Union High School District - Wilderness School	To provide field trip chaperones & tutors for elementary school students. To teach leadership skills to Wilderness students.	Transportation and activities for children	50 students	Education, community & environmental awareness	\$ 6,000.00	Yes	Yes
LifeMoves	Shelter & supportive services for homeless families & single adults.	ISVN programs and services, bringing critical assistance to vulnerable members of San Mateo County	3 residents	Housing	\$ 5,000.00	Yes	Yes
North Peninsula Food Pantry & Dining Center of Daly City	Provide nutrition & sustenance to anyone in need.	Providing groceries & hot meals	Information not tracked - Serve North County	Feeding the hungry	\$ 12,500.00	Yes	Yes
Operation Santa Claus	To provide a traditional Christmas experience to families	Toys, Target and store gift cards	Information unavailable	Community resource	\$ 1,500.00	N/A	Yes
Peninsula Conflict Resolution Center	Facilitates groups & trains people in conflict resolution.	Information, Mediation, Conflict Resolution, Administration, Recruitment & Training Services.	Information unaviable	Mediation	\$ 1,378.65	Yes	Yes
San Mateo County Community College Foundation	Financial support to faculty/staff devising innovative programs & services.	Resources, Conferences, Speaker Series, Outreach	Over 2,500 from Colma/Daly City	Education	\$ 5,000.00	Yes	No
San Mateo County Jobs for Youth	Provide youth with services in gaining job skills & employment.	Workshops, interviews with youth counselors, job placement, internships	2 youth residents	Employment services	\$ 3,000.00	Yes	Yes
San Mateo County Pride Center	Increase access to mental health services and community support.	Increased outreach to the Town of Colma and neighboring cities	Information unavailable	Community counseling & education	\$ 5,000.00	N/A	Yes
San Mateo County Resource Conservation District	Helps people protect, conserve and restore natural resources through non-regulatory technical assistance.	Continuing to provide technical sustainable expertise management	6 businesses	Assistance with resource conservation	\$ 5,985.00	N/A	Yes
Sitlike Counseling Center	Outpatient substance abuse services.	Grant used to offset operating costs, reducing the amount charged to clients.	12 residents	Community counseling & education	\$ 8,000.00	Yes	Yes
Sustainable San Mateo County	Report on the economy, environment & social issues of our county.	Indicators Report	All residents & businesses	Provides information to city officials, residents & businesses	\$ 5,000.00	Yes	No
Veterans Sportsman Allaince	Enhance the lives of disabled military veterans through variety of outdoor sporting activities	Veteran's programming living in Colma	Veteran residents	Access to programs and sports	\$ 10,000.00	N/A	Yes
				Total Requests	\$ 170,363.65		



	FY 2013-14 Funded	FY 2014-15 Funded	FY 2015-16 Funded	FY 2016-17 Funded	FY 2017-18 Funded	FY 2018-19 Funding Requested	Change from previous FY
Name of Organization							
Alisa Ann Ruch Burn Foundation	\$1,500						\$0
ALLICE					\$1,800		\$0
Clinic by the Bay	\$1,000	\$2,050	\$2,000	\$2,000	\$3,000	\$3,000	\$0
Colma - Daly City Chamber of Commerce	\$45,000	\$45,000	\$45,000	\$40,000	\$30,000	\$45,000	\$15,000
Community Gatepath	\$5,000	\$5,000	\$5,000	\$5,000	\$6,000	\$7,500	\$1,500
<i>CORA</i>						\$10,000	\$0
Daly City Partnership				\$15,000	\$15,000	\$20,000	\$5,000
Daly City Public Library Associates	\$500	\$1,000	\$1,000	\$2,000	\$2,000	\$4,000	\$2,000
Daly City Youth Health Center			\$5,000	\$5,000	\$6,000	\$7,500	\$1,500
Human Investment Project (HIP Housing) *	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$0
Jefferson Union High School District (Wilderness School)	\$7,000	\$7,000	\$7,000	\$3,000	\$4,500	\$6,000	\$1,500
LifeMoves *	\$3,000	\$3,000	\$3,000	\$3,000	\$3,500	\$5,000	\$1,500
North Peninsula Food Pantry & DCDC	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$0
<i>Operation Santa Claus</i>						\$1,500	\$0
Peninsula Conflict Resolution Center	\$1,250	\$1,250	\$1,312	\$1,313	\$1,313	\$1,378.65	\$65.65
Rebuilding Together Peninsula	\$5,000	\$5,000					\$0
San Mateo Community College Foundation	\$500	\$500	\$600	\$600	\$3,000	\$5,000	\$2,000
San Mateo County Jobs for Youth	\$500	\$500	\$500	\$500	\$1,500	\$3,000	\$1,500
<i>San Mateo County Pride Center</i>						\$5,000	\$0
San Mateo County Resource Conservation District					\$5,000	\$5,985	\$985
Sitike Counseling Center	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$8,000	\$2,000
Sustainable San Mateo County	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$5,000	\$2,000
<i>Veterans Sportsman Alliance</i>						\$10,000	\$0
West Alano Bay Club			\$3,000	\$4,000	\$0		\$0
Total (including Housing Element required grantees)	\$96,750	\$96,800	\$99,912	\$107,913	\$109,113	\$170,363.65	\$36,550.65
Footnotes:							
* Indicates a Housing Element required grantee; funding will come from Planning Department budget							
<i>Italics indicates new non-profit organizations that applied this year</i>							





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Volunteers in Medicine – San Francisco (dba Clinic by the Bay)

Contact Person: David Wallace, Executive Director

Address: 4877 Mission Street, San Francisco, CA 94112
 Street Address City State Zip Code

Phone Number: 415-405-0207 Email Address: executivedirector@clinicbythebay.org

1. Mission Statement: For seven years, our mission has been simple, but ambitious: operate a free, volunteer-powered health clinic that provides high-quality, primary care to the hard working uninsured men and women in our community.

2. Amount of Request: \$3,000

a. Total Agency Annual Budget: \$1,555,380

b. Number of Agency Employees: 6 (5.5 FTE)

c. Payroll is 34% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

The requested funding will help Clinic by the Bay provide health services to people in need (Category B). To support and strengthen families in need, Clinic by the Bay—a volunteer-powered health clinic—provides timely and free healthcare to low-income, working uninsured adults in San Francisco and San Mateo Counties. As one of 88 Volunteers in Medicine clinics, a majority of our budget comes from in-kind contributions of *pro bono* services and supplies. We engage retired and practicing doctors, nurses, and other volunteers to provide free medical care in English, Spanish, Chinese, Tagalog, and more! Through our medical partnerships, we connect

patients with needed diagnostic and ancillary services *pro bono* or at discounted rates. Health education for patients and community members focuses on nutrition, exercise and other lifestyle interventions, and is being tweaked and expanded through our innovative Health Coaching program. Through our growing network of medical partners and private practice specialists, we ensure seamless coordination of care, connecting patients with needed diagnostic and ancillary services at a *pro bono* or discounted rate. We also partner with numerous community-based organizations to provide our patients with a range of psychosocial supportive services and also have a growing number of specialists now seeing patients in our clinic – a huge help for our working poor families.

4. Describe reason for request and how funds will be used:

Support from the Town of Colma will help Clinic by the Bay expand the primary care safety net for our working uninsured neighbors. We will continue to provide medical visits 16 hours per week, including two evenings, while working to expand our hours over the next few years until we are operating at full capacity which will be 4-6 days per week. We are closer than ever to this goal as we are currently in talks to renovate and occupy the former Alemany Emergency Hospital building around the corner from us (although, because we are working with the City & County of San Francisco on this, it is going much slower than we'd like!). This will allow us to double our space and is the key piece we've been looking for in order to be able to expand. This year, we have 2 initiatives we are continuing to focus on, and expand—and what support from the Town of Colma can help with: Health Coaching for patients with multiple, chronic diseases (well over half of our patients); and expanded Mental Health/counseling services. This latter service is of particular need for our patients and we were just informed today that we would receive some more support for this, so we're very excited. The Health Coaching program we hope to take a big leap on this year as we recently trained SEVEN new volunteer health coaches through a program with UCSF.

- 5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

N/A – requested amount is the same

6. Describe the benefit to the Town derived from funding your organization:

Clinic by the Bay seeks to reduce preventable emergency room visits, add to the capacity of the primary care safety net, and improve health outcomes among poor, low-income uninsured and underinsured adults. There continues to be a significant primary care capacity problem (with long waiting lists) in San Mateo County making it difficult for uninsured adults to have access to needed primary and preventive care. In response, Clinic by the Bay offers free, primary care to poor and low-income adults living in Colma. We also offer to Colma residents meaningful volunteer opportunities to be part of a community solution to the health care crisis.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. Clinic by the Bay currently has 33 active patients who are Colma residents (this number may actually be higher as some Colma residents list Daly City as their city).

B. Services are provided at Clinic by the Bay, which is located at 4877 Mission Street in the far southeastern part of San Francisco (specifically, the Excelsior neighborhood) and is easily accessible from Colma by public transportation or car.

C. Community outreach is performed through resource fairs, flyers, and referrals from our wider network of community partners, including other medical and social service providers; as we are seeing a growing number of patients from San Mateo County, we are increasing the outreach we do in the area (including a resource fair this next weekend at Serramonte).

8. Provide a detailed account of how the FY 2017-18 contribution was used:

As noted in our recent report, thanks to the generous, ongoing support from the Town of Colma, Clinic by the Bay continues to provide superior, compassionate, individualized care for

the uninsured working adults in our community. At present, 33 of our 1,700 patients are residents of the Town of Colma; nearly half of all our patients are residents of San Mateo County (and the number/percentage is growing). It's probable the number of Colma patients is higher as we have found that many folks who live in Colma report Daly City as their residence.

On the **Health Education** side, we continue to monitor and tweak our interventions based on community feedback and participation. As mentioned last year, one change we've made in this area is to focus more on individual interventions, rather than group. For a variety of reasons, our target population was not responding to group interventions, despite our efforts to try different days, times, etc. Accordingly, we have increased the amount of individual interventions we do--particularly for our patients with diabetes--and we've found these to be more effective in any case, as the information and education provided can be personalized to the individual patient's needs. We are making particular efforts in this area with Health Coaching – discussed more below.

Our quarterly provider trainings continue to be popular and well-received so we continue to do those. Our most recent was in March, on identifying possible victims of trauma, presented by Catholic Charities.

On the **Operations** side, we did introduce text messaging based interventions in an attempt to reduce “no shows,” and after not seeing much help initially, as patients have gotten used to this, it has helped bring our “no show” rates down to around 15% on average, which are comparable with commercial clinics. Beyond text messaging, we continue to call and remind patients about appointments and are more diligent in following up with folks who don't answer at first.

We continue to have success with increasing our specialist provider base—and, in particular, identifying and securing specialists to work with us in house. In the past year, we have added a dermatologist, a physical therapist, and a rheumatologist to those physicians coming in to the clinic to see patients, rather than having us refer out (which patients sometimes miss those appointments).

We are excited about how our **Health Coaching** program continues to grow. Our Clinic Manager went through a training with UCSF last December, and then just this past May worked together with them to provide a training for **seven** new volunteer health coaches. While we are currently exploring ways to maximize space (we have a limited number of exam rooms), we are excited about being able to provide this service to more of our patients with chronic conditions. We are also fortunate to have our diabetes education nurse still volunteering with us and she gets excellent feedback from patients working with her (as she has diabetes herself, it is easier for her to empathize/work with patients).

Mental Health Expansion

We are also excited to report that in the past year we were able to increase the number of patients we could provide mental health services for—increasing from 13 patients to 36. This is a significant need for our population and we hope to continue growing this critical service.

Highlights from the past year

1. We continue to meet our goal of 100% of patients having access to a primary care provider within two weeks of completing an eligibility screening (current time is 9 days, on average).
2. At present, over 90% of our patients report improved health since joining Clinic by the Bay; additionally, over 90% report an improved ability to work; finally, we are proud to report

that 100% of Clinic by the Bay patients still report satisfaction with the health care they received!

3. Approximately 85% of our volunteers stay with us for at least six months, and 100% would recommend us as a place to volunteer!
4. At present, 100% of community members participating in health coaching reported an increased knowledge of health prevention and wellness behaviors and activities.
5. Our patients numbers continue to grow and we now have over **1,700** patients – we expect this number to grow even more in the coming year as the individual mandate expires.
6. Our percentage of patients from San Mateo County continues to grow – and now makes up approximately 48% of all our patients.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

We received no contributions from other cities in FY 2016-2017. At present, we have no plans to seek funding from other cities unless the opportunity arises, although we may seek support from Daly City, which has many businesses which support us including Seton Medical Center and First National Bank.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

If yes, please provide details.

N/A

11. Charitable Trust # or EIN # 26-2593712

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Colma/Daly City Chamber of Commerce

Contact Person: Georgette Sarles

Address: 355 Gellert Blvd. Suite 138, Daly City CA 94015

Phone Number: 650-755-3900 Email Address: gsarles@dalycity-colmachamber.org

1. Mission Statement: The role of the Chamber of Commerce shall be to encourage business development and Networking, providing members with useful information and service. The Chamber shall take an Active leadership role in promoting economic, professional, commercial and civic vitality for our communities, while seeking to preserve the unique qualities that are good for business and make Colma and Daly City special places to live, work, and do business.
2. Amount of Request: \$45,000.00
 - a. Total Agency Annual Budget: \$203,429.00
 - b. Number of Agency Employees: 3
 - c. Payroll is 25% of the Agency's total Annual Budget.
3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
 - A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Our selection is #D. The Colma/Daly City Chamber of Commerce supports the businesses located in Colma in in many ways, which benefits the residents as well. The Chamber initiates the welcome of the businesses providing a ribbon cutting event. It also showcases other events and advertising of the businesses. It works hand in hand to assist the Colma Business Community with Economic Structure Enhancement. In addition, the Chamber Offers 24 hour assistance to the Colma Business Community for most any and all requests, information and assistance they may require.

4. Describe reason for request and how funds will be used:

These funds acquired from the Town of Colma are used to operate the Colma/Daly City Chamber of Commerce which maintains certain covenants with the Town of Colma Such as,

- Provide networking opportunities for local businesses
- Ribbon cuttings and Grand openings, directory and newsletter
- Maintain and make available to the Town, an automated list of Chamber members that includes the number of employees, contact person, officers and etc.
- To partner with the Colma Historical Association
- Promote the various points of interest, such as selling the City of Souls books, bringing publicity to local cemeteries, Colma businesses and car dealerships
- Continuing to maintain a Colma presence on the internet, which includes the Colma's Website that provides civic information, events, and photos
- Participating in Mayoral Walks
- Facilitating business mixers and workshops for the Colma Business Community
- Maintaining a log of the incoming requests and inquiries regarding the Town of Colma.

5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

6. Describe the benefit to the Town derived from funding your organization:

Provides the Town of Colma with an incubator, that connects with other North San Mateo County Chambers of Commerce, and their local business communities. Thereby, developing a healthy resource for business in Colma, as well as those looking for other locations and relocations. Therefore, the Colma/Daly City Chamber of Commerce attracts more commerce and funds to the Town of Colma.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. Number of Colma residents served: ALL

B. Number of Colma businesses served: ALL

8. Provide a detailed account of how the FY 2017-18 contribution was used.



COLMA / DALY CITY
CHAMBER OF COMMERCE
ACTIVITIES SCHEDULE FOR 2018 -2019

STATE OF THE CITIES PROGRAM AND LUNCHEON

At this annual event, both mayors present a current view of their city, with a follow-up Q&A from the audience. These presentations provide much sought after information that is beneficial and well received by the increased attendance.

BUSINESS NEWS & VIEWS BREAKFAST PROGRAM AND BREAKFAST

Both Mayors speak on the business climates in their respective cities. The Business News & View Breakfast featured speakers from Seton Medical Center, Mark Fratzke, CEO/President, Tina Ahn, Chief Development Officer, and Ms Michon Coleman, Chief of Marketing and Development for Kaiser Permanente. Next, our crime watch segment was presented by both, Chief of Police for the Town of Colma, Kirk Stratton, and Operations Support Captain for the City of Daly City, Captain John Gamez. Our last segment was presented by the Accounts Executive for Comcast Spotlight and AT&T. Over 90 persons attended this very informative event.

ANNUAL CRAB FEED / FUNDRAISER FOR SCHOLARSHIPS THE EVENING INCLUDES A GREAT DINNER SPONSORED BY DIFFERENT MEMBERS OF THE CHAMBER, MUSIC, AUCTION AND RAFFLE.

One hundred percent of the profits go to the Chamber's Scholarship Foundation, which distributes the scholarships annually. Once again, the Crab Feed was a sell out with over 200 attendees. The amount of \$6,500 went directly to "*Access to High Education Foundation*" for SCHOLARSHIPS FOR OUR YOUTH! This year, 37 deserving students, from Colma and Daly City, each received a \$1,000,000 scholarship through the efforts of the Colma/Daly City Chamber of Commerce.

TASTE OF OUR CITIES & BUSINESS EXTRAVAGANZA WITH 3 VIGNETTES SMALL BUSINESS WEEK – THIS WEEK IS RECOGNIZED THROUGHOUT OUR COUNTRY FOR CELEBRATING THE CONTRIBUTIONS THAT HAVE BEEN MADE BY SMALL BUSINESSES.

Our Chamber showcases three networking vignettes, each one at a member business. Our three vignettes this year included AT&T, Olivet Memorial Park and HSBC Bank in honor of Small Business Week. Additionally, the Chamber hosted “*The Taste of our Cities and Business Extravaganza*” which included thirty or more-member restaurants, who each had a booth and passed out samples of their menus. Also, forty to fifty-members had display booths to show and network their individual businesses. Also, the Chamber awards special named plaques to the winners for Best Display, Taste, Show, Appetizer, Entrée, and Desert. There were over 500 people involved. Another, noteworthy event, which procured membership and provided excellent tools for great Business Productivity.

MAYORAL WALKS

The Mayor, along with the President/CEO of the Chamber and the City Manager, visit local businesses. This trio visits the businesses and attempts to meet, greet, and assist in different ways.

JOBS FOR YOUTH THIS IS A BREAKFAST EVENT, WHICH WAS FOUNDED BY AL TEGLIA AND HIS JOBS FOR YOUTH PROGRAM, WHICH ASSISTS THE YOUTH OF SAN MATEO COUNTY WITH ALL PHASES OF THEIR GROWTH AND ENTRANCE INTO THE BUSINESS WORLD

Our Chamber has continually supported this fine organization and assists where and when it can.

TAKE BY HAND LUNCHEON THE DC FOOD PANTRY PUTS ON THIS EVENT EACH YEAR TO FURTHER THEIR EFFORTS TO BRING FOOD AND ASSISTANCE TO THOSE IN NEED.

The Chamber assists when it can.

ANNUAL BOWLING TOURNAMENT THE CHAMBER’S ELEVENTH ANNUAL BOWLING TOURNAMENT, WHERE MEMBERS AND THEIR EMPLOYEES, FAMILIES, AND ETC., JOIN TOGETHER TO COMPETE AT BOWLING. EVERYONE ENJOYS FREE PIZZAS AND BEVERAGES, A RAFFLE AND A MOST ENJOYABLE TIME.

Proceeds enable the Chamber to utilize funds for their many, special projects. It is important to note that this event consistently produces new attendance from the Business Community.

BUSINESS TO CONSUMER SHOWCASE THIS BUSINESS SHOWCASE IS PRODUCED EVERY YEAR AT SERRAMONTE CENTER, WHERE CHAMBER MEMBER BUSINESSES SET UP BOOTHS FOR A DAY OF NETWORKING, MEETING AND WORKING WITH THE COMMUNITY THAT THEY REPRESENT.

This event gives the businesses a chance to reach out to the community with all aspects of their Businesses. It has proven to be a great source and accommodation for everyone, from either the Businesses showcased, or the Public that eagerly attends.

ANNUAL HALLOWEEN SPOOK PARADE THE CHAMBER ENDEAVORS TO BRING A WONDERFUL, FUN SAFE HALLOWEEN TO THE CHILDREN AND THEIR FAMILIES OF OUR COMMUNITIES AT SERRAMONTE Center.

I started this thirty-nine-year Halloween Celebration in the Westlake Shopping Center, and then moved to Serramonte Center. The Chamber has given out many "glow in the dark" bags of candy, held the parades and the competition, for wonderful prizes and the special **LARGE BAGS FILLED WITH SPECIAL CANDY, TOP TOYS AND GAMES, VALUED AT \$300 EACH.** The good witch – Wilhelmina, has endeared herself to many children in our communities over the years, and she considers the annual events, a real blessing!

GOLF TOURNAMENT ONCE A YEAR, GOLF GETS TOGETHER AT LAKE MERCED GOLF CLUB, PROCEEDS ASSIST SCHOLARSHIP AND OTHER CHAMBER PROGRAMS.

The Chamber sponsors this terrific fun and competition each year. It is a day out on the green with lots of fun and camaraderie, starts with a continental breakfast, giveaways for the golfers, then, the Tee off on the Green, followed by a great dinner, awards and a raffle for prizes. This is excellent business networking and camaraderie at its finest.

LEAGUE OF WOMEN VOTERS EACH YEAR THE CHAMBER PARTNERS WITH THE LEAGUE OF WOMEN VOTERS TO PRESENT AN EVENING PROGRAM, WHICH INTRODUCES THE CANDIDATES, WHO ARE

RUNNING FOR OFFICE IN EACH CITY. WE DO TWO SEPARATE PROGRAMS.

The Chamber co-ordinates each of these evening events and handles its arrangements and advertising.

THE REORGANIZATION OF BOTH CITY COUNCILS AT THESE TWO ANNUAL EVENTS, POSITIONS CHANGE IN BOTH OR OUR CITY COUNCILS COLMA / DALY CITY.

We are on hand to speak on behalf to the business community and to offer assistance of any kind.

THE CYPRESS BUSINESS AWARDS AND HOLIDAY SORIEE THE LAST EVENT OF THE YEAR, WHERE SPECIAL AWARDS ARE GIVEN FOR PARTICULAR DISTINCTIONS, OATHS OF OFFICE ARE ADMINISTERED TO NEW OFFICERS AND A WONDERFUL DINNER AND HOLIDAY VENUE IS ENJOYED.

The Chamber really shows that it has exceptional team work in producing this splendid evening.

THE ADDITIONS TO THIS ROSTER, THE CHAMBER ADDS, HANDLES AND PROVIDES FOR THE FOLLOWING: RIBBON CUTTINGS FOR THE OPENINGS OF NEW BUSINESSES, AND MANY OBSERVANCES OF OTHER BUSINESSES.

- CONDUCTS NETWORKING MIXERS, SEMINARS AND MEETINGS.
- HOSTS THREE "NEW MEMBER WELCOME EVENTS" A YEAR.
- WORKS WITH MANY OTHER ORGANIZATIONS FOR THE BETTERMENT OF OUR COMMUNITIES, SUCH AS THE DC FOOD PANTRY, COLMA AND DC HISTORICAL ASSOCIATIONS, SETON MEDICAL FOUNDATION, THE ALLIANCE OF CHAMBERS OF COMMERCE, SAMCEDA, JOBS FOR YOUTH, DC YOUTH CENTER, SALVATION ARMY, SERRAMONTE CENTER, WESTLAKE CENTER, METRO CENTER, SERRA CENTER, SEVERAL CHURCH AFFILIATIONS, SF STATE COLLEGE, AND THE COMMISSION ON THE STATUS OF WOMEN.

The foregoing has been a collaboration of different functions and things handles by the Colma / Daly City Chamber of Commerce for the business community that it represents, along with the partnerships of two great cities. It is sincerely, my honor to provide this report.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

FY 2018-2019 - \$49,229.00 from the City of Daly City

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

If yes, please provide details.

11. Charitable Trust # or EIN # 501 0 (3) SCHOLARSHIP FOUNDATION 20 - 2654808

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Community Gatepath

Contact Person: Kim Malhotra, Director of Annual Fund & Giving

Address: 350 Twin Dolphin Dr., Redwood City, CA 94065
Street Address City State Zip Code

Phone Number: 650-259-0157 Email Address: kmalhotra@gatepath.org

1. Mission Statement: Gatepath's mission is to empower people with special needs to achieve their full potential through innovative, inclusive programs and community partnerships

2. Amount of Request: \$ 7,500

a. Total Agency Annual Budget: \$ 16.5M

b. Number of Agency Employees: 220

c. Payroll is 78 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

This request supports category B by providing health, independent living and pre-vocational skill building for adults with developmental disabilities. Our project focuses on nutrition and healthy eating, which are especially important for adults with disabilities given that *obesity rates for this population are approximately 57% higher than for adults without disabilities (CDC, 2008 Behavioral Risk Factor Surveillance System)*. We have modified a curriculum called *Cooking Matters*, which was developed for kids and families, to fit the learning styles and needs of those we serve. Participants will learn about nutrition, portion sizes, and preparation of healthy meals

on a budget. Classes take place in the community, offering opportunities for inclusion. By renting the kitchen at the Colma Community Center and purchasing groceries, we will also support businesses in the Town, which addresses category D.

4. Describe reason for request and how funds will be used:

Funding from the Town of Colma will offer adults with developmental disabilities the opportunity to learn the importance of healthy eating through basic nutrition education, menu planning, ingredient purchasing, food preparation, and cooking. We have adapted the Cooking Matters curriculum and assessments to meet the needs of those we serve. Classes typically have one instructor per four participants. Lessons include: planning a meal (either breakfast, lunch or dinner) using at least three of the five food groups, selecting recipes for that meal, shopping from a grocery list, preparing the recipe with minimal assistance while using correct safety precautions (knife skills, using the range, and wiping up spills), identifying and serving the correct MyPlate proportions, and assisting with cleaning dishes and work areas. We will measure learning through pre- and post-assessment tools and surveys that we adapted from the Cooking Matters curriculum to fit the communication needs of our participants (e.g., visual assessments, such as circling pictures of healthy foods, rather than written responses).

Participants who start their program day at locations in Daly City, South San Francisco, or Burlingame will go on "outings" to the Colma Community Center, where we will rent the kitchen to conduct the cooking classes. The use of a professional kitchen offers the added benefit of helping participants develop pre-vocational skills, including kitchen safety, care and clean up; we often provide job placements in the food service industry when participants are prepared for employment. On the way to the Colma Community Center, participants will purchase ingredients for their recipe. This activity helps them learn to find healthy ingredients on a budget, read food labels, and complete financial transactions, which requires both social and math skills. Traveling to the community center also helps participants learn transportation routes and how to access community resources in Colma.

Funding will support rental of the kitchen at the Colma Community Center on at least a weekly basis, as well as food costs and transportation to the kitchen.

- 5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

Project expenses were higher than the grant amount last year and the additional funds would help cover the costs of kitchen rental and food supplies.

6. Describe the benefit to the Town derived from funding your organization:

When Gatepath participants learn about activities available in Colma and how to access and enjoy them using public transportation, they will be supporting the local businesses and organizations. In addition, they are more likely to utilize these resources and contribute to the local economy by supporting Colma businesses on an ongoing basis. In addition, Colma residents and businesses will have opportunities to interact with people who have developmental disabilities, increasing understanding, acceptance and inclusion. Colma residents who have family members with disabilities will also see a future of inclusion in their local community for their family members.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. Throughout our programs, Gatepath has served at least seven businesses and 27 residents in years prior to the grant application. In addition, the entire Colma community benefits through interactions with our participants.

B. Related to this grant request, programs will visit/utilize the Colma Community Center, Target, and BART. During other outings not related to this grant request, participants also visit the following: Metro Center Complex, Holy Cross Italian Cemetery, Colma Historical Museum, Cypress Golf Course, and Kohl's.

C. Gatepath program staff has a positive relationship with Colma Community Center based on past experiences renting the kitchen. Our instructors also explore the area in person and online to identify new locations for activities and volunteer opportunities. Additionally, we reach Colma residents and businesses through marketing efforts that include print and email newsletters, and social media.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

The FY2017-18 contribution was used to rent the kitchen at Colma Community Center and purchase groceries on a weekly basis so that 32 adults with developmental disabilities could participate in cooking classes (47 weeks x \$100 rental/week = \$4,700 plus \$1,300 for food and supplies). Using a professional kitchen enabled participants to learn and practice valuable skills in an integrated "real world" setting. They practiced reading ingredient labels, properly washing and preparing ingredients, kitchen safety skills, knife techniques, cooking techniques (e.g., boiling, sautéing, grilling, baking, etc.), in addition to thoroughly cleaning a kitchen after its use. Cooking class provides an opportunity for participants to practice following directions, patience, safety awareness, budgeting, creativity, and working together.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

FY2017-18: \$4,175 City of Burlingame (received), \$6,000 Town of Colma (received), City of East Palo Alto \$13,403 (received) _____

FY2018-19: \$3,980 City of Burlingame (received), \$7,500 Town of Colma (requested), City of East Palo Alto (request TBD)

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

If yes, please provide details.

11. Charitable Trust # or EIN # 94-1156502

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



**Non-Profit Funding Request Form
FY 2018-19**

Name of Organization: Community Overcoming Relationship Abuse (CORA)

Contact Person: Ana Morales

Address: 2211 Palm Ave. San Mateo CA 94403
Street Address City State Zip Code

Phone Number: 650-652-0800 **Email Address:** AnaM@CORAsupport.org

1. **Mission Statement:** For over 40 years, CORA's mission has been to provide safety, support and healing for individuals who experience abuse in an intimate relationship, and educate the community to break the cycle of intimate partner abuse. Our vision is a society where intimate partners treat one another with respect, where intimate partner abuse and other forms of relationship abuse are not tolerated, and where services are accessible to all who need them. CORA provides victims and survivors of intimate partner abuse with effective supportive services as they deal with an exceptionally difficult period in their lives. Our free, trauma-informed programming includes: safe houses; supportive housing; 24-hour crisis, legal, and law enforcement referral hotlines; legal services; mental health support; children's programming; community advocacy; and community education. As the only agency of its kind in San Mateo County, CORA annually responds to over 12,000 requests for these services.

2. **Amount of Request:** \$10,000
 - a. Total Agency Annual Budget: \$5,689,784
 - b. Number of Agency Employees: 55
 - c. Payroll is 54% of the Agency's total Annual Budget.

3. **Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:**
 - A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

For over 40 years, CORA has operated the only emergency Safe Houses in San Mateo County for families impacted by intimate partner abuse. CORA currently maintains two facilities in its Safe House Program. Lisa's House, CORA's original and largest shelter facility, is a three-floor apartment building with 22 beds that provides clients with up to an eight-week stay. Coni's House, CORA's second shelter (opened in

2014), provides six beds and up to a six-month stay. Both sites serve male and female survivors and their children.

While survivors reside in our Safe Houses, staff work with them to create long-term plans for self-reliance and empowerment to prepare for life after the shelter, including a plan designed to re-house them as soon as practical. CORA's broad-ranging services for residents also include case management, peer support groups, a children's playgroup, one-on-one counseling, food, life-skills workshops, and referrals to mainstream benefits. In addition, all residents also have access to CORA's free, trauma-informed supportive services.

The primary goal of our Safe House Program is to allow intimate partner abuse victims to safely leave their abuser, and help them begin laying the foundation for lives free from abuse for themselves, and for their children to break the intergenerational cycle of violence. With this focus in mind, each year, CORA's Safe House Program aims to serve 200 individuals impacted by intimate partner abuse. To ensure that these 200 individuals set the foundation for healthy and violence-free lives, each year we aim to achieve the following outcomes:

- **Outcome 1:** 80% of clients will demonstrate an increase in self-sufficiency, improving client's ability to re-build a life free from abuse.
- **Outcome 2:** 80% of clients will transition into safe, alternative housing at exit.

4. Describe reason for request and how funds will be used:

Intimate partner abuse and its far-reaching social consequences plague all social, economic, educational, and cultural groups. According to the California Department of Public Health (2017), intimate partner abuse is a public health priority, as it directly affects 40% of women in their lifetimes, and, in turn, will impact nearly one in five California adults. These statistics imply that nearly 171,000 of San Mateo County's 610,308 adults (2016 census) likely will experience intimate partner abuse in their lifetimes. A common need among this already vulnerable group is the need to have a safe place to live.

In the Bay Area, the effects of intimate partner abuse are particularly complicated by the decreasing attainability of affordable housing. This situation places a special burden on intimate partner abuse victims because their financial dependence on their abuser and inability to afford homes of their own often forces them to make the untenable choice between homelessness and staying with the abuser. In the San Francisco Bay Area, the effects of domestic violence are particularly complicated by the decreasing attainability of affordable housing. San Mateo County continues to have among the highest rent costs in the nation, tied with San Francisco and Marin Counties as the top three most expensive among 3,144 other counties in the United States. According to the National Low Income Housing Coalition's 2018 Out of Reach report, a family would need an hourly rate of \$60.02 to be able to afford a two-bedroom apartment. This equates to \$124,841 per year in household income, which is a far cry from what the low-income clients that CORA serves can earn. The 2017 San Mateo County Homeless Census and Survey found that not only did 33.7% of unsheltered homeless respondents report experiencing intimate partner abuse, but this level represented more than doubling in the proportion affected in 2013 (16%). Meanwhile, many other victims must stay with their abusers. Whatever their decision, these horrific options mean that survivors, already dealing with the traumatic repercussions of an abusive relationship, now face additional serious challenges to their safety and security. This unfortunate reality then can lead to more complex mental health challenges and crises, compounding the crisis.

In response to this unfortunate reality, CORA, the only agency in San Mateo County specializing in serving families impacted by intimate partner abuse, has offered its Safe House Program since 1977. However, the rapidly rising prevalence of intimate partner abuse has markedly increased demand for CORA's services, safe housing prime among them. In fact, an in-depth review of our "unmet requests for shelter" data estimates that CORA is still short by approximately 8,000 bed nights per year. Thus, CORA's funding for this important program is not sufficient to allow us to meet San Mateo County's demand for these services.

Therefore, we are respectfully requesting \$10,000 in programmatic support of our Safe House Program which will include funding for staff salaries and benefits, staff trainings, and program supplies, among other operational costs of this program.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

N/A – CORA did not receive a Town of Colma contribution in FY 2017-18.

6. Describe the benefit to the Town derived from funding your organization:

Support from Town of Colma will directly help CORA achieve its main mission: to provide safety, support and healing for individuals who experience abuse in an intimate relationship. This not only helps us make an impact on our clients, but also on all of San Mateo County, including Town of Colma. Specifically, Safe House funding will help us reduce the family homelessness often resulting from intimate partner abuse. To address family homelessness in intimate partner abuse-impacted families, CORA's well-established Safe House Program provides a direct gateway between intimate partner abuse-related life-threatening situations, and safe and stable interim housing, with an ultimate goal of permanent housing. As CORA is San Mateo County's only agency specializing in serving intimate partner abuse victims and survivors, our Safe House program plays a critical role in addressing local homelessness.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;**
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and**
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.**

A. CORA's Safe House Program is a frequently utilized service among Town of Colma residents. Data shows that in FY2017-18, CORA provided Safe House to 11 residents with a 94014 ZIP code. Additionally, CORA provided:

- 39 residents with Crisis Supportive Services – including our 24-hour Crisis Hotline and 24-hour law enforcement referral program (Emergency Response Program)
- 4 residents with Transitional Housing
- 18 residents with mental health services
- 19 residents with legal services (including 51 calls with residents via our free legal hotline)
- 7 residents with children's programming

- 5 walk-in residents at our community office in San Mateo were provided with miscellaneous services

This totals 103 residents served from the Town of Colma (this number is duplicated as some may receive more than one service). We anticipate serving a comparable number of Town of Colma residents (with a 94014 ZIP code) in FY2018-19.

- B. CORA's services are open to all victims and survivors of intimate partner abuse and their children in San Mateo County. The majority of our services take place at our community office in San Mateo, at a location easily accessible by vehicle, train, and bus.
- C. CORA offers our Safe House Program to any individual fleeing from a dangerous domestic violence situation and who is in need of a confidential location to ensure their safety. Throughout the year we accept residents from all across San Mateo County, including Town of Colma. In general, who we serve depends on who is in need of emergency shelter and what our availability is like when they call us. As capacity allows, we are always available and willing to provide emergency shelter services to individuals in need.

CORA uses a range of outreach strategies to reach the diverse population of San Mateo County including distributing and/or displaying multi-lingual pamphlets/posters in public places such as bus stops, community centers, malls, doctors' offices, courthouses, and legal aid agencies. Many of our outreach documents are translated into Spanish, and last year, we translated several of them into Tagalog and Chinese as well, to reflect the three languages most spoken within San Mateo County (after English).

Additionally, CORA's community education team conducts presentations, workshops, and tables events in a variety of community settings around the County.

Lastly, CORA's bilingual website provides resources and contact information to its bilingual support groups and other programs.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

N/A – CORA did not receive a Town of Colma contribution in FY 2017-18.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

Received in FY2017-18

City of Burlingame – 24-hour Crisis Hotline - \$3,750

City of East Palo Alto – (two-year grant ending on 12/31/18) – Community Advocacy Services - \$199,603

City of Menlo Park – 24-hour Crisis Hotline - \$7,500

City of Redwood City - Shelter operations & shelter rehabilitation - \$42,864

City of San Mateo - Legal services & shelter rehabilitation - \$24,000

City of South San Francisco – Safe House - \$10,800

Requested/Expected in FY2018-19

Requested/Expected - City of Burlingame – 24-hour Crisis Hotline - \$5,000

To be Requested in Fall 2018/Expected - City of Menlo Park - 24-hour Crisis Hotline - \$7,500

Secured - City of East Palo Alto – (two-year grant ending on 12/31/18) – Community Advocacy Services - \$199,603

Secured - City of Redwood City - Shelter operations & shelter rehabilitation - \$73,467

Secured - City of San Mateo – Legal services - \$14,400

Secured - City of South San Francisco – Safe House - \$10,200

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

If yes, please provide details.

11. Charitable Trust # or EIN #

94-2481188

Please attach a copy of the following:

- X Proof of organization's tax exempt status
- X Roster of current governing board
- X Current Year Annual Operating Budget
- X Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Daly City Peninsula Partnership Collaborative (a.k.a Daly City Partnership)

Contact Person: Pat Bohm, Executive Director

Address: 725 Price Street Daly City, CA 94014
Street Address City State Zip Code

Phone Number: 650-301-3305 cell: 650-438-9335 Email Address: pat@dcpartnership.org

1. Mission Statement: The Daly City Partnership (DCP) was formed in 1995 with a mission ***to guide collaborative efforts and connect our community to services that promote well-being.***

2. Amount of Request: \$ 20,000.00

a. Total Agency Annual Budget: \$ 1 million

b. Number of Agency Employees: 14 Full Time, 35 Part Time, 30 Volunteers

c. Payroll is 95 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. **Provide shelter, food, or clothing to persons in need of the Necessities of Life;**
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. **Educate and engage residents;**
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.


4. Describe reason for request and how funds will be used:

The purpose of this grant request is to support two programs serving our neediest, lowest-income individuals and families. The ideal grant funding amount requested is \$20,000.00. General operating funds are needed to support base staffing and operations, so we may continue to serve Colma and Daly City residents with emergency safety net services, education, mental health programs and social services.

The first program to be supported with \$15,000.00 is the Daly City Community Service Center, one of 8 CORE safety net service agencies in San Mateo County serving low-income individuals and families in danger of becoming homeless, and needing assistance with emergency shelter or housing assistance grants. These emergency rental assistance funds come from restricted charitable donations that county Core agencies share, such as the Chronicle's "Season Of Sharing" program. Eligible applicants can receive first and last month's rent, security deposits for relocation, etc. for those who can show an ability to maintain housing payments in the months to come. The center, located at 350 90th Street, also has an emergency food pantry and bi-monthly produce distribution for anyone who is hungry and in need, food gift cards, clothing, and a monthly Family Harvest food distribution in the Bayshore district of Daly City. Other services include utility assistance and emergency car repairs, bus passes and emergency taxi vouchers for those meeting income eligibility. Each week, the center also plays host to Legal Aid's Tennent's Rights Clinic, Restraining Order Clinics, Second Harvest Food Bank CalFresh & Food Connections, and HIP Shared Housing services. In 2015-16, forty-five Colma residents were helped through the center. And our current Backpack and School Supply Drive is being supported by Officer Dawn Marchetti and the Colma Police Department as well as the Town of Colma City Hall and the Colma Starbucks store. Last year, we distributed over 300 backpacks to students in need, including a dozen given directly to JFK, TRP, and SBA schools (serving Colma children) for Principals to issue directly to students.

For the third year in a row, the center will be managed and staffed exclusively by Daly City Partnership staff. Three long-time Daly City case workers retired as of July 1, 2016 because the City of Daly City was no longer able to support the center. This resulted in an overall budget reduction of 60% over fiscal 2015-16. Current funding is primarily through county contract (65%), foundation grants (20%) Town of Colma Grant (4%) and 13% from the city of Daly City contribution. The city also is providing in-kind office space and phone service, but has had to eliminate internet, network, custodial, and other supports due to current and expected budget deficits.

The second program requested to be supported by this grant in the amount of \$5,000.00 is the Partnership's Family Resource Center, known as "Our Second Home", and located on the John F. Kennedy School Campus, less than a few blocks from the Town of Colma city limit. This beautiful, home-like community center is dedicated to the needs of children and the adults in their lives. Our Second Home works with families, ECE professionals, and caregivers to promote healthy development, academic readiness and safety for children in Daly City, Colma and Northern San Mateo County. Many of our programs are designed for families with children from 0 to 5 yrs. However, our vision is to serve parents and children aged 0 to 19 years with education, group support, Marriage and Family Therapy programs, so all children and teens that have adverse childhood experience or trauma can find wellness. Current free (or very low cost) programs include the following, with many offered in collaboration with community partners:

- **"Learning Together" Parent Education:** in partnership with  , families may enroll in educational playgroups at Our Second Home or sign-up for in home parent support services.
- **Preschool:** 4 or 5 year olds from low income families may enroll in Our Second Home's morning Pre-K, state-subsidized and operated in partnership with Bayshore Childcare / Peninsula Family Services.
- **Bi-Lingual Play Groups:** Parents and Caregivers with children aged one through five are welcome to drop in for fun and socialization.
- **English as a Second Language Class:** Adults may drop-in for FREE English language lessons on Mon, Tues., Wed., & Thurs. mornings (Sponsored in partnership with JUHSD Adult Education)
- **'Ages and Stages' Developmental Screenings:** Parents can discover if their child (aged 3 months to 5 years) is reaching their developmental milestones.

- **Speech and Learning Delay Screenings:** Follow-ups on an ASQ assessment, as needed, are provided to children aged 3 months to five years with a preliminary speech screening - courtesy Speech Goals.
- **Individual, Child, and Family Therapy:** Underinsured families with children ages 0-19 may be referred for free family well-being counseling with Daly City Partnership's Mental Health Clinician (MFTi).
- **Support Group for Parents of Children with Special Needs:** Osh's newest group discussion program helps caregivers of children with learning delays, such as ADD, Autism, Downs Syndrome cope with the joys and challenges of parenting.
- **Daly City/Colma Mother's Club:** Our newest group support program is open to parents of children 0-6yrs and provides group support and social activities for young families.
- **Childcare Provider/Early Childhood Educator Trainings:** Our Second Home's schedules professional development for ECE providers on various training topics. ECE Professional Development Growth Hours available.
- **Parent Education Workshops:** Our Second Home's monthly calendar features classes and workshops designed to enhance parenting skills, such as "Play to Grow" and "Circle of Security".
- **Pacific Island Parent's Support Group:** Meets the first Friday evening of each month for support & friendship –dinner provided. Sponsored by Asian American Recovery Services. (Non P.I. Parents welcome)
- **Domestic Violence Survivor Supports:** Survivors can enroll in Star Vista's program for parents who have experienced past partner abuse, or inquire regarding Daly City Partnership's DV group support programs.
- **Nutrition and Exercise Programs:** Scheduled each month for health and well-being (Zumba, Yoga) Healthy Cooking & Nutrition Programs (most are fee based)
- **Family Movie Night:** Kids wear pajamas and watch recently released family films with caregivers, while munching on Pizza and Popcorn.
- **Parent Leadership Project:** parents are identified, trained and supported in addressing community issues important to them, such as community safety and affordable housing.
- **Baby Sign Language:** Learn to communicate with your infant with visual clues (fee based)
- **Access to Community Resources:** Drop-ins, calls or e-mails received daily for info and assistance connecting to childcare, preschools, and social services such as CalFresh, health benefits, and more.
- **Libre- Legal Aide Services:** Offers connections to services for immigrants on the first Friday morning each month: Call 650-517-8936 to schedule an appointment.
- **Multi-Lingual Resource Library and Computer Station:** Check out Books, DVDs, or access the Internet.

Our Second Home is open weekdays from 9 am until 5 pm at 725 Price St. in Daly City on the John F. Kennedy Elementary School Campus. Services are offered in English, Spanish and Burmese. Our current Accounting, Facility and Marketing Manager, Irene Alvarenga, was born in Mexico and is fluent in Spanish. Our current Program Manager, Ei Ei Samai, is fluent in Burmese. Daly City Partnership is the 2013 recipient of the J, Russell Kent Award from the San Mateo County Board of Education for program excellence for our Family Literacy and Health Day, now in its sixteenth year at Susan B. Anthony School. Annually, over 1000 family members are in attendance. DCP has been awarded over a dozen commendations from city, county and state government officials, including a Commendation from the Town of Colma on the occasion of DCP's 20th Anniversary. DCP chose the beautiful Colma Community Center as the setting for our 20th Anniversary Fundraising Luncheon on October 16, 2015.

- 5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

The request for \$20,000. is the same as what was requested in 2017-18, but higher than the very generous \$15,000. that was awarded by the Town Council last year. The reason for the increase in the amount is directly related to the need to retain highly qualified staff to provide services in the non-profit sector. We also are still navigating the funding crisis being experienced by the City of Daly City. Although the city truly appreciates all the services the Partnership provides for the community, they have had to make significant cuts not only to safety, library, and recreation, but also to our non-profit. In 2016-17, the Partnership lost \$240,000. in city support to operate the Daly City Community Service Center, as well as \$69,714. in general operating support for the Partnership.

6. Describe the benefit to the Town derived from funding your organization:

The Town of Colma has always been an integral part of Daly City Partnership's programs and services. In 1995, our original tutoring, homework assistance, and summer "Kindergarten Readiness" programs were piloted at Colma Elementary and John F, Kennedy School. Our on-site preschool has always had 4 and 5 year Colma students in attendance each year. This past summer, many incoming Kindergarten, First, and Second grade students from Colma participated in the "Inspiring Summers' program at Daniel Webster and Westlake Schools...a high quality summer school readiness program sponsored by the "Big Lift' county program and co-lead by DCP and Jefferson Elementary School District. Multiple services available at Our Second Home, DCP's Family Resource center, including free marriage and family therapy, can easily be accessed by Colma families (HIPPA confidentiality issues prevent us from revealing Colma resident data or identity). And Colma's support will help us keep the doors open, the lights on, and programs growing for all Colma families. Colma families will benefit from childcare opportunities, emotional parent support groups, parent education, and connections to community resources.

The Daly City Community Service Center has served Colma residents in need for over 47 years, even before additional county support funding became available. Multiple printed brochures from both the county and the Daly City department have always included prominent verbiage that Colma is a part of the service area. More community friendly marketing cards are being produced to replace the cumbersome tri-fold brochures, and will be made available at Colma Community Centers and offices. Our team has scheduled meetings with Police and Fire in order to acquaint Daly City departments with our Emergency and crisis services, and has met with several Colma Police officers. The benefit of knowing where to send families and individuals in need of emergency support should help to alleviate crisis situations that Colma residents may experience.

'Pats' Closet", the Peninsula's newest resource for new and gently used clothing and home goods for folks in need, celebrated it's one year anniversary in February 2018. This great community resource has helped over 300 individuals and families obtain the items they need in order to help make ends meet in this tough bay area economy.



Donations are received daily, and continue to pour in.



Pictured above are 'Pats' Closet' volunteer: Nadia Flamenco, OSH Facility & Marketing Manager: Irene Alvarenga, and Colma Resident and Pats' Closet Volunteer Manager: Gaby Godinez.

Also pictured are 2 grateful recipients of clothing and new pillows received at 'Pats' Closet.

SPOTLIGHT ON EXCELLENCE: COLMA RESIDENT GABY GODINEZ

Gaby joined the Partnership's Volunteer Staff after 6 years of participation in **Our Second Home's** pre-school program, where her two sons thrived before attending John F Kennedy Elementary School. During this time, Gaby worked to improve her English Language skills by attending our ESL classes offered on-site while her children were at school. In 2015, she applied for and received her U.S. Citizenship. When DCP opened 'Pat's Closet', she was the first one to step up and volunteer. She even enlisted the help of her contractor husband, Eduardo, and countless hours were logged by the family in installing donated shelving and fixtures at the

closet. Now Gaby has become our paid Volunteer Leader, recruiting other moms and community volunteers, training them on sorting, merchandising and displaying the clothes and home goods, and assisting families in need in 'shopping' for free items for their children and their home. Thanks to the support of the Town of Colma, and a recent San Mateo County CSBG grant, the Partnership was able to hire Gaby part time.

7. Describe the following:

A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;

B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs;

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. Of the 2878 individuals served in fiscal 2017-18, ninety-seven individual clients listed their current residence as Colma. This is nearly a 110% increase over the prior year, and is indicative of the growing need for families and seniors to seek services in order to make ends meet. Although this may seem to be a small proportion of the 1,600 living residents of the town, the services are specific to the lowest income families and individuals seeking emergency rent, shelter, food, or other services.

In 2017-8, thirty-three of our clients at Our Second Home listed Colma as their residence.

In 2017-18, the Community center served the following number of Colma residents:

Town	# Households	# households w/children	# with No Kids	# Singles	2017-18 Total Individuals
Colma	43	14	6	23	97

B. The Daly City Community Service Center is located at 350 90th Street near Sullivan Avenue. Our Second Home is located at 725 Price Street, on the John F Kennedy School Campus, and just a few short blocks to the Town of Colma.

C. Currently DCP produces a monthly newsletter which is e-mailed to 3,800 community members and agency partners. We also have an actively used web site: www.dcpartnership.org and have Facebook and twitter links. We participate in over 30 outreach events each year where hundreds of fliers are distributed, as well flier distributions at all local elementary and middle schools and community centers. Our intent is to expand all of these marketing venues, and partner with the Town of Colma on marketing and awareness of both programs services. A sample of our advertising for the Backpack Drive follows:



8. Provide a detailed account of how the FY 2018-19 contribution was used:

The following spread sheets outline the contributions and expenses for both the Daly City Community Service Center, and Our Second Home:

Daly City Community Service Center - Budget				
Income Source				Amount
County Core Agency Contract (includes SMC CDBG allotment)				\$161,607.00
Sunlight Giving Grant				\$40,000.00
City of Colma - Contribution				\$10,000.00
City of Daly City Contribution				\$9,061.00
Total Income for 2017-18				\$220,668.00
DCPPC - DCCSC Expense				
Staff or Item Description	Hourly	Bi Weekly	Annually	Actual Cost
Program Manager - FT .20 FTE	36.94	443.28	443.28	511.59
Case Worker / Prog Supervisor1 - FT	25.32	2,025.60	52,665.60	61,654.14
Program Director - FT .25 FTE	43.74	1,312.20	34,117.20	41,974.66
Case Worker 1 - FT	20.50	1,640.00	42,640.00	53,831.12

Admin Assist. Reception 2 PT	17.75	1,278.00	33,228.00	38,348.43
Liability Insurance				1,696.80
Communications / Information Technology / Web Maintenance				1,365.00
Equipment / Furnishings				720.00
Office Supplies				1,630.29
Postage / Mailing				250.00
Printing / Copying				230.00
Maintenance				4,447.00
Rent (in kind)				0.00
Mileage (to county meetings)				258.00
Accounting and Payroll Costs				8,554.00
Other Miscellaneous Expense / Indirect Costs				4,098.06
Total				219,569.09
Direct Expenses for 2017-18				219,569.09
Projected Additional Income for 2017-18				
Additional Foundation Grants				50,000.00
Corporate Sponsorships				30,000.00
Miscellaneous Donations				10,000.00
Total Additional Potential Income for 2017-18				90,000.00
IN- Kind Support of the Center	Hourly	X bi- wkly	Annually	
Volunteer - 4 hours per week	24.95	199.60	4,790.40	5,528.60
Volunteer - 8 Hours per week	24.95	399.20	9,580.80	10,990.14
Volunteer - 12 hours per week	24.95	598.80	14,371.20	16,485.20
Rent Value (If full In-kind facility provided)				72,000.00
IT / Communications Provided In Kind by City or County				30,000.00
DCP Staff or Item Description	Hourly	X bi-wkly hr	Annually	
DCP Program Coordinator	21.57	86.28	2243.28	2,573.27
marketing, communications				
DCP Executive Director	43.74	349.92	9097.92	10,436.22
Oversite, Fund Development, Reporting				
DCP Office Administrator	22.76	364.16	9468.16	10,860.93
data entry, accounting, payroll etc.				
In Kind Office Supplies				5,000.00
Indirect Operating Costs				5,000.00
Total Matching In-Kind Support Each Year				168,874.36



Our Second Home

code	Income Source					Amount
3602	County Contract- Child Abuse Prevention Grant					35,000.00
	Big Lift -Co Lead Coordination -JESD					27,000.00
	Town of Colma - Contribution					5,000.00
	Facility Use Fees, Revenue	PFS: 12,000.	AARS/Mana: 10,000.		24,000.00	
	JESD MHSA LMFT Contract					34,000.00
	First 5 Host Agency Grant					52,500.00
	Sunlight Giving Foundation Grant					10,000.00
	Contractual Accounting Support	DCCSC			20,000.00	
NEW	Seton Medical Center - Community Benefits Grant					25,000.00
	Total Income for 2017-18					232,500.00
DCPPC - DCCSC Expense						
	Staff or Item Description	Hourly	Bi Weekly	Annually	Actual Cost	
	Admin. Facility, Accounts Mgr	23.53	1,882.40		60,761.83	
	Lic.Marriage & Family Therapist	36.00	2,160.00		64,085.66	
	Program Director - .20 FTE	43.74	699.84		18,215.70	
	Program Manager - .75 FTE	33.00	1,980.00		59,130.19	
7 mos	Parent Liason Assistant	17.75	142.00		4,235.09	
4101-16	Salaries and Benefits					206,428.48
4208	Telephone Service Charge					2,142.75
4209	Mileage (to county meetings, bus pass pick-up)					1,102.00
4212	Communications					520.00
4217	Equipment Maintenance Contract					2,702.00
4219	Professional Services					3,900.00
4223	Utilities					4,826.00
4227	Copier Services					600.00
4230	Office Supplies / Expense					958.00
4233	Postage / Mailing					250.00
	Other Miscellaneous Expense / Indirect Costs (Liability Insurance, Marketing)					7,000.00
	Direct Expenses for 2017-18					230,429.23
	IN- Kind Support of the Center	Hourly	X bi-wkly	Annually	in-kind value	
	Volunteer Support of Facility	24.95	199.60		5,495.07	
	Rent In-Kind Value					75,000.00
	Building Maintenance-donated					20,000.00

	DCP Staff or Item Description	Hourly	X bi-wkly hr	Annually	
	JUHSD ESL Instructor	22.00	704.00		29,072.10
	PFS Preschool Teacher	17.75	568.00		23,455.90
	PFS Teacher's Aide	12.50	400.00		16,518.24
	PFS Aide	10	320.00		13,214.59
	Parent Partner	22	88.00		3,634.01
	DCP Executive Director	43.74	874.80		26,890.56
	In Kind Office Supplies				5,000.00
	Indirect Operating Costs				5,000.00
	Total Matching In-Kind Support Each Year				223,280.48

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

2018-19: City of Daly City - \$18,000.00 to support operations of D C Community Service Center

2017-18: City of Daly City - \$18,000.00 for support of D C Community Service Center

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

As a non-profit 501c3 community based organization, the Daly City Partnership is prohibited from participating or intervening in any political campaign. That being said, both the Daly City /Colma Chamber of Commerce and the Daly City Partnership hosted a Candidate's Forum in 2015-16 for **all four** candidates running for Supervisor Adrienne Tossier's County seat. All four candidates were in attendance, and each was able to answer every question posed as coordinated by the League of Women Voters. The intent was for all community members present to learn each of the candidate's platforms.

11. Charitable Trust # or EIN # 06-1734338

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Completed IRS 990 form for the last fiscal year
- Current Year Annual Operating Budget



Non-Profit Funding Request Form FY 2018-19

Name of Organization: Daly City Youth Health Center

Contact Person: Kimberly Gillette

Address: 350 90th St. Daly City CA 94015
Street Address City State Zip Code

Phone Number: 650-877-5721 Email Address: kgillette@dalcityyouth.org

1. Mission Statement:

The Daly City Youth Health Center's mission is to provide safe, respectful, comprehensive health services to underserved teens and young adults, preparing them for a healthy adulthood.

For 28 years, the Youth Health Center has provided comprehensive health services. The Primary Health Care clinic offers low-cost or no-cost services to low-income and at-risk youth ages 12-24. The Youth Health Center's comprehensive system allows its primary health care providers to connect patients to therapists for counseling services and work together to best meet youth's needs.

All our programs and services are expansive and exclusive of the LGBTQ community and people of color. To date, the Youth Health Center has helped more than 57,000 underserved teens and young adults, living in Daly City, Broadmoor, Pacifica, Colma, Brisbane, South San Francisco and San Bruno. The ethnicity of the youth served includes: 34% Latino, 28% Filipino, 13% Caucasian, 6% African-American, 5% Chinese, 2% Pacific Islander, 1% Native American, and 11% Mixed Race/Other/Unknown.

2. Amount of Request: \$7,500

- a. Total Agency Annual Budget: \$976,913
- b. Number of Agency Employees: 13
- c. Payroll is 75% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life; •
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services; •
- C. Educate and engage residents; •
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

The Youth Health Center is a perfect fit for category B, providing mental services with special needs and integrated care services.

The funding request from the Town of Colma will be used to support the Behavioral Health Program which provides individual, family, couples, and group counseling to youth and their families with issues on bullying, reproductive health, stress, anxiety, substance use and abuse, truancy, depression, trauma and family or relationship conflicts.

Annually, we provide therapy to 244 individuals and families per year for behavioral illness and substance abuse through our program. Last year, 41 youth who received counseling completed 2 questionnaires – meaning they attended at least 5 counseling sessions. Of those, 34 youth (83%) improved in at least one of our measurement areas (depression, anxiety, substance abuse).

To reach the target youth ages 12-24, the program will have two main strategies: (1) ongoing referrals from school counselors, teachers, clinic staff, drop-ins, and community partners; and (2) counselors screening youth in our clinic waiting area.

Our partnership with the Jefferson Union High School District and the San Mateo County Medical Center provides us a comprehensive system that allows our primary care clinic providers the ability to seamlessly refer patients to counseling services by introducing them to the therapist or scheduling the behavioral health appointment before they leave.

In the school setting, our counselors provide access to behavioral health screening and immediate counseling to students referred by Wellness Counselors and teachers. This helps students a lot, especially those unable to go to our onsite facility due to time constraints and transportation problems. We will provide counseling interns in the 3 high schools once a week starting September 2018 through May 2019.

To screen youth seen at our health center on behavioral health problems, a comprehensive questionnaire will be used to identify history of substance abuse, current substance use, suicidal ideation, and/or physical abuse. The questionnaire also screens co-occurring mental health problems including relationship issues and family conflict, depression, anxiety, grief, anger management, eating disorders, drug and addiction, sexuality, trauma, and abuse. Once issues have been identified, therapists and clients work on the treatment goals together. Clients generally participate in therapy from 3-12 months. When the treatment goals have been met, the therapist will begin discharge planning with the client. The discharge procedure includes doing a termination process with the client to ensure they are able to think of solutions to everyday challenges.

For the fiscal year 2018-19, the grant from the Town of Colma will help provide:

- 1) access to behavioral health and substance abuse screening to at least 250 youth in schools and onsite;
- 2) access to counseling four or more times to at least 75 youth, 25 of these will have a history of substance use and abuse.

The following evidenced based tools will be administered every fourth session as screening and evaluation tools to measure the impact of our services for the youth seen onsite: Patient Health Questionnaire (PHQ-9) to detect depression, Generalized Anxiety Disorder (GAD-7), Alcohol Use Disorders Identification Consumption (Audit C), and NIDA Modified Assist for drug use.

The expected outcomes are for youth seen four or more times onsite are:

- 75% of individuals with substance abuse improved at least one step;
- 75% of individuals with anxiety improved at least one step;
- 75% of individuals with depression improved at least one step.

4. Describe reason for request and how funds will be used:

We, at the Youth Health Center believe in the potential of all young people; and with a little help and guidance, youth can make smart decisions setting them on a path for success. However, many young people are struggling with stress, bullying, substance abuse, and even suicide. The risk is greater in northern San Mateo County where at least a third of the youth live in poverty and many are immigrants facing language and cultural barriers.

Past surveys have shown disturbing rates of mental health illness related signs and symptoms in teens and young adults. In school year 2011-2012, 39% of 11th grade students in Jefferson Union High School District reported feelings of depression, 18% considered suicide, 32% drank alcohol, and 25% used marijuana.

In the same year, 53% of the 146 youth counseled two or more times at the Youth Health Center had a history of depression and 32% had a history of substance abuse. The California Healthy Kids Survey 2011-2012 from JUHSD, reported 33% of Juniors felt sad or hopeless every day for two weeks over the past 12 months and 18% considered suicide in the past year. If we don't work together to support the youth, the reported numbers are expected to significantly rise overtime.

In a span of 2 years, the Behavioral Health Counseling program has seen an increase in the number of our new clients accessing counseling services from 494 youth in 15-16 to 543 youth in 16-17. In 17-18, this number increased to 565. This increase signifies the importance of behavioral health services to the underserved youth in northern San Mateo County. With the help of Town of Colma, more youth will have access to intensive counseling services specially those suffering from substance use and abuse. As we continue to work together, we can serve more youth and serve them even better.

The funding from Town of Colma will help provide increased screening and counseling for youth on site and at high schools. The majority of the funding (\$7,000) will be used directly for our therapists to provide counseling. The remaining \$500 will be used for supplies needed for therapy, such as workbooks and art therapy supplies.

5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

In fiscal year 2015-16, the Youth Health Center counseled 7 youth in schools and 26 youth onsite who were suffering from major depression with suicidal ideation and self-harm. Another 4 youth in schools and 35 youth onsite were counseled purely for major depression without suicidal ideation.

The following fiscal year, there was 29% increase in the total number of youth seen with major depression. Therapists counseled 11 youth in schools and 23 youth onsite suffering from major

depression with suicidal ideation and self-harm. And a total of 19 youth in schools and 40 youth onsite were counseled for major depression without suicidal ideation. Majority of the youth seen with major depression were from the continuation high school; they have problems with truancy and poor grades.

During fiscal year 2017-18, 115 youth were found to have depression. 41 were seen for four or more times and were able to complete the screening and evaluations tools. Out of the 41 youth, 30 or 73% showed improvement of at least one step in the depression category.

With the rising problem of youth having major depression, the Youth Health Center has seen surges of suicide incidences in different years. In school year 2014-15, there was an alarming 350% increase in suicide incidences compared to the previous year with only 2 cases. Before the school year ended, the Youth Health Center team responded to seven high school students who attempted to commit or had a serious plan to commit suicide. In school year 2016-17, one of the partners high schools had 27 youth who had suicidal ideation who needed to be hospitalized.

The suicide incidences especially at schools indicate there is a greater need on the accessibility and availability of behavioral health counseling prevention and treatment services for our teens and young adults in the community.

6. Describe the benefit to the Town derived from funding your organization:

The benefits of the Youth Health Center services to the Town of Colma residents are:

- Accessibility and availability of integrated wellness services in our clinic for youth, especially to those who belong to the low-income and immigrant population residing in Colma.
- Accessibility and availability of intensive counseling treatment for Colma youth residents enrolled in one of the JUHSD high schools.
- Warm handoff to community partners should youth and their families need social services like food, clothing, shelter, or referral for severe behavioral health problems.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application; •
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and •
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

Youth from the Town of Colma can access the programs and services of the Youth Health Center onsite and at the partner schools.

In fiscal 2017-18, the behavioral health program has provided access to services for 244 youth. Five of the youth counseled onsite were Town of Colma residents.

In school year 2017-18, a total of 1,275 youth were provided with reproductive health and pregnancy prevention education through our Project PLAY program. The program encourages youth to make informed, healthy decisions through its 10-day curriculum to freshmen students, including youth from Town of Colma, enrolled at the Jefferson Union High School District (JUHSD) and El Camino High School. In the 10-day curriculum, our staff teaches youth the

importance of protection, including the proper use of condoms and how it acts as a barrier to HIV and STI's by preventing transmission of bodily fluids that contain HIV and STIs and/or skin infection by an STI like genital warts, herpes, and syphilis sores. In addition, 5 youth from Colma became our peer health educators in schools and were trained on leadership development and public speaking skills.

Our average our medical clinic onsite provides over 3,000 clinic visits for reproductive and primary healthcare services. The majority of the youth seen in the clinic are from Daly City/Colma and South San Francisco.

In terms of community outreach, we outreach at community college health fairs and malls in partnership with Daly City/Colma Chamber and City of Daly City Library and Recreation Services. Every start of the school year, we do tabling and presentations during the back to school nights at JUHSD high schools and middle schools under Jefferson Elementary School District. This fiscal year, we plan to deepen our relationship with the college health centers, present to psychology classes, boost our social media presence and work with other students for a peer outreach strategy, to reach more youth in northern San Mateo County.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Ninety-six percent (96%) or \$5,734 of the \$6,000 grant received from Town of Colma supported the salary and benefits of our therapists. They provide counseling to youth onsite and to students at school hours per week. The remaining \$266 helped provide counseling supplies such as writing journals, workbooks, stress relief balls, pamphlets, and art materials used by the youth during therapy sessions and at home.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

- FY 2017-18 = Received \$6,000 City of Daly City Community Development Block Grant for workforce development.
- FY 2018-19 = Received \$6,000 City of Daly City Community Development Block Grant for workforce development.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

No. DCYHC did not participate or intervene in any political campaign.

Yes _____

If yes, please provide details.

11. Charitable Trust # or EIN # Federal Tax ID #94-3083772 and NCES ID #0618930

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Completed IRS 990 form for the last fiscal year
- Current Year Annual Operating Budget



Non-Profit Funding Request Form FY 2018-19

Name of Organization: **HIP Housing (Human Investment Project)**

Contact Person: **Clarice Veloso, Development Director**

Address: **800 S. Claremont Street, San Mateo, CA 94402**
Street Address City State Zip Code

Phone Number: **650-348-6660** Email Address: **cveloso@hiphousing.org**

1. Mission Statement:

HIP Housing's mission is to invest in human potential by improving the housing and lives of people in our community. For more than 40 years, our agency has been serving the Town of Colma and its residents, providing creative and affordable housing solutions that directly address the needs of the town's unique and diverse population.

HIP Housing has three distinct programs: Home Sharing, Self Sufficiency, and Property Development. Each program provides desperately needed stable and affordable housing to low-income individuals and families, while helping seniors and those with special needs to remain in their home. Every year, these programs help more than 1,400 low-income individuals to find, or remain in a stable and affordable home, right here in San Mateo County.

2. Amount of Request: \$5,000

- a. Total Agency Annual Budget: \$2,418,408
- b. Number of Agency Employees: 29
- c. Payroll is 51% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life.
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services
- C. Educate and engage residents.
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Throughout San Mateo County, the demand for affordable housing is far outpacing supply. Cities and Towns Countywide are struggling to find solutions to their housing affordability challenges and are seeking practical alternatives to help people of different ages and incomes to find stable and affordable housing. HIP Housing is requesting funding, which if awarded, will

be used to support the activities of our Home Sharing Program. The Home Sharing Program matches people who have room in their home to share, with people who are searching for an affordable place to live. This funding will help our dedicated Home Sharing staff to provide vital housing assistance and opportunities to the residents of Colma.

By utilizing existing housing stock, which is readily available, the Home Sharing Program will prevent displacement and create new affordable housing for Colma residents, while providing a realistic solution that will enable seniors, and those with special needs to maintain both their home and their independence.

4. Describe reason for request and how funds will be used:

The issue of housing affordability has never been more relevant, or more critical than it is today. Last year, 95% of the people served by HIP Housing's Home Sharing Program were low-income, poverty level, or below. The lack of mechanisms to promote the construction of new affordable housing in San Mateo County is particularly problematic, as more affluent residents move into what were once affordable neighborhoods, changing their identity completely. This change too often results in the displacement of long-term residents, because they can't afford the increased rents.

There is a desperate need for decent, stable, and affordable housing, both in the Town of Colma, and throughout San Mateo County. This issue is urgent, and being the only provider of affordable housing services in the county, HIP Housing is uniquely positioned to make a profound impact on solving the problem. In a region that has come to be defined by its skyrocketing housing costs, HIP Housing's Home Sharing Program is providing low-income residents with an innovative and incredibly effective solution.

Funding received from the Town of Colma will be used to support the activities of HIP Housing's Home Sharing Program during Fiscal Year 2018-2019. When Colma residents apply to the program, they can have peace of mind, because the activities carried out by our Home Sharing Coordinators ensure that the application process is both thorough and secure.

Clients begin the Home Sharing process by completing a detailed application to ensure that they are matched in compatible living arrangements, followed by a thorough interview process to establish their specific needs, after which staff carry out local reference and background checks. Once clients are matched, staff bring both parties together, to help them outline their expectations and agree on rights and responsibilities. This information is then documented in a Living Together Agreement, which is signed by both parties.

One of the very special and unique features of HIP Housing's Home Sharing Program, is that the process does not end once clients have been matched. Every client is unique, and so are their needs. With this in mind, program staff provide ongoing support to all clients. Home Sharing matches involving seniors are typically contacted every three months, while others involving non-seniors are contacted twice a year. The result of this incredibly thorough and in-depth process, is that the average Home Sharing match lasts more than three years, with others lasting between five and twenty years.

By making more efficient use of existing housing inventory, the Home Sharing Program prevents homelessness, counters displacement, and creates new affordable housing opportunities for low-income individuals and families throughout San Mateo County.

5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

Not Applicable.

6. Describe the benefit to the Town derived from funding your organization:

Far too many renters in Colma are left severely cost burdened by their housing, with little, if any money left to pay for other basic necessities once they have paid their rent. The need for stable and affordable rental housing continues to be a serious concern for those who live on a low, or fixed income in Colma.

The median rent for a one bedroom apartment in Colma today is \$2,470/month (Source: Realtor.com). According to the National Low Income Housing Coalition formula, a person or family would need to earn \$99,960 a year to afford this rent. Or, if you are a minimum wage earner, you would need to work 175 hours per week to afford this rent.

The residents of Colma who participate in the Home Sharing Program will benefit in many ways. The program reduces housing costs dramatically for both the home provider and the home seeker, while providing security and companionship for those with special needs.

Countywide in Fiscal Year 2018-2019, our dedicated Home Sharing Staff will:

- Provide housing and community resource information to **3,800** individuals who contact our agency for help.
- Interview, screen, and provide housing services to **1,500** people, matching **200** in new affordable home sharing arrangements, while providing support services to **500** home sharing clients matched in previous years.
- In addition, our Self Sufficiency Program staff will empower **40-45** low-income families (**110** adults & children) to transition from government assistance to self-reliance and financial independence

In the Town of Colma during Fiscal Year 2018-2019, Home Sharing Staff will:

- Provide housing and community resource information to **5-10** individuals living or working in the Town of Colma, who contact our agency for help.
- Interview, screen, and provide housing services to **5-10** individuals who live / work in the Town of Colma, matching **1-2** in new affordable home sharing arrangements, while providing support services to **1-2** Colma residents matched in previous years.

By making more efficient use of the existing housing resources, this irreplaceable program is providing a unique and creative solution to the lack of affordable housing both in the town of Colma, and throughout San Mateo County.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application; ⁽¹⁾_(SEP)
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and ⁽¹⁾_(SEP)

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

: In Fiscal Year 2017-2018, HIP Housing provided vital Home Sharing services to **12** individuals who live or work worked in the Town of Colma.

: These individuals met with one of HIP Housing's Home Sharing Coordinators for a thorough intake interview, after which program staff conducted local reference and background checks, while also verifying the applicants income. These activities took place at HIP Housing's main office in San Mateo, or if the client was unable to come into the office, a member of our Home Sharing staff would schedule a home visit.

: In Fiscal Year 2017-2018 Home Sharing staff continued to reach out directly to the Colma community, conducting a variety of outreach activities. These activities were communicated through many different channels, including:

- Postcard Mailing to residents in February 2018.
- Outreach Flyer and introductory letter about Home Sharing sent to the Colma Fire Chief.
- Home Sharing Flyers sent to the Town Clerk, Parks & Recreation Department, and Colma Community Center for distribution.
- Contacted Human Resources Directors of companies based in Colma including Home Depot, Peet's Coffee, Starbucks, Target, Java City Café, and Sweet Dreams Bakery.
- Informational flyer was sent monthly to the Colma Town Council.
- Presentation about HIP Housing's programs made to Colma Town Council.
- Quarterly postings on Nextdoor.com.
- Social Media Presence through Facebook, Twitter, LinkedIn, and HIP Housing Website.

HIP Housing will continue to to grow and expand our outreach activities in the Town of Colma during FY 2018-2019, so that those in the greatest need will learn about HIP Housing's programs and have the opportunity to receive the direct assistance they may desperately need, to prevent homelessness, avoid displacement, and remain independent in their homes.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

The current housing market in San Mateo County is failing to meet the needs of low-income individuals, seniors, and families, which is why finding creative, practical, and affordable housing solutions like Home sharing and deepening their impact has never been more important.

In Fiscal Year 2017-2018, funding received from the Town of Colma was used to support the activities of HIP Housing's Home Sharing Program. Last year, with your support our dedicated program staff achieved the following outcomes:

- **3,437** individuals contacted HIP Housing requesting information and housing assistance.
- **1,580** individuals were interviewed and screened by Home Sharing staff.
- **203** people were matched in new affordable Home Sharing arrangements.
- **465** Home Sharing clients matched in previous years received ongoing support.

2017-2018 Home Provider Statistics

- 48% were seniors.
- 80% were low-income & 34% were disabled.
- Prior to finding a housemate, Home Providers were spending an average of 50% of their income on housing. After finding a housemate through Home Sharing, they reduced their housing costs to 22%.
- The average rent charged by Home Providers was \$1,000/month. This is significantly less than the average rent for a one bedroom apartment in San Mateo County today, which is currently more than \$2,500/month.

2017-2018 Home Seeker Statistics:

- 34% were previously homeless and 44% were at risk of becoming homeless.
- 95% were low-income and 39% were disabled.
- Before finding an affordable place to live through Home Sharing, Home Seekers were Spending 31% of their income on housing. After moving in with a housemate, they reduced their housing costs to an average of 28%.
- Provided housing and counseling services to clients in English, Mandarin, German, and Tagalog.
- Program staff continued to prevent homelessness and displacement, by focusing on the needs of individuals who are "at-risk" of becoming homeless, often the working poor and those with special needs.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

Atherton: FY 2017-2018 \$2,500 Received; FY 2018-2019 \$2,500 Approved.
Belmont: FY 2017-2018 \$5,000 Received; FY 2018-2019 \$5,000 Approved.
Brisbane: FY 2017-2018 \$5,000 Received; FY 2018-2019 \$5,000 Approved.
Burlingame: FY 2017-2018 \$5,825 Received; FY 2018-2019 \$5,550 Approved.
Daly City: FY 2017-2018 \$12,000 Received; FY 2018-2019 \$12,000 Approved.
East Palo Alto: FY 2017-2018 \$2,500 Received; FY 2018-2019 \$2,500 Approved.
Foster City: FY 2017-2018 \$5,000 Received; FY 2018-2019 \$5,000 Approved.
Half Moon Bay: FY 2017-2018 \$1,000 Received; FY 2018-2019 \$1,000 Approved.
Hillsborough: FY 2017-2018 \$2,500 Received; FY 2018-2019 \$2,500 Approved.
Menlo Park: FY 2017-2018 \$17,500 Received; FY 2018-2019 \$17,500 Projected.
Millbrae: FY 2017-2018 \$5,000 Received; FY 2018-2019 \$5,000 Approved.
Pacifica: FY 2017-2018 \$1,000 Received; FY 2018-2019 \$1,000 Approved.
Portola Valley: FY 2017-2018 \$3,000 Received; FY 2018-2019 \$3,000 Approved.
Redwood City: FY 2017-2018 \$15,000 Received; FY 2018-2019 \$15,000 Approved.
San Bruno: FY 2017-2018 \$30,000 Received; FY 2018-2019 \$30,000 Approved.
San Carlos: FY 2017-2018 \$20,000 Approved; FY 2018-2019 \$20,000 Projected.
San Mateo: FY 2017-2018 \$14,500 Received; FY 2018-2019 \$14,400 Approved.
South San Francisco: FY 2017-2018 \$10,800 Received; FY 2018-2019 \$9,200 Approved.
Woodside: FY 2017-2018 \$1,000 Received; FY 2018-2019 \$2,500 Approved.
County of San Mateo: FY 2017-2018 \$58,500 Received; FY 2018-2019 \$48,641 Approved.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ **No X**

If yes, please provide details. Not Applicable.

11. Charitable Trust # or EIN # 94-2154614

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



Non-Profit Funding Request Form FY 2018-19

Name of Organization: Community Environmental Education Program

Contact Person: Edward Lopez

Address: 115 First Ave Daly City CA 94014
Street Address City State Zip Code

Phone Number: 650-550-7847/4158061818 Email Address: elopez@juhsd.net

1. Mission Statement: Our elementary school students gain field trip chaperones,
on-site tutors and positive role models. Our Wilderness students learn and practice
leadership skills and responsibility to younger children. Both groups together develop
greater community awareness.

2. Amount of Request: \$ 6000.00

a. Total Agency Annual Budget: \$ \$57,930,000

b. Number of Agency Employees: 521 employees

c. Payroll is 75 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Our projects will educate and engage residents children through activities they
would otherwise not have the opportunity to engage. Through our activities we
expose students to experiences that the Bay Area has to offer.

4. Describe reason for request and how funds will be used:

Our projects will educate and engage residents children through activities they would otherwise not have the opportunity to engage. Through our activities we expose students to experiences that the Bay Area has to offer.

5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

The increase in the amount requested will be used to supplement the projected increase in our field trip cost fees.

6. Describe the benefit to the Town derived from funding your organization:

All of our activities contribute to better community awareness and responsibility for all students involved. Youth of our community are learning to trust and take care of each other and together they are also taking care of their community. San Bruno Mountain is a community resource right in our backyard; our students will understand how to access and protect this neighborhood resource. Over the years several high school students have used the skills they develop in the program to be hired by the Colma Park and Recreation Department as well as other jobs connecting with youth. In 2012 our efforts with our San Bruno Mountain Overnight program was awarded the J. Russell Kent Award.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

The number of Colma residents is approximately 50 students. They will receive services
through their enrollment at Susan B. Anthony School. We make concerted effort to
purchase and conduct business in Colma

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Contracted transportation & Public transportation	\$1950.80
Entrance Fees	\$ 150.00
Chicken & Garden supplies	\$ 862.92
Miscellaneous (picnic & food supplies)	\$ 813.04
Total =\$3776.76	

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

N/A

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X _____

If yes, please provide details.

11. Charitable Trust # or EIN # 94-3083772

Please attach a copy of the following:

- Proof of organization's tax exempt status (attached)
- Roster of current governing board (attached)
- Current Year Annual Operating Budget (same as the Agency Annual Budget)
- Completed IRS 990 form for the last fiscal year (we do not have to have, per San Mateo County Board of Education)



Non-Profit Funding Request Form FY 2018-19

Name of Organization: LifeMoves

Contact Person: Jeannie Leahy

Address: 181 Constitution Drive Menlo Park CA 94025
Street Address City State Zip Code

Phone Number: 650-685-5880, x158 Email Address: jleahy@lifemoves.org

1. **Mission Statement:** LifeMoves is the largest and most innovative non-profit committed to ending the cycle of homelessness for families and individuals in Silicon Valley. Since 1987, our mission has been to provide safe, dignified interim housing and supportive services that__ enable homeless families and individuals to rapidly return to stable housing__ and long-term self-sufficiency.

2. **Amount of Request:** \$5,000

a. Total Agency Annual Budget: \$23,000,000

b. Number of Agency Employees: 225

c. Payroll is 62 % of the Agency's total Annual Budget

3. **Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:**

- A. **Provide shelter, food, or clothing to persons in need of the Necessities of Life;**
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Renewed funding from the Town of Colma will help LifeMoves continue to provide shelter and other supportive services, bringing critically-needed emergency, interim, and permanent supportive housing alternatives to homeless individuals and families residing in Colma and the surrounding areas.

4. **Describe reason for request and how funds will be used:**

Reason for Request: On the San Francisco Peninsula and in Silicon Valley, the homelessness crisis remains severe, as high rents and limited affordable housing options push individuals and

families from their homes. According to the 2017 point-in-time census, there are more than 8,000 homeless people in San Mateo and Santa Clara Counties. A recent study by the California Housing Partnership Corporation found that nearly 60% of very low-income households pay more than 50% of their income in rent. This means that a single financial emergency—an automobile accident, an uninsured medical condition, or even a small rent increase—can result in losing one’s home. Last year, 74% of families in LifeMoves programs reported experiencing homelessness for the first time.

Given this environment, LifeMoves continues to experience very strong demand for our shelters and supportive services, and we do not expect to see a change in this situation in the foreseeable future.

Use of Funds: Last year, LifeMoves provided 10,045 homeless individuals, including families with children, with food, clothing, intensive case management, comprehensive supportive services, and approximately 260,700 nights of shelter. Renewed funding from the Town of Colma will help ensure that LifeMoves is able to continue to provide vital supportive services for this vulnerable segment of our community, including residents of Colma.

At all of our shelters, clients receive safe housing and all basic necessities, including food, clothing, toiletries, and laundry supplies. In addition, we provide a wide range of supportive services that help address the issues that led to those clients becoming homeless in the first place. During their stay, clients work closely with their Case Managers to create and execute concrete plans to secure jobs, affordable child care, permanent housing, and the skills and resources needed to maintain them. Our supportive services include:

- HousingMoves: housing locator specialists; short-term rental subsidies and one-time move-in funds; and links to market-rate housing
- CareerMoves: job search, interview preparation, and resume development assistance
- FinancialMoves: financial literacy training and savings incentives programs
- HealthMoves: parenting, smoking cessation, and wellness and nutrition workshops
- BehavioralMoves: free, on-site, mental health assessment and treatment for children, single adults, and families; and addiction and recovery support services

Because homelessness severely affects children, LifeMoves also offers a robust children’s program designed to bridge the achievement gaps that frequently accompany homelessness. Our children’s program includes academic assistance with supplemental STEM programming, Summer Adventure Camp, and special needs screening, as well as mental health services designed specifically for children.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

N/A

6. Describe the benefit to the Town derived from funding your organization:

Over the years, LifeMoves has served many adults and children from Colma at LifeMoves shelters in San Mateo County. As described in LifeMoves’ June report, during this past fiscal year, LifeMoves served one Colma resident. He stayed for more than two months at Maple Street Shelter, in Redwood City. While there, he successfully completed our program and moved from the shelter to an apartment rented without a subsidy.

While the number of individuals served this past year was low compared to prior years, having LifeMoves shelter and outreach services available to those in need ensures there will be critical resources available for local families and individuals, and also helps preserve public health and safety for other residents and merchants within the Town of Colma.

7. **Describe the following:**

A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;

LifeMoves served one resident of Colma in our fiscal year 2015, 21 residents of Colma in our fiscal year 2016, two Colma residents in our fiscal year 2017, and one Colma resident in fiscal year 2018.

B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and

Clients from Colma are referred to LifeMoves shelters through San Mateo County's "Coordinated Entry System" (CES). The LifeMoves shelters available to Colma residents are: Family Crossroads in Daly City, First Step for Families in San Mateo, Maple Street Shelter in Redwood City, Redwood Family House in Redwood City, and Haven Family House in Menlo Park.

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

LifeMoves is fortunate to be able to have a Homeless Outreach Team ("HOT") in San Mateo County that provides services directly for unsheltered homeless individuals. HOT team members work directly with unsheltered homeless clients throughout the San Mateo County (including the Town of Colma) and connect them to housing and supportive services, in addition to helping clients access primary and behavioral healthcare. Outreach Case Managers collaborate with local Police Departments and other community-based agencies to identify high users of emergency medical care and other municipal services and to connect these individuals to housing and supportive services. A significant number of those served are veterans and/or chronically homeless.

8. **Provide a detailed account of how the FY 2017-18 contribution was used:**

All funds from the Town of Colma were allocated to our Maple Street Shelter in Redwood City, which serves male and female adult clients. The facility—which was recently expanded—has a total of 111 beds, four case managers, a full-time LVN, and additional on-site staff. The shelter operates 24 hours per day every day of the year, and provide three meals per day, as well as clothing, toiletries and all other necessities. Intensive case management and additional supportive services are provided on-site.

9. **List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:**

CITY	FY17-18 Received	FY 18-19 Anticipated/Pending
Daly City	\$16,000	\$16,000
Foster City	\$3,000	\$3,000
Menlo Park	\$17,500	\$17,500
Mountain View	\$14,658	\$58,800
Palo Alto	\$72,585	\$52,000
Redwood City	\$47,389	\$47,000
San Carlos	\$25,000	\$25,000
San Mateo	\$26,000	\$26,000
Sunnyvale	\$25,000	\$25,000

10. **Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?**

Yes _____ No X

If yes, please provide details.

11. Charitable Trust # or EIN # 77-0160469

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



Non-Profit Funding Request Form FY 2018-19

Name of Organization: [North Peninsula Food Pantry & Dining Center of Daly City](#)

Contact Person: [Denise Kelly](#)

Address: [31 Bepler Street, Daly City CA 94014](#) **NO MAIL AT THIS ADDRESS, PLEASE**
Mail should be sent to: P.O. Box 280, Daly City CA 94016-0280

Street Address City State Zip Code

Phone Number: [650-994-5150](#) Email Address: fooddc@comcast.net

1. Mission Statement: [Provide nutrition and sustenance to anyone in need](#)
2. Amount of Request: [\\$12,500.00](#)
 - a. Total Agency Annual Budget: [\\$96,851.00](#)
 - b. Number of Agency Employees: [2](#)
 - c. Payroll is [36%](#) of the Agency's total Annual Budget.
3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
 - A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

[A. NFPDCCDC operates two programs – a food pantry that provides shelf stable groceries and a dining center that provides a hot meal three nights a week. Funding requested will be used to support our Dining Center through the purchase and delivery expense of the hot meals.](#)

4. Describe reason for request and how funds will be used:

[Living in the Bay Area is expensive and for many of our clients housing takes more than it's fair share of income. For many, the choice is having shelter or food. Funds received this funding request, grant applications, and fundraising events are used to provide food to the many in need in our Dining Center.](#)

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

[We are requesting the same amount as 2017-2018, \\$12,500.00](#)

6. Describe the benefit to the Town derived from funding your organization:

Residents of Colma are eligible, encourages, and welcome to participate in both of our programs reducing the need for Town of Colma to provide this service.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. We are unable to provide the specific number of Colma residents that are served each year as we only track zip codes and Colma and Daly City share 94014.

B. Our services are offered at 31 Bepler Street, Daly City. We are within 1 block from a SamTrans stop.

C. We make every effort to make sure that we are included in social service listings in San Mateo County as well as sharing information with local business for referrals.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

We used the \$12,500.00 grant to purchase meals and delivery of the meals in February (partial), March, April, May, and June. We purchased 2,840 meals and 38 deliveries

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

We applied for San Mateo County Measure K Funding in 2017-2019 and have been awarded \$2,500.00 for 2018-2019. City of Daly City provides the facility rental of \$1.00 per year.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No **X**

If yes, please provide details.

11. Charitable Trust # or EIN # **94-3164510**

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



Non-Profit Funding Request Form FY 2018-19

Name of Organization: **Operation Santa Claus**

Contact Person: **Jennifer Linale**

Address: **10 Wembley Drive,** **Daly City,** **CA** **94015**
Street Address City State Zip Code

Phone Number: **415.828.0062** Email Address: **linale@sbcglobal.net**

1. Mission Statement:

To provide a traditional Christmas experience to family in the communities of Daly City, Colma and Broadmoor that are homeless or whose income is less than their monthly expenses. Operation Santa Claus delivers or distributes to the families' new toys and a holiday meal to those families that register to participate.

2. Amount of Request: **\$1,500**

a. Total Agency Annual Budget: **\$26,000**

b. Number of Agency Employees: **0**

c. Payroll is **0**% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Provide shelter, food, or clothing to persons in need of the Necessities of Life: Complimentary provide food certificates during the December holiday period as well as new holiday gifts such as toys, books, backpacks for the children.

4. Describe reason for request and how funds will be used:

Purchase of food certificates, Target gift cards, books, backpacks and children-oriented gifts for Colma community members that request our services.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

This is the first year Operation Santa Claus has requested the support of the City of Colma. The past few years our donations have been 35% less than our operating cost. At the same time, we have received a 20% increase of families looking for support from us. In order to continue supporting the community, we can no longer rely on individual community member donations.

6. Describe the benefit to the Town derived from funding your organization:

Families that register with Daly City Partners and request our support receive delivered toys, Target and grocery store gift certificates.

7. Describe the following:

A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application; SEP

B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and SEP

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

- **Up to 35 residence (140 children) each year for the past 69 years.**
- **Operation Santa Claus delivers to the family address unless the family is homeless in which they then can receive their gifts at Daly City Fire Station 94.**
- **We communicate to all school principals when the program will be to take applications each year.**

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Did not apply for funding for 2017 - 18

9. **List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:**

Not applicable _____

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X _____

If yes, please provide details.

11. Charitable Trust # or EIN # 94-2920191

Please attach a copy of the following:

- Proof of organization's tax exempt status**
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Peninsula Conflict Resolution Center (PCRC)

Contact Person: Michelle Vilchez

Address: 1670 South Amplett Blvd., Ste. 115, San Mateo CA 94402
Street Address City State Zip Code

Phone Number: 650 513 0330 Email Address: mvilchez@pcrcweb.org

1. Mission Statement: The mission of the Peninsula Conflict Resolution Center (PCRC) is to partner with individuals, groups and institutions to empower people, build relationships, and reduce violence through collaborative and innovative processes. To accomplish this mission, PCRC trains people to communicate and solve problems together, facilitates group meetings, builds skills for public participation and, as a neutral third party, assists people in conflict to develop mutually acceptable agreements.

2. Amount of Request: \$ 1,378.65

- a. Total Agency Annual Budget: \$1.92 million
- b. Number of Agency Employees: 29
- c. Payroll is 87% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Incorporated in 1986, the mission of the Peninsula Conflict Resolution Center (PCRC) is to foster collaborative engagement by bringing people together, facilitating conversation and building these skills in our community. PCRC believes that each of us has the power within us to work through our conflicts. Thousands who have utilized our services have seen that, although conflict can feel difficult, seeing it through can have many positive outcomes.

PCRC is the leading conflict resolution and violence prevention service provider in San Mateo County. Our key initiatives are designed to empower youth, strengthen families and engage communities in the belief that anyone can make a change in their own

circumstances with the proper development and support. PCRC uses its core competencies in mediation, facilitation and training to build on the collective strengths of individuals, families and their communities.

The core of PCRC's work is Mediation Services, which provides trained, volunteer mediators who help disputing parties identify issues, uncover needs, communicate effectively and reach mutually beneficial resolutions. Stakeholders include San Mateo County and city staff, County Superior and Small Claims courts, school districts and community-based organizations.

Mediations serve individuals such as neighbors, landlords and tenants, coworkers, family members, consumers and businesses, as well as workplace teams, homeowner associations and other complex, multi-party groups. A partnership with the San Mateo County Sheriff's Office, Macguire Correctional Facility and Maple Street Correctional Center enables PCRC to provide conflict transformation and communication services, helping adults effectively communicate and navigate collaboratively in their community after incarceration through facilitated planning sessions. Of all cases that reach mediation approximately 80% result in a resolution between the parties, and 90% of these agreements are kept over time.

PCRC also provides an array of additional services to residents, community groups, and public and private agencies, including facilitation for community meetings and private groups; community engagement services such as violence prevention through community building, resident involvement in public decision making, leadership development programs, and family engagement in schools; youth development programs and workshops; training in its core competencies, and; outreach to raise public awareness of its programs and services.

4. Describe reason for request and how funds will be used:

Funding is used to support a staff position to work with PCRC's trained volunteers to provide mediation and related services requested by residents and people who work in Colma and throughout San Mateo County. The contribution from Colma enables PCRC to provide this service to enhance the community of the Town of Colma and throughout San Mateo County.

Services Provided by PCRC to the Town of Colma (City)

I. What PCRC will provide

Services to be provided through this funding agreement are described below.

A. Information Services

All of the services in this category are unlimited and free of charge.

- 1) **Information and Referral:** A resource person is available by telephone, to assist residents who have specific questions relating to a conflict. Through this conversation the resident may clarify issues of concern, be given specific information about common practices related to their issue of concern and receive a referral to an appropriate agency / resource.

- 2) **Information and Assistance:** A resource person assists the concerned caller to de-escalate feelings, clarify issues and underlying needs, develop possible solution options, and begin to design an approach to dispute resolution.
- 3) **Promotion of Use of Conflict Resolution Services:** PCRC staff and volunteers will make presentations and develop press releases and media coverage. PCRC will provide brochures and other printed materials to be kept in public areas where community members are likely to seek resource information.

B. Mediation Services for Individuals

Some services in this category have a modest fee (see below).

- 1) **One Party Assistance:** A resource person assists a party to a dispute to think through a conflict situation, including clarifying issues and interests of involved parties, exploring approaches to dealing with the situation and solution options and assisting with the selection of an approach to resolution.
- 2) **Conciliation:** Conciliation is the resolution of a conflict through the intervention of a neutral third party, without the disputing parties coming together in a face-to-face mediation. A case development process, involving contacts with both/all involved parties, is initiated and during that process, a resolution of concerns is achieved, to the satisfaction of the involved parties.
- 3) **Mediation:** Mediation through PCRC involves a face-to-face meeting between disputing parties. With the assistance of a panel of trained volunteer mediators, parties work through a non-adversarial problem solving process and attempt to develop a mutually acceptable resolution to the issues of concern. There is a two-fold focus: development of a satisfying and durable agreement and, when appropriate, the preservation of an effective relationship. If a mediation is scheduled, each party is asked to pay \$30.

Through this contract, the City is subsidizing the provision of private mediation services to those who reside or work in the City. These services assist with conflict situations between *individuals*. The types of conflicts may include: landlord/tenant disputes, issues between two neighbors (either owners or renters), consumer disputes, roommate problems, conflicts between friends, plus some domestic or family issues.

PCRC also provides mediation services in more complex situations that involve multiple parties and/or multiple issues. For example: workplace disputes; intra- or extra-organizational conflicts, multi-neighbor disputes or public controversies. See C. Additional Conflict Resolution Services.

C. Additional Conflict Resolution Services

If the City, residents or local organizations use the services described below, this contract provides a 10% discount off of PCRC's standard fee schedule (available upon request).

- 1) **Training:** PCRC offers orientations to city staff about the mediation program and its services as part of the basic contract. In addition, PCRC can train groups in theory and practice of interest-based conflict management, negotiation, communication, and facilitation skills. Training sessions are tailored to the particular needs of the group and have proven useful to city department heads, front-line staff, commission members, workplace teams, community service providers as well as other groups.

- 2) **Conflict Assessment/Consultation:** PCRC can assist cities, as well as local community organizations and other groups, to assess specific conflict situations, analyze concerns of stakeholders and develop strategies for pro-active and interest based conflict resolution. The conflict assessment process usually involves PCRC contacting stakeholders to gather input and provide information about conflict resolution options. An assessment report can be prepared and provided to the client.
- 3) **Mediation Services for Complex Situations:** PCRC's staff and volunteers provide the same high quality of mediation services in multi-party, multi-issue, complex disputes as we do for individual disputes. This requires a more advanced level of mediation training and experience and more a more intensive preparation process.

Examples of complex mediation situations include: workplace conflict between supervisor and supervisee; workplace issues affecting a whole team; a neighborhood issue involving multiple households; a public controversy in which the City or other institution is involved.

- 4) **Conflict Resolution System Design:** PCRC assists organizations in building internal conflict resolution capacity, i.e. the development of policies and procedures for interest-based dispute prevention and early resolution. This service is tailored to the unique needs of the individual group, but is based on recognized and proven design principles.
 - 5) **Design and facilitation of Community Forums, Public Conversations, Dialogues:** Working with local representatives, PCRC assists with the design and facilitation for a wide variety of group sessions in which members of the public are encouraged to participate in dialogue about issues that affect the health and well-being of the community.
 - 6) **Facilitation for Committees, Departments, Councils:** PCRC will assist with the design and facilitation of all types of meetings for elected, appointed and civic groups.
- D. **Administration of a Community Mediation Program:** In collaboration with the contracting city, PCRC will administer a mediation program responsive to the needs of the community. PCRC may solicit input from city staff about unique areas of concern to a city and appropriate approaches to program implementation, improvement and promotion.
- E. **Recruitment and training of community volunteers:** PCRC will develop and maintain a pool of trained volunteer mediators, case developers and facilitators to serve the conflict resolution needs of the community. These residents of local communities will become skillful in the interest-based approach to conflict resolution. PCRC volunteers complete a minimum of 25 hours of training, according to regulations that govern programs receiving support from the California Dispute Resolution Trust Fund.

PCRC also offers on-going skill development opportunities to volunteers to improve and enhance their conflict resolution skills. These volunteers will also serve as ambassadors in the community, promoting the ideas of interest-based conflict resolution.

- 5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

The amount of the request is \$1,378.65. This amount is the same as in 2017-18 (\$1,313) with the addition of a 5% COLA increase (\$65.65). The COLA increase is requested in alternate years.

6. Describe the benefit to the Town derived from funding your organization:

PCRC provides a wide range of services to residents and businesses in Colma, as outlined in above (Question 4), including the following:

- Personal response and info & referral services to callers with questions regarding a conflict situation,
- A complete, and accessible orientation to PCRC's mediation services
- Access to a mediator with whom to discuss concerns and ask question
- Contact by PCRC to another party or parties to invite them to participate in mediation
- Mediation services when all parties are willing. Typically, a 2-3 hour session, held in a neutral location at a convenient time, facilitated by trained, experienced mediators.
- If no mediation is held, PCRC also offers referrals or consultation for other assistance.
- PCRC supports a pool of over 100 volunteers who provide these and other services
- The Town of Colma also benefits from PCRC outreach and marketing to inform the residents of Colma that the Town supports this service.
- The Town also receives a discount on other services such as training and facilitation.

By funding these services, Colma is making them available at a reduced rate to the user. In addition, Colma demonstrates to its constituents support for the use of conflict resolution processes. We find that having PCRC's services available is a valuable resource to city staff members who are asked to manage conflicts among neighbors, landlords and tenants, families, consumers and businesses, work associates and others in the community. With PCRC to refer situations to, city staff members have an alternative to spending their own time on issues that are not truly city issues to solve.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

(See above # 6 response) PCRC serves San Mateo County, California and its 20 cities and unincorporated areas. The town of Colma is located within the geographic area served.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

The funding provided in 2017-18 was used to support the services described above. In addition, we provided outreach presentations to the Colma Police Department to educate them about our services with an emphasis in mediation. We have found that as a result of these Police Dept. presentations, the number of community mediation referrals has increased significantly throughout the County. We would like to work with the city to determine how to make sure that staff knows when and how to make referrals and the city is getting full benefit of the service.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

The following data presents city payments for community mediation services in the current fiscal year. Requests to all cities for the new fiscal year are currently in process. Please note that cities contract for a variety of services from PCRC, selecting from a menu of possibilities. The date of contract initiation, tailoring of services and the city's population size account for the great variation in contract amounts.

<u>Name of City</u>	<u>2017-18 (received)</u>	<u>2018-2019 (anticipated)</u>
Belmont	\$3,150	\$3,150
Brisbane	\$2,258	\$2,370
Burlingame	\$19,482	\$20,456
Daly City	\$6,946	\$7,293
Foster City	\$1,000	\$1,500
Half Moon Bay	\$2,500	\$2,625
Hillsborough	\$2,625	\$2,756
Portola Valley	\$525	\$551
Redwood City	\$13,827	\$14,518
San Bruno	\$9,555	\$10,032
San Mateo	\$38,657	\$40,589
S. San Francisco	\$20,467	\$21,490
San Mateo County	\$8,911	\$9,178

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X

If yes, please provide details.

11. Charitable Trust # or EIN # 77-0144000

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year



Non-Profit Funding Request Form FY 2018-2019

Name of Organization: San Mateo County Community College Foundation

Contact Person: Dr. Regina Stanback Stroud

Address: 3300 College Avenue San Bruno, CA 94066
Street Address City State Zip Code

Phone Number: (650) 738-4111 Email Address: stroudr@smccd.edu

1. Mission Statement: The mission of the San Mateo County Community College Foundation, that administers charitable giving for Skyline College, is to make sure that quality, affordable higher education is available to every member of our community. The mission of Skyline College that will benefit from this funding is to empower and transform a global community of learners.

2. Amount of Request: \$5,000.00

- a. Total Agency Annual Budget: \$_44,175,685
- b. Number of Agency Employees: 500
- c. Payroll is 95% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

C. Educate and engage residents

Skyline College is committed to empowering students to find success at every point in their educational journey. The Skyline College Promise is the College's commitment to help students "Get in. Get through. and Graduate...on time!" according to their educational goals. The Promise establishes pathways to student success and addresses barriers commonly faced by students through strengthening educational offerings, interventions and support programs.

4. Describe reason for request and how funds will be used:

To provide Skyline Promise Scholarships which includes covering fees, books and a transportation incentive for first time full time students.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

One of the biggest factors impacting a student's ability to continue in college is poverty. Students leave to work and take care of responsibilities and the research has shown that with scholarships, students are able to stay in school and focus on studying. We are raising funds to support as many scholarships as we can as part of the Skyline College Promise. The amount requested would cover 2-3 scholarships for students working on a two-year program.

6. Describe the benefit to the Town derived from funding your organization:

Increasing the number of educated, credentialed or skilled residents in the region has an overall positive economic development impact. The research shows that completion of a degree or certificate results in wage gain. These wages can be put into the local economy. Overall family and community economic sustainability is enhanced. Business and industry has access to a more skilled workforce. Business, particularly local small businesses, stand to enjoy greater community engagement and consumption of goods and services.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

Each year about 22% of the 9,221 students list Colma/Daly City as their residence. They receive services at Skyline College located at 3300 College Drive, San Bruno, CA. Skyline College does extensive outreach and community engagement by outreaching to High Schools, participating in community events, and advertising on the public transportation system, radio and TV. Skyline College uses social media to connect with residents in the region.

Colma Address ranges:

B Street: 401 – 540 C Street: 402 – 564 Clark Avenue: 350 – 580__

D Street: 429 – 579 E Street: 401 – 490 El Camino Real: 1180 – 1222

F Street: 417 – 629 Hillside Blvd: 1450 – 2710 Hoffman Court: 301 – 321__

Mission Road: 1432 – 1655 Isabelle Circle: 1221 – 1359 Mission Road: 1263 – 1377__

8. Provide a detailed account of how the FY 2017-2018 contribution was used:

The \$3,000 was used to support the Skyline College Promise Scholars Program which includes books, a transportation incentive and scholarships.

9. List contributions requested and received from other cities in FY 2017-2018 and requested or expected in FY 2018-2019:

17-18 Town of Colma \$3,000 (received)

18-19 Town of Colma \$5,000 (via this request)

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____x_____

If yes, please provide details.

11. Charitable Trust # or EIN # 94-6133905

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Completed IRS 990 form for the last fiscal year
- Current Year Annual Operating Budget





Non-Profit Funding Request Form FY 2018-19

Name of Organization: **San Mateo County Jobs for Youth**

Person: **Rosa Gonzalez, JFY Program Manager**

Address: **455 County Center, 5th Floor, Redwood City, CA 94063**

Phone Number: **650-599-7215** Email Address: **Rgonzalez1@smcgov.org**

1. Mission Statement: **To provide all San Mateo County youth with employment services that will assist them in gaining the necessary job skills to be successful in their employment goals.**

2. Amount of Request: **\$3000.00**

- a. Total Agency Annual Budget: **\$280,779.00**
- b. Number of Agency Employees: **Two**
- c. Payroll is **90%** of the Agency's total Annual Operating Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

Jobs for Youth educates and engages the Town of Colma's youth residents in job preparation and job search. The program will also promote economic development and/or support businesses located in the Town of Colma by assisting employers with their recruitment needs.

4. Describe reason for request and how funds will be used:

The Jobs for Youth program has a 36-year history of serving all youth 14-21 years of age at no cost to them or employers. Services do not have specific eligibility or income requirements and are available to serve all youth regardless of socio-economic or risk level. In 2017-2018 program year, Jobs for Youth provided 108 Landing the Job workshops, served 2429 youth and connected them to jobs/internships. Services to the youth include:

- **Job preparation workshops that teach youth important soft skills intertwined with job applications, create resumes, interview preparation and so much more. The youth provided us evaluations and we are proud to share with you our success rates. 96.6 % of the youth would recommend JFY to a friend and rate the workshop 94.9% (good to excellent).**
- **Job listing and job referrals.**
- **Internship opportunities. We collaborated with SFO, Kaiser Permanente, Big Lift and others throughout San Mateo County.**
- **Awarded 20 \$1500 Scholarships:**

SCHOLARSHIP YOUTH RESIDENCE	
Daly City	4
Foster City	1
Millbrae	1
Montara	1
Pescadero	5
Redwood City	2
San Bruno	1
San Mateo	4
SSF	1
2018 TOTAL SCHOLARSHIPS AWARDED	20

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

Last year we requested \$1500 and we are incredibly grateful for your contribution of one full \$1500 scholarship. This year, we respectfully request \$3000 to go towards funding two full educational scholarship for two San Mateo County resilient youth who reside in the Town of Colma and/or the adjacent communities.

6. Describe the benefit to the Town derived from funding your organization:

The San Mateo County Jobs for Youth program is dedicated to helping all youth transition into adulthood, develop career plans, gain work experience and contribute to their community. Jobs for Youth will assist them in gaining the necessary soft skills associated with essential job skills to be successful in their employment goals thus becoming self-sufficient and responsible citizens in the Town of Colma. This is a learning and educational program for youth that will help keep them occupied and off the streets by performing productive activities, in turn, reducing juvenile delinquency rates. Our workshops will also create community awareness with parents and other youth interested in employment services. With your commitment and financial contribution, our San Mateo County youth have hope to obtain a higher education and increase economic opportunity for them, their families and our San Mateo County community. Because Jobs for Youth program operations is sustained within the County of San Mateo Human Resources

Department, your donation is 100% guaranteed to go directly to youth scholarships.



7. Describe the following:
- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
 - B. The location(s) where Colma residents or businesses may receive the recipient organization’s services or programs; and
 - C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A. In 2017-2018 program year, JFY connected youth to Town of Colma employment opportunities at Target, Dollar Tree, Kohl’s, Old Navy, Ulta Beauty, Home Depot, Burger King, Popeyes, and McDonalds.

B. Colma residents and businesses are encouraged to visit our website www.JobsforYouth.org, call 650-533-7215 or email jobsforyouth@smcgov.org to learn more about our services, or to arrange workshops or have us present or meet in the Town of Colma.

C. Brochures will be delivered to the Town of Colma’s Recreation Department for youth information, and businesses are invited to post job listings via our website: www.JobsforYouth.org/work/

8. Provide a detailed account of how the FY 2017-18 contribution was used:
The FY 2017-18 contribution of \$1500 generously contributed to one full \$1500. Our 36th Annual Breakfast was themed Superheroes of the Future and The Town of Colma sponsored superhero of the future, Samantha Sandoval! Thank you for investing in Samantha’s future!

SECRET IDENTITY: SAMANTHA SANDOVAL		
<p>SAMANTHA SANDOVAL is a junior at El Camino High School who plans to attend a four-year university with a goal of becoming an Ecologist focused on increasing our understanding of human-caused climate change.</p> <p>She is a life-long volunteer, currently with the San Francisco Zoo and St. Andrew Parish. Samantha has balanced her studies with supporting her mother and helping to raise two younger siblings.</p>	<p>Her teachers praise Samantha’s maturity, empathy, and intellectual curiosity as assets which have made her a classroom leader and gifted writer.</p> <p>For Samantha, an Al Tegli Jobs for Youth Scholarship will help her become the first in her family to attend college, cover the costs of textbooks and classes, and take the next step towards a career combating human-caused climate change.</p>	 
SUPERHERO NAME: WILD THING	SUPER POWER: SHAPE SHIFT	SPONSOR: TOWN OF COLMA

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

Grantor	2017-18 Requested	2017-18 Received	2018-19 Requested	2018-19 Awarded
City of Belmont	\$1,500.00	0	\$1,500.00	
City of Brisbane	\$1,500.00	0	\$1,500.00	
City of Burlingame	\$3,000.00	\$875.00	\$3,000.00	\$1,220.00
City of Daly City	\$7,500.00	0	\$7,500.00	
City of Foster City	\$3,000.00	\$1,000.00	\$3,000.00	\$3,000.00
City of Half Moon Bay	\$1,500.00	0	\$1,500.00	
City of Menlo Park	\$1,500.00	\$1,500.00	\$1,500.00	
City of Millbrae	\$1,500.00	0	\$3,000.00	
City of Pacifica	\$1,500.00	0	\$3000.00	
City of Redwood City	\$1,500.00	0	\$3000.00	
City of San Bruno	\$1,500.00	0	\$3000.00	
City of San Carlos	\$1,500.00	0	\$3,000.00	\$2,000.00
City of San Mateo	\$1,500.00	0	\$3000.00	
City of South San Francisco	\$1,500.00	0	\$3000.00	
East Palo Alto	\$1,500.00	0	\$1,500.00	
Town of Atherton	\$1,500.00	0	\$1,500.00	
Town of Colma	\$1,500.00	\$1,500.00	\$3000.00	
Town of Hillsborough	\$1,500.00	0	\$1,500.00	\$750.00
Town of Portola Valley	\$1,500.00	0	\$1,500.00	
Town of Woodside	\$1,500.00	0	\$1,500.00	
Total City Grants		\$4,875.00		\$6,970.00

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No **X**

If yes, please provide details. N/A

11. Charitable Trust # or **EIN # 94-6000532**

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: StarVista – San Mateo County Pride Center

Contact Person: Ivon Hernandez

Address: 610 Elm Street #212, San Carlos, CA 94070
Street Address City State Zip Code

Phone Number: (650) 591-0133 ext. 252 Email Address: ivon.hernandez@sanmateopride.org

1. Mission Statement: The San Mateo County Pride Center is a program of StarVista in collaboration with Daly City Partnership, Peninsula Family Service, and Outlet of Adolescent Counseling Services. Our lead agency, StarVista's, mission is to deliver high impact services through counseling, skill development, and crisis prevention to children, youth, adults and families. The Pride Center's goal is to increase access to mental health services and community support through connections to resources, advocacy, and social activities for the LGBTQ+ Community. With the support of StarVista and our partners, our mission is to create a welcoming, safe, inclusive and affirming community climate that fosters personal growth, health, and opportunities to thrive for individuals of all ages, sexual orientations, and gender identities through education, counseling, advocacy, and support.

2. Amount of Request: \$ 5,000

a. Total Agency Annual Budget: \$ 15,200,000

b. Number of Agency Employees: 207

c. Payroll is 79 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;**
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

The Pride Center's charge is to increase access to mental health services and increase the wellbeing of LGBTQ+ people. The Pride Center is a one-stop-shop for clients seeking services,

we offer clinical services, community building activities, peer support groups and LGBTQ+ education for all ages. We seek to educate and engage residents in order to increase the pathways to mental health services to connect people to care while decreasing isolation.

The Pride Center will use awarded funds to (a) increase participation rates with Colma residents, (b) increase community awareness of Center’s services, and (c) facilitate high school Gay Straight Alliance (GSA) mixers in North County. Funding and support from cities in the county sends the powerful message to all residents they are valued and supported, regardless of their gender identity or sexual orientation. For other funders considering support for the Pride Center, city funding provides a similar message – one that tells other funders that the community supports the Pride Center.

4. Describe reason for request and how funds will be used:

As a new program serving an underserved and stigmatized community, the rapid increase in the number of clients served over the last year demonstrates the clear need for the Pride Center’s services. Gaining visibility among funders has been a slower process – but funders have stepped forward, such as Kaiser Permanente and the Association of Flight Attendants-Communication Workers. Funds will be used to increase outreach to the Town of Colma and neighboring cities. For example, our Youth Program Coordinator will visit the Gay-Straight Alliances (GSAs) of high schools serving Colma residents to create a mixer in an effort to engage LGBTQ+ high school students in the area. In addition to supporting targeted outreach efforts, funding would support staff to organize and facilitate these mixers, provide food and/or rental fees for locations.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

Not applicable.

6. Describe the benefit to the Town derived from funding your organization:

The LGBTQ+ population has far higher rates of depression, anxiety, substance use and suicide than their heterosexual and cisgender counterparts. By funding the Pride Center, the Town of Colma will increase outreach of our services in the Town of Colma. The Town Colma will be publicly supporting the visibility of LGBTQ+ people in the county and decreasing the social stigma youth face in high school.

San Mateo County has the highest rate of youth hospitalizations for self-injury than any county in California (kidsdata.org) and nationally suicide is the second leading cause of death for LGBTQ youth age 10-24 (thetrevorproject.org). Our goal in hosting a GSA high school mixer is to bring together LGBTQ+ youth in safer spaces where they can feel validated, affirmed, and create a foundation of peer support. These affirming environments will aid in combating the isolation that comes with being an LGBTQ+ person in society. Youth will ultimately thrive if they live in a place that is accepting and centers their needs and identities.

With increased print and electronic outreach materials (flyers, brochures, resource sheets, photo exhibits, etc.) distributed in the Town of Colma and north county cities, Colma residents will benefit from targeted outreach to increase awareness of the wealth of resources that the Pride Center offers. With the exposure of our services in Colma and North County cities we are creating pathways for LGBTQ+ people to access services that are affirming of their identities. As our services are better publicized in the northern part of the county, we can work on tackling bullying in schools and consult with community organizations to help create LGBTQ+ affirming environments through training and education.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

According to our attendance logs, Colma residents make up to 9% of the community members served in the Center. We want to increase our positive impact on residents of Colma. Colma residents or businesses may connect with our services or programs both at the Center and throughout the county. While the Center is located centrally in the City of San Mateo and accessible via public transit, we represent a large county. Our clinical, outreach and program staff are able to travel to meet clients where they are at, whether that be a school presentation, a training for local government or nonprofits, or an in-home therapy visit. The Center's collaborative partners StarVista and Daly City Partnership have offices located in North County.

Daly City Partnership, neighbors the town of Colma and conducts outreach in local health resource fairs. Our community outreach team will make additional efforts to educate and engage Colma residents to increase awareness and access to mental health services, community building events, educational trainings, and local LGBTQ+ affirming resources. In collaboration with the Daly City Youth Health Center, the Pride Center launched a North County Youth Group from January through May in Daly City. Group attendance was low, so we are hoping to refocus our efforts on outreach and a youth mixer to increase visibility before relaunching future groups. With an increased presence in high schools, we can decrease the discrimination and social stigma of being an LGBTQ+ community member and mitigate feelings of depression and anxiety that arise from these social stigmas.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Not applicable.

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

The San Mateo County Pride Center has not received or requested money from other cities in FY 2017-18 or FY 2018-19.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____

If yes, please provide details.

11. Charitable Trust # or EIN # 94-3094966

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year





Non-Profit Funding Request Form FY 2018-19

Name of Organization: San Mateo Resource Conservation District

Contact Person: Julian Carroll, Conservation Program Assistant

Address: 625 Miramontes Street, #103 Half Moon Bay CA 94019
Street Address City State Zip Code

Phone Number: 650-712-7765 x 117 Email Address: julian@sanmateorcd.org

1. Mission Statement: The San Mateo RCD is a special district that helps people protect, conserve, and restore natural resources through non-regulatory technical assistance. The RCD uses diverse means to further resource conservation, acting as a focal point for local conservation efforts on public and private lands through partnerships and collaboration with land owners and managers, technical advisors, area jurisdictions, government agencies, and others.

2. Amount of Request: \$ 5,985
- a. Total Agency Annual Budget: \$ 7,426,802
 - b. Number of Agency Employees: 11
 - c. Payroll is 12% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

As prominent businesses in the Town of Colma, cemeteries bring in thousands of visitors each year, supporting other businesses as well as overall economic development. Aesthetics of the property, most often including vast well-irrigated lawns, are critical to the cemetery business model. These lawns require a substantial amount of time, money, energy, and water, a limited resource in this area. This funding will support the cemeteries in the Town of Colma by providing technical expertise to develop sustainable management practices, which will reduce water and energy use, as well as operational costs.

4. Describe reason for request and how funds will be used:

This proposal is for continuation of the Cemetery Sustainability Program in 2018/2019. This program builds on a partnership between the San Mateo Resource Conservation District (RCD) and the Town of Colma to improve irrigation efficiency and overall sustainability at cemeteries in the Town of Colma. In the summer of 2016, the RCD conducted evaluations at six cemeteries to assess water and energy efficiency of irrigation infrastructure. The Town of Colma conducted the initial outreach to the cemeteries and the cemeteries provided funding for the evaluations. The evaluations provided information on water and energy usage, areas of inefficiency, and recommended irrigation infrastructure improvements to save water, energy, time, and money.

After these irrigation evaluations were completed, it became clear that the cemeteries had little capacity to deal with logistics of planning and implementing improvements, and were also constrained by how to pay for them. The cemeteries needed further assistance to bridge the gap between the irrigation evaluations and implementing irrigation improvements. Therefore, the RCD applied to the Town of Colma's grant program in August 2017 to follow up with the cemeteries and assist in moving the recommendations forward through the planning phase. Based on the amount of funding received, the RCD was able to follow-up with the largest cemetery in Colma, Holy Cross Cemetery, and provide plans for implementation of infrastructure updates. The RCD is in the process of completing the final report for this work and it will be submitted to the Town of Colma by August 31st.

Funding is currently requested to continue this important initiative by performing this work at two other cemeteries in the Town of Colma. The work proposed for the Cemetery Sustainability Program 2018/2019 involves the following:

- Meeting with the point of contact at the cemeteries to discuss:
 - How recommendations from evaluations fit into current management plans and goals
 - The feasibility of specific irrigation system improvements
 - What improvements can be implemented and how
- Obtaining detailed information from the cemeteries (infrastructure parts, numbers etc.)
- Developing plans, maps, and/or project descriptions for each cemetery to demonstrate irrigation improvements for implementation. *Note that it may become apparent during this process that engineered (AutoCAD) designs are needed for implementation. If this is the case, additional funding would be needed to pay for these designs.*
- Providing cost estimates for implementation of the irrigation improvements at each cemetery
- Providing updated estimates for energy, water and cost savings for each cemetery
- Coordinating and communicating with the Town of Colma through calls, emails, and meetings
- Continuing to work toward the implementation phase for Holy Cross Cemetery (i.e. researching grants)
- Providing a report to the Town of Colma that includes work performed and results

The RCD proposes performing the Cemetery Sustainability Program 2018/2019 at Cypress Lawn Cemetery, at the Eastside campus and the Hillside campus. If this is not possible, then this work is proposed for Hills of Eternity Cemetery and Eternal Home Cemetery. The Cypress Lawn Cemetery campuses are prioritized due to the amount of potential water and energy savings. Cypress Lawn also has a third campus and has expressed interest in conducting an irrigation evaluation at this campus.

The timeline for the Cemetery Sustainability Program 2018/2019 depends on when potential funding is received. Based on the timeline last year, it seems feasible that the program would commence around December 2018 and would be completed by July 2019, in time for the next grant cycle.

The budget for the Cemetery Sustainability Program 2018/2019 is listed below.

Cemetery Sustainability Program 2018_2019 Budget			
Personell	Hours	Rate	Amount
Water Resources Specialist	8	\$77	\$616.0
Conservation Assistant	37	\$37	\$1,369.0
Consultant - Bill Power	20	\$200	\$4,000.0
Total			\$5,985.0

The Cemetery Sustainability Program 2018/2019 allows previous efforts by the Town of Colma and the RCD to move forward to improve irrigation efficiency and overall sustainability at cemeteries in the Town of Colma. The program allows two cemeteries to further utilize their irrigation evaluations, receive planning documents, and to be a step closer to implementing improvements. It is anticipated that information from the program will be used by the cemeteries, the Town of Colma, and the RCD to apply for a grant to implement the improvements and achieve water, energy, and cost savings.

If recommended irrigation improvements are implemented at Cypress Lawn Eastside and Hillside campuses, it is currently estimated that following savings would be achieved:

- Annual water savings: 72 acre-feet
- Annual energy savings: 49,175 kilowatt hours
- Annual cost savings: \$7,217

If recommended irrigation improvements are implemented at Eternal Home and Hills of Eternity, it is currently estimated that following savings would be achieved:

- Annual water savings: 3 acre-feet
- Annual energy savings: 16,754 kilowatt hours
- Annual cost savings: \$2,681

Note that measuring actual savings is only possible once the irrigation improvements are implemented.

5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

This year's request is higher to allow for work to be done at multiple cemeteries/campuses, compared to the previous year which had a single location.

6. Describe the benefit to the Town derived from funding your organization:

In 2013, the Town of Colma adopted a Climate Action Plan which identifies goals to reduce greenhouse gas emissions and conserve water. The Town of Colma reached out to the RCD to establish a partnership and discuss opportunities to help meet these goals. The RCD has since provided project ideas and services to the extent possible to the Town of Colma with focus on

cemetery irrigation efficiency. With 16 cemeteries in the Town, it is essential that these businesses operate efficiently if Colma wishes to conserve water and energy, and meet their climate goals. The RCD is eager to continue this partnership with the Town of Colma and leverage any additional resources to help promote cemetery sustainability and protect natural resources.

7. Describe the following:

A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application; SEP

B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and SEP

C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

A: Most recently, the RCD worked with six cemeteries in Colma. However, in the organization's 76 year history many farms, ranches, and nurseries in and near Colma have received help from the RCD managing natural resources.

B: The RCD offices are located in Half Moon Bay, but for all work related to this program, the RCD staff will travel to the cemeteries to provide assistance.

C: In early 2016, the Town of Colma hosted a luncheon for the cemeteries and for the RCD to present information about our services. Since then the RCD conducted site visits and irrigation evaluations at six cemeteries and offered recommendations. The RCD has since been in touch with these cemeteries and they are interested in continuing to work on this program through implementation of the recommendations. The RCD hopes to continue outreach to these cemeteries about irrigation efficiency and cemetery sustainability. The RCD has continued communication with the Town of Colma about this partnership as well as potential opportunities related to stormwater management, recycled water, and carbon sequestration.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Funds from the FY 2017-18 contribution were used to bridge the gap between the irrigation evaluations completed in 2016 and implementation at Holy Cross cemetery. Meetings were initially held between Holy Cross, the RCD, and an Irrigation Specialist to obtain infrastructure information and determine next steps. Based on the findings from these meetings irrigation system designs were created and/or updated, and cost estimates of water and energy savings based on findings were created. Irrigation efficiency scheduling was also pursued, with cost estimates for upgraded systems completed to improve automation and functionality. All work done at Holy Cross was done with the intention of designs being able to mesh easily with the Daly City Expanded Tertiary Recycled Water Project.

Due to an extension of the timeline, the final report is not yet completed, though an interim report is attached in Appendix A. All deliverables will be submitted to Colma by August 31st, with a copy of any results being provided to Holy Cross as well.

Funds Use	Qty	Rate	Amount
Program Administration			
Conservation Assistant	25	\$36	\$900
Program Specialist	2	\$62	\$124
Water Resources Specialist	11	\$75	\$825
Consultant – Bill Power (Irrigation Specialist)	2	\$200	\$400
Total			\$2,249
Irrigation Efficiency Planning/Design			
Conservation Assistant	4	\$36	\$144
Consultant – Bill Power (Irrigation Specialist)	13	\$200	\$2,600
Total			\$2,744
Total Costs			\$4,993
Total Funds			\$5,000
Funds Remaining			\$7.00

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

The RCD received \$44,632.14 from the City of Pacifica for water quality monitoring and assistance in FY 2017-18, and will receive an estimated \$40,000 from the City of Pacifica for water quality monitoring and assistance in FY 2018-19.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____

If yes, please provide details.

-
11. Charitable Trust # or EIN # 94 - 6036491

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year (The RCD is not required to submit this form. Please let us know if we can provide you with any additional information).





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Sitike Counseling Center

Contact Person: Joe Wagenhofer

Address: 306 Spruce Avenue South San Francisco CA 94080
Street Address City State Zip Code

Phone Number: 650-589-9305 Email Address: Sitike@sbcglobal.net

1. Mission Statement: Our mission is to provide community based counseling and education in a safe and healing environment that embraces the cultural and emotional needs of every client and help people find hope, resiliency and life affirming change.

2. Amount of Request: \$8,000

a. Total Agency Annual Budget: \$948,276

b. Number of Agency Employees: 17

c. Payroll is 70% of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:

- A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
- B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
- C. Educate and engage residents;
- D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

The public purpose for the requested funding is to provide mental health services to people with behavioral health and recovery issues. Funding will allow us to serve those people in need of our programs who are either unemployed/underemployed or otherwise unable to afford our minimal client fee structure.

4. Describe reason for request and how funds will be used:

Town of Colma funds will be used to supplement the actual cost of providing services to our clients. We receive partial funding through San Mateo County Behavioral Health & Recovery Services.

We must charge our clients a fee for the services they receive. Town of Colma funding will allow us to charge lower fees to those clients in need, ensuring that they will meet the requirements of completing treatment.

Without these funds, we will be required to charge higher fees than we know our clients can afford, resulting in fewer clients who will be able to complete treatment.

- 5 If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

Our costs, especially personnel costs, have increased in the past year while the demand for our services continues to rise.

6. Describe the benefit to the Town derived from funding your organization:

Substance abusing clients have numerous health, housing, legal and employment challenges. The large majority of our clients are mandated into our services through the San Mateo County Superior Court or San Mateo County Child Protective Services. Many of our clients have few options for low cost services. The actual cost of providing treatment services have increased with increasing health insurance, worker's compensation and cost of living for personnel. Providing low cost services ensures that clients can afford treatment and therefore eases the financial burden placed on the family and allows them to meet their court or job related requirements.

Treating substance abuse and mental health disorders has a positive effect on the community at large by reducing lost work days, promoting better work performance, reducing drug dealing, spousal abuse, emergency room visits and paramedic responses, thus reducing the burden of providing City services.

Sitike offers six programs:

- A. **Domestic Violence treatment Program:** Our Domestic Violence Program consists of 52 weeks, (104 hours), of group counseling and is based on the philosophies developed and promoted by trauma specialist Lisa Najavitz PHD and by cognitive behavioral Practitioners and agencies such as Safe Alternatives to Violent Environments, (S.A.V.E.), and Community Overcoming Violence,(C.O.R.A.). We are an approved provider for the San Mateo County Probation Department.
- B. **Anger Management treatment Program:** Our Anger Management Program consists of 32 hours of group and individual counseling and is based on the philosophies developed and promoted by trauma specialist Lisa Najavitz, PhD and by cognitive-behavioral practitioners and agencies such as the National Curriculum & Training Institute.
- C. **First Offender Drinking Driver Program:** For first-time offenders of the Driving Under the Influence (DUI) law, a 12, 32, 45, or 60- hour program is available to meet the court's requirement for education. Clients learn about alcohol and other drugs, alcoholism and other addiction-related diseases, about laws related to drinking and driving, and how to avoid a second offense. English and Spanish-speaking services are available. Sitike Counseling Centers DUI programs comply with local court, state system and DMV mandates. Services include individual and group counseling and education and are offered in both day and evening times.

- D. **Outpatient treatment program:** that provides individualized treatment and group counseling for adult men and women; The Outpatient Program is a three- to twelve-month program for adult men and women. Clients attend two to four times per week based on their individual need. The program utilizes the evidence-based work of Lisa M. Najavits, PhD, a Professor of Psychiatry and the author of Seeking Safety. The curriculum links recovery from substance abuse with recovery from mental and emotional challenges and provides guidance for both. The program combines informational lectures on addiction, mental and physical health- related issues, psycho-education group process, workbook exercises and individual counseling for a comprehensive treatment experience. Clients are assessed for additional occupational, housing, literacy and health care needs and are linked to appropriate services. Groups are available late afternoon and early evenings Monday through Thursday. English and Spanish-speaking services are available.
- E. **Women's Intensive Day treatment program:** The Women's Intensive Day Treatment Program is a gender-specific structured, three-phase program with individualized, comprehensive, and intensive services. Women attend three to five days per week, four hours per day, for a minimum of three months to a maximum of one year. Transportation to and from the facility and on-site therapeutic day care for the attendees' children (age five and under) are provided, along with one hot nutritionally-balanced meal. The program utilizes the evidence-based work of Dr. Stephanie Covington, a clinician, author, organizational consultant, and lecturer who is recognized for her pioneering work in the area of women's trauma and other issues. The program includes group and individual counseling; case management; 12-step meeting attendance monitoring; psychoeducational groups addressing women's health; parenting & child development; relapse prevention; vocational rehabilitation; anger management, with reading, writing, and math classes and General Education Diploma (GED) preparedness.
- F. **Teen education program:** Our Marriage and Family Therapists and interns, and Drug and Alcohol counselors, partner with the community to provide individualized drug education for adolescents and their families. We offer a three or four hour program to promote an understanding of the continuum of drug and alcohol use, impulse management, acquisition of refusal skills and a balanced and informed decision making process.

Our objective is to assist people in addressing their substance abuse/mental health and anger issues, intervene in their alcohol and/or drug use and provide them with tools to reduce relapse, recidivism and the perpetuation of violence. There currently are two other providers in the immediate area, Latino Commission and Asian American Recovery Services; however, while similar in their focus they serve a specific cultural and ethnic group. Sitike provides services to these and all other populations in both English and Spanish.

Sitike's services are oriented towards individuals rather than businesses. However we can serve any Town of Colma business by either providing education to the employer or providing education and treatment to their employees.

7. Describe the following:
- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;

- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

- A. Number of Colma residents served: 12 served during FY 17-18, 10 during FY 16-17
- B. All of our services are provided at our South San Francisco location.
- C. Our services are provided County-wide and we are listed in all directories and websites that promote the services we offer.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

Sitike Report to the Town of Colma FY 2017-18 (July 1, 2017 to June 30, 2018)

1. Results of the Program:

As a result of the support from the Town of Colma we did not have to raise our client fees to support the ever increasing cost of our program, and we were able to provide twelve low-income clients with grants averaging \$500 each enabling them to successfully complete their program.

2. Program Evaluation:

In our follow-up with those clients who completed the program:
78% of clients completing the program reported no alcohol or drug use in the prior 30 days.
68% of clients completing reported no new arrests.
76% of clients completing the program reported an improvement in health
77% of clients completing reported improved family relationships.

3. Accounting of the use of the Grant Funds:

The \$6,000 grant was used to supplement the actual cost of providing services to our clients. We receive partial funding through San Mateo County Behavioral Health & Recovery Services. As a result of the Town of Colma Grant we were able to charge lower fees to those clients in need, ensuring that they met the requirements of completing treatment.

The grant funds were expended as follows:

Personnel: 70%, \$4,200

Rent: 8%, \$480

Operating and Program Expenses: 22%, \$1,320

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

FY 2017-18 City of South San Francisco

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No X _____

If yes, please provide details.

11. Charitable Trust # or EIN # 94-3065810

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Completed IRS 990 form for the last fiscal year
- Current Year Annual Operating Budget





Non-Profit Funding Request Form FY 2018-19

Name of Organization: Sustainable San Mateo County (SSMC)

Contact Person: Christine Kohl-Zaugg, Executive Director

Address: 177 Bovet Road, Sixth Floor San Mateo CA 94402
Street Address City State Zip Code

Phone Number: 650.638.2323 Email Address: advocate@sustainablesanmateo.org

1. Mission Statement: To stimulate local, impactful action on economic, environmental and social issues by providing accurate, timely and empowering information, and best-in-class examples of sustainable solutions that will guide us all into the future.
2. Amount of Request: \$5,000
 - a. Total Agency Annual Budget: \$190,000
 - b. Number of Agency Employees: 1.25 FTE contract staff and numerous dedicated and longtime volunteers, active primarily via involvement in SSMC Committees
 - c. Payroll is ~40 % of the Agency's total Annual Budget.
3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
 - A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
 - B. Provide physical or mental health services to persons with special needs, or Integrated Care Services;
 - C. Educate and engage residents;
 - D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

C. Educate and engage residents; and provide a complementary service.

Sustainable San Mateo County is an independent nonprofit organization dedicated to the long-term health of our county's economy, environment and social equity. It is not affiliated with the County Office of Sustainability. SSMC's core programs, the Indicators Report and the Sustainability and Green Building Awards, provide information and inspiration to drive sustainability in San Mateo County. SSMC partners with local government and a wide range of community organizations to promote sustainable policies and practices, such as the RICAPS program and Spare the Air Resource Team. Additionally, since late 2016 through the end of 2018, SSMC has been engaged in a 20-year retrospective initiative, "Pathways to Sustainable

Communities,” to create a County report card examining 20 years of data to inform policy and action for decades to come.

4. Describe reason for request and how funds will be used:

SSMC will continue to track key sustainability metrics for cities in San Mateo County and will complete its “Pathways” 20-year retrospective. Its vision going forward is to also share good examples of sustainability practices by other cities and counties. SSMC will help local cities and the County assess their progress and craft sustainability goals based on input from community forums and interviews with local leaders. It will then publicize these local stories of success in the media and at public events. Funds received will support a contract Program Manager who coordinates volunteer researchers, writers, graphic designers, printing and dissemination of reports. In addition, these funds will help cover the costs of community meeting venues and materials, publicity and outreach. Contributions to our surveys over the years and growing interest in building sustainable communities prove that local governments are committed to our cause. Our goal is to reach 100% participation from our cities in financially supporting this program. You can help us meet this goal by contributing again.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

N/A – Same level of support requested as for FY 2017-18 (\$5,000).

6. Describe the benefit to the Town derived from funding your organization:

Many elected and appointed officials have told us of our organization’s value and usefulness in helping them do their job. Here are some of the ways SSMC may benefit you:

- The Indicators Report is the only comprehensive report in San Mateo County that evaluates the health of the county and its cities in terms of sustainability. The online report and printed summary document help city officials make educated decisions when considering sustainable policies. What gets measured gets managed!
- Printed Summary Reports are distributed throughout the County to local government entities, chambers, SAMCEDA, libraries, citizens and others.
- Our Summary Reports and online content are great resources for local businesses and business groups to distribute to their clientele. Real estate agents, recruiters, and other business people use the Indicators Report to show why San Mateo County and its cities and towns are great places to live and work.
- We provide educational presentations to city and community groups upon request. We also provide letters of support for programs whose goals align with our mission and indicators. Please contact our staff to request a presentation or letter.
- You are encouraged to reference findings from the Indicators Report in your own presentations or reports, to highlight an area of need or make a case for a program or initiative. Charts and graphs are downloadable from our website, and staff can assist you with the underlying data or questions.
- Sponsors are listed on every page of the Indicators and in the Executive Summary, and they are featured in several ways at our Annual Awards dinner. Make sure your city is recognized as a champion of sustainability!
- The Pathways report and best practice examples we plan to provide to your city will help you advance sustainability measures more easily, building on the data and case studies we provide. For example, you may enact a new ordinance by borrowing language from other cities, instead of having your own staff have to start from scratch.

7. Describe the following:
- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
 - B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
 - C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.
- A. Our programs are intended to support the overall sustainability, health and quality of life for all residents in San Mateo County. The nature of our free report events and website analytics make it impossible to confirm the numbers of participants from each individual jurisdiction. We estimate that we reach 5,000 people annually through the distribution of Summary Reports, our online Indicators Report and events such as our Awards Dinner, workshops and booths at local fairs and festivals.
- B. The Indicators Report is free and accessible to all via the SSMC website. In addition, the Indicators events at which report findings are presented are also open to the public and free (with optional/suggested donation). These events are hosted at various venues around the County; we are always looking for new sites that are suitable for our group at no or low cost and encourage you to contact us if you are interested in hosting an event.
- C. Report summaries are distributed to all local governments (County leaders, City Councils, staff, commission members etc.), including the Town of Colma, and are available at our events as well as outreach events which the organization participates in upon invitation, such as community fairs and presentations to local service or interest groups. We also distribute the reports to all local Chambers of Commerce and libraries (through the Peninsula Library System) for distribution to their visitors. SSMC strives to send targeted invitations for all our events to local elected officials and key government staff, primarily via email. In addition, we distribute information widely via our email newsletter and social media accounts and through media outreach. We are continually working to enhance our communications with various stakeholder groups and encourage the Town of Colma to provide recommendations for how we can better communicate with staff, officials, residents and businesses in your jurisdiction, as well as share opportunities to participate in local events.
8. Provide a detailed account of how the FY 2017-18 contribution was used: Colma's \$3,000 contribution to the Indicators program in FY17-18 represented approximately 6% of our program funds for the Indicators, and below 2% of the total revenue for the organization. Note that the program funds include only the direct expenses of program staffing, printing, postage and launch event costs. Indirect costs, including: office space, technology and supplies, outreach and the full-time Executive Director, whose program support responsibilities represents approximately 25% of her time, are listed as general operating expenses. Program revenues raised above the direct program costs support these general operating expenses, as do donations and membership contributions from businesses and individuals, and the proceeds from various fundraisers, including the Sustainability Awards Dinner, among others. In 2017-18, \$10,785 of Program Funds supported indirect expenses, covering ~9% of general operating expenses.

Program Budget FY2018-19 (similar to FY2017-18)

Revenue		Direct Expenses	
Local governments	\$41,975	Contract Program Staff	\$35,236
Foundations & Corporations	\$5,000	Printing & Postage	\$2,178
Event Sponsors	\$500	Event (Venue rental, food & drink)	\$1,661
Individuals	\$185		
Total	\$47,660	Total	\$39,075

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

	FY 2018-19*		FY 2017-18	
	Requested	Pledged/Received	Requested	Pledged/Received
Atherton	\$5,000	\$1,000	\$5,000	\$500
Belmont	\$5,000	\$5,000	\$5,000	\$1,000
Brisbane	\$5,000	\$5,000	\$5,000	\$5,000
Burlingame	\$5,000	\$1,310	\$5,000	\$1,475
Colma	\$5,000		\$5,000	\$3,000
Daly City	\$5,000		\$5,000	
East Palo Alto	\$5,000		\$5,000	\$500
Foster City	\$5,000	\$2,500	\$5,000	\$2,500
Half Moon Bay	\$5,000	\$1,000	\$5,000	
Hillsborough	\$5,000	\$500	\$5,000	\$500
Menlo Park	\$5,000		\$5,000	
Millbrae	\$5,000		\$5,000	\$1,000
Pacifica	\$5,000	\$1,000	\$5,000	\$1,000
Portola Valley	\$5,000	\$2,500	\$5,000	\$2,500
Redwood City	\$5,000		\$5,000	\$1,500
San Bruno	\$5,000		\$5,000	
San Carlos	\$5,000	\$5,000	\$5,000	\$5,000
San Mateo	\$5,000	\$5,000	\$5,000	\$5,000
South San Francisco	\$5,000	\$5,000	\$5,000	\$5,000
Woodside	\$5,000		\$5,000	

*To date, about one month into the new fiscal year. We have no indication that prior funders are dropping their support this fiscal year and are following up with all cities/towns.

We currently have close to 100% participation from the 20 cities and towns in San Mateo County and are aiming to have a 100% participation rate in FY2018-19.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____

If yes, please provide details. n/a

11. Charitable Trust # or EIN # 48-1265207



**Non-Profit Funding Request Form
FY 2018-19**

Name of Organization: VETERANS SPORTSMAN ALLIANCE

Contact Person: BRETT JOHNSON

Address: 10394 S. TANTAU AVE CUPERTINO CA 95014
Street Address City State Zip Code

Phone Number: 408-499-4139 Email Address: bjohnson@veteranssportsmenalliance.org

1. Mission Statement: OUR MISSION IS TO ENHANCE THE LIVES OF DISABLED MILITARY VETERANS BY OFFERING A VARIETY OF OUTDOOR SPORTING ACTIVITIES AND PROVIDING SERVICE DOGS TRAINED TO HELP MITIGATE THEIR DISABILITIES.

2. Amount of Request: \$ 10,000
a. Total Agency Annual Budget: \$ 150-200,000
b. Number of Agency Employees: 0
c. Payroll is 0 % of the Agency's total Annual Budget.

3. Please identify a public purpose for the requested funding by identifying one of the following categories and describing how the funding will support the selected category:
A. Provide shelter, food, or clothing to persons in need of the Necessities of Life;
B. Provide physical or mental health services to persons with special needs, or Integrated Care Services; SEP
C. Educate and engage residents; SEP
D. Promote Economic Development or support businesses located or doing business in the Town; or Provide, support, or enhance a Complementary Service, e.g., a service that the Town could provide to its residents or businesses.

PROVIDE SUPPORT FOR DISABLED MILITARY VETERANS THROUGH A VARIETY OF OUTDOOR ACTIVITIES LIKE FISHING AND HUNTING. PROVIDE TRAINED SERVICE DOGS TO VETERANS WHO WOULD BENEFIT THE MOST.

4. Describe reason for request and how funds will be used:

WE ARE A 100% SELF-FUNDED AND VOLUNTEER ORGANIZATION. ALL OF OUR FUNDS ARE TARGETED FOR PROGRAMMING. WE HOPE TO COLLABORATE WITH THE TOWN OF COLMA TO PROVIDE OPPORTUNITIES TO VETERANS LIVING IN COLMA.

5. If the amount of the request is higher than the previous year, provide a detailed explanation of the need for the increase:

THIS IS OUR FIRST APPLICATION FOR FUNDING.

6. Describe the benefit to the Town derived from funding your organization:

WE WILL SPECIFICALLY TARGET VETERANS IN COLMA FOR OUR VARIOUS PROGRAMS AND ACTIVITIES.

7. Describe the following:

- A. Number of Colma residents or businesses (or both) served by the organization in the years prior to the grant application;
- B. The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- C. The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

WE INTEND TO COLLABORATE WITH THE TOWN OF COLMA TO HELP VETERANS MOVING INTO THE NEW VETERANS' HOME BY PROVIDING OPPORTUNITIES TO PARTICIPATE IN OUR VARIOUS PROGRAMS AND OUTINGS.

8. Provide a detailed account of how the FY 2017-18 contribution was used:

N/A

9. List contributions requested and received from other cities in FY 2017-18 and requested or expected in FY 2018-19:

NONE. WE'VE SPECIFICALLY CHOSEN COLMA BECAUSE OF THE VETERANS' HOUSING PROJECT.

10. Did the organization participate in or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office within the past 36 months (please select one)?

Yes _____ No _____

If yes, please provide details.

11. Charitable Trust # or EIN #

46-367908Z

Please attach a copy of the following:

- Proof of organization's tax exempt status
- Roster of current governing board
- Current Year Annual Operating Budget
- Completed IRS 990 form for the last fiscal year