



**AGENDA
REGULAR MEETING
CITY COUNCIL OF THE TOWN OF COLMA**

**Colma Town Hall
1198 El Camino Real
Colma, CA 94014**

**Wednesday, February 26, 2020
7:00 PM**

PLEDGE OF ALLEGIANCE AND ROLL CALL

ADOPTION OF AGENDA

PRESENTATIONS

- Proclamation in Honor of Quilts of Valor
- Recognition of C.A.P.E. Team Members
- Swearing in of Community Service Officer Rickie Breaux
- Swearing in of Sergeant Saul Guerrero

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

1. Motion to Accept the Minutes from the February 13, 2020 Special Meeting.
2. Motion Accepting the Fiscal Year 2019-20 Quarterly Financial Report Through September 30, 2019 and Authorizing a Copy to be Posted on the Town's Website.
3. Motion to Adopt a Resolution Amending Subchapter 4.03 of the Colma Administrative Code, Relating to the Grants and Donations Policy.
4. Motion to Adopt a Resolution to Establish Hourly Compensation for Intern and Student Aide Positions and Add to the Salary Schedule.
5. Motion to Adopt a Resolution Accepting Auditor's Reports and Financial Statements for the Fiscal Year Ending June 30, 2019.

NEW BUSINESS

6. HOUSING LAW UPDATE

This item is presentation only; no action will be taken at this meeting.

STUDY SESSION

7. LAWNGDALE BOULEVARD AND EL CAMINO REAL MEDIAN LANDSCAPING

This item is for discussion only; no action will be taken at this meeting.

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, 1198 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.

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MINUTES SPECIAL MEETING

City Council of the Town of Colma
Town Hall Council Chamber, 1198 El Camino Real
Colma, CA 94014

Thursday, February 13, 2020

6:00 PM

PRESENTATION

Mayor John Irish Goodwin called the meeting to order at 6:06. He gave the State of the City Address. He called for a break for coffee and cake at 6:28 pm.

CALL TO ORDER

Mayor Goodwin called the meeting back to order at 7:00 p.m.

Council Present – Mayor John Irish Goodwin, Vice Mayor Diana Colvin, Council Members Helen Fisicaro and Raquel Gonzalez were present. Council Member Joanne F. del Rosario was absent.

Staff Present – City Manager Brian Dossey, City Attorney Christopher Diaz, Chief of Police Kirk Stratton, Administrative Services Director Pak Lin, Director of Public Works Brad Donohue, City Planner Michael Laughlin, Associate Planner Jonathan Kwan and City Clerk Caitlin Corley were in attendance.

ADOPTION OF THE AGENDA

Mayor Goodwin stated, "We will not be taking action on item #4 of tonight's agenda, regarding accessory dwelling units, based on a letter we received this afternoon. Copies of the letter are on the dais for Council and at the back of the room for members of the public. Staff will look into this item further before it comes back to Council. May I have a motion to adopt the agenda with this change to remove item #4?"

Action: Vice Mayor Colvin moved to adopt the agenda with the requested change; the motion was seconded by Council Member Fisicaro and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario					✓
	4	0			

CONSENT CALENDAR

1. Motion to Accept the Minutes from the January 16, 2020 Special Meeting.
2. Motion to Accept the Minutes from the January 22, 2020 Regular Meeting.
3. Motion to Approve Report of Checks Paid for January 2020.

Action: Council Member Gonzalez moved to approve the Consent Calendar items #1 through #3; the motion was seconded by Vice Mayor Colvin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario					✓
	4	0			

PUBLIC HEARING

4. ACCESSORY DWELLING UNIT.

This item was removed from the agenda.

NEW BUSINESS

5. 2019-20 MIDYEAR INVESTMENT REPORT

Administrative Services Director Pak Lin presented the staff report. Mayor Goodwin opened the public comment period at 7:11 p.m. and seeing no one come forward to speak, he closed the public comment period. Council discussion followed.

Action: Council Member Fisicaro moved to accept the Fiscal Year 2018-19 Mid-Year Investment Report Through December 31, 2019; the motion was seconded by Vice Mayor Colvin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario					✓
	4	0			

6. 2020-2022 STRATEGIC PLAN

City Manager Brian Dossey presented the staff report. Mayor Goodwin opened the public comment period at 7:30 p.m. and seeing no one come forward to speak, he closed the public comment period. Council discussion followed.

Action: Council Member Fisicaro moved to Approve the 2020-2022 Strategic Plan as Presented by Staff; the motion was seconded by Vice Mayor Colvin and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor	✓				
Diana Colvin	✓				
Helen Fisicaro	✓				
Raquel Gonzalez	✓				
Joanne F. del Rosario					✓
	4	0			

COUNCIL CALENDARING

The next Regular Meeting will be on Wednesday, February 26, 2020 at 7:00 p.m. at Town Hall.

REPORTS

John Goodwin

League of CA Cities New Mayor Conference, 1/22/20 – 1/24/20

Colma Fire District Crab Feed Fundraiser, 2/8/20

Helen Fisicaro

Colma Fire District Crab Feed Fundraiser, 2/8/20

Raquel Gonzalez

Jefferson High School Food Bank, 2/2/20

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

- Reminder that the 2020 Census is coming this spring and it's important for all to participate. Please encourage any resident to contact Town Hall if they would like help participating.
- The Teen Law Enforcement Program will be volunteering at the North Peninsula Food Pantry & Dining Center of Daly City.
- There will be a Neighborhood Watch Meeting on Tuesday, March 3, 2020 at 6:00 at the Colma Community Center.

ADJOURNMENT

Vice Mayor Colvin adjourned the meeting at 7:56 p.m. in memory of Gerry Dorn, longtime community member; George Menzoian, who was instrumental in negotiating the trade of the Olivet Parkway Road in exchange for the property where the Colma Community Center sits; and Dorothy Hillman, longtime, very active resident and one of the founders of the Colma Historical Association.

Respectfully submitted,

Caitlin Corley
City Clerk





STAFF REPORT

TO: Mayor and Members of the City Council
FROM: Pak Lin, Administrative Services Director
VIA: Brian Dossey, City Manager
MEETING DATE: February 26, 2020
SUBJECT: FY 2019-20 Quarterly Financial Report (July 2019 – September 2019)

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION ACCEPTING THE FISCAL YEAR 2019-20 QUARTERLY FINANCIAL REPORT THROUGH SEPTEMBER 30, 2019 AND AUTHORIZING A COPY TO BE POSTED ON THE TOWN'S WEBSITE.

EXECUTIVE SUMMARY

Quarterly financial reports serve as a communication tool on the financial health of the Town. It offers early warnings of potential financial concerns. In review of the Town's finances through September 30, 2019, General Fund revenues and expenditure are trending to meet the 2019-20 budget. The report does not include City Council approved budget amendments after September 30, 2019.

FISCAL IMPACT

Although there are some deviations based on timing, overall revenue and expenses are tracking as expected with the current Budget.

ANALYSIS

Staff reviewed the revenues and expenditures recorded during the first three months of the Fiscal Year. The review includes a comparison of activities from July 2019 through September 2019 to the FY 2019-20 Adopted Budget and to the prior year's transactions for the same period. This serves as early indicators of the Town's financial health and budgetary concerns.

The attached Quarterly Financial Report focuses on the General Fund, as the fund records most of the Town's operations. The 2019-20 General Fund budget projected revenues at \$17.7 million and appropriated \$17.0 million in operating expenditures and transfers of \$1.80 million to support Capital Projects (\$1,317,000), Debt Service (\$297,369), and Sewer Operations (\$160,700).

Approximately 11% of the budgeted revenue was collected and 27% of the budgeted expenditure was spent in the first three months. Both general fund revenues and expenditures are trending

consistently comparing to the same period in FY 2018-19. More details on revenues and expenditures trends are described in Attachment A.

Reasons For the Recommended Action

Acceptance of the report provides disclosure of current year revenue and expenditure trends.

COUNCIL ADOPTED VALUES

The Staff recommendation is consistent with the Council adopted values of:

- *Responsibility*: Making decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the agency, especially its financial stability.
- *Fairness*: Support the public's right to know and promote meaningful public involvement.

CONCLUSION

Staff is requesting that the City Council receive and file the report and direct Staff to post a copy to the Town website.

ATTACHMENT

A. 2019-20 Quarterly Financial Report Through September 30, 2019



FY 2019-20 FINANCIAL REPORT

(JULY 1, 2019 – September 30, 2019)

Quarter 1 analysis is for only the first three months of the fiscal year. As such, the best gauge of whether the Town is on track is to compare to the same period in the prior year. The main reason is payment timing where the majority of the tax revenues are in the second and fourth quarter and some expenditures are paid in the first quarter for the entire year.

GENERAL FUND: BUDGET VS ACTUAL

In the first quarter, the Town received \$1,870,000 in general fund revenues and spent \$4,631,000 in operating expenditures. Small capital purchases are made as part of operations but capital improvements and purchases larger than \$10,000 are recorded in the capital, internal service, and enterprise funds.

Comparing this year to last year, the general fund revenues and expenditures are trending consistently to the same period in FY 2018-19.

General Fund Revenues

As shown in Table 1 (RIGHT), a tenth of the general fund revenues is received in the first three months of the year. Consistent with the same period in FY 2018-19, **sales tax** and **cardroom tax** revenues represent 7% and 19% of total budget, respectively.

Total **sales tax** revenues of \$12,067,000 in FY 2018-19 includes one-time catchup payments from the State due to delays in tax distribution resulting from changes in the sales tax reporting system. The FY 2019-20 budget of \$11,400,000 accounts for this one-time payment, plus a slowdown in the auto and consumer sales.

Cardroom tax of \$798,000 represents two months of payments, consistent with the prior year. Each payment has been higher than the prior year. However, the Town continues to be cautious with this revenue stream as threats continue to be an issue. City Council continues to attend the California Gambling Control Commission meetings to voice our opposition to additional card game restrictions on cardroom establishments. The restrictions would only allow certain high revenue generating card games to be offered at tribal owned casinos and disallow such games in non-tribal cardroom establishments.

GENERAL FUND (IN THOUSANDS)	2018-19 Actuals			2019-20 Budget to Actuals		
	Thru 6/30/19	Thru 9/30/18	% of Actual	Budget	Thru 9/30/19	% of Budget
REVENUES:						
SALES TAX	12,067	799	7%	11,400	783	7%
CARDROOM TAX	4,521	734	16%	4,264	798	19%
PROPERTY AND OTHER TAXES	772	2	0%	752	3	0%
USE OF MONEY AND PROPERTY	560	154	27%	610	157	26%
OTHER REVENUES	475	86	18%	710	131	18%
REVENUES TOTAL	18,395	1,775	10%	17,736	1,871	11%
EXPENDITURES (BY CATEGORIES):						
SALARY, WAGES, & BENEFITS	9,692	2,743	28%	11,044	3,264	30%
PROFESSIONAL & CONTRACT SERVICES	2,273	347	15%	3,049	411	13%
SUPPLIES & SERVICES	1,114	224	20%	1,373	218	16%
FACILITY OPERATIONS	555	65	12%	721	115	16%
INSURANCE (LIABILITY / PROPERTY)	655	598	91%	741	622	84%
CAPITAL OUTLAY	46	7	15%	43	2	4%
EXPENDITURES TOTAL	14,336	3,984	28%	16,972	4,631	27%
OTHER FINANCING SOURCES IN (OUT):						
NET TRANSFERS	(3,332)	(870)	26%	(1,775)	(1,317)	74%
OTHER FINANCING SOURCES TOTAL	(3,332)	(870)	26%	(1,775)	(1,317)	74%
NET CHANGE IN GENERAL FUND	726	(3,079)	-424%	(1,011)	(4,077)	403%

General Fund Expenditures

Overall General Fund expenditures are 27% of total budget. The two largest categories are **salary, wages, & benefits** and **insurance**. The Town pays in full unfunded pension liabilities in July to save \$30,312 in interest payments for the year. As for **insurance**, the Town pays workers compensation, general liability and property insurances in the first quarter of the year. In general, insurance increased by 5% due to claim loss history.

The Town's General Fund also supports the capital program, debt services, sewer operations, and city properties. The FY 2019-20 budget includes a \$1,317,000 transfer for capital projects, \$297,369 transfer for debt services payments and management, and \$160,700 transfer for sewer operation. Capital transfers are done at the beginning of the year and based on budget, whereas debt service and sewer is transferred throughout the year and based on actual spending. [See Capital Program Update for more information.](#)

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FY 2019-20 FINANCIAL REPORT

(JULY 1, 2019 – September 30, 2019)

FUND BALANCE SUMMARY – ALL FUNDS

Total Fund Balance at September 30, 2019 is \$25.8 million excluding trusts and \$31.2 million including trusts. Ignoring the trust funds, revenues for all funds total \$1.98 million and expenditures total \$5.82 million. Due to when invoices are due and when taxes are distributed, the Town maintains a \$4.0 million to \$7.0 million balance in the checking accounts and maintains the rest in less liquid investment portfolios.

TABLE 2: FUND BALANCE SUMMARY FOR ALL FUNDS							
FUND TITLE	Fund	Fund Balance @ 7/1/19	Revenues YTD 09/30/19	Expenditures YTD 09/30/19	Net Transfers In/(Out)	Net Change in Fund Balance	Fund Balance @ 09/30/19
GENERAL FUND	11						
LITIGATION RESERVE		100,000	0	0	0	0	100,000
INSURANCE RESERVE		100,000	0	0	0	0	100,000
DISASTER RESERVE		750,000	0	0	0	0	750,000
UNASSIGNED		10,982,278	1,870,830	(4,630,706)	(1,317,000)	(4,076,876)	6,905,402
GENERAL FUND RESERVE	12						
BUDGET STABILIZATION		12,000,000	0	0	0	0	12,000,000
DEBT REDUCTION		600,000	0	0	0	0	600,000
ACCRUED LEAVE PAYOUT RESERVE		650,000	0	0	0	0	650,000
GENERAL FUND TOTAL		25,182,278	1,870,830	(4,630,706)	(1,317,000)	(4,076,876)	21,105,402
SPECIAL FUNDS							
GAS TAX	21	59,321	9,305	(3,954)	0	5,351	64,672
MEASURE A	22	242,757	12,363	0	0	12,363	255,120
HOUSING IMPACT FEES	25	259,681	0	0	0	0	259,681
PUBLIC SAFETY GRANTS	27	10,532	0	(2,199)	0	(2,199)	8,333
COPS GRANT	29	145,464	55,948	(72,565)	0	(16,618)	128,846
SPECIAL FUNDS TOTAL		717,755	77,615	(78,718)	0	(1,103)	716,652
CAPITAL							
CAPITAL IMPROVEMENT	31	1,310,417	0	(67,723)	1,272,000	1,204,277	2,514,694
STREET CAPITAL	32	1,690,440	0	(65,103)	45,000	(20,103)	1,670,337
CAPITAL FUNDS TOTAL		3,000,857	0	(132,825)	1,317,000	1,184,175	4,185,032
DEBT							
COP DEBT SERVICE	43	2,620	0	0	0	0	2,620
DEBT FUND TOTAL		2,620	0	0	0	0	2,620
ISF							
VEHICLE / FLEET REPLACEMENT ISF	61	634,930	1,116	(35,018)	0	(33,902)	601,028
INTERNAL SERVICE FUND (ISF) TOTAL		634,930	1,116	(35,018)	0	(33,902)	601,028
ENTERPRISE							
SEWER OPERATING	81	0	0	(926,814)	0	(926,814)	(926,814)
SEWER CAPITAL	82	11,732	0	(1,294)	0	(1,294)	10,438
CITY PROPERTIES	83	90,482	32,724	(16,821)	0	15,903	106,385
ENTERPRISE FUND TOTAL		102,214	32,724	(944,929)	0	(912,205)	(809,991)
TOTAL FOR ALL FUNDS (NON TRUST)		29,640,654	1,982,286	(5,822,197)	0	(3,839,911)	25,800,743
TRUST							
OPEB TRUST	71	4,108,440	456,745	(213,004)	0	243,741	4,352,181
RETIREMENT TRUST	72	1,056,122	13,431	(663)	0	12,768	1,068,890
TRUST FUNDS TOTAL		5,164,562	470,177	(213,667)	0	256,509	5,421,071
TOTAL FOR ALL FUNDS (NON TRUST)		34,805,216	2,452,462	(6,035,864)	0	(3,583,401)	31,221,815

ADDITIONAL DETAILS AND INFORMATION

This format was prepared by the Finance Department to highlight in summary fashion key indicators of the Town Financial performance. Additional Financial Reports and Budgets – including earlier Quarterly Financial Reports, Audits and Budgets – are also available on the Town website www.colma.ca.gov. This report will also be posted on the Town website after it has been reviewed by the City Council.



STAFF REPORT

TO: Mayor and Members of the City Council
FROM: Darcy De Leon, Administrative Technician
VIA: Brian Dossey, City Manager
MEETING DATE: February 26, 2020
SUBJECT: Updated Policy for Grants and Donations

RECOMMENDATION

Staff recommends that the City Council adopt the following resolution:

RESOLUTION AMENDING SUBCHAPTER 4.03 OF THE COLMA ADMINISTRATIVE
CODE, RELATING TO THE GRANTS AND DONATIONS POLICY

EXECUTIVE SUMMARY

The Town's grant policy, adopted February 2014, established criteria for determining whether (1) an applicant is eligible for grant funding and (2) the application for a particular program or project should be approved. It also established a process for orderly consideration of grant applications.

Since the adoption of the policy, a concise grant application process has been followed to ensure a fair and transparent course is set for both the Town and organizations. Over the years, staff has experienced re-occurring issues that have come up during the grant application process.

Due to these re-occurring issues and City Council's feedback last September, staff recommends changes to the current policy allowing the Town to enhance eligibility determination, enforce deadlines and modify the grant timeline process.

FISCAL IMPACT

None.

BACKGROUND

In February 2014, by Resolution 2014-07, the City Council adopted a formal policy authorizing the City Council to approve grants to charitable organizations, governmental agencies and chambers of commerce. The policy established criteria for determining an applicant's eligibility for grant funding, criteria for approving grant applications, limitations on grants, and a list of the types of programs and projects that are eligible for grant funding.

Furthermore, in December 2014, by Resolution 2014-55, City Council amended the grant policy to change two criteria for determining the eligibility of an organization:

- change the “rough proportionality” test from a requirement to a factor to be considered; and
- create categories of programs or projects that qualify for a grant and allocate a specific amount of funds to each category.

Since December 2014, the grant policy has not been discussed, but due to recent issues and Council feedback, staff is recommending changes that affect organization eligibility, grant application deadlines and grant application timelines.

ANALYSIS

Description of Proposed Changes

Staff proposes substantive changes that may affect organization eligibility, grant application deadlines and grant application timeline.

Amendment to Section 4.03.010 Purpose and Findings

Staff recommends Council update the population and housing information on section 4.03.010 Purpose and Findings.

The existing policy reads as:

“The Town’s population is only 1,458, with only 463 housing units.”

The proposed change would read:

The Town’s population is only 1,512, with only 490 housing units.”

Amendment to Section 4.03.030 Eligible Organizations; Rough Proportionality

Staff recommends Council add another criteria to the organization eligibility section under 4.03.030 Eligible Organizations; Rough Proportionality Required. Adding this proposed change would allow staff to use the “Registration Verification Search” to ensure the legitimacy of the organization.

The proposed addition would read:

“Organization must be in compliance with the required registration and reporting set forth by the California Attorney General’s Registry of Charitable Trusts.”

Amendment to Section 4.03.060 Grant Applications

Staff recommends Council make changes under section 4.03.060 Grant Applications that would add two amendments regarding grant application deadlines.

This proposed amendment addresses that in an event an organization submits a grant application after the deadline, the application will not be considered.

The proposed addition would read:

“All applications must be submitted to the City Manager’s Office within the grant deadline set forth by the Town. No late applications will be accepted for consideration.”

Furthermore, the proposed amendment below addresses how to proceed in an event the City Council approves funding to an organization on a conditional basis.

The proposed addition would read:

"If the City Council approves funding an organization on a conditional basis while awaiting additional documentation, the required documentation must be submitted to the City Manager's Office, along with all other criteria required by the City Council, within 90 days after the City Council's meeting approving the funding. If all criteria is not met within 90 days after approval, the application will be considered incomplete and staff will notify the organization the application is denied."

The existing policy does not address these scenarios and when similar issues have come up, staff has had to proceed without the guidance of a policy. Additionally, the City Council expressed to staff at the September 2019 grant funding discussion, that a strict and firm deadline should be followed. Further, previously, the City Council has approved funding to an organization on a conditional basis, but the organization does not ever meet the requirements or is too late to be able to be funded and meet the other requirements like grant reporting. At times, staff must continually follow up with some organizations to receive a status update and many times the organization does not contact staff or are unable to submit all requirements in a timely manner. Approving these amendments would make the grant process clearer and more transparent for all organizations and would eliminate the burden in handling late or incomplete applications.

Amendment to Section 4.03.070 Grant Application Timeline

Staff recommends Council approve changes under section 4.03.070 Grant Application Timeline. This section addresses the typical timeline for the submittal of grant applications and grant funding processing time.

If the City Council deems appropriate, staff recommends extending the grant application submittal period from 30 days to 45 days. The existing code states that the grant application submittal period is July 1 to August 1. Typically, staff has given organizations 4-5 weeks to submit their application and all criteria sometime between the end of June to the beginning of August. Approving the proposed change would set a firm submittal period from July 1 to August 15. If the City Council approves the amendment stating that late applications will not be considered, staff believes that extending the grant application submittal period is a suitable trade off.

Existing policy reads:

(b) *During the period from July 1 to August 1 of each year, any eligible charitable organization or governmental entity may submit an application to the Town for a grant. Thereafter, City Clerk shall notify each applicant whether its application is complete and the date when the City Council will consider the application.*

The proposed addition would read:

(b) *During the period from July 1 to August 15 of each year, any eligible charitable organization or governmental entity may submit an application to the Town for a grant. Thereafter, ~~City Clerk~~ staff shall notify each applicant whether its application is complete and the date when the City Council will consider the application.*

Additionally, staff recommends extending the grant funding process time after the City Council has approved grants to the eligible organizations from 30 days to 60-90 days. The existing policy states that funds will be disbursed 30 days after approval. Unfortunately, this is not enough time. The City Attorney's office and staff work together to prepare contracts, After contracts are prepared staff mails contracts, and once contracts have been signed and returned the Finance Department needs an additional two weeks for processing the grant funding checks.

Existing policy reads:

(c) *As soon thereafter as practical, the City Council shall consider all applications for grants. Approved grants will be disbursed approximately 30 days after approval of the grant by the City Council and execution of a Grant Agreement by the Grant Recipient.*

The proposed addition would read:

(c) *As soon thereafter as practical, the City Council shall consider all applications for grants. Approved grants will be disbursed approximately ~~30~~ 60-90 days after approval of the grant by the City Council and execution of a Grant Agreement by the Grant Recipient.*

Lastly, staff proposes clean-up changes to the policy, such as correcting the reference in section 4.03.060 Grant Applications to the section on Criteria Approving Grants from section 4.04.020 to section 4.03.020.

Council Adopted Values

Approving grants for nonprofit organizations, governmental entities, or chambers of commerce is a *compassionate* response to those in need. However, grant approvals must still be made in a *responsible* manner. Adoption of the proposed resolution would help ensure that grant applications are reviewed and approved in a *responsible* manner.

Sustainability Impact

Not applicable.

Alternatives

The City Council could choose not to approve the proposed amendments to the grant funding policy, however, this would not address the issues staff has outlined in the staff report. Instead, the City Council may direct staff to make changes as they see fit.

CONCLUSION

Staff recommends that the Council adopt the proposed resolution.

ATTACHMENTS

- A. Resolution

**RESOLUTION NO. 2020-XX
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION AMENDING SUBCHAPTER 4.03 OF THE COLMA ADMINISTRATIVE
CODE, RELATING TO THE GRANTS AND DONATIONS POLICY**

The City Council of the Town of Colma hereby resolves:

1. Recitals and Background

- (a) The Town of Colma ("Town") adopted its Grants and Donations Policy on February 13, 2014 to establish policies and procedures for assuring that all Town grants made for charitable purposes are lawful and to establish fair and efficient processes for reviewing and approving grants or donations; and
- (b) The Town amended its policy on December 10, 2014 to amend the criteria for determining the eligibility of an organization for grant funding; and
- (c) The Town desires to further update its policy to extend the grant application timeline for applicants, strengthen enforcement of grant deadlines, confirm the legitimacy of organizations receiving grant funding, and to ensure that organizations conditionally approved for funding follow up with the Town in a timely manner.

2. Findings and Order.

- (a) The foregoing recitals are true and correct.
- (b) The City Council hereby approves and adopts the amended Town of Colma Grants and Donations Policy, attached hereto as Exhibit "A."
- (c) The City Manager is directed to implement this policy.
- (d) The Resolution shall take effect immediately upon adoption.

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Certification of Adoption

I certify that the foregoing Resolution No. 2020-XX was duly adopted at a regular meeting of the City Council of the Town of Colma held on _____, 2020, by the following vote:

Name	Counted toward Quorum			Not Counted toward Quorum	
	Aye	No	Abstain	Present, Recused	Absent
John Irish Goodwin, Mayor					
Diana Colvin					
Raquel Gonzalez					
Helen Fisicaro					
Joanne F. del Rosario					
Voting Tally					

Dated _____

John Irish Goodwin, Mayor

Caitlin Corley, City Clerk

EXHIBIT "A"

Subchapter 4.03: Grants and Donations



CHAPTER FOUR: FINANCIAL MANAGEMENT

SUBCHAPTER 4.03: Grants and Donations

4.03.010 Purpose and Findings

(a) The purposes of this subchapter are to establish policies and procedures for assuring that all grants for charitable purposes are lawful and for establishing a fair and efficient process for reviewing and approving requests for grants or donations.

(b) The City Council finds that:

- (1) *Need to Rely on Partners to Provide Services.* Because of the Town's small size and limited resources, the Town relies on the assistance of partnering agencies to provide services that the Town cannot efficiently provide. The Town's population is only 1,512, with only 490 housing units ~~1,458, with only 463 housing units~~. With this small population and limited number of housing units, which tend to be in generally good condition, issues relating to housing and housing support services by the public within Colma are few. With few housing issues within the Town, there is insufficient work to support full or part-time housing agency staff. Rather, the Town depends on the San Mateo County Department of Housing and ~~the~~ non-profit organizations to meet the needs of the community.
- (2) *Difficulty in Quantifying the Public Benefit.* With a lot of nonprofit organizations, it is difficult to quantify the benefits of a nonprofit's work to the community at large. One reason is the reluctance of the recipients of benefits to identify their place of residence. The North Peninsula Food Pantry and Dining Center of Daly City, for example, refuses to even ask recipients for their addresses for fear of embarrassing them. Yet, officials of the Food Pantry have represented to the Town that there is enough anecdotal evidence to conclude that the Pantry serves a substantial number of Colma residents as well as homeless individuals passing through Town.
- (3) *Legislation.* The Legislature and the courts have consistently held that providing food, shelter or clothing to needy persons serves a public purpose. "[T]he clearance, re-planning, and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern." (Calif. Health and Safety Code § 34201.)
- (4) *Transient Nature of the Homeless Population.* While acknowledging that every expenditure must serve a public purpose and that the public purpose might be limited to the population served by the granting agency, a public purpose could still be served even if only a very small number of Town residents are served. For example, any organization that helps the homeless population would be providing both a regional-wide and a Town-wide benefit by reducing the

homeless population by providing meals. As homeless persons are often transient, support for homeless persons would benefit the Town even if the homeless are only passing through.

- (5) *Housing.* State law requires that the Town's Housing Element include policies and scheduled programs for the preservation, improvement and development of housing (Gov't Code § 65583). In the area of housing, the Town is unable to offer programs to maintain existing homes, assist first-time homebuyers, build supportive or affordable housing, administer an affordable housing program, assist homeless individuals in the transition to stable housing, or provide housing for individuals undergoing drug and alcohol rehabilitation. Instead, the Town relies on nonprofit organizations for many of these programs and services.

In its 2009 Housing Element and its draft 2015 Housing Element, the Town has pledged to support two nonprofit organizations that preserve, improve or develop additional housing – HIP Housing Development Corporation and Rebuilding Together Peninsula. HIP Housing provides affordable housing programs to residents of San Mateo County, such as its Home Sharing Program for the elderly and its roommate referral program. Rebuilding Together Peninsula assists with maintenance and upgrading of existing housing stock so that people can remain in their homes safely. Rebuilding Together also offers a "Safe at Home" minor repair program that offers assistance to residents who can't afford minor home repairs.

Continued support of HIP Housing and Rebuilding Together Peninsula and their programs will help preserve, improve and develop housing in the Town. Therefore, continued support serves a valid public purpose.

- (6) *Temporary Food or Shelter for the Homeless.* The Town does not have shelter for homeless individuals and relies instead on Shelter Network to meet the needs of the homeless in Colma, of which there were seven, according to the 2013 San Mateo County Homeless census. The Town also works to meet the needs of its homeless residents by appropriate referrals to local homeless assistance programs available in San Mateo County, including North Peninsula Food Pantry and Dining Center of Daly City and the Second Harvest Food Bank (Draft 2015 Housing Element). Although not up to the level of a policy statement in the Town's Housing Element, support of these organizations and their programs is important because they assist Colma residents as well as the broader community with basic needs.

[History: Res 2014-07; 2/13/14, Res 2014-55; 12/10/14, Res 2020-____; __/__/__]

4.03.020 Criteria for Approving Grants

- (a) *Rule.* The City Council shall not approve any expenditure that would constitute a gift of public funds. In determining whether a grant is a gift of public funds, the City Council must find that:

- (1) The expenditure will serve a public purpose; that is, that the expenditure will serve the Colma community at large;
- (2) 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; and
- (3) The services of the organization administering the grant are readily accessible to Colma residents or businesses.

(b) *Purposes.* The City Council may appropriate money from the General Fund for any of the following purposes:

- (1) When there is an identifiable benefit to the Town or the community at large;
- (2) When the recipient organization provides a service that complements or enhances a service that the Town of Colma also provides to its residents or businesses; or
- (3) When the recipient organization provides a service that the Town could provide to its residents or businesses but chooses not to.

(c) *Accessibility.* In determining whether a recipient organization's services are readily available to Colma residents or businesses, the City Council may consider:

- (1) The number of Colma residents or businesses served by the organization in the years prior to the grant application;
- (2) The location(s) where Colma residents or businesses may receive the recipient organization's services or programs; and
- (3) The nature and extent of the efforts of the recipient organization to reach out to Colma residents and businesses.

[History: Res 2014-55; 12/10/14]

(d) *Rough Proportionality.* The amount of each grant must be roughly proportional to the benefit provided by the organization to the Town or its residents and businesses.

[History: Res 2014-07; 2/13/14]

4.03.025 Funding Categories

Provided that the appropriation complies with subsection 4.03.020 (a) and is for at least one of the purposes in subsection 4.03.020(b), the City Council may appropriate funds for programs or projects that:

- (1) Provide shelter, food, or clothing to persons in need of those programs (Necessities of Life);

- (2) Provide physical or mental health services to persons with special needs (Integrated Care Services);
- (3) Educate and engage residents (Education);
- (4) Promote economic development or support businesses located or doing business in the Town (Economic Development); or
- (5) Provide a service that the Town could provide to its residents or businesses or support, complement or enhance a service or program that the Town of Colma provides to its residents or businesses (Complementary Services).

[History: Res 2014-55; 12/10/14]

4.03.030 Eligible Organizations; Rough Proportionality Required

(a) Grants may only be made to a governmental entity; an organization that is organized and operated exclusively for religious, charitable, literary, scientific, or educational purposes and is exempt from tax under Internal Revenue Code section 501(c)(3); or, a chamber of commerce that is exempt from tax under Internal Revenue Code section 501(c)(6).

(b) For an organization to be eligible:

- (1) The organization's mission must include providing a public benefit to the residents or businesses of a defined geographic area that encompasses the Town of Colma;
- (2) The organization's governing board must reflect the diverse composition and different perspectives of the community it serves, and its members must not be drawn solely from a single subset of the community; ~~and~~
- (3) The organization must have policies and procedures to ensure that the terms and conditions of all grants are satisfied; and
- ~~(3)~~(4) The organization must be in compliance with the required registration and reporting requirements set forth by the California Attorney General's Registry of Charitable Trusts. Good standing with California State Secretary's Charity Registration

[History: Res 2014-07; 2/13/14, Res 2020-__; __/__/__]

4.03.040 Grant Limitations

- (a) Grants cannot be used to fund existing obligations, debts or liabilities.
- (b) Grants are made with the understanding that the Town has no obligation or commitment to provide any additional support to the grantee.
- (c) Town funds should not be used to support national and regional charitable organizations; instead, they should be supported by individual and corporate donations.

(d) Requests for grants from religious organizations will be considered only if a general need is being met and the project does not promote the teachings of a particular church denomination.

(e) Grants may not be used for any political campaign or to support attempts to influence the legislature or any governmental body other than through making available the results of nonpartisan analysis, study and research.

(f) The grantee shall 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.

[History: Res 2014-07; 2/13/14]

4.03.050 Request for Determination of Eligibility for Grant Funding

(a) An applicant shall first submit a request for determination of eligibility for grant funding on a form prescribed by the City Manager, which shall state the following:

- (1) Organizational Information, preferably no longer than one page, summarizing the organization's history, mission, goals, current programs, and the population served;
- (2) A description of the population served by the organization;
- (3) Evidence that the organization's governing board reflects the diverse composition and different perspectives of the community it serves, and that its members are not drawn solely from a single subset of the community; and
- (4) Policies and procedures adopted by the organization to ensure that the terms and conditions of all grants are satisfied.

(b) The Request for Determination of Eligibility shall be accompanied by documentation of the organization's eligibility, i.e.:

- (1) An IRS letter of tax exemption under IRC sections 501(c)(3) for charitable organizations;
- (2) An IRS letter of tax exemption under IRC section 501(c)(6), for chambers of commerce; or
- (3) Articles of Incorporation, statutory reference, or similar documentation, for a governmental entity.

(c) The organization needs to file the foregoing information only once. Each year afterwards, the organization must verify that the information is still current and, if not, must update each item of new or changed information.

[History: Res 2014-07; 2/13/14]

4.03.060 Grant Applications

An application for a charitable donation shall be made on a form prescribed by the City Manager and shall state the following:

- (1) Program or project title;
 - (2) Purpose of the grant (not more than two sentences);
 - (3) Timeline for accomplishing the project or program;
 - (4) List of all previous requests to the Town within the previous five years;
 - (5) Summary of the program or project, including an action plan and timetable for implementation;
 - (6) A succinct statement of how the grant meets the criteria in section 4.0403.020, and how the Colma community would benefit from this project;
 - (7) Identity of partners in the project and their roles;
 - (8) An evaluation plan that includes a description of how the applicant will define the success of the program or project;
 - (9) A detailed budget for the program or project.
- (b) Grant applications should be brief and to the point.
- (c) A charitable organization must attach one copy of each of the following documents to the application:
- (1) Roster of current governing board members;
 - (2) Annual operating budgets for the organization for the current year and the next year; and
 - (3) If the organization is operating at a deficit, an explanation of cause of the deficit and what the organization is doing to eliminate expected year-end deficits.
- (d) All applications must be submitted to the City Manager's Office within the grant deadline set forth by the City Council or its designee. No late applications will be accepted for consideration. ~~All applications must be submitted within deadline. No late applications will be accepted.~~
- (e) If City Council approves funding a non-profit organization on a conditional basis, all documentation and/or requirements must be met and submitted to the City Manager's office within 90 days after approval. If the City Council approves funding an organization on a conditional basis, the required documentation must submitted to the City Manager's Office and all other criteria required by the City Council must be met within 90 days after the City Council approves the funding for the approval to be final. If all criteria is not met within the 90 days

after approval, the application will be considered incomplete and staff will notify the organization that the application is denied.

[History: Res 2014-07; 2/13/14, Res 2020-__; __/__/__]

4.03.070 Grant Application Timeline

(a) On or before July 1 of each year, the City Council may include in its budget for the upcoming fiscal year a total amount that may be granted and donated to charitable organizations and governmental entities in accordance with this subchapter.

(b) During the period from July 1 to August 15 of each year, any eligible charitable organization or governmental entity may submit an application to the Town for a grant. Thereafter, ~~the City Clerk~~ staff shall notify each applicant whether its application is complete and the date when the City Council will consider the application.

(c) As soon thereafter as practical, the City Council shall consider all applications for grants. Approved grants will be disbursed approximately ~~30-60-90~~ days after approval of the grant by the City Council and execution of a Grant Agreement by the Grant Recipient.

[History: Res 2014-07; 2/13/14, Res 2020-__; __/__/__]

4.03.080 Grant Agreement

The Grant Recipient 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.

[History: Res 2014-07; 2/13/14]

4.03.090 Grant Reports

(a) Within 90 days of completion of the program or project funded by a grant, the Grant Recipient shall file a brief report with the City Manager explaining:

- (1) The extent to which the Grant Recipient reached the goals and objectives for the program or project;
- (2) An evaluation of the program or project, including a description of the project or program's impact on the Town or its residents or businesses; and
- (3) An explanation of how the grant funds were spent.

(b) The City Manager may, in the Grant Agreement, require that the Grant Recipient file an Interim Report.

[History: Res 2014-07; 2/13/14]

4.03.100 Emergency or Disaster Relief

Notwithstanding anything to the contrary herein, the City Council may provide financial aid or assistance for:

- (1) the purpose of clearing debris, natural materials, and wreckage from privately owned lands and waters deposited thereon or therein during a period of a major disaster or emergency declared by the President, if found to be in the public interest;
- (2) disaster relief in connection with a national or local emergency created by military attack or sabotage;
- (3) providing adequate national or local defense;
- (4) responding to a local emergency, as defined in subdivision (c) of Government Code section 8558.

[Reference: CALIFORNIA CONSTITUTION, Article XVI, Section 6; GOVERNMENT CODE § 53021]

[History: Res 2014-07; 2/13/14]

4.03.110 Implementing Policies and Regulations

The City Manager is authorized and directed to establish procedures and regulations to implement this resolution.

[History: Res 2014-07; 2/13/14]



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Letty Juarez, HR Manager
 Pak Lin, Administrative Services Director
 VIA: Brian Dossey, City Manager
 MEETING DATE: February 26, 2020
 SUBJECT: Intern and Student Aide Compensation

RECOMMENDATION

Staff recommends that the City Council adopt:

RESOLUTION TO ESTABLISH HOURLY COMPENSATION FOR INTERN AND STUDENT AIDE POSITIONS AND ADD TO THE SALARY SCHEDULE

EXECUTIVE SUMMARY

As part of the FY 2019-20 budget, the City Council directed staff to launch an internship/student aide program. The program is intended to benefit the community by providing on-the-job municipal experience. To launch the program, staff previously recommended to the Council that it amend Colma Administrative Code (CAC) Chapter 3 to allow for the Town to partner with schools on an internship/student aide program. Staff has created new job descriptions and is now recommending to the City Council that it update the salary range prior to the start of the recruitment process. The CAC Chapter 3 was comprehensively reviewed, updated and approved by the City Council on January 8, 2020. The job description was subsequently finalized by Staff. The proposed resolution would update the salary schedule for these two positions. The pay range for the intern position is developed based on survey results and the student aide position is aligned to the Town's Recreation Leader's compensation. The schedule is as follows:

Steps	1	2	3	4	5
Intern	\$17.00	\$19.00	\$21.00	\$23.00	\$25.00
Student Aide/Assistant	\$13.00	\$13.65	\$14.33	\$15.06	

FISCAL IMPACTS

There is no fiscal impact as the FY 2019-20 budget included the appropriation for a summer Student Aide and Internship program in the amount of \$19,500. This program will flow into FY 2020-21.

BACKGROUND

The City Council approved the FY 2019-20 budget including the launch of an internship/student aide program in the amount of \$19,500. The program is intended to benefit both the community and the Town. It is a great opportunity for students and the community to gain governmental experience. It provides on-the-job training for prospective applicants and gives an insight to the inner workings of city government.

On January 8, 2020, the City Council approved a comprehensive update to the Colma Administrative Code, Chapter 3 pertaining to personnel policies. The update broadened CAC Section 3.02.160 on Special Employment Program to allow the Town to partner with third-party organizations, like schools and non-profit organizations.

Since then, the Town has researched and created job descriptions for the two positions and needs City Council approval on the pay schedule before posting the positions on job boards.

ANALYSIS

Surveys of compensation by agencies in San Mateo County and by private job search sites were used in determining the pay range for the Intern and Student Aide/Assistant positions.

Internship

The average wage for interns in San Mateo County is \$17.00 to \$25.00 (attachment B). The hourly range recommended by NextGen Silicon Valley is \$17-\$25. The benefit of staying consistent with NextGen Silicon Valley's recommendation is to remain competitive with our neighboring agencies and to utilize the advertisement and outreach done by NextGen Silicon Valley. The mission of NextGen Silicon Valley is to prepare and find the next generation of public employees and train the future City Managers. It is chaired by active and retired City Managers, Assistant City Managers and Directors from agencies in San Mateo and Santa Clara Counties.

The plan for the internship program is project oriented. Currently, the Town is budgeted for one paid intern and an unpaid internship for school credit may be considered. The proposed hourly pay range is as follows:

Steps	1	2	3	4	5
Intern	\$17.00	\$19.00	\$21.00	\$23.00	\$25.00

Student Aide/Assistance

The goal of the Student Aide/Assistant program is to provide hands-on administrative experience for local students. The program will offer basic office management skills as well as experience to participate in certain department meetings to gain more insight into local government operations. The program will be opened to high school and college students within San Mateo County.

Since the targeted demographic is similar to the current Recreation Leader classification, the recommended compensation schedule should align as well.

Steps	1	2	3	4
Student Aide/Assistant	\$13.00	\$13.65	\$14.33	\$15.06

CONCLUSION

Staff recommends adopting the proposed resolution including the salaries for Intern and Student Aide/Assistant classifications.

ATTACHMENTS

- A. Resolution
- B. San Mateo County Classification & Salary Survey



**RESOLUTION NO. 2020-##
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION ESTABLISHING HOURLY COMPENSATION FOR INTERN AND STUDENT
AIDE POSITION; AND ADDING TO THE SALARY SCHEDULE**

The City Council of the Town of Colma does hereby resolve as follows:

1. Background.

- (a) The City Council adopted its fiscal year 2019-2020 budget at its June 12, 2019 City Council meeting.
- (b) The budget included new unrepresented non-exempt part-time unbenefited positions – Intern and Student Aide/Assistance.
- (d) The City Manager is now recommending that the City Council set the salary for the new position as provided for in this Resolution.

2. Salary Scale for Intern and Student Aide/Assistance Positions. The Town shall pay the Intern and Student Aide/Assistant, an unrepresented unbenefited part-time employee, the respective hourly wage shown below, with the City Manager determining the appropriate step in accordance with Subchapter 3.02 of the Colma Administrative Code relating to Employment:

Position/Steps	1	2	3	4	5
Intern	\$17.00	\$19.00	\$21.00	\$23.00	\$25.00
Student Aide/Assistant	\$13.00	\$13.65	\$14.33	\$15.06	

3. No Contract. Nothing herein shall be construed as a contract with any employee, and the City Council shall have the discretion to modify the respective salaries in accordance with any applicable state or local provisions.

4. Effective Date. This resolution shall become effective upon adoption.

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Certification of Adoption

I certify that the foregoing Resolution No. 2020-## was duly adopted at a regular meeting of said City Council held on February 26, 2020 by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor	X				
Diana Colvin	X				
Helen Fisicaro	X				
Raquel Gonzalez	X				
Joanne F. del Rosario	X				
<i>Voting Tally</i>	5	0			

Dated _____

John Irish Goodwin, Mayor

Caitlin Corley, City Clerk

Intern Classification & Salary Survey

Town of Colma

Agency	Classification	Department	Bottom Hourly Rate	Top Hourly Rate2	Recruiting	Weekly	Salary Range	Season
Belmont	Intern	All	\$13.50	\$16.41	40	\$540.00	Range	
Burlingame	Inter II	Engineering	\$27.72	\$49.89	40	\$1,108.80	Range	
Brisbane	Intern	Summer (all)	\$15.00		40	\$600.00	Hourly	Summer
Daly City	Item 2	Desc 2	\$18.90	\$19.84	40	\$756.00	Range	Year-round
Milbrae	Administrative Intern	All	\$20.50		40	\$820.00	Hourly	
Burlingame	Intern I	All	\$16.03	\$19.50	40	\$641.20	Range	
Pacifica	Intern	Engineering	\$18.00	\$25.00	40	\$720.00	Range	Year-round
Half Moon Bay	Social Media Intern	All	\$13.00	\$25.00	40	\$520.00	Range	
San Mateo	Student Intern	All	\$16.78	\$20.01		\$0.00	Range	
San Mateo Consolidated	Student Intern	Fire	\$16.78	\$20.01	40	\$671.20	Range	
SM Co. Libraries	Learning Facilitator Intern	Library	\$17.51	\$22.66	40	\$700.40	Range	
San Carlos	Summer Intern	City Manager & CDD	\$20.00		40	\$800.00	Hourly	
Redwood City	Administrative Analyst Intern	All	\$18.00	\$25.00	40	\$720.00	Range	Summer
Menlo Park	Engineering Intern	P.W.	\$15.00		40	\$600.00	Hourly	
						\$0.00		
Average Salary Range for San Mateo County Agencies			\$17.62	\$24.33				

Average of San Mateo County Agencies

\$17.62





STAFF REPORT

TO: Mayor and Members of the City Council
FROM: Pak Lin, Administrative Services Director
VIA: Brian Dossey, City Manager
MEETING DATE: February 26, 2020
SUBJECT: FY 2018-19 Audited Financial Statements and Reports

STAFF RECOMMENDATION

Staff recommends that the Council adopt:

RESOLUTION ACCEPTING AUDITOR'S REPORTS AND FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDING JUNE 30, 2019

EXECUTIVE SUMMARY

In accordance with prudent financial management, the Town retains an independent auditor to audit the Town's annual financial statements. As with previous years, the firm R.J. Ricciardi, Certified Public Accountants, has audited the Town's financial records and the attached Basic Financial Statements for fiscal year 2018-19. The Auditor found that:

1. The Financial Statements present in a fair and accurate manner the financial position of the government activities of the Town, each major fund, and the remaining fund balances as of June 30, 2019.
2. The Auditor has issued a separate compliance report regarding the receipt and use of Measure A Transportation funds.
3. The Auditor reviewed the Appropriations Limit (Gann Limit) calculation and issued a report which had found no exceptions in the calculations.

FISCAL IMPACT

This is for reporting purposes. No fiscal impact.

BACKGROUND

The Town retained the services of R.J. Ricciardi, CPA, to conduct an independent audit of the Town's financial statement for fiscal year ending June 30, 2019. The 2018-19 Basic Financial

Statements, Management Report, 2018-19 Measure A Fund Component Unit Financial Statements, and Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheet, are attached to this staff report.

A representative from the firm will be at the Council meeting to present the audit and answer any questions the Council may have.

ANALYSIS

The firm conducted the review in accordance with generally accepted auditing standards and found that the financial statements fairly present the Town's financial position. The Town has received a "clean" audit for FY 2018-19 with no adverse findings or recommendations. The Auditor's Opinion is found on pages 1-2 of Attachment B. This means the financial information is presented fairly and accurately based on the review by the Auditors.

Financial Statements Report Organization

INTRODUCTORY SECTION has the Table of Contents, Town Officials, and Town Organization Chart. The FY 2018-19 Financial Report does not include a transmittal letter, as it is embedded in the MD&A.

FINANCIAL SECTION contains the Independent Auditors' Report, Management's Discussion & Analysis (MD&A), Basic Financial Statements, and Notes to Basic Financial Statements.

Independent Auditors' Report summarizes the auditors' responsibility in regards to the financial statements, their audit opinion, and other matters and information in the Financial Report.

The Financial Section includes:

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

The FY 2018-19 Management Discussion & Analysis (MD&A), from pages 3 to 12, provides highlights on the Town's financial condition, overall economic conditions, and a FY 2019-20 Budget overview.

REPORTING MAJOR FUNDS

The General Fund and Capital Projects Fund are reported as Major Funds. (See description included in MD&A – page 3 and Pages 15-16 of the Financial Statements).

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

A statistical section is included in pages 54-69 which include multi-year comparisons for key financial data.

Key Notes and Changes

NEW FUNDS

On September 26, 2018, the City Council approved the creation of new funds, including two Enterprise Funds designed for Sewer and City Properties activities. With the creation of the

enterprise funds included asset transfers and budget reallocation from the General Fund to the corresponding enterprises funds.

RETIREMENT PENSION LIABILITIES

In FY 2018-19, the Town made \$2.05 million supplement contributions into the Town's pension trusts – \$1.05 million to CalPERS and \$1.0 million to a 115 trust. The supplemental contributions were to reduce the Town's overall pension liabilities and as budget stabilization strategy. As shown on page 36 the Net Pension Liability is \$10.5 million as of June 30, 2019.

RETIREE MEDICAL AND DENTAL (OPEB) LIABILITIES

This is the second year of the requirement to incorporate additional information on retirement plan liabilities as required by Government Accounting Standards Board (GASB) statement No. 75. (See Note 7 on pages 40-43). As shown on page 42 the Net OPEB Liability reduced by \$1.02 million from \$13.89 million in the prior year to an ending balance of \$12.87 million as of June 30, 2019. The main driver of the reduction is due to change in actuary assumptions.

Other Reports

MANAGEMENT REPORT

As part of the Audit process the Auditors also review procedures and make recommendations on improvements as part of a Management Report (See Attachment C). The Auditors did not make any reportable findings with the current year work.

MEASURE A TRANSPORTATION FUNDS

The Town receives \$67,000 per year in Measure A Transportation Funds from San Mateo County. The Measure A Program requires the Town to complete a separate audit of these funds (See Attachment D). In addition to financial testing of transactions the Auditors do additional review to provide a reasonable assurance that the Town of Colma has complied with certain provisions of Measure A.

No Measure A expenditures were made by the Town in FY 2017-18 and FY 2018-19. The balance available in the Measure A Fund as of June 30, 2019 was \$242,757. A total of \$160,000 of Measure A funds was designated in 2018-19 and carried into 2019-20 for the Mission Road Improvements project (Project 903) in the 2019-20 Capital Improvement Plan.

APPROPRIATIONS LIMIT

Annually the Town is required to calculate an Appropriations Limit which is presented in the Budget and adopted by the Council. State Law does not require an "Audit" of the proceeds of taxes, but does require a review completing specific procedures. This review was completed by the Auditors with no exceptions being noted (See Attachment E).

Reasons For the Recommended Action/Findings

Acceptance of the FY 2018-19 audited/reviewed financial statements and reports will authorize Staff to publish and distribute them to various interested parties, and ensure compliance with the Town's debt issuance requirements.

Council Adopted Values

Approval of the attached resolution is consistent with the Council's core value of responsibility because the annual audit process provides an objective, expert assessment of the Town's financial condition and financial reporting process.

Alternatives

None. In addition to supporting good governance, the completion of Audited Financial Statements is a requirement of the Certificate of Participation (COP) debt issuance and rules imposed by the SEC.

CONCLUSION

Staff recommends the City Council receive the presentation from the Town's auditor, then adopt a resolution accepting the Auditor's reports for Fiscal Year 2018-19.

ATTACHMENTS

- A. Resolution - Accepting Auditor Reports for FY 2018-19
- B. FY 2018-19 Basic Financial Statements
- C. FY 2018-19 Management Report
- D. FY 2018-19 Measure A Fund Component Unit Financial Statements
- E. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheet

**RESOLUTION NO. 2020-##
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION ACCEPTING AUDITOR'S REPORTS AND FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

The City Council of the Town of Colma does hereby resolve as follows:

1. Background

(a) R.J. Ricciardi, Certified Public Accountants (Auditor) undertook, pursuant to contract with the Town of Colma, to perform an independent audit of the Town's FY 2018-19 Financial Statements and the Town's FY 2018-19 Measure A Fund Component Unit Financial Statement, and to prepare an Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets.

(b) The Auditor reported that it has completed said audit and has found that the financial statements present fairly in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colma as of June 30, 2019, and the respective changes in the financial position for the year then ended. The Auditor further reported that all the financial statements were in conformity with U.S. generally accepted accounting principles.

(c) The Auditor made no supplemental recommendations on the Town's financial procedures.

(d) The Auditor reviewed the calculation of the Fiscal Year 2019-20 appropriations limit in the amount of \$46,137,229. No exceptions were identified in the calculations made by the Town.

2. Findings

The City Council finds that the balances as presented in the Financial Statements for the fiscal year ending June 30, 2019 are accepted and shall be reflected in the Town accounting records.

3. Reports and Audited Statements Accepted

The reports of the Auditor, the Town's FY 2018-19 Audited Financial Statements, the Town's FY 2018-19 Audited Measure A Fund Component Unit Financial Statement, and the Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets are hereby accepted. The City Manager shall take all necessary steps to file and distribute the reports as required by external agencies.

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Certification of Adoption

I certify that the foregoing Resolution No. 2020-## was duly adopted at a regular meeting of the City Council of the Town of Colma held on February 26, 2020, by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
John Irish Goodwin, Mayor					
Diana Colvin					
Helen Fisicaro					
Raquel Gonzalez					
Joanne F. del Rosario					
<i>Voting Tally</i>					

Dated _____

John Irish Goodwin, Mayor

Attest: _____
Caitlin Corley, City Clerk

TOWN OF COLMA
COLMA, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2019

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Town of Colma
List of Elected Officials, Appointed Officials & Contract Service Providers
as of June 30, 2019

Elected City Officials

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

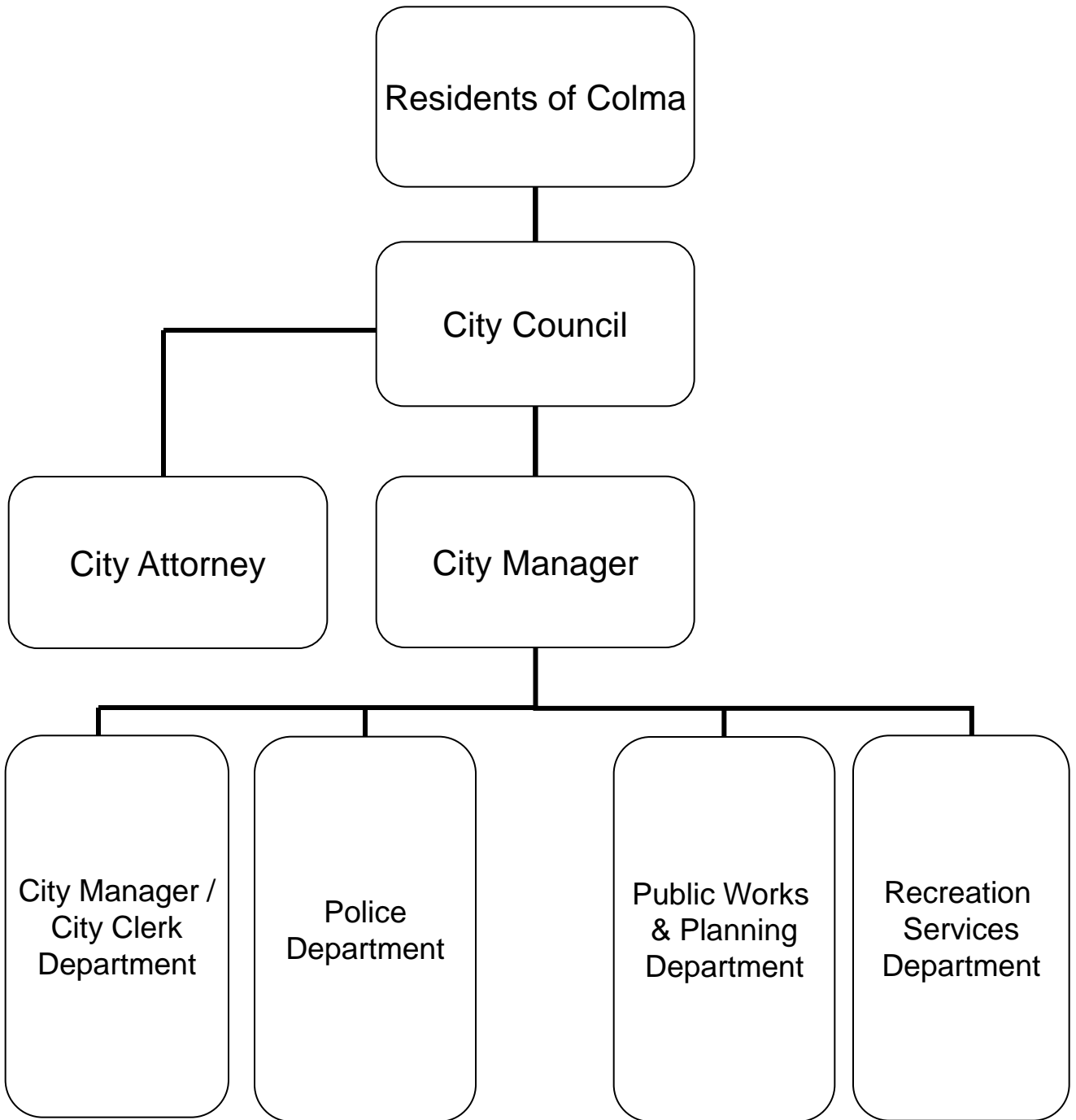
Appointed City Officials

City Manager	Brian Dossey
Chief of Police	Kirk Stratton
Administrative Services Director	Pak Lin

Other Key City Services Under Contract

Legal Services	Best, Best & Krieger
Planning Services	CSG Consultants
Engineering Services	CSG Consultants
Building Official Services	CSG Consultants

Town of Colma



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Colma
Colma, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colma, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Colma's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Colma, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the Budgetary Comparison Schedule for the General Fund, Local Government's Proportionate Share of Net Pension Liability, and Schedules of Contributions (page 44-50) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
January 21, 2020

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

The following discussion provides readers of Town of Colma's basic financial statements a narrative overview and analysis of the financial activities of Town of Colma (the Town) for the fiscal year ended June 30, 2019. Please read this document in conjunction with the accompanying basic financial statements.

FISCAL YEAR 2019 FINANCIAL HIGHLIGHTS

Financial highlights of fiscal year 2019 include the following:

Entity-wide:

- The Town's total net position was \$65,382,820 as of June 30, 2019, \$62,857,190 in Governmental Activities and \$2,525,630 in Business-Type Activities.
- Entity-wide revenues for Business-Type Activities was \$3,619,946 and for Governmental Activities was \$18,942,955, which includes program revenues of \$1,071,110 and general revenues of \$17,871,845.
- Entity-wide expenses for Governmental and Business-Type Activities were \$19,868,868 and \$1,904,316, respectively.

Fund Level:

- Governmental Fund balances decreased \$3,941,047 in fiscal year 2019 due to the Town's supplemental contribution of \$2.05 million towards pension trusts – \$1.00 to CalPERS and \$1.05 to 115 Pension Trust, and due to drawing down on the capital fund reserve to complete the Town Hall Campus Renovation Project.
- Governmental Fund revenues decreased \$196,615 in fiscal year 2019 due to recording sewer fee revenues of \$824,239 in the Enterprise Fund rather than in General Fund.
- Governmental Fund expenditures decreased \$743,550 in fiscal year 2019 due to recording \$932,502 sewer operating cost in the Enterprise Fund.

General Fund:

- General Fund revenues were \$350,937 lower than the prior year due to the creation of two Enterprise Funds for Sewer and Town Properties. Sewer Fees of \$824,239 and Town Properties of \$194,131 were recorded in the respective Enterprise Funds, rather than in the General Fund as prior years.
- General Fund expenditures represented an increase of \$1,703,642 from the prior year due to the \$2.05 million contribution towards pension trusts, with \$1.00 to CalPERS as supplemental payments and \$1.05 to a separate 115 trust.
- General Fund's fund balance of \$25,182,278 as of June 30, 2019, was \$726,065 greater than fiscal year 2018's ending fund balance of \$24,456,213.

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

This Annual Financial Report is divided into two parts:

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

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

The Basic Financial Statements

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

The Entity-wide Financial Statements provide a longer-term view of the Town's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities.

The Statement of Net Position provides information about the financial position of the Town as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations.

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

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

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

The Entity-wide Financial Statements

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

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

- Governmental Activities – All of the Town's basic services are considered to be governmental activities. These services are supported by general Town revenues such as taxes, and by specific program revenues such as user fees and charges.
- Business-type Activities – The Town's enterprise activities of the Town Properties Fund and the Sewer Fund are reported in this area. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

Fund Financial Statements

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

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

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

The Fund Financial Statements provide detailed information about each of the Town's most significant funds, called Major Funds. Major Funds present the major activities of the Town for the year, and may change from year-to-year as a result of changes in the pattern of the Town's activities. In accordance with government finance reporting standards, the General Fund is always reported as a Major Fund. Based on these standards the Town Hall COP Project Fund is also a Major Fund for the year ended June 30, 2019. Each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Subordinate schedules present the detail of these Non-major Funds (Measure A Transportation Tax Fund; State Gas Tax Fund; Law Enforcement Grant Fund; Debt Service Fund and five others).

Proprietary fund: The Town maintains two types of Proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for its Sewer and Town Properties Funds. An Internal Services Fund (ISF) is an accounting device used to accumulate and allocate costs internally among the Town's various operating functions. In this case it is used to build up reserves for future replacement of vehicles and fleet equipment. These services solely benefit the government function. A separate Statement of Net Position and Statement of Cash Flow is included for the ISF.

The Town's two Enterprise Funds are reported as Major Funds.

Fund Financial Statements include governmental funds as discussed below.

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

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

FINANCIAL ACTIVITIES OF THE TOWN AS A WHOLE

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

As shown below, the net position for governmental activities:

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Table 1 Statement of Net Position at June 30,
(Amounts in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 30.87	\$ 36.64	\$ 0.12	\$ —	\$ 30.99	\$ 36.64
Capital assets, net of accumulated depreciation	58.00	55.79	2.42	—	60.42	55.79
Total assets	88.87	92.43	2.54	—	91.41	92.43
Deferred outflows	6.84	5.47	—	—	6.84	5.47
Current liabilities	1.45	3.25	0.01	—	1.46	3.25
Long-term liabilities	29.35	30.60	—	—	29.35	30.60
Total liabilities	30.80	33.85	0.01	—	30.81	33.85
Deferred inflows	2.06	0.27	—	—	2.06	0.27
Net position:						
Invested in capital assets, net of debt	53.21	50.89	2.43	—	55.64	50.89
Unrestricted	9.64	12.89	0.10	—	9.74	12.89
Total net position	\$ 62.85	\$ 63.78	\$ 2.53	\$ —	\$ 65.38	\$ 63.78

Table 2 Change in Net Position at June 30,
(Amounts in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 0.39	\$ 1.70	\$ 1.02	—	\$ 1.41	\$ 1.70
Operating grants and contributions	0.24	0.23	—	—	0.24	0.23
Capital grants and contributions	0.44	0.28	—	—	0.44	0.28
Total program revenues	1.07	2.21	1.02	—	2.09	2.21
General revenues:						
Taxes	17.36	16.49	—	—	17.36	16.49
Other revenues	0.02	0.11	—	—	0.02	0.11
Use of money and property	0.68	0.42	—	—	0.68	0.42
Total general revenues	18.06	17.02	—	—	18.06	17.02
Total revenues	19.13	19.23	1.02	—	20.15	19.23
Expenses:						
General government	4.74	3.16	—	—	4.74	3.16
Public safety	7.71	7.88	—	—	7.71	7.88
Public works	5.67	4.26	1.09	—	6.76	4.26
Planning	0.32	0.44	—	—	0.32	0.44
Recreation	1.25	1.21	—	—	1.25	1.21
Interest	0.18	0.18	—	—	0.18	0.18
Total expenses	19.87	17.13	1.09	—	20.96	17.13
Other financing items:						
Net transfers in/(out)	(0.19)	—	0.19	—	—	—
Total other financing items	(0.19)	—	0.19	—	—	—
Change in net position	\$ (0.93)	\$ 2.10	\$ 0.12	\$ —	\$ (0.81)	\$ 2.10

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

ENTITY-WIDE GOVERNMENTAL ACTIVITIES

As of June 30, 2019, the Town's governmental net position amounted to \$62,857,190, a decrease of \$925,913 from 2018. The main contributor of the decrease is resulted from additional contribution into the Town's pension trusts in an effort to reduce unfunded liabilities.

Statement of Net Position (Table 1)

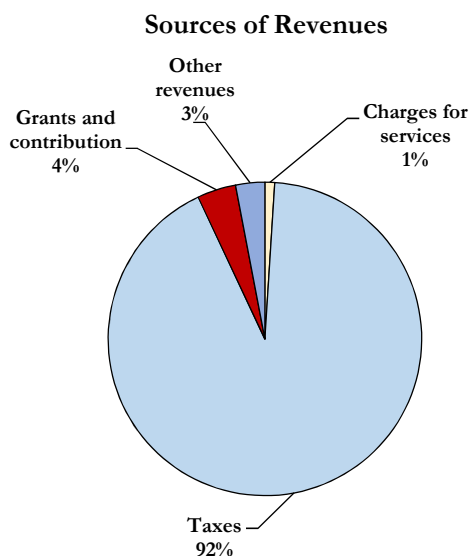
The Town's total net position as of June 30, 2019 for governmental activities are comprised the following:

- Cash and investments was \$28,200,303. The Town held all investments in the county (SMCIF) and state (LAIF) pools as detailed in Note 4A to the financial statements.
- Other assets of \$2,676,319 are explained in Note 4B to the financial statements.
- Capital assets of \$57,999,320, net of depreciation charges, included all the Town's capital assets used in governmental activities as discussed in Note 4C.
- Current liabilities, including accounts payable, claims and other amounts due currently, totaling \$1,453,182.
- Long-term liabilities payable of \$29,349,079, as explained in Note 4E to the financial statements. The increase in long-term liabilities is due to the increase in the net pension liability and net OPEB liability.
- Net position invested in capital assets, net of related debt, of \$53,214,320, representing the Town's investment in capital assets used, net of amounts borrowed to finance those investments.
- Unrestricted net position is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The Town had \$9,642,870 of unrestricted net position.

Changes in Net Position (Table 2)

For fiscal year 2018-19, the Town's revenues for governmental activities totaled \$19,128,435 and expenditures totaled \$19,868,868. The Town also subsidized the sewer operations with a transfer of \$185,480.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2019



As the Sources of Revenues Chart shows, \$17,359,426, or 92%, of the Town's fiscal year 2019 governmental activities revenue came from taxes, while \$679,830, or 4%, came from grants and contributions, \$391,280, or 2%, came from charges for services, and \$697,899, or 3%, came from other revenues.

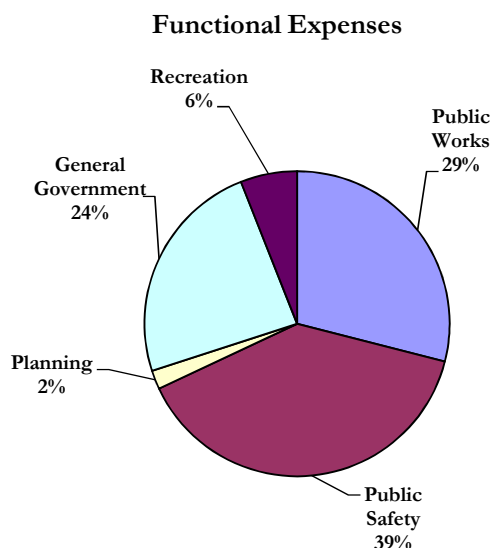
Program revenues (see Table 2 above) totaled \$1,071,110, or 6%, of the Town's fiscal year 2019 governmental revenue and \$17,871,845, or 94%, came from general revenues such as taxes, interest and miscellaneous receipts.

Program revenues were composed of charges for services of \$391,280 which include permit revenues, fees and charges used to fund expenses incurred in providing services; and grants and contributions of \$679,830, which consists mainly of revenue from other agencies.

The Functional Expenses Chart includes only current year expenses; it does not include capital outlays, which were added to the Town's capital assets. As the Chart shows, general government is \$4,735,196, or 24%, of total government expenses, planning is \$315,743, or 2%, public works is \$5,673,752, or 29%, public safety is \$7,711,938, or 39%, recreation is \$1,250,971, or 6%.

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

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



Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

ENTITY-WIDE BUSINESS-TYPE ACTIVITIES

The Statement of Net Position (table 1 above) and Change in Net Position (table 2 above) present a summary of the Town's Business-type Activities that are composed of the Town's enterprise funds. This is the first fiscal year business-type activities is reported.

Statement of Net Position (Table 1)

As of June 30, 2019, the net position for business-type activities was \$2,525,630 and were comprised of the following:

- Cash and investments was \$88,857. More information is provided in Note 4A to the financial statements.
- Other assets of \$27,590 are explained in Note 4B to the financial statements.
- Capital assets of \$2,423,416 includes assets transfer from governmental activities to business-type activities in the amount of \$2,416,096 (net of depreciation), included all the Town's capital assets used in business-type activities as discussed in Note 4C.
- Current liabilities totaled \$14,233.
- Unrestricted net position of \$102,214 are reserved for future enterprise operating and maintenance cost.

Change in Net Position (Table 2)

- Total program revenues of \$1,017,547 comprised of \$824,239 in sewer fees, which is passed through to the City of Daly City and South San Francisco for sewer treatment cost, and \$193,308 in rental revenues from Creekside Villas and 1365 Mission Road properties.
- Total expenses of \$1,094,316 comprised of \$932,502 in sewer operation and \$161,814 in town properties management. Of the \$932,502 in sewer expenses, \$897,791 is related to sewer treatment and the rest in infrastructure maintenance.

ANALYSES OF MAJOR FUNDS

Governmental Funds

The focus of the governmental funds is to provide information on current year revenues, expenditures, and balances of spendable resources. Such information is useful in assessing the Town's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. For fiscal year 2018-19, the Town's major funds included the general fund and capital improvement fund. Special revenues, debt, and street capital funds are reported as Other Governmental Funds.

GENERAL FUND:

At June 30, 2019, the Town's general funds reported combined ending balances of \$25,182,278, an increase of \$726,063. General Fund revenues of \$18,394,615 decreased by \$350,937 this fiscal year. The creation of Sewer and Town Properties enterprise funds resulted in \$1,017,547 of revenues recorded in the enterprise funds, rather than the general fund. The impact of this reporting change is offset by stronger sales tax, cardroom tax, and use of money and property revenues than the prior year.

Overall, general fund expenditures of \$16,386,497 increased by \$1,703,642 from the prior year. The main driver of the increase is the \$2.05 million supplemental contribution into the Town's pension trusts.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

CAPITAL IMPROVEMENT FUND:

As of June 30, 2019, the Fund had a balance of \$1,310,417. During the year, \$5,459,947 in expenditures were accounted for in the fund. The fund received transfers from the General Fund totaling \$675,000.

OTHER GOVERNMENTAL FUNDS:

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

Proprietary Funds

Town Properties Fund: As of June 30, 2019, the Fund had a balance of \$2,295,357.

Sewer Fund: As of June 30, 2019, the Fund had a balance of \$230,273.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget process began after the mid-year financial update presentation to the Town Council. The Finance Department facilitates the development and consolidate inputs from all Town departments. The consolidated budget inputs are reviewed by the Town Manager and presented to the Town Council in two budget study session. A balanced budget is adopted by June 30 of each year. During the year, budget adjustments are brought before the Town Council for consideration and to amend the budget. Additionally, the Department monitors the budget during the year and the Finance Department prepares a quarterly financial update to the Town Council. As part of this mid-year financial update, budget amendments are proposed to address any significant economic concerns and to incorporate prior Town Council actions that had changed appropriation or for reallocation of budget items.

A comparison of General Fund Budget to Actual can be found in the Required Supplemental Information section after Notes to the Financial Statements. Below is a summary of the major changes in budget and major variance between budget and actual.

ORIGINAL BUDGET COMPARED TO FINAL BUDGET

For fiscal year 2018-19, the Town Council adopted resolution to create enterprise funds for sewer operations and Town properties rental activities. In creating the funds, revenue budget was reduced by \$1,015,000 and expenditure budget was decreased by \$1,065,160. Additionally, the Town Council adopted resolution to make \$2.05 million supplemental contributions to address the Town's unfunded pension liabilities - \$1.05 million directly to CalPERS and \$1.0 million to 115 Pension Trust.

FINAL BUDGET COMPARED TO ACTUAL

Overall, general fund revenues exceeded budget by \$860,293. The three main contributors are sales tax, cardroom tax, and interest earnings. Fiscal year 2018-19 sales taxes revenues include a one-time sales tax distribution from the prior fiscal year due to the delay in tax payment by the State. Cardroom tax exceeded budgeted projection by \$275,957. Cardroom revenues are unpredictable and the Town budgets minimal growth in this revenue stream to ensure there are adequate revenues to cover operations. Interest earnings are driven by market condition. Since the Town held all investment in governmental pools, the funds are more sensitive to market fluctuation. In fiscal year 2018-19, the stock market for bonds and short-term securities performed better than expected.

General fund expenditure of \$16,386,497 is \$1,151,048 below final budget. Vacancies and project delays are the main cause of under spending.

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

CAPITAL ASSETS

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

In fiscal year 2019, the Town reported the cost of all its infrastructure assets and computed the amount of accumulated depreciation for these assets based on their original acquisition dates. At the end of fiscal year 2019 the cost of infrastructure and other capital assets recorded on the Town's financial statements is shown in Table 3 below:

Table 3
Capital Assets at Year-end

	Balance at June 30, 2019
<u>Governmental Activities</u>	
Land	\$ 6,589,376
Construction in progress	19,202,604
Infrastructure-street systems	26,364,634
Buildings	17,179,024
Improvements other than buildings	3,246,468
Machinery and equipment	2,563,550
Less: accumulated depreciation	<u>(17,146,336)</u>
Governmental activity capital assets, net	<u>\$ 57,999,320</u>
 <u>Business-type Activities</u>	
Land	\$ 1,006,095
Construction in progress	218,541
Infrastructure	161,075
Buildings	2,560,156
Less: accumulated depreciation	<u>(1,522,451)</u>
Business-type activity capital assets, net	<u>\$ 2,423,416</u>

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

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

DEBT ADMINISTRATION

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

As of June 30, 2019, the Town's debt issues comprised:

Town of Colma
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Table 4
Outstanding Debt

	<u>June 30, 2019</u>
<u>Governmental Activity Debt:</u>	
Certificates of Participation	\$ 4,785,000
Net Other Post-Employment Benefit Obligation	12,868,954
Net Pension Liability	10,498,331
Compensated absences	<u>1,478,088</u>
Total	<u>\$ 29,630,373</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Colma is the smallest municipality in San Mateo County with 1,509 residents. The two most significant sources of annual revenue are retail sales tax and cardroom taxes. These two sources of revenue accounted for approximately 92% of the total revenue in government funds in the year ending June 30, 2019. The reliance on sales and cardroom taxes makes the Town of Colma vulnerable to changes in consumer spending. The Town is closely monitoring sales tax trends and rely on an audit firm to review cardroom receipts.

For the upcoming year, the Town is expecting sales tax and cardroom tax to flatten. The shift from in-store to online sales continued to grow and the plateau in auto sales, resulting in the flattening on sales tax revenues. Nationally, cardroom and gambling activities have increased year over year but the threat to the cardroom in Town can change unexpectedly. Threats include changes in customer's behavior or law changes on allowable cardroom games can drastically influence the revenues generated by the local cardroom.

The Operating Budget for FY 2019-20 provides \$16,971,516 in funding to operating departments – a decrease of \$565,969 from the FY 2018-19 amended budget of \$17,537,545. Major changes included:

- Supplemental pension contribution of \$2.05 million was only approved in fiscal year 2018-19 as an initial unfunded liabilities funding plan. The supplemental contribution in FY 2019-20 was less than \$0.5 million.
- Negotiated pay increases as all union agreements came due on June 30, 2019.
- Medical benefit cost increases.
- Public Employee Retirement System (PERS) increases.
- Contributing the annual Actuarial Required Contribution (ARC) to a benefits trust which funds retiree medical benefits.

These increases were partially offset by decreases on other accounts throughout the budget. Also, beyond the Operating Department Budgets, in the 2019-20 Budget the Town will transfer \$1,317,000 in resources from the General Fund towards important capital improvement projects, \$297,369 towards debt services and \$160,700 as sewer subsidy.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

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

Town of Colma
STATEMENT OF NET POSITION
June 30, 2019

<u>ASSETS</u>	Governmental Activities	Business Type Activities	Total
Current assets:			
Cash and investments	\$ 28,200,303	\$ 88,857	\$ 28,289,160
Receivables:			
Taxes	2,143,278	-	2,143,278
Accounts	531,096	27,590	558,686
Accrued interest	1,945	-	1,945
Total current assets	<u>30,876,622</u>	<u>116,447</u>	<u>30,993,069</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable	25,791,980	1,224,636	27,016,616
Depreciable, net of accumulated depreciation	<u>32,207,340</u>	<u>1,198,780</u>	<u>33,406,120</u>
Total noncurrent assets	<u>57,999,320</u>	<u>2,423,416</u>	<u>60,422,736</u>
Total assets	<u>88,875,942</u>	<u>2,539,863</u>	<u>91,415,805</u>
<u>DEFERRED OUTFLOWS</u>			
Deferred outflows related to OPEB	2,638,082	-	2,638,082
Deferred outflows related to pensions	<u>4,204,295</u>	<u>-</u>	<u>4,204,295</u>
Total deferred outflows	<u>6,842,377</u>	<u>-</u>	<u>6,842,377</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable and accrued expenses	1,037,300	14,233	1,051,533
Deposits	134,588	-	134,588
Compensated absences	166,294	-	166,294
Certificates of participation due in one year	<u>115,000</u>	<u>-</u>	<u>115,000</u>
Total current liabilities	<u>1,453,182</u>	<u>14,233</u>	<u>1,467,415</u>
Noncurrent liabilities due in more than one year:			
Compensated absences	1,311,794	-	1,311,794
Certificates of participation	4,670,000	-	4,670,000
Net pension liability	10,498,331	-	10,498,331
Net other post-employment benefit obligation	<u>12,868,954</u>	<u>-</u>	<u>12,868,954</u>
Total noncurrent liabilities	<u>29,349,079</u>	<u>-</u>	<u>29,349,079</u>
Total liabilities	<u>30,802,261</u>	<u>14,233</u>	<u>30,816,494</u>
<u>DEFERRED INFLOWS</u>			
Deferred inflows related to OPEB	1,681,267	-	1,681,267
Deferred inflows related to pensions	<u>377,601</u>	<u>-</u>	<u>377,601</u>
Total deferred inflows	<u>2,058,868</u>	<u>-</u>	<u>2,058,868</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	53,214,320	2,423,416	55,637,736
Unrestricted	<u>9,642,870</u>	<u>102,214</u>	<u>9,745,084</u>
Total net position	<u>\$ 62,857,190</u>	<u>\$ 2,525,630</u>	<u>\$ 65,382,820</u>

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

Town of Colma
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Total</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
<u>Town Government</u>							
Governmental activities:							
General government	\$ 4,735,196	\$ -	\$ 12,107	\$ -	\$ (4,723,089)		\$ (4,723,089)
Public safety	7,711,938	25,417	131,307	148,778	(7,406,436)		(7,406,436)
Public works	5,673,752	167,165	94,107	293,531	(5,118,949)		(5,118,949)
Recreation	1,250,971	83,662	-	-	(1,167,309)		(1,167,309)
Planning	315,743	115,036	-	-	(200,707)		(200,707)
Interest on long-term debt	181,268	-	-	-	(181,268)		(181,268)
Total governmental activities	<u>19,868,868</u>	<u>391,280</u>	<u>237,521</u>	<u>442,309</u>	<u>(18,797,758)</u>		<u>\$ (18,797,758)</u>
Business-type activities:							
City Properties	161,814	193,308	-	2,263,040		\$ 2,294,534	2,294,534
Sewer	932,502	824,239	-	153,056		44,793	44,793
Total business-type activities	<u>1,094,316</u>	<u>1,017,547</u>	<u>-</u>	<u>2,416,096</u>		<u>2,339,327</u>	<u>2,339,327</u>
Total	<u>\$ 20,963,184</u>	<u>\$ 1,408,827</u>	<u>\$ 237,521</u>	<u>\$ 2,858,405</u>	<u>(18,797,758)</u>	<u>2,339,327</u>	<u>(16,458,431)</u>
General revenues:							
Taxes:							
Property taxes					640,080	-	640,080
Sales taxes					12,066,527	-	12,066,527
Cardroom taxes					4,520,957	-	4,520,957
Other taxes					131,862	-	131,862
Use of money and property					679,643	823	680,466
Transfers					(185,480)	185,480	-
Other revenues					18,256	-	18,256
Total general revenues and special items					<u>17,871,845</u>	<u>186,303</u>	<u>18,058,148</u>
Change in net position					(925,913)	2,525,630	1,599,717
Net position beginning of period					63,783,103	-	63,783,103
Net position ending of period					<u>\$ 62,857,190</u>	<u>\$ 2,525,630</u>	<u>\$ 65,382,820</u>

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

Town of Colma
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2019

	General Fund	Town Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and investments	\$ 23,274,763	\$ 1,811,457	\$ 2,479,153	\$ 27,565,373
Taxes receivable	2,143,278	-	-	2,143,278
Accounts receivable	506,354	518	24,224	531,096
Accrued interest receivable	1,945	-	-	1,945
Total assets	<u>\$ 25,926,340</u>	<u>\$ 1,811,975</u>	<u>\$ 2,503,377</u>	<u>\$ 30,241,692</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 110,746	\$ 501,558	\$ 92,562	\$ 704,866
Accrued expenditures	332,434	-	-	332,434
Compensated absences	166,294	-	-	166,294
Deposits	134,588	-	-	134,588
Total liabilities	<u>744,062</u>	<u>501,558</u>	<u>92,562</u>	<u>1,338,182</u>
<u>FUND BALANCES</u>				
Committed	13,250,000	-	-	13,250,000
Unassigned	10,982,278	-	-	10,982,278
Assigned	950,000	1,310,417	2,410,815	4,671,232
Total fund balances	<u>25,182,278</u>	<u>1,310,417</u>	<u>2,410,815</u>	<u>28,903,510</u>
Total liabilities and fund balances	<u>\$ 25,926,340</u>	<u>\$ 1,811,975</u>	<u>\$ 2,503,377</u>	<u>\$ 30,241,692</u>
Total governmental fund balances				\$ 28,903,510

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

Capital assets used in governmental activities are not reported in the funds.	57,999,320
The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	634,930
Some liabilities, including bonds, notes, leases and long-term portion of compensated absences are not due and payable in the current period and are therefore not reported in the funds.	<u>(24,680,570)</u>
Net position of governmental activities	<u>\$ 62,857,190</u>

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

Town of Colma
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	General Fund	Town Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>				
Property taxes	\$ 640,080	\$ -	\$ -	\$ 640,080
Sales taxes	12,066,527	-	-	12,066,527
Cardroom taxes	4,520,957	-	-	4,520,957
Other taxes	131,862	-	-	131,862
Licenses and permits	123,626	-	-	123,626
Fines and forfeits	103,519	-	-	103,519
Intergovernmental	68,538	50,000	475,769	594,307
Use of money and property	559,860	68,824	39,377	668,061
Other revenues	56,430	3,378	-	59,808
Charges for services	123,216	-	-	123,216
Total revenues	<u>18,394,615</u>	<u>122,202</u>	<u>515,146</u>	<u>19,031,963</u>
<u>EXPENDITURES</u>				
Current:				
General government	4,729,796	-	5,400	4,735,196
Public safety	8,233,894	-	188,506	8,422,400
Public works	1,856,093	5,459,947	450,912	7,766,952
Recreation	1,250,971	-	-	1,250,971
Planning	315,743	-	-	315,743
Debt service:				
Principal	-	-	115,000	115,000
Interest	-	-	181,268	181,268
Total expenditures	<u>16,386,497</u>	<u>5,459,947</u>	<u>941,086</u>	<u>22,787,530</u>
Excess (deficiency) of revenues over expenditures	<u>2,008,118</u>	<u>(5,337,745)</u>	<u>(425,940)</u>	<u>(3,755,567)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	675,000	2,657,131	3,332,131
Transfers out	<u>(1,282,053)</u>	<u>(2,042,058)</u>	<u>(193,500)</u>	<u>(3,517,611)</u>
Total other financing sources (uses)	<u>(1,282,053)</u>	<u>(1,367,058)</u>	<u>2,463,631</u>	<u>(185,480)</u>
Net change in fund balances	726,065	(6,704,803)	2,037,691	(3,941,047)
Fund balances, beginning of period	24,456,213	8,015,220	373,124	32,844,557
Fund balances, end of period	<u>\$ 25,182,278</u>	<u>\$ 1,310,417</u>	<u>\$ 2,410,815</u>	<u>\$ 28,903,510</u>

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

Town of Colma
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ (3,941,047)

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

CAPITAL ASSET TRANSACTIONS

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation (\$1,199,518) exceeds capital outlays and transfers \$3,406,151 in the current period.

2,206,633

LONG-TERM DEBT PROCEEDS AND PAYMENTS

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

-

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

115,000

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

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

(16,961)

ACCRUAL OF NON-CURRENT ITEMS

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

Compensated Absences (77,074)

Pension expense 416,928

OPEB expense 370,608

Net difference 3,015,134

Change in Net Position of Governmental Activities \$ (925,913)

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

Town of Colma
 PROPRIETARY FUNDS
STATEMENT OF NET POSITION
 June 30, 2019

	Sewers	Town Properties	Totals	Governmental Activities Internal Service Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 24,760	\$ 64,097	\$ 88,857	\$ 634,930
Accounts receivable	-	27,590	27,590	-
Total current assets	<u>24,760</u>	<u>91,687</u>	<u>116,447</u>	<u>634,930</u>
Noncurrent assets:				
Capital assets:				
Buildings	-	2,560,156	2,560,156	-
Land	-	1,006,095	1,006,095	-
Infrastructure	161,075	-	161,075	-
Construction in progress	218,541	-	218,541	-
Accumulated depreciation	<u>(161,075)</u>	<u>(1,361,376)</u>	<u>(1,522,451)</u>	<u>-</u>
Total capital assets	<u>218,541</u>	<u>2,204,875</u>	<u>2,423,416</u>	<u>-</u>
Total assets	<u>243,301</u>	<u>2,296,562</u>	<u>2,539,863</u>	<u>634,930</u>
<u>LIABILITIES</u>				
Accounts payable	<u>13,028</u>	<u>1,205</u>	<u>14,233</u>	<u>-</u>
Total current liabilities	<u>13,028</u>	<u>1,205</u>	<u>14,233</u>	<u>-</u>
<u>NET POSITION</u>				
Investment in capital assets	218,541	2,204,875	2,423,416	-
Unrestricted	<u>11,732</u>	<u>90,482</u>	<u>102,214</u>	<u>634,930</u>
Total net position	<u>\$ 230,273</u>	<u>\$ 2,295,357</u>	<u>\$ 2,525,630</u>	<u>\$ 634,930</u>

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

Town of Colma
 PROPRIETARY FUNDS
STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
 For the Year Ended June 30, 2019

	Sewers	Town Properties	Totals	Governmental Activities Internal Service Fund
Operating revenues:				
Charges for services	\$ 824,239	\$ 193,308	\$ 1,017,547	\$ 80,510
Total operating revenues	<u>824,239</u>	<u>193,308</u>	<u>1,017,547</u>	<u>80,510</u>
Operating expenses:				
Materials, supplies, rent and services	932,502	103,649	1,036,151	113,433
Depreciation	<u>-</u>	<u>58,165</u>	<u>58,165</u>	<u>-</u>
Total operating expenses	<u>932,502</u>	<u>161,814</u>	<u>1,094,316</u>	<u>113,433</u>
Operating income (loss)	<u>(108,263)</u>	<u>31,494</u>	<u>(76,769)</u>	<u>(32,923)</u>
Non-operating revenues (expenses):				
Interest and other income	-	823	823	11,582
Sale of property	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,380</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>823</u>	<u>823</u>	<u>15,962</u>
Contributions and transfers				
Transfers in	185,480	-	185,480	-
Transfers out	-	-	-	-
Capital contributions	<u>153,056</u>	<u>2,263,040</u>	<u>2,416,096</u>	<u>-</u>
Net contributions and transfers	<u>338,536</u>	<u>2,263,040</u>	<u>2,601,576</u>	<u>-</u>
Change in net position	230,273	2,295,357	2,525,630	(16,961)
Net position, beginning of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>651,891</u>
Net position, end of period	<u>\$ 230,273</u>	<u>\$ 2,295,357</u>	<u>\$ 2,525,630</u>	<u>\$ 634,930</u>

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

Town of Colma
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

	Sewers	Town Properties	Totals	Governmental Activities Internal Service Fund
Cash flows from operating activities:				
Receipts from other funds for services	\$ 824,239	\$ 165,718	\$ 989,957	\$ 80,510
Payments to suppliers	(919,474)	(102,444)	(1,021,918)	(113,433)
Net cash provided (used) by operating activities	(95,235)	63,274	(31,961)	(32,923)
Cash flows from investing activities:				
Interest and other income	-	823	823	11,582
Net cash provided by investing activities	-	823	823	11,582
Cash flows from capital and related financing activities				
Capital contributions	153,056	2,263,040	2,416,096	-
Capital acquisitions	(218,541)	(2,263,040)	(2,481,581)	-
Transfers	185,480	-	185,480	-
Sale of property	-	-	-	4,380
Net cash provided by capital and related financing activities	119,995	-	119,995	4,380
Net increase (decrease) in cash and cash equivalents	24,760	64,097	88,857	(16,961)
Cash and cash equivalents - beginning of period	-	-	-	651,891
Cash and cash equivalents - end of period	<u>\$ 24,760</u>	<u>\$ 64,097</u>	<u>\$ 88,857</u>	<u>\$ 634,930</u>
Reconciliation of operating income (loss) to net cash provided (used in) operating activities:				
Operating income (loss)	<u>\$ (108,263)</u>	<u>\$ 31,494</u>	<u>\$ (76,769)</u>	<u>\$ (32,923)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	58,165	58,165	-
Changes in certain assets and liabilities:				
Accounts receivable	-	(27,590)	(27,590)	-
Accounts payable	13,028	1,205	14,233	-
Net cash provided by (used for) operating activities	<u>\$ (95,235)</u>	<u>\$ 63,274</u>	<u>\$ (31,961)</u>	<u>\$ (32,923)</u>

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Entity-wide and Fund Financial Statements

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

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

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

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

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

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The government reports the following major governmental funds:

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

Capital Improvement Fund accounts for resources transferred from the General Fund to complete capital improvement projects.

The Town reports the following major proprietary funds:

Town Properties Fund - accounts for the activities of the Town's housing program.

Sewer Fund - accounts for the activities of the Town's sewer service.

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

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

Additionally, the Town reports the following fund type:

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

Amounts reported as program revenues include 1) charges to customers and applicants, for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges for sales and services.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Operating expenses for enterprise funds include salaries and employee benefits, maintenance and operation of systems and facilities, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Assets, Liabilities and Net Position or Equity

Deposits and Investments

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

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

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

Fair Value Hierarchy

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

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

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

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

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

Receivables and Payables

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Inventories and Prepaid Items

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

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

Capital Assets

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

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

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

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

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

Compensated Absences

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the Town recognizes deferred outflows and inflows of resources.

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

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

Pensions

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

Long-term Obligations

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

Net Position

Government-wide net position consists of the following:

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

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

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

Governmental fund balance consists of the following:

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

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

Fund Equity

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

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

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

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

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

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

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

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

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

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

The details of this difference are as follows:

Capital assets	\$ 75,145,656
Less: accumulated depreciation	<u>(17,146,336)</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 57,999,320</u>

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

Long-Term Debt Obligations:	
Deferred outflows – pension	\$ 4,204,295
Deferred outflows – OPEB	2,638,082
Deferred inflows – pension	(377,601)
Deferred inflows – OPEB	(1,681,267)
Compensated absences	(1,311,794)
Certificates of participation	(4,785,000)
Net other post-employment benefit obligation	(12,868,954)
Net pension liability	<u>(10,498,331)</u>
Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (24,680,570)</u>

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

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

Capital outlay	\$ 5,822,247
Capital transfers	(2,416,096)
Depreciation expense	(1,199,518)
Internal service fund	(16,961)
Compensated absences	(77,074)
Certificates of participation	115,000
Pension expense	416,928
Net other post-employment benefit obligation (OPEB)	<u>370,608</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 3,015,134</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The Town maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

The following is a summary of cash and investments at June 30, 2019:

	Governmental Activities	Business-Type Activities	Maturity 12 months or less
Demand deposits	\$ 5,788,030	\$ 88,857	\$ 5,876,887
Cash and investments with fiscal agent	79	-	79
Local Agency Investment Fund (LAIF)	5,048,403	-	5,048,403
San Mateo County Treasurer's Investment Pool	17,363,791	-	17,363,791
Total	<u>\$ 28,200,303</u>	<u>\$ 88,857</u>	<u>\$ 28,289,160</u>

The Town's total cash and investments consisted of:

Unrestricted	<u>\$ 28,289,081</u>
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Interest Rate Risk

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

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

As of June 30, 2019, the Town holds \$2,541 in unexpended proceeds from the Certificates of Participation, which were included in Cash and Investments recorded in the Capital Projects Fund. These restricted funds are spent on project costs as defined in the underlying indenture.

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

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

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

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

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

At June 30, 2019, the Town's cash with the County Treasurer is stated at fair value. However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Town's position in the pool.

Fair Value Hierarchy

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (concluded)

The following is a summary of the fair value hierarchy of the fair value of investments of the Town as of June 30, 2019:

<u>Investment Type</u>	Level 2	Exempt	Total
California Local Agency Investment Fund	\$ 5,048,403	\$ -	\$ 5,048,403
San Mateo Co. Treasurer's Investment Pool	17,363,791	-	17,363,791
Held by Trustees:			
U.S. Treasury Notes	79	-	79
Total investments	<u>\$ 22,412,273</u>	<u>\$ -</u>	<u>22,412,273</u>
Cash in banks and on hand			<u>5,876,887</u>
Total cash and investments			<u>\$ 28,289,160</u>

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

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2019 are provided by Standard and Poor's except as noted.

<u>Investment Type</u>	Total
Money Market Mutual Funds	\$ -
Not rated:	
California Local Agency Investment Fund	5,048,403
San Mateo County Treasurer's Investment Pool	17,363,791
Cash in banks and on hand	5,876,887
Exempt from rating requirement:	
U.S. Treasury Notes	79
Total cash and investments	<u>\$ 28,289,160</u>

B. Receivables

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

	General	Nonmajor Funds	Town Properties	Total
Receivables:				
Interest	\$ 1,945	\$ -	\$ -	\$ 1,945
Taxes	2,143,278	-	-	2,143,278
Accounts	<u>506,354</u>	<u>24,742</u>	<u>27,590</u>	<u>558,686</u>
Net total receivables	<u>\$ 2,651,577</u>	<u>\$ 24,742</u>	<u>\$ 27,590</u>	<u>\$ 2,703,909</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 7,595,471	\$ -	\$ 1,006,095	\$ 6,589,376
Construction in progress	<u>13,643,658</u>	<u>5,712,002</u>	<u>153,056</u>	<u>19,202,604</u>
Total capital assets, not being depreciated	<u>21,239,129</u>	<u>5,712,002</u>	<u>1,159,151</u>	<u>25,791,980</u>
Capital assets, being depreciated				
Buildings	19,507,124	-	2,328,100	17,179,024
Improvements other than buildings	3,478,524	-	232,056	3,246,468
Machinery and equipment	2,518,022	110,245	64,717	2,563,550
Infrastructure - street systems	<u>26,525,709</u>	<u>-</u>	<u>161,075</u>	<u>26,364,634</u>
Total capital assets, being depreciated	<u>52,029,379</u>	<u>110,245</u>	<u>2,785,948</u>	<u>49,353,676</u>
Less accumulated depreciation for:				
Buildings	(5,294,312)	(327,570)	(1,303,211)	(4,318,671)
Improvements other than buildings	(2,205,598)	(162,628)	-	(2,368,226)
Machinery and equipment	(1,647,128)	(211,141)	(64,717)	(1,793,552)
Infrastructure - street systems	<u>(8,328,783)</u>	<u>(498,179)</u>	<u>(161,075)</u>	<u>(8,665,887)</u>
Total accumulated depreciation	<u>(17,475,821)</u>	<u>(1,199,518)</u>	<u>(1,529,003)</u>	<u>(17,146,336)</u>
Total capital assets, being depreciated, net	<u>34,553,558</u>	<u>(1,089,273)</u>	<u>1,256,945</u>	<u>32,207,340</u>
Governmental activities capital assets net	<u>\$55,792,687</u>	<u>\$ 4,622,729</u>	<u>\$ 2,416,096</u>	<u>\$57,999,320</u>

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

Governmental activities:	
Public works	<u>\$ 1,199,518</u>
Total depreciation expense - governmental activities	<u>\$ 1,199,518</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (concluded)

	Beginning Balances	Transfers & Additions	Retirements & Adjustments	Ending Balances
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ -	\$ 1,006,095	\$ -	\$ 1,006,095
Construction in progress	-	218,541	-	218,541
Total capital assets, not being depreciated:	-	1,224,636	-	1,224,636
Capital assets being depreciated:				
Buildings	-	2,560,156	-	2,560,156
Improvements	-	-	-	-
Machinery & equipment	-	-	-	-
Infrastructure	-	161,075	-	161,075
Total capital assets, being depreciated	-	2,721,231	-	2,721,231
Less accumulated depreciation for:				
Buildings	-	(1,361,376)	-	(1,361,376)
Improvements	-	-	-	-
Machinery & equipment	-	-	-	-
Infrastructure	-	(161,075)	-	(161,075)
Total accumulated depreciation	-	(1,522,451)	-	(1,522,451)
Business-type activities capital assets net	\$ -	\$ 2,423,416	\$ -	\$ 2,423,416

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

Business-type activities:	
Town properties	\$ 58,165
Total depreciation expense - business-type activities	\$ 58,165

D. Interfund Receivables, Payables and Transfers

Interfund transfers at June 30, 2019 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,282,053
Debt service	301,614	-
Town Capital Project Fund	675,000	2,042,058
Housing Impact Fee	197,176	-
Street Capital	2,158,341	193,500
Sewers	185,480	-
Totals	\$ 3,517,611	\$ 3,517,611

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - DETAILED NOTES ON ALL FUNDS (concluded)

E. Long-Term Debt

Changes in Long-Term Liabilities - Long-term debt activity for the 2019 fiscal year was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Certificates of Participation	\$ 4,900,000	\$ -	\$ 115,000	\$ 4,785,000	\$ 115,000
Net OPEB	13,892,928	-	1,023,974	12,868,954	-
Net Pension Liability	10,682,188	-	183,857	10,498,331	-
Compensated absences	<u>1,403,507</u>	<u>74,581</u>	<u>-</u>	<u>1,478,088</u>	<u>166,294</u>
Totals	<u>\$30,878,623</u>	<u>\$ 74,581</u>	<u>\$ 1,322,831</u>	<u>\$29,630,373</u>	<u>\$ 281,294</u>

Certificates of Participation

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

The annual requirements to amortize the debt outstanding as of June 30, 2019, including interest payments, are as follows:

<u>Period Ending</u>	Principal	Interest	Total
2020	\$ 115,000	\$ 178,969	\$ 293,969
2021	120,000	174,369	294,369
2022	125,000	169,569	294,569
2023	130,000	164,569	294,569
2024	135,000	160,669	295,669
2025	135,000	156,619	291,619
2026	140,000	151,219	291,219
2027	145,000	146,319	291,319
2028	150,000	141,969	291,969
2029	155,000	137,281	292,281
2030-2045	<u>3,435,000</u>	<u>1,254,635</u>	<u>4,689,635</u>
Total	<u>\$ 4,785,000</u>	<u>\$ 2,836,187</u>	<u>\$ 7,621,187</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION

A. Risk Management

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

The PLAN insurance has two different layers of coverage. Layer 1 is a \$5 million self-insured layer shared by participants; Layer 2 is commercial excess insurance coverage for \$10 million beyond the \$5 million PLAN coverage. The PLAN also provides the Town with \$1 million pooled employee dishonesty coverage. Property coverage is also provided by the PLAN with the Town having a \$10,000 deductible. The PLAN provides the coverage using a self-insured pool to cover losses up to \$100,000. The PLAN purchases an insurance policy to cover losses above its \$100,000 self-insured retention with a per occurrence coverage for all members combined up to \$1 billion. Workers' compensation insurance is provided to the Town by EIA (Entity Insurance Authority) at statutory coverage limits, without a deductible. The Town had no significant changes in insurance coverage during the year. For the Fiscal Year ending June 30, 2019, the Town incurred liability claims expenses totaling \$73,362. There was one open claim as of June 30, 2019.

B. Contingencies and Commitments

Litigation

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

C. Public Employees Retirement System

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

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

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

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The applicable PERS plan depends on the employee classification and hire date. In some situations hiring of an employee who was previously an active member in PERS results in the "Classic" Plan benefit regardless of the date of hiring.

The Plan provisions and benefits in effect at June 30, 2019, are summarized as follows:

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

	Town Safety		
	Prior to January 1, 2012	On or after January 1, 2012 (or "Classic")	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensations	3%	2.4 to 3%	2.0% to 2.7%
Required employee contribution rates	9%	9%	11.5%
Required employer contribution rates	34.595%	20.774%	11.5%

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

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

For the year ended June 30, 2019, the contributions recognized as part of pension expense for each Plan were as follows. The Town made a \$1.0 million supplemental contribution to CalPERS in the 2018-19 fiscal year.

	<u>Total Miscellaneous</u>
Employer Contributions	\$1,429,544
	<u>Total Safety</u>
Employer Contributions	\$1,050,947

As of June 30, 2019, the Town reported net pension liabilities for its proportionate shares of the net pension liability of the Miscellaneous and Safety Plans as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 2,958,883
Safety	<u>7,539,448</u>
Total Net Pension Liability	<u>\$ 10,498,331</u>

The Town's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2018, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Town's proportionate share of the net pension liability for each Plan as of June 30, 2017 and 2018 was as follows:

<u>Town Miscellaneous Plan</u>	<u>Miscellaneous</u>
Proportion - June 30, 2017	.077%
Proportion - June 30, 2018	.077%
Change - Increase (Decrease)	(.00%)
<u>Town Safety Plan</u>	<u>Safety</u>
Proportion - June 30, 2017	.130%
Proportion - June 30, 2018	.128%
Change - Increase (Decrease)	(.002%)

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

For the year ended June 30, 2019, the Town recognized pension expense of \$2,063,564. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,480,491	\$ -
Differences between actual and expected experience	275,524	39,247
Changes in assumptions	1,077,073	182,477
Net differences between projected and actual earnings on plan investments	65,674	-
Change in proportions and differences between actual contributions and proportionate share of contributions	305,533	155,877
Total	<u>\$ 4,204,295</u>	<u>\$ 377,601</u>

\$2,480,491 reported as deferred outflows of resources related to contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

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

<u>Year Ended June 30</u>	
2020	\$ 1,065,993
2021	645,223
2022	(286,178)
2023	(78,835)
Total	<u>\$ 1,346,203</u>

Actuarial Assumptions - For the measurement period ended June 30, 2018, the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2018 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until purchasing power Protection allowance floor on power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the CalPERS 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) available on CalPERS website.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees' Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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

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

<u>Asset Class (1)</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (2)</u>	<u>Real Return Years 11+ (3)</u>
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92)%
Total	100%		

- (1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
(2) An expected inflation of 2.0% used for this period.
(3) An expected inflation of 2.92% used for this period.

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - OTHER INFORMATION (concluded)

C. Public Employees Retirement System (concluded)

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$4,386,023	\$11,749,578
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$2,958,883	\$7,539,448
1% Increase	8.15%	8.15%
Net Pension Liability	\$1,780,802	\$4,090,001

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

D. Restricted Net Position and Fund Balances

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

<u>Purpose</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Governmental</u>
Committed fund balances were:			
Debt service costs	\$ 600,000	\$ -	\$ 600,000
Compensated absences	650,000	-	650,000
General and economic reserve	<u>12,000,000</u>	<u>-</u>	<u>12,000,000</u>
Total	<u>13,250,000</u>	<u>-</u>	<u>13,250,000</u>
Assigned fund balances were:			
Litigation	100,000	-	100,000
Insurance	100,000	-	100,000
Disaster response	750,000	-	750,000
Measure A – Transportation Tax	-	242,757	242,757
Gas Tax – Streets and Roads	-	59,321	59,321
Housing Impact Fee	-	259,681	259,681
Law Enforcement – State Grants	-	145,464	145,464
Public Safety Grant	-	10,532	10,532
Debt Service - Trustee	-	2,620	2,620
Capital Improvement Fund	-	1,310,417	1,310,417
Street Capital Fund	-	1,690,440	1,690,440
Capital Projects - Town Capital Project	-	-	-
Total	<u>950,000</u>	<u>3,721,232</u>	<u>4,671,272</u>
Unassigned fund balances were:			
General Fund	<u>10,982,278</u>	<u>-</u>	<u>10,982,278</u>
Grand Total	<u>\$ 25,182,278</u>	<u>\$ 3,721,232</u>	<u>\$ 28,903,510</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

NOTE 6 - DEFERRED COMPENSATION PLAN

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

Separate from any amounts that employees voluntarily defer, regular employees are eligible to receive a \$100 monthly matching contribution made to the Plan as a benefit by the Town. A total of 34 employees received this benefit during the fiscal year ending June 30, 2019. The Town's contributions towards this benefit for the fiscal year ended June 30, 2019 were \$40,250.

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

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT

Other Post-employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the Town of Colma Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Plan Description

The Town administers a single-employer defined-benefit post-employment healthcare plan. Benefits vary by hire date and employment status: General employees, Colma Peace Officers Association (POA) employees, and Police Communications/Records (PCR) employees. Benefits continue to dependents, including surviving spouses.

Benefits Provided

Benefit Tier A covers POA and PCR employees hired before May 31, 2008, and General employees hired before July 1, 2012. The Town pays 100% of medical premiums.

Benefit Tier B covers General employees hired between July 1, 2012 and March 31, 2017, and POA and PCR employees hired after June 1, 2008, but before June 30, 2012. The Town pays the medical premium multiplied by a vesting percentage, ranging from 50% for those with at least 10 years of service to 100% for those who have 20 or more years of service.

Benefit Tier C covers POA and PCR employees hired between July 1, 2012 and March 31, 2017. Benefits are the same as Tier B, but the maximum paid by the Town is capped at the highest of the second most costly plan.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

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

Benefit Tier D for General, POA, and PCR employees hired after April 1, 2017, the Town pays the PEMHCA minimum for those enrolled in a CalPERS medical plan. As stated in the memorandums of understanding with the POA and PCR, the start date for this Tier was January 1, 2017. The implementation of the required plans delayed the implementation to April 1, 2017. No new employees were eligible between January 1, 2017 and March 31, 2017.

The Town pays 100% of the dental premiums for General employees and PCR employees hired before May 1, 2010, and for POA employees hired before June 1, 2008.

Employees Covered by Benefit Terms

At June 30, 2018 (the census date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Inactive employees or beneficiaries currently receiving benefit payments:	33
Inactive employees entitled to but not yet receiving benefit payment:	0
Active plan members:	<u>37</u>
Total	70

Net OPEB Liability

The Town's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

Contributions

The Town makes contributions based on an actuarially determined rate.

Actuarial Assumptions

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation: 2.50%

Salary increases: 2.75%. Additional merit-based increases based on CalPERS merit salary increase tables.

Investment rate of return: 5.61%

Healthcare cost trend rates: 7.00% in the first year, trending down to 3.84% over 58 years.

Mortality rates were based on CalPERS tables.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.61%. This is the expected long-term rate of return on Town assets using the PARS Moderately Conservative Investment Strategy. The projection of cash flows used to determine the discount rate assumed that the Town contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

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

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c)
Balances as of June 30, 2018	\$ 16,641,989	\$ 2,749,061	\$ 13,892,928
Changes for the year:			
Service cost	-	-	-
Interest	58,173	-	58,173
Changes of benefit terms	-	-	-
Differences between actual and expected experience	973,195	-	973,195
Change of Assumptions	(1,954,200)	-	(1,954,200)
Contributions			
Employer – Town’s contribution	-	74,086	(74,086)
Employer - implicit subsidy	-	41,737	(41,737)
Employee	-	-	-
Net investment income	-	27,073	(27,073)
Benefits payments, including refunds of employee contributions	(57,557)	(57,557)	-
Implicit rate subsidy fulfilled		(41,737)	41,737
Administrative expenses	-	(17)	17
Net changes	(980,389)	43,585	(1,023,974)
Balances as of June 30, 2019	<u>\$ 15,661,600</u>	<u>\$ 2,792,646</u>	<u>\$ 12,868,954</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.61%) or one percentage point higher (6.61%) follows:

Plan’s Net OPEB Liability/(Asset)		
1% Decrease (4.61%)	Current Discount Rate (5.61%)	1% Increase (6.61%)
\$ 15,282,253	\$ 12,868,954	\$ 10,929,233

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (2.84%) or one percentage point higher (4.84%) than current healthcare cost trend rates follows:

Plan’s Net OPEB Liability/(Asset)		
1% Decrease 6.00% decreasing to 2.84%	Trend Rate 7.00% decreasing to 3.84%	1% Increase 8.00% decreasing to 4.84%
\$ 10,654,485	\$ 12,868,954	\$ 15,849,334

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019

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

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the year ended June 30, 2019 the Town recognized an OPEB expense of \$(207,983). At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 837,273	\$ -
Changes of assumptions	-	(1,681,267)
Net differences between projected and actual earnings on OPEB plan investments	102,089	-
Town contributions subsequent to measurement date	<u>1,698,720</u>	<u>-</u>
Total	<u>\$ 2,638,082</u>	<u>\$ (1,681,267)</u>

\$1,698,720 reported as deferred outflows of resources related to contributions subsequent to measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended

6/30/20	\$ (111,488)
6/30/21	(111,488)
6/30/22	(111,488)
6/30/23	(111,491)
6/30/24	(137,011)
Remaining	(158,939)

REQUIRED SUPPLEMENTARY INFORMATION

Town of Colma
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2019
(UNAUDITED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Sales, Cardroom and other taxes	\$ 16,716,000	\$ 16,716,000	\$ 17,359,426	\$ 643,426
Licenses and permits	123,840	123,840	123,626	(214)
Fines and forfeits	69,000	69,000	103,519	34,519
Intergovernmental	67,010	67,010	68,538	1,528
Use of money and property	512,802	323,602	559,860	236,258
Other revenues	105,300	105,300	56,430	(48,870)
Charges for services	955,370	129,570	123,216	(6,354)
Total revenues	<u>18,549,322</u>	<u>17,534,322</u>	<u>18,394,615</u>	<u>860,293</u>
<u>EXPENDITURES</u>				
Current:				
General government	3,607,480	4,921,808	4,729,796	192,012
Public safety	7,812,898	8,548,567	8,233,894	314,673
Public works	3,297,420	2,232,260	1,856,093	376,167
Planning	515,950	515,950	315,743	200,207
Recreation	1,318,960	1,318,960	1,250,971	67,989
Total expenditures	<u>16,552,708</u>	<u>17,537,545</u>	<u>16,386,497</u>	<u>1,151,048</u>
Excess (deficiency) of revenues over expenditures	<u>1,996,614</u>	<u>(3,223)</u>	<u>2,008,118</u>	<u>2,011,341</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	-	-	-
Transfers out	<u>(974,869)</u>	<u>(1,282,053)</u>	<u>(1,282,053)</u>	<u>-</u>
Total other financing sources (uses)	<u>(974,869)</u>	<u>(1,282,053)</u>	<u>(1,282,053)</u>	<u>-</u>
Net change in fund balance	<u>\$ 1,021,745</u>	<u>\$ (1,285,276)</u>	726,065	<u>\$ 2,011,341</u>
Fund balance, beginning of period			<u>24,456,213</u>	
Fund balance, end of period			<u>\$ 25,182,278</u>	

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MISCELLANEOUS
June 30, 2019

Measurement Date, June 30	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.07851%	0.07722%	0.07743%	0.08263%	0.07547%
Proportion share of the net pension liability	\$ 2,958,883	\$ 3,044,014	\$ 2,689,973	\$ 2,267,047	\$ 1,865,120
Covered - employee payroll	\$ 1,915,941	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421	\$ 1,680,743
Proportionate share of the net pension liability as percentage of covered-employee payroll	154.43%	177.58%	156.93%	144.49%	129.57%
Plan fiduciary net position as a percentage of the total pension liability	71.95%	73.31%	74.06%	78.40%	79.82%

* Fiscal year 2014 was the 1st year of implementation.

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - SAFETY
June 30, 2019

Measurement Date, June 30	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.12783%	0.12783%	0.19457%	0.19974%	0.20336%
Proportion share of the net pension liability	\$ 7,539,448	\$ 7,638,175	\$ 6,759,099	\$ 5,479,917	\$ 5,026,111
Covered - employee payroll	\$ 2,666,824	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223	\$ 1,881,631
Proportionate share of the net pension liability as percentage of covered-employee payroll	282.71%	329.74%	309.99%	253.20%	267.11%
Plan fiduciary net position as a percentage of the total pension liability	75.31%	73.31%	74.06%	78.40%	79.82%

* Fiscal year 2014 was the 1st year of implementation.

Town of Colma
SCHEDULE OF CONTRIBUTIONS - MISCELLANEOUS
June 30, 2019

<u>Fiscal Year Ending June 30</u>	Town Miscellaneous Plan				
	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 1,429,544	\$ 333,699	\$ 294,899	\$ 359,763	\$ 226,748
Contributions in relation to the actuarially determined contributions	<u>(1,429,544)</u>	<u>(333,699)</u>	<u>(290,520)</u>	<u>(249,024)</u>	<u>(226,748)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,379</u>	<u>\$ 110,739</u>	<u>\$ -</u>
Covered - employee payroll	\$ 1,915,941	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421	\$ 1,680,743
Contributions as a percentage of covered-employee payroll	74.61%	19.47%	18.79%	24.99%	13.49%

Notes to Schedule:

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

Changes of Assumptions: There were no changes of assumptions.

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

Town of Colma
SCHEDULE OF CONTRIBUTIONS - SAFETY
June 30, 2019

<u>Fiscal Year Ending June 30</u>	Town Safety Plan				
	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 1,050,947	\$ 930,366	\$ 788,713	\$ 820,095	\$ 712,647
Contributions in relation to the actuarially determined contributions	<u>(1,050,947)</u>	<u>(930,366)</u>	<u>(757,355)</u>	<u>(687,933)</u>	<u>(712,647)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,358</u>	<u>\$ 132,162</u>	<u>\$ -</u>
Covered - employee payroll	\$ 2,666,824	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223	\$ 1,881,631
Contributions as a percentage of covered-employee payroll	39.41%	40.16%	36.17%	37.89%	37.87%

Notes to Schedule:

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

Changes of Assumptions: There were no changes of assumptions.

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

Town of Colma
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE IN THE NET OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2019

Total OPEB Liability

Service cost	\$ -
Interest	58,173
Benefit payments, included refunds of employee contributions	(57,557)
Change in assumptions	(1,954,200)
Difference between actual and expected experience	973,195
Net change in total OPEB liability	(980,389)
Total OPEB liability - beginning of year	16,641,989
Total OPEB liability - end of year	\$ 15,661,600

Plan Fiduciary Net Position

Net investment income	\$ 27,073
Contributions	
Employer - explicit subsidy	74,086
Employer - implicit subsidy	41,737
Benefit payments, included refunds of employee contributions	(57,557)
Implicit rate subsidy fulfilled	(41,737)
Administrative expense	(17)
Net change in plan fiduciary net position	43,585
Plan fiduciary net position - beginning of year	2,749,061
Plan fiduciary net position - end of year	2,792,646

Town's net OPEB liability - end of year	\$ 12,868,954
--	----------------------

Plan fiduciary net position as a percentage of the total OPEB liability	17.83%
--	---------------

Covered-employee payroll	\$ 6,423,761
---------------------------------	---------------------

Net OPEB liability as a percentage of covered-employee payroll	200.33%
---	----------------

The schedules present information to illustrate changes in the Town of Colma's changes in the net OPEB liability over a ten year period when the information is available.

Town of Colma
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF TOWN OF COLMA'S CONTRIBUTIONS - OPEB
For the Year Ended June 30, 2019

	2019	2018
Actuarially determined contribution	\$ 115,823	\$ 1,636,641
Contributions in relation to the actuarially determined contribution	-	(1,636,641)
Contribution deficiency (excess)	<u>\$ 115,823</u>	<u>\$ -</u>
 Covered payroll	 \$ 6,423,761	 \$ 4,068,515
 Contributions as a percentage of covered payroll	 1.80%	 40.23%

The schedules present information to illustrate changes in the Town of Colma's contributions over a ten year period when the information is available.

Notes to Schedule:

Assumptions and Methods

Actuarial cost method	Entry age normal, level percent of pay
Amortization method	Closed period, level percent of pay
Amortization period	20 years
Asset valuation method	Market value projected to fiscal year-end 2017 by the Town of Colma
Inflation	2.50%
Assumed Rate of Payroll Growth	2.75%
Healthcare trend rates	7.00%, trending down to 3.94%
Rate of return on assets	5.61%
Mortality rate	CalPERS rates
Retirement rates	CalPERS rates

SUPPLEMENTARY INFORMATION

Town of Colma
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

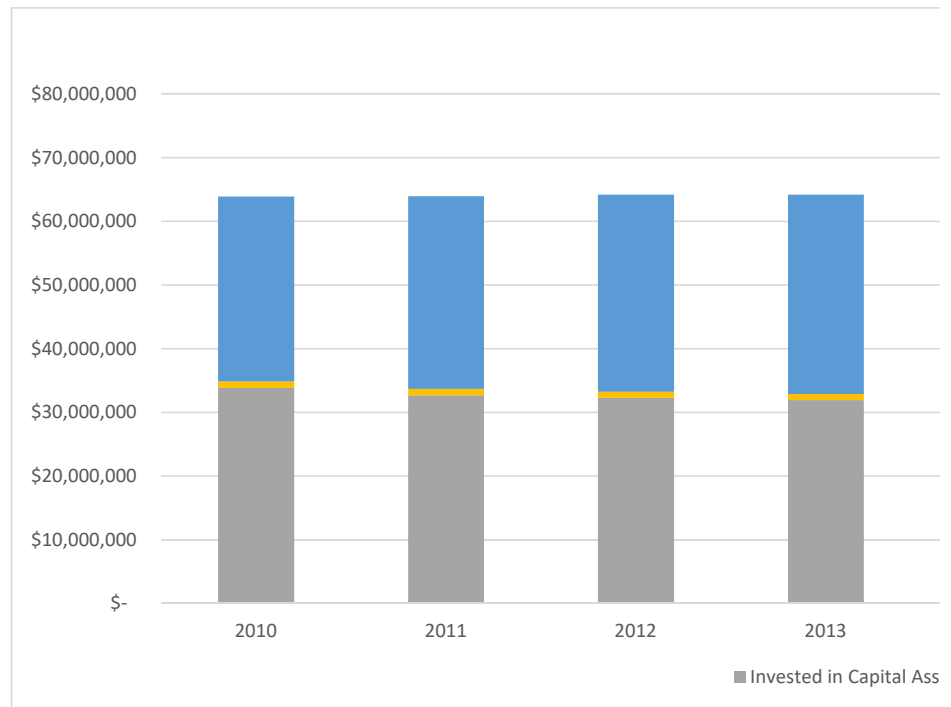
	Special Revenue Funds								Total Nonmajor Governmental Funds
	Gas Tax	Measure A	State Transportation Grant	Housing Impact Fee	Public Safety Grants	Local law Enforcement Grants	Town Hall COP Project	Street Capital	Debt Service
<u>ASSETS</u>									
Cash and investments	\$ 55,159	\$ 237,125	\$ -	\$ 259,681	\$ 10,686	\$ 145,604	\$ 79,335	\$ 1,688,943	\$ 2,620
Receivables from other governments	4,912	5,632	-	-	-	-	-	13,680	-
Total assets	<u>\$ 60,071</u>	<u>\$ 242,757</u>	<u>\$ -</u>	<u>\$ 259,681</u>	<u>\$ 10,686</u>	<u>\$ 145,604</u>	<u>\$ 79,335</u>	<u>\$ 1,702,623</u>	<u>\$ 2,620</u>
									<u>\$ 2,503,377</u>
<u>LIABILITIES AND FUND BALANCES</u>									
Liabilities:									
Accounts payable	\$ 750	\$ -	\$ -	\$ -	\$ 154	\$ 140	\$ 79,335	\$ 12,183	\$ -
Total Liabilities	750	-	-	-	154	140	79,335	12,183	-
Fund balances:									
Assigned	59,321	242,757	-	259,681	10,532	145,464	-	1,690,440	2,620
Total fund balances	59,321	242,757	-	259,681	10,532	145,464	-	1,690,440	2,620
Total liabilities and fund balances	<u>\$ 60,071</u>	<u>\$ 242,757</u>	<u>\$ -</u>	<u>\$ 259,681</u>	<u>\$ 10,686</u>	<u>\$ 145,604</u>	<u>\$ 79,335</u>	<u>\$ 1,702,623</u>	<u>\$ 2,620</u>
									<u>\$ 2,503,377</u>

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds							Total	
	Gas tax	Measure A	State Transportation Grant	Housing Impact Fee	Public Safety Grants	Local Law Enforcement Grant Fund	Street Capital	Debt Service	Nonmajor Governmental Funds
Revenues:									
Intergovernmental	\$ 66,422	\$ 67,467	\$ 11,269	\$ 62,505	508	\$ 148,747	\$ 118,851	\$ -	\$ 475,769
Use of money and property	130	891	-	-	-	3,196	35,027	133	39,377
Total revenues	66,552	68,358	11,269	62,505	508	151,943	153,878	133	515,146
Expenditures:									
Current:									
General government	-	-	-	-	-	-	-	5,400	5,400
Public safety	-	-	-	-	8,094	180,412	-	-	188,506
Public works	22,633	-	-	-	-	-	428,279	-	450,912
Debt service:									
Principal	-	-	-	-	-	-	-	115,000	115,000
Interest	-	-	-	-	-	-	-	181,268	181,268
Total expenditures	22,633	-	-	-	8,094	180,412	428,279	301,668	941,086
Excess (deficiency) of revenues over expenditures	43,919	68,358	11,269	62,505	(7,586)	(28,469)	(274,401)	(301,535)	(425,940)
Other financing sources (uses):									
Debt proceeds	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	197,176	-	-	2,158,341	301,614	2,657,131
Transfers out	-	-	-	-	-	-	(193,500)	-	(193,500)
Total other financing sources (uses)	-	-	-	197,176	-	-	1,964,841	301,614	2,463,631
Net change in fund balances	43,919	68,358	11,269	259,681	(7,586)	(28,469)	1,690,440	79	2,037,691
Fund balances, July 1	15,402	174,399	(11,269)	-	18,118	173,933	-	2,541	373,124
Fund balances, June 30	\$ 59,321	\$ 242,757	\$ -	\$ 259,681	\$ 10,532	\$ 145,464	\$ 1,690,440	\$ 2,620	\$ 2,410,815

STATISTICAL SECTION

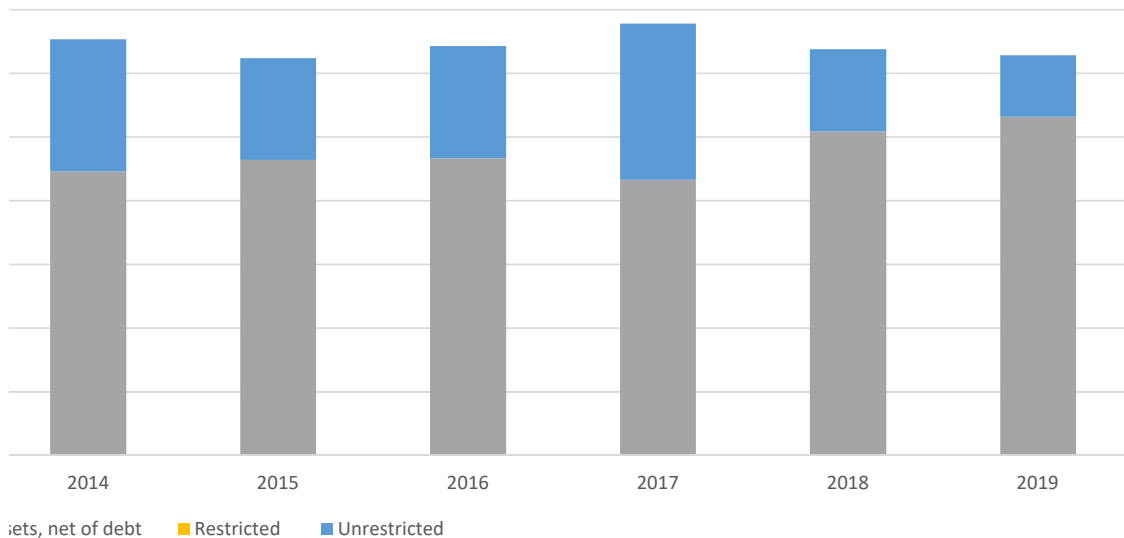
Town of Colma
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)



Governmental activities

	2010	2011	2012	2013
Invested in capital assets, net of related debt	\$ 33,872,406	\$ 32,716,909	\$ 32,290,889	\$ 31,939,040
Restricted	959,750	959,750	959,750	958,050
Unrestricted	29,091,738	30,259,243	30,931,462	31,280,801
Total governmental activities net position	\$ 63,923,894	\$ 63,935,902	\$ 64,182,101	\$ 64,177,891

Net Position by Component



	2014		2015		2016		2017		2018		2019
\$	44,599,385	\$	46,404,513	\$	46,657,014	\$	43,276,758	\$	50,892,687	\$	53,214,320
	0		0		0		0		0		0
	20,760,067		15,999,908		17,650,250		24,533,197		12,890,420		9,642,870
\$	65,359,452	\$	62,404,421	\$	64,307,264	\$	67,809,955	\$	63,783,107	\$	62,857,190

Town of Colma
Change in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Expenses	Fiscal Year Ended June 30,			
	2010	2011	2012	2013
Governmental activities:				
General government	\$ 2,735,280	\$ 2,825,518	\$ 3,132,552	\$ 3,346,125
Public safety	5,887,593	5,988,451	5,944,039	6,913,654
Public works	3,468,651	3,118,437	2,990,162	3,047,313
Recreation & parks	1,040,969	1,066,492	1,061,289	1,058,521
Planning	533,042	584,957	464,616	573,399
Interest on long-term debts	608,114	598,294	587,357	575,585
Total governmental activities expenses	14,273,649	14,182,149	14,180,015	15,514,597
Total primary government expenses	\$ 14,273,649	\$ 14,182,149	\$ 14,180,015	\$ 15,514,597
Program revenues				
Governmental activities:				
Charges for services				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	70,604	98,673	83,732	67,536
Public works	348,140	362,472	385,942	421,062
Recreation & parks	50,014	51,440	61,940	82,825
Planning	348,139	362,471	385,942	421,063
Operating grants and contributions	0	0	0	0
Capital grants and contributions	1,793,072	2,252,336	2,037,958	2,314,303
Total government activities program revenues	2,609,969	3,127,392	2,955,514	3,306,789
Total primary government program revenues	\$ 2,609,969	\$ 3,127,392	\$ 2,955,514	\$ 3,306,789
Net (expense)/revenue				
Governmental activities	\$ (11,663,680)	\$ (11,054,757)	\$ (11,224,501)	\$ (12,207,808)
Total primary government net expense	\$ (11,663,680)	\$ (11,054,757)	\$ (11,224,501)	\$ (12,207,808)
General revenues and other changes in net assets				
Governmental activities:				
Taxes				
Property taxes	\$ 385,709	\$ 366,266	\$ 334,320	\$ 354,574
Sales taxes	5,337,807	4,901,120	5,045,150	5,517,652
Cardroom taxes	5,484,544	4,938,532	5,091,032	4,957,234
Motor vehicle in-lieu, unrestricted	52,262	50,024	-	-
Other taxes and fees	278,912	513,254	56,455	74,736
Use of money/property and interest earnings	700,460	287,291	476,595	496,197
Other revenues	0	0	63,213	70,307
Extraordinary items:				
Special item - forgiveness of assessments	0	0	0	0
Total governmental activities	12,239,694	11,056,487	11,066,765	11,470,700
Total primary government	\$ 12,239,694	\$ 11,056,487	\$ 11,066,765	\$ 11,470,700
Change in net assets				
Governmental activities	\$ 576,014	\$ 1,730	\$ (157,736)	\$ (737,108)
Total primary government	\$ 576,014	\$ 1,730	\$ (157,736)	\$ (737,108)

	2014		2015		2016		2017		2018		2019
\$	2,967,299	\$	3,903,936	\$	3,187,043	\$	2,821,469	\$	3,158,045	\$	4,735,196
	6,257,453		2,832,021		7,027,124		5,693,256		7,877,748		7,711,938
	3,915,614		4,285,679		4,216,784		4,519,003		4,256,204		5,673,752
	908,687		946,869		968,178		1,066,457		1,210,189		1,250,971
	417,626		410,942		512,090		470,802		443,700		315,743
	483,814		0		114,087		185,669		183,469		181,268
	14,950,493		12,379,447		16,025,306		14,756,656		17,129,355		19,868,868
\$	14,950,493	\$	12,379,447	\$	16,025,306	\$	14,756,656	\$	17,129,355	\$	19,868,868

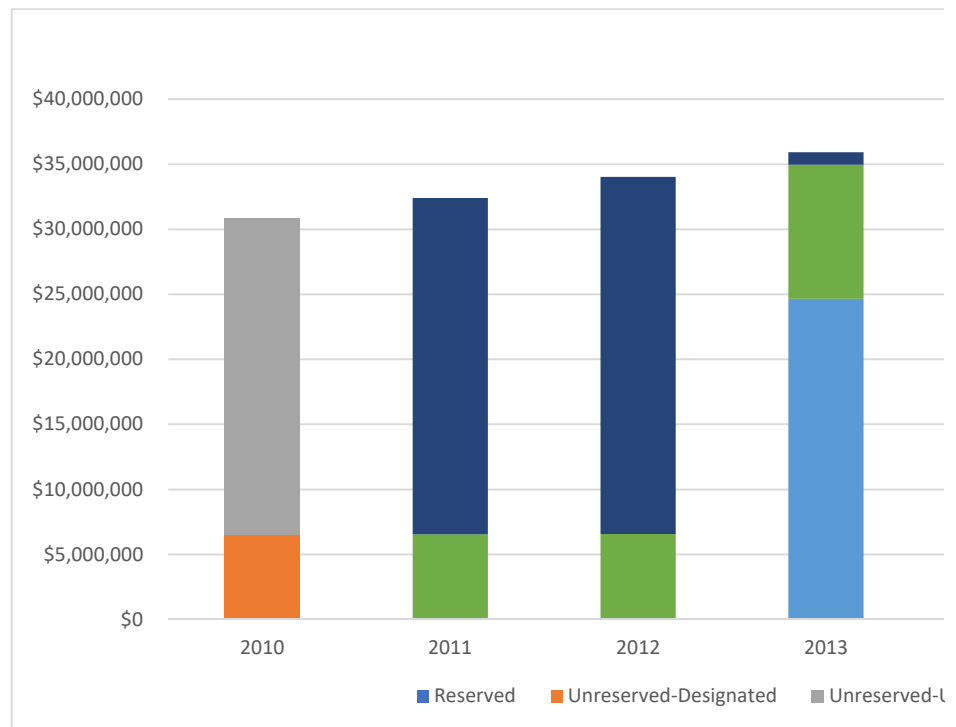
\$	20,175	\$	-	\$	-	\$	-	\$	-	\$	-
	102,641		106,935		68,225		250,905		97,848		25,417
	709,810		826,619		500,000		290,067		1,194,533		167,165
	71,176		78,592		524,317		580,133		142,078		83,662
	100,113		109,561		281,687		476,222		264,422		115,036
	0		138,809		282,497		156,775		230,352		237,521
	479,793		0		0		169,204		283,634		442,309
	1,483,708		1,260,516		1,656,726		1,923,306		2,212,867		1,071,110
\$	1,483,708	\$	1,260,516	\$	1,656,726	\$	1,923,306	\$	2,212,867	\$	1,071,110

\$	(13,466,785)	\$	(11,118,931)	\$	(14,368,580)	\$	(12,833,350)	\$	(14,916,488)	\$	(18,797,758)
\$	(13,466,785)	\$	(11,118,931)	\$	(14,368,580)	\$	(12,833,350)	\$	(14,916,488)	\$	(18,797,758)

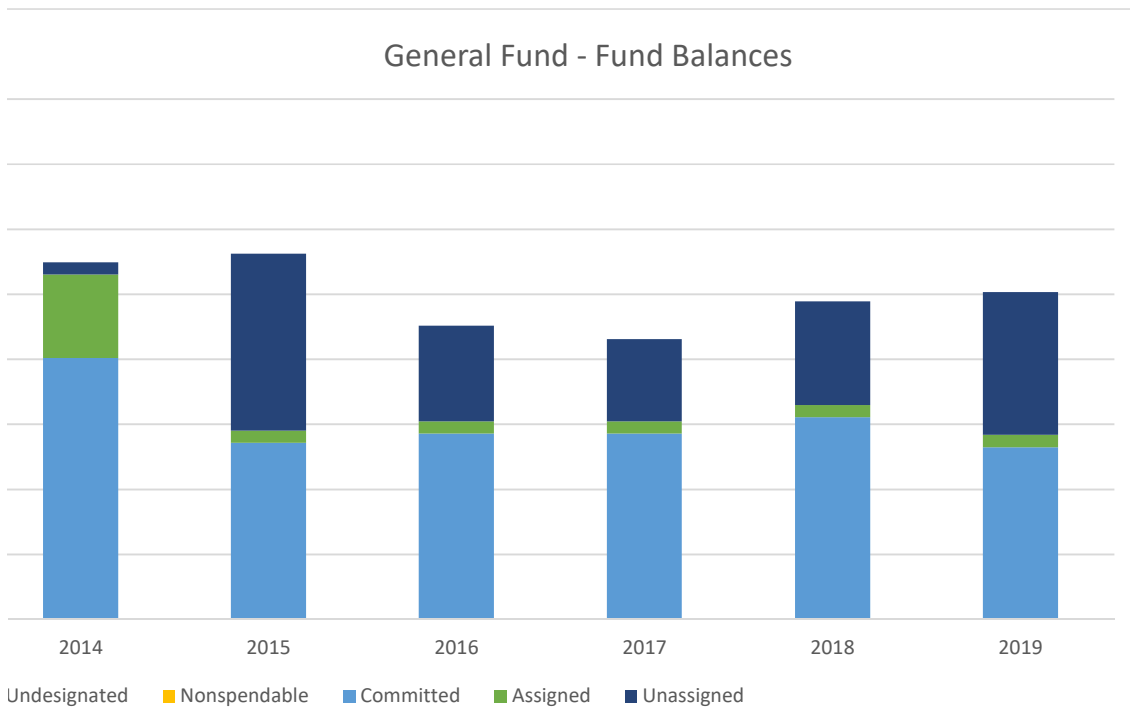
\$	617,618	\$	472,157	\$	617,172	\$	578,560	\$	601,116	\$	640,080
	6,232,713		6,843,923		10,851,063		11,202,349		11,397,118		12,066,527
	4,703,462		4,140,070		4,039,518		4,290,660		4,352,743		4,520,957
	-		-		-		-		-		-
	105,257		2,454,113		115,585		223,883		134,789		131,862
	503,140		615,754		473,432		247,803		416,023		679,643
	41,408		122,329		174,653		242,786		113,922		(167,224)
	0		0		0		0		0		0
	12,203,598		14,648,346		16,271,423		16,786,041		17,015,711		17,871,845
\$	12,203,598	\$	14,648,346	\$	16,271,423	\$	16,786,041	\$	17,015,711	\$	17,871,845

\$	(1,263,187)	\$	3,529,415	\$	1,902,843	\$	3,952,691	\$	2,099,223	\$	(925,913)
\$	(1,263,187)	\$	3,529,415	\$	1,902,843	\$	3,952,691	\$	2,099,223	\$	(925,913)

Town of Colma
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)



	Fiscal Year Ended June 30,			
	2010	2011	2012	2013
General Fund				
Reserved	\$ 9,102	\$ 0	\$ 0	\$ 0
Unreserved-Designated	6,464,640	0	0	0
Unreserved-Undesignated	24,362,588	0	0	0
Nonspendable	0	88,822	103,788	98,956
Committed	0	0	0	24,552,790
Assigned	0	6,464,640	6,464,640	10,319,919
Unassigned	0	25,848,027	27,462,519	950,000
Total General Fund	30,836,330	32,401,489	34,030,947	35,921,665
All Other Governmental Funds				
Reserved	\$ 959,750	\$ 0	\$ 0	\$ 0
Unreserved, reported in:				
Special revenue funds	105,593	0	0	0
Committed	0	959,750	959,750	958,050
Assigned	0	79,716	120,291	203,792
Unassigned	0	0	0	0
Total all other governmental funds	1,065,343	1,039,466	1,080,041	1,161,842



2014	2015	2016	2017	2018	2019
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
20,100,000	13,576,000	14,287,000	14,287,000	15,542,000	13,250,000
6,417,979	950,000	950,000	950,000	950,000	950,000
950,000	13,591,913	7,357,248	6,310,836	7,965,214	10,982,278
27,467,979	28,117,913	22,594,248	21,547,836	24,457,214	25,182,278

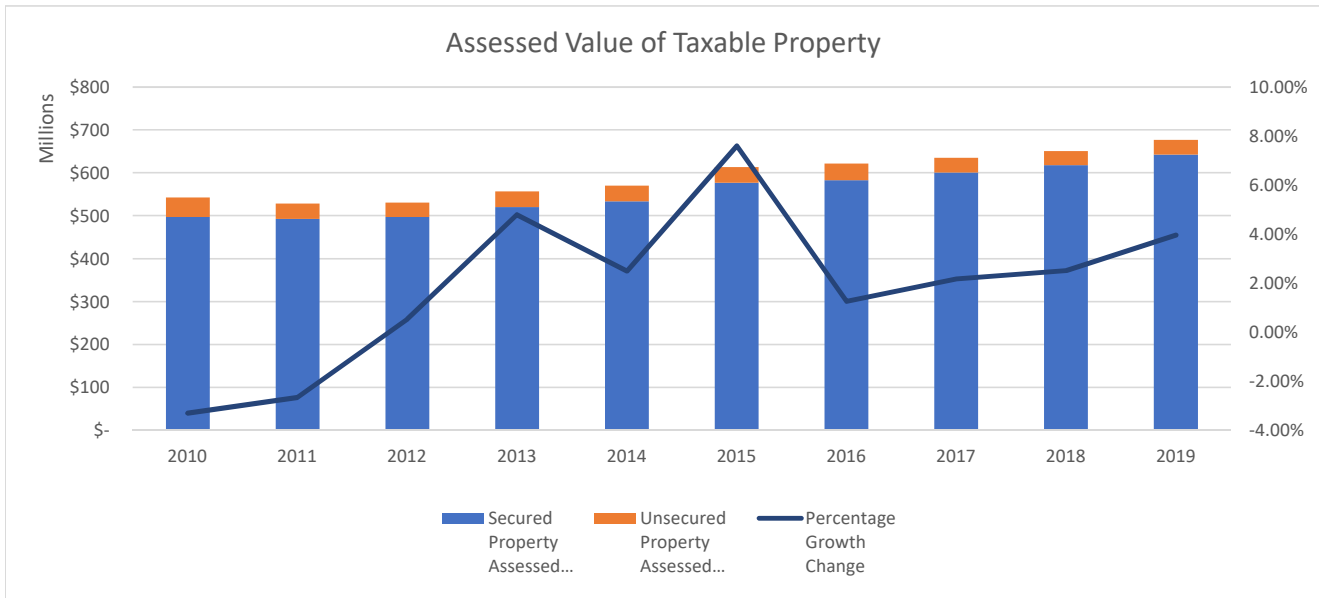
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	4,343,192	1,729,570	0	0
79,249	71,557	8,980,111	13,839,459	8,399,613	3,721,232
0	(47,219)	0	0	(11,269)	0
79,249	24,338	13,323,303	15,569,029	8,388,344	3,721,232

Town of Colma
Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2010	2011	2012	2013	2014
Revenues					
Property taxes	\$ 366,266	\$ 334,320	\$ 354,574	\$ 617,618	\$ 472,157
Sales taxes	4,901,120	5,045,150	5,517,652	6,232,713	6,843,923
Cardroom taxes	4,938,532	5,091,032	4,957,234	4,703,462	4,140,070
Other taxes	50,024	56,455	74,736	105,257	2,454,113
Licenses and permits	189,550	108,763	83,862	114,546	100,113
Fines and forfeits	70,604	98,673	83,732	67,536	66,611
Intergovernmental	1,793,072	2,252,336	2,037,958	2,314,303	479,793
Use of money and property	513,254	476,595	496,197	503,140	615,754
Other revenues	287,291	63,213	70,307	41,408	122,329
Charges for services	556,743	667,620	749,962	810,404	837,191
Total revenues	13,666,456	14,194,157	14,426,214	15,510,387	16,132,054
Expenditures					
Current:					
General government	2,509,572	2,620,539	2,936,363	2,921,076	2,967,299
Public safety	4,807,033	4,929,990	4,822,180	5,445,546	5,397,761
Public works	3,857,314	3,179,758	2,866,880	2,936,622	3,299,749
Recreation	859,300	888,871	883,961	880,931	908,687
Planning	351,375	407,336	287,288	395,809	417,626
Debt service:					
Principal repayment	350,000	360,000	375,000	385,000	12,100,000
Interest and fiscal charges	604,934	595,309	584,509	572,884	577,209
Total expenditures	13,339,528	12,981,803	12,756,181	13,537,868	25,668,331
Excess (deficiency) of revenues over (under) expenditures	326,928	1,212,354	1,670,033	1,972,519	(9,536,277)
Other financing sources (uses)					
Issuance of long-term debt					
Transfers in	1,515,520	1,274,755	1,140,692	1,230,450	12,246,681
Transfers (out)	(1,515,520)	(1,274,755)	(1,140,692)	(1,230,450)	(12,246,681)
Total other financing sources (uses)	0	0	0	0	0
Net change in fund balances	\$ 326,928	\$ 1,212,354	\$ 1,670,033	\$ 1,972,519	\$ (9,536,277)
Debt service as a percentage of noncapital expenditures	2.6%	2.8%	2.9%	2.8%	47.1%

	2015	2016	2017	2018	2019
\$	554,778	\$ 617,172	\$ 578,560	\$ 601,116	\$ 640,080
	10,327,853	10,851,063	11,202,349	11,397,118	12,066,527
	3,774,885	4,039,518	4,290,660	4,352,743	4,520,957
	138,463	115,585	136,895	127,789	131,862
	109,724	281,687	372,321	278,046	123,626
	65,785	68,225	64,740	73,907	103,519
	407,960	282,497	412,967	432,281	594,307
	427,801	473,432	247,803	416,023	668,061
	148,351	222,156	242,786	392,804	59,808
	946,198	1,024,317	1,160,266	1,156,751	123,216
	16,901,798	17,975,652	18,709,347	19,228,578	19,031,963
	3,903,936	3,194,543	2,821,469	3,158,045	4,735,196
	4,961,165	5,748,812	6,280,151	7,214,813	8,422,400
	6,083,862	4,730,141	6,575,487	11,312,133	7,766,952
	946,869	973,178	1,066,457	1,108,920	1,250,971
	410,942	512,090	470,802	443,700	315,743
	0	180,000	110,000	110,000	115,000
	0	114,087	185,669	183,469	181,268
	16,306,774	15,452,851	17,510,035	23,531,080	22,787,530
	595,024	2,522,801	1,199,312	(4,302,502)	(3,755,567)
		5,252,497			
	0	9,833,630	5,848,997	1,215,893	3,332,131
	0	(9,833,630)	(5,848,997)	(1,215,893)	(3,517,611)
	0	5,252,497	0	0	(185,480)
\$	595,024	\$ 7,775,298	\$ 1,199,312	\$ (4,302,502)	\$ (3,941,047)
	0.0%	1.2%	0.6%	0.5%	0.5%

Town of Colma
Assessed Value of Taxable Property
Last Ten Fiscal Years



Fiscal Year	Secured Property Assessed Value (a)	Unsecured Property Assessed Value	SBE Nonunitary Value (a)	Total Assessed Value (a)	Total Direct Tax Rate (b)	Percentage Growth Change
2010	497,649,479	45,180,770	723,100	543,553,349	1.0%	-3.30%
2011	493,189,593	35,162,186	723,100	529,074,879	1.0%	-2.66%
2012	497,097,100	34,175,946	542,325	531,815,371	1.0%	0.52%
2013	520,782,477	36,007,528	542,325	557,332,330	1.0%	4.80%
2014	534,119,184	36,578,906	542,325	571,240,415	1.0%	2.50%
2015	577,284,551	36,807,516	542,325	614,634,392	1.0%	7.60%
2016	583,049,863	38,607,884	723,100	622,380,847	1.0%	1.26%
2017	600,830,262	34,339,922	723,100	635,893,284	1.0%	2.17%
2018	618,149,159	32,961,152	723,100	651,833,411	1.0%	2.51%
2019	643,021,845	33,927,523	723,100	677,672,468	1.0%	3.96%

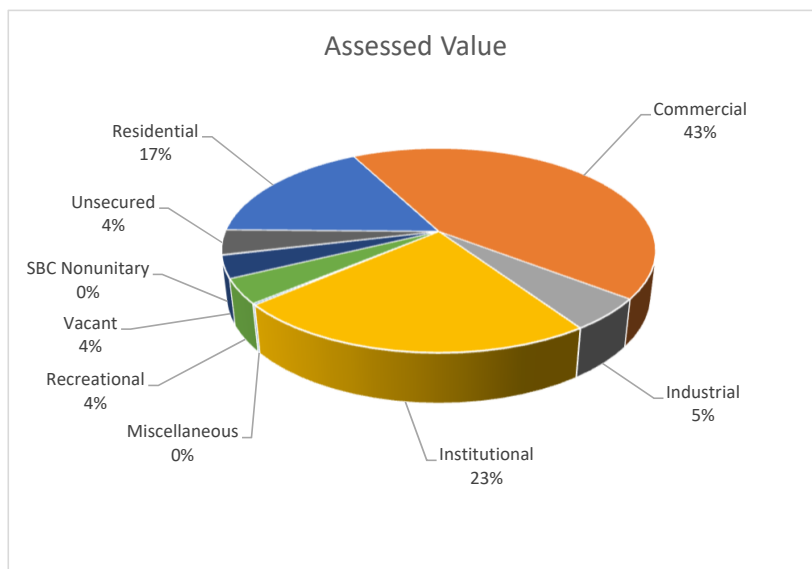
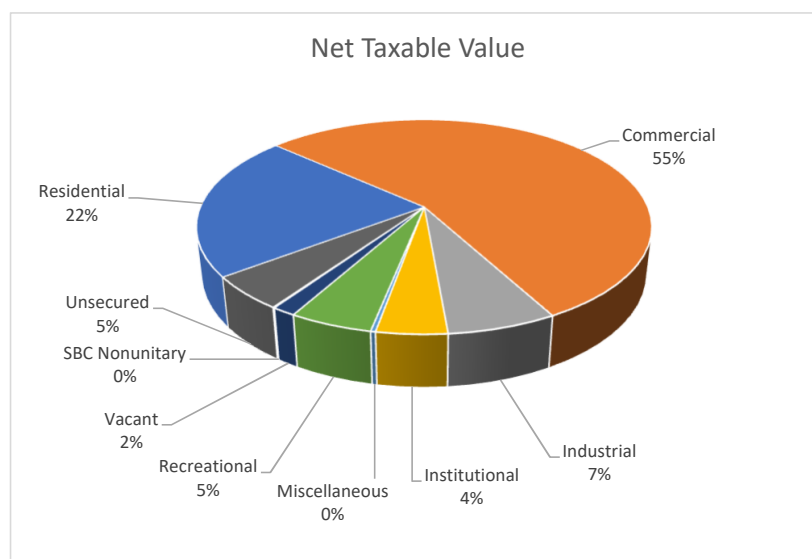
(a) Assessed values presented are net of exemptions.

The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of non more than two percent annually, plus any local over-rides. These values are considered to be full market values.

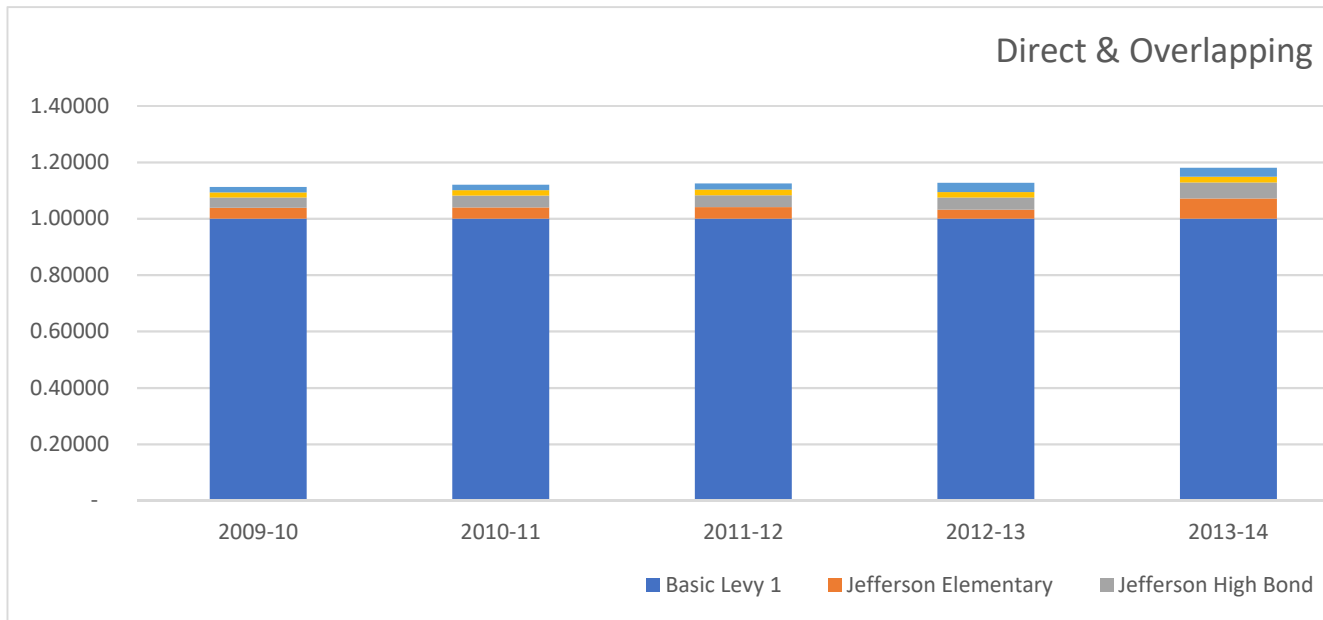
(b) California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The Town of Colma has seven tax rate areas.

Town of Colma
Assessed Value of Taxable Property by Use
Fiscal year ending June 30, 2019

Category	Parcels	Assessed Value	% of Total	Net Taxable Value	% of Total
Residential	322	148,483,155	17.0%	148,483,155	17.0%
Commercial	75	375,407,013	43.1%	375,407,013	43.1%
Industrial	19	44,614,000	5.1%	44,614,000	5.1%
Institutional	49	201,416,355	23.1%	28,729,877	3.3%
Miscellaneous	8	1,964,765	0.2%	1,964,765	0.2%
Recreational	3	33,886,492	3.9%	33,886,492	3.9%
Vacant	78	30,723,126	3.5%	9,736,053	1.1%
SBC Nonunitary	[3]	723,100	0.1%	723,100	0.1%
Unsecured	[13]	34,128,013	3.9%	34,128,013	3.9%
Total	564	871,346,019		677,672,468	



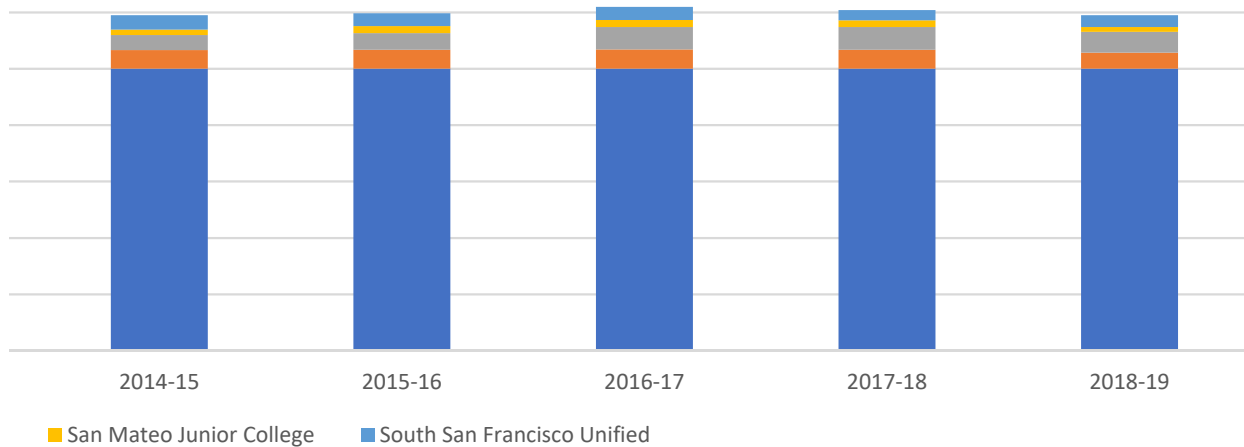
Town of Colma
Direct & Overlapping Property Tax Rates
(Rate per \$100 of Taxable Value)
Last Ten Fiscal Years



Agency	2009-10	2010-11	2011-12	2012-13
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000
Jefferson Elementary	0.03890	0.03990	0.04070	0.03160
Jefferson High Bond	0.03600	0.04160	0.04220	0.04300
San Mateo Junior College	0.01820	0.01930	0.01990	0.01940
South San Francisco Unified	0.01950	0.01960	0.02210	0.03270
Total Direct & Overlapping Tax Rates	1.11260	1.12040	1.12490	1.12670
 City's Share of 1% Basic Levy	 0.01142	 0.01143	 0.01125	 0.01057

Source: San Mateo County Assessor's 2009-10 Through 2018-19 Tax Rate Table

Property Tax Rates



2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.07130	0.06620	0.06740	0.06800	0.06630	0.05630
0.05740	0.05300	0.05830	0.08000	0.08160	0.07390
0.01940	0.01900	0.02500	0.02470	0.02350	0.01750
0.03280	0.05130	0.04570	0.04670	0.03660	0.04220
1.18090	1.18950	1.19640	1.21940	1.20800	1.18990
0.10280	0.16068	0.16062	0.16431	0.16913	0.17625

Town of Colma
Principal Sales Tax Producers
Last Fiscal Year and Nine Years Ago

2018-19

Business Name	Business Type
Best Buy	Electronics/Appliance Stores
BevMo	Convenience Stores/Liquor
Cab West/Volvo Leasing	Auto Lease
Carmax	Used Automotive Dealers
Cypress Lawn Cemetery	Morticians and Undertakers
Golden Gate Acura	New Motor Vehicle Dealers
Home Depot	Building Materials
Honda Lease Trust	Auto Lease
Honda of Serramonte	New Motor Vehicle Dealers
Hyundai of Serramonte	New Motor Vehicle Dealers
Kohl's	Department Stores
Lexus of Serramonte	New Motor Vehicle Dealers
Lucky Chances Casino	Leisure/Entertainment
Marshalls	Family Apparel
Michaels Arts & Crafts	Art/Gift/Novelty Stores
Nissan Serramonte Certified Center	New Motor Vehicle Dealers
Pacific Coast Supply	Building Materials
Pacific Nurseries	Garden/Agricultural Supplies
Ross	Family Apparel
Serramonte Ford	New Motor Vehicle Dealers
Steward Chevrolet Chrysler	New Motor Vehicle Dealers
Target	Discount Dept Stores
Team Volkswagen Subaru	New Motor Vehicle Dealers
Toyota Lease Trust	Auto Lease
Ulta Beauty	Specialty Stores

Percent of Fiscal Year Paid by Top 25 Accounts = 90.00%

2009-10**Business Name**

Bed Bath & Beyond
Best Buy
BevMo
Cypress Lawn Cemetery
Golden Gate Acura
Home Depot
Honda Lease Trust
Honda of Serramonte
Jo Ann Fabrics & Crafts
Kids R Us
Kohl's
Lexus of Serramonte
Lucky Chances Casino & Dining
Marshall's
Michaels Arts & Crafts
Nordstrom Rack
Old Navy
Pacific Nurseries
Serramonte Auto Plaza
Serramonte Ford
Sizzler
Sleep Train
Stewart Chevrolet Chrysler
Target
Toyota Motor Credit

Business Type

Home Furnishings
Electronics/Appliance Stores
Convenience Stores/Liquor
Morticians And Undertakers
New Motor Vehicle Dealers
Building Materials
Auto Lease
New Motor Vehicle Dealers
Specialty Stores
Specialty Stores
Department Stores
New Motor Vehicle Dealers
Leisure/Entertainment
Family Apparel
Art/Gift/Novelty Stores
Department Stores
Family Apparel
Garden/Agricultural Supplies
New Motor Vehicle Dealers
New Motor Vehicle Dealers
Casual Dining
Home Furnishings
New Motor Vehicle Dealers
Discount Dept Stores
Auto Lease

Percent of Fiscal Year Paid by Top 25 Accounts = 90.44%

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

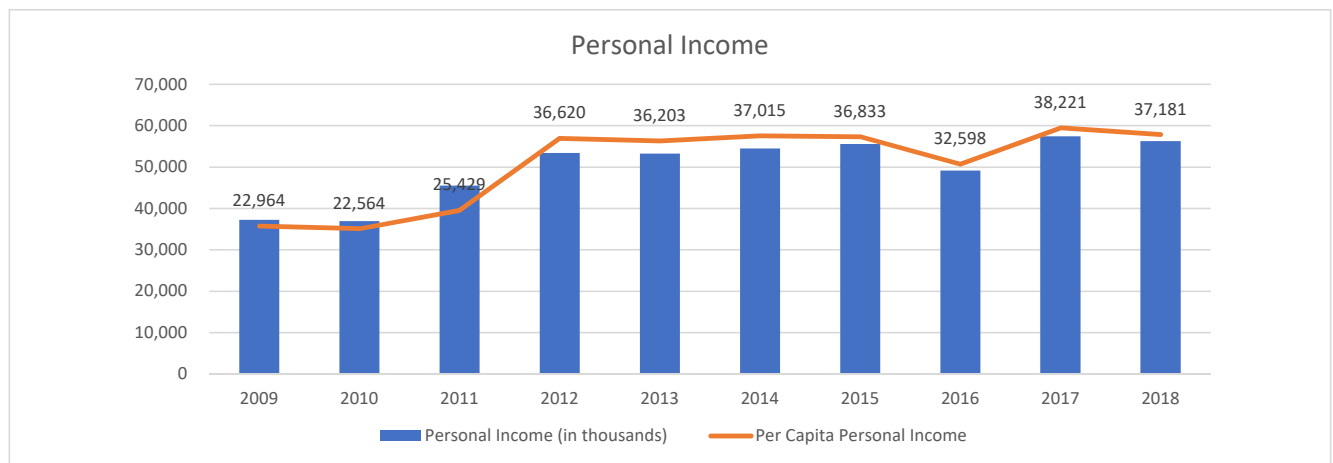
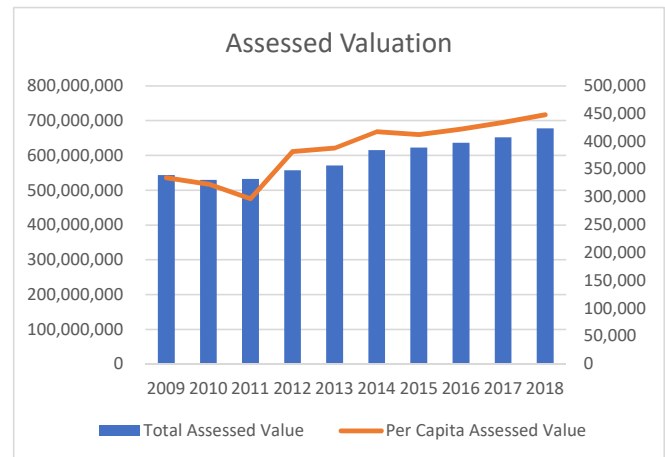
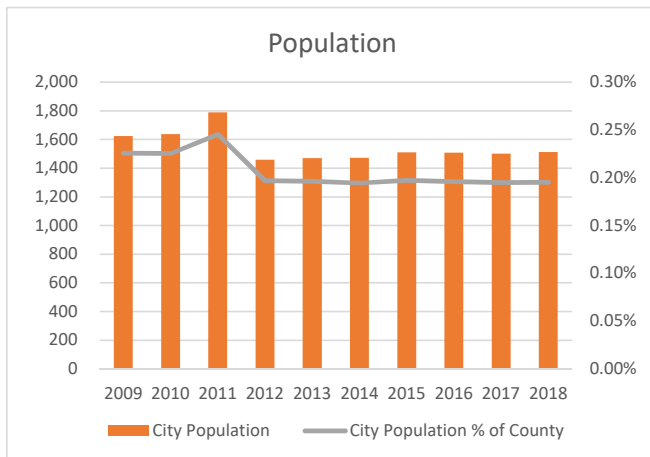
	2009	2010	2011	2012	2013
Apparel Stores	\$ 27,370	\$ 27,893	\$ 28,580	\$ 32,806	\$ 31,538
General Merchandise	119,226	115,708	124,342	127,239	125,931
Eating and Drinking Places	9,792	9,457	13,039	14,095	13,994
Auto Dealers and Supplies	215,815	229,839	265,893	341,349	412,579
Other Retail Stores	214,586	210,154	203,645	205,815	222,168
All Other Outlets	90,504	100,382	107,316	123,277	146,419
Total	<u>\$ 677,293</u>	<u>\$ 693,433</u>	<u>\$ 742,815</u>	<u>\$ 844,581</u>	<u>\$ 952,629</u>

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

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

2014		2015		2016		2017		2018	
\$	31,053	\$	30,707	\$	35,231	\$	40,328	\$	38,750
	119,402		117,401		114,147		114,566		90,965
	15,528		16,383		16,998		20,466		23,018
	484,072		509,063		539,984		551,644		582,511
	225,642		228,579		225,747		237,458		238,033
	178,801		188,861		215,821		224,061		242,839
\$	1,054,498	\$	1,090,994	\$	1,147,928	\$	1,188,523	\$	1,216,116

Town of Colma
Demographic and Economic Statistic
Last Ten Fiscal Years



Fiscal Year	City Population	Total Assessed Value	Per Capita Assessed Value	Personal Income (in thousands)	Per Capita Personal Income	San Mateo County Population	City Population % of County
2009	1,622	543,553,349	335,113	37,248	22,964	718,451	0.23%
2010	1,637	529,074,879	323,198	36,937	22,564	726,305	0.23%
2011	1,789	531,815,371	297,270	45,492	25,429	729,429	0.25%
2012	1,458	557,332,330	382,258	53,392	36,620	740,850	0.20%
2013	1,470	571,240,415	388,599	53,218	36,203	749,165	0.20%
2014	1,471	614,634,392	417,834	54,449	37,015	756,866	0.19%
2015	1,509	622,380,847	412,446	55,581	36,833	764,711	0.20%
2016	1,506	635,893,284	422,240	49,093	32,598	768,507	0.20%
2017	1,501	651,833,411	434,266	57,369	38,221	770,116	0.19%
2018	1,512	677,672,468	448,196	56,218	37,181	773,994	0.20%



TOWN OF COLMA
TOWN COUNCIL
&
MANAGEMENT REPORT

For the Year Ended
JUNE 30, 2019

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R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Town Council
Town of Colma
Colma, California

In planning and performing our audit of the basic financial statements of Town of Colma for the fiscal year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Colma's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's basic financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the basic financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider material weaknesses, as defined above.

This report is intended solely for the information and use of management and Town Council of Town of Colma and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

We thank Town of Colma's staff for its cooperation during our audit.

R. J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
January 21, 2020

Town Council
Town of Colma
Colma, California

We have audited the basic financial statements of Town of Colma for the year ended June 30, 2019. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 30, 2019, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of Town of Colma. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Town of Colma are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by Town of Colma during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The most sensitive estimates affecting the financial statements were:

- Accrual and disclosure of compensated absences;
- Capital asset lives and depreciation expense;
- Actuarial assumptions for pension and post-employment benefits;
- Fair value of investments and financial instruments.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 21, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Town of Colma's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Town of Colma's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis and the Budgetary Comparison Schedule for the General Fund, Local Government's Proportionate Share of Net Pension Liability, and Schedules of Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements and individual fund statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory Section and the Statistical Section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of management and Town Council of Town of Colma and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Town of Colma
MANAGEMENT REPORT
For the Year Ended June 30, 2019

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

**TOWN OF COLMA
MEASURE A FUND
(A nonmajor component unit fund)**

FINANCIAL STATEMENTS

JUNE 30, 2019

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the Town Council
Town of Colma
Colma, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure A Fund of Town of Colma, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Measure A Fund's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

As described in Note 1 to the financial statements, the accompanying financial statements present only the Measure A Fund and do not purport to, and do not, present fairly the financial position of Town of Colma, California, as of June 30, 2019, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure A Fund of Town of Colma, California, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
December 20, 2019

Town of Colma
Measure A Fund
GOVERNMENTAL FUND TYPE
BALANCE SHEET
June 30, 2019

ASSETS

Cash	\$ 237,125
Accounts receivable	<u>5,632</u>
 Total assets	 <u><u>\$ 242,757</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Due to other fund	\$ <u>-</u>
 Fund balance:	
Assigned	 <u>242,757</u>
 Total liabilities and fund balances	 <u><u>\$ 242,757</u></u>

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

Town of Colma
Measure A Fund
GOVERNMENTAL FUND TYPE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2019

Revenues:	
20 percent of 1/2 cent sales tax	\$ 67,467
Use of money and property	<u>891</u>
Total revenues	<u>68,358</u>
Expenditures:	
Capital outlay	<u>-</u>
Total expenditures	<u>-</u>
Excess of revenues over expenditures	<u>68,358</u>
<u>OTHER FINANCING SOURCES (USES)</u>	
Transfers in	160,000
Transfers out	<u>(160,000)</u>
Total other financing sources (uses)	<u>-</u>
Net change in fund balance	68,358
Fund balance, beginning of period	<u>174,399</u>
Fund balance, end of period	<u><u>\$ 242,757</u></u>

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

Town of Colma
Measure A Fund
NOTES TO FUND FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - REPORTING ENTITY

At the general election on June 7, 1988, the voters of San Mateo County approved Measure A, “An ordinance providing for the creation of the San Mateo County Transportation Authority, for the imposition of a one-half of one percent transactions and use tax, for the issuance of limited tax bonds, and for other purposes.” It also includes an annual allocation of 20 percent of the total revenue generated by the aforementioned ½ percent transactions and use tax to the cities of San Mateo County and to the County of San Mateo for the improvement of local transportation, including streets and roads.

The Measure A Fund (the Fund) is a component unit nonmajor fund of Town of Colma. The accounting policies of the Fund conform to U.S. generally accepted accounting principles as applicable to governments. The accompanying financial statements present financial information for only the Measure A Fund, and not for Town of Colma (the Town) as a whole.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The operating statement of the fund presents increases and decreases in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred by the Fund.

B. Budgets and Budgetary Accounting

The Town adopted an annual budget for the Fund for the fiscal year ending June 30, 2019. The Town’s budget is prepared on a basis consistent with U.S. generally accepted accounting principles. All annual appropriations lapse at year end.

The appropriated budget is prepared by fund, function, department and line item. The legal level of budgetary control is the fund level. Any changes to increase total appropriations in a fund require the approval of the Town Council.

Town of Colma
Measure A Fund
NOTES TO FUND FINANCIAL STATEMENTS
June 30, 2019

NOTE 3 - CASH AND INVESTMENTS

The Town pools various funds' cash for investment purposes. The Fund's equity in such pooled assets is shown as "Cash and Investments." Cash and investments in the accompanying financial statements are carried at fair value.

The Town is authorized by its most recent investment policy to invest in the State of California Local Agency Investment Fund, the San Mateo County Treasurer's Investment Pool and other permitted investments.

Interest earnings, if any, were allocated to the Fund in the 2019 fiscal year based upon the Fund's average cash balances and the proportionate interest earned by the Town on its pooled investments in the State of California Local Agency Investment Fund (LAIF) and the San Mateo County Treasurer Pool. See the Town's Basic Financial Statements for the disclosures related to cash and investments and the related custodial risk categorization.

NOTE 4 - CONTINGENCIES

Local Financial Assistance. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the San Mateo County Transportation Authority. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantors cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

NOTE 5 - ASSIGNED FUND BALANCE

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

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

NOTE 6 - INTERFUND TRANSFERS

For the fiscal year ended June 30, 2019, the Measure A Fund transferred \$160,000 to the Street Capital Project Fund to be expended on the Mission Road Bicycle and Pedestrian Improvement Project. The funds were not used by June 30, 2019 and were returned back to the Measure A Fund on June 30, 2019. The funds are earmarked for the Mission Road Bicycle and Pedestrian Improvement Project and will be transferred to the Street Capital Project Fund to be expended in FY 2019-20.

REPORT ON COMPLIANCE BASED
ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH AUDITING
STANDARDS GENERALLY ACCEPTED IN
THE UNITED STATES OF AMERICA

Honorable Mayor and Members
of the Town Council
Town of Colma
Colma, California

We have audited the Town of Colma's compliance with the agreement between the Town of Colma and San Mateo County Transportation Authority applicable to the Measure A Fund for the year ended June 30, 2019. Compliance with the requirements referred to above is the responsibility of Town of Colma's management. Our responsibility is to express an opinion on Town of Colma's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; and the agreement between the Town of Colma and San Mateo County Transportation Authority. Those standards and agreement require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the Measure A Fund. An audit includes examining, on test basis, evidence about Town of Colma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Town of Colma's compliance with those requirements.

Compliance

As part of obtaining reasonable assurance about whether Town of Colma Measure A Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including tests of Town of Colma's compliance with certain provisions of Measure A, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under U.S. generally accepted auditing standards.

This report is intended solely for the information of and use of the Town Council and management of Town of Colma, and the County of San Mateo Transportation Authority, and is not intended to be and should not be used by anyone other than these specified parties.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
December 20, 2019



R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REPORT
ON AGREED-UPON PROCEDURES APPLIED
TO APPROPRIATIONS LIMIT WORKSHEETS

Honorable Mayor and
Members of the Town Council
Town of Colma

We have applied the procedures enumerated below to the accompanying Appropriations Limit worksheet of the Town of Colma (the Town) for the year ended June 30, 2020. These procedures, which were agreed to by the Town (as presented in the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*) were performed solely to assist the Town in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution.

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which the report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed appropriation limit worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the Town Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the Town Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit and total adjustments, and compared the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit worksheet to the other worksheets described in No. 1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the Town Council for the prior year.

Finding: No exceptions were noted as a result of our procedures.

Honorable Mayor and
Members of the Town Council
Town of Colma - Page 2

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*.

This report is intended solely for the use of the Town of Colma and should not be used by those who have not agreed to the procedures and taken the responsibility for the sufficiency of the procedures for their purposes.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
February 13, 2020

Article XIIIIB Appropriation Limit Calculation

Prior Year Limit	\$ 44,103,586
Multiply by:	
Non-Residential Assessed Valuation Growth	1.0070
Change in population	1.0385 <u>1.046</u>
Total Appropriation Limit Fiscal Year 2019-2020	<u>\$ 46,137,229</u>

6. **HOUSING LAW UPDATE**

This item is presentation only; no action will be taken at this meeting.





STAFF REPORT

TO: Mayor and Members of the City Council

FROM: Brad Donohue, Director of Public Works
Muneer Ahmed, Project Manager

VIA: Brian Dossey, City Manager

MEETING DATE: February 26, 2020

SUBJECT: Lawndale Boulevard and El Camino Real Median Landscaping

RECOMMENDATION

This item is a study session for information purposes only. No City Council action is required; however, staff seeks comments, questions, impressions and opinions from Council members and members of the public regarding landscaping features and design options for El Camino Real and Lawndale Boulevard.

EXECUTIVE SUMMARY

City Council approved Phase I of the Lawndale Boulevard and El Camino Real Landscape and Median Improvements Project (CIP 956) in March 2019 when the 2019-2024 Capital Improvement Plan was adopted.

In October 2019, the Town selected Dillingham Associates Landscape Architects (the "Consultant") to prepare conceptual plans for landscape improvements on Lawndale Boulevard and El Camino Real.

The Consultant prepared three (3) design options along with probable cost estimates for each of the two streets.

The purpose of tonight's study session is to review and obtain feedback on the landscaping options for Lawndale Boulevard and El Camino Real as presented by Staff and the Consultant. City Council and public input, comments, and requests will be incorporated into the development of Phase II of this project which will include preparation of construction plans, specifications, and refined cost estimates.

FISCAL IMPACT

None. Though there is no fiscal impact to review and discuss landscaping ideas and options for Lawndale Boulevard and El Camino Real, those landscaping features if implemented will have a fiscal impact. Design and Construction costs will be assessed in Phase II of the Lawndale

Boulevard and El Camino Real Landscape and Median Project. Costs for preparing the conceptual plans (Phase I) were approved in the 2019 Capital Improvement Budget.

BACKGROUND

As a result of the severe drought in recent years, the State levied irrigation restrictions that prevent municipalities from irrigating lawn or turf medians. Lawndale Boulevard and El Camino Real with turf medians became casualties of the drought and irrigation restrictions. Even though the State of California has lifted statewide drought restrictions, one restriction that the State Water Resources Control Board (SWRCB) has not lifted is the irrigation restrictions that prevent municipalities from irrigating turf or grass medians.

The Town has complied with this State order and ceased watering the turf medians on Lawndale Boulevard and El Camino Real. The irrigation has been turned off for a few years now and the existing turf has died.

The Town's landscape maintenance contractor only mows the medians and performs weed abatement to keep intrusive vegetation in check. The Town's medians along Lawndale Boulevard and El Camino Real needs a significant reconstruction effort to bring them back to prominence. The Town has always considered the various landscaping features within the Town to be part of its identity, the roadway medians being a huge part of the Town's image.

Even though the State prohibits irrigating turf in the roadway medians, the SWRCB does allow landscaping that adheres to guidelines for drought resistant planting and irrigation systems that conserve water.

ANALYSIS

The objective of tonight's study session is to review, discuss, and provide input on various design options that can be implemented to enhance the landscape features on Lawndale Boulevard and El Camino Real, while complying with the mandates of the State water efficient landscape regulations and the Town's conservation and sustainability goals.

Three (3) general design approaches were identified by the Consultant and Staff for treatment of the medians on Lawndale Boulevard and El Camino Real: (a) drought-tolerant ground cover with a restricted palette of wind tolerant trees; (b) drought-tolerant and decorative plantings; and (c) synthetic turf. In the first two cases, plant irrigation would be from subsurface "drip-line" tubing with perhaps elimination or severe reduction of irrigation in a couple of years after plantings are established.

The Consultant will present these landscape themes and approaches to the City Council and public for review and input. Within the presentation rough costs will be provided along with cost comparisons and water savings between the different options.

It is important to note that this Phase I of the Lawndale Boulevard and El Camino Real Median Landscaping Project is being considered at the same time Staff is working on the El Camino Real Bicycle and Pedestrian Feasibility Study Project. This feasibility study will develop a future El Camino Real Improvement Project which may potentially require realignment or narrowing of the

median on El Camino Real. These changes are unknown at this time, subject to review and approval of the feasibility study by Caltrans. Opinions and/or recommendations regarding preferred landscape design, plant pallet selection, hardscape features and/or artificial turf options will therefore need to take this future potential improvement into consideration.

Council Adopted Values

The recommendation is consistent with the Council value of *responsibility* by taking recommendations from the public, staff, and consultants to review and analyze landscaping features that meet the Town's image and sustainability goals. The recommendation is also consistent with the Council value of *Vision* by taking decisions that forwards the Town's policies on resource conservation and efficiency.

Sustainability Impact

By considering various landscaping and irrigation design options, City Council is striving to meet the ongoing task of preserving natural resources such as water while promoting planting options that incorporate drought tolerant and native species and provide wellbeing for those who use these prominent roadways.

CONCLUSION

The City Council and Public are encouraged to ask questions about the proposed landscaping options and features thus providing feedback to staff. Comments will be incorporated into the development of design plans and specifications.

ATTACHMENTS

- A. Landscaping Options for Lawndale Boulevard and El Camino Real
- B. Project Cost Estimates

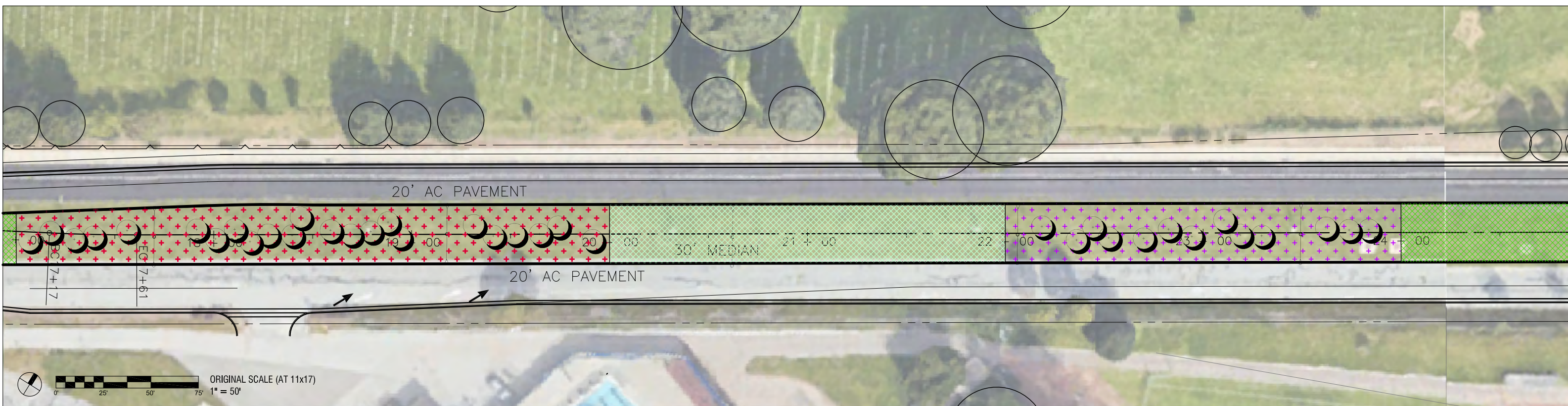




Lawndale Landscape and Median Project (Option A)

Town of Colma

01/27/2020 Dillingham Associates Landscape Architects



Lawndale Landscape and Median Project (Option A)

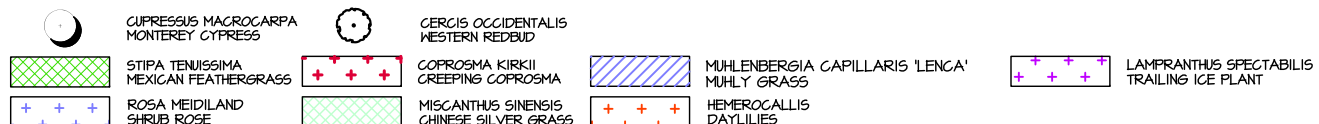
Town of Colma

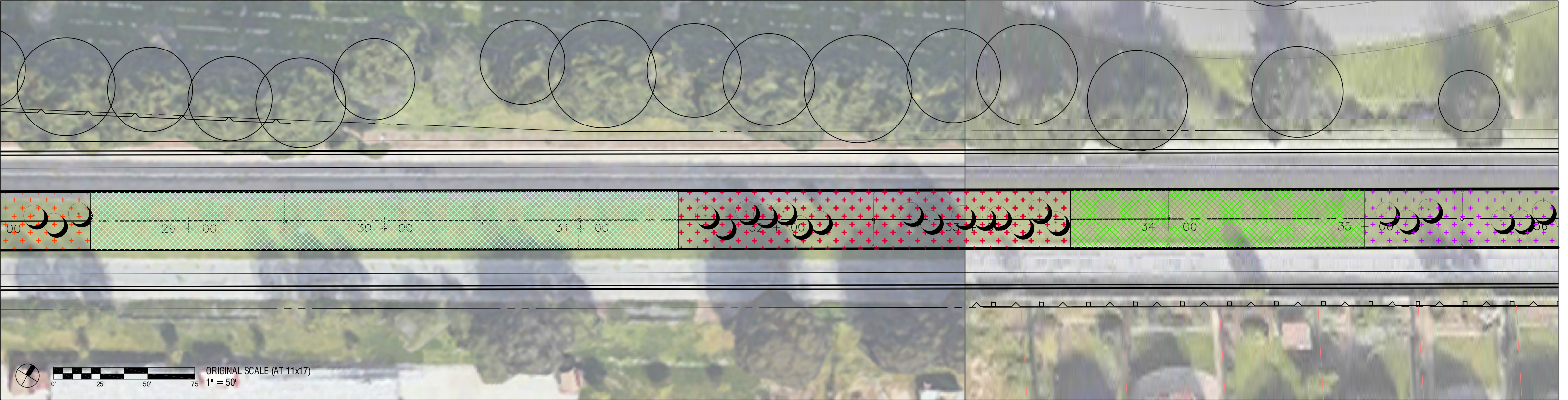
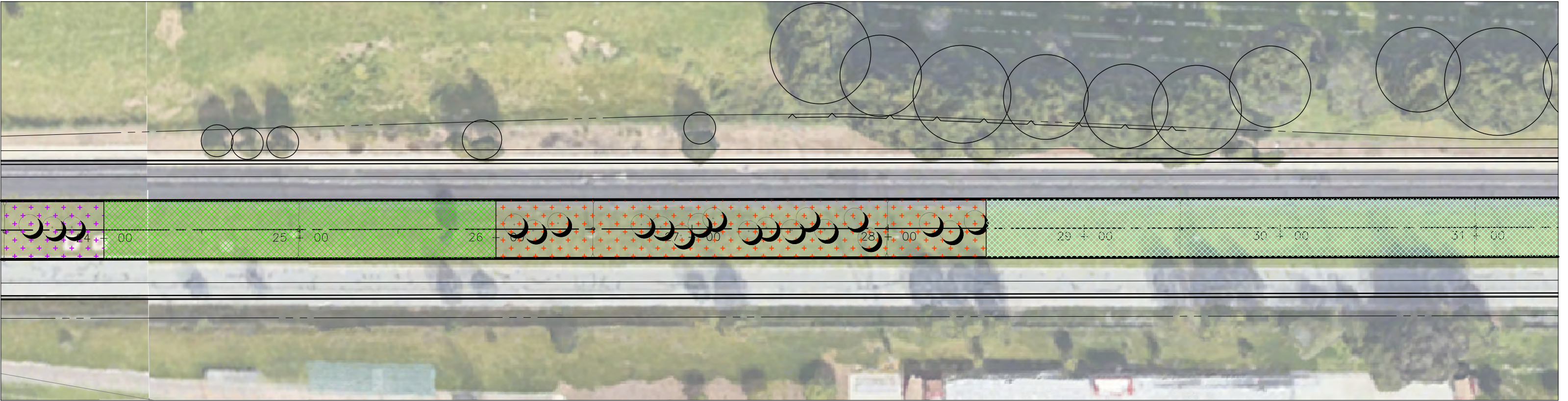
01/27/2020

Sheet 1 OF 3

Dillingham Associates Landscape Architects

LEGENDS





LEGENDS

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	<i>STIPA TENUISSIMA</i> MEXICAN FEATHERGRASS		<i>COPROSMA KIRKII</i> CREEPING COPROSMA		<i>HEMEROCALLIS</i> DAYLILIES		
	<i>ROSA MEIDILAND</i> SHRUB ROSE		<i>MISCANTHUS SINENSIS</i> CHINESE SILVER GRASS				

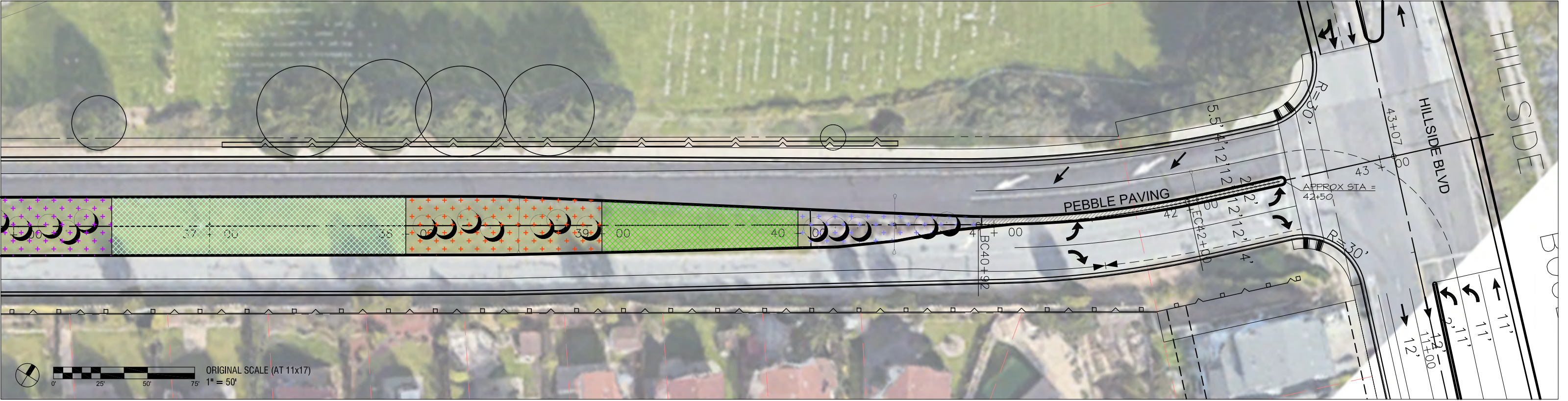
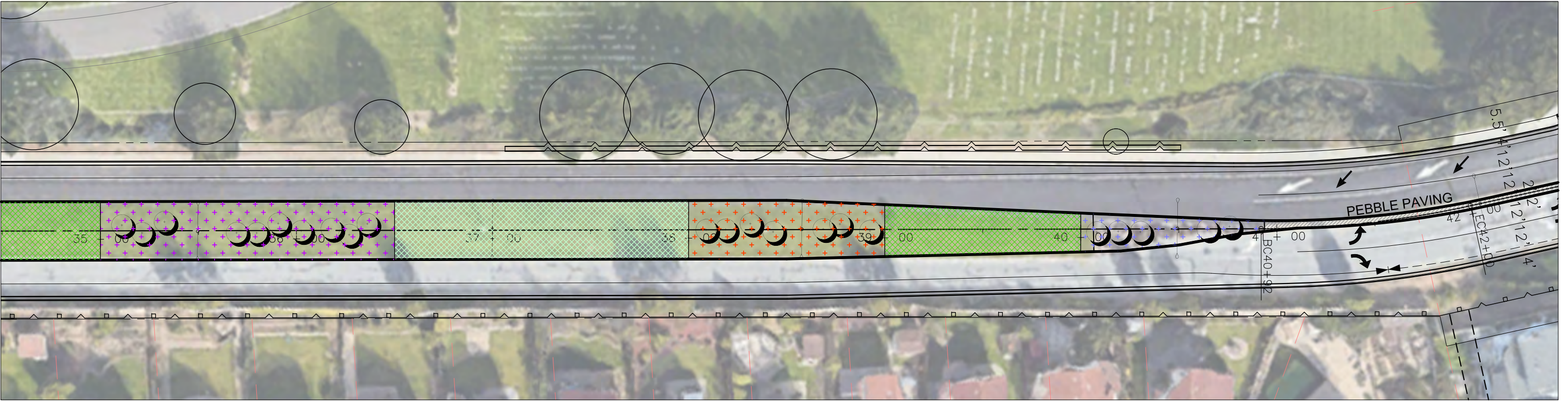
Lawndale Landscape and Median Project (Option A)

Town of Colma










01/27/2020

Sheet 2 OF 3

Dillingham Associates Landscape Architects



LEGENDS

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	<i>STIPA TENUISSIMA</i> MEXICAN FEATHERGRASS		<i>COPROSMA KIRKII</i> CREEPING COPROSMA		<i>MISCANTHUS SINENSIS</i> CHINESE SILVER GRASS		<i>HEMEROCALLIS</i> DAYLILIES
	<i>ROSA MEIDLAND</i> SHRUB ROSE						

Lawndale Landscape and Median Project (Option A)

Town of Colma

01/27/2020

Sheet 3 OF 3

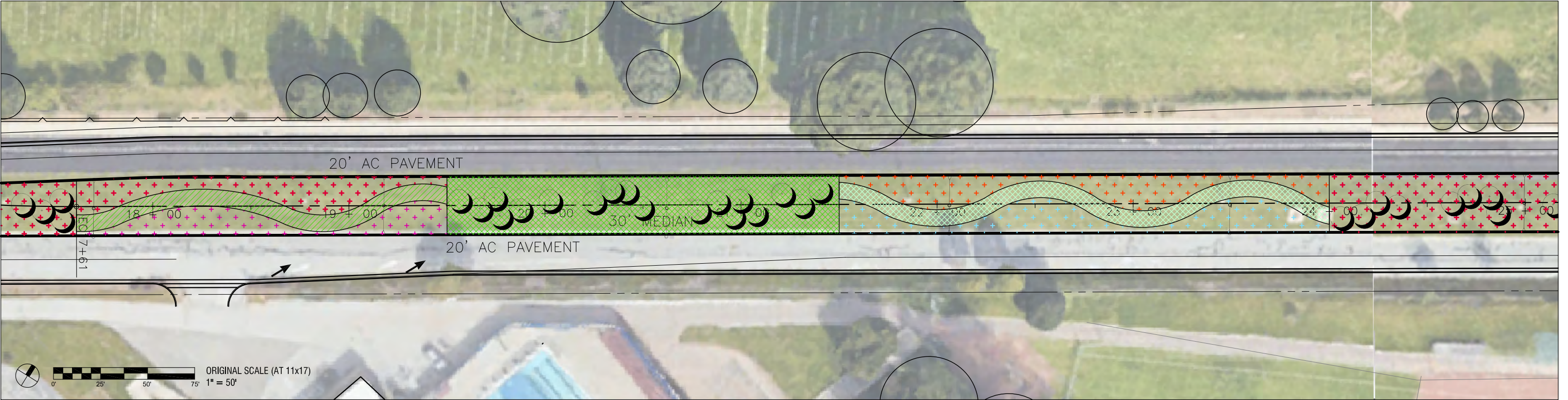
Dillingham Associates Landscape Architects



Lawndale Landscape and Median Project (Option B)

Town of Colma

01/27/2020 Dillingham Associates Landscape Architects



LEGENDS

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	STIPA TENUISSIMA MEXICAN FEATHERGRASS		COPROSMA KIRKII CREEPING COPROSMA		HEMEROCALLIS DAYLILIES		PHORMIUM 'CAROUSEL' NEW ZEALAND FLAX
	ROSA MEIDLAND SHRUB ROSE		MISCANTHUS SINENSIS CHINESE SILVER GRASS				

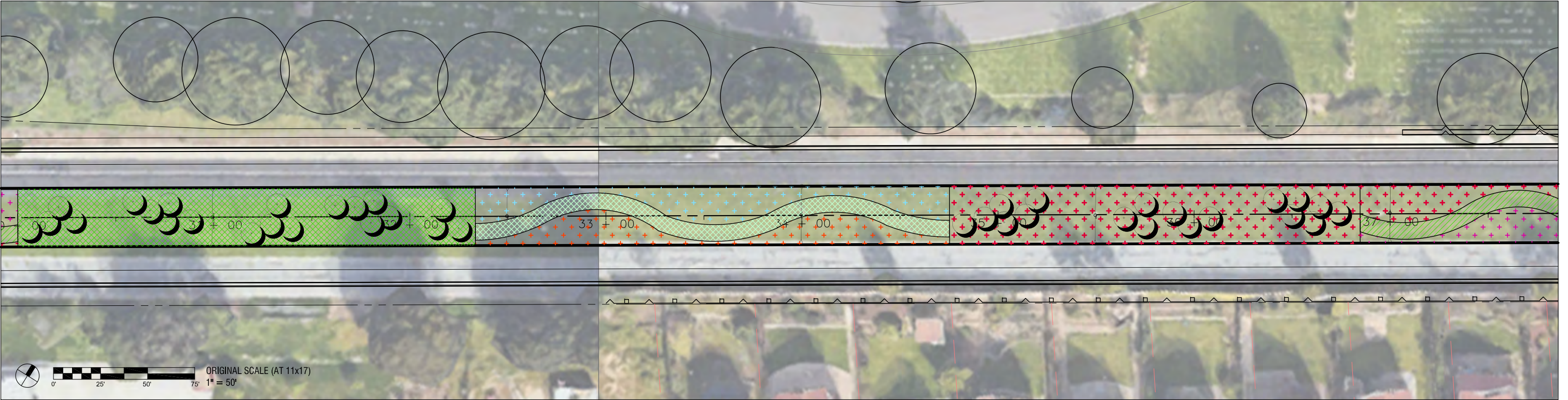
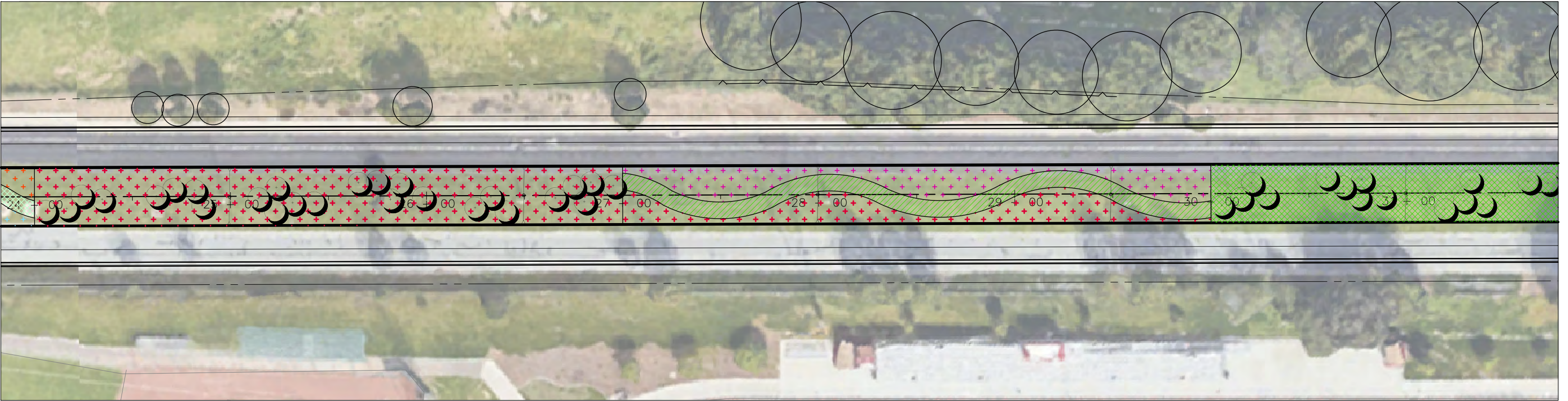
Lawndale Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 1 OF 3

Dillingham Associates Landscape Architects



LEGENDS

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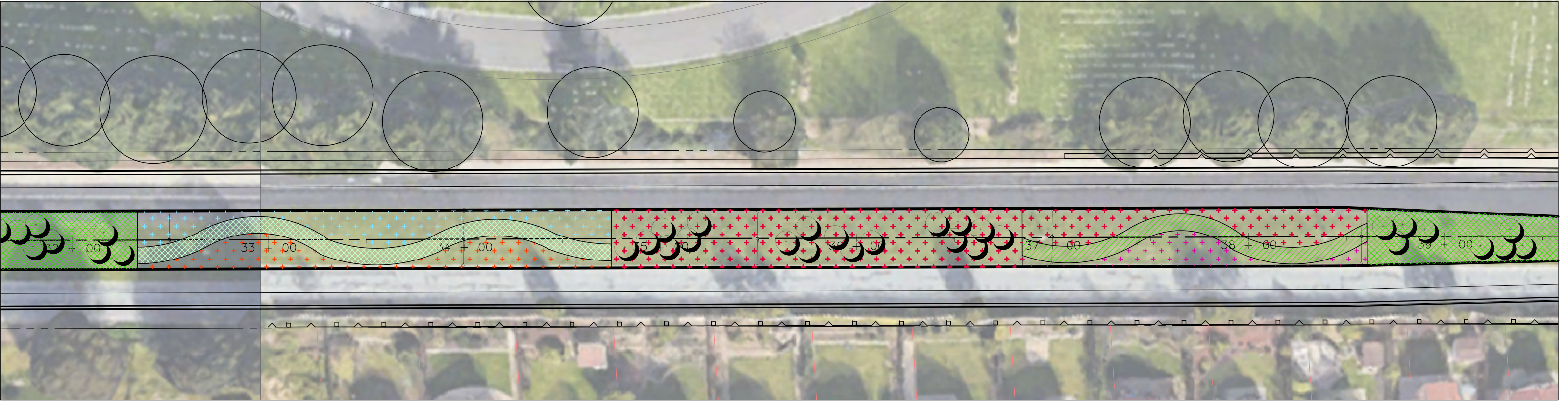
Lawndale Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 2 OF 3

Dillingham Associates Landscape Architects



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	STIPA TENUISSIMA MEXICAN FEATHERGRASS		COPROSMA KIRKII CREEPING COPROSMA		HEMEROCALLIS DAYLILIES		PHORMIUM 'CAROUSEL' NEW ZEALAND FLAX
	ROSA MEIDILAND SHRUB ROSE		MISCANTHUS SINENSIS CHINESE SILVER GRASS				

Lawndale Landscape and Median Project (Option B)

Town of Colma

01/27/2020

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Dillingham Associates Landscape Architects



Lawndale Landscape and Median Project (Option C)

Town of Colma

01/27/2020 Dillingham Associates Landscape Architects



STIPA TENUISSIMA
MEXICAN FEATHERGRASS



COPROSMA KIRKII
CREEPING COPROSMA



LANTANA CAMARA 'GOLD MOUND'
GOLD MOUND LANTANA



MUHLENBERGIA CAPILLARIS 'LENCA'
MUHLY GRASS



MISCANTHUS SINENSIS
CHINESE SILVER GRASS



HEMEROCALLIS
DAYLILIES



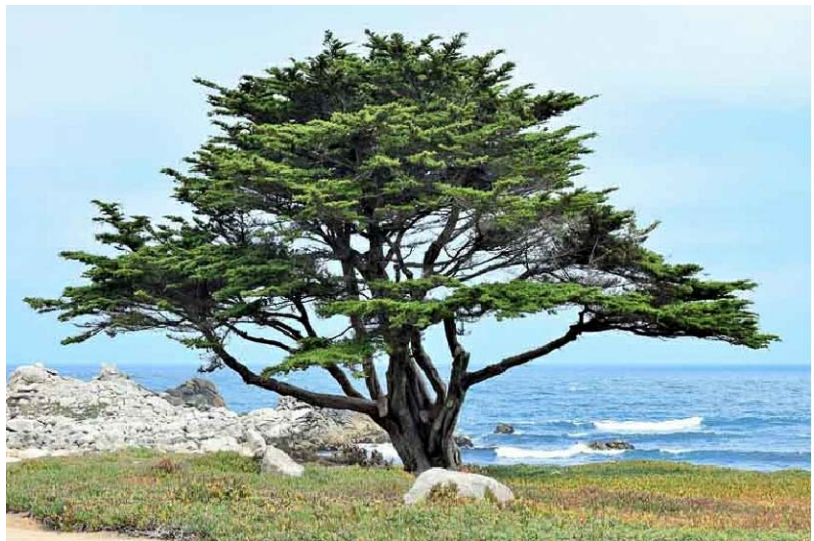
ROSA MEIDILAND
SHRUB ROSE



PHORMIUM 'CAROUSEL'
NEW ZEALAND FLAX



CERCIS OCCIDENTALIS
WESTERN REDBUD



CUPRESSUS MACROCARPA
MONTEREY CYPRESS

DROUGHT-TOLERANT PLANTING PALETTE

Lawndale Landscape and Median Project

Town of Colma

01/31/2020

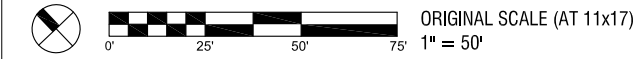
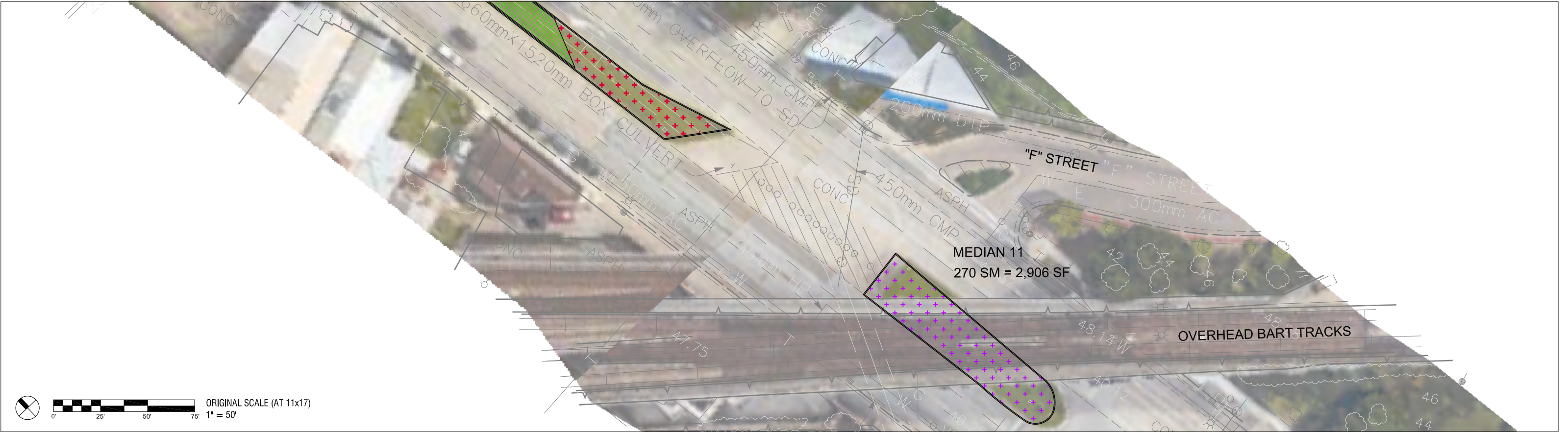
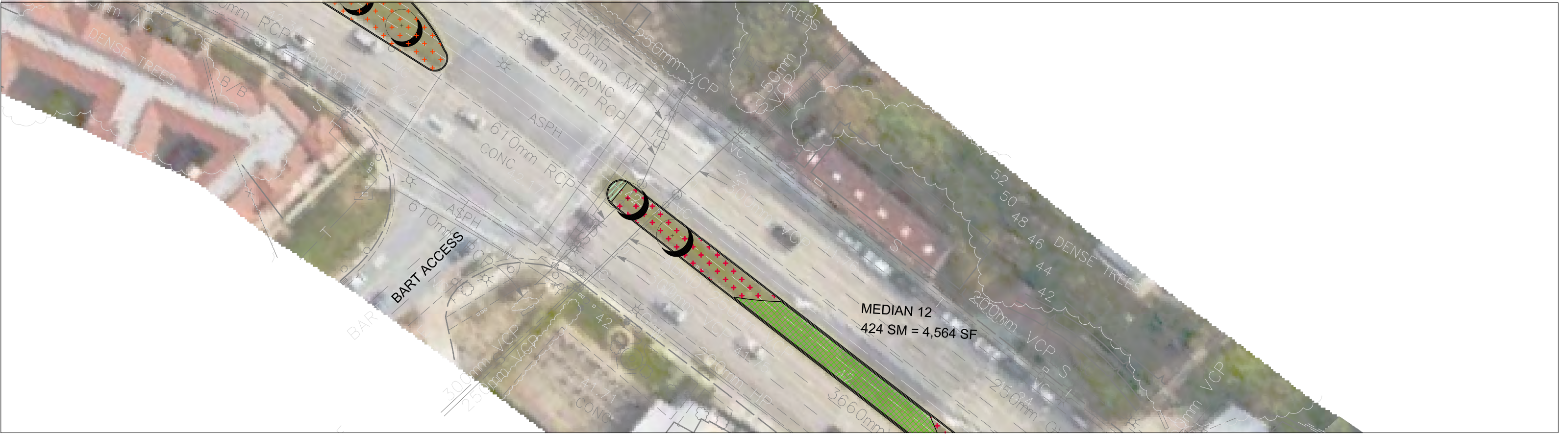
Dillingham Associates Landscape Architects



El Camino Real Landscape and Median Project (Option A)

Town of Colma

01/27/2020 Dillingham Associates Landscape Architects



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	PHORMIUM 'CAROUSEL' NEW ZEALAND FLAX		ROSA MEIDLAND SHRUB ROSE		MUHLENBERGIA CAPILLARIS 'LENCA' MUHLY GRASS
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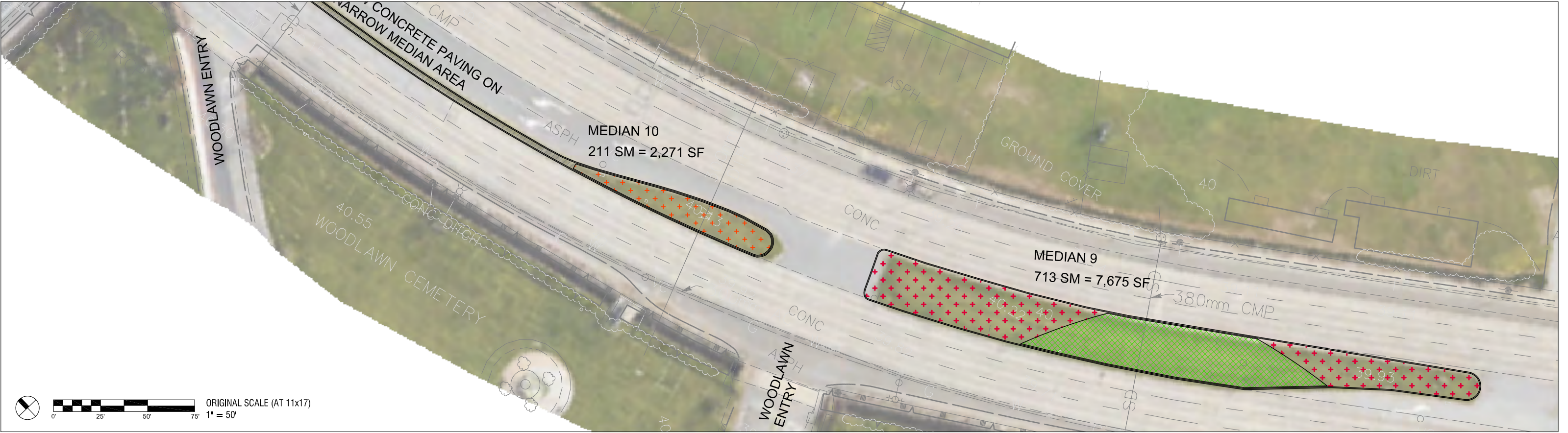
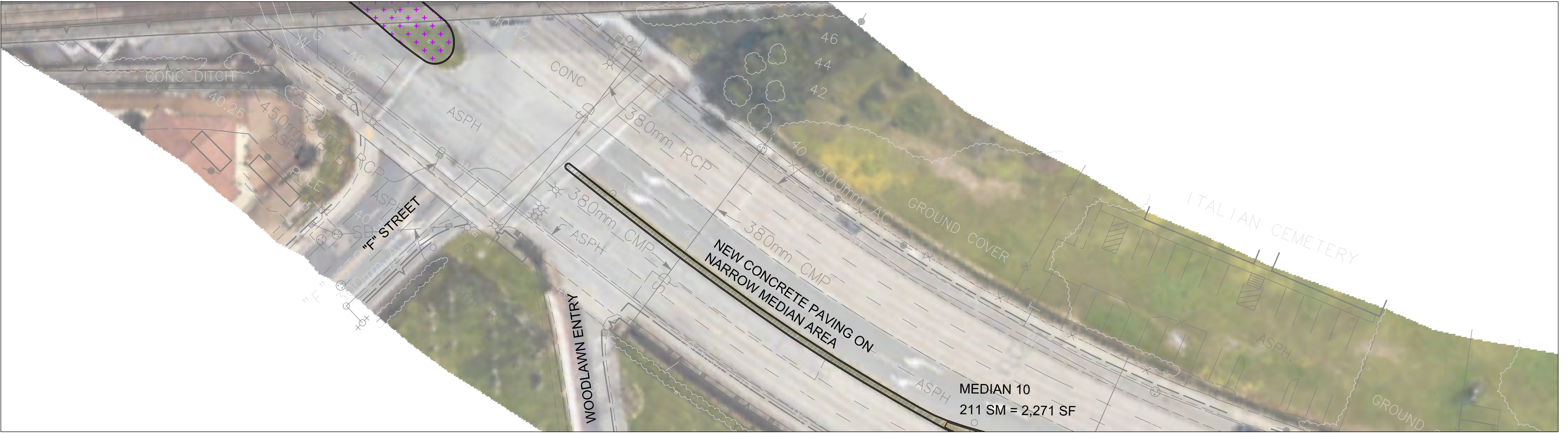
El Camino Real Landscape and Median Project (Option A)

Town of Colma














01/27/2020

Sheet 2 OF 6

Dillingham Associates Landscape Architects



0' 25' 50' 75' ORIGINAL SCALE (AT 11x17)
1" = 50'

- LEGENDS
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|  SEARSIA LANCEA |  MEXICAN FEATHERGRASS |  CREEPING COPROSMA |  MUHLY GRASS |  TRAILING ICE PLANT |
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| | | SHRUB ROSE | | |

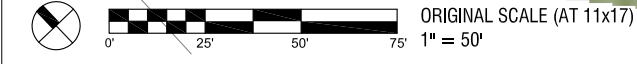
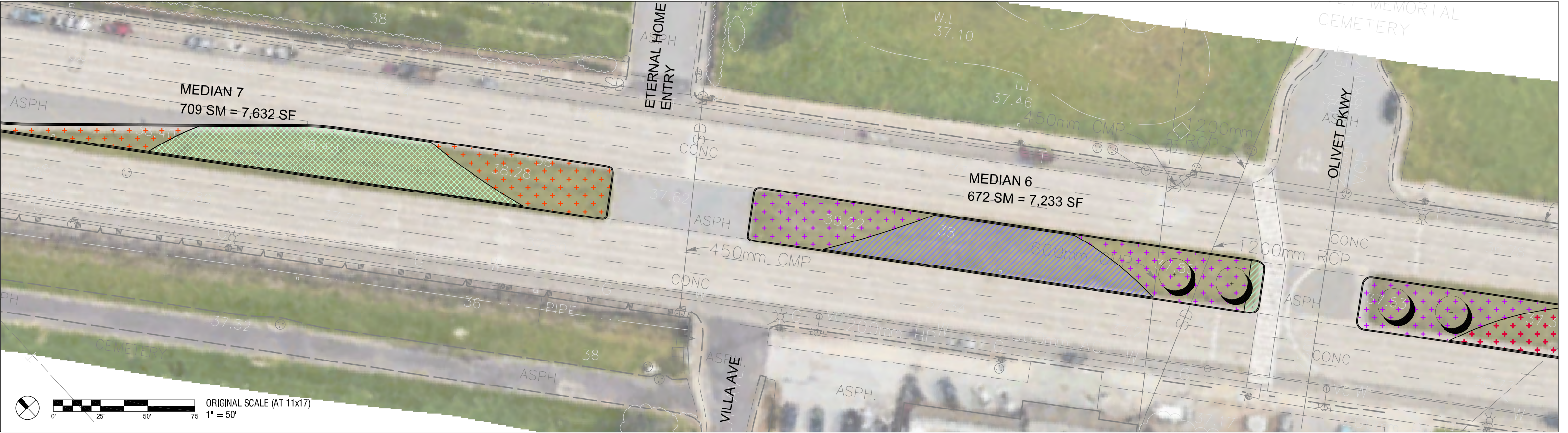
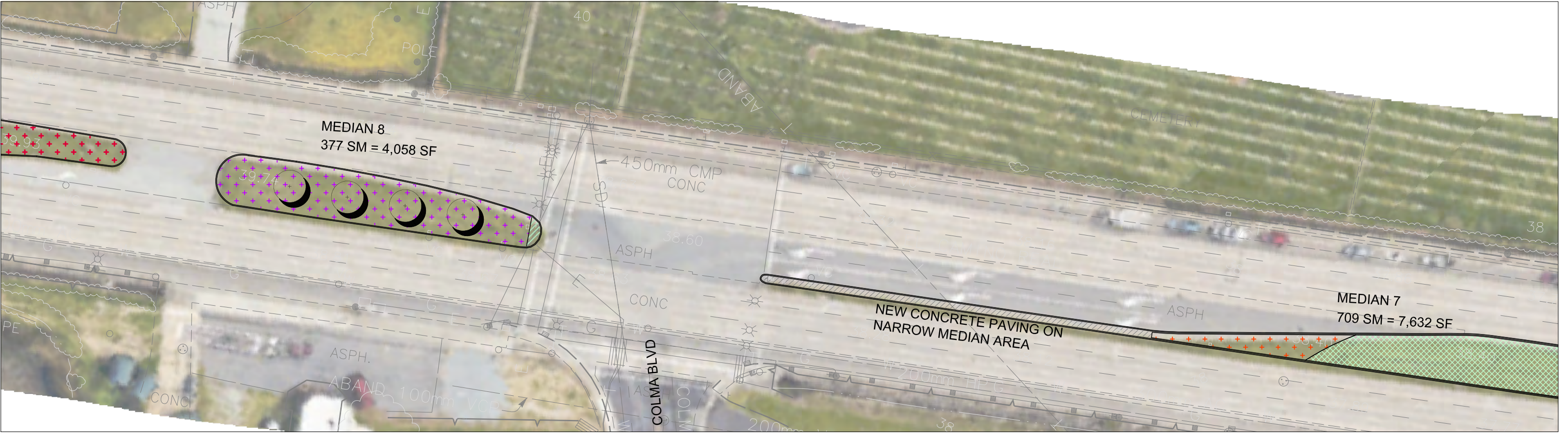
El Camino Real Landscape and Median Project (Option A)

Town of Colma

01/27/2020

Sheet 3 OF 6

Dillingham Associates Landscape Architects



LEGENDS

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	STIPA TENUISSIMA MEXICAN FEATHERGRASS		ROSA MEIDLAND SHRUB ROSE		MISCANTHUS SINENSIS CHINESE SILVER GRASS		
	PHORMIUM 'CAROUSEL' NEW ZEALAND FLAX						

El Camino Real Landscape and Median Project (Option A)

Town of Colma

01/27/2020

Sheet 4 OF 6

Dillingham Associates Landscape Architects



LEGENDS

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	STIPA TENUISSIMA MEXICAN FEATHERGRASS		ROSA MEILAND SHRUB ROSE		MISCANTHUS SINENSIS CHINESE SILVER GRASS		
	PHORMIUM 'CAROUSEL' NEW ZEALAND FLAX						

El Camino Real Landscape and Median Project (Option A)

Town of Colma

01/27/2020

Sheet 5 OF 6

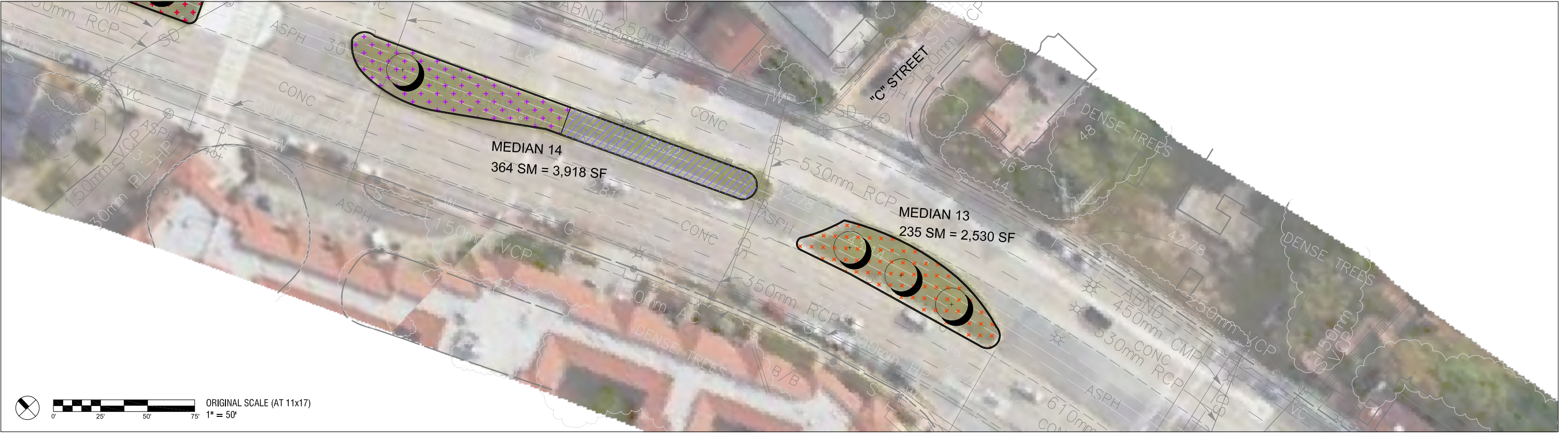
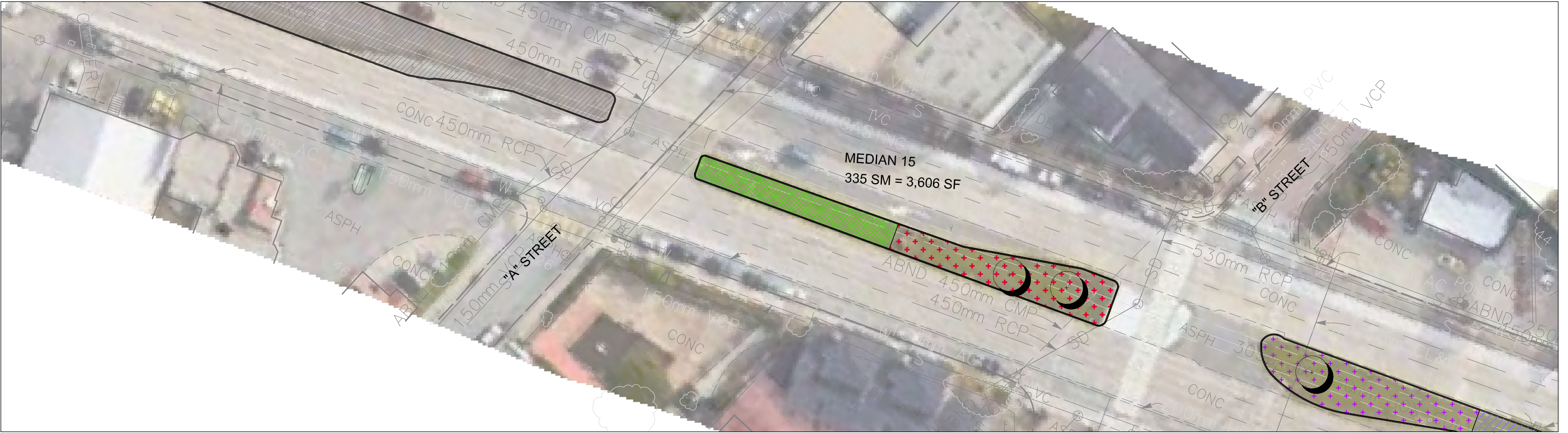
Dillingham Associates Landscape Architects



El Camino Real Landscape and Median Project (Option B)









Town of Colma

01/27/2020 Dillingham Associates Landscape Architects



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1" = 50'

LEGENDS

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SEARSIA LANCEA |  | COPROSMIA KIRKII
CREEPING COPROSMIA |  | MUHLENBERGIA CAPILLARIS 'LENCA'
MUHLY GRASS |  | LAMPFRANTHUS SPECTABILIS
TRAILING ICE PLANT |
|  | STIPA TENUISSIMA
MEXICAN FEATHERGRASS |  | ROSA MEIDILAND
SHRUB ROSE |  | MISCANTHUS SINENSIS
CHINESE SILVER GRASS | | |
|  | PHORMIUM 'CAROUSEL'
NEW ZEALAND FLAX | | | | | | |

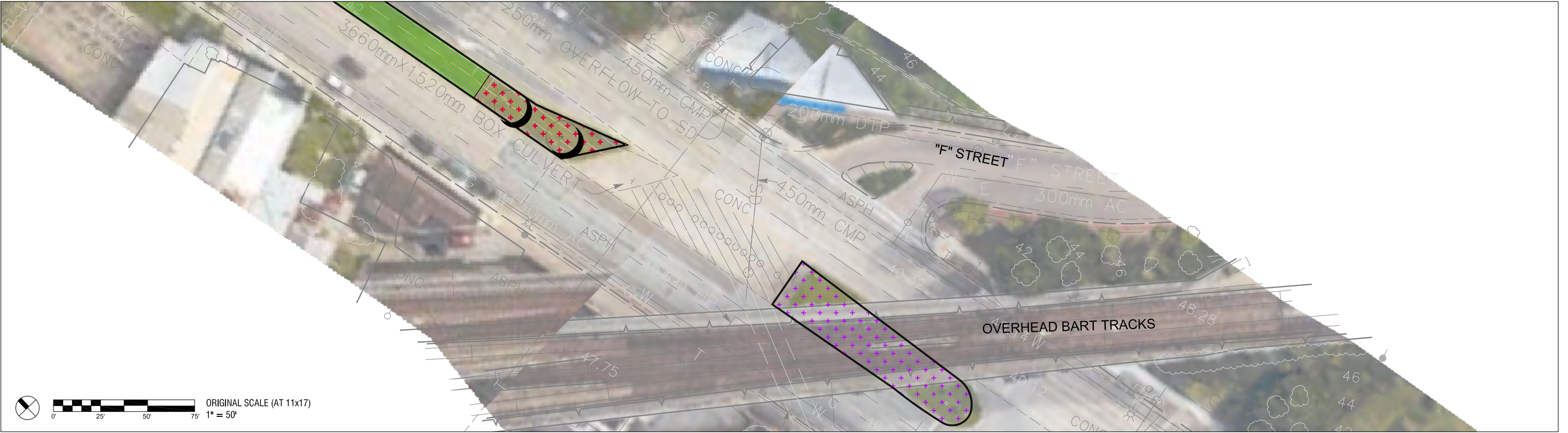
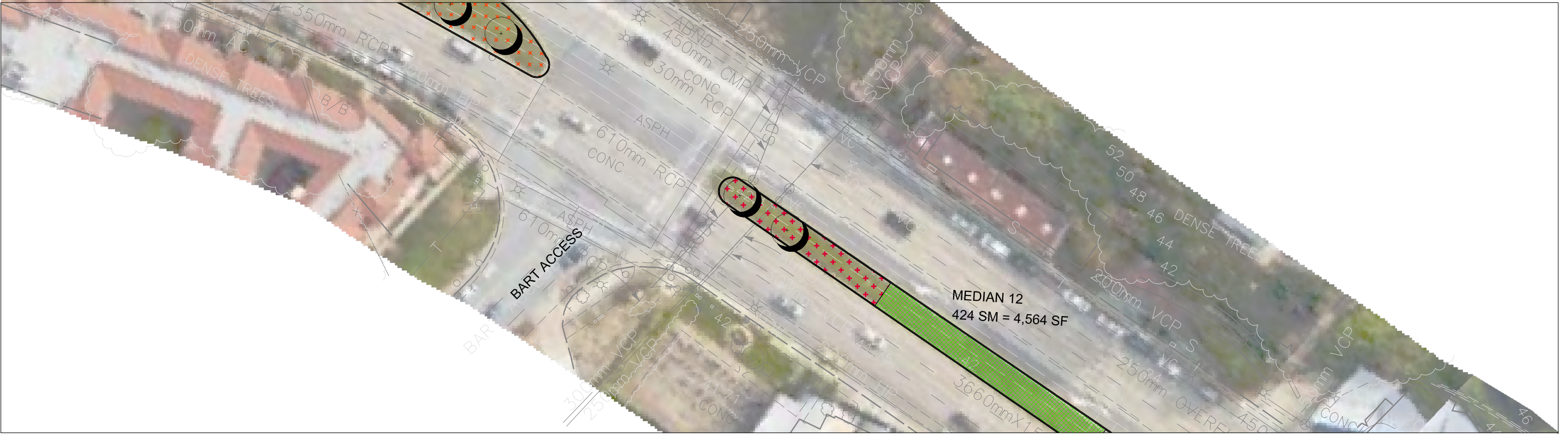
El Camino Real Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 1 OF 6

Dillingham Associates Landscape Architects



LEGENDS

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	STIPA TENUSSIMA		CREeping COPROSMA		MUHL Y GRASS		TRAILING ICE PLANT
	MEXICAN FEATHERGRASS		ROSA MEIDLAND		CHINESE SILVER GRASS		
	NEW ZEALAND FLAX		SHRUB ROSE				

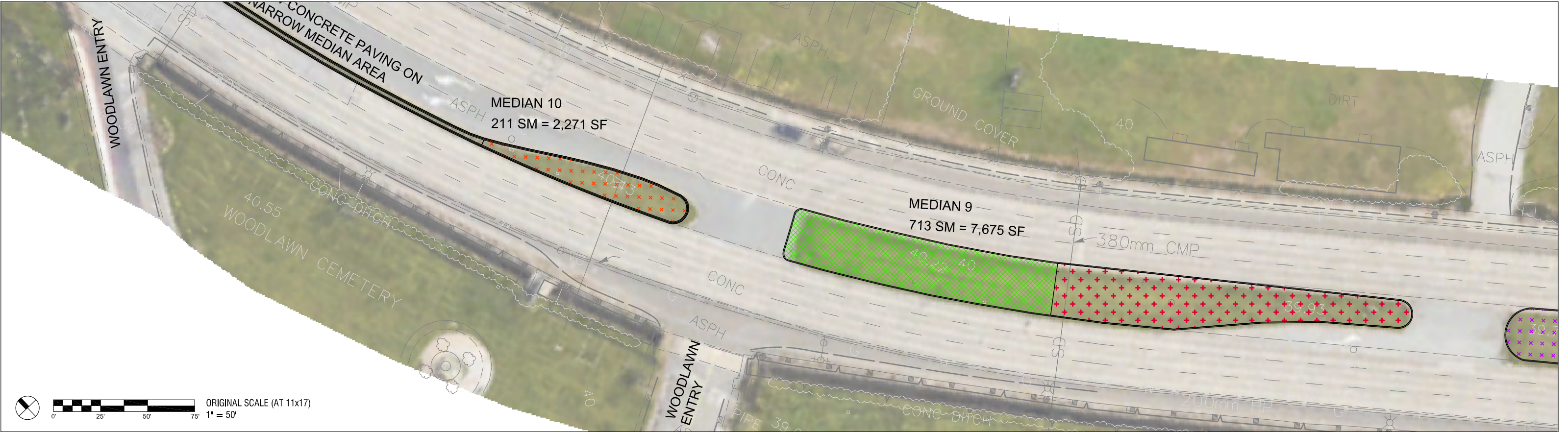
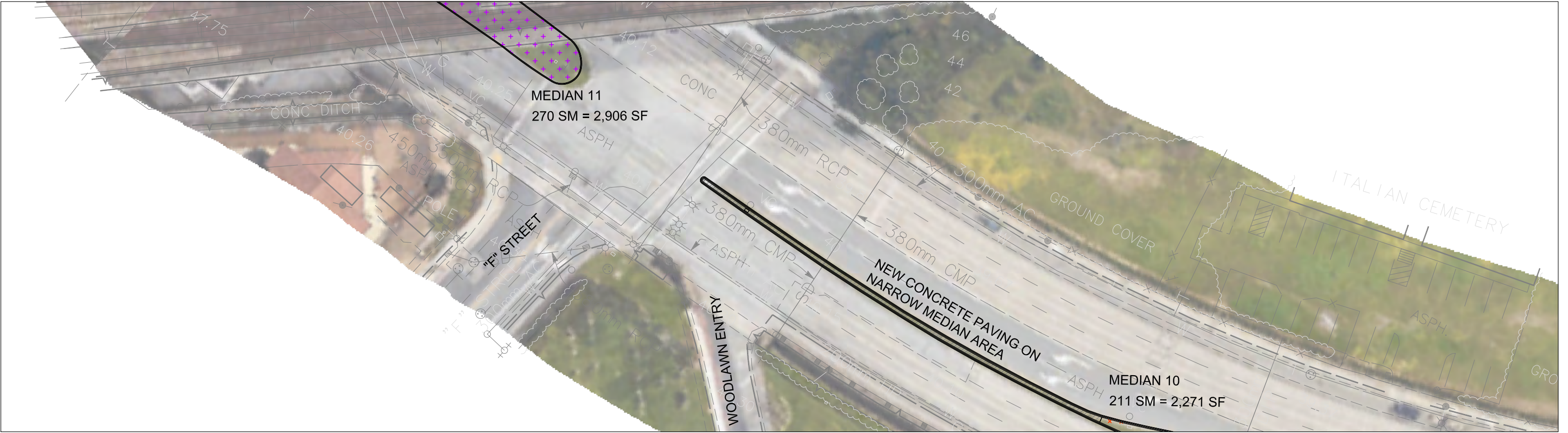
El Camino Real Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 2 OF 6

Dillingham Associates Landscape Architects



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| | SEARSIA LANCEA | | MEXICAN FEATHERGRASS | | CREeping COPROSMA | | MUHLI GRASS | | TRAILING ICE PLANT |
| | PHORMIUM | | NEW ZEALAND FLAX | | ROSA MEIDILAND | | CHINESE SILVER GRASS | | |
| | SHRUB ROSE | | | | | | | | |

El Camino Real Landscape and Median Project (Option B)

Town of Colma



LEGENDS

	RHYNCHOSPORA LANCEA		STIPA TENUISSIMA		COPROSPORA KIRKII		MUHLENBERGIA CAPILLARIS 'LENGA'		LAMPFRANTHUS SPECTABILIS
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	NEW ZEALAND FLAX		SHRUB ROSE						

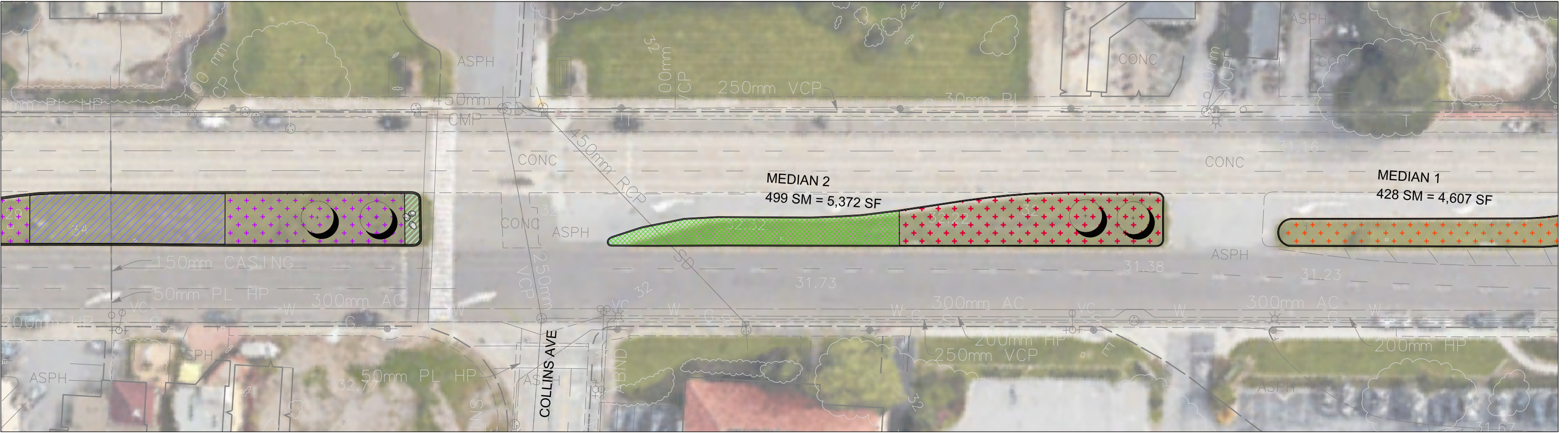
El Camino Real Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 5 OF 6

Dillingham Associates Landscape Architects



LEGENDS

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| | SEARSIA LANCEA | | MEXICAN FEATHERGRASS | | CREeping COPROSMA | | MUHLY GRASS | | TRAILING ICE PLANT |
| | PHORMIUM 'CAROUSEL' | | ROSA MEIDILAND | | CHINESE SILVER GRASS | | | | |
| | NEW ZEALAND FLAX | | SHRUB ROSE | | | | | | |

El Camino Real Landscape and Median Project (Option B)

Town of Colma

01/27/2020

Sheet 6 OF 6

Dillingham Associates Landscape Architects



El Camino Real Landscape and Median Project (Option C)

Town of Colma

02/11/2020 Dillingham Associates Landscape Architects



STIPA TENUISSIMA
MEXICAN FEATHERGRASS



COPROSMA KIRKII
CREEPING COPROSMA



COPROSMA KIRKII + STIPA TENUISSIMA



MISCANTHUS SINENSIS
CHINESE SILVER GRASS



ROSA MEIDILAND
SHRUB ROSE



MUHLENBERGIA CAPILLARIS 'LENCA'
MUHLY GRASS



LAMPRANTHUS SPECTABILIS
TRAILING ICE PLANT



PHORMIUM 'CAROUSEL'
NEW ZEALAND FLAX



SEARSIA (RHUS) LANCEA
AFRICAN SUMAC

DROUGHT-TOLERANT PLANTING PALETTE El Camino Real Landscape and Median Project

Town of Colma

01/27/2020

Dillingham Associates Landscape Architects

STATEMENT OF PROBABLE COST FOR SYNTHETIC TURF					
LAWNDALE BOULEVARD & EL CAMINO REAL					
Town of Colma					
Prepared by Dillingham Associates Landscape Architects					
February 19, 2020					
LAWNDALE BOULEVARD					
OPTION A CONVERT IRRIGATION TO DRIP-LINE, ADD SHRUB AND GROUND COVER PLANTING					
See Option A Drawing Set					
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Mark and cap exist irrig heads etc	800	heads	\$10.00	\$8,000
	Remove existing irrigation lines	9,000	lf	\$3.00	\$27,000
	Re-use existing irrigation valves	43	ea	\$0.00	\$0
	Clear and grub existing median area	82,188	sf	\$0.75	\$61,641
	Construction				
	Fine grading	82,188	sf	\$0.30	\$24,656
	Install in-line drip hosing (use ex valves)	82,188	sf	\$2.75	\$226,017
	Install Compost: 6cy/1000sf	524	cy	\$45.00	\$23,571
	Plant various ground covers	82,188	sf	\$6.00	\$493,128
	Plant Shrubs (2 x 2)	19,530	ea	\$16.00	\$312,480
	Plant Trees	113	ea	\$400.00	\$45,200
	Mulch	809	cy	\$180.00	\$145,605
	Total				\$1,367,298
LAWNDALE BOULEVARD					
OPTION B CONVERT IRRIGATION TO DRIPLINE, ADD PLANTING & TREES					
See Option B Drawing Set					
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Mark and cap exist irrig heads etc	800	heads	\$10.00	\$8,000
	Remove existing irrigation lines	9,000	lf	\$3.00	\$27,000
	Re-use existing irrigation valves	43	ea	\$0.00	\$0
	Clear and grub existing median area	82,188	sf	\$0.75	\$61,641
	Construction				
	Fine grading	82,188	sf	\$0.30	\$24,656
	Install in-line drip hosing (use ex valves)	82,188	sf	\$2.75	\$226,017
	Install Compost: 6cy/1000sf	524	cy	\$45.00	\$23,571
	Plant various ground covers	82,188	sf	\$6.00	\$493,128
	Plant Shrubs (2 x 2)	17,574	ea	\$16.00	\$281,184

	Plant Shrubs (4 x 4)	451	ea	\$40.00	\$18,040
	Plant Trees (24-in box)	130	ea	\$400.00	\$52,000
	Mulch	809	cy	\$180.00	\$145,605
	Total				\$1,360,842
LAWNDALE BOULEVARD					
OPTION C	REPLACE EXISTING WITH SYNTHETIC TURF				
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Clear and grub existing median area	82,188	sf	\$0.75	\$61,641
	Remove exist irrig heads etc	800	heads	\$10.00	\$8,000
	Remove existing irrigation lines	9,000	lf	\$3.00	\$27,000
	Remove existing irrigation valves	43	ea	\$25.00	\$1,075
	Remove/off-haul existing soil - 6-in.	1,618	cy	\$40.00	\$64,713
	Construction				
	Fine grading	82,188	sf	\$0.30	\$24,656
	Install wood headers	3,100	lf	\$10.00	\$31,000
	Install synthetic turf	82,188	sf	\$10.28	\$844,893
	Shipping and taxes - allow 15%			allow	\$126,734
	Total				\$1,189,712
EI CAMINO REAL					
OPTION A	KEEP EXISTING IRRIGATION ADD GROUND COVER PLANTING, SEE OPTION A DRAWING SET				
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Mark and cap exist irrig heads etc	593	heads	\$10.00	\$5,930
	Remove existing irrigation lines	6,674	lf	\$3.00	\$20,022
	Re-use existing irrigation valves	32	ea	\$0.00	\$0
	Clear and grub existing median area	75,917	sf	\$0.75	\$56,938
	Construction				
	Fine grading	75,917	sf	\$0.30	\$22,775
	Install in-line drip hosing (use ex valves)	75,917	sf	\$2.75	\$208,772
	Install Compost: 6cy/1000sf	388	cy	\$45.00	\$17,469
	Plant various ground covers	75,917	sf	\$6.00	\$455,502
	Plant shrubs (2 x 2)	16,595	ea	\$16.00	\$265,520
	Plant shrubs (4 x 4)	580	ea	\$40.00	\$23,200
	Plant trees	25	ea	\$400.00	\$10,000
	Mulch	600	cy	\$180.00	\$107,963
	Refuge Median Paving @ Colma Town Hall Intersection		allow		\$10,000

	Total				\$1,204,091
EL CAMINO REAL					
OPTION B	KEEP EXISTING IRRIGATION ADD GROUND COVER & TREE PLANTING, SEE OPTION B DRAWINGS				
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Mark and cap exist irrig heads etc	593	heads	\$10.00	\$5,930
	Remove existing irrigation lines	6,674	lf	\$3.00	\$20,022
	Re-use existing irrigation valves	32	ea	\$0.00	\$0
	Clear and grub existing median area	75,917	sf	\$0.75	\$56,938
	Construction				
	Fine grading	75,917	sf	\$0.30	\$22,775
	Install in-line drip hosing (use ex valves)	75,917	sf	\$2.75	\$208,772
	Install Compost: 6cy/1000sf	388	cy	\$45.00	\$17,469
	Plant various ground covers	75,917	sf	\$6.00	\$455,502
	Plant shrubs (2 x 2)	17,594	ea	\$16.00	\$281,504
	Plant shrubs (4 x 4)	444	ea	\$40.00	\$17,760
	Plant trees	30	ea	\$400.00	\$12,000
	Mulch	600	cy	\$180.00	\$107,963
	Refuge Median Paving @ Colma Town Hall Intersection		allow		\$10,000
	Total				\$1,133,745
EL CAMINO REAL					
OPTION C	REPLACE EXISTING WITH SYNTHETIC TURF				
No.	Item	Quant	Unit	Cost	Total
	Demolition				
	Clear and grub existing median area	75,917	sf	\$0.75	\$56,938
	<i>Note: Irrig quantities are based on a proportion of irrigation area relative to Lawndale(.7415)</i>				
	Remove exist irrig heads etc	593	heads	\$10.00	\$5,932
	Remove existing irrigation lines	6,674	lf	\$3.00	\$20,021
	Remove existing irrigation valves	32	ea	\$25.00	\$797
	Remove/off-haul existing soil - 6-in.	1,200	cy	\$40.00	\$47,984
	Construction				
	Fine grading	75,917	sf	\$0.30	\$22,775
	Install wood headers	7,340	lf	\$10.00	\$73,400
	Install synthetic turf	75,917	sf	\$10.28	\$780,427
	Shipping and taxes - allow 15%			allow	\$117,064
	Total				\$1,125,337

