



**AGENDA
REGULAR MEETING
CITY COUNCIL OF THE TOWN OF COLMA
Wednesday, March 22, 2023
7:00 PM**

The City Council, staff and members of the public may participate in the meeting in person at Town Hall or virtually via Zoom Video Conference.

To attend the meeting in person:

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

To participate in the meeting via Zoom Video Conference:

Join Zoom Meeting: <https://us02web.zoom.us/j/81289976261>

Passcode: 074407

Meeting ID: 812 8997 6261

Dial by your location

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+1 301 715 8592 US (Germantown)

Meeting ID: 812 8997 6261

Passcode: 074407

To provide Public Comment in person:

Members of the public wishing to speak are requested to complete a yellow speaker card and submit it to the City Clerk. Comments should be kept to three minutes or less.

To provide Public Comment via Zoom Video Conference:

Live verbal public comments may be made by requesting to speak using the "raise hand" feature in Zoom or, if calling in by phone, by pressing *9 on the telephone keypad prior to the consent calendar being heard, or prior to the close of the public comment period for agenda items or non-agenda items. In response, the Town will unmute the speaker and allow them to speak up to three minutes.

To provide Public Comment in writing:

Members of the public may provide written comments by email to the City Clerk at ccorley@colma.ca.gov before the meeting. Emailed comments should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda. The length of the emailed comment should be commensurate with the three minutes customarily allowed for verbal comments, which is approximately 250-300 words.

PLEDGE OF ALLEGIANCE AND ROLL CALL

ADOPTION OF AGENDA

PRESENTATION

- Board Member Laura Walsh, San Mateo County Mosquito and Vector Control District Board of Trustees

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 March 2, 2023 Special Meeting.
2. Motion to Accept the Minutes from the March 8, 2023 Regular Meeting.
3. Motion to Adopt a Resolution Accepting Auditor's Reports and Financial Statements for the Fiscal Year Ending June 30, 2022, Pursuant to CEQA Guideline 15378.
4. Motion Accepting the F Street Retaining Wall Project as Complete, Directing the Director of Public Works to File a Notice of Completion for the Project with the San Mateo County Recorder's Office.
5. Motion Accepting the 2022 Mission Road Crosswalk Improvement Project as Complete, Directing the Director of Public Works to File a Notice of Completion for the Project with the San Mateo County Recorder's Office.
6. Motion Accepting the 2022 Annual Report on the Implementation of the General Plan, Including the Housing Element Pursuant to CEQA Guideline 15378.
7. Motion to Adopt a Resolution Approving and Authorizing the City Manager to Execute an Agreement with Mark Thomas in the Amount of \$981,737.11 for the El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS) Pursuant to CEQA Guideline 15306.

STUDY SESSION

8. OPEB LIABILITIES UPDATE

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

NEW BUSINESS

9. PRESENTATION BY THE RETAIL COACH

Consider: Motion Accepting the Presentation by the Retail Coach.

10. APPROVING THE 2023-25 STRATEGIC PLAN

- a. *Consider:* Motion to Adopt a Resolution Amending Subchapter 1.03 of the Colma Administrative Code, Relating to the Value Based Code of Conduct Pursuant to CEQA Guideline 15061
- b. *Consider:* Motion Approving the 2023-2025 Strategic Plan as Presented by Staff Pursuant to CEQA Guideline 15061.

REPORTS

Mayor/City Council

City Manager

ADJOURNMENT

The City Council Meeting Agenda Packet and supporting documents are available for review on the Town's website www.colma.ca.gov or at Colma Town Hall, 1198 El Camino Real, Colma, CA. Persons interested in obtaining an agenda via e-mail should call 650-997-8300 or email a request to citymanager@colma.ca.gov.

Reasonable Accommodation

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



**MINUTES
REGULAR MEETING**

City Council of the Town of Colma
Town Hall Council Chamber
1198 El Camino Real, Colma CA
Also Accessible via Zoom.us
Thursday, March 2, 2023
5:00 PM

PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor del Rosario called the meeting back to order at 5:02 p.m.

Council Present – Mayor Joanne F. del Rosario, Vice Mayor John Irish Goodwin, Council Members Ken Gonzalez, Carrie Slaughter and Helen Fisicaro were all present.

Staff Present – City Manager Brian Dossey, City Attorney Christopher Diaz, Chief of Police John Munsey, Administrative Services Director Pak Lin, Director of Public Works and Planning Brad Donohue, City Planner Farhad Mortazavi, Recreation Services Manager Angelika Abellana and City Clerk Caitlin Corley were in attendance.

The Mayor announced, “Regarding Public Comment: Members of the public who are here in person are requested to complete a yellow speaker card and submit it to the City Clerk. Those of you on Zoom may make public comments by using the “raise hand” feature in Zoom or, if calling in by phone, by pressing *9 on the telephone keypad. The City Clerk will unmute your microphone and allow you to speak. Comments should be kept to three minutes or less.”

ADOPTION OF THE AGENDA

Mayor del Rosario asked if there were any changes to the agenda. None were requested. The Mayor asked for a motion to adopt the agenda.

Action: Vice Mayor Goodwin moved to adopt the agenda; the motion was seconded by Council Member Gonzalez and carried by the following vote:

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

STUDY SESSION

1. 2023-2025 STRATEGIC PLAN WORKSHOP

City Manager Brian Dossey presented the staff report. Mayor del Rosario opened the public comment period after each of the five sections to allow members of the public to speak or ask questions, however no members of the public made any comments. Council discussion was held throughout.

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

ADJOURNMENT

Mayor del Rosario adjourned the meeting at 7:03 p.m.

Respectfully submitted,

Caitlin Corley
City Clerk

**MINUTES
REGULAR MEETING**

City Council of the Town of Colma
Town Hall Council Chamber
1198 El Camino Real, Colma CA
Also Accessible via Zoom.us
Wednesday, March 8, 2023
7:00 PM

PLEDGE OF ALLEGIANCE AND ROLL CALL

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

Council Present – Mayor Joanne F. del Rosario, Vice Mayor John Irish Goodwin, Council Members Ken Gonzalez, Carrie Slaughter and Helen Fisicaro were all present. Council Member Fisicaro joined via Zoom under the “just cause” teleconferencing provision of the Brown Act.

Staff Present – City Manager Brian Dossey, City Attorney Christopher Diaz, Chief of Police John Munsey, Administrative Services Director Pak Lin, City Planner Farhad Mortazavi, Sustainability Manager Kathleen Gallagher, Building Official Chair Lor, and City Clerk Caitlin Corley were in attendance.

The Mayor announced, “Regarding Public Comment: Members of the public who are here in person are requested to complete a yellow speaker card and submit it to the City Clerk. Those of you on Zoom may make public comments by using the “raise hand” feature in Zoom or, if calling in by phone, by pressing *9 on the telephone keypad. The City Clerk will unmute your microphone and allow you to speak. Comments should be kept to three minutes or less.”

ADOPTION OF THE AGENDA

Mayor del Rosario asked if there were any changes to the agenda. None were requested. The Mayor asked for a motion to adopt the agenda.

Action: Vice Mayor Goodwin moved to adopt the agenda; the motion was seconded by Council Member Slaughter and carried by the following vote:

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

PRESENTATION

- The Mayor presented a proclamation in honor of Women's History Month.

PUBLIC COMMENTS

Mayor del Rosario opened the public comment period at 7:06 p.m. and seeing no one request to speak, she closed the public comment period.

CONSENT CALENDAR

1. Motion to Accept the Minutes from the February 22, 2023 Regular Meeting.
2. Motion to Approve Report of Checks Paid for February 2023.

Action: Council Member Gonzalez moved to approve the consent calendar items #1 through 5; the motion was seconded by Council Member Slaughter and carried by the following vote:

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

STUDY SESSION

3. REACH CODE: BUILDING ELECTRIFICATION AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE FOR NEW CONSTRUCTION

Sustainability Manager Kathleen Gallagher presented the staff report along with Farhad Farahmand of TRC. Blake Herrschaft of Peninsula Clean Energy was also present to answer questions. The Mayor opened the public comment period at 7:39 p.m. and seeing no one request to speak, the Mayor closed the public comment. Council discussion followed.

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

COUNCIL CALENDARING

The next Regular Meeting will be on Wednesday, March 22, 2023 at 7:00pm at Town Hall.

REPORTS

The Mayor reported, "Please join me in congratulating CSO Rickie Breaux! Rickie has been nominated and awarded the Community Service Award by the Peninsula Council of Lions for his work with the veterans of Mercy Housing. Rickie's efforts both on duty and off have had an immense impact on the lives of the veterans housed in Colma. Rickie will be honored on March 24, 2023 in Foster City at the Peninsula Council of Lions annual Police and Fire Awards Banquet."

City Manager Brian Dossey gave an update on the following topics:

- There was a successful ribbon cutting ceremony today for Good Feet in 280 Metro Center.
- Planning Department and Police Department staff held community events at Starbucks and the Colma BART station today to get community input on improvements to the Town's pedestrian and bicycle infrastructure.

ADJOURNMENT

Mayor del Rosario adjourned the meeting at 8:08 p.m. in memory of Denis McMenemy, father of Colma Dispatcher Monique Kendrick.

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: March 22, 2023
 SUBJECT: FY 2021-22 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, 2022, PURSUANT TO CEQA
 GUIDELINE 15378.

EXECUTIVE SUMMARY

The Town engages R.J. Ricciardi, Certified Public Accountants to conduct an audit and review of the Town's basic financial statements and compliance reports for Measure A and Measure W Transportation Funds for the Fiscal Year Ending, June 30, 2022. The firm R.J. Ricciardi retired and converted its existing clients to O'Connor & Company. Additionally, the Auditor has conducted an agreed-upon procedure review of the Town's Appropriation Limit (Gann Limit) for FY 2022-23. In the audit and review, the Auditor found that:

1. The Basic Financial Statements present the Town's financial position in a fair and accurate manner in all material aspects and the auditors did not find any notable deficiencies in the Town's Internal Control.
2. The Auditor has issued separate compliance reports regarding the receipt and use of Measure A and Measure W Transportation funds, per the request of the County of San Mateo.
3. The Auditor reviewed the Appropriations Limit (Gann Limit) calculation and issued a report which had found no exceptions in the calculations.

As part of the audit, the Auditor provided a Management Report documenting their assessment of the Town's internal controls over financial reporting. As stated on Page 4 of Attachment C, the auditors found no observations.

FISCAL IMPACT

This is for reporting purposes. No fiscal impact.

BACKGROUND

The Town's financial statements are prepared in accordance with the generally accepted accounting principles (GAAP) and reporting requirements of the Governmental Accounting Standard Board (GASB).

For Fiscal Year ending June 30, 2022, the Town engaged O'Connor & Company (previously R.J. Ricciardi, CPA) to conduct an independent audit and review of the Town's financial statement for the fiscal year ending June 30, 2022. The audit includes the agreed-upon procedures, review, and audit of various reports. The Auditor's opinion on the following reports are attached as B through F.

- The Annual Comprehensive Financial Report (ACFR) for FY 2021-22,
- Management Report for FY 2021-22,
- Measure A Fund Component Unit Financial Statements for FY 2021-22,
- Measure W Fund Component Unit Financial Statements for FY 2021-22, and
- Appropriations Limit Calculation for FY 2022-23.

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

ANALYSIS

Overall, the Town received a "clean" audit for FY 2021-22 with no adverse findings or recommendations. As part of the audit, O'Connor & Company also assessed the Town's internal control and noted in Attachment C, FY 2021-22 Management Reports that they did not find any observations.

Report Organization

1. Annual Comprehensive Financial Report (Attachment B).

The Annual Comprehensive Financial Report (ACFR or Annual Report) for Fiscal Year Ending June 30, 2022 has more content than the previous years' basic financial statements. The Annual Report is organized into three major sections:

- a. INTRODUCTORY SECTION** has the Table of Contents, Town Officials, and Town Organizational Chart. The Transmittal Letter was added in accordance with ACFR guidelines.

- b. **FINANCIAL SECTION** contains the Independent Auditors' Report, Management's Discussion & Analysis (MD&A), Basic Financial Statements, Notes to Basic Financial Statements, Required Supplemental Information, and Supplementary Information.

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

Management Discussion & Analysis (MD&A) for FY 2021-22 (Pg. 3-17), provides highlights on the Town's financial condition, overall economic conditions, and a FY 2021-22 Budget overview.

The Financial Section presents the Town's activities in two formats - Governmental-wide financial statements (Pg. 18-20) and Fund Financial Statements (Pg. 21-28).

- **Governmental-wide Financial Statements** presents both governmental and business-type activities on full-accrued basis. The reconciliations for governmental funds to change from modified accrued basis to full accrued can be found on page 24 and 26 of the report.
- **Fund Financial Statements** presents major government funds on modified accrued basis and proprietary funds on full-accrued basis.

Reporting the activities in different accounting basis are required by GASB pronouncements. The definition of full-accrued vs modified accrued basis of accounting can be found under Note 1C on Page 30.

Required Supplemental Information (Pg. 53-60) includes a Budget to Actual comparison schedule for the General Fund and historical information on pension and OPEB liabilities.

Supplemental Information (Pg. 61-65) presents the combined Balance Sheet and Schedules of Revenues, Expenditures, and Changes in Fund Balance for all non-major governmental funds. Budget to Actual for non-major funds were added in accordance with ACFR guidelines.

- c. **STATISTICAL SECTION** included in pages 66-85 which include multi-year comparisons for key financial data. Several financial trends were added in accordance with ACFR guidelines.

2. Management Report (Attachment C)

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.

3. Measure A Transportation Funds (Attachment D)

The Town received \$77,753 in Measure A Transportation Funds from San Mateo County in FY 2021-22, bringing total reserve balance to \$157,496. 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.

The Town designated \$72,600 of Measure A funds for the F-Street roadway improvement project, which was completed in the Summer of 2022. Measure A funds are only transferred to the corresponding project after the project is completed. Since the project was completed in FY 2022-23, the \$72,600 of designated Measure A fund will be transferred in FY 2022-23.

4. Measure W Transportation Funds (Attachment E)

The Town received \$28,461 Measure W Transportation Funds from San Mateo County in FY 2021-22. The Measure W Program requires the Town to complete a separate audit of these funds (See Attachment E). 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 W.

The Town designated \$31,950 of Measure W funds for the F-Street roadway improvement project. The project was completed in the Summer of 2022 and the corresponding of project funding transfer will occur in FY 2022-23. Transferring funds after project completion is to avoid comingling the Town's General Fund from grant fundings.

5. Appropriations Limit (Attachment F)

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 F).

Reasons for the Recommended Action/Findings

Acceptance of the FY 2021-22 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 2021-22.

ATTACHMENTS

- A. Resolution - Accepting Auditor Reports for FY 2021-22
- B. FY 2021-22 Annual Comprehensive Financial Reports
- C. FY 2021-22 Management Report
- D. FY 2021-22 Measure A Fund Component Unit Financial Statements
- E. FY 2021-22 Measure W Fund Component Unit Financial Statements
- F. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheet



**RESOLUTION NO. 2023-##
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION ACCEPTING AUDITOR'S REPORTS AND FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDING JUNE 30, 2022, PURSUANT TO CEQA GUIDELINE
15378.**

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

1. Background

(a) O'Connor & Company (Previously, 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 2021-22 Financial Statements and the Town's FY 2021-22 Measure A and Measure W 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, 2022, 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 2022-23 appropriations limit in the amount of \$61,031,996. 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, 2022 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 2021-22 Audited Financial Statements, the Town's FY 2021-22 Audited Measure A and Measure W 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

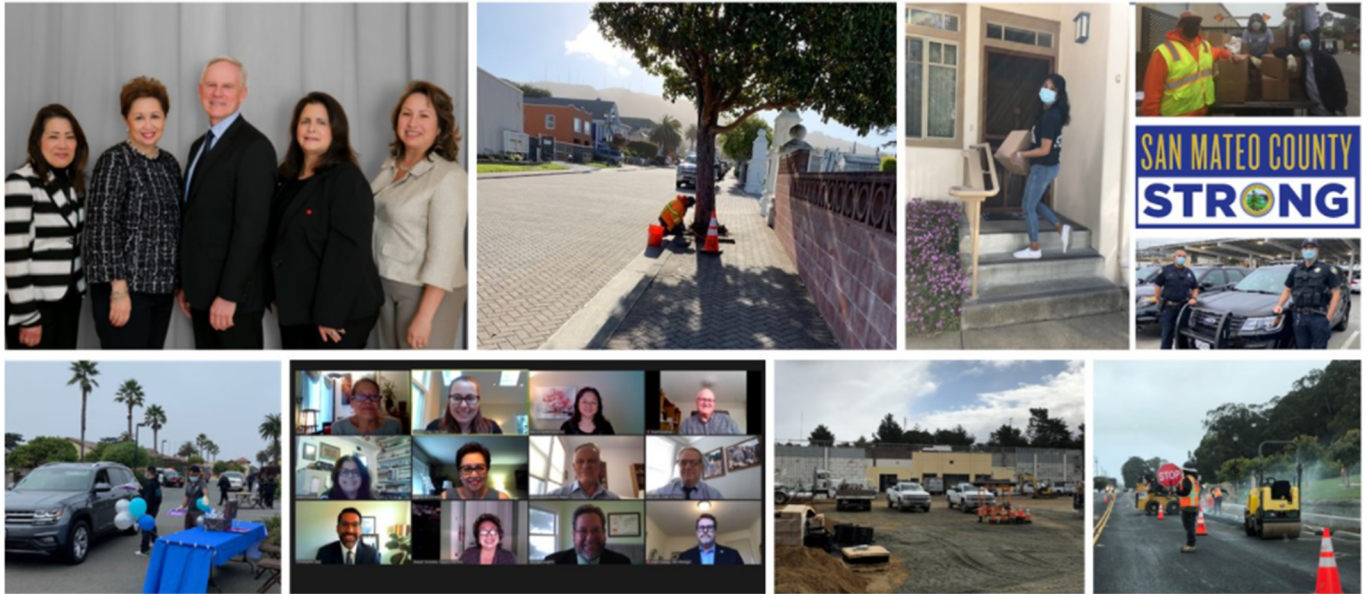
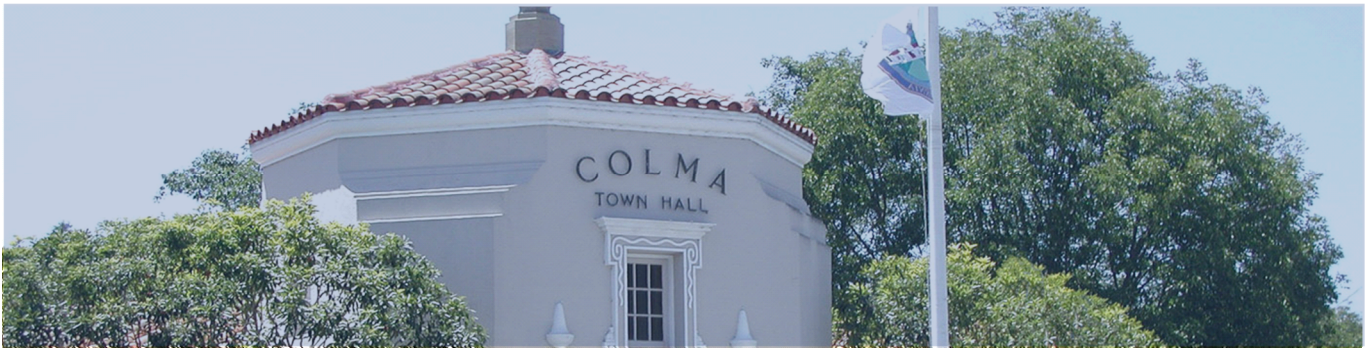
I certify that the foregoing Resolution No. 2023-## was duly adopted at a regular meeting of the City Council of the Town of Colma held on March 22, 2023, by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Joanne F. del Rosario, Mayor					
John Irish Goodwin					
Helen Fiscaro					
Ken Gonzalez					
Carrie Slaughter					
<i>Voting Tally</i>					

Dated: _____

 Joanne F. del Rosario, Mayor

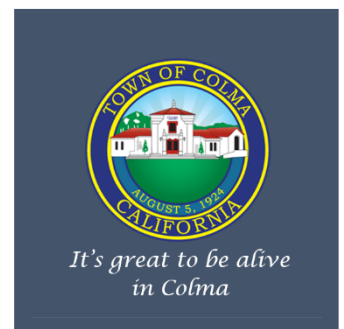
Attest: _____
 Caitlin Corley, City Clerk



Town of Colma, California

Annual Comprehensive Financial Reports

For the Fiscal Year Ended June 30, 2022



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Annual Comprehensive Financial Reports

June 30, 2022



Town of Colma, California

**ANNUAL COMPREHENSIVE
FINANCIAL REPORTS
For the Fiscal Year Ended June 30, 2022**

**Prepared by
Town of Colma
Administrative Services Department
Town of Colma, California**

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Annual Comprehensive Financial Reports

June 30, 2022

Introductory Section



Annual Comprehensive Financial Reports
June 30, 2022

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Annual Comprehensive Financial Reports

June 30, 2022

**TOWN OF COLMA, CALIFORNIA
TRANSMITTAL LETTER
FOR THE FISCAL YEAR JUNE 30, 2022**



February 14, 2023

To the Residents of the Town of Colma,

Honorable Mayor and Members of the City Council

We are pleased to submit to you the Annual Comprehensive Financial Reports (ACFR, "Annual Report") for the Town of Colma, California (the Town), for the year ending June 30, 2022. The Annual Report was prepared in accordance with principles and standards set by the Governmental Accounting Standards Board. The report presents the Town's financial information on an entity-wide basis and at the fund level, with emphasis on the Town's major funds.

As part of the required presentation, the report includes a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). It presents a comparative analysis of current and prior year results, changes in financial position, financial highlights, trends and disclosure of any known significant events or decisions that affect the financial condition of the Town. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors in the financial section of this report.

The responsibility for the accuracy of the information and the completeness and fairness of the presentation rests on the Town's management. This includes note disclosures, required supplemental information and statistical summary. We believe that the information reported is accurate in all material respects and its presentation fairly shows the financial position and the results of the Town's operations. In providing a reasonable basis for making these representations, management has established a thorough internal control system designed to protect the government's assets from loss, theft, or misuse and to compile the necessary information for preparing the Town's financial statements.

In compliance with State statutes, these financial statements have been audited by the certified public accounting firm of O'Connor & Company, formerly known as R.J. Ricciardi, Inc. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Colma for the year ending June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Colma's financial statements for the year ending June 30, 2022, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

PROFILE OF THE GOVERNMENT

The Town of Colma, known as the “City of Souls,” is the smallest city in San Mateo County with 1,659 residents and 1.5 million “souls.” However, Colma is more than just 16 cemeteries. Colma’s commercial buildings make a distinct architectural statement resulting from design standards that encourage Spanish-Mediterranean motifs. Colma boasts an old-world charm all its own, from its brick-paved residential streets and ornamental street lamps to its restored historical museum and railroad depot located at its 5,500 square foot Community Center. The state-of-the-art Police Station complements the architecture of the historic and charming Town Hall across the street. Within its two square mile boundary, the Town enjoys a strong tax base with two shopping centers, one of Northern California’s most complete collections of car dealerships, and a cardroom. There are two BART stations nearby.

The Town operates under a Council-Manager form of government. Policy-making and legislative authority are vested in the governing City Council, which consists of five Councilmembers. City Council members are elected in overlapping four-year terms and, from amongst themselves, select a Mayor and Vice Mayor every December. The Council is responsible for passing ordinances, adopting the budget, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the Town, and for appointing the Town staff.

The Town provides a full range of essential services through a combination of in-house staff and contract services. Services provided by the Town’s 47.35 full-time equivalent employees include public safety services, maintenance of public infrastructure, recreation, parks, and general management. The Town entered into public-private partnership in areas of planning, building, engineering, code enforcement, trash collection, and staff augmentation.

The cost to provide these essential services are reviewed annually as part of the Town’s operating and capital budget. The annual budget serves as the foundation for the Town’s financial planning, monitoring and control. All departments of the Town are required to submit requests for appropriation to the City Manager each spring. The City Manager uses these requests to develop a proposed budget. Prior to June 30 of each year, the City Manager submits to the City Council a proposed operating and capital improvement budget for review. The Council holds public hearings and a final budget is adopted on or before June 30.

Budgetary reviews and controls are applied as described in the Notes to Required Supplementary Information on page 54. Budget to actual comparisons are provided in this report for each governmental fund for which an annual budget has been adopted. For the General Fund, this comparison is presented on page 53 as part of the required supplementary information. For governmental funds other than the General Fund, this comparison is presented in the Combining Statements and Individual Fund Statements section of this report, starting on page 61. Budgets are also adopted and controlled for the proprietary funds. Budget comparisons for proprietary funds are not legally mandated but are presented after the Combining Statements and Individual Fund Statements section of this report.

Throughout the year, the City Manager and the Administrative Services Director monitor economic changes that may affect the Town’s revenue stream, coordinates with departments in identifying changing needs and demands, and presents budget adjustments to the City Council as part of the mid-year review. Public input is filtered through the Town’s standing committees and to staff liaisons. This input is considered in the development of the budget and presented to the City Council for consideration as part of the budget review and throughout the year as separate Council action items.

COLMA FINANCIAL OUTLOOK

As shown in the Basic Financial Statements, starting on page 18, the Town is financially healthy. As of June 30, 2022, the Town has an outstanding debt of \$4.43 million, a net pension liability of \$5.13 million, and net OPEB liability of \$11.06 million, and the total unrestricted fund balance is \$13.53 million.

LOCAL ECONOMIC CONDITIONS AND ITS IMPACT ON THE TOWN

The economic factors most prevalent in FY 2021-22 were the reopening of the State of California and the preparing for the impact of supply chain issues.

The reopening of the State allowed many businesses to reopen to full capacity, which increased the Town's sales tax and cardroom tax revenues. Permit activities rose as businesses prepare to reopen or moved to one of the Town's vacant commercial units. Concurrently, the Town reinstated many of its operations, including unfreezing vacant positions, hiring part-time and per diem staff, reinstating community events and recreation programs, and reviewing more permits and grant applications.

Another impact of the COVID-19 pandemic was on its supply chains. As factories closed and workers got sick, the supply chain began to be impacted. Local auto dealers had shared with the Town that car manufacturing was slowing down because of the zero-COVID tolerant policy in China. The same story was said for electronics. As a result of supply shortages, the Town benefited in FY 2021-22 from inflation on sales tax and was negatively impacted in the operational side. However, the Town anticipates sales tax revenues to flatten in FY 2022-23 and may experience a slight reduction in FY 2023-24.

Because of all the economic uncertainties from rising inflation, shortage of supplies, and increase in storefront occupancy, the financial market responded with dramatic rise and falls and the Federal Reserves raising interest rates. These impacted the Town's investment income, as well as the CalPERS investment return for FY 2021-22. As discussed in the Management Discussion and Analysis section, the Town experienced a \$1.0 million investment loss in its 115 Trusts and CalPERS was expecting an investment loss of 6% for the fiscal year. Both impact the Town's ability to pay unfunded liabilities.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

The City Council reviews the Town's financial policies, annually. Part of the financial policies include instruction on increasing Town reserves to combat future liabilities, including unfunded pension and OPEB liabilities. Additionally, the City Council discusses and approves a 2-year Strategic Plan that documents the Town's priorities in the coming year. Each year, the departments develops operating and capital goals based on the Strategic Plan. The Plan accounts for five key areas, Resiliency, Operations, Economic Development, Community, and Capital. Long-range financial planning falls within Resiliency, where the Staff continues to work with different granting agencies to invest in our commercial and residential areas. Investment in the commercial area can help Economic Development and thereby increase revenues within Town.

RISK MANAGEMENT

The Town is a member of the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA), a joint powers insurance authority that consists of 28 member cities in the San Francisco Bay Area. The PLAN JPA was established to provide liability insurance, claims, risk management, and legal defense services to participating members. The program provides the Town with liability coverage up to a maximum of \$10 million, with the Town maintaining a self-insured retention of \$50,000. The Town also maintains workers' compensation coverage to a maximum of \$5.0 million. The Town pays the self-insured retention as part of the General Fund operating budget and maintains a general fund litigation reserves of

\$100,000. The Town has implemented and is in compliance with Governmental Accounting Standards Board Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues

AWARD AND ACKNOWLEDGEMENT

We wish to extend our appreciation to all of the Town staff who contributed financial information to this report. Special thanks go to Cassandra Weatherly for the continued support of the Finance Department and efforts in the preparation and production of this report.

We would also like to thank the City Council for their continued interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,



Brian Dossey

City Manager



Pak Lin

Administrative Services Director

**TOWN OF COLMA, CALIFORNIA
TOWN OFFICIALS
FOR THE FISCAL YEAR JUNE 30, 2022**

Elected City Officials

Mayor	Helen Fisicaro
Vice Mayor	Raquel "Rae" Gonzalez
Council Member	Joanne F. del Rosario
Council Member	John Irish Goodwin
Council Member	Diana Colvin

Appointed City Officials

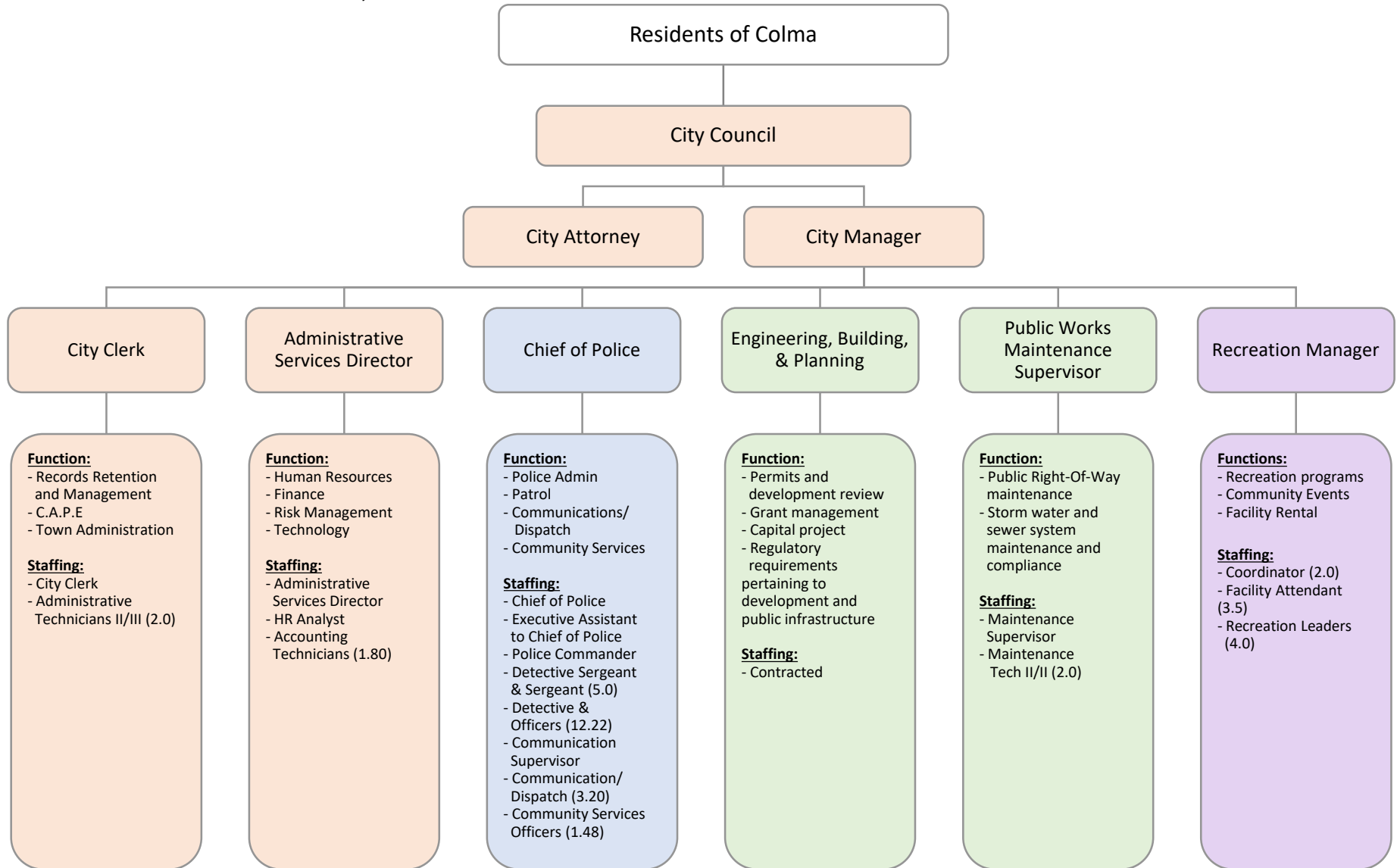
City Manager	Brian Dossey
City Clerk	Caitlin Corley
Chief of Police	John Munsey
Administrative Services Director	Pak Lin
Recreation Manager	Angelika Abellana

City Services Provided Under Contract

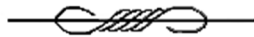
Legal Services	Best, Best & Krieger
Planning, Engineering & Building Services	CSG Consultants

This document is dedicated to the memory of Raquel "Rae" Gonzalez.

**TOWN OF COLMA, CALIFORNIA
ORGANIZATIONAL CHART
FOR THE FISCAL YEAR JUNE 30, 2022**



Financial Section



Annual Comprehensive Financial Reports

June 30, 2022

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Annual Comprehensive Financial Reports

June 30, 2022

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, business-type activities, each major fund, and the aggregate remaining fund information, of the Town of Colma, California as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Town of Colma's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Town of Colma, as of June 30, 2022, and the respective changes in financial position and where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Colma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Colma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Colma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and other required supplementary information as listed in the table of contents 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.

Supplementary Information

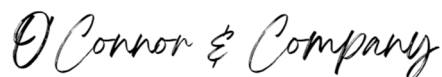
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of Colma's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a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

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



O'Connor & Company

TOWN OF COLMA, CALIFORNIA MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR JUNE 30, 2022

This is Management's Discussion and Analysis of financial activities for the fiscal year ended June 30, 2022. This information should be read together with the transmittal letter, financial statements, and notes to the basic financial statements to better understand the Town of Colma's (the Town) financial position.

The Town has prepared its Annual Comprehensive Financial Reports in accordance with accounting principles generally accepted in the United States of America (GAAP) and all Governmental Accounting Standards Board (GASB) pronouncements that affect the Town.

FISCAL YEAR 2022 FINANCIAL HIGHLIGHTS

Key financial highlights of the year are as follows:

- The Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$78.13 million. Of this amount, \$54.46 million was invested in capital assets, \$10.14 million was restricted net position and must be used for specific purposes, and the remaining \$13.53 million was unrestricted net position.
- The Town's governmental fund balance was \$40.76 million, an increase of \$2.70 million. Of this amount, \$10.32 million was an unassigned fund balance and available for spending at the Town's discretion.
- The Town's proprietary funds consist of activities in sewer and town properties operations. The Town's proprietary fund stayed relatively the same at \$2.56 million and has \$0.31 million as unrestricted net position and available for use at the Town's discretion.
- Total governmental fund revenues decreased by \$2.15 million, to \$19.10 million. Due to economic uncertainties, interest earnings experienced a loss of \$1.01 million in FY 2021-22, resulting in a reduction of \$2.24 million when compared to FY 2020-21 interest earnings. The loss of \$1.01 million was mainly experienced in the Town's 115 Trust for pension and OPEB. Intergovernmental revenues decreased by \$1.33 million as a result of one-time capital improvement grants received in FY 2021.
- Total governmental fund expenditures decreased by \$1.93 million, to \$16.28 million. The decrease is primarily related to the completion of the \$2.86 million Mission Road Bicycle and Pedestrian Improvement Project.
- The Town's general fund balances increased by \$1.90 million, to \$36.94 million. Of the amount, \$9.47 million is restricted to Pension and OPEB trust, \$16.21 million is committed to various budget stabilization reserves, \$0.95 million is assigned per City Council initiatives, and \$10.32 million is unassigned and available for spending at the Town's discretion.
- Total general fund revenues were reduced by \$1.21 million, to \$18.57 million, and this was primarily due to the \$1.01 million investment loss in the Town's 115 Trusts.
- Total general fund expenditures had a \$0.65 million increase or 4%, to \$15.36 million. The main driver of the increase is resulted from restoration of Town operations back to pre-pandemic service levels. This includes increases in minor roadway improvements, recreation programs, community

TOWN OF COLMA, CALIFORNIA MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR JUNE 30, 2022

events, and permit activities. Vacancies were also filled in FY 2021-22. These vacancies were frozen in FY 2020-21 to prepare for the financial impact of COVID-19 business closures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of five parts – a management's discussion and analysis (this section), the basic financial statements, required supplemental information, supplemental information consisting of the combining statements for nonmajor governmental funds and budget to actual comparison statements and a statistical section. The basic financial statements include two kinds of statements that present different views of the Town.

THE BASIC FINANCIAL STATEMENTS

This section introduces the reader to the Town's three basic financial statements: 1) governmental-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Governmental-Wide Statements

The governmental-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.

TOWN OF COLMA, CALIFORNIA MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR JUNE 30, 2022

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.

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 Capital Project Fund and the Street Capital Fund are also a Major Funds for the year ended June 30, 2022. 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 three others).

Proprietary funds

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.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

All financial statements are presented in conformance with GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis* (MD&A) – for State and Local Governments. Prior year information is made available for a comparative analysis of government-wide data.

STATEMENT OF NET POSITION (FIGURE 1)

As of June 30, 2022, the Town’s primary government net position is \$78.13 million, an increase of \$3.40 million from 2021. Of the \$78.13 million, \$75.57 million is in governmental activities and \$2.56 million in business-type activities.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 42.96	\$ 40.17	\$ 0.31	\$ 0.24	\$ 43.27	\$ 40.41
Capital assets, net of accumulated depreciation	56.64	58.28	2.25	2.34	58.89	60.62
Total assets	99.60	98.45	2.56	2.58	102.16	101.03
Deferred outflows	5.56	5.83	–	–	5.56	5.83
Current liabilities	1.70	1.65	0.00	0.01	1.71	1.66
Long-term liabilities	21.88	27.75	–	–	21.88	27.75
Total liabilities	23.58	29.40	0.00	0.01	23.59	29.41
Deferred inflows	5.99	2.73	–	–	5.99	2.73
Net position:						
Invested in capital assets, net of debt	52.21	53.73	2.25	2.33	54.46	56.06
Restricted	10.14	7.64	–	–	10.14	7.64
Unrestricted	13.22	10.78	0.31	0.24	13.53	11.02
Total net position	\$ 75.57	\$ 72.15	\$ 2.56	\$ 2.57	\$ 78.13	\$ 74.72

By far the largest portion of the Town’s net position reflects its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets (\$58.89 million) to provide services to its citizens. Consequently, these assets are not available for future spending. Although the town’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the Town’s net position (\$10.14 million) represents resources that are subject to external restrictions on how the funds may be used, such as future pension and OPEB obligations. The remaining balance in unrestricted net position amounts to \$13.53 million.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

STATEMENT OF ACTIVITIES (FIGURE 2)

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.

For the fiscal year ended June 30, 2022, the Town's overall net position increased by \$3.40 million from the prior fiscal year. Key elements of these changes are as follows:

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 0.40	\$ 0.50	\$ 0.95	\$ 1.18	\$ 1.35	\$ 1.68
Operating grants and contributions	0.20	0.72	–	–	0.20	0.72
Capital grants and contributions	0.38	1.16	–	–	0.38	1.16
Total program revenues	0.98	2.38	0.95	1.18	1.93	3.56
General revenues:						
Taxes	19.08	16.60	–	–	19.08	16.60
Other revenues	0.91	1.05	–	–	0.91	1.05
Use of money and property	(1.04)	1.23	–	–	(1.04)	1.23
Total general revenues	18.12	18.88	–	–	18.12	18.88
Total revenues	19.10	21.26	0.95	1.18	20.05	22.44
Expenses:						
General government	4.21	4.43	0.19	0.16	4.40	4.59
Public safety	6.28	8.31	0.14	–	6.42	8.31
Public works	3.52	4.18	0.75	1.04	4.27	5.22
Planning	0.31	0.88	–	–	0.31	0.88
Recreation	1.06	0.07	–	–	1.06	0.07
Interest	0.17	0.17	–	–	0.17	0.17
Total expenses	15.56	18.04	1.09	1.20	16.65	19.24
Other financing items:						
Net transfers in/(out)	(0.12)	(0.03)	0.12	0.03	–	–
Total other financing items	(0.12)	(0.03)	0.12	0.03	–	–
Change in net position	\$ 3.42	\$ 3.18	\$ (0.02)	\$ –	\$ 3.40	\$ 0.86

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

GOVERNMENTAL ACTIVITIES ANALYSIS

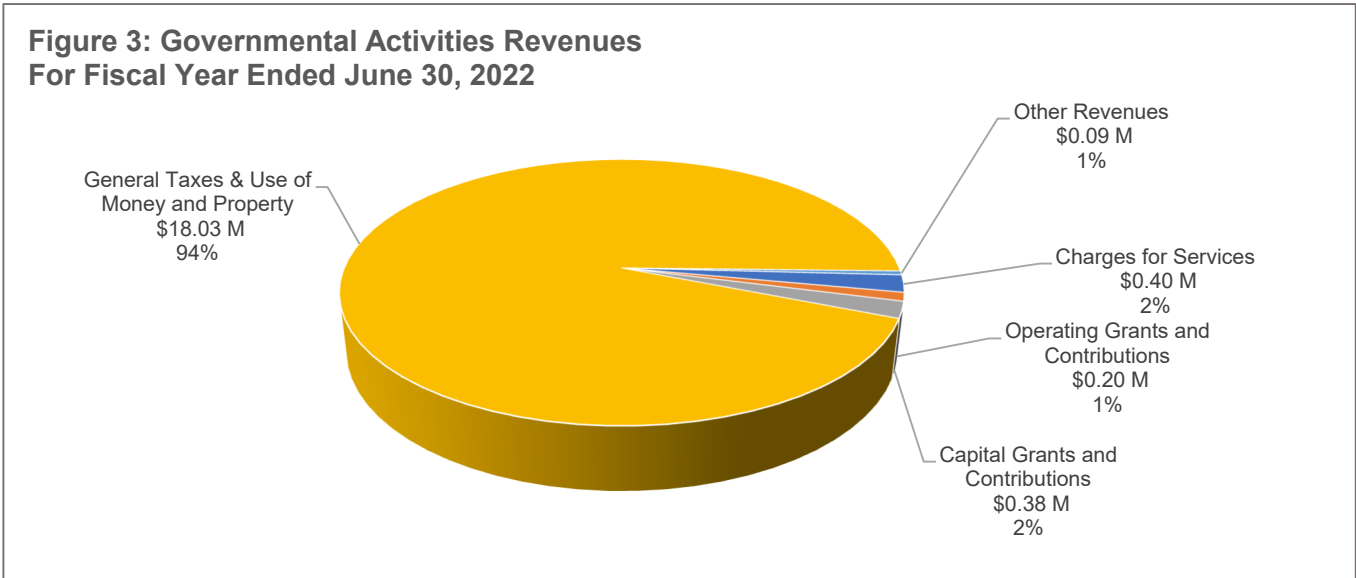
Statement of Net Position – Governmental Activities

The Town's total net position as of June 30, 2022 for governmental activities are comprised the following:

- The Town's governmental net position at June 30, 2022 amounted to \$75.58 million, an increase of \$3.42 million from 2021.
- Cash and investments were \$30.89 million. The Town held all investments in the county (SMCIF) and state (LAIF) pools, and in fully insured certificate of deposits, as detailed in Note 4A to the financial statements. Section 115 Trust assets were \$9.47 million.
- Other assets of \$2.61 million comprise of \$1.85 million in receivables, explained in Note 4B to the financial statements.
- Capital assets of \$56.64 million, 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 \$1.70 million.
- Long-term liabilities payable of \$21.88 million, 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 \$52.21 million, representing the Town's investment in capital assets used, net of amounts borrowed to finance those investments.
- Restricted net position represents the Town's restricted section 115 trust assets for unfunded pension and retiree health liabilities.
- 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 \$13.22 million of unrestricted net position.

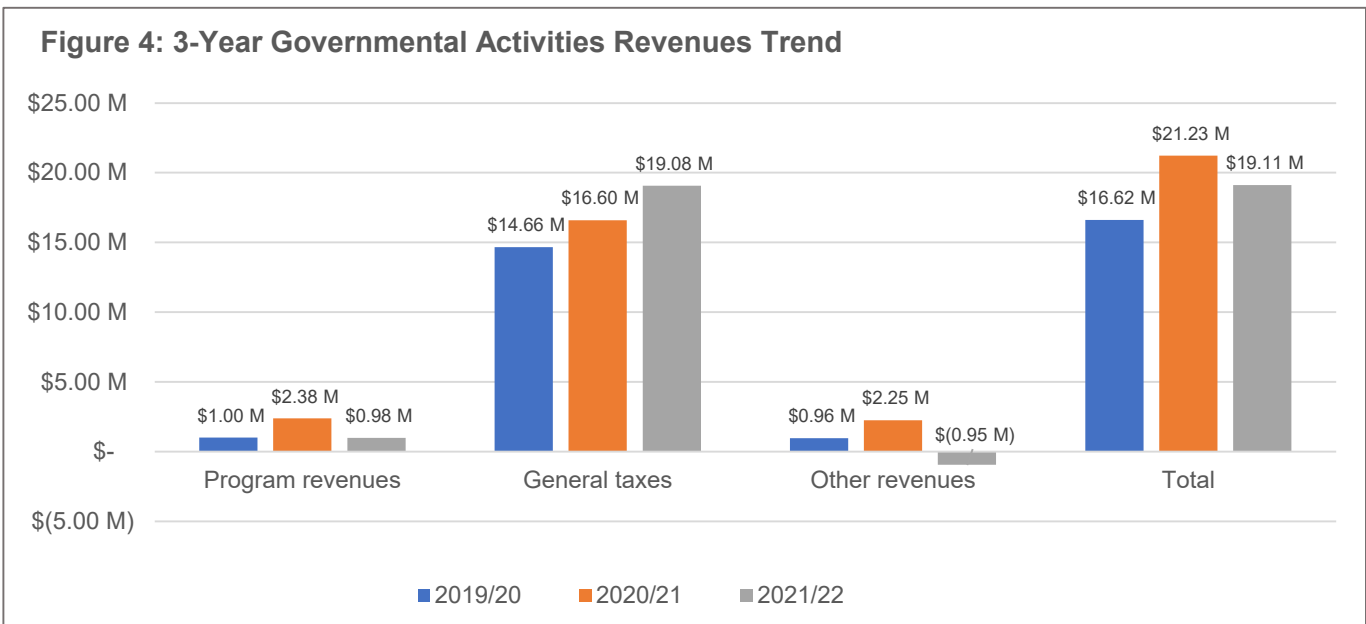
**TOWN OF COLMA, CALIFORNIA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

Statement of Activities – Governmental Activities



For fiscal year 2022-23, the Town’s revenues for governmental activities totaled \$18.12 million and expenditures totaled \$15.56 million. The Town also subsidized the sewer operations with a transfer of \$119,267.

As Figure 3 shows, \$18.03 million, or 94%, of the Town’s fiscal year 2022 governmental activities revenue came from taxes (net of investment), while \$0.58 million, or 3%, came from grants and contributions, \$0.40 million, or 2%, came from charges for services, \$0.09 million, or 1%, came from other revenues. Due to market uncertainty, the Town experienced a loss of \$1.04 million in the use of money/property category. The category is combined with general taxes due to the investment loss.



**TOWN OF COLMA, CALIFORNIA
 MANAGEMENT’S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR JUNE 30, 2022**

As shown in Figure 4, for the fiscal year ended June 30, 2022, Town’s program revenues totaled \$0.98 million, general taxes totaled \$19.08 million, and other revenues, including use of money and property totaled negative \$0.95 million.

Town’s program revenues decreased by \$1.40 million due to completion of capital improvements projects with one-time grant funding. These grant funding are project based and will fluctuate annually based on the number of grants the Town was awarded and the progress of the grant related project.

General taxes increased by \$2.48 million, to \$19.08 million. Figure 4 above shows that the Town’s general tax revenues dipped in fiscal year 2019-20 due to the 3 months of immediate business closure to stop the spread of COVID-19. Sales tax revenues recovered in FY 2020-21. In FY 2021-22, cardroom tax revenues recovered.

Overall, total governmental activities revenues reduced by \$2.16 million to \$19.10 million. The reduction includes the investment income loss in the Town’s 115 Trusts due to overall financial market fluctuation.

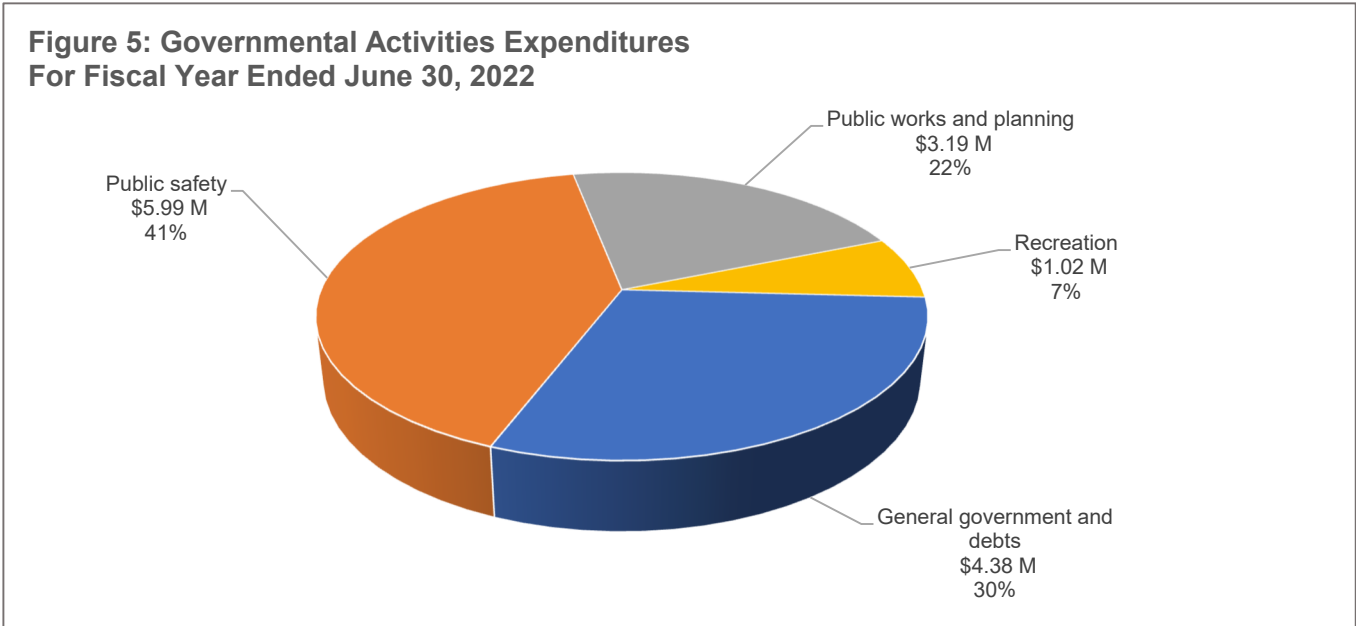


Figure 5 includes only current year expenses; it does not include capital outlays, which were added to the Town’s capital assets. As Figure 5 shows, general government is \$4.38 million, or 30%, of total governmental activities, public works and planning is \$3.19 million, or 22%, public safety is \$5.99 million, or 41%, and recreation is \$1.02 million, or 7%.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

BUSINESS-TYPE ACTIVITIES ANALYSIS

Statement of Net Position – Business-Type Activities

As of June 30, 2022, the net position for business-type activities was \$2.56 million and were comprised of the following:

- Cash and investments were \$296,562. More information is provided in Note 4A to the financial statements.
- Other assets of \$14,090 are explained in Note 4B to the financial statements.
- Capital assets of \$2,250,249 included all the Town's capital assets used in business-type activities as discussed in Note 4C.
- Current liabilities totaled \$5,439.
- Net position invested in capital assets was \$2,250,249.
- Unrestricted net position of \$305,213 are reserved for future enterprise operating and maintenance cost.

Statement of Activities – Business-Type Activities

- Total program revenues of \$1.09 million comprised of \$0.89 million in sewer fees, which is passed through to the City of Daly City and South San Francisco for sewer treatment cost, and \$191,722 in rental revenues from Creekside Villas and 1365 Mission Road properties.
- Total expenses of \$1,085,948 comprised of \$894,537 in sewer operation and \$191,411 in town properties management. Of the \$894,537 in sewer expenses, \$805,437 is related to sewer treatment and the rest in infrastructure maintenance. The Town also conducted a sewer fee study in FY 2020-21 to build a sewer reserve for future sewer infrastructure improvements.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

FINANCIAL ANALYSIS OF TOWN'S FUNDS

GOVERNMENTAL FUNDS

The Town uses fund accounting, which focuses on current financial resources affecting near-term liquidity. It is also a management tool for segregating certain resources for specific activities or objectives in accordance with special regulations, restrictions, or limitations.

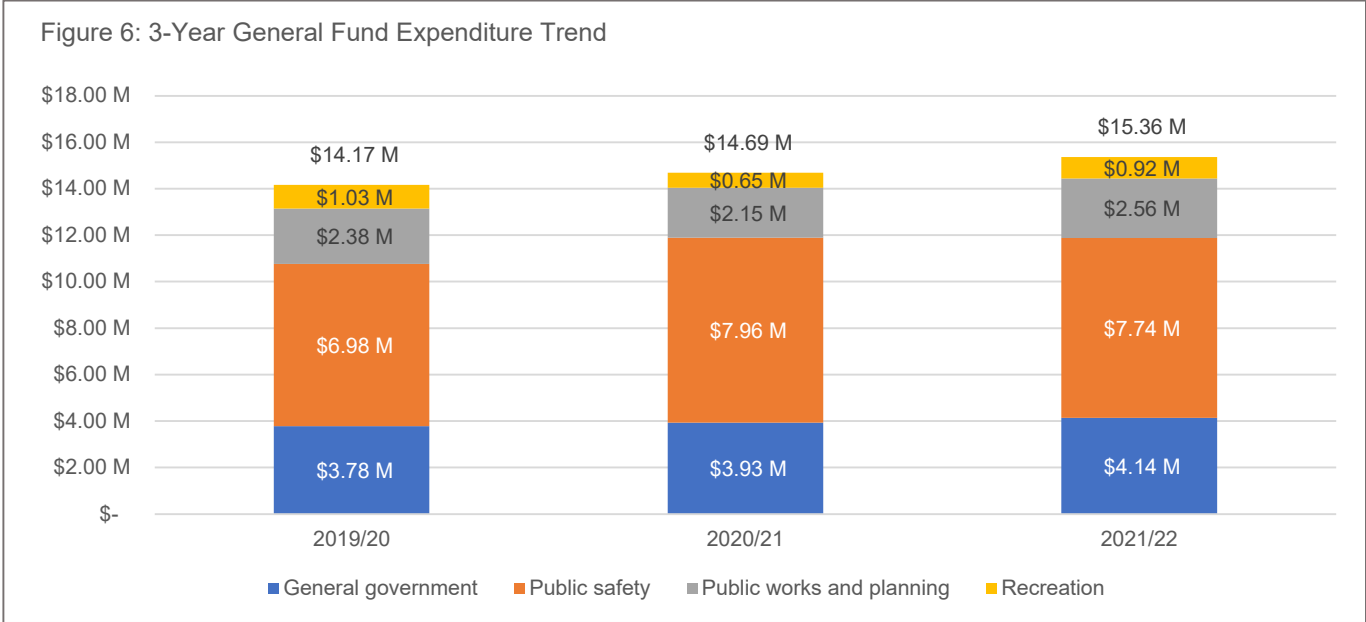
The focus of the governmental funds is to provide information on current year revenues, expenditures, and balances of spendable resources. Such information is useful in assessing the Town's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. For fiscal year 2021-22, the Town's major funds included the general fund, capital improvement fund, and street capital improvement fund. Special revenues, and debt funds are reported as Other Governmental Funds.

General Fund:

At June 30, 2022, the Town's general funds reported combined ending balances of \$36.94 million, an increase of \$1.90 million. General fund revenues decreased by \$1.21 million, to \$18.57 million, and expenditures increased by \$0.65 million, to \$15.36 million.

Sales and cardroom tax revenues continue to be the main sources of revenues for the Town. Sales tax remained steady from the prior year, experiencing an increase of \$244,000. Cardroom tax revenues doubled from the prior year, to \$4.34 million, as business operations restored. Use of money and property reduced by \$2.19 million from positive \$1.20 million in FY 2020-21 to negative \$0.99 million in FY 2021-22. The dramatic reduction in use of money of property is driven by market fluctuation in FY 2020-21 and FY 2021-22. Due to inflation, supply shortage, and the three federal reserve rate increases by June 30, 2022, investor confident fluctuated significantly in FY 2021-22. This resulted in the interest loss absorbed by the Town's 115 Trust. It also impacted the CalPERS investment return for FY 2021-22, which will impact the Town's operating cost in FY 2023-24.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**



Overall, general fund expenditures of \$15.36 million represents 78% of town-wide operating cost (excluding capital). Compared to FY 2020-21, general fund expenditures increased by \$0.65 million. In general all department operating cost increased by \$887,000, with the exception of public safety. Public safety expenditure reduced by \$233,000 due to a change in accounting treatment of OPEB contributions. With the consolidation of 115 Trust activities into the General Fund categories, the Town showed 115 Trust contribution as both a revenues and expenditures in FY 2020-21 and the contribution were reclassified as transfers in and out in FY 2021-22.

As for the \$887,000 operating expenditure increase in the other department, the two main factors include increased department activities to restore department operation to pre-pandemic levels and increase in insurance cost. As mentioned above, the Town increased in its community events, recreation programs, permitting activities, and roadway repairs and improvements.

Capital Improvement Fund:

As of June 30, 2022, the Fund had a balance of \$2.12 million. A total of \$332,459 in expenditures were accounted for in the fund. The focus in FY 2021-22 were in town-wide planning documents, such as completing the General Plan Update, Housing Element Update, and Zoning Code Updates. Other focuses include facilities improvements and equipment upgrades to comply with state mandates and to offer hybrid City Council meetings. The fund received transfers from the General Fund totaling \$890,472.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

Non-Major Governmental Funds:

These funds are not presented separately in the basic financial statements. In FY 2020-21, Street Capital Fund was reported separately from non-major governmental funds due to the \$2.55 million capital improvement project spending. For FY 2021-22, the street capital fund is reported as part of the non-major governmental fund. As result, the analysis below will compare the non-major government funds for FY 2021-22 to the combination of the Street Capital Fund and other Non-Major Governmental Funds for FY 2020-21.

The fund balance in the Non-Major Governmental Funds totaled \$1.69, increasing by \$253,000, or 18%, over the prior fiscal year. Total revenues is \$540,512, a reduction of \$819,194 from the prior year. Total grants received in FY 2020-21 is \$1.34 million. With the completion of two major street capital improvement projects, total grants received in FY 2021-22 reduced to \$547,935.

Correspondingly, expenditure for all non-major government funds decreased from \$3.07 million from FY 2020-21 to \$586,627 in FY 2021-22. This is also attributed by the completion of the two major street capital improvement projects.

PROPRIETARY FUNDS

Town Properties Fund: As of June 30, 2022, the Fund had a balance of \$2.37 million.

Sewer Fund: As of June 30, 2022, the Fund had a balance of \$183,285.

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

The City Council adopted the FY 2021-22 budget on June 9, 2021. During the year, the City Council approved three budget amendments totaling \$210,409. The amendments were related to capital budget carryover and the addition of two smaller capital budget.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

Final Budget Compared to Actual – General Fund

The Town's general fund final budget remains unchanged from the original adopted budget.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Results</u>	<u>Variance from Final Budget Favorable (Unfavorable)</u>
Resources:				
Revenues	\$ 17,531,264	\$ 17,531,264	\$ 18,569,048	\$ 859,684
Transfers In	3,000,000	3,000,000	0	(3,000,000)
Total Resources	20,531,264	20,531,264	18,569,048	(2,140,316)
Charges to appropriations:				
Expenditures	17,183,754	17,183,754	15,361,745	1,822,009
Transfers Out	4,067,781	4,067,781	1,308,464	2,759,317
Total Charges	21,251,535	21,251,535	16,670,209	(937,308)
Net changes in fund balance	(720,271)	(720,271)	1,898,839	2,619,110
Beginning fund balance			35,045,992	
Ending fund balance			\$ 36,944,831	

The general fund received \$18.57 million in actual revenues, which is \$860,000 more than the final budget. The Town budgets revenues conservatively resulting in the Town receiving \$1.86 million more in sales tax and \$828,000 more in cardroom tax than budgeted. By June 30, 2021, the Town did not know the likely impact of supply shortage and inflation on general fund revenues. Transfers In is zero due to different in account treatments between budget and accounting. The Town budget for the \$3.0 million transfer from General Fund 11 to General Fund Reserves 12 to increase the Budget Stabilization reserve from \$12.0 million to \$15.0 million. For this financial statement, a consolidation entry is made to remove the transfer since General Fund 11 and General Fund Reserves 12 are reported under the same fund title.

The Town charged \$15.36 million in general fund expenditures. It is \$1.82 million less than the final budget. About \$1.5 million of it is related to differing accounting treatment, where contributions to 115 Trust is budgeted into each operating department and reversed as part of the consolidation entry to combine 115 Trusts activities with General Fund.

**TOWN OF COLMA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2022**

CAPITAL ASSETS

As of June 30, 2022 The Town's investment in capital assets for its governmental and business-type activities amounts to \$58.89 million, a reduction of \$1.73 million. Investments in capital assets includes land, buildings, improvements, machinery and equipment, construction in progress, and infrastructure. Detail on capital assets and current year additions can be found in Note 4C.

Figure 7

Capital Assets at Year-End	Governmental Activities		Business-Type Activities	
	2022	2021	2022	2021
Balance at June 30,				
Non-depreciable assets				
Land	\$ 6,589,376	\$ 6,589,376	\$ 1,006,095	\$ 1,006,095
Construction in progress	205,820	3,487,207	-	-
Total non-depreciable assets	6,795,196	10,076,583	1,006,095	1,006,095
Depreciable assets (net of depreciations)				
Buildings	28,356,230	29,047,261	1,068,286	1,131,950
Improvements other than buildings	1,104,003	1,260,983	-	-
Machinery and equipment	1,287,281	1,175,383	-	-
Infrastructure-street systems	19,095,607	16,720,675	175,868	197,851
Total depreciable assets (net)	49,843,121	48,204,302	1,244,154	1,329,801
Total capital assets	\$ 56,638,317	\$ 58,280,885	\$ 2,250,249	\$ 2,335,896

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, 2022, the Town's debt issues comprised:

Figure 8

Outstanding Debt

	June 30, 2022
Governmental Activity Debt:	
Certificates of Participation	\$ 4,425,000
Net Other Post-Employment Benefit Obligation	11,061,019
Net Pension Liability	5,133,608
Compensated absences	1,584,523
Total	\$ 22,204,150

TOWN OF COLMA, CALIFORNIA MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR JUNE 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The narratives below discuss the Town's major tax revenues and the assumptions included in the adopted 2022- 23 budget.

As a financial planning document, the Town of Colma considers global and local economic conditions in the development of the FY 2022-23 budget.

Globally, the Town of Colma operation continues to be impacted by COVID-19, inflation, and the War in Ukraine. With the COVID-19 Omicron surge, the State required all employers to provide an additional 80 hours of supplemental COVID sick leave which is in addition to the Town's accrued leave policy. The additional sick leave is an additional cost to the Town and sunsets in September 2022. Additionally, with each positive case, the Town is required by Cal/OSHA to conduct deep cleaning of the impacted facility. The FY 2022-23 budget accounts for both the supplemental sick leave and the facility cleaning costs.

Inflation impacts the Town's revenues and expenditures. For revenues, the increase in the cost of consumer goods equates to higher sales tax collected. The increase in sales tax revenues is temporary and will reduce once the market readjusts. On the expenditures side, the purchase of selected supplies and equipment will increase due to inflation. Additionally, due to the rise in inflation, the Federal Reserve has scheduled several rate increases to slow down the market. This will impact the Town's commercial development and interest earnings. The War in Ukraine further exacerbated the supply chain shortages and the impact of inflation.

Locally, the Town of Colma has been dealing with the decline in brick and mortar and the rise in unfunded liabilities. With the convenience and availability of online sales, the Town saw an increase in vacant storefronts, pre-pandemic. Part of the Colma 2020-2022 Strategic Plan is creating an economic development ad hoc committee chaired by the City Manager and facilitated by various economic development consultants. The plan to address vacant storefronts is under development.

As for unfunded liabilities, the City Council has approved and updated the unfunded liabilities strategy and the Town's reserve policy to fund 115 trusts for future pension and OPEB costs. The Town also made additional contributions to CalPERS to reduce the Town's unfunded pension liabilities.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This Annual Comprehensive Financial Reports 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.

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position and the Statement of Activities summarize the Town's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the Town's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the Town's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between Town's funds have been eliminated.

The Town's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. Since the Town's Internal Service Funds service these Funds, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances. The Town's Business-type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the Town's net position. It is also prepared on the full accrual basis, which means it includes all the Town's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The format of the Statement of Activities presents the Town's expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The Town's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

Town of Colma
STATEMENT OF NET POSITION
June 30, 2022

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Current assets:			
Cash and investments	\$ 30,886,040	\$ 296,562	\$ 31,182,602
Restricted cash and investments	9,465,146	-	9,465,146
Receivables:			
Taxes	1,853,146	-	1,853,146
Accounts	705,846	14,090	719,936
Accrued interest	49,422	-	49,422
Prepaid items	-	-	-
Total current assets	<u>42,959,600</u>	<u>310,652</u>	<u>43,270,252</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable	6,795,196	1,006,095	7,801,291
Depreciable, net of accumulated depreciation	<u>49,843,121</u>	<u>1,244,154</u>	<u>51,087,275</u>
Total noncurrent assets	<u>56,638,317</u>	<u>2,250,249</u>	<u>58,888,566</u>
Total assets	<u>99,597,917</u>	<u>2,560,901</u>	<u>102,158,818</u>
<u>DEFERRED OUTFLOWS</u>			
Deferred outflows related to OPEB	2,253,930	-	2,253,930
Deferred outflows related to pensions	<u>3,304,194</u>	<u>-</u>	<u>3,304,194</u>
Total deferred outflows	<u>5,558,124</u>	<u>-</u>	<u>5,558,124</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable and accrued expenses	879,094	5,439	884,533
Deposits	499,839	-	499,839
Compensated absences due in one year	192,694	-	192,694
Certificates of participation due in one year	<u>130,000</u>	<u>-</u>	<u>130,000</u>
Total current liabilities	<u>1,701,627</u>	<u>5,439</u>	<u>1,707,066</u>
Noncurrent liabilities due in more than one year:			
Compensated absences	1,391,829	-	1,391,829
Certificates of participation	4,295,000	-	4,295,000
Net pension liability	5,133,608	-	5,133,608
Net other post-employment benefit obligation	<u>11,061,019</u>	<u>-</u>	<u>11,061,019</u>
Total noncurrent liabilities	<u>21,881,456</u>	<u>-</u>	<u>21,881,456</u>
Total liabilities	<u>23,583,083</u>	<u>5,439</u>	<u>23,588,522</u>
<u>DEFERRED INFLOWS</u>			
Deferred inflows related to OPEB	2,002,944	-	2,002,944
Deferred inflows related to pensions	<u>3,991,730</u>	<u>-</u>	<u>3,991,730</u>
Total deferred inflows	<u>5,994,674</u>	<u>-</u>	<u>5,994,674</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	52,213,317	2,250,249	54,463,566
Restricted	10,143,564	-	10,143,564
Unrestricted	<u>13,221,403</u>	<u>305,213</u>	<u>13,526,616</u>
Total net position	<u>\$ 75,578,284</u>	<u>\$ 2,555,462</u>	<u>\$ 78,133,746</u>

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

Town of Colma
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<u>Town Government</u>							
Governmental activities:							
General government	\$ 4,213,372	\$ -	\$ 2,128	\$ -	\$ (4,211,244)		\$ (4,211,244)
Public safety	6,278,924	125,593	164,443	-	(5,988,888)		(5,988,888)
Public works	3,524,250	172,488	30,590	356,061	(2,965,111)		(2,965,111)
Recreation	1,061,937	42,846	-	-	(1,019,091)		(1,019,091)
Planning	312,128	57,514	5,000	20,163	(229,451)		(229,451)
Interest on long-term debt	169,569	-	-	-	(169,569)		(169,569)
Total governmental activities	<u>15,560,180</u>	<u>398,441</u>	<u>202,161</u>	<u>376,224</u>	<u>(14,583,354)</u>		<u>(14,583,354)</u>
Business-type activities:							
City properties	191,411	195,442	-	-		\$ 4,031	4,031
Sewer	894,537	754,501	-	-		(140,036)	(140,036)
Total business-type activities	<u>1,085,948</u>	<u>949,943</u>	<u>-</u>	<u>-</u>		<u>(136,005)</u>	<u>(136,005)</u>
Total	<u>\$ 16,646,128</u>	<u>\$ 1,348,384</u>	<u>\$ 202,161</u>	<u>\$ 376,224</u>		<u>(136,005)</u>	<u>(14,719,359)</u>
General revenues:							
Taxes:							
Property taxes					715,777	-	715,777
Sales taxes					13,864,749	-	13,864,749
Cardroom taxes					4,340,144	-	4,340,144
Other taxes					157,107	-	157,107
Investment income (loss)					(1,044,387)	(1,222)	(1,045,609)
Transfers					(119,267)	119,267	-
Other revenues					91,028	-	91,028
Total general revenues and special items					<u>18,005,151</u>	<u>118,045</u>	<u>18,123,196</u>
Change in net position					3,421,797	(17,960)	3,403,837
Net position, beginning of period					<u>72,156,487</u>	<u>2,573,422</u>	<u>74,729,909</u>
Net position, ending of period					<u>\$ 75,578,284</u>	<u>\$ 2,555,462</u>	<u>\$ 78,133,746</u>

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

FUND FINANCIAL STATEMENTS

Fund Financial Statements are presented by individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the Town. Individual non-major funds may be found in the Supplemental section.

The **General Fund** accounts for all financial resources necessary to carry out basic governmental activities of the Town that are not accounted for in another fund. The General Fund supports essential services such as police protection, street & storm drain maintenance, parks, and recreation.

The **Capital Improvement Project Fund** accounts for funds expended for general capital improvements, including equipment & technology replacement, long-range plans, and facility improvements.

Town of Colma
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2022

	General Fund	Capital Improvement Project Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and investments	\$ 26,168,484	\$ 2,194,296	\$ 1,696,539	\$ 30,059,319
Restricted cash and investments	9,465,107	-	39	9,465,146
Taxes receivable	1,853,146	-	-	1,853,146
Accounts receivable	694,158	476	11,212	705,846
Accrued interest receivable	<u>49,422</u>	<u>-</u>	<u>-</u>	<u>49,422</u>
Total assets	<u>\$ 38,230,317</u>	<u>\$ 2,194,772</u>	<u>\$ 1,707,790</u>	<u>\$ 42,132,879</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 418,986	\$ 69,773	\$ 13,138	\$ 501,897
Accrued expenditures	366,661	-	-	366,661
Deposits	<u>499,839</u>	<u>-</u>	<u>-</u>	<u>499,839</u>
Total liabilities	<u>1,285,486</u>	<u>69,773</u>	<u>13,138</u>	<u>1,368,397</u>
<u>FUND BALANCES</u>				
Restricted	9,465,107	-	678,457	10,143,564
Committed	16,205,670	-	-	16,205,670
Assigned for capital	950,000	2,124,999	1,016,195	4,091,194
Unassigned	<u>10,324,054</u>	<u>-</u>	<u>-</u>	<u>10,324,054</u>
Total fund balances	<u>36,944,831</u>	<u>2,124,999</u>	<u>1,694,652</u>	<u>40,764,482</u>
Total liabilities and fund balances	<u>\$ 38,230,317</u>	<u>\$ 2,194,772</u>	<u>\$ 1,707,790</u>	<u>\$ 42,132,879</u>
Total governmental fund balances				\$ 40,764,482

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.	56,638,317
The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	816,185
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>(22,640,700)</u>
Net position of governmental activities	<u>\$ 75,578,284</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 Fiscal Year Ended June 30, 2022

	<u>General</u>	<u>Capital</u>	<u>Other</u>	<u>Total</u>
	<u>Fund</u>	<u>Improvement</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Project Fund</u>	<u>Funds</u>	<u>Funds</u>
<u>REVENUES</u>				
Property taxes	\$ 715,777	\$ -	\$ -	\$ 715,777
Sales taxes	13,864,749	-	-	13,864,749
Cardroom taxes	4,340,144	-	-	4,340,144
Other taxes	157,107	-	-	157,107
Licenses and permits	215,865	-	-	215,865
Fines and forfeits	101,573	-	-	101,573
Intergovernmental	-	-	547,935	547,935
Investment income (loss)	(996,080)	(7,384)	(7,423)	(1,010,887)
Other revenues	88,910	2,118	-	91,028
Charges for services	81,003	-	-	81,003
Total revenues	<u>18,569,048</u>	<u>(5,266)</u>	<u>540,512</u>	<u>19,104,294</u>
<u>EXPENDITURES</u>				
Current:				
General government	4,144,914	-	3,350	4,148,264
Public safety	7,743,379	-	218,566	7,961,945
Public works	2,128,403	-	30,590	2,158,993
Recreation	915,683	-	-	915,683
Planning	429,366	-	-	429,366
Capital outlay	-	332,459	39,552	372,011
Debt service:				
Principal	-	-	125,000	125,000
Interest	-	-	169,569	169,569
Total expenditures	<u>15,361,745</u>	<u>332,459</u>	<u>586,627</u>	<u>16,280,831</u>
Excess (deficiency) of				
revenues over expenditures	<u>3,207,303</u>	<u>(337,725)</u>	<u>(46,115)</u>	<u>2,823,463</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	890,472	298,725	1,189,197
Transfers out	<u>(1,308,464)</u>	<u>-</u>	<u>-</u>	<u>(1,308,464)</u>
Total other financing sources (uses)	<u>(1,308,464)</u>	<u>890,472</u>	<u>298,725</u>	<u>(119,267)</u>
Net change in fund balances	1,898,839	552,747	252,610	2,704,196
Fund balances, beginning of period	<u>35,045,992</u>	<u>1,572,252</u>	<u>1,442,042</u>	<u>38,060,286</u>
Fund balances, end of period	<u>\$ 36,944,831</u>	<u>\$ 2,124,999</u>	<u>\$ 1,694,652</u>	<u>\$ 40,764,482</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 Fiscal Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 2,704,196
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>CAPITAL ASSET TRANSACTIONS</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation (\$1,544,562) is under capital outlays (\$542,794), disposals and transfers (\$640,801) in the current period.</p>	
	(1,642,569)
<p>LONG-TERM DEBT PROCEEDS AND PAYMENTS</p> <p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
	125,000
<p>ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY</p> <p>Internal service funds are closed by charging additional amounts or reducing charges to participating governmental activities to completely cover the internal service funds costs for each year</p>	
	75,298
<p>ACCRUAL OF NON-CURRENT ITEMS</p> <p>The amounts below included in the statement of activities do not require the use of or provide current financial resources and are therefore not reported as expenditures or revenues in the governmental funds.</p>	
Compensated Absences	(298,331)
Pension expense	1,410,779
OPEB expense	<u>1,047,424</u>
Net difference	<u>717,601</u>
Change in Net Position of Governmental Activities	<u>\$ 3,421,797</u>

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

PROPRIETARY FUND FINANCIAL STATEMENTS

The **Sewer Fund** is used to account for the provision of sewer services to the residents of Colma and some residents of areas adjacent to the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and billing/collections.

The **City Property Fund** is used to account for activities of the Town's rental properties.

Town of Colma
 PROPRIETARY FUNDS
STATEMENT OF NET POSITION
 June 30, 2022

	Sewer	Town Properties	Totals	Governmental Activities Internal Service Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 10,438	\$ 286,124	\$ 296,562	\$ 826,721
Accounts receivable	-	14,090	14,090	-
Total current assets	<u>10,438</u>	<u>300,214</u>	<u>310,652</u>	<u>826,721</u>
Noncurrent assets:				
Capital assets:				
Buildings	-	2,615,156	2,615,156	-
Land	-	1,006,095	1,006,095	-
Infrastructure	380,910	-	380,910	-
Construction in progress	-	-	-	-
Accumulated depreciation	(205,042)	(1,546,870)	(1,751,912)	-
Total capital assets	<u>175,868</u>	<u>2,074,381</u>	<u>2,250,249</u>	<u>-</u>
Total assets	<u>186,306</u>	<u>2,374,595</u>	<u>2,560,901</u>	<u>826,721</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	<u>3,021</u>	<u>2,418</u>	<u>5,439</u>	<u>10,536</u>
Total current liabilities	<u>3,021</u>	<u>2,418</u>	<u>5,439</u>	<u>10,536</u>
<u>NET POSITION</u>				
Investment in capital assets	175,868	2,074,381	2,250,249	-
Unrestricted	<u>7,417</u>	<u>297,796</u>	<u>305,213</u>	<u>816,185</u>
Total net position	<u>\$ 183,285</u>	<u>\$ 2,372,177</u>	<u>\$ 2,555,462</u>	<u>\$ 816,185</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 Fiscal Year Ended June 30, 2022

	Sewer	Town Properties	Totals	Governmental Activities Internal Service Fund
Operating revenues:				
Charges for services	\$ 754,501	\$ 195,442	\$ 949,943	\$ 250,000
Total operating revenues	<u>754,501</u>	<u>195,442</u>	<u>949,943</u>	<u>250,000</u>
Operating expenses:				
Materials, supplies, rent and services	872,554	127,747	1,000,301	171,701
Depreciation	21,983	63,664	85,647	-
Total operating expenses	<u>894,537</u>	<u>191,411</u>	<u>1,085,948</u>	<u>171,701</u>
Operating income (loss)	<u>(140,036)</u>	<u>4,031</u>	<u>(136,005)</u>	<u>78,299</u>
Non-operating revenues (expenses):				
Investment income (loss)	-	(1,222)	(1,222)	(3,001)
Total non-operating revenues (expenses)	<u>-</u>	<u>(1,222)</u>	<u>(1,222)</u>	<u>(3,001)</u>
Contributions and transfers				
Transfers in	119,267	-	119,267	-
Net contributions and transfers	<u>119,267</u>	<u>-</u>	<u>119,267</u>	<u>-</u>
Change in net position	(20,769)	2,809	(17,960)	75,298
Net position, beginning of period	204,054	2,369,368	2,573,422	740,887
Net position, end of period	<u>\$ 183,285</u>	<u>\$ 2,372,177</u>	<u>\$ 2,555,462</u>	<u>\$ 816,185</u>

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

Town of Colma
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 2022

	Sewer	Town Properties	Totals	Governmental Activities Internal Service Fund
Cash flows from operating activities:				
Receipts from other funds for services	\$ 756,956	\$ 194,733	\$ 951,689	\$ 250,000
Payments to suppliers	<u>(873,764)</u>	<u>(127,732)</u>	<u>(1,001,496)</u>	<u>(161,165)</u>
Net cash provided (used) by operating activities	<u>(116,808)</u>	<u>67,001</u>	<u>(49,807)</u>	<u>88,835</u>
Cash flows from investing activities:				
Interest and other income	<u>-</u>	<u>(1,222)</u>	<u>(1,222)</u>	<u>(3,001)</u>
Net cash provided by investing activities	<u>-</u>	<u>(1,222)</u>	<u>(1,222)</u>	<u>(3,001)</u>
Cash flows from capital and related financing activities				
Transfers	<u>119,267</u>	<u>-</u>	<u>119,267</u>	<u>-</u>
Net cash provided by capital and related financing activities	<u>119,267</u>	<u>-</u>	<u>119,267</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	2,459	65,779	68,238	85,834
Cash and cash equivalents - beginning of period	<u>7,979</u>	<u>220,345</u>	<u>228,324</u>	<u>740,887</u>
Cash and cash equivalents - end of period	<u>\$ 10,438</u>	<u>\$ 286,124</u>	<u>\$ 296,562</u>	<u>\$ 826,721</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	<u>\$ (140,036)</u>	<u>\$ 4,031</u>	<u>\$ (136,005)</u>	<u>\$ 78,299</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	21,983	63,664	85,647	-
Changes in certain assets and liabilities:				
Accounts receivable	2,455	(709)	1,746	-
Accounts payable	<u>(1,210)</u>	<u>15</u>	<u>(1,195)</u>	<u>10,536</u>
Net cash provided (used) by operating activities	<u>\$ (116,808)</u>	<u>\$ 67,001</u>	<u>\$ (49,807)</u>	<u>\$ 88,835</u>

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

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, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 Project 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.

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/expenses not meeting this definition are reported as non-operating revenues and expenses.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Cash Equivalents

For purposes of the statement of cash flows, the Town considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Proprietary fund types, cash and investments balances classified as Available for Operations are considered cash equivalents for purposes of the statement of cash flows.

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 uncollectible is not necessary as all receivables have been deemed collectible.

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the county, and be shared by applicable jurisdictions.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 streetlights, 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 Town typically uses the General Fund to liquidate the majority of its compensated absences.

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.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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:

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.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

Stabilization Reserve

The Town maintains a budget stabilization reserve in an amount sufficient to ensure continuity of operations in the event of a severe economic downturn, which amount is hereby determined to be one hundred percent (100%), rounded to the nearest \$100,000, of the General Fund expenditures for the prior fiscal year, excluding appropriations toward Accrued Leave Liability Reserve, OPEB contribution, and pension contribution.

Accrued Leave Reserve

The Town maintains an **Accrued Leave Reserve** committed for vacation payout (and sick leave when related to retirement) when an employee separates from the Town. The amount committed will be determined as part of the budget process.

Litigation Reserve

The Town maintains a **Litigation Reserve**, in the amount of \$100,000, to pay the Town's costs and attorneys' fees necessary for the initiation or defense of new litigation authorized by the Town Council after adoption of a budget for the fiscal year in which the litigation commenced.

Insurance Reserve

The Town maintains an **Insurance Reserve**, in the amount of \$100,000, to pay for any deductibles charged to the Town by its insurance carrier(s) not accounted for in the adopted budget.

Disaster Response and Recovery Reserve

The Town maintains a **Disaster Response and Recovery Reserve**, in the amount of \$750,000, to pay the Town's costs of emergency repairs to or replacements of parts of the Town infrastructure damaged by any natural or man-made disaster, or to abate or prevent further damage to life or property.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

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

Comparative Data

Certain amounts presented in the prior year data have been reclassified to be consistent with the current years' presentation.

Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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	\$ 78,036,395
Less: accumulated depreciation	<u>(21,398,078)</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 56,638,317</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	\$ 3,304,194
Deferred outflows – OPEB	2,253,930
Deferred inflows – pension	(3,991,730)
Deferred inflows – OPEB	(2,002,944)
Compensated absences	(1,584,523)
Certificates of participation	(4,425,000)
Net other post-employment benefit obligation	(11,061,019)
Net pension liability	<u>(5,133,608)</u>
Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (22,640,700)</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.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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

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

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 and disposals	\$ (98,007)
Depreciation expense	(1,544,562)
Internal service fund	75,298
Compensated absences	(298,331)
Certificates of participation	125,000
Pension expense	1,410,779
Net other post-employment benefit obligation (OPEB)	<u>1,047,424</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>\$ 717,601</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

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.

Cash and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 31,182,602
Restricted cash and investments	<u>9,465,146</u>
Total cash and investments	<u>\$ 40,647,748</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

	Maturity 12 Months or less	13-24 Months	25-60 Months	Total
Demand deposits	\$ 8,492,641	\$ -	\$ -	\$ 8,492,641
Local Agency Investment Fund (LAIF)	2,138,248	-	-	2,138,248
Public Agency Retirement Services	9,527,777	-	-	9,527,777
Certificates of Deposit	496,000	747,000	3,486,009	4,729,009
Money Market Savings	39	-	-	39
San Mateo Co. Treasurer's Investment Pool	12,361,049	2,665,922	733,063	15,760,034
Total	<u>\$ 33,015,754</u>	<u>\$ 3,412,922</u>	<u>\$ 4,219,072</u>	<u>\$40,647,748</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the Town's investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Town's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the above table that shows the distribution of the Town's investments by maturity or earliest call date.

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

As of June 30, 2022, the Town holds \$39 in unexpended proceeds from the Certificates of Participation, which were included in Cash and Investments recorded in the Capital Projects Fund. These restricted funds are spent on project costs as defined in the underlying indenture.

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

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

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (concluded)

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

At June 30, 2022, the Town's cash with the County Treasurer is stated at fair value. However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Town's position in the pool.

Fair Value Hierarchy

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

The following is a summary of the fair value hierarchy of the fair value of investments of the Town as of June 30, 2022:

<u>Investment Type</u>	<u>Level 2</u>	<u>Uncategorized</u>	<u>Total</u>
California Local Agency Investment Fund	\$ -	\$ 2,138,248	\$ 2,138,248
San Mateo Co. Treasurer's Investment Pool	-	15,760,034	15,760,034
Certificates of Deposit	4,729,009	-	4,729,009
Money Market Savings Account	-	39	39
Public Agency Retirement Services	-	9,527,777	9,527,777
Total investments	<u>\$ 4,729,009</u>	<u>\$ 27,426,098</u>	32,155,107
Cash in banks and on hand			<u>8,492,641</u>
Total cash and investments			<u>\$ 40,647,748</u>

The California Local Agency Investment Fund (LAIF), the San Mateo County Investment Pool and the Public Agency Retirement System are not categorized in the fair value hierarchy but are valued using net asset value which approximates fair value.

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, 2022 are provided by Standard and Poor's except as noted.

<u>Investment Type</u>	<u>Total</u>
Not rated:	
Money Market Savings Account	\$ 39
California Local Agency Investment Fund	2,138,248
San Mateo County Treasurer's Investment Pool	15,760,034
Public Agency Retirement Services	9,527,777
Cash in banks and on hand	8,492,641
Certificates of Deposit	<u>4,729,009</u>
Total cash and investments	<u>\$ 40,647,748</u>

At June 30, 2022 none of the Town's deposits or investments were exposed to custodial credit risk.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

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

	<u>General</u>	<u>Town Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Business- Type Funds</u>	<u>Total</u>
Receivables:					
Interest	\$ 49,422	\$ -	\$ -	\$ -	\$ 49,422
Taxes	1,853,146	-	-	-	1,853,146
Accounts	<u>694,158</u>	<u>476</u>	<u>11,212</u>	<u>14,090</u>	<u>719,936</u>
Net total receivables	<u>\$ 2,596,726</u>	<u>\$ 476</u>	<u>\$ 11,212</u>	<u>\$ 14,090</u>	<u>\$ 2,622,504</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 6,589,376	\$ -	\$ -	\$ 6,589,376
Construction in progress	<u>3,487,207</u>	<u>372,010</u>	<u>3,653,397</u>	<u>205,820</u>
Total capital assets, not being depreciated	<u>10,076,583</u>	<u>372,010</u>	<u>3,653,397</u>	<u>6,795,196</u>
Capital assets, being depreciated				
Buildings	34,554,590	-	-	34,554,590
Improvements other than buildings	3,784,093	-	-	3,784,093
Machinery and equipment	3,354,501	322,106	-	3,676,607
Infrastructure - street systems	<u>26,364,634</u>	<u>2,861,275</u>	-	<u>29,225,909</u>
Total capital assets, being depreciated	<u>68,057,818</u>	<u>3,183,381</u>	-	<u>71,241,199</u>
Less accumulated depreciation for:				
Buildings	(5,507,329)	(691,031)	-	(6,198,360)
Improvements other than buildings	(2,523,110)	(156,980)	-	(2,680,090)
Machinery and equipment	(2,179,118)	(210,208)	-	(2,389,326)
Infrastructure - street systems	<u>(9,643,959)</u>	<u>(486,343)</u>	-	<u>(10,130,302)</u>
Total accumulated depreciation	<u>(19,853,516)</u>	<u>(1,544,562)</u>	-	<u>(21,398,078)</u>
Total capital assets, being depreciated, net	<u>48,204,302</u>	<u>(1,638,819)</u>	-	<u>49,843,121</u>
Governmental activities capital assets net	<u>\$58,280,885</u>	<u>\$2,010,829</u>	<u>\$3,653,397</u>	<u>\$56,638,317</u>

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

Governmental activities:	
Public works	\$ 563,540
General government	455,990
Public safety	313,711
Planning	2,911
Recreation	<u>208,410</u>
Total depreciation expense - governmental activities	<u>\$ 1,544,562</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (concluded)

	<u>Beginning Balances</u>	<u>Transfers & Additions</u>	<u>Retirements & Adjustments</u>	<u>Ending Balances</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,006,095	\$ -	\$ -	\$ 1,006,095
Total capital assets, not being depreciated:	<u>1,006,095</u>	<u>-</u>	<u>-</u>	<u>1,006,095</u>
Capital assets being depreciated:				
Buildings	2,615,156	-	-	2,615,156
Infrastructure	380,910	-	-	380,910
Total capital assets, being depreciated	<u>2,996,066</u>	<u>-</u>	<u>-</u>	<u>2,996,066</u>
Less accumulated depreciation for:				
Buildings	(1,483,206)	(63,664)	-	(1,546,870)
Infrastructure	(183,059)	(21,983)	-	(205,042)
Total accumulated depreciation	<u>(1,666,265)</u>	<u>(85,647)</u>	<u>-</u>	<u>(1,751,912)</u>
Total capital assets, being depreciated, net	<u>1,329,801</u>	<u>(85,647)</u>	<u>-</u>	<u>1,244,154</u>
Business-type activities capital assets net	<u>\$ 2,335,896</u>	<u>\$ (85,647)</u>	<u>\$ -</u>	<u>\$ 2,250,249</u>

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

<u>Business-type activities:</u>	
Sewers	\$ 21,983
Town properties	63,664
Total depreciation expense - business-type activities	<u>\$ 85,647</u>

D. Interfund Receivables, Payables and Transfers

Interfund transfers at June 30, 2022 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 1,308,464
Other Governmental Funds	298,725	-
Town Capital Project Fund	890,472	-
Street Capital	-	-
Sewer	119,267	-
Other governmental Funds	-	-
Totals	<u>\$ 1,308,464</u>	<u>\$ 1,308,464</u>

The transfers out of the General Fund, Other Governmental Funds and Capital Improvements Project Fund were made for the purpose of financing Street Improvement Capital Projects, Sewer operations and debt service undertaken during the fiscal year.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 - DETAILED NOTES ON ALL FUNDS (concluded)

E. Long-Term Debt

Governmental Activities:

Changes in Long-Term Liabilities

Long-term debt activity for the 2022 fiscal year was as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Certificates of Participation	\$ 4,550,000	\$ -	\$ 125,000	\$ 4,425,000	\$ 130,000
Net OPEB	11,202,420	-	141,401	11,061,019	-
Net Pension Liability	10,987,517	-	5,853,909	5,133,608	-
Compensated absences	<u>1,286,192</u>	<u>452,866</u>	<u>154,535</u>	<u>1,584,523</u>	<u>192,694</u>
Totals	<u>\$28,026,129</u>	<u>\$ 452,866</u>	<u>\$ 6,274,845</u>	<u>\$22,204,150</u>	<u>\$ 322,694</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 certificates bear interest at variable rates from 0.38% to 4.12% and payments are due on each May 1.

The annual requirements to amortize the debt outstanding as of June 30, 2022, including interest payments, are as follows:

<u>Period Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2028-2032	805,000	659,407	1,464,407
2033-2037	965,000	504,815	1,469,815
2038-2042	1,160,000	304,063	1,464,063
2043-2045	<u>810,000</u>	<u>65,600</u>	<u>875,600</u>
Total	<u>\$ 4,425,000</u>	<u>\$ 2,313,280</u>	<u>\$ 6,738,280</u>

NOTE 5 - OTHER INFORMATION

A. Risk Management

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 - OTHER INFORMATION (continued)

A. Risk Management (concluded)

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, 2022, the Town incurred liability claims expenses totaling \$73,362. There was one open claim as of June 30, 2022.

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.

Disallowed Claims

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Coronavirus Pandemic

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began to spread among various countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S., including California, declared a state of emergency and issued shelter-in-place orders in response to the outbreak. The immediate impact to the Town's operations included limited available resources to perform day-to-day operations. It is anticipated that the impacts from this pandemic will continue for some time. As of the report date, the financial impact of the coronavirus outbreak cannot be measured.

C. Public Employees Retirement System

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

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

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

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

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

The Plan provisions and benefits in effect at June 30, 2022, 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.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The Town sponsors six rate plans (three miscellaneous and three safety).

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

In fiscal year 2015, the Town established a Section 115 irrevocable trust with the Public Agency Retirement Systems (PARS). As of June 30, 2022 the Town reported the account balance of \$3,920,187 as restricted investments in the General Fund.

For the year ended June 30, 2022, the contributions recognized as part of pension expense for each Plan were as follows.

	Total Miscellaneous
Employer Contributions	\$469,416
Employer Contributions	Total Safety \$1,305,577

As of June 30, 2022, the Town reported net pension liabilities for its proportionate shares of the net pension liability of the Miscellaneous and Safety Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 592,343
Safety	4,541,265
Total Net Pension Liability	\$ 5,133,608

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, 2021, 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, 2020 rolled forward to June 30, 2021 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, 2020 and 2021 was as follows:

<u>Town Miscellaneous Plan</u>	Miscellaneous
Proportion - June 30, 2020	.053%
Proportion - June 30, 2021	.031%
Change – Increase (Decrease)	(.022%)

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 5 - OTHER INFORMATION (continued)

C. Public Employees Retirement System (continued)

<u>Town Safety Plan</u>	<u>Safety</u>
Proportion - June 30, 2020	.131%
Proportion - June 30, 2021	.129%
Change – Increase (Decrease)	(.002%)

For the year ended June 30, 2022, the Town recognized pension expense of \$(741,040). At June 30, 2022, 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	\$ 1,774,993	\$ -
Differences between actual and expected experience	842,296	-
Changes in assumptions	-	3,220,010
Net differences between projected and actual earnings on plan investments	216,749	-
Change in proportions and differences between actual Contributions and proportionate share of contributions	470,156	771,720
Total	\$ 3,304,195	\$ 3,991,730

\$1,774,993 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, 2023.

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>			
2023		\$	(391,846)
2024			(512,335)
2025			(671,646)
2026			(886,702)
Total		\$	(2,462,529)

Actuarial Assumptions - For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2021 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
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, 2022

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%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return⁽¹⁾ Years 1-10⁽²⁾</u>	<u>Real Return⁽¹⁾ Years 11+⁽³⁾</u>
Public equity	50.0%	4.80%	6.0%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92)%

(1) This information is from the CalPERS report: <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-public-agency-schedules-2021.pdf>

(2) Figures are based on previous 2017 ALM.

(3) An expected inflation of 2.00% 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:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$2,367,651	\$9,574,508
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$592,343	\$4,541,265
1% Increase	8.15%	8.15%
Net Pension Liability	\$(875,279)	\$407,077

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 5 - OTHER INFORMATION (concluded)

C. Public Employees Retirement System (concluded)

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. Fund Balance for Governmental Funds

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>General Fund</u>	<u>Capital Improvement Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Restricted:				
Restricted Pension and OPEB trusts	9,465,107	-	-	9,465,107
Debt Service	-	-	39	39
Measure A	-	-	157,497	157,497
Measure W	-	-	89,445	89,445
Gas Tax	-	-	126,853	126,853
Housing impact Fee	-	-	277,255	277,255
Law enforcement	-	-	21,053	21,053
Public Safety Grant	-	-	6,315	6,315
Total	<u>9,465,107</u>	<u>-</u>	<u>678,457</u>	<u>10,143,565</u>
Committed fund balances:				
Debt service costs	600,000	-	-	600,000
Compensated absences	605,670	-	-	605,670
General & Economic reserve	15,000,000	-	-	15,000,000
Total	<u>16,205,670</u>	<u>-</u>	<u>-</u>	<u>16,205,670</u>
Assigned Fund Balances:				
Litigation	100,000	-	-	100,000
Insurance	100,000	-	-	100,000
Capital improvements	-	2,124,999	1,016,195	3,141,194
Disaster response	750,000	-	-	750,000
Total	<u>950,000</u>	<u>2,124,999</u>	<u>1,016,195</u>	<u>4,091,194</u>
Unassigned Fund Balance:				
General Fund	<u>10,324,054</u>	<u>-</u>	<u>-</u>	<u>10,324,054</u>
Grand Total	<u>\$ 36,944,831</u>	<u>\$ 2,124,999</u>	<u>\$ 1,694,652</u>	<u>\$ 40,764,482</u>

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

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, 2022. The Town's contributions towards this benefit for the fiscal year ended June 30, 2022 were \$38,350.

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

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's 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.

Plan Description

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.

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. Employee benefits are governed by the Town Council.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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

Employees Covered by Benefit Terms

At June 30, 2020 (the census date), the benefit terms covered the following employees:

Category	Count
Inactive employees, spouses, or beneficiaries currently receiving benefit payments:	62
Inactive employees entitled to but not yet receiving benefit payments:	0
Active employees:	35
Total	97

Contributions

The Town makes contributions based on an actuarially determined rate.

Contribution rate:	40.37% for 16 years, 15.07% thereafter
Reporting period contributions	\$947,665 (includes implicit subsidy credit.)

Financial Report

The Town issues a stand-alone financial report that is available to the public. The report is available at: [//www.colma.ca.gov/departments/finance/](http://www.colma.ca.gov/departments/finance/)

Net OPEB Liability

The Town's total OPEB liability was valued as of June 30, 2020 and was used to calculate the net OPEB liability measured as of June 30, 2021.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise

Measurement Date:	June 30, 2020	June 30, 2021	
Discount Rate	4.97%	4.97%	
Investment Rate of Return	4.97%	4.97%	
Inflation	2.50%	5.50%	
Healthcare Cost Trend Rates			
Pre-Medicare	7.0%	6.5%*	*Trending down to 4.04% over 55 years.
Medicare	4.0%	4.0%*	Applies to calendar years.
Salary Increases	2.75%	2.75%**	**Additional merit-based increases based on CalPERS merit salary increase tables.

Mortality Rates Based on CalPERS tables.

- Projections of the sharing of benefit-related costs are based on an established pattern of practice.
- Experience studies come from the CalPERS Pension Assumption Model, revised May 14, 2018.
- Inactive employees (retirees) pay the cost of benefits in excess of the Town's contribution.
- There were no ad hoc postemployment benefit changes (including ad hoc COLAs) to the plan.
- There were no changes between the measurement date and the report date that are expected to have a significant effect on the total OPEB liability.

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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

Discount Rate

GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the Plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments. Based on this requirement, and with the approval of the plan sponsor, the discount rate used to measure the total OPEB liability is 4.97%

Long-Term Expected Real Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by Highmark Capital Management for the Moderately Conservative Investment Strategy as of May 20, 2020.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Asset Class Expected Return</u>
Equity - Large-Cap Core	16%	7.50%
Equity - Mid-Cap Core	3%	7.80%
Equity - Small-Cap Core	5%	8.70%
Equity - Real Estate	1%	6.70%
Equity - International	4%	7.80%
Equity - Emerging Market	2%	7.80%
Fixed Income - Short-Term Bonds	14%	3.30%
Fixed Income - Intermediate-Term Bonds	49%	4.10%
Fixed Income - High Yield	2%	6.90%
Cash	5%	2.40%
Total/Average	<u>100%</u>	
Expected Long-Term Rate of Return		5.47%
Expected Long-Term Rate of Return, Net of Fees		4.97%
Expected Volatility		5.07%
 <i>Current Liability</i>		<i>Amount</i>
Current OPEB Liability		\$ 820,476
Non-Current OPEB Liability		<u>15,952,777</u>
Total OPEB Liability		<u>\$ 16,773,253</u>

Expected Average Remaining Service Lives (EARSL)

The effects on the total OPEB liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period. The expected average remaining service lives (EARSL) for the current period follows. Note, however, that for calculation purposes, we use 1.0 when calculating amortizations if the EARSL is less than 1 year.

EARSL: 5.2 years

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance as of Report Date June 30, 2021	\$ 16,285,111	\$ 5,082,691	\$ 11,202,420
Changes for the year:			
Service Cost	474,100	-	474,100
Interest	808,036	-	808,036
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	207,912	-	207,912
Changes of Assumptions	-	-	-
Contributions			
Employer – Town’s Contribution	-	737,963	(737,963)
Employer - Implicit Subsidy	-	209,702	(209,702)
Net Investment Income	-	714,632	(714,632)
Benefit Payments	(792,204)	(792,204)	-
Implicit Subsidy Credit	(209,702)	(209,702)	-
Administrative expenses	-	(30,848)	30,848
Other Miscellaneous Income/ (Expense)	-	-	-
Net Changes	<u>488,142</u>	<u>629,543</u>	<u>(141,401)</u>
Balance as of Report Date June 30, 2022	<u>\$ 16,773,253</u>	<u>\$ 5,712,234</u>	<u>\$ 11,061,019</u>

Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

Sensitivity of the total and net OPEB liability to changes in the discount rate. The total and net OPEB liability of the Town, as well as what the Town’s total and net OPEB liability would be if they were calculated using a discount rate that is one percentage point lower (3.97%) or one percentage point higher (5.97%) follows:

	1% Decrease (3.97%)	Discount Rate (4.97%)	1% Increase (5.97%)
Total OPEB Liability (Asset)	\$ 18,869,631	\$ 16,773,253	\$ 15,038,550
Increase (Decrease)	2,096,378		(1,734,703)
% Change	12.5%		-10.3%
Net OPEB Liability (Asset)	\$ 13,157,397	\$ 11,061,019	\$ 9,326,316
Increase (Decrease)	2,096,378		(1,734,703)
% Change	19.0%		-15.7%

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 6.50% and decreased to 4.04% over 56 years. The total OPEB liability of the Town, as well as what the Town’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.50%) or one percentage point higher (7.50%) than current healthcare cost trend rates follows:

Town of Colma
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

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

	1% Decrease (5.50%)	Trend Rate (6.50%)	1% Increase (7.50%)
Total OPEB Liability (Asset)	\$ 14,780,689	\$ 16,773,253	\$ 19,211,580
Increase (Decrease)	(1,992,564)		2,438,327
% Change	-11.9%		14.5%
Net OPEB Liability (Asset)	\$ 9,068,455	\$ 11,061,019	\$ 13,499,346
Increase (Decrease)	(1,992,564)		2,438,327
% Change	-18.0%		22.0%

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

For the year ended June 30, 2022, the Town recognized an OPEB expense of \$680,326. 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
Differences between actual and expected experience	\$ 702,985	\$ (766,922)
Changes of assumptions	32,897	(883,436)
Net difference between projected and actual earnings on OPEB plan investments	-	(352,586)
Contributions subsequent to measurement date	1,518,048	-
Total	<u>\$ 2,253,930</u>	<u>\$ (2,002,944)</u>

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

<u>Fiscal Year Ended</u>	
2023	\$ (382,166)
2024	(407,686)
2025	(394,944)
2026	(96,701)
2027	14,435
Remaining	-

Required Supplementary Information



Annual Comprehensive Financial Reports

June 30, 2022

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Annual Comprehensive Financial Reports

June 30, 2022

Town of Colma
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended June 30, 2022

(UNAUDITED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Sales tax	\$ 12,000,000	\$ 12,000,000	\$ 13,864,749	\$ 1,864,749
Cardroom tax	3,512,000	3,512,000	4,340,144	828,144
Property and other taxes	640,492	640,492	715,777	75,285
Other taxes	146,816	146,816	157,107	10,291
Licenses and permits	281,176	281,176	215,865	(65,311)
Fines and forfeits	94,000	94,000	101,573	7,573
Intergovernmental	328,020	328,020	-	(328,020)
Use of money and property	277,685	277,685	(996,080)	(1,273,765)
Other revenues	54,713	54,713	88,910	34,197
Charges for services	196,362	196,362	81,003	(115,359)
Total revenues	<u>17,531,264</u>	<u>17,531,264</u>	<u>18,569,048</u>	<u>1,037,784</u>
<u>EXPENDITURES</u>				
Current:				
General government	4,531,490	4,531,490	4,144,914	386,576
Public safety	8,972,571	8,972,571	7,743,379	1,229,192
Public works	2,213,058	2,213,058	2,128,403	84,655
Planning	451,000	451,000	429,366	21,634
Recreation	1,015,635	1,015,635	915,683	99,952
Total expenditures	<u>17,183,754</u>	<u>17,183,754</u>	<u>15,361,745</u>	<u>1,822,009</u>
Excess (deficiency) of revenues over expenditures	<u>347,510</u>	<u>347,510</u>	<u>3,207,303</u>	<u>2,859,793</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	3,000,000	3,000,000	-	(3,000,000)
Transfers out	<u>(4,067,781)</u>	<u>(4,067,781)</u>	<u>(1,308,464)</u>	<u>2,759,317</u>
Total other financing sources (uses)	<u>(1,067,781)</u>	<u>(1,067,781)</u>	<u>(1,308,464)</u>	<u>(240,683)</u>
Net change in fund balance	<u>\$ (720,271)</u>	<u>\$ (720,271)</u>	1,898,839	<u>\$ 2,619,110</u>
Fund balance, beginning of period			<u>35,045,992</u>	
Fund balance, end of period			<u>\$ 36,944,831</u>	

Town of Colma
Required Supplementary Information (Unaudited)
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2022

The Town follows these procedures in establishing the operating budgetary data reflected in the financial statements:

- Prior to June 30, the Town Manager submits to the Town Council a proposed annual operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means for financing them. Public hearings are conducted to obtain taxpayer comments.
- The budget is legally enacted through passage of a resolution during a regular Town Council meeting in the month of June.
- The Town Manager may transfer budgeted amounts within a fund; however, any revision that alter the total expenditures of any fund must be approved by the Town Council.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, Enterprise Funds, and the Capital Project Funds. These are the only funds with legally adopted budgets.
- Budgets are adopted on a basis consistent with US. GAAP, except for Capital Project Fund expenditures, which are budgeted for the life of the project.
- Budgeted amounts are as originally adopted or as amended by the Town Council.
- Encumbrance accounting is employed as an extension of formal budgetary integration in the governmental fund types. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically re-appropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end unless Town Council takes action in the form of a resolution to continue the appropriations into the following fiscal year.

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MISCELLANEOUS
 June 30, 2022

Measurement Date, June 30	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.03120%	0.05286%	0.05113%	0.07851%	0.07722%	0.07743%	0.08263%	0.07547%
Proportion share of the net pension liability	\$ 592,343	\$ 2,229,557	\$ 2,047,539	\$ 2,958,883	\$ 3,044,014	\$ 2,689,973	\$ 2,267,047	\$ 1,865,120
Covered - employee payroll	\$ 2,213,088	\$ 2,174,997	\$ 1,915,941	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421	\$ 1,680,743	\$ 1,818,575
Proportionate share of the net pension liability as percentage of covered-employee payroll	26.77%	102.51%	106.87%	172.61%	194.00%	156.93%	144.49%	129.57%
Plan fiduciary net position as a percentage of the total pension liability	71.95%	82.32%	82.50%	71.95%	73.31%	74.06%	78.40%	79.82%

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

Town of Colma
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - SAFETY
 June 30, 2022

Measurement Date, June 30	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.12949%	0.13145%	0.12891%	0.12783%	0.12783%	0.19457%	0.19974%	0.20336%
Proportion share of the net pension liability	\$ 4,541,265	\$ 8,757,960	\$ 8,047,143	\$ 7,539,448	\$ 7,638,175	\$ 6,759,099	\$ 5,479,917	\$ 5,026,111
Covered - employee payroll	\$ 2,686,851	\$ 2,672,295	\$ 2,666,824	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223	\$ 1,881,631	\$ 2,050,734
Proportionate share of the net pension liability as percentage of covered-employee payroll	169.02%	327.73%	301.75%	325.47%	350.31%	312.31%	291.23%	267.11%
Plan fiduciary net position as a percentage of the total pension liability	73.31%	75.11%	75.54%	75.31%	73.31%	74.06%	78.40%	79.82%

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

Town of Colma
SCHEDULE OF CONTRIBUTIONS - MISCELLANEOUS
 June 30, 2022

<u>Fiscal Year Ending June 30</u>	<u>Town Miscellaneous Plan</u>							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 469,416	\$ 508,104	\$ 572,633	\$ 1,429,544	\$ 333,699	\$ 294,899	\$ 359,763	\$ 226,748
Contributions in relation to the actuarially determined contributions	<u>(469,416)</u>	<u>(508,104)</u>	<u>(572,633)</u>	<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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,379</u>	<u>\$ 110,739</u>	<u>\$ -</u>
Covered - employee payroll	\$ 2,306,369	\$ 2,377,024	\$ 2,174,997	\$ 1,915,941	\$ 1,714,156	\$ 1,569,041	\$ 1,439,421	\$ 1,680,743
Contributions as a percentage of covered-employee payroll	20.35%	21.38%	26.33%	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, 2022

<u>Fiscal Year Ending June 30</u>	<u>Town Miscellaneous Plan</u>							
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 1,305,577	\$ 1,404,495	\$ 1,317,296	\$ 1,050,947	\$ 930,366	\$ 788,713	\$ 820,095	\$ 712,647
Contributions in relation to the actuarially determined contributions	<u>(1,305,577)</u>	<u>(1,404,495)</u>	<u>(1,317,296)</u>	<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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,358</u>	<u>\$ 132,162</u>	<u>\$ -</u>
Covered - employee payroll	\$ 2,720,272	\$ 2,325,564	\$ 2,672,295	\$ 2,666,824	\$ 2,316,450	\$ 2,180,395	\$ 2,164,223	\$ 1,881,631
Contributions as a percentage of covered-employee payroll	47.99%	60.39%	49.29%	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, 2021

Fiscal year	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 474,100	\$ 657,975	\$ 780,902	\$ -	\$ 758,157
Interest	808,036	932,475	901,033	58,173	843,948
Benefit payments, included refunds of employee contributions	(792,204)	(690,829)	(620,318)	(57,557)	(508,719)
Change in assumptions	207,912	(24,222)	56,399	(1,954,200)	-
Difference between actual and expected experience	-	(1,246,250)	175,759	973,195	-
Implicit Subsidy Credit	(209,702)	(157,130)	(142,283)	-	(100,546)
Net change in total OPEB liability	488,142	(527,981)	1,151,492	(980,389)	992,840
Total OPEB liability - beginning of year	<u>16,285,111</u>	<u>16,813,092</u>	<u>15,661,600</u>	<u>16,641,989</u>	<u>15,649,149</u>
Total OPEB liability - end of year	<u>\$16,773,253</u>	<u>\$16,285,111</u>	<u>\$16,813,092</u>	<u>\$15,661,600</u>	<u>\$16,641,989</u>
Plan Fiduciary Net Position					
Net investment income	\$ 714,632	\$ 214,352	\$ 245,743	\$ 27,073	\$ 116,812
Contributions					
Employer - explicit subsidy	737,963	1,475,265	1,698,720	74,086	1,536,095
Employer - implicit subsidy	209,702	157,130	142,283	41,737	100,546
Benefit payments, included refunds of employee contributions	(792,204)	(690,829)	(620,318)	(57,557)	(508,719)
Implicit Subsidy Credit	(209,702)	(157,130)	(142,283)	(41,737)	(100,546)
Administrative expense	(30,848)	(24,347)	(8,541)	(17)	(5,300)
Net change in plan fiduciary net position	629,543	974,441	1,315,604	43,585	1,138,888
Plan fiduciary net position - beginning of year	<u>5,082,691</u>	<u>4,108,250</u>	<u>2,792,646</u>	<u>2,749,061</u>	<u>1,610,173</u>
Plan fiduciary net position - end of year	<u>5,712,234</u>	<u>5,082,691</u>	<u>4,108,250</u>	<u>2,792,646</u>	<u>2,749,061</u>
Town's net OPEB liability - end of year	<u>\$11,061,019</u>	<u>\$11,202,420</u>	<u>\$12,704,842</u>	<u>\$12,868,954</u>	<u>\$13,892,928</u>
Plan fiduciary net position as a percentage of the total OPEB liability	34.06%	31.21%	24.43%	17.83%	16.52%
Covered-employee payroll	\$ 3,394,233	\$ 3,233,237	\$ 6,600,414	\$ 6,423,761	\$ 4,068,515
Net OPEB liability as a percentage of covered-employee payroll	325.88%	346.48%	192.49%	200.33%	341.47%

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, 2021

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 1,385,258	\$ 1,657,517	\$ 1,869,678	\$ -	\$ 1,636,641
Contributions in relation to the actuarially determined contribution	(947,665)	(1,632,395)	(1,841,003)	(115,823)	(1,636,641)
Contribution deficiency (excess)	<u>\$ 437,593</u>	<u>\$ 25,122</u>	<u>\$ 28,675</u>	<u>\$ (115,823)</u>	<u>\$ -</u>
Covered payroll	\$ 3,394,233	\$ 3,233,237	\$ 6,600,414	\$ 6,423,761	\$ 4,068,515
Contributions as a percentage of covered payroll	27.92%	50.49%	27.89%	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
Inflation	2.50%
Assumed Rate of Payroll Growth	2.75%
Healthcare trend rates	7.00%, trending down to 4.04%
Rate of return on assets	5.74%
Mortality rate	CalPERS rates
Retirement rates	CalPERS rates

Supplementary Information



Annual Comprehensive Financial Reports

June 30, 2022

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Annual Comprehensive Financial Reports

June 30, 2022

Town of Colma
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2022

	<u>Special Revenue Funds</u>						Street Improvement Capital Project Fund	Debt Service	Total Nonmajor Governmental Funds
	Gas Tax	Measure A	Housing Impact Fee	Measure W	Public Safety Grants	Local law Enforcement Grants			
<u>ASSETS</u>									
Cash and investments	\$ 126,634	\$ 152,263	\$ 277,255	\$ 89,445	\$ 6,315	\$ 20,990	\$ 1,023,637	\$ -	\$ 1,696,539
Restricted cash and investments	-	-	-	-	-	-	-	39	39
Receivables from other governments	5,759	5,234	-	-	-	219	-	-	11,212
Total assets	\$ 132,393	\$ 157,497	\$ 277,255	\$ 89,445	\$ 6,315	\$ 21,209	\$ 1,023,637	\$ 39	\$ 1,707,790
<u>LIABILITIES AND FUND BALANCES</u>									
Liabilities:									
Accounts payable	\$ 5,540	\$ -	\$ -	\$ -	\$ -	\$ 156	\$ 7,442	\$ -	\$ 13,138
Total liabilities	5,540	-	-	-	-	156	7,442	-	13,138
Fund balances:									
Restricted	126,853	157,497	277,255	89,445	6,315	21,053	-	39	678,457
Assigned for capital	-	-	-	-	-	-	1,016,195	-	1,016,195
Total fund balances	126,853	157,497	277,255	89,445	6,315	21,053	1,016,195	39	1,694,652
Total liabilities and fund balances	\$ 132,393	\$ 157,497	\$ 277,255	\$ 89,445	\$ 6,315	\$ 21,209	\$ 1,023,637	\$ 39	\$ 1,707,790

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Special Revenue Funds				Street			Total Nonmajor Governmental Funds	
	Gas tax	Measure A	Housing Impact Fee	Measure W	Public Safety Grants	Local Law Enforcement Grant Fund	Improvement Capital Projects Fund		Debt Service
Revenues:									
Intergovernmental	\$ 74,376	\$ 77,753	\$ -	\$ 28,461	\$ -	\$ 161,285	\$ 206,060	\$ -	\$ 547,935
Investment income (loss)	(547)	(632)	(1,308)	(387)	-	(255)	(4,334)	40	(7,423)
Total revenues	<u>73,829</u>	<u>77,121</u>	<u>(1,308)</u>	<u>28,074</u>	<u>-</u>	<u>161,030</u>	<u>201,726</u>	<u>40</u>	<u>540,512</u>
Expenditures:									
Current:									
General government	-	-	-	-	-	-	-	3,350	3,350
Public safety	-	-	-	-	-	218,566	-	-	218,566
Public works	30,590	-	-	-	-	-	-	-	30,590
Capital outlay	-	-	-	-	-	-	39,552	-	39,552
Debt service:									
Principal	-	-	-	-	-	-	-	125,000	125,000
Interest	-	-	-	-	-	-	-	169,569	169,569
Total expenditures	<u>30,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>218,566</u>	<u>39,552</u>	<u>297,919</u>	<u>586,627</u>
Excess (deficiency) of revenues over expenditures	<u>43,239</u>	<u>77,121</u>	<u>(1,308)</u>	<u>28,074</u>	<u>-</u>	<u>(57,536)</u>	<u>162,174</u>	<u>(297,879)</u>	<u>(46,115)</u>
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	298,725	298,725
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,725</u>	<u>298,725</u>
Net change in fund balances	43,239	77,121	(1,308)	28,074	-	(57,536)	162,174	846	252,610
Fund balances, July 1	83,614	80,376	278,563	61,371	6,315	78,589	854,021	(807)	1,442,042
Fund balances (deficit), June 30	<u>\$ 126,853</u>	<u>\$ 157,497</u>	<u>\$ 277,255</u>	<u>\$ 89,445</u>	<u>\$ 6,315</u>	<u>\$ 21,053</u>	<u>\$ 1,016,195</u>	<u>\$ 39</u>	<u>\$ 1,694,652</u>

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Special Revenues Funds					
	Gas Tax			Measure A		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>						
Intergovernmental	\$ 80,552	\$ 74,376	\$ (6,176)	\$ 69,600	\$ 77,753	\$ 8,153
Investment income (loss)	1,500	(547)	(2,047)	3,000	(632)	(3,632)
Total revenues	<u>82,052</u>	<u>73,829</u>	<u>(8,223)</u>	<u>72,600</u>	<u>77,121</u>	<u>4,521</u>
<u>Expenditures</u>						
Current:						
Public works	30,000	30,590	(590)	-	-	-
Total expenditures	<u>30,000</u>	<u>30,590</u>	<u>(590)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency)	<u>52,052</u>	<u>43,239</u>	<u>(8,813)</u>	<u>72,600</u>	<u>77,121</u>	<u>4,521</u>
Other financing sources (uses)						
Transfers out	-	-	-	(102,000)	-	102,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(102,000)</u>	<u>-</u>	<u>102,000</u>
Net change in fund balances	52,052	43,239	(8,813)	(29,400)	77,121	106,521
Fund balance, July 1	83,614	83,614	-	80,376	80,376	-
Fund balance, June 30	<u>\$ 135,666</u>	<u>\$ 126,853</u>	<u>\$ (8,813)</u>	<u>\$ 50,976</u>	<u>\$ 157,497</u>	<u>\$ 106,521</u>

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Special Revenues Funds					
	Housing Impact Fee			Measure W		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>						
Intergovernmental	\$ -	\$ -	\$ -	\$ 32,000	\$ 28,461	\$ (3,539)
Investment income (loss)	3,000	(1,308)	(4,308)	-	(387)	(387)
Total revenues	<u>3,000</u>	<u>(1,308)</u>	<u>(4,308)</u>	<u>32,000</u>	<u>28,074</u>	<u>(3,926)</u>
Excess (deficiency)	<u>3,000</u>	<u>(1,308)</u>	<u>(4,308)</u>	<u>32,000</u>	<u>28,074</u>	<u>(3,926)</u>
Other financing sources (uses):						
Transfer out	-	-	-	(31,950)	-	31,950
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,950)</u>	<u>-</u>	<u>31,950</u>
Net change in fund balances	3,000	(1,308)	(4,308)	50	28,074	28,024
Fund balance, July 1	<u>278,563</u>	<u>278,563</u>	<u>-</u>	<u>61,371</u>	<u>61,371</u>	<u>-</u>
Fund balance, June 30	<u>\$ 281,563</u>	<u>\$ 277,255</u>	<u>\$ (4,308)</u>	<u>\$ 61,421</u>	<u>\$ 89,445</u>	<u>\$ 28,024</u>

Town of Colma
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Special Revenues Funds					
	Police Safety Grant			Local Law Enforcement Grant Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<u>Revenues</u>						
Intergovernmental	\$ -	\$ -	\$ -	\$ 100,000	\$ 161,285	\$ 61,285
Investment income (loss)	-	-	-	1,000	(255)	(1,255)
Total revenues	-	-	-	101,000	161,030	60,030
<u>Expenditures</u>						
Current:						
Public safety	6,000	-	6,000	184,128	218,566	(34,438)
Total expenditures	6,000	-	6,000	184,128	218,566	(34,438)
Excess (deficiency)	(6,000)	-	6,000	(83,128)	(57,536)	25,592
Fund balance, July 1	6,315	6,315	-	78,589	78,589	-
Fund balance, June 30	<u>\$ 315</u>	<u>\$ 6,315</u>	<u>\$ 6,000</u>	<u>\$ (4,539)</u>	<u>\$ 21,053</u>	<u>\$ 25,592</u>

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Annual Comprehensive Financial Reports

June 30, 2022

Statistical Section



Annual Comprehensive Financial Reports

June 30, 2022

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

	2013	2014	2015	2016
Governmental activities:				
Invested in capital assets, net of related debt	\$ 31,939,040	\$ 44,599,385	\$ 46,404,513	\$ 46,657,014
Restricted	958,050	0	0	0
Unrestricted	31,280,801	20,760,067	15,999,908	17,650,250
Total governmental activities net position	\$ 64,177,891	\$ 65,359,452	\$ 62,404,421	\$ 64,307,264
Business-type activities:				
Invested in capital assets, net of related debt	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	0	0	0	0
Unrestricted	0	0	0	0
Total business-type activities net position	\$ 0	\$ 0	\$ 0	\$ 0
Primary government:				
Invested in capital assets, net of related debt	\$ 22,398,018	\$ 25,161,698	\$ 27,586,964	\$ 28,790,829
Restricted	651,518	3,935,816	3,175,336	960,737
Unrestricted	12,464,814	11,133,395	10,451,059	10,511,200
Total net position	\$ 35,514,350	\$ 40,230,909	\$ 41,213,359	\$ 40,262,766

Source: Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 43,276,758	\$ 50,892,687	\$ 53,214,320	\$ 53,465,830	\$ 53,730,885	\$ 52,213,317
0	0	0	6,540,968	7,643,752	10,143,564
24,533,197	12,890,420	9,642,870	8,964,947	10,781,849	13,221,403
<u>\$ 67,809,955</u>	<u>\$ 63,783,107</u>	<u>\$ 62,857,190</u>	<u>\$ 68,971,745</u>	<u>\$ 72,156,486</u>	<u>\$ 75,578,284</u>
\$ 0	\$ 0	\$ 2,423,416	\$ 2,421,545	\$ 2,335,896	\$ 2,250,249
0	0	0	0	0	0
0	0	102,214	143,283	237,526	305,213
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,525,630</u>	<u>\$ 2,564,828</u>	<u>\$ 2,573,422</u>	<u>\$ 2,555,462</u>
\$ 30,133,560	\$ 30,966,750	\$ 30,310,313	\$ 55,887,375	\$ 56,066,781	\$ 54,463,566
1,507,673	1,787,750	1,520,545	6,540,968	7,643,752	10,143,564
7,498,462	7,576,655	10,199,953	9,108,230	11,019,375	13,526,616
<u>\$ 39,139,695</u>	<u>\$ 40,331,155</u>	<u>\$ 42,030,811</u>	<u>\$ 71,536,573</u>	<u>\$ 74,729,908</u>	<u>\$ 78,133,746</u>

Town of Colma

Changes in Net Position

Last Ten Fiscal Years

(Accrued Basis of Accounting)

	2013	2014	2015	2016	2017	2018
Expenses:						
Governmental activities*:						
General government	\$ 3,346,125	\$ 2,967,299	\$ 3,903,936	\$ 3,187,043	\$ 2,821,469	\$ 3,158,045
Public safety	6,913,654	6,257,453	2,832,021	7,027,124	5,693,256	7,877,748
Public works	3,047,313	3,915,614	4,285,679	4,216,784	4,519,003	4,256,204
Recreation & parks	1,058,521	908,687	946,869	968,178	1,066,457	1,210,189
Planning	573,399	417,626	410,942	512,090	470,802	443,700
Interest on long-term debts	575,585	483,814	0	114,087	185,669	183,469
Total governmental activities expenses	15,514,597	14,950,493	12,379,447	16,025,306	14,756,656	17,129,355
Business-type activities:						
Sewer	0	0	0	0	0	0
City Properties	0	0	0	0	0	0
Total business-type activities expenses	0	0	0	0	0	0
Total primary government expenses	15,514,597	14,950,493	12,379,447	16,025,306	14,756,656	17,129,355
Program revenues:						
Governmental activities:						
Charges for services:						
General government	0	20,175	0	0	0	0
Public safety	67,536	102,641	106,935	68,225	250,905	97,848
Public works	421,062	709,810	826,619	500,000	290,067	1,194,533
Recreation & parks	82,825	71,176	78,592	524,317	580,133	142,078
Planning	421,063	100,113	109,561	281,687	476,222	264,422
Operating contributions and grants	0	0	138,809	282,497	156,775	230,352
Capital contributions and grants	2,314,303	479,793	0	0	169,204	283,634
Total governmental activities program revenues	3,306,789	1,483,708	1,260,516	1,656,726	1,923,306	2,212,867
Business-type activities*:						
Charges for services:						
Sewer	0	0	0	0	0	0
City Properties	0	0	0	0	0	0
Capital contributions and grants	0	0	0	0	0	0
Total business-type activities program revenues	0	0	0	0	0	0
Total primary government program revenues	3,306,789	1,483,708	1,260,516	1,656,726	1,923,306	2,212,867
Net revenues (expenses)						
Government activities	(12,207,808)	(13,466,785)	(11,118,931)	(14,368,580)	(12,833,350)	(14,916,488)
Business-type activities *	0	0	0	0	0	0
Total net revenues (expenses)	(12,207,808)	(13,466,785)	(11,118,931)	(14,368,580)	(12,833,350)	(14,916,488)
General revenues and other changes in net position:						
Governmental revenues:						
Taxes						
Property taxes	354,574	617,618	472,157	617,172	578,560	601,116
Sales taxes	5,517,652	6,232,713	6,843,923	10,851,063	11,202,349	11,397,118
Cardroom taxes	4,957,234	4,703,462	4,140,070	4,039,518	4,290,660	4,352,743
Other taxes and fees	74,736	105,257	2,454,113	115,585	223,883	134,789
Use of money/property and interest earnings	496,197	503,140	615,754	473,432	247,803	416,023
Other revenues	70,307	41,408	122,329	174,653	242,786	113,922
Transfers	0	0	0	0	0	0
Total governmental activities	11,470,700	12,203,598	14,648,346	16,271,423	16,786,041	17,015,711
Business-type activities*:						
Use of money and property	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Total business-type activities	0	0	0	0	0	0
Total primary government	11,470,700	12,203,598	14,648,346	16,271,423	16,786,041	17,015,711
Changes in net position						
Governmental activities	(737,108)	(1,263,187)	3,529,415	1,902,843	3,952,691	2,099,223
Business-type activities *	0	0	0	0	0	0
Total primary government	\$ (737,108)	\$ (1,263,187)	\$ 3,529,415	\$ 1,902,843	\$ 3,952,691	\$ 2,099,223

* City Council approved the creation of two business-type activities in October 2018.

Source: Audited Financial Statements

	2019	2020	2021	2022
\$	4,735,196	\$ 3,803,188	\$ 4,424,559	\$ 4,213,372
	7,711,938	7,173,372	8,305,408	6,278,924
	5,673,752	3,044,965	4,183,431	3,524,250
	1,250,971	1,021,257	879,315	1,061,937
	315,743	414,973	74,881	312,128
	181,268	178,969	174,369	169,569
	<u>19,868,868</u>	<u>15,636,724</u>	<u>18,041,963</u>	<u>15,560,180</u>
	932,502	948,619	1,044,830	894,537
	161,814	158,516	159,323	191,411
	<u>1,094,316</u>	<u>1,107,135</u>	<u>1,204,153</u>	<u>1,085,948</u>
	<u>20,963,184</u>	<u>16,743,859</u>	<u>19,246,116</u>	<u>16,646,128</u>
	0	0	0	0
	25,417	122,934	114,569	125,593
	167,165	172,061	259,022	172,488
	83,662	58,396	22,797	42,846
	115,036	117,317	103,262	57,514
	237,521	238,989	719,770	202,161
	442,309	256,757	1,158,693	376,224
	<u>1,071,110</u>	<u>966,454</u>	<u>2,378,113</u>	<u>976,826</u>
	824,239	850,366	987,697	754,501
	193,308	190,931	192,722	195,442
	2,416,096	0	0	0
	<u>3,433,643</u>	<u>1,041,297</u>	<u>1,180,419</u>	<u>949,943</u>
	<u>4,504,753</u>	<u>2,007,751</u>	<u>3,558,532</u>	<u>1,926,769</u>
	(18,797,758)	(14,670,270)	(15,663,850)	(14,583,354)
	2,339,327	(65,838)	(23,734)	(136,005)
	<u>(16,458,431)</u>	<u>(14,736,108)</u>	<u>(15,687,584)</u>	<u>(14,719,359)</u>
	640,080	680,615	622,787	715,777
	12,066,527	10,520,000	13,620,617	13,864,749
	4,520,957	3,319,059	2,213,814	4,340,144
	131,862	140,997	141,021	157,107
	679,643	942,128	1,231,305	(1,044,387)
	(167,224)	115,716	1,049,962	91,028
	(185,480)	(98,253)	(30,915)	(119,267)
	<u>17,686,365</u>	<u>15,620,262</u>	<u>18,848,591</u>	<u>18,005,151</u>
	823	6,782	1,413	(1,222)
	185,480	98,253	30,914	119,267
	186,303	105,035	32,327	118,045
	<u>17,872,668</u>	<u>15,725,297</u>	<u>18,880,918</u>	<u>18,123,196</u>
	(1,111,393)	949,992	3,184,741	3,421,797
	2,525,630	39,197	8,593	(17,960)
\$	<u>1,414,237</u>	<u>\$ 989,189</u>	<u>\$ 3,193,334</u>	<u>\$ 3,403,837</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Reserved	\$ 98,956	\$ 0	\$ 0	\$ 0
Restricted - Pension & OPEB	0	0	0	0
Committed	24,552,790	20,100,000	13,576,000	14,287,000
Assigned	10,319,919	6,417,979	950,000	950,000
Unassigned	950,000	950,000	13,591,913	7,357,248
Total General Fund	<u>\$ 4,564,602</u>	<u>\$ 5,223,779</u>	<u>\$ 5,410,511</u>	<u>\$ 5,777,882</u>
All other governmental funds				
Restricted	\$ 958,050	\$ 0	\$ 0	\$ 4,343,192
Committed	203,792	79,249	71,557	8,980,111
Unassigned	0	0	(47,219)	0
Total all other governmental funds	<u>\$ 4,633,079</u>	<u>\$ 3,441,870</u>	<u>\$ 1,820,403</u>	<u>\$ 1,311,759</u>

Source: Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	6,540,968	7,643,752	9,465,107
14,287,000	15,542,000	13,250,000	13,315,000	13,031,341	16,205,670
950,000	950,000	950,000	950,000	950,000	950,000
6,310,836	7,965,214	10,982,278	9,568,432	13,266,365	10,324,054
<u>\$ 3,303,979</u>	<u>\$ 3,276,433</u>	<u>\$ 5,705,162</u>	<u>\$ 30,374,400</u>	<u>\$ 34,891,458</u>	<u>\$ 36,944,831</u>
\$ 1,729,570	\$ 0	\$ 0	\$ 0	\$ 0	\$ 678,457
13,839,459	8,399,613	3,721,232	4,499,197	0	3,141,194
0	(11,269)	0	0	3,014,294	0
<u>\$ 1,398,517</u>	<u>\$ 2,142,245</u>	<u>\$ 2,039,169</u>	<u>\$ 4,499,197</u>	<u>\$ 3,014,294</u>	<u>\$ 3,819,651</u>

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

	2013	2014	2015	2016	2017
Revenues:					
Property taxes	\$ 617,618	\$ 472,157	\$ 554,778	\$ 617,172	\$ 578,560
Sales taxes	6,232,713	6,843,923	10,327,853	10,851,063	11,202,349
Cardroom taxes	4,703,462	4,140,070	3,774,885	4,039,518	4,290,660
Other taxes	105,257	2,454,113	138,463	115,585	136,895
Licenses and permits	114,546	100,113	109,724	281,687	372,321
Fines and forfeits	67,536	66,611	65,785	68,225	64,740
Intergovernmental	2,314,303	479,793	407,960	282,497	412,967
Use of money and property	503,140	615,754	427,801	473,432	247,803
Other revenues	41,408	122,329	148,351	222,156	242,786
Charges for services	810,404	837,191	946,198	1,024,317	1,160,266
Total revenues	15,510,387	16,132,054	16,901,798	17,975,652	18,709,347
Expenditures					
Current:					
General government	2,921,076	2,967,299	3,903,936	3,194,543	2,821,469
Public safety	5,445,546	5,397,761	4,961,165	5,748,812	6,280,151
Public works	2,936,622	3,299,749	6,083,862	4,730,141	6,575,487
Recreation	880,931	908,687	946,869	973,178	1,066,457
Planning	395,809	417,626	410,942	512,090	470,802
Capital outlay	0	0	0	0	0
Debt service:					
Principal	385,000	12,100,000	0	180,000	110,000
Interest	572,884	577,209	0	114,087	185,669
Total expenditures	13,537,868	25,668,331	16,306,774	15,452,851	17,510,035
Excess (deficiency) of revenues over (under) expenditures	1,972,519	(9,536,277)	595,024	2,522,801	1,199,312
Other financing sources (uses)					
Transfers in	1,230,450	12,246,681	0	9,833,630	5,848,997
Transfers out	(1,230,450)	(12,246,681)	0	(9,833,630)	(5,848,997)
Issuance of long-term debt	0	0	0	5,252,497	0
Other financing sources (uses)	0	0	0	5,252,497	0
Net change in fund balances	\$ 1,884,758	\$ (229,980)	\$ (1,026,026)	\$ (738,208)	\$ (2,646,160)
Debt service as a percentage of noncapital expenditures	7.1%	49.4%	0.0%	1.9%	1.7%

Source: Audited Financial Statements

2018	2019	2020	2021	2022
\$ 601,116	\$ 640,080	\$ 680,615	\$ 622,787	\$ 715,777
11,397,118	12,066,527	10,520,000	13,620,617	13,864,749
4,352,743	4,520,957	3,319,059	2,213,814	4,340,144
127,789	131,862	140,997	141,021	157,107
278,046	123,626	275,241	348,147	215,865
73,907	103,519	105,387	108,484	101,573
432,281	594,307	495,745	1,878,463	547,935
416,023	668,061	905,349	1,225,134	(1,010,887)
392,804	59,808	111,160	1,049,962	91,028
1,156,751	123,216	90,080	43,019	81,003
<u>19,228,578</u>	<u>19,031,963</u>	<u>16,643,633</u>	<u>21,251,448</u>	<u>19,104,294</u>
3,158,045	4,735,196	3,782,765	3,935,005	4,148,264
7,214,813	8,422,400	7,164,037	8,159,646	7,961,945
11,312,133	7,766,952	3,050,446	4,851,515	2,158,993
1,108,920	1,250,971	1,033,665	652,133	915,683
443,700	315,743	414,973	295,709	429,366
0	0	0	0	372,011
110,000	115,000	115,000	120,000	125,000
183,469	181,268	178,969	174,369	169,569
<u>23,531,080</u>	<u>22,787,530</u>	<u>15,739,855</u>	<u>18,188,377</u>	<u>16,280,831</u>
<u>(4,302,502)</u>	<u>(3,755,567)</u>	<u>903,778</u>	<u>3,063,071</u>	<u>2,823,463</u>
1,215,893	3,332,131	1,612,830	1,472,612	1,189,197
(1,215,893)	(3,517,611)	(1,711,083)	(1,503,527)	(1,308,464)
0	0	0	0	0
<u>0</u>	<u>(185,480)</u>	<u>(98,253)</u>	<u>(30,915)</u>	<u>(119,267)</u>
<u>\$ 14,479</u>	<u>\$ 2,325,654</u>	<u>\$ 805,525</u>	<u>\$ 3,032,156</u>	<u>\$ 2,704,196</u>

1.2%

1.3%

1.9%

1.6%

1.9%

Town of Colma
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal year ended June 30	Secured roll	Unsecured roll	Less exemptions	Taxable assessed value	Total direct tax rate	% change in assessed value	Property tax revenue per fin stmt
2013	520,782,477	36,007,528	542,325	557,332,330	0.077%	5.34%	617,618
2014	534,119,184	36,578,906	542,325	571,240,415	0.072%	2.50%	472,157
2015	577,284,551	36,807,516	542,325	614,634,392	0.069%	7.60%	554,778
2016	583,049,863	38,607,884	723,100	622,380,847	0.072%	1.26%	617,172
2017	600,830,262	34,339,922	723,100	635,893,284	0.074%	2.17%	578,560
2018	618,149,159	32,961,152	723,100	651,833,411	0.078%	2.51%	601,116
2019	643,021,845	33,927,523	723,100	677,672,468	0.079%	3.96%	640,080
2020	681,306,233	31,900,343	903,875	714,110,451	0.095%	5.38%	680,615
2021	722,641,283	35,183,210	903,875	758,728,368	0.082%	6.25%	622,787
2022	738,218,475	32,688,519	903,875	771,810,869	0.093%	1.72%	715,777

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

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

Town of Colma
Property Tax Rates – Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Agency							Total Direct & Overlapping Tax Rates	City's Share of 1% Basic Levy
	Basic Levy 1	Jefferson Elementary	Jefferson High Bond	San Mateo Community College 2005 Series B	San Mateo Junior College	San Mateo Junior Comm College	South San Francisco Unified		
2013	1.00000	0.03160	0.04300	0.00000	0.01940	0.00000	0.03270	1.12670	0.09297
2014	1.00000	0.07130	0.05740	0.00000	0.01940	0.00000	0.03280	1.18090	0.09297
2015	1.00000	0.06620	0.05300	0.00000	0.01900	0.00000	0.05130	1.18950	0.09297
2016	1.00000	0.06740	0.05830	0.00000	0.02500	0.00000	0.04570	1.19640	0.09297
2017	1.00000	0.06800	0.08000	0.00000	0.02470	0.00000	0.04670	1.21940	0.09297
2018	1.00000	0.06630	0.08160	0.00000	0.02350	0.00000	0.03660	1.20800	0.09297
2019	1.00000	0.05630	0.07390	0.00000	0.01750	0.00000	0.04220	1.18990	0.09297
2020	1.00000	0.06670	0.08110	0.00350	0.02310	0.00000	0.03810	1.21250	0.09297
2021	1.00000	0.06670	0.09420	0.00370	0.01760	0.00000	0.03500	1.21720	0.09297
2022	1.00000	0.06030	0.06500	0.00000	0.00000	0.02270	0.03520	1.18320	0.09297

Source: San Mateo County Assessor's 2012-13 Through 2021-22 Tax Rate Table

**Town of Colma
Principal Taxpayer
Current Year and Ten Years Ago**

Taxpayer	Type of property	2022		2013	
		Assessed value	Percentage of net assessed valuation	Assessed value	Percentage of net assessed valuation
280 Metro LP	Commercial	\$ 115,330,447	14.94%	\$ 67,199,858	12.06%
Cole HD Colma California LP	Commercial	43,733,266	5.67%	37,688,004	6.76%
Robert F Whittey Trust Et Al	Recreational	34,718,880	4.50%		
Extra Space Properties Forty LLC	Industrial	27,027,207	3.50%	23,245,775	4.17%
Kohl's Department Stores Inc	Commercial	25,572,457	3.31%	20,194,047	3.62%
Realty Income Trust	Commercial	23,033,176	2.98%		
Thomas A Price Lessee	Commercial	22,966,955	2.98%	19,625,963	3.52%
Cypress Lawn Cemetery Associates	Institutional	22,818,675	2.96%		
Gregory Gordon Price Et Al	Commercial	22,359,582	2.90%	25,017,996	4.49%
BMVT Motors Inc	Commercial	21,595,484	2.80%		
Best Buy Stores LP	Commercial			18,353,885	3.29%
Estate of George R Karadanis	Recreational			29,919,680	5.37%
Target Corporation	Commercial			19,098,367	3.43%
Home Depot USA Inc	Commercial			18,218,382	3.27%
Top Ten Total		\$ 359,156,129	46.53%	\$ 278,561,957	49.98%
City Total		\$ 771,810,869		\$ 557,332,330	

Source: San Mateo County Assessor 2012/13 and 2021/22 Combined Tax Rolls and the SBE Non Unitary Tax Roll

Town of Colma
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Tax Levy	% of Chg	Collected within FY		Collections Subsequent Year (3)	Total Collections to Date		Value of property subject to local tax rate
			Amount	% of Levy		Amount	% of Levy	
2013	\$ 354,574	6%	\$ 354,574	100%		\$ 354,574	100%	\$ 557,332,330
2014	617,618	74%	617,618	100%		617,618	100%	571,240,415
2015	472,157	-24%	472,157	100%		472,157	100%	614,634,392
2016	617,172	31%	617,172	100%		617,172	100%	622,380,847
2017	578,560	-6%	578,560	100%		578,560	100%	635,893,284
2018	601,116	4%	601,116	100%		601,116	100%	651,833,411
2019	640,080	6%	640,080	100%		640,080	100%	677,672,468
2020	680,615	6%	680,615	100%		680,615	100%	714,110,451
2021	622,787	-8%	622,787	100%		622,787	100%	758,728,368
2022	715,777	15%	715,777	100%		715,777	100%	771,810,869

The County of San Mateo levies, bills, and collects property taxes for the Town. Under the Teeter Bill, the County remits the entire amount levied and handles the delinquencies, retaining interest and penalties.

Source: San Mateo County Assessor Office 2020-2021 Combined Tax Rolls
Town of Colma financial reports

Town of Colma
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Police Station COP	Town Hall COP	Total governmental activities and primary government	Debt per capita	Population
2013	\$ 385,000	\$ -	\$ 385,000	264	1,458
2014	12,100,000	-	12,100,000	8,231	1,470
2015	-	-	-	-	1,471
2016	-	180,000	180,000	119	1,509
2017	-	110,000	110,000	73	1,506
2018	-	110,000	110,000	73	1,501
2019	-	115,000	115,000	76	1,512
2020	-	115,000	115,000	67	1,729
2021	-	120,000	120,000	72	1,659
2022	-	125,000	125,000	91	1,370

Prior to fiscal year 2005, the Town had no debt. Details regarding the Town's outstanding debt can be found in Note #5 to financial statements.

The Town entered into a lease agreement in the amount of \$2,000,000 in September 2004 to finance the new Town Hall project. In Fiscal Year 2011-12, Town paid-off outstanding loan amount of \$1363,047.

The Town received a loan in the amount of \$160,000 during fiscal year 2006 to provide funding for energy conservation features of the new building. In fiscal year 2010-11, Town received additional loan in the amount of \$47,000 for another energy efficiency project. During Fiscal Year 2015-16, the Town paid off the loan balance.

Source: Debt Data - Town of COLMA Financial Statements
 Population: California Department of Finance

Town of Colma

Computation of Direct and Overlapping Debt

Last Ten Fiscal Years

2021-22 Assessed Valuation: \$771,810,869

	Total Debt 6/30/2022	% Applicable (1)	Town's Share of Debt 6/30/22
OVERLAPPING TAX AND ASSESSMENT DEBT:			
San Mateo Community College District	\$733,897,184	0.290%	\$2,128,302
South San Francisco Unified School District	164,131,912	0.247	405,406
Jefferson Union High School District	250,808,014	2.780	6,972,463
Jefferson School District	116,340,000	5.615	6,532,491
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$16,038,661
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
San Mateo County General Fund Obligations	\$612,605,687	0.290%	\$1,776,556
San Mateo County Board of Education Certificates of Participation	6,490,000	0.29	18,821
San Mateo County Flood Control and Sea LLR District General Fund Obligations	14,675,000	3.355	492,346
South San Francisco Unified School District General Fund Obligations	2,980,000	0.247	7,361
Jefferson Union High School District Certificates of Participation	47,490,000	2.78	1,320,222
Town of Colma Certificates of Participation	4,425,000	100	4,425,000
San Mateo County Mosquito and Vector Control District General Fund Obligations	3,825,000	0.29	11,093
TOTAL OVERLAPPING GENERAL FUND DEBT			\$8,051,399
TOTAL DIRECT DEBT			\$4,425,000
TOTAL OVERLAPPING DEBT			\$19,665,061
COMBINED TOTAL DEBT			\$24,090,061 (2)

(1) The percentage of overlapping debt applicable to the town is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the town divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2020-21 Assessed Valuation:

Direct and Overlapping Tax and Assessment Debt	2.08%
Total Direct Debt (\$4,425,000)	0.57%
Combined Total Debt	3.12%

Source: California Municipal Statistics

Town of Colma
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal years ended June 30	Total assessed valuation	Bonded debt limit - 15% of assessed valuation	Amount of debt subject to limit	Legal debt margin
2013	\$ 557,332,330	\$ 83,599,850	\$ -	\$ 83,599,850
2014	571,240,415	85,686,062	-	85,686,062
2015	614,634,392	92,195,159	-	92,195,159
2016	622,380,847	93,357,127	-	93,357,127
2017	635,893,284	95,383,993	-	95,383,993
2018	651,833,411	97,775,012	-	97,775,012
2019	677,672,468	101,650,870	-	101,650,870
2020	714,110,451	107,116,568	-	107,116,568
2021	758,728,368	113,809,255	-	113,809,255
2022	771,810,869	115,771,630	-	115,771,630

The Government Code of the State of California limits the amount of general bonded indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the Town.

The Town of Colma has no general bonded indebtedness.

Source: San Mateo County Assessor 2021-22 Combined Tax Rolls

Town of Colma
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Town Population	Personal Income (in thousand)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2013	1,458	53,392	36,620	6.3%	30.7	87.9%	30.2%
2014	1,470	53,218	36,203	5.2%	32.1	82.9%	29.5%
2015	1,471	54,449	37,015	4.5%	31.6	84.6%	33.7%
2016	1,509	55,581	36,832	3.6%	30.3	86.3%	35.6%
2017	1,506	49,093	32,598	3.2%	32.2	84.6%	30.9%
2018	1,501	57,369	38,220	3.2%	33.0	89.0%	32.3%
2019	1,512	56,218	37,181	2.3%	36.6	91.0%	28.1%
2020	1,729	58,803	34,009	2.3%	36.0	89.9%	26.8%
2021	1,659	58,079	35,008	8.9%	38.8	86.6%	26.8%
2022	1,370	70,149	51,203	5.7%	36.6	87.8%	31.4%

Sources:

Population: California State Department of Finance.

Unemployment Data: California Employment Development Department

2000-2009 Income, Age, Education Data: ESRI - Demographics Estimates are based on the last available Census.

2010 and later - Income, Age, and Education Data - US Census Bureau, most recent American Community Survey

**Town of Colma
Principal Employers
Last Ten Fiscal Years**

Employer	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Best Buy	155	0	100	139	126	110	110	110	91	92	92
Car Max	0	0	0	0	0	0	0	0	75	68	73
Cypress Lawn	68	68	72	114	164	118	118	118	121	153	152
Home Depot	204	201	193	203	205	187	187	187	193	241	203
Home Depot Pro	172	152	160	156	184	177	177	177	186	200	178
Honda of Serramonte	75	77	77	89	86	97	97	102	103	94	94
Kohl's	158	112	112	112	112	112	112	112	112	112	112
Lexus of Serramonte	80	90	90	100	100	103	103	103	105	79	103
Lucky Chances	638	611	616	601	585	544	544	573	588	199	554
Nordstrom, Inc	67	69	75	0	98	73	73	0	0	0	0
Serramonte Ford	125	151	153	153	175	175	175	170	150	122	150
Steward Chevrolet	63	99	96	105	105	104	104	104	104	102	102
Target	380	416	499	427	355	337	337	337	392	334	334
Totals	2,185	2,046	2,243	2,199	2,295	2,137	2,137	2,093	2,220	1,796	2,147

Source: Colma Business License

Town of Colma
Full Time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	5.25	5.25	5.30	6.05	4.75	6.10	7.25	7.95	8.08	7.79
Public safety	24.00	24.00	25.20	25.20	25.20	25.20	25.90	25.90	25.90	23.73
Public Works and Planning	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.98
Recreation	10.00	10.00	10.50	10.50	11.25	10.00	10.50	10.50	9.50	6.40
	<u>42.25</u>	<u>42.25</u>	<u>44.00</u>	<u>44.75</u>	<u>44.20</u>	<u>44.30</u>	<u>46.65</u>	<u>47.35</u>	<u>46.48</u>	<u>40.90</u>

Source: Town of Colma Personnel Records

Town of Colma
Operating Indicators by Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Business Checks	*	*	1,595	988	818	713	725	288	1,284	43
Calls for Service	*	*	4,406	4,326	4,870	5,491	5,000	4,224	6,012	5,770
Community Events	*	*	75	74	96	119	100	80	72	94
Gang Task Force Hours	*	*	540	510	528	357	540	530	540	480
Parking citation	*	*	*	*	1,805	2,229	1,748	1,992	2,796	1,748
Planning										
Plans check	23	37	38	54	72	54	50	47	47	56
Permits Issued	25	28	12	15	20	46	24	22	20	24
Recreation classes and activities offered										
Picnic rentals	189	193	213	216	238	237	237	192	16	150
Recreation programs	102	98	131	121	125	130	134	137	64	130
Program Participation	4,566	5,094	5,356	5,757	5,600	5,874	5,900	6,000	5,621	4,800

* Historical data is not available

Source: Town of Colma

Town of Colma
Capital Statistics by Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Town Properties										
Number of police station	0	0	1	1	1	1	1	1	1	1
Number of Building at Town Hall	2	2	2	2	2	1	1	1	1	1
Number of Corporation Yard	1	1	1	1	1	1	1	1	1	1
Number of Colma Museum	1	1	1	1	1	1	1	1	1	1
Leisure and Culture										
Number of recreation center facilities	2	2	2	2	2	2	2	2	2	2
Number of parks	2	2	2	2	2	2	2	2	2	2
Number of senior housing	18	18	18	18	18	18	18	18	18	18
Drainage and Street Operations										
Miles of streets	12	12	12	12	12	12	12	12	12	12
Average Pavement Condition Index Scores	73	78	83	84	83	80	79	79	80	80
Sewer Operations										
Miles of sanitary sewer	32	32	32	32	32	32	32	32	32	32
Miles of storm sewer	10	10	10	10	10	10	10	10	10	10

* Historical data is not available
Source: Town of Colma



DRAFT

1/26/2023

To be used only for management discussion purposes; engagement is incomplete; this draft is subject to final review and possible revision. **Report/Letter date is TENTATIVE-TBD**

TOWN OF COLMA
TOWN COUNCIL
&
MANAGEMENT REPORT

For the Year Ended
JUNE 30, 2022

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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, 2022, 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.

O'Connor & Company

San Rafael, California

Town Council
Town of Colma
Colma, California

We have audited the basic financial statements of Town of Colma for the year ended June 30, 2022. 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 August 4, 2022, 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 XX/XX/XX.

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, 2022

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

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

FINANCIAL STATEMENTS

JUNE 30, 2022

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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 the Town of Colma as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Town of Colma's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure A Fund of the Town of Colma, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Colma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

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, 2022, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure A Fund of the Town of Colma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Measure A Fund of the Town of Colma’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure A Fund of the Town of Colma’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
December 26, 2022

Town of Colma
Measure A Fund
GOVERNMENTAL FUND TYPE
BALANCE SHEET
June 30, 2022

ASSETS

Cash	\$ 152,263
Accounts receivable	<u>5,233</u>
Total assets	<u>\$ 157,496</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Due to other fund	<u>\$ -</u>
Fund balance:	
Restricted	<u>157,496</u>
Total liabilities and fund balances	<u>\$ 157,496</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, 2022

Revenues:	
20 percent of 1/2 cent sales tax	\$ 77,753
Investment income (loss)	<u>(633)</u>
Total revenues	<u>77,120</u>
Expenditures:	
Capital outlay	<u>-</u>
Total expenditures	<u>-</u>
Excess of revenues over expenditures	77,120
Fund balance, beginning of period	<u>80,376</u>
Fund balance, end of period	<u><u>\$ 157,496</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, 2022

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 blended 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, 2022. 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.

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.

Town of Colma
Measure A Fund
NOTES TO FUND FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - CASH AND INVESTMENTS (concluded)

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 2022 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 - RESTRICTED 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.

Restricted fund balance includes amounts restricted by external creditors, grantors, contributors, laws or regulations of other governments.

NOTE 6 - SUBSEQUENT EVENTS

The Town's management has evaluated events and transactions subsequent to June 30, 2022 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through the date the financial statements became available to be issued.

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

FINANCIAL STATEMENTS

JUNE 30, 2022

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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 W Fund of the Town of Colma as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Town of Colma's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure W Fund of the Town of Colma, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Colma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements, the accompanying financial statements present only the Measure W Fund and do not purport to, and do not, present fairly the financial position of Town of Colma, California, as of June 30, 2022, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure W Fund of the Town of Colma's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Measure W Fund of the Town of Colma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure W Fund of the Town of Colma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
December 26, 2022

Town of Colma
Measure W Fund
GOVERNMENTAL FUND TYPE
BALANCE SHEET
June 30, 2022

ASSETS

Cash and investments	\$ 89,445
	<u>89,445</u>
Total assets	<u>\$ 89,445</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Due to other fund	\$ -
	<u>-</u>
Fund balance:	
Restricted	89,445
	<u>89,445</u>
Total liabilities and fund balances	<u>\$ 89,445</u>

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

Town of Colma
Measure W Fund
GOVERNMENTAL FUND TYPE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2022

Revenues:	
1/2 cent sales tax	\$ 28,461
Investment income (loss)	<u>(387)</u>
Total revenues	<u>28,074</u>
Expenditures:	
Capital outlay	<u>-</u>
Total expenditures	<u>-</u>
Excess of revenues over expenditures	28,074
Fund balance, beginning of period	<u>61,371</u>
Fund balance, end of period	<u><u>\$ 89,445</u></u>

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

Town of Colma
Measure W Fund
NOTES TO FUND FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - REPORTING ENTITY

At the general election on November 6, 2018, the voters of San Mateo County approved Measure W, “An ordinance providing for the imposition of a one-half of one percent sales tax on all retail transactions in the County of San Mateo for the improvement of local transportation, including transit, streets and roads.”

The Measure W Fund (the Fund) is a blended 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 W 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, 2022. 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.

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.

Town of Colma
Measure W Fund
NOTES TO FUND FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - CASH AND INVESTMENTS (concluded)

Interest earnings, if any, were allocated to the Fund in the 2022 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 - RESTRICTED 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.

Restricted fund balance includes amounts restricted by external creditors, grantors, contributors, laws or regulations of other governments.

NOTE 6 - SUBSEQUENT EVENTS

The Town's management has evaluated events and transactions subsequent to June 30, 2022 for potential recognition or disclosure in the financial statements. Subsequent events have been evaluated through the date the financial statements became available to be issued.

DRAFT**11/3/2022****To be used only for management discussion purposes; engagement is incomplete; this draft is subject to final review and possible revision. **Report/Letter date is TENTATIVE-TBD****

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, 2023. 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

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion or conclusion. 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 is not intended to be, and should not be, used by anyone other than the specified parties.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California

DRAFT

Article XIII B Appropriation Limit Calculation

Prior Year Limit	\$ 57,274,771
Multiply by:	
State per capita personal income	1.076
Change in population	0.991 <u>1.0656</u>
Total Appropriation Limit Fiscal Year 2022-2023	<u>\$ 61,031,996</u>

DRAFT





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brad Donohue, Director of Public Works
 VIA: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: Acceptance of the F Street Retaining Wall Project, File Notice of Completion

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION ACCEPTING THE F STREET RETAINING WALL PROJECT AS COMPLETE,
 DIRECTING THE DIRECTOR OF PUBLIC WORKS TO FILE A NOTICE OF COMPLETION FOR
 THE PROJECT WITH THE SAN MATEO COUNTY RECORDER'S OFFICE.

EXECUTIVE SUMMARY

In February of 2023, Farallon Construction Engineering (Contractor) completed the F Street Retaining Wall Improvement Project (Project). With the Project complete, the Town may now accept the Project and file a Notice of Completion for the Project.

FISCAL IMPACT

City Council approved at their August 24, 2022, City Council awarded a construction contract to Farallon Construction Engineering in the amount of \$284,885.00 for construction and \$28,500 in construction contingency. The final construction cost inclusive of all change orders totals \$307,347.95, a net savings in the amount of \$6,037.05

Cost	Amount
Construction Contract Budget	\$284,885.00
Contingency (10%)	\$28,500.00
Construct budget, (Sub-total)	\$313,385.00
Construction costs+ change orders	\$307,347.95
Net Savings from Construction Budget	\$6,037.05

BACKGROUND

The City Council awarded the Project to Farallon Construction Engineering. At their August 24th, 2022, City Council Meeting. The Project consisted of repairing concrete spalling, crack repairs with epoxy injection, various drainage repairs, hardscape enhancements, architectural pilasters, placement of cobbles between upper and lower wall, clean prime and paint both upper and lower walls.

ANALYSIS

Once the project was awarded, it had minimal delays, the delays that were encountered were due to weather conditions. The contractor still completed the project within the contract allowable days. Many of the approved change orders (Attachment A) were due to increased quantities in several of the project line items, for example there were increases to the concrete spall repairs on the wall and support buttresses, increases in epoxy crack sealing, additional backfill and concrete flatwork adjacent to the existing house. There were also additional concrete bores provided for hydrostatic water build up behind the wall drainage and new drainpipes channeling water runoff through the wall and not behind the wall. A new access gate was provided for future maintenance access and the removal and replacement of the drain inlet by simple Uniform facility with a larger inlet to assist in capturing sidewalk stormwater runoff. With the approved change orders, the construction management team kept the project within the construction and construction contingency budget.

Staff requests the City Council to accept work performed on the Project and authorize the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office.

The filing of the Notice of Completion means:

- The Town accepts the Project as complete.
- The time frame for the filing of stop payment notice claims is shortened once the Notice of Completion has been timely filed with the San Mateo County Recorder's Office

To date there have been no stop notices or claims filed with the Town for the Project.

Council Adopted Values

By accepting the Project as complete, the City Council has reviewed and approved the work performed by Farallon Construction Engineering, thus taking a ***Responsible*** position requesting that the Notice of Completion be filed with the County Recorder's Office and that final payment be timely made to the contractor.

Alternatives

The City Council can choose not to accept the Project and direct the filing of the Notice of Completion for the Project. The Town would then not accept the Project as complete and file the Notice of Completion with the San Mateo County Recorder's Office. Such action would increase the time for subcontractors and material suppliers to file claims.

CONCLUSION

Staff has reviewed the completed Project and recommends that the City Council make a motion to accept the Project as complete and authorize the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office. .

ATTACHMENTS

- A. Contract Change Orders- Cost Exposure Log
- B. Notice of Completion – F Street Retaining Wall Project Improvement Project



Attachment "A"

F St Retaining Wall Repair Project Cost Exposure Log

PCO No.	CCO #	Description	Units	Quantity	Unit Cost	Estimated Costs	Actual Costs	Approved Days	Notes
2	1.1	CMS Message Board	LS	1	\$ 3,359.00		\$ 3,359.00	0	
3.1	1.2	Prepare additional spall areas upper wall and buttresses	LS	1	\$ 6,250.00		\$ 6,250.00	0	
3.2	1.3	Repair additional concrete spall areas = 0.75 CY * \$22K PCY	LS	1	\$ 16,500.00		\$ 16,500.00	0	
3.3	1.4	Prepare and patch upper wall and buttresses 6 areas	LS	1	\$ 3,300.00		\$ 3,300.00	0	
3.4	1.5	Remove and replace additional concrete flatwork = 145SF * \$50 PSF	LS	1	\$ 7,250.00		\$ 7,250.00	0	
3.5	1.6	Additional cores 6 x \$308= 1848.00	EA	6	\$ 308.00		\$ 1,848.00	0	
3.6	1.7	Additional Epoxy Injection (Cracks)	EA	5	\$ 155.00		\$ 775.00	0	
3.7	1.8	Architectural Pilasters cost for stainless steel stops, base screed and bichethain separator	LS	1	\$ 2,546.00		\$ 2,546.00	0	
4	1.9	Change to rip rap blend for rocks between upper and lower walls.	EA	12	\$ 240.00		\$ 2,880.00	0	
5.r1	1.10	T&M work to repair drainage and fill void under stairs. Replace drainage pipe and core wall	LS	1	\$ 9,742.00		\$ 9,742.00	0	
	1.11	Eliminate stucco from Alt Bid	LS	1	\$ (42,140.00)		\$ (42,140.00)	0	
	1.12	Eliminate extra rebar	EA	500	\$ 8.00		\$ (4,000.00)	0	
1	1.13	X Ray of rebar for core drilling	LS	1			\$ 1,421.40	0	
	2.1	Remove and replace drainage inlet adjacent to Simply Uniforms. Install gate at top of wall.	LS	1	\$ 12,731.55		\$ 12,731.55	0	

CCO No. 1	\$	9,731.40
CCO No. 2	\$	12,731.55
CCO No. 3		
CCO No. 4		
CCO No. 5		
All other pending estimate	\$	-
Total cost exposure to date	\$	22,462.95
Original Contract	\$	284,885.00
Contract plus CCO to date	\$	307,347.95
Contingency	\$	28,500.00
Total funds available	\$	313,385.00
	(Over/under)	\$ 6,037.05



<p>RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:</p> <p>Town of Colma 1198 El Camino Real Colma, CA 94014-3212 Attn: Brad Donohue, PW Director</p>	<p>THE AREA ABOVE IS RESERVED FOR RECORDER'S USE</p>
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TOWN OF COLMA

NOTICE OF COMPLETION

PURSUANT TO CALIFORNIA CIVIL CODE 9204

(This Document is exempt from Recording Fee (Govt. Code § 27383))

NOTICE IS HEREBY GIVEN THAT:

1. The Town of Colma is the owner of a work of improvement consisting of the construction of improvements for the F Street Retaining Wall Improvement Project as described in the project specifications dated May 5, 2022 (hereafter, the "Work"), and of the real property on which the Work is situated, which real property is located in the County of San Mateo, State of California and specifically described as follows: On the north side of the 400 Block of F Street in Colma California, 94014.
2. **Farallon Construction Engineering,,** the Contractor, was awarded the construction contract by the Town of Colma for the Work, and
3. The Work was completed by Farallon Construction Engineering. accepted by the Town of Colma in February, 2023; and
4. The nature of the interest of the Town of Colma is as a fee simple owner and title easement in the above-described real property; and
5. The name and address of the Town of Colma is 1198 El Camino Real, Colma, California 94014; and
6. I, Brad Donohue, Public Works Director of the Town of Colma, am authorized by the City Council of the Town of Colma to execute and file this Notice with the County Recorder of the County of San Mateo as an authorized agent of the Town of Colma. I have read the Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(Date and Place)

Brad Donohue
Director of Public Works



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brad Donohue, Director of Public Works
 VIA: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: Acceptance of the 2022 Mission Road Crosswalk Improvement Project, File Notice of Completion

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION ACCEPTING THE 2022 MISSION ROAD CROSSWALK IMPROVEMENT PROJECT AS COMPLETE, DIRECTING THE DIRECTOR OF PUBLIC WORKS TO FILE A NOTICE OF COMPLETION FOR THE PROJECT WITH THE SAN MATEO COUNTY RECORDER'S OFFICE.

EXECUTIVE SUMMARY

In February of 2023, Golden Bay Construction Inc. (Contractor) completed the Mission Road Crosswalk Project (Project). With the Project complete, the Town may now accept the Project and file a Notice of Completion for the Project.

FISCAL IMPACT

City Council awarded a construction contract to Golden Bay Construction in the amount of \$102,251.50 for construction and \$10,225.00 in construction contingency, a total construction budget of \$112,476.50. The final construction cost (No change orders were issued) came to \$100,744.50, a net savings in the amount of \$11,732.00

Cost	Amount
Construction Contract Budget	\$102,251.50
Contingency (10%)	\$10,225.00
Construct budget, (Sub-total)	\$112,476.50
Construction costs, (No change orders were issued)	\$100,744.50
Net Savings from Construction Budget	\$11,732.00

BACKGROUND

The City Council awarded the Project to Golden Bay Construction Inc. At their August 24th, 2022, City Council Meeting. The Mission Road Crosswalk Improvement Project consisted of concrete curb ramp extensions(bulb-outs), high-visibility crosswalk with rectangular rapid flashing beacons (RRFBs), thermoplastic striping and markings, and all other associated work. The new crosswalk is located at the back entrance of the Treasure Island Trailer Park and just north of Holy Cross Cemetery northern entrance. The construction of two hot asphalt mix (HMA) speed humps were included in the project. The speed humps were placed, one speed hump between the North Gate and Main Gate of Holy Cross Cemetery and the second speed hump between the Main Gate and the South Gate of Holy Cross Cemetery.

ANALYSIS

Once the project was awarded, it had several months delays due to a backlog in the manufacturing and shipping of the RRFB's. once the equipment was delivered the contractor started and finished the project well within the allowed amount of time as stated within the contract documents. Completion of the project was in the later part of February 2022.

Staff requests the City Council to accept work performed on the Project and authorize the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office.

The filing of the Notice of Completion means:

- The Town accepts the Project as complete.
- The time frame for the filing of stop payment notice claims is shortened once the Notice of Completion has been timely filed with the San Mateo County Recorder's Office

To date there have been no stop notices or claims filed with the Town for the Project.

Council Adopted Values

By accepting the Project as complete, the City Council has reviewed and approved the work performed by Golden Bay Construction Inc., thus taking a ***Responsible*** position requesting that the Notice of Completion be filed with the County Recorder's Office and that final payment be timely made to the contractor.

Alternatives

The City Council can choose not to accept the Project and direct the filing of the Notice of Completion for the Project. The Town would then not accept the Project as complete and file the Notice of Completion with the San Mateo County Recorder's Office. Such action would increase the time for subcontractors and material suppliers to file claims.

CONCLUSION

Staff has reviewed the completed Project and recommends that the City Council make a motion to accept the Project as complete and authorize the Director of Public Works to file a Notice of Completion with the San Mateo County Recorder's Office. .

ATTACHMENTS

- A. Notice of Completion – 2022 Mission Road Crosswalk Improvement Project



<p>RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:</p> <p>Town of Colma 1198 El Camino Real Colma, CA 94014-3212 Attn: Brad Donohue, PW Director</p>	<p>THE AREA ABOVE IS RESERVED FOR RECORDER'S USE</p>
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TOWN OF COLMA

NOTICE OF COMPLETION

PURSUANT TO CALIFORNIA CIVIL CODE 9204

(This Document is exempt from Recording Fee (Govt. Code § 27383))

NOTICE IS HEREBY GIVEN THAT:

1. The Town of Colma is the owner of a work of improvement consisting of the construction of improvements for the 2022 Mission Road Crosswalk Improvement Project as described in the project plan and specifications dated **XXXXXXXX** (hereafter, the "Work"), and of the real property on which the Work is situated, which real property is located in the County of San Mateo, State of California and specifically described as follows: Mid-Block on Mission Road between El Camino Real and the boarder of Colma and South San Francisco, Ca.
2. **Golden Bay Construction Inc.**, the Contractor, was awarded the construction contract by the Town of Colma for the Work, and
3. The Work was completed by Golden Bay Construction Inc. accepted by the Town of Colma in February, 2023; and
4. The nature of the interest of the Town of Colma is as a fee simple owner in the above-described real property; and
5. The name and address of the Town of Colma is 1198 El Camino Real, Colma, California 94014; and
6. I, Brad Donohue, Public Works Director of the Town of Colma, am authorized by the City Council of the Town of Colma to execute and file this Notice with the County Recorder of the County of San Mateo as an authorized agent of the Town of Colma. I have read the Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(Date and Place)

Brad Donohue
Director of Public Works



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Farhad Mortazavi APA, City Planner
 Alvin Jen, APA, Associate Planner
 VIA: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: 2022 General Plan and Housing Element Annual Report

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION ACCEPTING THE 2022 ANNUAL REPORT ON THE IMPLEMENTATION OF THE GENERAL PLAN, INCLUDING THE HOUSING ELEMENT PURSUANT TO CEQA GUIDELINE 15378

EXECUTIVE SUMMARY

The Town is required to submit an annual report on the implementation of the General Plan and Housing Element to the State. Prior to staff sending the report to the state, the City Council must accept the report.

FISCAL IMPACT

The preparation of the 2022 Annual Report on the status of implementation of the General Plan and Housing Element does not have an impact on the Town's adopted budget.

ENVIRONMENTAL

The City Council's action is not a project subject to the California Environmental Quality Act (CEQA) as it is more akin to an administrative function of the Town in reporting housing data to the State with no direct or indirect change in the environment. It is therefore exempt pursuant to State CEQA Guideline 15378 as an administrative activity of the government that will not result in direct or indirect physical changes in the environment.

BACKGROUND

California Government Code Section 65400 requires that an Annual Report be prepared that details the status of implementation of the General Plan and the Housing Element. This report is to be submitted to the City Council, the Governor's Office of Planning and Research (OPR), and the California Department of Housing and Community Development (HCD) before April 1 each year.

Additionally, starting this reporting year, the Town has compiled an Inventory List, which declared certain properties as exempt surplus land and non-surplus land as defined in Government Code Section 54220, of the Surplus Land Act.

ANALYSIS

The 2040 Colma General Plan and associated Environmental Impact Report were updated and adopted in March 2022. Some policies of the prior 1999 General Plan were quite outdated and were evidence of the need for an update to the 1999 General Plan. The discussion below highlights actions that have been taken in 2022 regarding each element of the current 2040 General Plan:

Housing Element

No new housing units were built or entitled in Colma in 2022, so many pages of the Annual Housing Report (Attachment A) are blank. The following list summarizes the policy highlights of Housing Element implementation in the last calendar year:

- The only housing category where Colma has not produced any units in the current RHNA cycle (Regional Housing Needs Allocation – 5th Cycle) is in the moderate-income category.
- Colma continues to provide funding to programs such as the Human Investment Project (HIP), and LifeMoves as discussed in the Housing Element. These non-profit organizations provide housing related services to Colma and the broader San Mateo County community.

Additional information about Housing Element compliance can be found in Tables B and D of the attached Annual Progress Report.

Circulation Element

No policy implementation occurred this year on the General Plan Circulation Element. The Town is in the early stages of a Bicycle and Pedestrian Master Plan that builds on the El Camino Real Bike and Pedestrian Plan, the Serramonte Boulevard/Collins Avenue Master Plan, and the Hillside Boulevard complete streets improvement project.

Land Use Element

No policy implementation occurred this year on the General Plan Land Use Element.

Open Space and Conservation Element

The Town was certified as a Tree City for a fourth year and has applied for Tree City status for 2022.

Noise Element

No policy implementation occurred this year on the General Plan Noise Element.

Safety Element

No policy implementation occurred this year on the General Plan Safety Element.

Historical Resources Element

No policy implementation occurred this year on the General Plan Historical Resources Element.

2023-2031 Housing Element

Separate from the 2040 General Plan Update, the Town is required to have an adopted Housing Element for the 2023-2031 housing cycle (6th Cycle) by the statutory deadline of January 31, 2023.

The first draft was submitted to HCD in June 2022 for a 90-day review. After the initial review, HCD provided their comments to the Town. For the second draft, staff made edits to the element, responding to HCD's comments, and included as an attachment a self-certification compliance checklist. The second/final draft of the Housing Element was adopted at a public hearing by City Council on January 25, 2023, and was submitted to HCD for a 60-day second review on January 30, 2023.

The Surplus Land Act

The Town has compiled an Inventory List consisting of ten (10) properties, nine (9) of which do not meet the definition of surplus land and are considered non surplus land per the HCD's definition. The remaining property, 1365 Mission Road is a 0.02-acre one-unit condominium and is considered exempt from the Surplus Land Act per confirmation by HCD. This unit was sold in January 2023 and this property will be removed from the Inventory List for 2023 to HCD. The complete Inventory List can be found in Table B of the attached Annual Progress Report.

Council Adopted Values

The Annual Report on the General Plan complies with the Council's commitment to ***Responsibility*** through the periodic review of the implementation of adopted policies and programs.

Sustainability Impact

A motion to accept the 2022 annual report on the implementation of the general plan will have no impact on sustainability.

Alternatives

The City Council could take no action. Doing so is not recommended, as the Town would not be in compliance with the requirements of Government Code Section 65400 to submit an annual report.

CONCLUSION

Staff recommends that the City Council, by motion, accept the 2022 Annual Report on the status of Implementation of the General Plan and Housing Element.

ATTACHMENTS

- A. 2022 Annual Element Progress Report, Tables A-J

PLEASE NOTE: Due to this document's creation in Microsoft Excel, it may be more difficult to read and navigate as a PDF. To obtain a copy of this file in Excel for easier navigation and readability, please contact the City Clerk at ccorley@colma.ca.gov or 650.997.8311.

Please Start Here

General Information	
Jurisdiction Name	Colma
Reporting Calendar Year	2022
Contact Information	
First Name	Farhad
Last Name	Mortazavi
Title	City Planner
Email	fmortazavi@colma.ca.gov
Phone	6509978888
Mailing Address	
Street Address	1198 El Camino Real
City	Colma
Zipcode	94014

Optional: Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

[Click here to download APR Instructions](#)

1_23_23

Optional: This runs a macro which checks to ensure all required fields are filled out. The macro will create two files saved in the same directory this APR file is saved in. One file will be a copy of the APR with highlighted cells which require information. The other file will be list of the problematic cells, along with a description of the nature of the error.

Optional: Save before running. This copies data on Table A2, and creates another workbook with the table split across 4 tabs, each of which can fit onto a single page for easier printing. Running this macro will remove the comments on the column headers, which contain the instructions. Do not save the APR file after running in order to preserve comments once it is reopened.

Optional: This macro identifies dates entered that occurred outside of the reporting year. RHNA credit is only given for building permits issued during the reporting year.

Link to the online system: <https://apr.hcd.ca.gov/APR/login.do>

Submittal Instructions

Please save your file as Jurisdictionname2022 (no spaces). Example: the city of San Luis Obispo would save their file as SanLuisObispo2022

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

1. Online Annual Progress Reporting System - Please see the link to the online system to the left. This allows you to upload the completed APR form into directly into HCD's database limiting the risk of errors. If you would like to use the online system, email APR@hcd.ca.gov and HCD will send you the login information for your jurisdiction. *Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is opr.apr@opr.ca.gov.*

2. Email - If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at APR@hcd.ca.gov and to OPR at opr.apr@opr.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

Jurisdiction	Colma
Reporting Year	2022 (Jan. 1 - Dec. 31)
Planning Period	5th Cycle 01/31/2015 - 01/31/2023

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
Please contact HCD if your data is different than the material supplied here

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Income Level		RHNA Allocation by Income Level	2										3	4	
			2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)			Total Remaining RHNA by Income Level
Very Low	Deed Restricted	20	-	-	-	-	31	-	-	-	-	-	-	31	-
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	-	-	-
Low	Deed Restricted	8	-	-	-	-	34	-	-	-	-	-	-	34	-
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	-	-	-
Moderate	Deed Restricted	9	-	-	-	-	-	-	-	-	-	-	-	-	9
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	-	-	-
Above Moderate		22	-	-	-	6	4	-	-	-	-	-	-	10	12
Total RHNA		59													
Total Units			-	-	-	6	69	-	-	-	-	-	-	75	21
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).															
		5	2										6	7	
		Extremely low-income Need	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date	Total Units Remaining		
Extremely Low-Income Units*		-	-	-	-	-	-	-	-	-	-	-	-		

*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Jurisdiction	Colma		
Reporting Year	2022	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
Program 1.1 Manufactured Housing Design Standards	Allows for construction of single family residences at lower costs, thereby reducing the cost of housing.	Ongoing.	Ordinance 720 adopted in 2013. Planning Department is responsible for making developers aware of this provision.
Program 1.2 General Plan Consistency Review and Annual Report	Increase awareness to decision makers of annual progress toward meeting Housing Element Goals.	Ongoing.	Continue internal consistency review annually and make report available to the public.
Program 2.1 Second Unit Ordinance	To increase the number of second dwelling units; and To encourage the development of second units in areas of the town where they are permitted or conditionally permitted (C and R zones)	Ongoing.	Accessory Dwelling Unit (ADU) Ordinance adopted in 2017. The ordinance was amended in 2022 to comply with new state housing laws. Planning Department is responsible for providing information to prospective developers in areas where second units are permitted.
Program 3.1 Planned Development Districts and Mixed Use.	To optimize the use of developable land to maximize the General Plan density of each developable site; and To allow for implementation of Density Bonus provisions when appropriate	Ongoing.	Planning Department is responsible for the review of planned development applications. City Council is responsible for the adoption of planned development rezones.
Program 3.2 Density Bonus Provisions for Affordable Housing.	To increase the supply of housing units through the use of density bonus provisions.	Ongoing.	Density Bonus Ordinance Adopted in 2005. Planning Department continues to make developers aware of density bonus provisions.

Program 3.3 High-Density Housing Near Colma and South San Francisco BART Stations.	To facilitate the development of housing units and affordable housing units in proximity to the BART station.	Ongoing.	Ongoing provision of information to prospective property buyers
Program 3.4 Planner Responsibility to Promote Affordable Housing and Mixed-Use.	To assist in the development of affordable units	Ongoing.	Ongoing implementation of existing program.
Program 3.5 Planned Development Zoning Provisions for Single Family Attached Development.	To optimize the use of developable land to maximize the General Plan density of each developable site; and To allow for implementation of Density Bonus provisions when appropriate	Ongoing.	Ongoing enforcement of existing ordinance and standards.
Program 3.6 Ensure No Net Loss of Required Units.	To assure that all units identified in the Housing Element will be built on designated sites or alternative sites.	Ongoing.	Ongoing provision of information to developers and enforcement of the no net loss provision.
Program 3.7 Inclusionary Housing.	To create new affordable housing units both for rent and for sale.	Complete. .	Inclusionary Housing Ordinance adopted in 2005. Nexus Study and Housing Impact Fees adopted 2016
Program 4.1 Reasonable Accommodations Ordinance Public Information, Ordinance Amendment and Monitoring	To assure that reasonable accommodation is made for individuals to have equal access to housing.	Ongoing.	Town amended ordinance in 2007. The Planning Department continues to monitor the implementation of the Town's codes, policies and procedures to ensure that they comply with the "reasonable accommodation" for disabled provisions and all fair housing laws.
Program 4.2 Senior Housing.	To maintain affordable housing for seniors within the community.	Ongoing.	Town of Colma Administration and the Department of Public Works responsible for maintenance/management of the facility.
Program 4.3 Emergency Shelters.	Allowance for an emergency shelter	Ongoing.	Planning Department responsible for advising a potential developer of an emergency shelter of the zoning provisions. Building Department responsible for processing building permit.
Program 4.4 Inform local developers of opportunities to provide transitional and supportive housing.	Allowance for transitional and supportive housing	Ongoing.	Planning Department is continuing to provide information regarding the Town's transitional and supportive housing opportunities to local developers through counter handouts and interactions. Information is also on the Town's website.

<p>Program 4.5 Amend the Zoning Code within one year of adoption of the Colma Housing Element to clarify that transitional and supportive housing is considered a residential use of the property, subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.</p>	<p>Allowance for transitional and supportive housing in residential zones</p>	<p>Ongoing.</p>	<p>Municipal Code amended in 2013. Planning Department to inform those that make inquiries to the Planning Department of the provisions.</p>
<p>Program 4.6. Reach out to local service providers of special needs groups to assist in the identification and analysis of constraints to the provision of housing for persons with disabilities.</p>	<p>To assure that equal access and opportunities are provided to persons with disabilities for housing.</p>	<p>Ongoing.</p>	<p>-</p>
<p>Program 5.1 Knowledgeable Housing Referral.</p>	<p>To assure that referrals can be made to provide equal access to housing.</p>	<p>Ongoing.</p>	<p>Planning Department is responsible for the ongoing management of the existing program.</p>
<p>Program 5.2 Human Investment Project (HIP) Support.</p>	<p>Supports better utilization of existing housing stock and provides affordable housing. It also supports better maintenance of existing housing stock.</p>	<p>Ongoing.</p>	<p>Planning Department is responsible for the ongoing management of the existing program. City Council responsible for the approval of any monetary support</p>
<p>Program 5.3 Section 8 Rental Assistance.</p>	<p>To assure that information is provided to qualified applicants to provide equal access to housing.</p>	<p>Ongoing.</p>	<p>Planning Department is responsible for the ongoing management of the existing program.</p>
<p>Program 5.4 Housing Recordkeeping.</p>	<p>To conserve and improve the condition of the existing housing stock.</p>	<p>Ongoing.</p>	<p>Planning Department is responsible for the ongoing management of the existing program.</p>

Program 5.5 Address needs of Extremely Low-Income Households.	To assist developers and property owners in making affordable units available, which, in turn, provides equal housing opportunities.	Ongoing.	Planning Department will lead the outreach and information dispersal efforts.
Program 6.1 Greenbuilding Regulations for Residential Uses.	To create new and sustainable residential development To retrofit existing structures to increase efficiency and reduce energy use and cost	Ongoing.	After there is a better understanding of the Cal Green Building Code requirements, the town will study the feasibility of adopting a green building ordinance. Town adopted a Water Efficient Landscape Ordinance in 2015.
Program 6.2 Encourage use of cool roofing systems and other energy conservation measures to reduce a building's energy usage.	•To create new and sustainable residential development •To retrofit existing structures to increase efficiency and reduce energy use and cost	Ongoing.	The Planning and Building Department provide information to the public on programs to assist in the provision of energy efficiency measures during new construction or as a residential retrofit.
Program 7.1 "Rebuilding Together Peninsula" Participation.	To conserve and improve the condition of the existing housing stock.	Ongoing.	Ongoing participation in existing program
Program 7.2 Minor Housing Repair Grant Program.	To conserve and improve the condition of the existing housing stock.	Ongoing.	Study was conducted in December 2016 and the program was found infeasible. Permit fees for standard residential repairs have been kept to encourage property maintenance.
Program 7.3 Neighborhood Improvement (Code Enforcement).	To conserve and improve the condition of the existing housing stock.	Completed. Ongoing code enforcement program.	Ordinance adopted September 12, 2012.
Program 7.4 Low-interest loan program for very-low, low, and moderate income homeowners.	To conserve and improve the condition of the existing housing stock. To allow low income homeowners to remain in their homes	Completed.	Study completed in 2016. Program was determined to be infeasible.
Program 7.5 Underground Utilities in the Mission Road Corridor.	To make Mission Road more attractive for new residential development.	Ongoing.	Portions completed but suspended due to recession. Project to remain in CIP until implemented.

Jurisdiction	Colma	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	01/31/2015 - 01/31/2023

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 ⁺ . For detailed reporting requirements, see the checklist here: https://www.hcd.ca.gov/community-development/docs/adequate-sites-checklist.pdf
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									

Jurisdiction	Colma	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	01/31/2015 - 01/31/2023

NOTE: STUDENT HOUSING WITH DENSITY BONUS ONLY. This table only needs to be completed if there were student housing projects WITH a density bonus approved pursuant to Government Code 65915(b)(1)(F)

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Not
Cells in g

Table J												
Student housing development for lower income students for which was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 65915												
Project Identifier				Project Type	Date	Units (Beds/Student Capacity) Approved						
1				2	3	4						
APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SH - Student Housing)	Date	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income
Summary Row: Start Data Entry Below												

Jurisdiction	Colma	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	5th Cycle	01/31/2015 - 01/31/2023

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		0
Total Units		0

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Units by Structure Type	Entitled	Permitted	Completed
SFA	0	0	0
SFD	0	0	0
2 to 4	0	0	0
5+	0	0	0
ADU	0	0	0
MH	0	0	0
Total	0	0	0

Housing Applications Summary	
Total Housing Applications Submitted:	0
Number of Proposed Units in All Applications Received:	0
Total Housing Units Approved:	0
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas

Jurisdiction	Colma	
Reporting Year	2022	(Jan. 1 - Dec. 31)

L

Please update the status of the proposed uses listed in the entity's application for funding and the c 50515.02 or 50515.03, as applicable.

Total Award Amount	\$
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Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Tak

Completed Entitlement Issued by Affordability Summary	
Income Level	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted
Moderate	Deed Restricted
	Non-Deed Restricted
Above Moderate	
Total Units	

Building Permits Issued by Affordability Summary	
Income Level	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted

Moderate	Deed Restricted
	Non-Deed Restricted
Above Moderate	
Total Units	

Certificate of Occupancy Issued by Affordability Summary	
Income Level	
Very Low	Deed Restricted
	Non-Deed Restricted
Low	Deed Restricted
	Non-Deed Restricted
Moderate	Deed Restricted
	Non-Deed Restricted
Above Moderate	
Total Units	

ANNUAL ELEMENT PROGRESS REPORT
Local Early Action Planning (LEAP) Reporting
(CCR Title 25 §6202)

Corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the

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Total award amount is auto-populated based on amounts entered in rows 15-26.

Task Status

Table A2)

Current Year
0
0
0
0
0
0
0
0
0

Current Year
0
0
0
0



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brad Donohue, Public Works Director
 Abdulkader Hashem, Senior Project Manager
 VIA: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: El Camino Real Bicycle and Pedestrian Improvement Project,
 Project Study Report-Project Development Support (PSR-PDS)

RECOMMENDATION

Staff recommends that the City Council adopt the following:

RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH MARK THOMAS IN THE AMOUNT OF \$981,737.11 FOR THE EL CAMINO REAL BICYCLE AND PEDESTRIAN IMPROVEMENT PROJECT, PROJECT STUDY REPORT-PROJECT DEVELOPMENT SUPPORT (PSR-PDS) PURSUANT TO CEQA GUIDELINE 15306

EXECUTIVE SUMMARY

The proposed contract with Mark Thomas is for the preparation of El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS) for the El Camino Real within the Town of Colma.

The Town has designated a Project Initiation Document (PID) on El Camino Real (State Route 82, "ECR") where the Measure W grant funding allocated by San Mateo County Transportation Authority (SMCTA) would be expensed. The ECR corridor and the need to improve pedestrian and bicycle accessibility and safety features along the roadway are essential in keeping the area accessible and safe for future housing needs and demands. The Project Study Report-Project Development Support (PSR-PDS) will serve as the Project Initiation Document (PID) for the El Camino Real Bicycle and Pedestrian Improvement Project in the Town of Colma.

The PSR-PDS will identify the Project need and purpose, stakeholder inputs, Project alternatives, anticipated right-of-way, preliminary environmental analysis, initial cost estimates, and Potential funding sources. The PSR-PDS approval will move the project into the Project Approval and Environmental Document (PA&ED) phase. All of these studies are required when working within the State's Right of Way.

FISCAL IMPACT

The San Mateo County Transportation Authority (SMCTA) awarded the Town of Colma \$1,800,000 from the Measure W Highway Program Category (Measure W Funds) for the Project Initiation Document-Project Development Support (PSR-PDS) phase for El Camino Real Bicycle and Pedestrian Improvement Project. The Town will contribute \$200,000 in local or other matching funds for a total project budget of \$2,000,000.

The negotiated proposal to start and complete the PSR-PDS is agreed to by Mark Thomas for \$981,737.11, in addition to about 5% Contingency in the amount of \$47,000 which will be reimbursed by the SMCTA grant. Also, Caltrans will be reimbursed through Measure W Grant total amount \$180,000 for Project Oversight. The Town will be required to provide a local match to this contract in the amount of \$200,000 to manage the 12-month project. This amount of local match will be covered by the proposed CIP Allocation for FY 2022-23 for the project management of PSR-PDS by the Town Staff.

The Town's proposed funding plan for the El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS) is as follows:

• Proposed CIP Allocation for FY 22-23 (Local Match)	\$ 200,000.00
• Measure W Grant Funding by SMCTA/ Mark Thomas Proposal Cost	\$ 981,737.11
• Proposed Contingency for PSR-PDS	\$ 47,000.00
• Project Oversight by Caltrans	\$ 180,000.00
Project Total Budget	\$ 1,408,737.11

ENVIRONMENTAL

The City Council's action in adopting the resolution is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline 15306 as information collection. The resolution will authorize information gathering including a study that will lead to a proposed plan for bike and pedestrian improvements along El Camino Real. Once the plan is developed, CEQA review will be conducted to determine the level of environmental analysis that will be required to implement the plan. The City Council at the time that the plan and CEQA review is completed, will determine whether to actually approve or adopt the plan.

BACKGROUND

El Camino Real (SR-82, "ECR") is a State-owned and operated highway. The highway is a North/South roadway that travels from one end of Town at County of San Mateo/Daly City border to the other end of Town at the City of South San Francisco border.

The San Mateo County Transportation Authority (SMCTA) sponsored a grant program using Measure W Highway Program Funds to fund local highway/roadway projects throughout the County. The Town applied for this competitive grant and was awarded \$1,800,000 to develop Project Study Report-Project Development Support (PSR-PDS) along ECR within the Town of Colma.

The Town of Colma is the Project sponsor and implementing agency, the SMCTA is the funding agency and part of project management, and Caltrans is responsible for oversight. The Cooperative Agreement was executed with Caltrans on 1/11/2023 for the project oversight.

On February 1, 2023, the Town of Colma released a Request for Proposals (RFP) for the preparation of the El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS). The RFP contained a very specific scope of work along with timely deliverables. The RFP was advertised on the Town's website and Integrated Marketing System (IMS) - a public section project research firm that provides government bid opportunities to the Architect and Engineering sectors nationwide. In addition, the Town sent solicitations to twelve consultants available on Town's and SMCTA's vendor list. Only one consultant, Mark Thomas, responded to the RFP on February 28, 2023. The consultant submitted a proposal that satisfied the RFP requirements and was interviewed on March 9, 2023 by a panel consisting of Town Staff, SMCTA, and Caltrans.

The Town followed the Town's Municipal Code and Caltrans's Local Assistance Procedures Manual (LAPM) – Chapter 10 in the consultant selection process. The evaluation was based on the technical merit of proposals and cost proposals were kept confidential until the proposal had been reviewed.

ANALYSIS

The Project segment of SR-82 is bounded by Albert M Teglia Blvd at the northerly end, and by Arlington Drive at the southerly end. The purpose of this Project is to improve multi-modal infrastructure, traffic operations, and safety along the Project segment of ECR.

The purpose of this project is to prepare a Project Study Report-Project Development Support (PSR- PDS), the required type of Project Initiation Document (PID), including intersection controls and alternatives, costs, and impacts. The PSR-PDS will also identify the type of environmental documents to be prepared in the Project Approval and Environmental Document (PA&ED) phase and the coordination with Caltrans and SMCTA for review and approval. All analysis and modeling will be conducted with Caltrans-approved methodologies and models.

Initiation of this project requires the evaluation of alternatives, which will include understanding project history, defining the purpose and need, and developing quantifiable project alternatives. This should be accomplished through careful study of the site constraints and coordination with Caltrans and SMCTA.

The Consultant shall be responsible for undertaking the following tasks under the scope of services, summarized below:

- Task 1 – Project Management and Administration
- Task 2 – Stakeholder Engagement and Coordination
- Task 3 – Community Engagement
- Task 4 – Project Initiation
- Task 5 – Initial Engineering Analysis
- Task 6 – Draft and Final Project Study Report-Project Development Support

With all the components in the scope of work, the project is anticipated to take approximately twelve (12) months to complete. It is anticipated to start in April 2023 and finish in May 2024 pending Caltrans and SMCTA final approvals.

Mark Thomas has shown proficiency with similar studies in complete streets and active transportation infrastructure. They recently completed and/or are currently working on similar projects such as the Decoto Road Corridor Multimodal Improvements PSR-PDS in Fremont, Grand Boulevard Phase III in the City of South San Francisco, Soquel Drive Multimodal

Improvements in Santa Cruz County, and the Charleston-Arastradero Corridor Improvements in Palo Alto. Their subconsultant, Fehr & Peers, has extensive experience with El Camino Real and Grand Boulevard Initiative (GBI) goals through their work on the previous phase of El Camino Real Bicycle and Pedestrian Improvement Plan within Town of Colma.

Caltrans will provide oversight throughout the PSR-PDS process and provide Quality Management Assessment (QMA). This includes a review of sub-products to develop the PSR-PDS, ongoing advice and consultation, and participation in the Project Development Team (PDT) meetings and other Project activities.

After contacting references and a review of the project scope and budget, the staff is recommending to the City Council that Mark Thomas and their subconsultants be hired to develop the PSR-PDS for the El Camino Real Bicycle and Pedestrian Improvement Project.

Council Adopted Values

The PSR-PDS phase of El Camino Real Bicycle and Pedestrian Improvement Project is *visionary*, because it involves putting a feasible and fundable design alternative that will provide safe, attractive and sustainable paths of travel for those who walk, bike or use public transportation to and from work along ECR.

Sustainability Impact

Creating safe and attractive routes of travel for pedestrians, bicyclists and those who travel using public transit will attract more of the public to use these modes of transportation thus having a positive impact on lowering the Town's GHG's.

CONCLUSION

Staff recommends that the City Council adopt the resolution approving and authorizing the City Manager to execute the contract with Mark Thomas for the preparation of El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS).

ATTACHMENTS

- A. Resolution
- B. Professional Services Agreement with Mark Thomas, attached scope of work, budget and schedule

**RESOLUTION NO. 2023-__
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A
AN AGREEMENT WITH MARK THOMAS IN THE AMOUNT OF \$981,737.11 FOR THE EL
CAMINO REAL BICYCLE AND PEDESTRIAN IMPROVEMENT PROJECT, PROJECT
STUDY REPORT-PROJECT DEVELOPMENT SUPPORT (PSR-PDS) PURSUANT TO CEQA
GUIDELINE 15306**

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

1. Background

- (a) On February 1, 2023, the Town of Colma released a Request for Proposals (RFP) for the preparation of the El Camino Real Bicycle and Pedestrian Improvement Project, Project Study Report-Project Development Support (PSR-PDS) (the "Project").
- (b) On February 28, 2023, only one consultant, Mark Thomas, responded to the RFP. Mark Thomas was subsequently interviewed on March 9, 2023.
- (c) Town staff is now recommending to the City Council that Mark Thomas and their subconsultants be hired to develop the PSR-PDS for the El Camino Real Bicycle and Pedestrian Improvement Project.

2. Approval and Authorization

- (a) The agreement for the Project between the Town of Colma and Mark Thomas, a copy of which is on file with the City Clerk, is approved by the City Council of the Town of Colma.
- (b) The City Manager is hereby authorized to execute said agreement on behalf of the Town of Colma, with such minor technical amendments as may be deemed appropriate by the City Manager and the City Attorney.

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Certification of Adoption

I certify that the foregoing Resolution 2023-__ was duly adopted at a regular meeting of said City Council held on March 22, 2023 by the following vote:

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

Dated _____

Joanne F. del Rosario, Mayor

Attest: _____
Caitlin Corley, City Clerk

**TOWN OF COLMA
PROFESSIONAL SERVICES AGREEMENT**

This Agreement is made and entered into as of _____, 20____ by and between the Town of Colma, a public agency organized and operating under the laws of the State of California with its principal place of business at 1198 El Camino Real, Colma, CA 94014 ("Town"), and [***INSERT NAME***], a [***INSERT TYPE OF ENTITY - CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP OR OTHER LEGAL ENTITY***] with its principal place of business at [***INSERT ADDRESS***] (hereinafter referred to as "Consultant"). Town and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

A. Town is a public agency of the State of California and is in need of professional services for the following project:

_____ (hereinafter referred to as "the Project").

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for Town to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide the Town with the services described in the Scope of Services attached hereto as Exhibit "A." **[Alternatively, Scope of Services can be included here and all subsequent exhibits renumbered accordingly.]**

2. Compensation.

a. Subject to paragraph 2(b) below, the Town shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit "B." **[Alternatively, Schedule of Charges may be included here and all subsequent exhibits renumbered accordingly.]**

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of \$_____ **[Insert amount of compensation]**. This amount is to cover all printing and related costs, and the Town will not pay any additional fees for printing expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the Town, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the Town by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the Town and executed by both Parties before performance of such services, or the Town will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by Town.

5. **[Insert Term or Time of Performance].**

[If engaging the Consultant for a particular term, use the following provision]

The term of this Agreement shall be from **[Insert start date]** to **[Insert end date]**, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the Town to proceed ("Notice to Proceed"). **[If the Town has specific milestones or timelines for performance, please input those requirements in the "Activity Schedule" attached as Exhibit C, otherwise delete Exhibit C.]** The Notice to Proceed shall set forth the date of commencement of work.

[If engaging the Consultant to perform a discrete task with a specified deadline, use the following provision]

Consultant shall perform its services in a prompt and timely manner and shall commence performance upon receipt of written notice from the Town to proceed ("Notice to Proceed"). Consultant shall complete the services required hereunder within **[Insert number of calendar days for performance of the services – if more detail is required attach "Activity Schedule" as Exhibit C, otherwise delete Exhibit C.]** The Notice to Proceed shall set forth the date of commencement of work.

6. Delays in Performance.

a. Neither Town nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; pandemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the Town, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the Town, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor

Consultant is retained as an independent contractor and is not an employee of Town. No employee or agent of Consultant shall become an employee of Town. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from Town as herein provided.

11. Insurance. [Town Risk Manager to Review] Consultant shall not commence work for the Town until it has provided evidence satisfactory to the Town it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

a. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the Town.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Property Damage
- (9) Independent Contractors Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give Town, San Mateo County Transportation Authority ("TA"), the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees, agents and Town designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Town, and provided that such deductibles shall not apply to the Town as an additional insured.

b. Automobile Liability

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the Town.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees, agents and Town designated volunteers additional insured status.

(iv) Subject to written approval by the Town, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the Town as an additional insured, but not a self-insured retention.

c. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the Town and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

e. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

Combined Single Limit

Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 combined single limit
Employer's Liability	\$1,000,000 per accident or disease
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of

any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the Town evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) Consultant shall provide the Town at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the Town at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the Town or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to provide a waiver of subrogation in favor of the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against Town, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in

excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the Town and shall not preclude the Town from taking such other actions available to the Town under other provisions of the Agreement or law.

h. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the Town, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Town, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Town has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Town will be promptly reimbursed by Consultant or Town will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Town may cancel this Agreement.

(iii) The Town may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), nor their respective officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the Town that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the Town as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, Town may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

j. Supplemental Insurance Requirements

In addition, the Parties acknowledge that the consultant is being required to meet the insurance requirements set in the Funding Agreement dated November 17, 2022 between San Mateo

County Transportation Authority and Town ("Funding Agreement"), which is incorporated herein by reference. To effectuate the same, the Parties agree to the following provisions of this subdivision (j). In the event of a conflict or inconsistency between the requirements of this provision and the other requirements of other provisions of this agreement, the stricter requirement shall control, and provided further that this Agreement shall not be construed in any manner which would be inconsistent with Town's obligations under the Funding Agreement.

The Consultant is hereby required to meet the insurance requirements set in the Funding Agreement, and the following requirements shall apply to Consultant and shall be construed to be no narrower than the requirements of the Funding Agreement:

Consultant shall furnish and maintain appropriate insurance covering the work being performed. The insurance requirements specified in this section will cover Consultant's own liability and any liability arising out of work or services of Consultant subcontractors, subconsultants, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations (hereinafter collectively referred to as "Agents") working on the Project.

- i. **Minimum Types and Scope of Insurance.** Consultant is required to procure and maintain at its sole cost and expense insurance subject to the requirements set forth below. Such insurance will remain in full force and effect throughout the performance of the Agreement between San Mateo County Transportation Authority and Town. All policies will be issued by insurers acceptable to the Town and between San Mateo County Transportation Authority (generally with a Best's Rating of A-10 or better). Consultant is also required to assess the risks associated with work to be performed by agents and to require that agents maintain adequate insurance coverages with appropriate limits and endorsements to cover such risks. To the extent that its agent does not procure and maintain such insurance coverage, an Consultant is responsible for and assumes any and all costs and expenses that may be incurred in securing said coverage or in fulfilling the Consultant's indemnity obligations as to itself or any of its agents in the absence of coverage. Consultant may self-insure against the risks associated with the Scope of Work, but in such case, waive subrogation in favor of the between San Mateo County Transportation Authority respecting any and all claims that may arise.
 - A. **Workers' Compensation and Employer's Liability Insurance.** Worker's Compensation coverage must meet statutory limits and Employer's Liability Insurance must have minimum limits of \$1,000,000. Insurance must include a Waiver of Subrogation in favor of the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees .
 - B. **Commercial General Liability Insurance.** The limit for Commercial General Liability Insurance in each contract and subcontract cannot be less than \$1,000,000. Commercial General Liability Insurance must be primary to any other insurance,

name Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees as Additional Insured, include a Separation of Interests endorsement and include a Waiver of Subrogation in favor of Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees.

- C. Business Automobile Liability Insurance. The limit for Business Automobile Liability Insurance in each contract and subcontract cannot be less than \$1,000,000. Insurance must cover all owned, non-owned and hired autos, and include a Waiver of Subrogation in favor of Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees.
- D. Property Insurance. Property Insurance must cover an Entity's and/or Agent's own equipment as well as any materials to be installed. Property Insurance must include a Waiver of Subrogation in favor of the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees.
- E. Professional Liability Insurance. Professional liability insurance that covers each Consultant's professional work on the Project. The limit for Professional Liability Insurance in shall not be less than \$1,000,000.

- ii. Excess or Umbrella Coverage. Consultant may opt to procure excess or umbrella coverage to meet the above requirements, but in such case, these policies must also satisfy all specified endorsements and stipulations for the underlying coverages and include provisions that the policy holder's insurance is to be primary without any right of contribution from the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees.

- iii. Deductibles and Retentions. Sponsor must ensure that deductibles or retentions on any of the above insurance policies are paid without right of contribution from Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees. Deductible and retention provisions cannot

contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the named insured is unacceptable.

In the event that any policy contains a deductible or self-insured retention, and in the event that the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective directors, officers, agents and employees seeks coverage under such policy as an additional insured, Consultant shall ensure that the policy holder satisfies such deductible to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of the Consultant, even if neither the Entity nor Agents are named defendants in the lawsuit.

iv. Claims Made Coverage. If any insurance specified above is provided on a claim-made basis, then in addition to coverage requirements above, such policy must provide that:

A. Policy retroactive date coincides with or precedes the Consultant's start of work (including subsequent policies purchased as renewals or replacements).

B. Entity will make every effort to maintain similar insurance for at least three (3) years following Project completion, including the requirement of adding all additional insureds.

C. If insurance is terminated for any reason, Consultant agrees to purchase an extended reporting provision of at least three (3) years to report claims arising from work performed in connection with this Agreement.

Policy allows for reporting of circumstances or incidents that might give rise to future claims.

D. Failure to Procure Adequate Insurance. Failure by Consultant to procure sufficient insurance under this Agreement does not excuse Consultant from meeting all obligations to indemnify, defend, and hold harmless generally or any of the remainder of this Agreement.

Prior to beginning work under this Agreement, Consultant must obtain, and produce upon request of the Town, satisfactory evidence of compliance with the insurance requirements of this section.

12. Indemnification.

a. For all matters except those that arise out of Consultant's performance of "design professional" services (as that term is defined under Civil Code section 2782.8), to the fullest extent permitted by law, Consultant shall defend (with counsel of Town's choosing), indemnify and hold the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees, volunteers, and agents (collectively, the

“Indemnified Parties”) free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant’s services, the Project or this Agreement (each, a “Claim”), including but not limited to any of the following:

- i. Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of the Project or implementation of the Funding Agreement between San Mateo County Transportation Authority and Town, or
- ii. Any allegation that materials or services developed, provided or used for the Project infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual property or proprietary right of any third party,

including without limitation the payment of all damages, expert witness fees and attorney’s fees and other related costs and expenses. Consultant’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees, agents, or volunteers. If any judgment is rendered, or settlement reached, against the any of the Indemnified Parties in any such action, Consultant Sponsor shall, at its expense, satisfy and discharge the same. With regard to any Claim alleging Consultant’s negligent performance of professional services, Consultant’s obligations regarding defense under this paragraph may be satisfied by the reimbursement of reasonable defense costs incurred to the extent of Consultant’s actual indemnity obligations hereunder.

For the avoidance of doubt, the foregoing obligations shall survive termination or expiration of the Funding Agreement between San Mateo County Transportation Authority and Town.

b. If Consultant’s obligation to defend, indemnify, and/or hold harmless arises out of Consultant’s performance of “design professional” services (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant’s indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant’s liability for such claim, including the cost to defend, shall not exceed the Consultant’s proportionate percentage of fault.

13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects (“Prevailing Wage Laws”). If the services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California

Department of Transportation), and their respective officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

b. If the services are being performed as part of an applicable “public works” or “maintenance” project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant’s performance of services, including any delay, shall be Consultant’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the Town. Consultant shall defend, indemnify and hold the Town, San Mateo County Transportation Authority, the State of California (including by way of illustration and not by limitation the California Department of Transportation), and their respective officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

[Delete the following title and insert “Reserved”, if not applicable.]

15. Town Material Requirements.

Consultant is hereby made aware of the Town’s requirements regarding materials, as set forth in **[Insert the name of the document that contains the Town’s standard material requirements]**, which are deemed to be a part of this Agreement.

16. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Mateo, State of California.

17 Termination or Abandonment

a. Town, or Consultant has the right to terminate or abandon any portion or all of the work under this Agreement by giving fourteen (14) calendar days written notice to the other party. In such event, Town shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. Town shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by Town and Consultant of the portion of such task completed but not paid prior to said termination. Town shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to Town only in the event of substantial failure by Town to perform in accordance with the terms of this Agreement through no fault of Consultant.

18 Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the Town.

19. Organization

Consultant shall assign [REDACTED] as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the Town.

20. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

21. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

TOWN:
Town of Colma

CONSULTANT:
[***INSERT NAME, ADDRESS & CONTACT PERSON***]

1198 El Camino Real

Colma, CA 94014

Attn: *****INSERT NAME & DEPARTMENT*****

and shall be effective upon receipt thereof.

22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Town and the Consultant.

23. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of Town and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each Party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

25. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the remaining provisions unenforceable, invalid or illegal.

26. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of Town. Any attempted assignment without such consent shall be invalid and void.

27. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either Party, unless such waiver is specifically specified in writing.

28. Time of Essence

Time is of the essence for each and every provision of this Agreement.

29. Town's Right to Employ Other Consultants

Town reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

30. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Town shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, official, officer or employee of Town, during the term of his or her service with Town, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

31. Federal Requirements *****INCLUDE THIS SECTION ONLY IF APPLICABLE; DELETE OTHERWISE AND DELETE ASSOCIATED EXHIBIT. YOU MAY ALSO NEED TO INCLUDE SOME INFORMATION IN THE RFP DUE TO FEDERAL FUNDING GUIDELINES. CONSULT LEGAL COUNSEL IF NECESSARY***]**

When funding for the services is provided, in whole or in part, by an agency of the federal government, Consultant shall also fully and adequately comply with the provisions included in Exhibit "D" (Federal Requirements) attached hereto and incorporated herein by reference ("Federal Requirements"). With respect to any conflict between such Federal Requirements and the terms of this Agreement and/or the provisions of state law, the more stringent requirement shall control.

31. Funding Agreement. The requirements set in the Funding Agreement dated November 17, 2022 between San Mateo County Transportation Authority and Town ("Funding Agreement"), which is incorporated herein by reference, are made applicable to this Agreement. In the event that any provision of this Agreement can be construed to conflict with the Funding Agreement or to be inconsistent with the obligations of the Town thereunder, then such provision shall be construed and shall operate in the manner required by the Funding Agreement. Compliance with the Funding Agreement is a condition of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN TOWN OF COLMA
AND *****INSERT NAME*******

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

TOWN OF COLMA

INSERT NAME OF CONSULTANT

By: _____
INSERT NAME
INSERT TITLE

By: _____
Its: _____

Printed Name: _____

ATTEST:

By: _____
INSERT TITLE

APPROVED AS TO FORM:

By: _____
City Attorney

EXHIBIT A
Scope of Services

SCOPE OF WORK

TASK 1. PROJECT MANAGEMENT AND ADMINISTRATION

This task provides for management of the project initiation efforts, developing and maintaining the project schedule, and providing regular progress updates. Participation in meetings (Kickoff, bi-weekly coordination, PDT, stakeholder) is detailed in Task 2. Mark Thomas will lead technical efforts with support from the Town of Colma (Town), the TA, and Caltrans. This contract is assumed to take up to 12 months.

Task 1.1. Work Plan and Schedule:

Mark Thomas will develop a detailed baseline critical path schedule for each task, identifying responsibilities of all team members and other parties. The schedule will identify task dependencies.

Task 1.2. Set-up and Maintain Project Files:

Mark Thomas will set-up and maintain project files. The project files will include agreements, correspondence, and copies of draft and final technical work products. At project closeout, a copy of all project files will be supplied to each the TA and the Town for Invoicing: The Town is the implementing agency and will be responsible for processing monthly payments to Mark Thomas, as well as for submitting the monthly invoices along with back-up details to the TA. As the implementing agency, the Town will be responsible for reviewing the monthly invoices and progress reports, including work accomplished during the reporting period detailing personnel and costs, work anticipated, issues, and schedule. The Town will review Mark Thomas-produced reports and serve as a day-to-day contact with the Mark Thomas team.

Task 1.3. Quality Management Plan:

Mark Thomas will develop a Quality Management Plan (QMP), in collaboration with Town, TA, and Caltrans, to document quality control/quality assurance elements and document that deliverables are reviewed as such prior to submission to Caltrans. The Mark Thomas team members, both internal and subconsultants, shall adhere to the established processes included in the plan. The plan will describe the quality procedures that will be implemented during the development of the PSR-PDS. The QMP describes the implementing agency's quality policy and how it will be used. The QMP will include the process for resolving disputes between the Parties at the team level. The QMP is subject to Caltrans review and approval. This task also includes performing duties associated with the QMP and Mark Thomas' Quality Management Process.

Task 1.4. Risk Management Plan:

Mark Thomas will prepare and maintain a PID level Risk Management Plan (RMP) that will be developed in partnership with the Project Development Team (see Task 2.2). The RMP will summarize potential project risks and the impacts to the overall project cost and schedule. This information will be summarized in the PSR-PDS and included as an attachment.

Task 1.5. Project Schedule:

Mark Thomas will prepare, update, maintain and distribute a CPM schedule on a monthly basis. The project schedule will include key milestones for the PID process, and high level tasks for the PA&ED process, right of way acquisition and

utility relocation process, and PS&E process. Mark Thomas will distribute an updated electronic progress schedule monthly. Mark Thomas will notify the Town of impacts that may affect schedule milestones in a timely manner. The initial project schedule will be prepared for and approved by the Town at the outset of the project as a part of Task 1.1.

Task 1.6. General Project Management, Coordination, and Invoicing:

This task will include ongoing general project management activities, including coordinating subconsultant activities and submittals. Mark Thomas will coordinate design activities with consultant team members, adjacent projects and stakeholders through regular communication via telephone calls, emails and other correspondence. Mark Thomas will also prepare monthly invoices and progress reports to be submitted to the Town on a monthly basis. It is assumed the project will last 12 months.

DELIVERABLES:

- Baseline Critical Path Method (CPM) Schedule
- Monthly CPM Schedule Updates (up to 11)
- Draft and Final Quality Management Plan
- Draft and Final Risk Management Plan
- Monthly Progress Reports and Invoices (up to 12)
- *All deliverables will be submitted in PDF format unless otherwise noted*

TASK 2. STAKEHOLDER ENGAGEMENT AND COORDINATION

This task entails ongoing communication and coordination with other agency partners to provide a robust alternatives analysis, while building political will. The Project Development Team (PDT) will meet monthly. Separate from the PDT, a smaller group coordination meeting (with the Town) will take place for additional discussion for the duration of the project. Additional meeting details are described below:

Task 2.1. Pre-PID/Kick-off Meeting:

The purpose of this meeting is to develop a shared view of the Project and the scope of the PSR-PDS. As part of the meeting preparation process, Mark Thomas will advise the Town on the specifics of the project and on the identification of the framework for establishing alternatives that will be studied to meet the project purpose and need. The Town, TA, Caltrans, and Mark Thomas will engage in a pre-PID meeting to:

- Prepare and finalize the project work scope
- Establish procedures, roles, and responsibilities
- Communicate a shared vision of the project
- Set the framework and decision-making structure for getting consensus on purpose and need, design concept and scope, and analysis criteria
- Identify known deficiencies
- Identify members of the Project Development Team (PDT)
- PDT Meetings scheduling and coordination

Task 2.2. Project Development Team (PDT):

The Town with Mark Thomas' assistance will be responsible for the formation of a PDT to guide and assist in the development of the Project. Anticipated members of the PDT include an assigned Town's project manager and other representatives as applicable, Caltrans' project manager and representatives from appropriate functional units (including highway operations, planning, and design), and TA's project manager and other representatives as applicable. Additional representatives to be potentially identified from San Mateo County, Pacific Gas & Electric Company (PG&E), SamTrans (transit operations), US Fish and Wildlife, California State Water Resources Control Board, City of South San Francisco, and others who will attend the PDT meetings as needed. The PDT is expected to meet monthly for the project period, and on an as-needed basis. Mark Thomas will prepare and facilitate PDT meetings. will prepare agendas, other meeting materials, meeting minutes, and action items. Mark Thomas will attend up to twelve (12) PDT meetings.

Task 2.3. Project Coordination Meetings:

Mark Thomas will attend bi-weekly coordination meetings with the Town and other project team members including the TA as required. Mark Thomas will participate in twenty-six (26) bi-weekly video calls (assumed 30 minutes) via MS Teams to provide regular work updates between each monthly PDT meeting and discuss of any issues that may arise. The bi-weekly project coordination meetings are intended to be informal check-ins and no agendas or meeting minutes will be prepared.

Task 2.4. Individual Agency Coordination:

Given the existing power poles and culvert within the project area, early coordination with PG&E and other utility providers is critical to seek opportunities for project co-benefits like repairs and opportunities for green infrastructure. Similarly, ongoing coordination with the US Fish and Wildlife Service is crucial due to the potential for endangered species within the project area. The Town and Mark Thomas with the TA and Caltrans support will identify and engage key stakeholders one-on-one as needed. Mark Thomas will participate in up to four (4) Individual Agency Coordination meetings.

Task 2.5. Coordination Meetings and Hearings:

The Mark Thomas team in collaboration with Town and TA staff will present the project at key points to the Colma Town Council and the TA Board of Directors. The Mark Thomas Team will participate in up to three (3) Decisionmaker meetings.

DELIVERABLES:

- Pre-PID/Kick-off meeting (incl. agenda and minutes)
- Monthly PDT meetings (up to 12, incl. agendas and minutes)
- Bi-Weekly Town coordination meetings (up to 26)
- Individual agency coordination meetings (up to 4, incl. agendas and minutes)
- Decisionmaker meetings/hearings (up to 3)
- *All deliverables will be submitted in PDF format unless otherwise noted*

TASK 3. ENGAGEMENT

Community engagement is an important element of project success and meeting the community's needs. The Mark Thomas team will review and benefit from the strategies and outcomes of the community engagement process deployed during the development of the Town of Colma El Camino Real Bicycle and Pedestrian Improvement Plan and should continue to provide transparency and meaningful dialogue with community stakeholders throughout the Project. The Mark Thomas team will work closely with the Town, TA, and Caltrans to devise an approach that advances equity objectives in community engagement.

Task 3.1. Prepare Community-facing Materials:

The Mark Thomas team will develop a brief engagement plan that builds off the successful engagement in the previous project phase. The plan will describe engagement goals, audiences, tactics for equitable and inclusive engagement, constraints and opportunities for public and stakeholder input, and a schedule integrating engagement efforts with technical project needs.

The Mark Thomas team will prepare community-facing materials about the PSR-PDS process in jargon-free language, including what the PSR-PDS phase will "do or not do," how past planning projects are connected, and opportunities for input. Materials will include a recorded presentation, factsheets, and webpage content. Updates to materials shall be prepared by the Mark Thomas team as needed to appropriately reflect ongoing Project tasks and community outreach initiatives. The Town and possibly the TA will host the webpage and distribute information to key partners. The website including published material will meet ADA compliance needs, and published material for community meetings will be translated into Spanish.

Task 3.2. Community Meetings:

The Mark Thomas team in partnership with the Town will host community meetings (in-person, virtual or a hybrid depending on health conditions) at key points of the Project and solicit input where feasible and appropriate. These can include: introduction to the Project and its scope, data analysis and findings, and alternatives development. Up to two (2) community meetings are assumed. The Mark Thomas team will develop a meeting plan and workback schedule in collaboration with Town to confirm goals, agenda, materials needed, logistical tasks, and staffing, facilitate and provide staffing support at the meetings, prepare meeting summaries for each meeting and translate meeting materials and providing Spanish interpretation support as needed.

DELIVERABLES:

- Draft and Final Community Engagement Plan
- Community-facing web content, hosted by the Town, that is ADA compliant (incl. up to 2 updates)
- Draft and Final factsheet in English and Spanish (incl. up to 2 updates)
- One recorded presentation (incl. up to 2 updates)
- Community meeting presentation, facilitation, and meeting summary (up to 2)
- Display boards in English and Spanish (up to 12)
- Published material for the community meetings made available in Spanish
- Community meetings will have a Spanish language translator, if needed
- *All deliverables will be submitted in PDF format unless otherwise noted*

TASK 4. PROJECT INITIATION

The primary goal for this task is to identify and recommend feasible and fundable design alternatives that will enable obtaining conceptual acceptance and a path for securing funding. It should be noted that tasks are not necessarily listed in sequential order. For example, the review of background information and plans should take place prior to the community meetings described in the aforementioned subtask 3.2.

Task 4.1. Review of Background Information, Plans and Studies:

Mark Thomas will research and review of background materials that will serve as the backdrop of the PSR-PDS, identify deficiencies, and engage in necessary data collection. The Town, TA, and Caltrans will provide any known documents and data to Mark Thomas, such as those identified through the Town of Colma El Camino Real Bicycle and Pedestrian Improvement Plan, and Systemic Safety Analysis Report (SSAR).

Task 4.2. Data Collection:

The Mark Thomas team will research work performed to date and planned work in the project study area (Albert M Teglia Boulevard to Arlington Drive) that could impact design of the improvements, including a review of preliminary plans and associated data. Mark Thomas will identify additional data requirements for the project scoping to meet PSR-PDS development requirements. Additional research and data collection should include: multi-modal traffic volumes, utility prior rights and agreements, right-of-way maps, as-built maps, property ownership from assessor records, assessor parcel numbers and parcel size, stormwater requirements, among others. Mark Thomas will obtain digital data such as aerial imagery, LiDAR, collisions data, and others, and use tools such as GIS and visualization software to collect and visualize data. Acquiring utility maps from the Town, Caltrans and third party utility companies is included and detailed as part of Task 4.4 - Utility Investigations and Utility Base Mapping.

It should be noted that there is a pre-existing Caltrans Route 82 – 2022 SHOPP Project for SR-82 from Arroyo Drive in South San Francisco to San Mateo/San Francisco County Line (I-280) that should be considered as within the project area. Mark Thomas will help in identifying common elements between the projects and resolve conflicting scope items as well as participate in SHOPP project meetings to help coordinate the scope and timelines of both projects.

Task 4.3. Field Visits:

The Mark Thomas Team will perform up to two (2) field visits to collect necessary data and record existing site conditions which include assessing existing multi-modal facilities, existing traffic control and traffic calming devices, and physical constraints along the corridor in order to allow for continuous pedestrian and bicycle access along El Camino Real; any transit stop access improvements needed; and opportunities for green infrastructure; among others.

The Mark Thomas team in partnership with the Town, TA, and Caltrans will organize a site visit with key stakeholders as part of the alternatives development. The intent of this visit will be to share preliminary findings from research and data analysis, discuss potential constraints influencing alternatives, and gather feedback. Attendees could include representatives of the Town of Colma, TA, Caltrans, SamTrans, South San Francisco, PG&E, and other Project stakeholders.

Mark Thomas will obtain a no cost (free) Caltrans encroachment permit as necessary to facilitate field reviews and data collection. In addition to the initial field review, periodic site reviews will be conducted as necessary during the project to assist in the development and review of alternatives.

Task 4.4. Utility Investigations and Utility Base Mapping:

Mark Thomas will prepare and submit "A" Letters, collect and review readily available utility related existing as-built information from the Town, Caltrans, adjacent local agencies, utility companies, and other agencies and organizations and prepare an existing Utilities Base Map. We will obtain and review readily available reports or documents applicable to the area, layout line alignment, and ROW information. Detailed right of way or alignment retracement, utility locating, and potholing are not included in this scope.

Task 4.5. Develop Purpose and Need:

The task is to develop and refine the Purpose and Need Statement in close consultation with the PDT and other stakeholders. This will be an early task, as it sets up the comparison of alternatives. The Purpose and Need Statement must be agreed to by the Town, TA, Caltrans, and other primary project stakeholders. The consensus Purpose and Need Statement will be used to further develop proposed project alternatives. With feedback from the PDT, Mark Thomas will develop metrics to use for the alternative evaluation framework.

Task 4.6. Alternatives Development:

Mark Thomas will conduct an initial engineering analysis to establish a reasonable study area for alternatives development using existing and newly collected data. With the area established, the Mark Thomas team will, in consultation with the PDT, develop and analyze concept-level project alternatives for the Project intersections and highway segments. The alternatives analysis will include understanding constraints around proposed options, connection to related capital and development projects, and ability to meet the Project's goals. At present, several alternatives have been identified for primary area intersections (multi-lane roundabouts, signals), with static linear treatments (e.g., sidewalk, bike/ped path, and bike lanes). Informed by the preliminary research and review, Mark Thomas will recommend alternatives for study across the project area (Albert M Teglia Boulevard to Arlington Drive). Mark Thomas will identify major existing and planned underground utilities within the study area to evaluate conflict potential. In collaboration with the Town, TA and Caltrans, Mark Thomas will select up to two alternatives to evaluate. Typical cross-sections will be prepared for up to three (3) locations for each alternative. Potential design exceptions will be identified which will be discussed with Caltrans Headquarters (HQ) Design Coordinator and District Design unit. Conceptual exhibits will be prepared on open source (free) aerials at 1"=50' or 1"=100' scale (as appropriate). Right of way lines will be based on GIS level mapping and no field surveys or right of way retracement are included in this scope of work. Mark Thomas will then evaluate alternatives and compare conflict with utilities and adjacent projects. Analysis should also take into account the Project goals including enhancements to multi-modal operational and safety conditions, community support, implementation costs, and long-term operations and maintenance costs associated with the individual alternatives.

The alternatives developed by the Mark Thomas team in consultation with the PDT are expected to meet environmental compliance, landscaping, local and regional travel needs, compliance with design standards, and compliance with acceptable and safe multi-modal traffic operations. This alternative development process will focus on identifying project factors that must be addressed in more detail during the subsequent PA&ED phase including additional technical studies, public outreach, and identification of the preferred alternative. The Mark Thomas team will use visual modeling in the form of photo-simulations to show how the corridor may look and feel different with the various preferred alternatives (up to 3 visual simulation images for each alternative). These will be used as part of community engagement (project and community meetings and hearings) to show how the project will impact the visual look and feel of the corridor and will aid in selection of the recommended alternative.

Intersection Control Evaluation

Fehr & Peers will conduct Intersection Control Evaluations (ICE), including performing traffic analysis to determine appropriate and feasible control options based on design year peak hour volumes (either AM or PM, depending on which is highest), at the following two study intersections, as required by Caltrans guidance (TOPD 13-02) when modifying intersections on a state highway:

- Collins Road and El Camino Real
- Mission Road and El Camino Real

The purpose of the ICE process is to:

- Identify effective intersection control strategies and alternative treatments,
- Estimate the relative effectiveness and impacts of specific control strategies, and
- Justify the need to install a traffic signal system, yield control (roundabouts), and/or multi-way stop control at those two intersections.

With the justified control type at the above two intersections from the ICE process, Fehr & Peers will work with the Project Development Team to review and develop alternatives.

DELIVERABLES:

- Transportation Planning Scoping Information Sheets (TPSIS)
- Summary of Data Collected
- Field visits (up to 2)
- Caltrans Encroachment Permit for Preliminary Engineering
- Purpose and Need Statement
- Geometric Alternative Drawings (up to 2 alternatives)
- Existing Utility Base Mapping
- Draft and Final ICE
- Photo-simulations (up to 6 locations)
- *All deliverables will be submitted in PDF format unless otherwise noted*

TASK 5. INITIAL ENGINEERING ANALYSIS

Mark Thomas will conduct an initial engineering analysis to establish a reasonable study area for alternatives development using existing and newly collected data. With the area established, Mark Thomas will, in consultation with the PDT, develop alternatives (Task 4.6) that satisfy the Purpose and Need Statement (Task 4.5), are cost effective, and will avoid or minimize environmental and right-of-way impacts.

Task 5.1. Preliminary Environmental Analysis Report

The Mark Thomas team will prepare the Preliminary Environmental Analysis Report (PEAR) in accordance with Caltrans guidelines. Circlepoint will prepare a PEAR for inclusion in the PSR-PDS. The PEAR will be prepared in accordance with Caltrans Guidelines for *Preparation of the Preliminary Environmental Analysis Report* and will utilize Caltrans' standard PEAR template. The PEAR will include a preliminary assessment the anticipated environmental effects for each of the of three Build Alternatives. Based on the preliminary analysis of environmental effects, the PEAR will identify the expected

level of environmental analysis that will be required for compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) during the PA/ED phase. Preparation of the PEAR will include the following activities:

- **Land Use** – Circlepoint will identify the existing and planned land uses and zoning in the project area and will determine if the three Build Alternatives are consistent with state, regional, and local plans. While it is anticipated that the three Build Alternatives will be consistent with existing land use plans, Circlepoint will identify any inconsistencies and/or required mitigation.
- **Growth** – It is not anticipated that the project would induce growth in the project area, as the project would introduce improvements to an existing roadway to better meet the needs of the community related to multi-modal transportation.
- **Farmlands/Timberlands** – There are no anticipated farmlands in or within the vicinity of the project area and it is not anticipated that the project would impact agricultural resources.
- **Community Impacts** – This task will involve review of existing census data to determine the social and economic characteristics of the area. Circlepoint will conduct desktop analysis to determine the types and approximate numbers of structures in the project area that may be affected.
- **Visual/Aesthetics** – The project area contains a mix of urbanized and suburban land uses. The Build Alternatives/project phases could result in changes to the visual character primarily through the addition of pavement and removal of vegetation to implement multi-modal features.
- **Cultural Resources** – A records search from the Northeast Information Center of the California Historic Resources Information System will be conducted. A limited online search will be conducted of current and historic aerial photographs and a review of historic United States Geological Survey Quadrangle Maps will also be conducted. Circlepoint will prepare a brief Cultural Resources Preliminary Analysis Memo identifying the potential for cultural resources in the project study area. The memo will follow the Caltrans Standard Environmental Reference and include general information regarding the project's setting, list sources consulted, note the results of the research, itemize the reports anticipated during environmental documentation, and provide analysis regarding possible project effects on historic properties, including effects on possible Section 4(f) historic properties. A field review will not be conducted under this scope of work. It is assumed that three drafts and one final of the technical memorandum will be delivered electronically.
- **Hydrology and Floodplain** – A floodplain risk assessment will be conducted to evaluate the potential floodplain impacts from the proposed alternative alignments and recommend potential mitigation measures.
- **Water Quality and Stormwater Runoff** – The proposed project could result in an increase in surface water runoff pollutants. This will be discussed qualitatively in the PEAR.
- **Geology, Soils, Seismic and Topography** – Circlepoint will review available geology studies and the City's General Plan to identify the general regional geology of the project area and determine if a subsequent geotechnical site characterization would be required.
- **Paleontology** – An analysis of existing paleontological and geological data will be performed. The results of the analysis of existing data will be used to evaluate the significance of paleontological resources and to perform a paleontology sensitivity analysis using Caltrans' tripartite system.
- **Hazardous Waste/Materials** – A records search will be conducted for this phase of environmental documentation.
- **Air Quality** – Using information provided by the Bay Area Air Quality Management District (BAAQMD), the PEAR will document BAAQMD's attainment of national and state ambient air quality standards and will provide information on pollutant levels recorded at the closest monitoring station. The PEAR will also document any

maintenance plans for the BAAQMD and will list any standard mitigations required by the BAAQMD as part of these plans.

- **Noise and Vibration** – Circlepoint will identify any noise- and vibration-sensitive land uses (e.g., residences, community centers, schools, parks) in the project area that may be affected by construction of the Build Alternatives/project phases. The PEAR will document anticipated technical reports and construction mitigations that would be required to evaluate and protect these noise- and vibration-sensitive land uses.
- **Energy and Climate Change** – Circlepoint will consider the project consumption of energy during project construction and determine if a subsequent energy technical report would be required. The PEAR will reference the BAAQMD thresholds of significance regarding greenhouse gas emissions as well as Caltrans standard approach and will briefly discuss how the project is designed to reduce greenhouse gas emissions and will identify the anticipated scope of qualitative or quantitative analyses that will be required for the subsequent environmental document including project-level PM2.5 analysis.
- **Biological Environment** – Circlepoint will prepare a brief Biological Resources Preliminary Analysis Memo. The memo will include a review of special-status species that may occur in the study area using the United States Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) website and the California Natural Diversity Database. The memo will identify the appropriate studies to be conducted in the PA/ED phase as well as any biological or resource agency permits that would be required for the build alternatives/project phases, such as permits from USFWS, National Marine Fisheries Service (NMFS), California Department of Fish and Wildlife (CDFW), Army Corps of Engineers (USACE), and Regional Water Quality Control Board (RWQCB). A field review will not be conducted under this scope of work. It is assumed that three drafts and one final of the technical memorandum will be delivered electronically.
- **Cumulative Impacts** – Circlepoint will consider the cumulative impacts of the project in consideration with past, present, and reasonably foreseeable future related projects. The PEAR will identify any subsequent cumulative impact analyses that would be required.
- **Context Sensitive Solutions** – Circlepoint will describe context sensitive solutions proposed by the project and indicate how contextual elements help generate public acceptance of the project, reflect the unique character of the community and provide compatibility with the existing visual resources.

The PEAR will be delivered in the following format:

- 1st Draft to Town in Word electronic format with graphics in pdf
- 2nd Draft to Town in Word electronic format with graphics in pdf
- 3rd Draft to Caltrans in Word electronic format with graphics in pdf
- 4th Draft to Caltrans in Word electronic format with graphics in pdf
- Final to Caltrans in Word and pdf electronic formats. Graphics will be included in the PDF.

Circlepoint will attend up to ten meetings with the project engineers, the Town, and the PDT, including a project kick-off meeting, and manage/coordinate internal team activities with subcontractors conducting the environmental studies. We assume the PEAR will evaluate a No-Build Alternative and two Build Alternatives. If additional build alternatives are developed that have significantly different footprints or elements, this may require additional budget. No field surveying or soil investigations would be conducted beyond windshield/pedestrian surveys and no stand-alone technical studies will be conducted.

Initial Site Assessment (ISA):

Mark Thomas will prepare an ISA to evaluate existing information regarding hazardous materials and wastes in the study area. The Phase 1 ISA will identify evidence of Recognized Environmental Conditions (RECs) within the alignment, or conditions on adjacent properties that are, or have the potential to, impact the project alignment. Crawford will prepare this ISA in accordance with Caltrans requirements and the ASTM E1527-21 standard. The scope of services for the ISA will include:

- **Records review:** Crawford will contract with Environmental Risk Information Service (ERIS) to conduct a digital search of federal, state, local, and tribal environmental agency database records. These records will be reviewed for information pertaining to the project alignment and will also include facilities/properties within ASTM standard search radii applicable to each database.
- **Physical Setting Review:** The ISA will include a summary of geologic conditions underlying the project alignment based on readily available geologic mapping from the US Geological Survey and the California Geological Survey, including an assessment of the potential for naturally occurring asbestos; and a summary of hydrogeologic conditions (including depth to groundwater and regional groundwater flow, if readily available) based on information from websites maintained by the State of California.
- **Historical Land Use Review:** ERIS will provide historical aerial photographs, historical USGS topographic maps, city directories, and Sanborn fire insurance maps (if available) for the project alignment and vicinity. Crawford will use these data to summarize general historical conditions within the project alignment, and historical uses of adjacent properties back to at least 1940.
- **Site Reconnaissance:** Crawford will perform a walking and driving reconnaissance of the project alignment to observe current conditions. Conditions on adjacent parcels will be observed from the public right-of-way. The reconnaissance will include observations of uses and storage of hazardous materials and wastes, if appropriate; the presence of underground and aboveground storage tanks, drums, wells, electrical equipment; condition of vegetation, noxious odors, stockpiled soil, piled garbage, medical waste, and sewage/waste disposal; and geologic, hydrogeologic, and topographic conditions.
- **Vicinity Survey:** The reconnaissance will include a windshield survey of general conditions within 500 feet of the project alignment, including suspect facilities identified by the records review. Observations will be made from the public right-of-way.
- **Interviews:** Records provided by ERIS generally contain sufficient data to evaluate potential for impact to the project alignment. However, where records for suspect facilities are missing or incomplete, Crawford will contact San Mateo County Environmental Health Department to ascertain current environmental conditions. Where warranted, Crawford will also attempt to interview current and past property owners, tenants, and key site managers for suspect facilities, where contact information is readily available.
- **Report of Findings:** A report documenting our assessment will be prepared for the project. The report will include, but not necessarily be limited to, the following:
 - Description of the project alignment and vicinity;
 - Summary of the physical setting, local geologic conditions, and hydrogeologic conditions;
 - Summary of the historical record review and historical site usage;
 - Findings from the records review;
 - Site reconnaissance observations;
 - Interview results;
 - Findings, Opinions, and Conclusions: including a summary of RECs, and a discussion of significant data gaps and data failures; and
 - Recommendations for sampling and testing: As warranted by the findings.

Preliminary Geotechnical Report:

Mark Thomas will prepare a preliminary geotechnical report to identify potential geophysical project constraints including geotechnical conditions and seismic risk mapping. Crawford will complete a desktop study to review preliminary project/study plans, available published geologic mapping, fault mapping, publicly available historic aerials, expected groundwater levels and nearby soils information from Web Soil Survey, Crawford's internal database, Caltrans' projects, and Town developments (if/as made available). Crawford will also visit the site to review existing roadway pavement conditions and note pavement/geotechnical concerns pertinent to the project.

Crawford will complete draft and final preliminary geotechnical reports to provide an overview of the geology, seismicity, geotechnical hazards and preliminary considerations regarding suitable rehabilitation and new pavement sections based on our research and visual observations in the field. The Preliminary Geotechnical Report will discuss the anticipated fieldwork and laboratory testing that would be required for final design. The report will also include a geologic, fault, and site vicinity map of the project site.

DELIVERABLES:

- Admin Draft, Draft and Final PEAR
- Draft and Final Initial Site Assessment
- Draft and Final Preliminary Geotechnical Report
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.2. Design Standards Risk Assessment

The Mark Thomas Team will identify and discuss with The Town, TA, and Caltrans whether any of the alternatives propose nonstandard design features. For alternatives with nonstandard features, a design standards risk assessment will be prepared by the Mark Thomas team indicating the level of risk for conceptual acceptability of the alternative. This assessment will list design standards that will most likely not be met for each alternative, and the probability of approval for each proposed exception for Caltrans consideration.

DELIVERABLE:

- Draft and Final Design Standard Risk Assessment
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.3. Traffic Engineering Performance Assessment (TEPA)

As part of the Mark Thomas Team, Fehr & Peers will prepare an assessment in accordance with Caltrans requirements for a TEPA as discussed in the Caltrans Project Development and Procedures Manual. The workflow to complete the TEPA will be outlined in an email and confirmed by the PDT. This effort will document preliminary traffic engineering findings and estimates on the potential scope of work and features, potential performance benefits and deficiencies, scope and magnitude of traffic engineering work (traffic forecasting, modeling, analysis, and evaluation) to be performed during the PA&ED phase.

Fehr & Peers will prepare the TEPA using relevant data and information from existing sources to describe current and future conditions. Existing information considered includes:

- Town of Colma El Camino Real Bicycle and Pedestrian Improvement Plan

- Town of Colma Systemic Safety Analysis Report
- Caltrans Route 82 – 2022 State Highway Operation and Protection Program (SHOPP)
- All Deliverables will be submitted in PDF format unless otherwise noted

Other existing sources may include Caltrans Traffic Census, Truck Volume Book, TASAS accident database, Caltrans and MTC tachometer run data, and other recent regional and local studies.

This scope assumes up to eleven (11) intersections per Project Alternative, to be confirmed in consultation with the Project Development Team, will be evaluated as part of the TEPA. The intersections will be evaluated using Synchro for the AM and PM peak hours. The TEPA will evaluate an Existing Conditions (2023) using the data sources listed above (no new data is proposed to be collected until the start of the environmental phase – PA&ED), and a Design Year (2050) No Build and up to two (2) Build Alternatives. Design Year volumes will be determined based on the available data sources and recently approved annual growth rates.

Vehicle Miles Traveled (VMT) Analysis: Fehr & Peers will also draft the Vehicle Miles Traveled Decision Document (VMTDD) in accordance with Caltrans' Transportation Analysis under CEQA (TAC) and Transportation Analysis Framework (TAF) VMT documents for submittal to the Project Development Team and then on to District/Headquarters review. The project is anticipated to be exempt from VMT evaluation since it is a multimodal project that potentially reduces capacity.

Transportation Analysis and Methodology Memorandum (for PA&ED): Fehr & Peers will submit a Transportation Analysis and Methodology memorandum that confirms the operational analysis methodology to be used for the PA&ED effort. Specific analysis processes and procedures to be addressed that will be used as part of the vehicle miles traveled (VMT), intersection operations analysis, and/or HSM analysis include:

- Data collection plan,
- Analysis years and periods,
- Analysis network and boundaries,
- Analysis methodology/tools,
- Model calibration/validation requirements, and
- Measures of effectiveness (MOEs)

The proposed methodology will be documented in a transportation analysis methodology memorandum for one round of review by the Town and one round of review by the PDT. Fehr & Peers will revise the memorandum based on comments from the PDT and resubmit the final memorandum. Note that Caltrans may request separate memorandums for the VMT, operations, and HSM analyses in which case separate documents will be prepared by the Fehr & Peers.

DELIVERABLES:

- TEPA Workflow E-mail
- Admin Draft, Draft and Final TEPA
- Draft and Final VMT Decision Document
- Draft and Final Transportation Analysis and Methodology Memo
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.4. Storm Water Data Report

A PID level Storm Water Data Report (SWDR) will be prepared in compliance with Caltrans standards and procedures and focus on the storm water quality elements to construct the project and implement appropriate temporary and permanent Best Management Practices (BMPs). The SWDR will follow guidelines established by Caltrans and NPDES Statewide Storm Water Construction General Permit administered by the State Water Resources Control Board. Sediment risk levels will be determined based on the assessment of changes in watershed land use, predicted site conditions (e.g. degree of disturbance, impervious surface areas, drainage paths) and beneficial uses and impairment designations for the receiving waters. Mark Thomas will prepare a SWDR summarizing project impacts to water quality, general mitigation measures, and recommend BMPs. The SWDR will also address the needs for erosion control measures and recommend BMPs for the project commensurate with the identified sediment risk levels.

Within the project limits, the existing right of way may not be sufficient to provide room for potential permanent treatment BMPs. Mark Thomas will consider various types of BMPs measures utilizing Caltrans' Storm Water Manual and Checklists. We will recommend appropriate BMPs measures, such as bioretention areas, grass-lined swales, detention basins, or infiltration basins, to minimize or mitigate the water quality impacts and will assess the right of way needs to address the required BMPs applications and will consider in-lieu treatment, where necessary. A total of three (3) submittals to Caltrans with responses to comments are included in this scope of work to finalize this report.

DELIVERABLE:

- Draft and Final Storm Water Data Report
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.5. Life Cycle Cost Analysis (LCCA)

Mark Thomas will prepare a PSR-PDS level LCCA that evaluates long-term alternative investment option and compares costs across the various alternatives. This task is proposed for early information with a detailed review expected as part of the PA&ED phase.

DELIVERABLE:

- Draft and Final Life Cycle Cost Analysis
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.6. ROW and Utility Impacts

Mark Thomas will identify anticipated right-of-way, utility impacts associated with the alternatives, and prepare a conceptual cost estimate consistent with Caltrans guidance for this activity. Conceptual ROW and utility mapping will be prepared to illustrate the anticipated impacts. The purpose of this evaluation is to develop an order of magnitude cost estimate for potential right-of-way needs, utility impacts and to identify any studies needed during the PA&ED phase. Mark Thomas will submit the Draft Preliminary Utility Relocation Plan for the Town to review. Mark Thomas will then review any comments and provide a Final Preliminary Utility Relocation Plan.

Mark Thomas will identify parcel APN's and impacted land ownership within the Project vicinity including existing land holders, leases, easements from the Town provided Preliminary Title Reports. Mark Thomas will submit the Draft Preliminary Right of Way Acquisition Map for the Town to review. Mark Thomas will then review any comments and provide a Final Preliminary Right of Way Acquisition Plan.

DELIVERABLES:

- Draft and Final Preliminary Utility Relocation Plan
- Draft and Final Preliminary Right of Way Acquisition Plan
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.7. Implementation Plan and Project Schedule:

Mark Thomas will develop a brief Preliminary Implementation Plan memo that will cover funding, environmental and permitting needs as well as future Project Phases including PA&ED, PS&E, and Construction along with a Preliminary Planning Level Project Schedule.

DELIVERABLES:

- Preliminary Project Implementation Plan
- Preliminary Planning Level Project Schedule
- *All deliverables will be submitted in PDF format unless otherwise noted*

Task 5.8. Cost Estimates and Funding

Mark Thomas will work with the Town, TA, and Caltrans staff to identify potential economic impacts of the Project including estimated project costs, funding sources, and economic benefits such as travel-time savings for visitors and residents.

Task 5.8.1. Cost Estimate:

Mark Thomas will prepare an order-of magnitude capital cost estimate for each alternative to be used for planning purposes only. A range of cost will be developed based on the available information. The cost estimates will be prepared in the PSR-PDS Capital Outlay Project Estimate format provided in the Project Development Procedures Manual (PDPM).

Task 5.8.2. Funding Sources:

Mark Thomas will work with the Town to identify potential funding sources, agencies responsible for the funding, funding requirements and eligibility, application requirements, timing and responsibility. Determine which local agencies will need to execute agreements, which agencies will lead tasks and who will be coordinating with the agencies. Mark Thomas will prepare a brief memorandum outlining funding sources and opportunities. Grant applications can be prepared as a supplemental service.

DELIVERABLES:

- Order of Magnitude Cost Estimate (up to 2 alternatives)
- Preliminary Funding Memo
- *All deliverables will be submitted in PDF format unless otherwise noted*

TASK 6. DRAFT AND FINAL PROJECT STUDY REPORT-PROJECT DEVELOPMENT SUPPORT (PSR-PDS)

The Mark Thomas team will develop a draft and final PSR-PDS that meets requirements as identified by the latest edition of the Caltrans Project Development Procedure Manual Appendix S – Preparation Guidelines for Project Study Report-Project Development Support Project Initiation Document, using templates provided by Caltrans District 4, and include:

1. Introduction
2. Background
3. Purpose and Need
4. Traffic Engineering Performance Assessment
5. Deficiencies
6. Corridor and System Coordination
7. Alternatives, including Complete Streets considerations
8. Right of Way and Utilities Assessment
9. Stormwater Evaluation
10. Stakeholders Involvement
11. Environmental Compliance, including Climate Change Considerations
12. Funding
13. Delivery Schedule
14. Risks
15. External Agency Coordination
16. Project Reviews
17. Project Personnel
18. Attachments:
 - A. Location Map
 - B. Project Alternatives Exhibits with Cross Sections
 - C. Capital Outlay Project Estimates
 - D. Preliminary Environmental Assessment Report (PEAR)
 - E. Traffic Engineering Performance Assessment (TEPA)
 - F. Transportation Planning Scoping Information Sheet
 - G. Risk Register
 - H. Storm Water Data Report & Water Quality Information Form
 - I. PSR-PDS Survey Needs Questionnaire
 - J. Quality Management Plan
 - K. Division of Engineering Services PSR-PDS Scoping Checklist
 - L. Design Scoping Index
 - M. TMP Data Sheet

- N. Right of Way Data Sheet
- O. Draft Cooperative Agreement
- P. Complete Streets Decision Document (PDPM Appendix FF)

The Town, TA, and Caltrans will provide feedback comments on the draft (in addition to ongoing review of interim deliverables, and per the consecutive review process of the Town and TA first followed by Caltrans review). The Mark Thomas Team will incorporate any comments to the Draft PSR-PDS and submit a Final PSR-PDS to the Town.

DELIVERABLES:

- Admin Draft, Draft and Final PSR-PDS
- *All deliverables will be submitted in PDF format unless otherwise noted*

SCOPE ASSUMPTIONS / EXCLUSIONS:

- The Town already has a project specific Cooperative Agreement in place with Caltrans
- The PSR-PDS does not include conceptual approval of design exceptions and traffic operational analysis as defined in Chapter 9 of the Caltrans PDPM. If conceptual approval is required, the City should consider using the PSR format as defined in Appendix L of the PDPM instead of the PSR-PDS format.
- Design Standard Decision Documents will not be prepared, and formal approval of geometrics is not included.
- Detailed support cost estimates for future phases are not included.
- Detailed information such as alignment studies, structure planning studies, right of way analysis, signal warrant analysis, and detailed environmental is not included.
- The PSR-PDS will be developed in accordance with Caltrans PSR-PDS Guidance and Project Development Procedures Manual - Appendix S. This includes, but is not limited to, all of the necessary requirements to develop the PSR-PDS under the latest Caltrans standards and guidance.
- No detailed traffic operations analysis will be completed.
- Potholing of existing utilities is not included.
- No detailed right of way delineations will be completed.
- A Constructability Review is not included.
- Typical detailed technical studies and final design activities are not included and will be a part of the future PA&ED and PS&E phases once the project has been more well defined.

EXHIBIT B

Schedule of Charges/Payments

Consultant will invoice Town on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task. Consultant will inform Town regarding any out-of-scope work being performed by Consultant. This is a time-and-materials contract.

MARK THOMAS & COMPANY, INC. RATE SCHEDULE

EXPIRES JUNE 30, 2023

Engineering

Design Engineer I	\$88 - \$145
Design Engineer II	\$109 - \$177
Project Engineer	\$147 - \$184
Sr. Project Engineer	\$158 - \$216
Sr. Technical Engineer	\$158 - \$216
Technical Lead	\$182 - \$248
Sr. Technical Lead	\$217 - \$316
Engineering/Design Manager	\$282 - \$361
Sr. Engineering Manager	\$311 - \$452

Construction Management

Office Engineer	\$109 - \$207
* Asst. Resident Engineer	\$155 - \$284
* Inspector - CM	\$150 - \$284
RE/Structural Representative	\$205 - \$345
Area Manager - CM	\$308 - \$452

Planning

Planner I	\$82 - \$106
Planner II	\$106 - \$132
Sr. Planner	\$120 - \$165

Landscape Architecture/Urban Design

Landscape Designer I	\$76 - \$113
Landscape Designer II	\$94 - \$142
Landscape Architect	\$109 - \$190
Sr. Landscape Architect	\$117 - \$213

Grant Writing

Funding Specialist	\$109 - \$210
Sr. Funding Specialist	\$147 - \$226
Funding Manager	\$249 - \$326

District Management

* Inspector - Apprentice	\$59 - \$106
* Inspector/Sr. Inspector	\$97 - \$158
Assistant/Associate Sanitary Engineer	\$138 - \$207
Sanitary/Sr. Sanitary Project Engineer	\$161 - \$281
Operations/Deputy District Manager	\$223 - \$339
District Manager-Engineer	\$305 - \$368

Surveying

Surveyor	\$109 - \$155
Sr. Surveyor	\$123 - \$187
Project Surveyor	\$144 - \$219
Sr. Project Surveyor	\$167 - \$226
* Single Chief	\$153 - \$203
* Single Instrumentman	\$144 - \$181
* Single Chainman	\$135 - \$177
* Apprentice	\$81 - \$139
* 1 Person Field Crew	\$153 - \$203
* 2 Person Field Crew	\$288 - \$407
* 3 Person Field Crew	\$369 - \$584

Technicians

Intern	\$47 - \$103
Technician/Office/Survey Technician	\$62 - \$129
Sr. Technician/Survey Technician	\$91 - \$177
Lead Technician/Survey Technician	\$123 - \$200

Project Management & Oversight

Project/Survey Manager	\$182 - \$258
Sr. Project/Survey Manager	\$217 - \$345
Division Manager	\$244 - \$381
Principal	\$390 - \$461

Project Support

Technical/Sr. Technical Writer	\$59 - \$171
Project/Sr. Project Assistant	\$70 - \$132
Project/Sr. Project Coordinator	\$94 - \$168
Graphic/Sr. Graphic Designer	\$100-\$187
Project/Sr. Project Accountant	\$103 - \$177
Sr. Graphic Manager	\$141 - \$207
Project Accountant Manager	\$155 - \$216

Special Services

Expert Witness	\$470
Strategic Consulting	\$470

Reimbursables including, but not limited to; reproductions, delivery and filing fees; outside consultant fees; and survey field expenses will be billed at *Cost Plus 5%*. **Mileage** will be billed per *current IRS Rate*.

Additional promotional steps exist within various rate categories.

This rate schedule expires June 30, 2023; rates are subject to escalation with new hourly rate schedule as of July 1, 2023.

** These charge rates are subject to Prevailing Wage laws and Union contract.*

Note: Mark-ups are Not Allowed

Prime Consultant Subconsultant 2nd Tier Subconsultant

Project El Camino Real Bicycle and Pedestrian Improvement Project PSR-PDS
 CONSULTANT Mark Thomas Contract No. _____ Date 2/28/2023

DIRECT LABOR

Classification/Title	Name	Range	Hours	Actual Hourly Rate	Total
Principal	Sasha Danksy	\$133.00 - \$157.30	64.0	\$ 150.00	\$ 9,600.00
Sr. Engineering Manager	Shawn O'Keefe	\$106.00 - \$154.00	400.0	\$ 130.00	\$ 52,000.00
Project Manager	Alex Lee	\$62.00 - \$84.70	852.0	\$ 75.97	\$ 64,726.44
Sr. Project Manager	QA/QC	\$74.00 - \$107.80	40.0	\$ 99.35	\$ 3,974.00
Project Engineer	Civil	\$50.00 - \$62.70	876.0	\$ 59.53	\$ 52,143.90
Sr. Project Manager	Bike/Ped	\$74.00 - \$107.80	16.0	\$ 99.35	\$ 1,589.60
Survey Manager	Survey	\$64.00 - \$88.00	0.0	\$ 82.00	\$ -
LAUD Division Manager	Landscape	\$83.00 - \$93.50	0.0	\$ 90.88	\$ -
Area Manager - CM	Constructibility	\$105.00 - \$154.00	8.0	\$ 141.75	\$ 1,134.00
Funding Manager	Grant Funding	\$85.00 - \$111.10	0.0	\$ 104.58	\$ -
Sr. Project Manager	Structures	\$74.00 - \$107.80	16.0	\$ 99.35	\$ 1,589.60
Principal		\$133.00 - \$157.30	0.0	\$ 138.00	\$ -
Sr. Engineering Manager		\$106.00 - \$154.00	0.0	\$ 142.00	\$ -
Design Manager		\$96.00 - \$123.20	0.0	\$ 116.40	\$ -
Engineering Manager		\$96.00 - \$123.20	0.0	\$ 116.40	\$ -
Sr. Technical Lead		\$74.00 - \$107.80	8.0	\$ 99.35	\$ 794.80
Sr. Project Manager		\$74.00 - \$107.80	0.0	\$ 99.35	\$ -
Technical Lead		\$62.00 - \$84.70	0.0	\$ 79.03	\$ -
Project Manager		\$62.00 - \$84.70	0.0	\$ 79.03	\$ -
Sr. Technical Engineer		\$54.00 - \$73.70	0.0	\$ 68.78	\$ -
Sr. Project Engineer		\$54.00 - \$73.70	16.0	\$ 68.78	\$ 1,100.40
Project Engineer		\$50.00 - \$62.70	0.0	\$ 59.53	\$ -
Sr. Technician		\$39.00 - \$60.50	0.0	\$ 55.13	\$ -
Design Engineer II		\$37.00 - \$60.50	304.0	\$ 54.63	\$ 16,606.00
Design Engineer I		\$30.00 - \$49.50	0.0	\$ 44.63	\$ -
Technician		\$23.00 - \$44.00	0.0	\$ 38.75	\$ -
LAUD Division Manager		\$83.00 - \$93.50	0.0	\$ 90.88	\$ -
Sr. LAUD Project Manager		\$75.00 - \$91.30	0.0	\$ 87.23	\$ -
LAUD Project Manager		\$63.00 - \$81.40	16.0	\$ 76.80	\$ 1,228.80
Sr. Landscape Architect		\$40.00 - \$72.60	0.0	\$ 64.45	\$ -
Landscape Architect		\$37.00 - \$64.90	20.0	\$ 57.93	\$ 1,158.50
Landscape Designer II		\$32.00 - \$48.40	0.0	\$ 44.30	\$ -
Landscape Designer I		\$26.00 - \$38.50	0.0	\$ 35.38	\$ -
Landscape Intern		\$16.00 - \$29.70	0.0	\$ 26.28	\$ -
Intern		\$16.00 - \$29.70	0.0	\$ 26.28	\$ -
Survey Division Manager		\$96.00 - \$129.80	0.0	\$ 121.35	\$ -
Sr. Survey Manager		\$74.00 - \$96.80	0.0	\$ 91.10	\$ -
Survey Manager		\$64.00 - \$88.00	0.0	\$ 82.00	\$ -
Sr. Project Surveyor		\$57.00 - \$77.00	0.0	\$ 72.00	\$ -
Project Surveyor		\$49.00 - \$74.80	16.0	\$ 68.35	\$ 1,093.60
Lead Survey Technician		\$42.00 - \$68.20	40.0	\$ 61.65	\$ 2,466.00
Sr. Surveyor		\$42.00 - \$63.80	0.0	\$ 58.35	\$ -
Surveyor		\$37.00 - \$52.80	0.0	\$ 48.85	\$ -
Sr. Survey Technician		\$31.00 - \$60.50	0.0	\$ 53.13	\$ -
Survey Technician		\$27.00 - \$40.70	0.0	\$ 37.28	\$ -
Survey Intern		\$21.00 - \$35.20	0.0	\$ 31.65	\$ -

Single Chief		\$52.00 - \$69.30	0.0	\$ 64.98	\$ -
Single Instrumentman		\$49.01 - \$61.60	0.0	\$ 58.45	\$ -
Single Chainman		\$46.13 - \$60.50	0.0	\$ 56.91	\$ -
Apprentice		\$27.68 - \$47.30	0.0	\$ 42.40	\$ -
1 Person Field Crew		\$52.00 - \$69.30	0.0	\$ 64.98	\$ -
2 Person Field Crew		\$98.13 - \$138.60	0.0	\$ 128.48	\$ -
3 Person Field Crew		\$125.81 - \$199.10	0.0	\$ 180.78	\$ -
Division Manager - CM		\$97.00 - \$117.70	0.0	\$ 112.53	\$ -
Area Manager - CM		\$105.00 - \$154.00	0.0	\$ 141.75	\$ -
Sr. Project Manager - CM		\$75.00 - \$117.70	0.0	\$ 107.03	\$ -
Project Manager - CM		\$70.00 - \$105.60	0.0	\$ 96.70	\$ -
RE/Structural Representative		\$70.00 - \$117.70	0.0	\$ 105.78	\$ -
Inspector - CM		\$51.00 - \$96.80	0.0	\$ 85.35	\$ -
Asst. Resident Engineer		\$53.00 - \$96.80	0.0	\$ 85.85	\$ -
Office Engineer		\$37.00 - \$70.40	0.0	\$ 62.05	\$ -
Office Technician		\$21.00 - \$35.20	0.0	\$ 31.65	\$ -
Project Accountant Manager		\$53.00 - \$73.70	0.0	\$ 68.53	\$ -
Sr. Graphic Manager		\$48.00 - \$70.40	8.0	\$ 64.80	\$ 518.40
Sr. Project Accountant		\$40.00 - \$60.50	0.0	\$ 55.38	\$ -
Sr. Graphic Designer		\$38.00 - \$63.80	0.0	\$ 57.35	\$ -
Sr. Project Coordinator		\$42.00 - \$57.20	160.0	\$ 53.40	\$ 8,544.00
Project Accountant		\$35.00 - \$53.90	12.0	\$ 49.18	\$ 590.10
Sr. Technical Writer		\$34.00 - \$58.30	0.0	\$ 52.23	\$ -
Graphic Designer		\$34.00 - \$52.80	16.0	\$ 48.10	\$ 769.60
Project Coordinator		\$32.00 - \$47.30	0.0	\$ 43.48	\$ -
Sr. Project Assistant		\$33.00 - \$45.10	0.0	\$ 42.08	\$ -
Technical Writer		\$20.00 - \$40.70	0.0	\$ 35.53	\$ -
Project Assistant		\$24.00 - \$36.30	0.0	\$ 33.23	\$ -
Funding Manager		\$85.00 - \$111.10	0.0	\$ 104.58	\$ -
Sr. Funding Specialist		\$50.00 - \$77.00	0.0	\$ 70.25	\$ -
Funding Specialist		\$37.00 - \$71.50	0.0	\$ 62.88	\$ -
Sr. Planner		\$41.00 - \$56.10	0.0	\$ 52.33	\$ -
Planner II		\$36.00 - \$45.10	0.0	\$ 42.83	\$ -
Planner I		\$28.00 - \$36.30	0.0	\$ 34.23	\$ -
District Manager-Engineer		\$104.00 - \$125.40	0.0	\$ 120.05	\$ -
Deputy District Manager		\$94.00 - \$115.50	0.0	\$ 110.13	\$ -
Operations Manager		\$76.00 - \$106.70	0.0	\$ 99.03	\$ -
Sr. Sanitary Project Engineer		\$66.00 - \$95.70	0.0	\$ 88.28	\$ -
Sanitary Project Engineer		\$55.00 - \$88.00	0.0	\$ 79.75	\$ -
Associate Sanitary Engineer		\$52.00 - \$70.40	0.0	\$ 65.80	\$ -
Inspector		\$33.00 - \$46.20	0.0	\$ 42.90	\$ -
Expert Witness		160.2031512	0.0	\$ 160.20	\$ -
Strategic Consulting		160.2031512	0.0	\$ 160.20	\$ -

LABOR COSTS

a) Subtotal Direct Labor Costs	\$ 221,627.74
b) Anticipated Salary Increases (see page 2 for calculation)	<u>\$9,973.25</u>
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$ 231,600.99

INDIRECT COSTS

d) Fringe Benefits (Rate: 92.57%)	e) Total Fringe Benefits [(c) x (d)]	\$ 214,393.03
f) Overhead (Rate: 58.18%)	g) Overhead [(c) x (f)]	\$ 134,745.45
h) General and Administrative (Rate: 0.00%)	i) Gen & Admin [(c) x (h)]	\$ -
	j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]	\$ 349,138.49

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee 12.00 % \$ 69,688.74

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage	750	miles	\$0.66	\$ 491.25
Copies	0	EA	\$0.05	\$ -
Reproductions - full size	0	sheets	\$1.00	\$ -
Reproductions - half size	0	sheets	\$0.35	\$ -
Structure/Quantity Calculations	0	sheets	\$0.05	\$ -
Misc. Costs	0	LS	\$500.00	\$ -
Overnight Mail/Mail	0	EA	\$15.00	\$ -
Potholing	0	EA	\$5,000.00	\$ -
Misc. Surveys (Maps, PTR's etc.)	0	LS	\$1,000.00	\$ -
Safety Plan	0	LS	\$1,000.00	\$ -
Traffic Control	0	LS	\$3,000.00	\$ -
Per Diem	0	Day	\$260.00	\$ -
Record of Survey Fee	0	LS	\$1,500.00	\$ -
MTLS Mobilization	0	Day	\$8,000.00	\$ -

l) TOTAL OTHER DIRECT COSTS \$ 491.25

m) SUBCONSULTANTS' COSTS (add additional pages if necessary)

Subconsultant 1: Fehr & Peers	\$ 134,037.40
Subconsultant 2: Kearns & West	\$ 51,615.17
Subconsultant 3: Crawford & Associates	\$ 36,580.57
Subconsultant 4: Associated Right of Way	\$ 11,045.42
Subconsultant 5: Circlepoint	\$ 97,539.08
Subconsultant 6: SUBCONSULTANT 6	\$ -

m) TOTAL SUBCONSULTANTS' COSTS \$ 330,817.64

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)] \$ 331,308.89

TOTAL COST [(c) + (j) + (k) + (n)] \$ 981,737.11

NOTES:

1. Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	/	Total Hours per Cost Proposal	=	Avg Hourly Rate	1 Year Contract Duration
\$221,627.74		2888.0		\$76.74	Year 1 Avg Hourly Rates

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Average Hourly Rate		Proposed Escalation			
Year 1	\$76.74	+	5.00%	=	\$80.58	Year 2 Avg Hourly Rate
Year 2	\$80.58	+	5.00%	=	\$84.61	Year 3 Avg Hourly Rate
Year 3	\$84.61	+	5.00%	=	\$88.84	Year 4 Avg Hourly Rate
Year 4	\$88.84	+	5.00%	=	\$93.28	Year 5 Avg Hourly Rate
Year 5	\$93.28	+	5.00%	=	\$97.94	Year 6 Avg Hourly Rate
Year 6	\$97.94	+	5.00%	=	\$102.84	Year 7 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total hours per Cost Proposal		Total Hours per Year	
Year 1	10%	x	2888.0	=	288.8	Estimated Hours Year 1
Year 2	90%	x	2888.0	=	2599.2	Estimated Hours Year 2
Year 3		x	2888.0	=	0.0	Estimated Hours Year 3
Year 4		x	2888.0	=	0.0	Estimated Hours Year 4
Year 5		x	2888.0	=	0.0	Estimated Hours Year 5
Year 6		x	2888.0	=	0.0	Estimated Hours Year 6
Total	100%		Total		2888.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$76.74	x	288.8	=	\$22,162.77	Estimated Cost Year 1
Year 2	\$80.58	x	2599.2	=	\$209,438.21	Estimated Cost Year 2
Year 3	\$84.61	x	0.0	=	\$0.00	Estimated Cost Year 3
Year 4	\$88.84	x	0.0	=	\$0.00	Estimated Cost Year 4
Year 5	\$93.28	x	0.0	=	\$0.00	Estimated Cost Year 5
Year 6	\$97.94	x	0.0	=	\$0.00	Estimated Cost Year 6
Total Direct Labor Cost with Escalation					\$231,600.99	
Direct Labor Subtotal before Escalation					\$221,627.74	
Estimated total of Direct Labor Salary Increase					\$9,973.25	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. [Title 23 United States Code Section 112](#) - Letting of Contracts
4. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
5. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related Service
6. [48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board](#) (when applicable)


All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Shawn O'Keefe

Title*: Principal + Vice President

Signature: 

Date of Certification (mm/dd/yyyy): 02/28/2023

Email: sokeefe@markthomas.com

Phone Number: (925) 858-8581

Address: 1970 Broadway, Suite 760, Oakland, CA 94612

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Exhibit 10-H1 Cost Proposal
Actual Cost-Plus-Fixed Fee or Lump Sum (Firm Fixed Price) Contracts
(Design, Engineering and Environmental Studies)

Note: Mark-ups are Not Allowed

Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant Associated Right of Way Services, Inc.

Project No. _____ Contract No. _____ Date 2/23/2023

DIRECT LABOR

Classification/Title	Name	Range	Hours	Initial Hourly Rate	Total
Managing Consultant	Steve Castellano	\$65 - \$95	8	\$67.31	\$ 538.48
Managing Consultant	Jim Richards	\$65 - \$95	2	\$79.57	\$ 159.14
Consultant III		\$38 - \$70	16	\$70.00	\$ 1,120.00
Consultant II		\$35 - \$55		\$55.00	\$ -
Consultant I		\$30 - \$40		\$40.00	\$ -
Right of Way Technician		\$28 - \$45	40	\$45.00	\$ 1,800.00
Administrative Support		\$27 - \$37	8	\$37.00	\$ 296.00
					\$ -
					\$ -

LABOR COSTS

a) Subtotal Direct Labor Costs \$ 3,913.62
 b) Anticipated Salary Increases \$ 176.11 (see Escalation Calc.)
c) Total Direct Labor Costs [(a) + (b)] \$ 4,089.73

INDIRECT COSTS

d) Fringe Benefits (Rate: 35.70%) e) Total Fringe Benefits [(c) x (d)] \$ 1,460.03
 f) Overhead (Rate: 105.44%) g) Overhead [(c) x (f)] \$ 4,312.21
 h) General and Administrative (Rate: 0.00%) i) Gen & Admin [(c) x (h)] \$ -
j) Total Indirect Costs [(e) + (g) + (i)] \$ 5,772.25

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)]* fixed fee 12%] \$ 1,183.44

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
		Miles	\$0.655	\$ -
			\$0.00	\$ -
			\$0.00	\$ -
			\$0.00	\$ -
			\$0.00	\$ -

l) TOTAL OTHER DIRECT COSTS \$ -

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: _____ \$ _____
 Subconsultant 2: _____ \$ _____
 Subconsultant 3: _____ \$ _____
 Subconsultant 4: _____ \$ _____
(m) TOTAL SUBCONSULTANTS' COSTS \$ -

(n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)] \$ -
TOTAL COST [(c) + (j) + (k) + (n)] \$ 11,045.42

NOTES:

- Key Personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage must be marked with two asterisks (**). All costs must comply with the Federal costs principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or excepted by Caltrans.

3. Anticipated salary increases calculation must accompany.

Exhibit 10-H1 Cost Proposal
Actual Cost-Plus-Fixed Fee or Lump Sum (Firm Fixed Price) contracts
(Calculations for Anticipated Salary Increases)

Consultant Associated Right of Way Services, Inc. Contract No. _____ Date 2/23/2023

1. Calculate average hourly rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor		Total Hours		Avg Hourly	
<u>Subtotal per</u>		<u>per Cost</u>		<u>Rate</u>	<u>Contract Duration</u>
Cost Proposal		Proposal			
\$ 3,913.62	/	74	=	\$52.89	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all periods (Increase the Average hourly rate for a period by proposed escalation %)

	Avg Hourly		Proposed		
	<u>Rate</u>		<u>Escalation</u>		
Year 1	\$52.89	+	5%	=	\$55.53 Year 2 Avg Hourly Rate
Year 2	\$55.53	+	5%	=	\$58.31 Year 3 Avg Hourly Rate
Year 3	\$58.31	+	5%	=	\$61.22 Year 4 Avg Hourly Rate
Year 4	\$61.22	+	5%	=	\$64.28 Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each period by total hours)

	Estimated %		Total Hours		Total Hours
	<u>Completed</u>		<u>per Cost</u>		<u>per Period</u>
	<u>Each Period</u>		<u>Proposal</u>		
Year 1	10.00%	*	74	=	7.4 Estimated Hours Year 1
Year 2	90.00%	*	74	=	66.6 Estimated Hours Year 2
Year 3	0.00%	*	74	=	0 Estimated Hours Year 3
Year 4	0.00%	*	74	=	0 Estimated Hours Year 4
Year 5	0.00%	*	74	=	0 Estimated Hours Year 5
Total	100%		Total	=	74

4. Calculate Total Costs including Escalation (multiply average hourly rate by the number of hours)

	Avg Hourly		Estimated		Cost
	<u>Rate</u>		<u>Hours</u>		<u>Per Period</u>
	<u>(calculated above)</u>		<u>(calculated above)</u>		
Year 1	\$52.89	*	7.4	=	\$391.36 Estimated Hours Year 1
Year 2	\$55.53	*	66.6	=	\$3,698.37 Estimated Hours Year 2
Year 3	\$58.31	*	0	=	\$0.00 Estimated Hours Year 3
Year 4	\$61.22	*	0	=	\$0.00 Estimated Hours Year 4
Year 5	\$64.28	*	0	=	\$0.00 Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$4,089.73
Direct Labor Subtotal before escalation				=	\$3,913.62
Estimated total of Direct Labor Salary Increase				=	\$176.11 Transfer to Page 1

NOTES:

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
- An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology.)
- This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.

4. Calculations for anticipated salary escalation must be provided.

Exhibit 10-H1 Cost Proposal

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, and allocable to the contract in accordance with the contract terms and the following requirements:


1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. [Title 23 United States Code Section 112](#) - Letting of Contracts
4. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
5. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related Service
6. [48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board](#) (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Larry Castellanos Title*: Vice President

Signature:  Date of Certification (mm/dd/yyyy): 2/23/2023

Email: lcastellanos@arws.com Phone Number: (925) 691-8500

Address: 1255 Treat Blvd., Suite 815, Walnut Creek, CA 94597

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Right of Way Draft and Final Data Sheet

TOTAL COST [(c) + (j) + (k) + (n)] \$97,539.08

NOTES:

1. Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3
ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal \$27,283.76	Total Hours per Cost Proposal 650	=	Avg Hourly Rate \$41.98	5 Year Contract Duration Year 1 Avg Hourly Rate
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2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$41.98	+	5.0%	=	\$44.07	Year 2 Avg Hourly Rate
Year 2	\$44.07	+	5.0%	=	\$46.28	Year 3 Avg Hourly Rate
Year 3	\$46.28	+	5.0%	=	\$48.59	Year 4 Avg Hourly Rate
Year 4	\$48.59	+	5.0%	=	\$51.02	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	10.00%	*	650.0	=	65.0	Estimated Hours Year 1
Year 2	90.00%	*	650.0	=	585.0	Estimated Hours Year 2
Year 3	0.00%	*	650.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	650.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	650.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	650.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$41.98	*	65	=	\$2,728.38	Estimated Hours Year 1
Year 2	\$44.07	*	585	=	\$25,783.15	Estimated Hours Year 2
Year 3	\$46.28	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$48.59	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$51.02	*	0	=	\$0.00	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$28,511.53	
	Direct Labor Subtotal before Escalation			=	\$27,283.76	
	Estimated total of Direct Labor Salary			=	\$1,227.77	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:


1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Audrey Zagazeta Title *: President and CEO

Signature:  Date of Certification (mm/dd/yyyy) 2/21/2023

Email: a.zagazeta@circlepoint.com Phone Number: (408) 715-1503

Address: 42 S First Street, Suite D, San Jose, CA 95113

*An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3

ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
<u>\$9,282.79</u>	<u>205</u>		<u>45.28</u>	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$45.28	+	5.0%	=	\$47.55	Year 2 Avg Hourly Rate
Year 2	\$47.55	+	5.0%	=	\$49.92	Year 3 Avg Hourly Rate
Year 3	\$49.92	+	5.0%	=	\$52.42	Year 4 Avg Hourly Rate
Year 4	\$52.42	+	5.0%	=	\$55.04	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	10%	*	205	=	20.50	Estimated Hours Year
Year 2	90%	*	205	=	184.50	Estimated Hours Year
Year 3	0%	*	205	=	0.00	Estimated Hours Year
Year 4	0%	*	205	=	0.00	Estimated Hours Year
Year 5	0%	*	205	=	0.00	Estimated Hours Year
Total	<u>100%</u>		Total	=	205.00	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the nu

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$45.28	*	21	=	928.279	Estimated Hours Year
Year 2	\$47.55	*	185	=	\$8,772.24	Estimated Hours Year
Year 3	\$49.92	*	0	=	\$0.00	Estimated Hours Year
Year 4	\$52.42	*	0	=	\$0.00	Estimated Hours Year
Year 5	\$55.04	*	0	=	\$0.00	Estimated Hours Year
Total Direct Labor Cost with Escalation				=	\$9,700.52	
Direct Labor Subtotal before Escalation				=	<u>\$9,282.79</u>	
Estimated total of Direct Labor Salary Increase				=	<u>\$417.73</u>	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 years = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted In direct Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Benjamin D. Crawford

Title *: President

Signature 

Date of Certification: 2/23/2022

Email: ben.crawford@crawford-inc.com

Phone Number: (916) 455-4225

Address: Crawford & Associates, Inc., 4701 Freeport Blvd., Sacramento, CA 95822

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Geotechnical Engineering and Environmental Services

COST PROPOSAL 2

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed

Consultant Crawford & Associates, Inc.

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Project No. El Camino Real Bicycle and Pedestrian Improvement

Contract No. _____

Contract Amount \$ \$ 36,580.57

Date 2/23/2022

For Combined Rate	Fringe Benefit % 88.29%	+	Overhead % 116.79%	+	General & Administrative 20.00%	=	Combined ICR% 225.08%
OR							
For Home Office Rate	Fringe Benefit % + General & Administrative %					=	Home Office ICR%
For Field Office Rate	Fringe Benefit % + General & Administrative %					=	Field Office ICR%
						Fee	= 12%

BILLING INFORMATION

CALCULATION INFORMATION

Name/Job Title/Classification ¹	Hourly Billing Rates ²			Effective Date of Hourly		Actual or Avg. Hourly Rate ⁴	% or \$ Increase	Hourly Range - for Classifications Only
	Straight ³	OT(1.5x)	OT(2x)	From	To			
Benjamin Crawford * Principal	\$246.09	N/A	N/A	2/1/2023	1/31/2024	\$67.59	5.0%	Not Applicable
	\$258.39	N/A	N/A	2/1/2024	5/31/2024	\$70.97		
Chris Trumbull * Senior Project Manager	\$263.96	N/A	N/A	2/1/2023	1/31/2024	\$72.50	5.0%	Not Applicable
	\$277.16	N/A	N/A	2/1/2024	5/31/2024	\$76.13		
Eric Nichols * Senior Project Manager	\$206.84	N/A	N/A	2/1/2023	1/31/2024	\$56.81	5.0%	Not Applicable
	\$217.18	N/A	N/A	2/1/2024	5/31/2024	\$59.65		
Project Manager I TBD	\$192.53	N/A	N/A	2/1/2023	1/31/2024	\$52.88	5.0%	\$49.00 - \$56.75 \$51.45 - \$59.59
	\$202.16	N/A	N/A	2/1/2024	5/31/2024	\$55.52		
Senior Geologist TBD	\$169.05	\$192.26	\$215.48	2/1/2023	1/31/2024	\$46.43	5.0%	\$42.85 - \$50.00 \$44.99 - \$52.50
	\$177.50	\$201.87	\$226.25	2/1/2024	5/31/2024	\$48.75		
Senior Engineer TBD	\$169.05	\$192.26	\$215.48	2/1/2023	1/31/2024	\$46.43	5.0%	\$42.85 - \$50.00 \$44.99 - \$52.50
	\$177.50	\$201.87	\$226.25	2/1/2024	5/31/2024	\$48.75		
Project Engineer II TBD	\$152.92	\$173.92	\$194.92	2/1/2023	1/31/2024	\$42.00	5.0%	\$42.00 - \$42.00 \$44.10 - \$44.10
	\$160.56	\$182.61	\$204.66	2/1/2024	5/31/2024	\$44.10		
Project Engineer I TBD	\$136.53	\$155.28	\$174.03	2/1/2023	1/31/2024	\$37.50	5.0%	\$34.00 - \$41.00 \$35.70 - \$43.05
	\$143.36	\$163.05	\$182.74	2/1/2024	5/31/2024	\$39.38		
Staff Engineer TBD	\$119.71	\$136.15	\$152.59	2/1/2023	1/31/2024	\$32.88	5.0%	\$29.00 - \$36.75 \$30.45 - \$38.59
	\$125.70	\$142.96	\$160.22	2/1/2024	5/31/2024	\$34.52		
Administrative Assistant TBD	\$108.32	N/A	N/A	2/1/2023	1/31/2024	\$29.75	5.0%	\$28.00 - \$31.50 \$29.40 - \$33.08
	\$113.73	N/A	N/A	2/1/2024	5/31/2024	\$31.24		

(Add pages as necessary)

NOTES:

- Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended.
- Billing rate = actual hourly rate * (1 + ICR) * (1 + Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
- For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant Fehr & Peers

Project No. TBD Contract No. _____ Date 2/22/2023

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal / Principal-in-Charge*	Erin Ferguson	45	\$89.42	\$4,023.90
Associate / Project Manager*	Ingrid Ballus Armet	154	\$59.13	\$9,106.02
Associate / Technical Advisor*	Ashley Weiss	54	\$69.23	\$3,738.42
Senior Engineer/Planner	TBD	0	\$54.33	\$0.00
Engineer/Planner / Project Engineer*	Zoey Zhang	467	\$44.71	\$20,879.57
Technician / Graphics	TBD	56	\$49.04	\$2,746.24
Senior Associate	TBD	0	\$76.44	\$0.00

LABOR COSTS

a) Subtotal Direct Labor Costs	<u>\$40,494.15</u>
b) Anticipated Salary Increases (see page 2 for calculation)	<u>\$1,821.19</u>
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$42,315.34

INDIRECT COSTS

d) Fringe Benefits (Rate: <u>80.17%</u>)	e) Total Fringe Benefits [(c) x (d)]	<u>\$33,924.21</u>
f) Overhead (Rate: <u>102.65%</u>)	g) Overhead [(c) x (f)]	<u>\$43,436.70</u>
h) General and Administrative (Rate: _____)	i) Gen & Admin [(c) x (h)]	<u>\$0.00</u>
	j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]	\$77,360.91

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee	12%	\$14,361.15
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l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit(s)	Unit Cost	Total
Mileage Costs		mile		At cost, IRS rate
Printing and Reproduction		each		At cost
Travel/Per Diem		each		At cost
Delivery (FedEx, Courier, USPS, UPS, GSO, etc)		each		At cost
Data collection (Intersection counts, O/D data, etc)		each		\$0.00
l) TOTAL OTHER DIRECT COSTS				\$0.00

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: _____ Firm name _____	_____
Subconsultant 2: _____	_____
Subconsultant 3: _____	_____
Subconsultant 4: _____	_____
m) TOTAL SUBCONSULTANTS' COSTS	\$0.00

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)]	\$0.00
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TOTAL COST [(c) + (j) + (k) + (n)]	\$134,037.40
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NOTES:

- Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3
COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$40,494.15	776	=	\$52.18	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation	=		
Year 1	\$52.18	+	5.0%	=	\$54.79	Year 2 Avg Hourly Rate
Year 2	\$54.79	+	5.0%	=	\$57.53	Year 3 Avg Hourly Rate
Year 3	\$57.53	+	5.0%	=	\$60.41	Year 4 Avg Hourly Rate
Year 4	\$60.41	+	5.0%	=	\$63.43	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal	=	Total Hours per Year	
Year 1	10.00%	*	776.0	=	78.0	Estimated Hours Year 1
Year 2	90.00%	*	776.0	=	698.0	Estimated Hours Year 2
Year 3	0.00%	*	776.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	776.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	776.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	776.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)	=	Cost per Year	
Year 1	\$52.18	*	78.0	=	\$4,070.29	Estimated Hours Year 1
Year 2	\$54.79	*	698.0	=	\$38,245.05	Estimated Hours Year 2
Year 3	\$57.53	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$60.41	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$63.43	*	0	=	\$0.00	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$42,315.34	
	Direct Labor Subtotal before Escalation			=	\$40,494.15	
	Estimated total of Direct Labor Salary Increase			=	\$1,821.19	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:


I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. [Title 23 United States Code Section 112](#) - Letting of Contracts
4. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
5. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related Service
6. [48 Code of Federal Regulations Part 9904](#) - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Ingrid Ballus Armet Title *: Associate

Signature:  Date of Certification (mm/dd/yyyy): 2/23/2023

Email: I.BallusArmet@fehrandpeers.com Phone Number: (415) 625-9074

Address: 345 California Street, Suite 450, San Francisco, 94104

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed
Consultant

Kearns & West

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Project No. _____ Contract No. _____

Date 20-Feb-23

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Senior Associate	Henry DeRuff	247.00	\$ 35.58	\$8,788.26
Senior Director	Katie DeLeuw	79.00	\$ 70.19	\$5,545.01
Principal In Charge	Ben Gettleman	1.00	\$ 96.15	\$96.15
				\$0.00
				\$0.00
				\$0.00

LABOR COSTS

a) Subtotal Direct Labor Costs	\$14,429.42
b) Anticipated Salary Increases (see page 2 for calculation)	\$779.19
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$15,208.61

INDIRECT COSTS

d) Fringe Benefits (Rate):	49.39%	e) Total Fringe Benefits [(c) x (d)]	\$7,511.53
f) Overhead (Rate):	36.58%	g) Overhead [(c) x (f)]	\$5,563.31
h) General and Administrative (Rate):	78.20%	i) Gen & Admin [(c) x (h)]	\$11,893.13
		j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]	\$24,967.97

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee	12.00%	\$4,821.19
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l) CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs	80	miles	\$0.66	\$52.40
Tolls	0	trips	\$7.00	\$0.00
Parking	0	trips	\$20.00	\$0.00
Printing - color	200	sheets	\$1.00	\$200.00
Printing - Display boards	12	boards	\$100.00	\$1,200.00
Translation	3000	words	\$0.28	\$840.00
Website remediation	1	site	\$500.00	\$500.00
Graphic design	3	materials	\$1,275.00	\$3,825.00
		l) TOTAL OTHER DIRECT COSTS		\$6,617.40

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1:	_____	\$0.00
Subconsultant 2:	_____	\$0.00
Subconsultant 2:	_____	\$0.00
Subconsultant 4:	_____	
Subconsultant 5:	_____	
Subconsultant 6:	_____	
Subconsultant 7:	_____	
Subconsultant 8:	_____	
	m) TOTAL SUBCONSULTANTS' COSTS	\$0.00

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)]	\$6,617.40
TOTAL COST [(c) + (j) + (k) + (n)]	\$51,615.17

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

	Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	Avg Hourly Rate
Year 1	\$14,429.42	327.00	\$44.13 <- year 1 average hourly rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate	Proposed Escalation	Next Year Avg Hourly Rate
Year 1	\$44.13	5%	\$44.13
Year 2	\$44.13	5%	\$46.77
Year 3	\$46.77	5%	\$49.58
Year 4	\$49.58	5%	\$52.56

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year	Total Hours per Cost Proposal	Total Hours per Year
Year 1	10%	327.00	32.7
Year 2	90%	327.00	294.3
Year 3	0%	327.00	0
Year 4	0%	327.00	0

4. Calculate Total Costs Including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)	Estimated hours (calculated above)	Cost per Year
Year 1	\$44.13	32.7	\$1,442.94
Year 2	\$46.77	294.3	\$13,765.67
Year 3	\$49.58	0	\$0.00
Year 4	\$52.56	0	\$0.00
	Total direct labor cost with escalation:		\$15,208.61
	Total direct labor cost before escalation:		\$14,429.42
	Difference:		\$779.19 <- will be automatically added to cell Page 1 cell 704H


Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. [Title 23 United States Code Section 112](#) - Letting of Contracts
4. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
5. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related Service
6. [48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board](#) (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

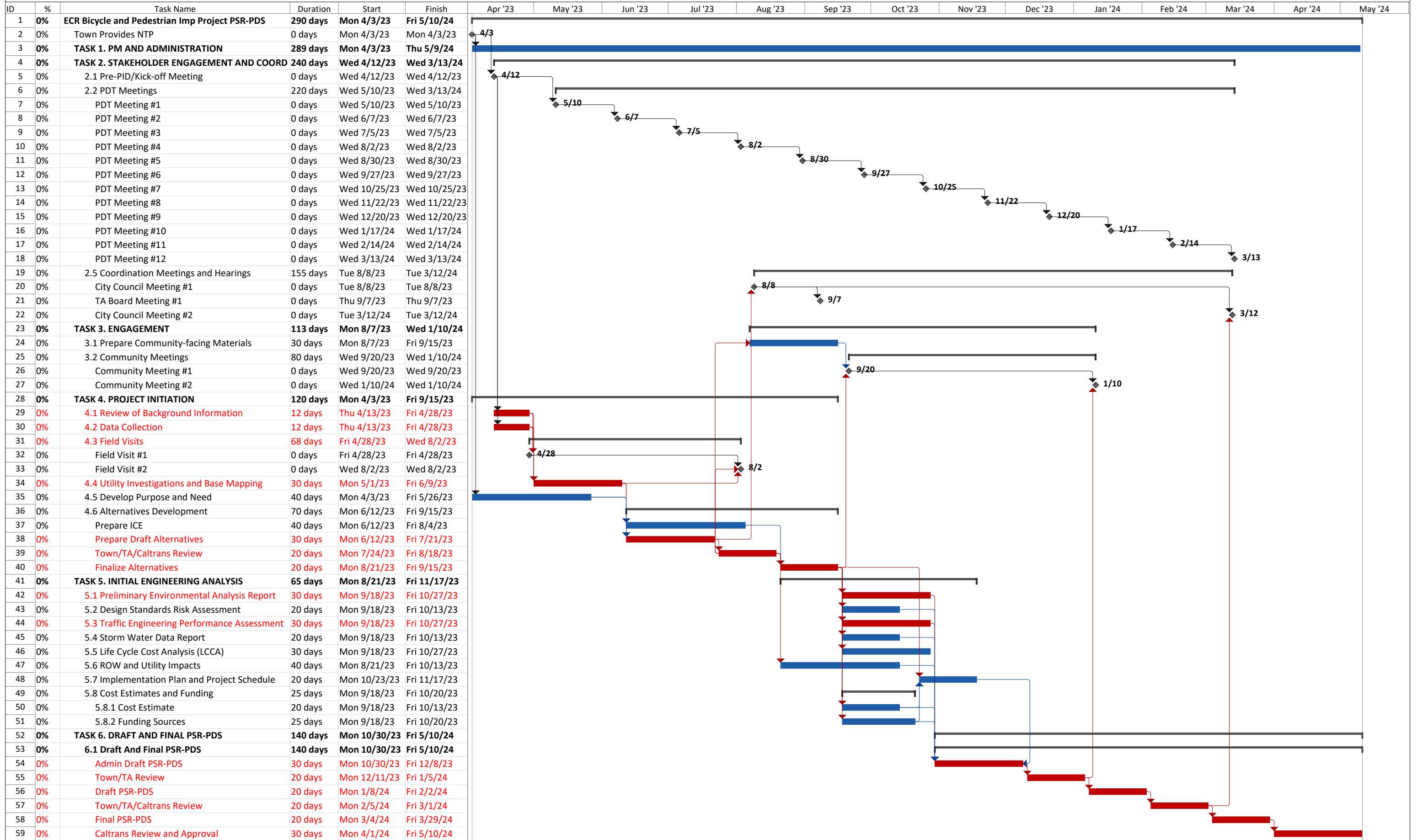
Name: Kent Schwartz Title: Principal, CFO/COO
Signature:  fication (mm/dd/yyyy): 2/23/2023
Email: kschwartz@kearnswest.com Phone number: _____
Address: 233 Sansome Street #400 San Francisco CA 94104

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Equitable community engagement

EXHIBIT C
Activity Schedule







STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Pak Lin, Administrative Services Director
 VIA: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: OPEB Liabilities Update

RECOMMENDATION

Staff seeks comments, questions, impressions, and opinions from each Council member regarding the OPEB status update.

EXECUTIVE SUMMARY

Pension and other post-employment benefits (OPEB) plan obligations continue to be one of the Town's largest financial concerns.

FISCAL IMPACT

There is no fiscal impact for FY 2022-23. Feedback will be incorporated in the FY 2023-24 budget development.

BACKGROUND

The Town participated in PARS 115 Trusts to offset future OPEB contributions beginning in June 2015. Aside from March 2020 through June 2021, the Town made annual contributions equal to the actuarially determined contribution to its 115 Trust. A reduced contribution was made from March 2020 through June 2021 in response to the financial impact of the COVID-19 pandemic.

Another impact of the COVID-19 pandemic is on the US economy, resulting in supply chain shortages and rising inflation. These market fluctuations impacted the market confidence and drove the significant investment loss in FY 2021-22, a negative 11%.

Staff partnered with GovInvest in preparing an update on the current financial health of the Town's OPEB 115 Trust.

ANALYSIS

Per the analysis completed by GovInvest, the Town is on track to reach 100% funded status by 2036. This is based on the assumptions that the Town will make contributions based on a 6% discount rate, and the Town will continue to make full contributions to OPEB trust per the actuarially determined contribution (ADC).

Next Step

Feedback from the OPEB study will be incorporated into the development of the FY 2023-24 budget. The FY 2024-25 and FY 2025-26 budget will incorporate the ADC from the June 30, 2022 Actuary Report, scheduled to be completed by June 30, 2023.

Council Adopted Values

Periodic reviews of the Town's Pension liabilities are in alignment with the Town's Responsibility and Vision attributes in the Town's Value-Based Code of Conduct.

CONCLUSION

Staff seeks comments, questions, impressions, and opinions from each Council member regarding the OPEB status update.

ATTACHMENTS

- A. OPEB Update

OPEB Funding Update

Town of Colma
March 22, 2023



Other Post-Employment Benefits (OPEB)

- Includes
 - Retiree Health Benefits
 - Retiree Dental Benefits
 - Retiree Vision Benefits
 - Retiree Life Insurance Benefits
- Excludes
 - Pensions
 - Severance Pay
- Colma provides Retiree Health and Dental Benefits to former employees

OPEB – Where Are We Now?

Report Date
June 30, 2022

Unfunded
Liability

\$11.1M

Funded
Percentage

34.1%

Measurement Date
June 30, 2021

Actuarially
Determined
Contribution
FY 22-23

\$1,407,599

ADC as a
Percent of Pay
FY 22-23

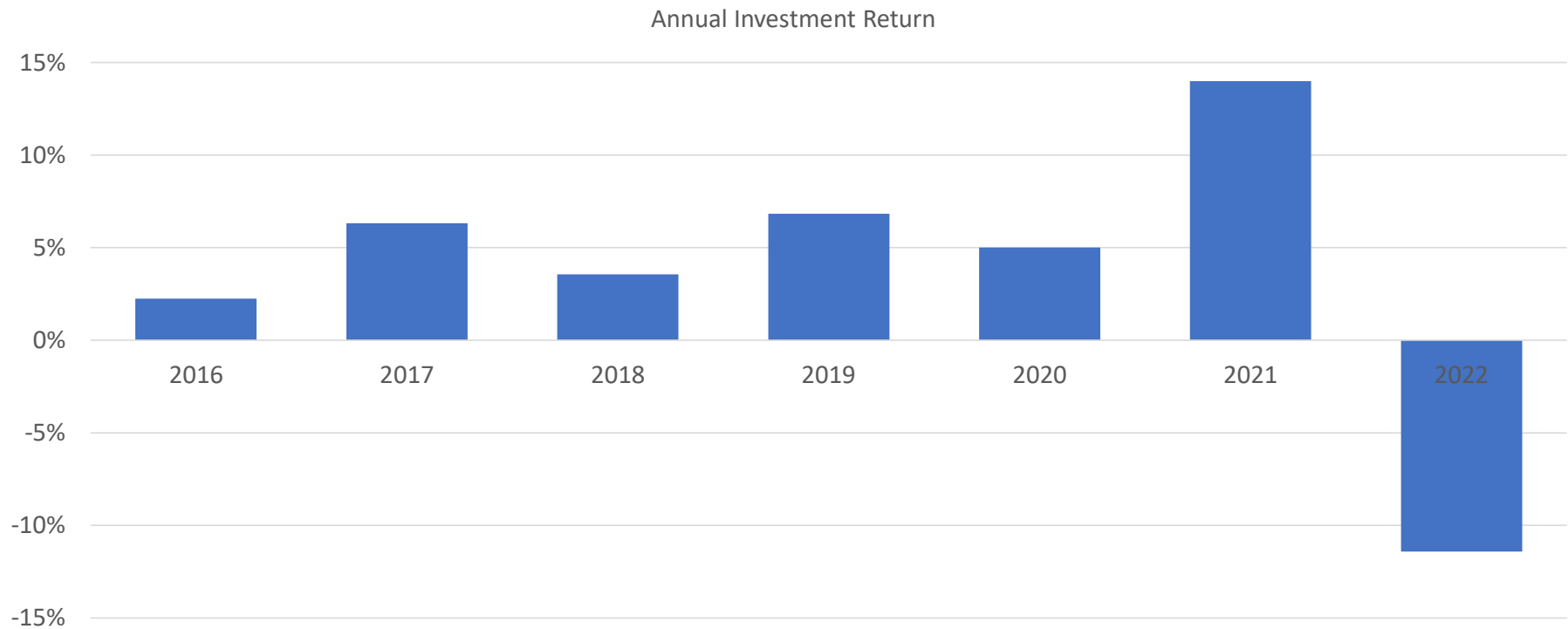
40.4%

Investment Return

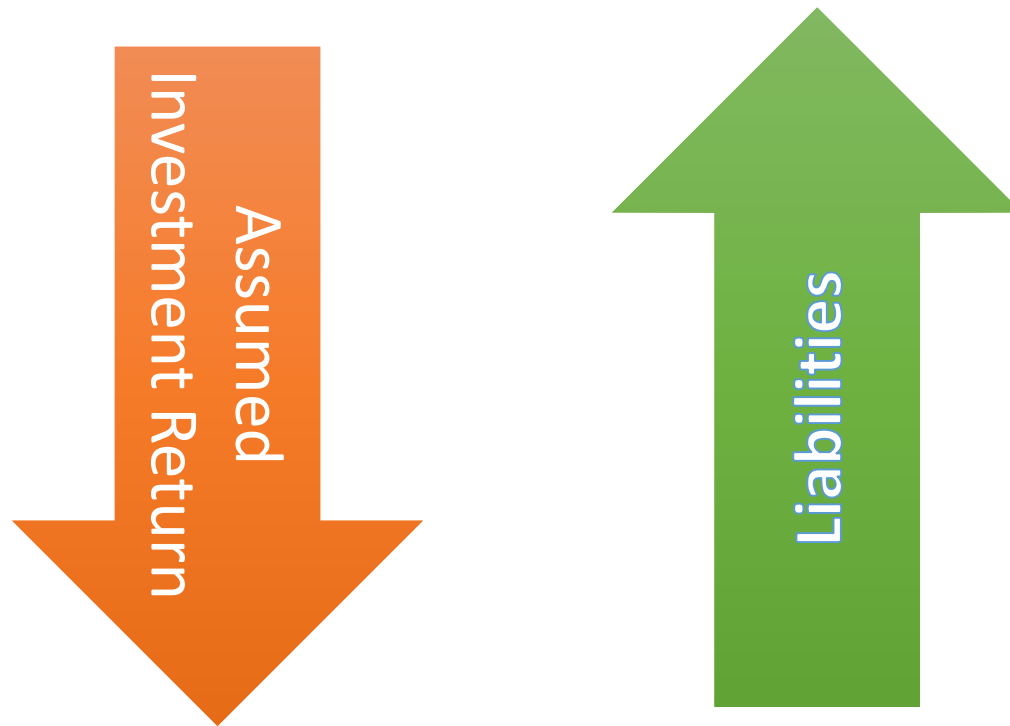
Annual Rate of Return for CERBT Fund

- Assets are invested in CERBT Strategy 1
- Fiscal Year Ended June 30, 2022: -11.4%

Historical Investment Returns for the Year Ending June 30



The Discount Rate will be lowered to reflect the lower Expected Return



Funding

Funding Policy

- Colma's policy is to contribute an amount equal to the Actuarially Determined Contribution less the amount of the Implicit Subsidy into the OPEB Trust.

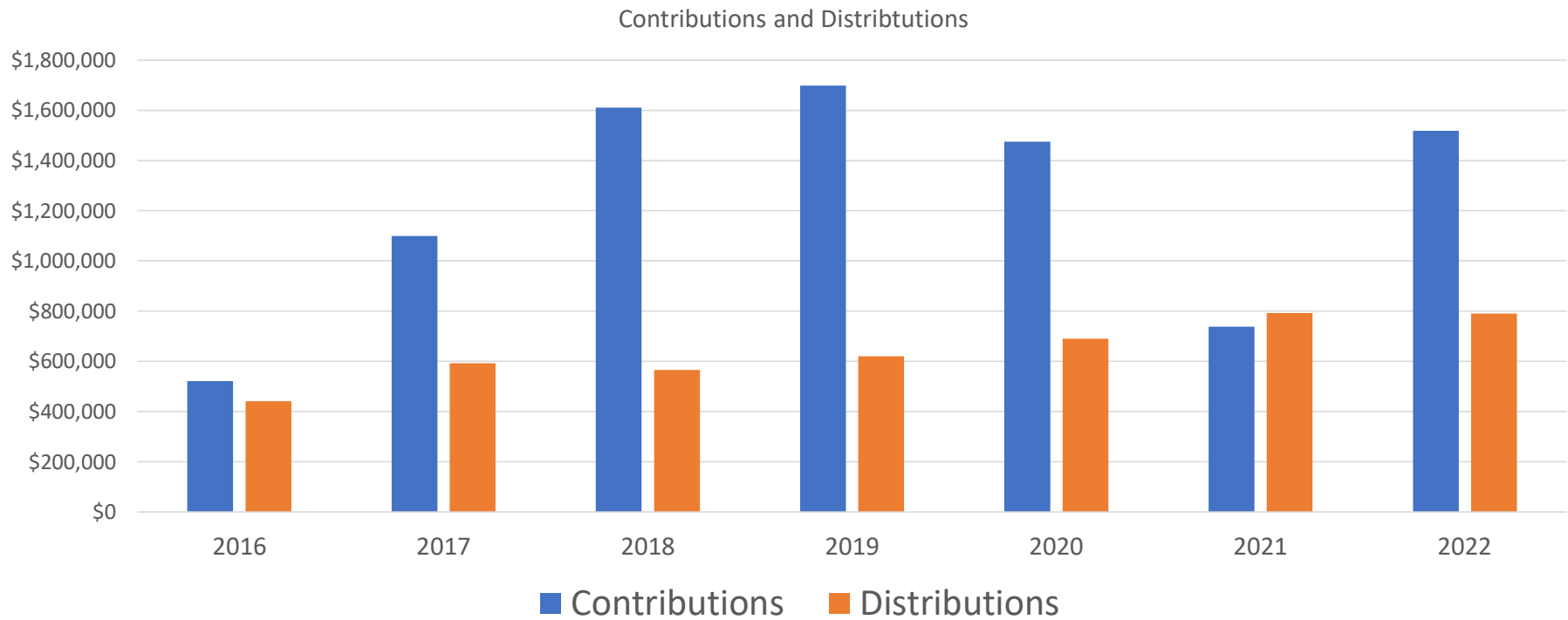
Explicit versus Implicit Benefits

- Explicit Benefits are the portion of the retiree health care premium paid by the Town for the retirees and their beneficiaries.
- Implicit Benefits are the higher premium rate paid by the Town for its current active employees due to the CalPERS Health Program charging the same premium rate for active employees as it does for retirees, as required under the Public Employees' Medical & Hospital Care Act (PEMHCA).

Contribution History

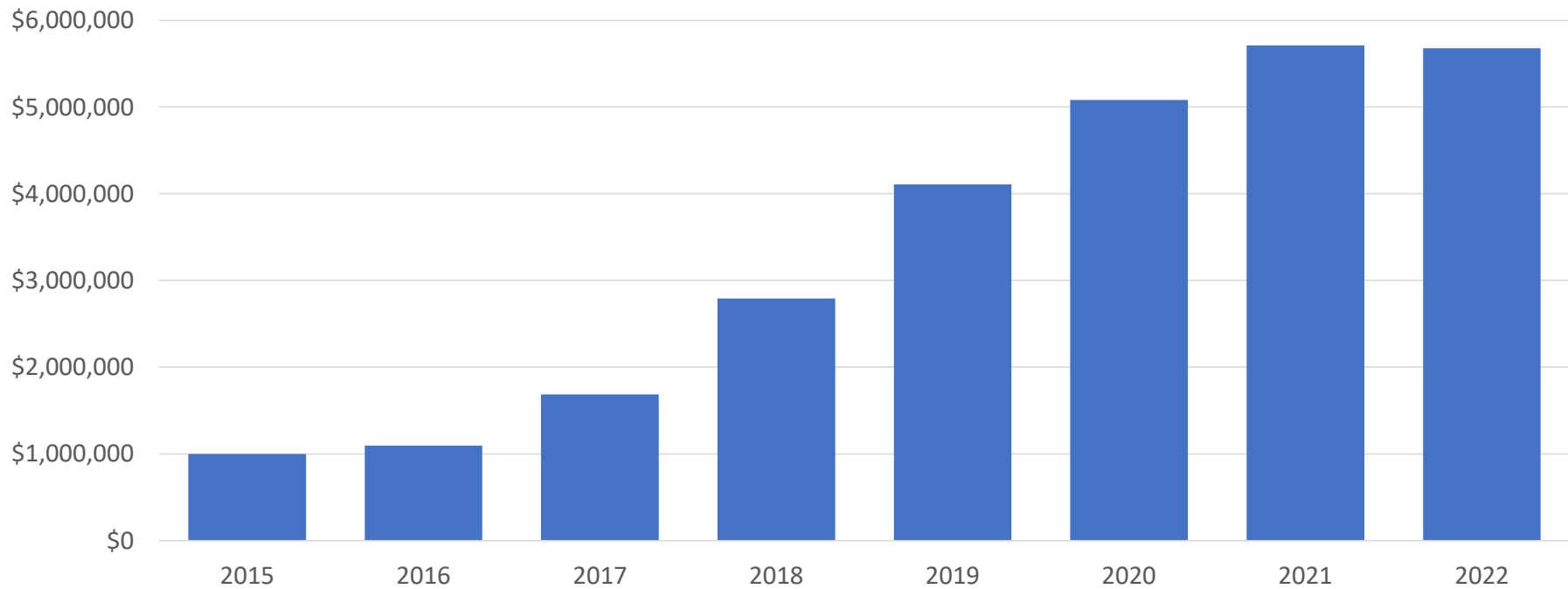
- On June 10, 2015, the City Council approved the contract to participate in PARS's pension and OPEB trust. A \$1.0 million was transferred from the Town's committed general fund reserve to OPEB.
- Thereafter, the Town made monthly contributions to PARS based on the most recent OPEB valuation (12 equal parts of ADC).
- Monthly contributions continued until April 2020. Due to COVID and the impact on the shelter-in-place order, the Town saw a \$2 million reduction in tax revenues. As a result, the Town only made 2 monthly contributions from April 2020 to June 2020, instead of 3.
- For FY 2020-21, the Town reduced the OPEB contributions to 50% of ADC (at \$61k per month).
- OPEB contributions = ADC – implicit subsidy was reinstated in FY 2021-22, and the Town plans to continue to make full OPEB contributions moving forward.

Contributions and Distributions



OPEB Trust Balance as of July 1

Balance As of July 1

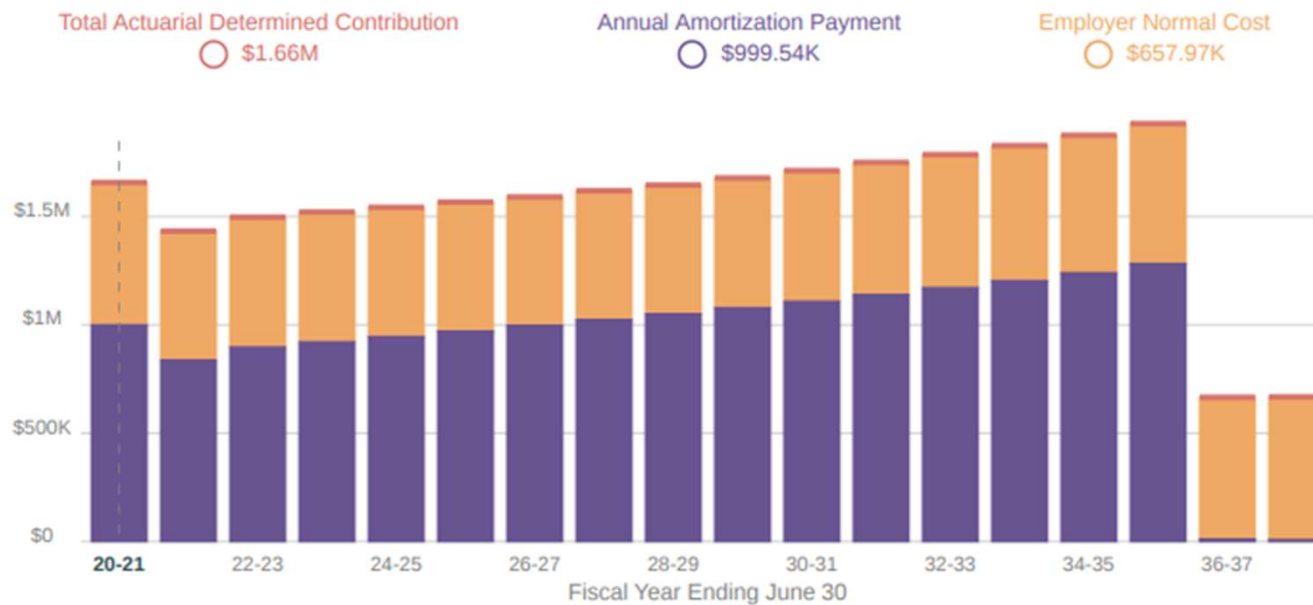


Current Funding Projection

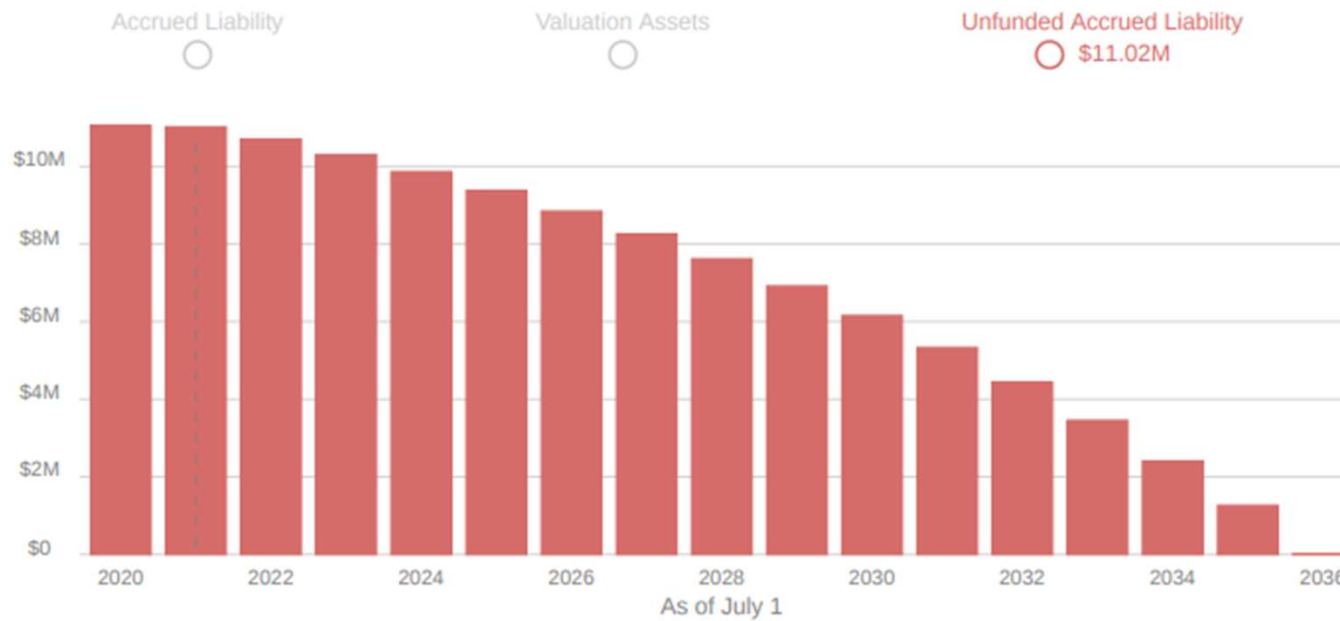
Projecting Unfunded Liability

- Discount Rate
 - Assumed to drop to 6% beginning with 2022 valuation
- Investment Return
 - Assumed to be -11.4% in Fiscal Year 2022
 - Match Assumed Discount Rate in following years

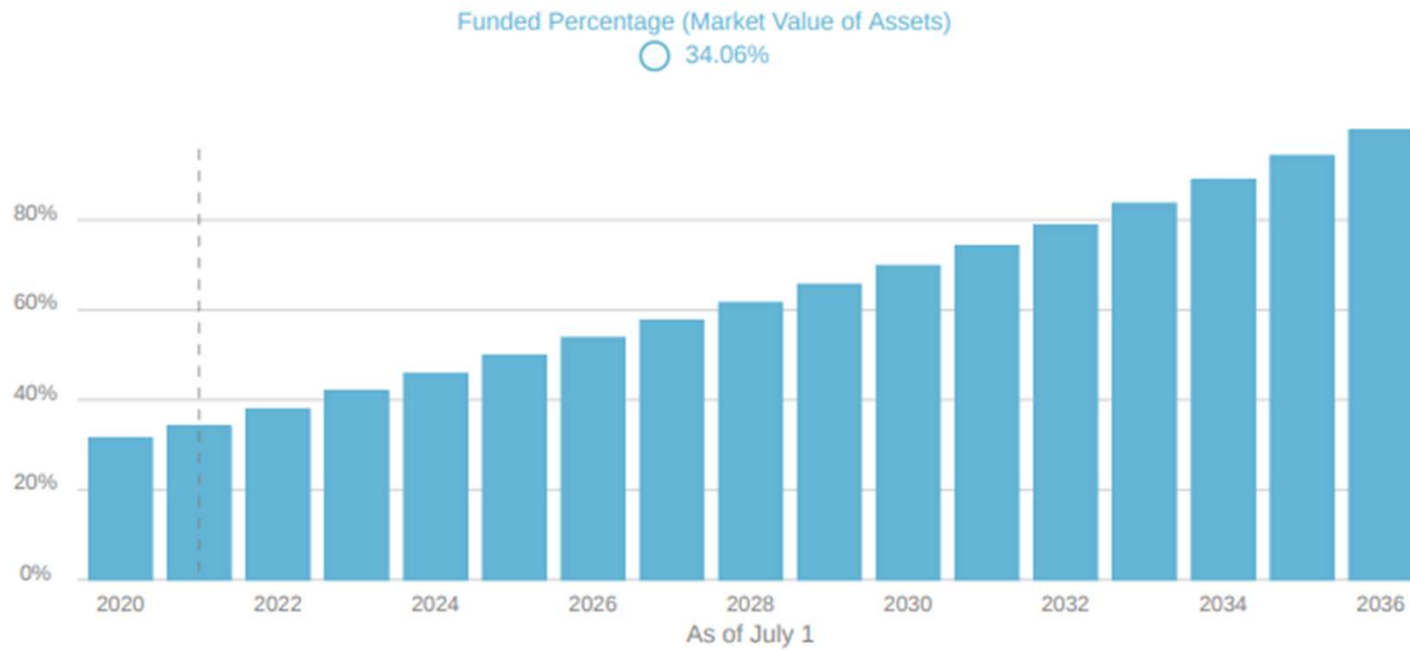
Actuarially Determined Contribution



Projected Unfunded Liability



Funded Percentage





Disclaimer

While tested against actuarial valuation results, the software results will not necessarily match actuarial valuation results, as no two actuarial models are identical. The software offers financially sound projections and analysis; however, outputs do not guarantee compliance with standards under the Government Accounting Standards Board or Generally Accepted Accounting Principles. The software and this presentation are not prepared in accordance with standards as promulgated by the American Academy of Actuaries, nor do outputs or this presentation constitute Statements of Actuarial Opinion. GovInvest has used census data, plan provisions, and actuarial assumptions provided by Customer and/or Customer's actuary to develop the software for Customer. GovInvest has relied on this information without audit.





STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: Presentation from the Retail Coach

RECOMMENDATION

Staff recommends that the City Council make the following motion:

MOTION ACCEPTING THE PRESENTATION BY THE RETAIL COACH

EXECUTIVE SUMMARY

The Retail Coach has been providing commercial/retail recruiting, market analysis services and communications with commercial real estate developers for underutilized commercial areas for approximately the last 18 months. Staff is recommending that the City Council accept the presentation from the Retail Coach on progress to date, market trends and communications.

FISCAL IMPACT

There is no direct fiscal impact associated with this action.

BACKGROUND

One of City Council's priorities for the Strategic Plan goal of Economic Development is to work on filling vacancies in our commercial areas and engage with developers for underutilized land in Colma. In November of 2021, staff entered into a two-year agreement with the Retail Coach after consulting with them at the League of California Cities conference in September of 2021. The Retail Coach's Scope of Work is to:

- Analyze the Market
- Determine Retail Opportunities
- Identify Development Opportunities
- Identify Retailer and Developers for Recruitment
- Recruit Retailers and Developers

ANALYSIS

At the March 22, 2023, City Council Meeting the Retail Coach will present information the following:

- **2023 Retail Trends** - What we're seeing at a regional and national level and takeaways from the first quarter of the year.
- **SWOT Analysis & Challenges Facing Colma** - strengths, weaknesses, opportunities, and threats for the Colma retail market and overview of some of the key challenges the town is facing when attracting new retailers and developers.
- **Progress and Feedback to Date** - Review of the types of retailers/restaurants/brands we're working to attract to the market and the feedback we've seen to date, and overview of key recruitment activities and conferences we've attended on the town's behalf.
- **Where we go from here** - Key focus areas for the remainder of the year and look ahead to important conferences, primarily ICSC Las Vegas in May.

Council Adopted Values

Accepting the presentation by the Retail Coach is the *responsible* action because it provides transparency to the City Council and Public on activities and progress to date.

Sustainability Impact

None.

Alternatives

The City Council could choose not to accept the presentation by the Retail Coach and instead provide direction for additional services or modify the scope of work being provided by the Retail Coach.

CONCLUSION

Staff recommends the City Council make a motion accepting the presentation by the Retail Coach.



STAFF REPORT

TO: Mayor and Members of the City Council
 FROM: Brian Dossey, City Manager
 MEETING DATE: March 22, 2023
 SUBJECT: Approving the 2023-25 Strategic Plan

RECOMMENDATION

Staff recommends that the City Council:

Adopt:

RESOLUTION AMENDING SUBCHAPTER 1.03 OF THE COLMA ADMINISTRATIVE CODE, RELATING TO THE VALUE BASED CODE OF CONDUCT PURSUANT TO CEQA GUIDELINE 15061

Make the following motion:

MOTION APPROVING THE 2023-2025 STRATEGIC PLAN AS PRESENTED BY STAFF PURSUANT TO CEQA GUIDELINE 15061.

EXECUTIVE SUMMARY

Attached are the proposed changes to the Town of Colma Value Based Code of Conduct as well as the Strategic Plan document which reflects the prioritization of proposed programs as determined by the City Council at the March 2, 2023, Strategic Planning Study Session.

FISCAL IMPACT

There is no direct fiscal impact associated with this action. Each individual program in the Strategic Plan will have a fiscal impact, however. Some of these programs are already in progress and, as such, are already budgeted.

ENVIRONMENTAL

The City Council's action to amend the Value Based Code of Conduct and to adopt the strategic plan is not a project subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline 15061(b)(3) as amending the value based code of conduct will not have any potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and, instead, concerns general policy and procedure making. The same would apply to the strategic plan document which merely serves as a plan but does not approve any particular project in the plan. The strategic plan document will allow staff to bring future items to the City Council that will be analyzed under CEQA once studied and any scope is developed. To analyze impacts associated with potential projects would be speculative at this time.

BACKGROUND

As the Council will recall, the Council and staff held a Strategic Planning study session on March 2, 2023. During the study session, staff presented the proposed changes to the Town of Colma Value Based Code of Conduct stemming from the City Council teambuilding workshop on February 16, 2023. Also, during the study session staff presented various programs to the Council, with Council providing feedback and comments on the proposed strategic plan, including confirmation of the priority programs. The attached documents reflect staff's understanding of those discussions.

ANALYSIS

The March 2nd study session focused on development of the 2023-25 Strategic Plan, which included goals and programs in five priority areas: Resiliency, Operations, Economic Development, Community, and Capital.

Value Statement

The Statement of Values are selected from the Town of Colma Value Based Code of Conduct. During the City Council/Leadership Team, team building workshop on February 16, 2023, the Value Based Code of Conduct was reviewed, and small edits were recommended under the behavioral value of "Vision." Staff is recommending the City Council approve the amendments to the Value Based Code of Conduct. Please see attachment A.

The Statement of Values that the City Council adopted for the 2020 – 2022 Strategic Plan comprised of expressions of how core behavioral values (Fairness, Responsibility, Trust, and Innovation) would be applied in the context of making policy decisions, such as adopting a budget, as opposed to being applied to an individual council members conduct. Below are the statement of values that were adopted for the 2020-2022 Strategic Plan and staff is not recommending any changes to the Value Statement for the 2023-2025 Strategic Plan.

Value Statement

We treat all persons, claims and transactions in a fair and equitable manner.

We make decisions after prudent consideration of the financial impact, considering the long-term financial needs of the agency, especially its financial stability.

We work to build trust with one another and the community to foster an inclusive, supportive and open environment.

We promote intelligent and thoughtful innovation in order to forward the Town's policies and services.

Priority Areas

Staff recommended focusing on the some of the Priority Areas from the 2020-22 Plan; Resiliency, Operations, Economic Development, Community and Capital.

At the March 2nd workshop the Council agreed on the proposed Priority Areas for the FY2023-25 Strategic Plan.

Goals

At the March 2nd workshop staff presented some key challenges that cities are going to face in the future and staff developed the draft strategic plan based on those challenges. The plan presents a strategy that will best position Colma to attract businesses, visitors and new residents. Some of the challenges that Colma will face over the next few years are:

- In 2025, forty percent (40%) of the workforce is going to be millennials and they will demand that technology be available to comment in real time, report issues, solve problems, respond to concerns, and conduct day to day business from a handheld device, laptop or tablet. Millennials will also demand that city infrastructure is ready and available for upcoming and new communications.
- There will be 20 million Baby Boomers nationwide and they will need senior services from mobility, accessibility, programs and services.
- New residents will demand affordable housing that is accessible by public transportation in cities that have thriving businesses to not only work at, but to also have shopping opportunities and have entertainment options.
- The sense of community is more desirable among all populations. It is important to continue to create opportunities for the community to gather at events, create a sense of place or space when updating roadways or facilities, and to incorporate a city's history into facilities and/or infrastructure.
- Costs for services. How do cities keep up with providing exemplary services, adding new programs and projects while revenues cannot keep up with expenditures?

The City Council agreed that the Priority Areas and Goals, which can be seen in the table below, were in alignment to help prepare the Town for not only caring for our existing businesses, visitors and residents but also attracting businesses, visitors and new residents.

Programs

The final portion of the March 2nd study session was to provide feedback on the proposed programs or select new programs to be implemented in the next two years for each priority area.

The City Council provided the following comments and feedback on the various goals and programs in the 2023-2025 Strategic Plan.

- Resiliency
 - Schedule a study session to discuss revenue strategies.
 - Reach out to local Universities (liberal arts) when recruiting. Use Value Based Code of Conduct.
 - Reach Codes – electric should always be an option (water heaters).

- Operations
 - Supportive of Asset Management System
- Economic Development
 - Be aware of RHNA when researching hotel development.
 - Improve street signage.
 - Concerns over costs for Town owned freeway sign.
- Community
 - Supportive of Explorer program, promote program achievements once established.
 - Consider citizen prep program, youth government program and mock city council for teens.
 - Maybe consider citizen of the year vs volunteer of the year.
 - Set parameters for ride share program.
 - Restart recreation department youth and teen trips.
- Capital
 - Serramonte Blvd West project - address concerns over off-loading vehicles along Serramonte Blvd (blocking traffic).
 - During Lawndale project explore alternative uses.
 - Colma Creek project – contact One Shoreline for funding.
 - HVAC project for the Police Station is scheduled for FY2023-2024.

The above-mentioned comments will be reviewed, considered and when possible incorporated as each program is developed.

As noted during the meeting, these will not be the only programs undertaken by the Town – the Town will certainly undertake other programs as well. The purpose of identifying the top priority programs is simply to keep everyone focused on the most important programs that the Council wishes to accomplish during the planning period. Thus, where there are questions whether to allocate staff time or Town resources between programs, the choice will be to favor the programs that are in the Strategic Plan that meet the Council's goals. A summary of the Goals and Priority Programs is presented below, with a more detailed worksheet attached.

2023 – 2025 Strategic Plan Goals and Priority Programs

Area:	<u>Resiliency:</u>	<u>Operations:</u>	<u>Economic Development:</u>	<u>Community:</u>	<u>Capital:</u>
Goal:	<i>Ensure long term Financial health, Workforce development, Emergency preparedness and Climate adaptation</i>	<i>Increase Civic engagement, Transparency and use of Technology</i>	<i>Marketing & Brand Development, Supporting Retail, and Future Land Use</i>	<i>Build upon our Community identity & Improve quality of life</i>	<i>Update Infrastructure and Beautification</i>

Programs:	* Develop Revenue Strategies to meet rising costs	Build efficiencies through Technology.	* Land Use	* Public Art Programs & Wayfaring	* Improve Streets, Sidewalks and Bikeways providing access to all
	* Workforce Wellness, Engagement, Retention and Recruitment	* Move to 24/7 Dispatch Center per CalOES guidelines	Branding & Marketing	Public outreach to residents and youths	Upgrade Sewers and Storm drains ensuring Health & Safety
	Implement CAP, Consider Reach Code Ord., and Recycled Water & EV/Solar Infrastructure	Research and implement technology increasing transparency	* Retail Recruitment & Retention	* 100 Year Anniversary Celebration	Maintain City Facilities & Consider Long-Range Plans
	Disaster mitigation response and recovery	* Explore Smart City Applications	Events, and Communications	Develop programs that embrace our Culture and Heritage	* Update Major Equipment, Technology & Fleet

*Priority Program

Council Adopted Values

Approving the proposed changes to the Value Based Code of Conduct and the Strategic Plan is the *responsible* action because it provides a framework of priorities for Staff to follow. The goals and programs of the Strategic Plan consider the Town's long-term financial stability and promotes innovation and vision for the Town's operations as well.

Sustainability Impact

Several components of the Strategic Plan directly further the Town's Climate Action Plan and sustainability efforts.

Alternatives

The Council could modify the Value Based Code of Conduct and/or the Strategic Plan during the meeting and direct staff to return with a modified Code of Conduct or Plan for adoption at a subsequent meeting.

CONCLUSION

Staff recommends the Council adopt the resolution amending the Value Based Code of Conduct and, by motion, adopt the 2023-2025 Strategic Plan, as presented by Staff.

ATTACHMENTS

- A. Resolution - Value Based Code of Conduct
- B. 2023 – 2025 Strategic Plan

**RESOLUTION NO. 2023-___
OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION AMENDING SUBCHAPTER 1.03 OF
THE COLMA ADMINISTRATIVE CODE, RELATING TO
THE VALUE BASED CODE OF CONDUCT PURSUANT
TO CEQA GUIDELINE 15061**

The City Council of the Town of Colma hereby resolves:

ARTICLE 1. SUBCHAPTER 1.03 AMENDED.

Subchapter 1.03, Value Based Code of Conduct, is hereby amended to read as follows:

**TOWN OF COLMA
CITY COUNCIL AND LEADERSHIP TEAM
VALUE-BASED CODE OF CONDUCT**

Preamble

The proper operation of democratic government requires that decision-makers be independent, impartial and accountable to the people they serve. The purpose of this Code of Values is to promote and maintain the highest standards of personal and professional conduct in the Town's government. Because we seek public confidence in the Town's services and public trust of its decision-makers, the City Council and Leadership Team adopts and pledges to follow this Value-Based Code of Conduct:

Fairness

As representatives of the Town of Colma, we are fair and impartial.

In practice:

- We support the public's right to know and promote meaningful public involvement.
- We support each other in health, wellness, work-life balance, and foster mindfulness by treating each other with care and compassion.
- We treat all persons, claims and transactions in a fair and equitable manner.
- We make decisions based on the merits of the issue.

Honesty and Integrity

As representatives of the Town of Colma, we act with honesty and integrity.

In practice:

- We are prepared to make unpopular decisions when our sense of the public's best interest requires it.
- We take responsibility for our actions, even when it is uncomfortable to do so.
- We are open, honest and transparent in our communication.
- We acknowledge, recognize, give credit and trust each other for our contributions to moving the community's interests forward.

Responsibility

As representatives of the Town of Colma, we act in a responsible manner.

In practice:

- We do not use public resources, such as agency staff time, equipment, supplies or facilities, for private gain or personal purposes.
- We develop strong relationships with our community, and encourage collaboration with our residents, businesses, and fellow Town representatives and staff.
- We make decisions after prudent consideration of the financial impact, considering the long-term financial needs of the agency, especially its financial stability.
- We come to meetings prepared and ready to contribute thoughtfully.

Vision

As representatives of the Town of Colma, we look to the future when making decisions.

In practice:

- We promote intelligent and thoughtful innovation in order to forward the Town's policies and services.
- We ~~endeavor to anticipate~~are flexible with future needs and are adaptable ~~and flexible~~ when faced with unforeseen circumstances.
- We ~~consider~~endeavor to anticipate the broader regional and statewide implications of the agency's decisions and issues.
- We understand change can be a stressful but a necessary part of the innovative process.

Respect

As representatives of the Town of Colma, we respect one another and the public.

In practice:

- We treat one another and the public with patience, courtesy and civility, even when we disagree.
- We focus on the merits in discussions of issues, not personalities, character or motivations.
- We share our ideas freely, are open-minded and value others' ideas and opinions, and listen to suggestions before making a decision.
- We work to build trust with one another and the community to foster an inclusive, supportive and open environment.

ARTICLE 2. SEVERABILITY.

Each of the provisions of this resolution is severable from all other provisions. If any article, section, subsection, paragraph, sentence, clause or phrase of this resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance.

ARTICLE 3. NOT A CEQA PROJECT.

The City Council finds that adoption of this resolution is not a "project," as defined in the California Environmental Quality Act pursuant to CEQA Guideline 15061(b)(3) because it does not have a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and concerns general policy and procedure making.

ARTICLE 4. EFFECTIVE DATE.

This resolution shall take effect immediately upon adoption.

Certification of Adoption

I certify that the foregoing Resolution No. 2023-__ was duly adopted at a regular meeting of said City Council held on March 22, 2023 by the following vote:

Name	Counted toward Quorum			Not Counted toward Quorum	
	Aye	No	Abstain	Present, Recused	Absent
Joanne F. del Rosario, Mayor					
John Irish Goodwin					
Ken Gonzalez					
Carrie Slaughter					
Helen Fiscaro					
Voting Tally					

Dated _____

Joanne F. del Rosario, Mayor

Attest: _____
Caitlin Corley, City Clerk

2023 - 2025 STRATEGIC PLAN

Value Statement

We treat all persons, claims and transactions in a fair and equitable manner.

We make decisions after prudent consideration of the financial impact, considering the long-term financial needs of the agency, especially its financial stability.

We work to build trust with one another and the community to foster an inclusive, supportive and open environment.

We promote intelligent and thoughtful innovation in order to forward the Town's policies and services.

Goals and Priority Programs

Area:	<u>Resiliency:</u>	<u>Operations:</u>	<u>Economic Development:</u>	<u>Community:</u>	<u>Capital:</u>
Goal:	<i>Ensure long term Financial health, Workforce development, Emergency preparedness and Climate adaptation</i>	<i>Increase Civic engagement, Transparency and use of Technology</i>	<i>Marketing & Brand Development, Supporting Retail, and Future Land Use</i>	<i>Build upon our Community identity & Improve quality of life</i>	<i>Update Infrastructure and Beautification</i>
Programs:	* Develop Revenue Strategies to meet rising costs	Build efficiencies through Technology	* Land Use	* Public Art Programs & Wayfaring	* Improve Streets, Sidewalks and Bikeways providing access to all
	* Workforce Wellness, Engagement, Retention and Recruitment	* Move to 24/7 Dispatch Center per CalOES guidelines	Branding & Marketing	Public outreach to residents and youths	Upgrade Sewers and Storm drains ensuring Health & Safety
	Implement CAP, Consider Reach Code Ord., and Recycled Water & EV/Solar Infrastructure	Research and implement technology increasing transparency	* Retail Recruitment & Retention	* 100 Year Anniversary Celebration	Maintain City Facilities & Consider Long-Range Plans
	Disaster mitigation response and recovery	* Explore Smart City Applications	Events, and Communications	Develop programs that embrace our Culture and Heritage	* Update Major Equipment, Technology & Fleet

*Priority Program

Programs

Resiliency

Ensure long term financial health & lead the efforts for Climate Change

- Develop Revenue Strategies to meet rising costs *
 - **Description:** Financial stability continues to be the Town’s top priorities. In recent years, the Town explored a voter-approved Transient Occupancy Tax (or hotel/motel tax), established Unfunded Liabilities Funding Strategy, as well as a Sewer Enterprise Fund, and sought out many grant opportunities. The next steps in ensuring financial stability include possible service cuts, which are part of the annual budget process, and additional revenue sources through the development of revenue strategies. This program will commit resources to researching long-term revenue sources for the upcoming elections in 2024. This will include conducting studies, surveys, and public outreach to identify potential revenue strategies. Possible strategies include but are not limited to, sales tax, and business license tax.
 - **Assigned to:** CMO & Finance
 - **Description:** In 2017-19 Strategic Plan the City Attorney provided a confidential memo to staff that outlined some of the initial steps that it would take to establish a Landscape or Lighting District. The program was also included in the 2020 – 22 Strategic Plan where additional information was discovered, and progress made. The critical step would be to ensure that the Town could collect revenues to support the Lighting District. Establishing a landscape and/or lighting district could reduce the General Fund’s exposure to costs associated with streetscape landscaping and lighting costs.

During FY 2021/22 & FY 2022-23 staff held several meetings with San Mateo County Public Works staff as well as the County’s Local Agency Formation Commission (LAFCo) regarding the portion of streetlights with in the Colma Lighting District that reside in the Town of Colma. To fund this endeavor, staff has identified that Colma’s portion of the Colma Lighting District generates about \$135,000 annually from property taxes. The revenue collected from the property tax rolls is to provide the needed operation and maintenance money to maintain the Colma Lighting District streetlights.

Working with LAFCo and the County Controllers Office, it was determined because the Town is a low property tax city, the Town would only be able to receive a portion of the property tax revenue that is dedicated to the Colma Lighting District, that amount would be in the range of \$75,000 to \$80,000 annually. Staff has proposed to the County not splitting the Colma Lighting District and instead entering into an agreement where Colma maintains their portion of the streetlights and in return receives the full amount of taxes collected by the County, including a portion of the Colma Lighting District reserves. Colma’s portion of the reserves would help offset the cost of replacing the aging streetlights in the Sterling Park neighborhood.

- **Assigned to:** DPW, CMO & City Attorney
- **Description:** Engage Cal Water exploring the feasibility of Citywide Water Purveyor Franchise Agreement
 - **Assigned to:** DPW, CMO & City Attorney

- **Description:** Review the Town’s planning, building, and engineering fee schedule and complete a cost recovery/fee study as needed.
 - **Assigned to:** CMO, City Attorney & DPW

- Workforce Wellness, Engagement, Retention and Recruitment *
 - **Description:** The Colma Value Based Code of Conduct identifies work-life balance as an “in practice” statement under the value of Fairness and developing stronger relationships is identified under the value of Responsibility. Using these Values as a guide to employee retention and recruitment are essential to the Town’s resiliency.

 - **Employee Retention & Wellness.** Create and formalize an employee wellness committee representing all Town departments. The committee will focus on how to make wellness a priority while working in a hybrid environment, maintaining mental and physical wellness as well as determining how employees can manage a healthy work-life balance. The committee will utilize resources from the new employee EAP (effective 7/1/2023), and various brown bag discussions/trainings for employees. Work relationships are also an important part of an employee’s happiness, which plays a role in employee retention and wellness. The employee wellness committee will also focus on cross-departmental fun and interaction with various events or activities.

 - **Recruitment.** Provide excellent human resources guidance, which fosters a proactive work environment made up of employees who support the community we serve. Our goal is to attract and secure qualified individuals to apply for the respective classifications. Recruitment efforts are directed toward piquing the interest in all communities served. The Town will use recognized hiring process practices for job announcements, testing, interviews, and background checks as outlined in the Administrative Code.
 - **Assigned to:** HR, Police Department, CMO & Recreation

- Implement Climate Action Plan, Consider Reach Code Ordinance, Recycled Water Program, and EV and Solar Infrastructure
 - **Description:** The State has set new Green House Gas (GHG) reduction goals and its technology has improved and changed since the adoption of the Climate Action Plan in 2013. The update will include:
 - Address Senate Bill 32 (2016) which requires California to reduce GHG emissions to 40% below 1990 levels by the year 2030 (previous target was 20% by the year 2020).
 - Update policies based on new technologies and best practices to reach the new 2030 goal (Colma has exceeded the goal for 2020)
 - Expand Outreach/Education program for businesses and residents on the benefits of electrification, new rebates, and case studies to reduce natural gas usage.
 - Present options to increase electrification to reverse current trends of increased natural gas usage and related GHG.
 - Continue to meet the goals and standards set by SB1383.
 - **Assigned to:** Sustainability & Planning

 - **Description:** Consider adopting reach codes which apply only to new construction to improve Electric Vehicle (EV) charging infrastructure and increase electrification of new buildings.
 - **Assigned to:** Building, Planning, & City Attorney

- **Description:** Continue to partner with Daly City, Cal Water and SFPUC to promote and establish a reclaimed water system within Town of Colma
 - **Assigned to:** CMO & DPW
- **Description:** Continue to work with Peninsula Clean Energy in an effort to install EV charging and solar infrastructure including a battery backup system for the solar project.
 - **Assigned to:** CMO, DPW & Sustainability
- Disaster Mitigation, Response and Recovery
 - **Description:** Continue to work with neighboring jurisdictions and pool resources when available during disaster response. Purchase additional emergency equipment for continuity of operations. (i.e. generators, lighting, lightboards, etc)
 - **Assigned to:** CMO, DPW, PD
 - **Description:** Conduct emergency preparedness training with staff including annual tabletop exercises and engaging CAPE/CERT teams.
 - **Assigned to:** Police Department, HR and Safety Committee
 - **Description:** Continue to offer training to new and existing CAPE/CERT programs to the residents of the community.
 - **Assigned to:** Recreation, Police Department and CMO

Operations

Increase Civic Engagement & Transparency

- Build efficiencies through Technology
 - **Description:** Implement the use of credit cards at Town Hall & Police Station making it easier for residents, businesses and visitors to pay for services. Also explore opportunities for online payments through the Town's web site.
 - **Assigned to:** Finance, CMO & Police Department
 - **Description:** Digitize Public Records through a Document Management & Codification System. This will enable the Town to reduce the use of paper and allow the general public to search for public records electronically saving staff time while creating convenience for the public. Prior to the implementation of a Document Management System, staff will first update Record Retention Schedule at a future City Council meeting.
 - **Assigned to:** CMO & IT
 - **Description:** Implement an asset management system that would Loo. The asset management program will provide the Public Works Department the ability to schedule daily, monthly, and annual events along with costs that are associated with those events or tasks. This program will enable the staff to be more efficient with scheduling, accountability and costs associated with keeping the departments day to day operations moving forward.
 - **Assigned to:** DPW
- Provide 24/7 Dispatch Center Services *

- **Description:** In 2021 CalOES informed the Town that we were in violation of our Public Safety Answering Point (PSAP) by not operating our dispatch center full time. After discussions with CalOES the Town’s only options were to move to a 24/7 dispatch center or to contract the dispatch services 100 percent of the time. The City Council directed staff to work with the Dispatch bargaining unit to bring dispatch services in-house full time.
 - **Assigned to:** CMO, PD, Finance
- Research and implement technology increasing transparency.
 - **Description:** Financial transparency is critical to building trust, creating civic engagement and ensuring public accountability. Financial transparency will be part of the Financial Software Replacement system (ERP). This may include better integration with the Town’s current online transparency platform OpenGov or other similar products, additional integration systems, a space for storytelling, and other effective budgetary and fiscal communication tools.
 - **Assigned to:** Finance and CMO
- Explore Smart City Applications *
 - **Description:** Research and explore electronic applications and tools that will enhance the Town’s ability to communicate to the residential and business community and manage assets and resources more efficiently by way of electronic data collection and technology. Applications and tools can be applied to economic development, mobility, sustainability, community and government. Over the past two years staff has been working with City/County Association of Bay Area Governments (C/CAG) to bring a Smart corridor project through Colma.
 - **Assigned to:** CMO, IT, DPW, Finance, Planning and Recreation

Economic Development

Marketing & Brand Development, Supporting Retail, and Future Land Use

- Land Use *
 - **Description:** Complete the Zoning Code Update (Implement the General Plan Update (GPU) - Pursuant to state law, the Town of Colma is required to amend its zoning code and zoning map after the adoption of the Town’s GPU 2040. The GPU and zoning must be consistent with one another. Colma planning staff began the zoning code update process in late 2022 and is scheduled to make two presentations to the City Council in the spring/summer of 2023 (Study Session & Public Hearing).
 - **Assigned to:** Planning
 - **Description:** Engage with Property Owners – GPU Commercial Core Opportunity Sites – Staff’s primary focus has been on the “Town Center” site, and specifically Kohl’s long-term intentions for their Colma store. With the help of The Retail Coach we have been tracking Kohl’s “right-sizing” initiative across their national retail portfolio. Because of the size of the Colma store (90,000 sq. ft.) and the expanse of the property’s parking lots, we believe that this store may be a good candidate for an internal feasibility assessment by Kohl’s real estate team. To that end, The Retail Coach initiated discussions with Kohl’s several months ago and has provided a Colma land use information package to their real estate executives. We are anticipating follow-up discussions over the next three to six months.
 - **Assigned to:** CMO and Economic Development

- **Description:** Facilitate Card Room Expansion Process - The City Manager has maintained regular communications with Lucky Chances ownership and management with focus on industry trends and Lucky Chances evolving ideas of their future business model.
 - **Assigned to:** CMO and Economic Development

- **Description:** Advance Hotel Development Feasibility - An analysis of recent public/private hotel projects on the Peninsula was carried out in the summer of 2022. Staff then met with a local economic development consultant who had facilitated several competitive processes for cities who desired to enable hotel developments via land leases and a mix of financial incentives. A phone interview with a specialty hotel deal-maker revealed that the single most effective tool to bring hotels to cities is to provide land at deeply discounted sales prices or land lease terms. Since Colma does not own a property suited for a hotel use, it was suggested that the Town secure the services of a commercial real estate company with a specialized hotel market analysis team to determine the viability of Colma’s market sphere to attract and sustain a hotel enterprise – to be located on privately owned land, on a site to be determined. In recent conversations with The Retail Coach, they have indicated that they can help with an initial market assessment and advise on subsequent feasibility steps.
 - **Assigned to:** CMO and Economic Development

- **Description:** Hillside Blvd. Commercial Overlay District - Staff began discussions with the landowner in late 2021, with the intent to confirm interest in the creation of a commercial overlay district on lands North and East of Hillside Blvd. By the time the General Plan Update (GPU) was approved by the City Council in March 2022, staff had determined that the Town would need to create and provide a process roadmap or “development framework” to the landowner for the creation of the Overlay District, once the GPU was in place. By Fall 2022 the framework was finished and Town staff had completed most of the tasks associated with the Town’s authority as the land use agency. A summary of the Framework’s tasks:
 - i. Define the purpose of the District (completed – Colma GPU)
 - ii. Identify the areas that make up the District (completed – Colma GPU)
 - iii. Clarify the Town’s land use priorities (completed – Town staff)
 - iv. Standards anticipated to apply to new uses in the District (completed – Town staff)
 - v. Identify the capacity of the District (completed - Town staff)
 - vi. Complete due diligence with utility providers (Town staff – in process)
 - vii. Continue to work with landowner developing a Master Plan for the overlay district

At this juncture staff understands that the property owner has initiated an internal planning process to determine long-term land use requirements for their core business, which should in turn define available land that could be used for new commercial uses.

 - **Assigned to:** CMO and Economic Development

- **Description:** El Camino Real Commercial Overlay District. This newly established overlay district is associated with a three-acre vacant land parcel fronting El Camino Real, near the Colma Bart Station. Staff has engaged the property owner in discussions leading up to the City Council’s recent adoption of the Housing Element. Ultimately this property was not included in the Town’s potential housing sites inventory. However, should the

property owner initiate a development master plan for the property in the future, some housing could be included in a mixed-use development plan.

- **Assigned to:** Planning

- Branding and Marketing

- **Description:** Branding Campaign – Conduct Professional Services Procurement Process. The 2012 Economic Development Plan identified several strategies within the framework of the study. One of the strategies was to create Branding and Promotional Materials emphasizing Colma’s commercial activities. Phase 1 of the project will be to prepare a Request for Proposal (RFP) and hire a consultant to develop a community branding campaign. The process will involve local outreach, surveys, interviews with business leaders, and other research, and utilizing this information to establish creative options for the community’s brand. Phase 2 will be to launch an expanded image and branding campaign highlighting Colma’s brand through logo, marketing brochures, letterhead, streetlight banners, promotional campaigns, advertisements and tag lines. This program was identified as a priority program on the 2020-22 Strategic Plan however it was delayed due to Covid pandemic and change in priorities. The City Council also put this project on hold in June 2022.

- **Assigned to:** CMO, Planning and Finance

- **Description:** Determine Feasibility and Process for New CalTrans Signage - This program is to build consensus with the business community along Serramonte Blvd. in an effort to change the name of the roadway to Serramonte Auto Row. Assuming consensus is established and Serramonte Blvd. name has been changed, staff will petition CalTrans for the street name change on southbound highway 280 at the Serramonte Blvd. exit.

- **Assigned to:** CMO, Planning and DPW

- **Description:** Develop Options for a New Town-Owned and Operated Freeway Sign. Determine feasibility and develop options for new 280 freeway sign – As part of the 2022-24 Economic Development Plan, staff was directed to research the feasibility of a freeway sign along highway 280 promoting the Town of Colma commercial areas. Staff will have to engage with CalTrans and possibly a consultant to determine feasibility.

- **Assigned to:** CMO, Planning and DPW

- Retail Recruitment and Retention

- **Description:** Administer the Retail Coach contract – In 2021 the Town entered into an agreement with the “Retail Coach” a consultant that provide market analysis of commercial areas and recruits commercial businesses to shopping centers with high vacancies. Since bringing the Retail Coach on board, there has been a higher level of communication with Kimco’s 280 Metro management directly by Town staff and reinforced by regular check-ins by The Retail Coach. A snapshot of progress filling vacant retail spaces is provided in the table below:

Business Type	Q4-2021		Q4-2022		% Change in Spaces	% Change in Sq. Ft.
	# of spaces	Sq Ft	# of spaces	Sq Ft		
Retail	15	162,233	17	178,036	+6.7%	+6.9%
Food	4	10,045	5*	22,809	+3.3%	+5.6%
Services	3	9,985	4	14,300	+3.3%	+1.9%

VACANT	8	45,566	4	12,684	-13.3%	-14.4%
		20%		5.6%		
Total	30	227,829	30	227,829		

The Retail Coach has confirmed that under the Ross lease, no more than five food businesses may occupy 280 Metro spaces.

New businesses already opened or in the process include Boot Barn, DashMart, Pet Club, Good Feet, and Raising Cane.

Q2-2021 Sales tax revenues from 280 Metro showed an estimated shortfall of approximately 20% due to the eight vacancies at that time. Seeing the closing of that gap clearly will not likely appear in quarterly reports until late 2023.

- **Assigned to:** CMO
- **Description:** Target New Auto Dealerships. Auto row has seen the addition of the new Cadillac dealership, the expansion of Kia’s business facilities, and soon the opening of VinFast in the vacant Acura dealership property at 475 Serramonte Blvd.
 - **Assigned to:** CMO
- **Description:** Coordinate with Cemetery and Auto Dealerships to Promote Local Restaurants
 - **Assigned to:** Planning
- **Description:** Process Use Permits in Commercial Districts – Retain, not Replace Retail
 - **Assigned to:** Planning
- **Description:** Continue as a participating city in SM County’s “Choose Local” program for small businesses. This program has been discontinued by the County.
 - **Assigned to:** None
- Events and Communications
 - **Description:** Continue to coordinate and program the Mayor/Chamber Walks, Business Recognition Luncheon, regular meetings with the Cemetery and Auto Row work group and create and distribute the “Colma Works” business newsletter.
 - **Assigned to:** CMO, Planning and Recreation
 - **Description:** Continue to update the Colma “Business tab and Colma Business Directory on the Town’s website.
 - **Assigned to:** CMO

Community

Build upon our Community Identity & Maintain Quality of Life

- Public Art Programs & Wayfaring *
 - **Description:** Research and Develop a Public Art Program that enhances and beautifies the Town for residents and visitors. The program may include;
 - Internal Public Art programs that focus on Colma’s unique History & Culture around Public Facilities and within the public right of way.

- Explore external program where developers may install public art as part of development or apply impacts fees to development to fund public art programs on public property.
- Develop a wayfaring program that directs visitors to parks, historical places, landmarks, cemeteries and retail centers.
 - **Assigned to:** Planning and CMO
- Public Outreach to residents and youths
 - **Description:** The Colma Police Department is in the process of recruiting and implementing a Police Explorer Post. The Police Explorer Post program is a volunteer organization for teenagers aged 14 to 21, with an interest in Law Enforcement. The goals of the Explorer Program is to expose teenagers to lifelong skills such as teamwork, responsibility and leadership, while building bridges between the community and law enforcement. The program will be organized through the Explorer Division of the Pacific Skyline Council of the Boy Scouts.
 - **Assigned to:** Police Department
 - **Description:** During the 2020-2022 Strategic Plan it was suggested that the Town start a “Volunteer of the Year” program where at the end of each year the Mayor and City Council select the Colma resident who has given their time, energy and efforts to the Town or Colma non-profit. Staff will work with the City Council during the year to identify candidates for selection.
 - **Assigned to:** CMO and Recreation
 - **Description:** In 2022 the Town of Colma was awarded a \$75,000 grant to pilot a rideshare program for seniors and populations in need for the 2023-2024 calendar years. Staff will work with the County to create a program and partner with a rideshare service to provide transportation to essential services; doctor’s office, dentist office, grocery store, pharmacy, etc. The program may be extended to the business community for “last mile” transportation for the Colma workforce.
 - **Assigned to:** CMO and Recreation
 - **Description:** The Colma Police Department partners with LifeMoves, a non-profit group consisting of outreach workers, or Hot Team (Homeless Outreach Team), that meet with law enforcement regularly to identify where homeless individuals and families reside, work to develop a rapport with the homeless citizens, make referrals to primary and behavioral health care, connect unsheltered homeless people to housing resources, and provide access to basic needs such as meals, showers, toiletries, and emergency shelter. The Colma Police Department partners and collaborates with San Mateo County resources and services to assist the Colma community with unsheltered homeless individuals and families. Funding for 2023-2024 will come from the remaining BSCC grant money and LifeMoves is currently submitting a proposal for Measure K funds for future services in San Mateo County to include North County agencies.
 - **Assigned to:** Police Department
- 100 Year Anniversary Celebration *
 - **Description:** In 2024 the Town of Colma will be celebrating its 100th year anniversary. In the fall of 2022, a City Council/Staff Ad Hoc Committee was formed to plan for the events

for 2024 during the 2023 calendar year. Committee activities will include; planning events, sponsorship packages, budgeting, marketing, giveaways, film, etc.....

- **Assigned to:** CMO, PD & Recreation

- Develop programs that embrace our Culture and Heritage
 - **Description:** Develop and coordinate programs and events that celebrate the History and Culture of the Town. This may include enhancements to existing programs or development of new programs. The focus will be to highlight and preserve Colma's unique and rich history. Opportunities for programming may include partnering with the local cemeteries, businesses and historical association. Potential programming includes events surrounding;
 - Halloween (i.e. Trunk or Treat, Senior Trick or Treat, Dog Halloween Parade)
 - Veteran's (i.e. Making Card for Veterans, Breakfast and Bingo, Clean Up Day, CHA Historical Museum field trip, etc.)
 - Cultural (i.e. Dia de los Muertos, Parol Lantern workshop, Multi-Cultural week, Multi-Cultural Craft Night, Dia de los Ninos, Older American Celebration)
 - History (i.e. Colma Scavenger Hunt, Promote History through Social Media, Cemetery Tours, Youth and Family trip to historical Museum etc.)
 - **Assigned to:** Recreation

Capital

Update Infrastructure and Beautification

- Streets, Sidewalks and Bikeways *
 - **Description:** Complete Serramonte Blvd West Bicycle and Pedestrian Improvement Project - Phase I of the project involves design (plans, specifications and estimates) and construction of the Serramonte Blvd West. The project will take a four-lane roadway and reduce it down to two lanes (one lane in each direction), and provide a center turn lane for those entering or exiting the various retail outlets along the Boulevard. The pilot lane reduction will provide right of way to build separated Class IV bike lanes in both directions. The project will also provide two mid-block high visibility crosswalks with rectangular rapid flashing beacons (RRFB) along with safe harbor refuge island. A "Quick Build" option will be implemented into the phase one project to provide temporary low-cost landscape barriers to separate bicyclists and pedestrians from vehicular traffic. This project will include the signaling of the Serramonte Blvd and Serra Center Intersection. Total project cost is \$2.035 million - \$1.8 million is supported through grants funds.
 - **Assigned to:** Planning & DPW
 - **Description:** The Annual Roadway Rehabilitation and Preventative Maintenance Program (PMP) includes minor repairs, such as crack sealing, and major rehabilitation, such as slurry seal and mill and fill. The goal of the program is to maintain the Town's Pavement Condition Index (PCI) between 75 and 80, which is still classified "as very good". The current PCI rating for the Town's Roadways is 76, the goal over the next few years is keep that rating and if possible, move it closer to a rating of 80. The Town's Capital Improvement Plan has identified several roadways for either heavy maintenance treatments such as crack sealing, dig out and repairs and surface treatments such as slurry sealing or micro sealing on several of our roadways. Project costs for maintenance and rehabilitation of the proposed streets is in the range of \$950,000 to \$1,100,000.
 - **Assigned to:** DPW

- **Description:** El Camino Real Bicycle and Pedestrian Improvement Project Study Report (PSR) - The project includes a re-design of El Camino Real (ECR). It incorporates a lane reduction in each direction so that Class 4 bike lanes can be designated on the Northbound and Southbound directions. The project also includes continuous compliant sidewalks, additional bicycle and pedestrian safety features, new traffic signals, landscaping, reconfiguration of the Mission Road (“the Y”) intersection, and bioretention storm drain infrastructure along ECR. The project presents a vision for residents and visitors to travel safely, comfortably, and with ease. Total project cost is \$2 million - \$1.8 million is supported through grant funds.
 - **Assign to:** DPW

- **Description:** Town Wide Bike and Pedestrian Master Plan - Colma was awarded funding through the Transportation Development Act Article 3 (TDA3) Pedestrian and Bicycle Program for a Bicycle and Pedestrian Master Plan. The Colma Bicycle and Pedestrian Master Plan will envision a safer, more connected active transportation system in the Town of Colma. This project will build on the El Camino Real Bike and Pedestrian Plan, the Serramonte Collins Master Plan, the Hillside Boulevard complete streets improvement project, the Mission Road improvement project, and Systemic Safety Analysis Report (SSAR) performed by the Town of Colma. Total project cost \$100,000 - \$90,000 supported by grant funding.
 - **Assigned to:** Planning

- **Description:** Landscape Medians - Median landscapes along Lawndale Boulevard and El Camino Real need rehabilitation. Additionally, the landscape along the backside of the sidewalk along the Northside of Lawndale Boulevard needs to be addressed as well. Phase 1 is the conceptual review of the landscaping and public use and enhancement on Lawndale Boulevard and El Camino Real. Phase 2 will provide “Shovel Ready” project plans, specifications and estimates (PS&E) and preparing a bid package. Phase 3 is the construction phase, which includes awarding the contract, building and inspection services, and construction. The study will also focus on green infrastructure possibilities, stormwater enhancements, and recreational features. Grant opportunities may be available for Phase 3 of this project.
 - **Assigned to:** DPW

- Sewers and Storm drains
 - **Description:** Colma Creek - Sections of the Colma Creek concrete channel has deteriorated over the years. Because there are different levels of deterioration, a study will need to be performed as phase 1 of the project. This study will identify, categorize and map the deteriorated areas, estimate costs to repair and identify what outside permits are to be required to enter and repair the creek walls and floor. Phase 2 of the project will be to prepare plans and specifications for the project along with applying for and obtaining all necessary permits to perform the work. Phase 3 will be the preparation of the bid documents, project and construction management and the repair work.
 - **Assigned to:** DPW

 - **Description:** Storm Drain System Assessment and Mapping - The project will review and analyze the Town's 11 miles of the Storm Drain System. The process will be to start assessing the current Storm Drainage system by way of internally videoing the system as is. The video would provide several insights; it will unveil any needed repairs and unrecorded blind or

illegal connections. The findings that come through the videoing process will allow staff to budget for repairs or enhancements to the storm drain system. Only portions of the system will be addressed each year. The project is expected to be a 3-year effort; funding will be requested on an annual basis for that specific scope of work.

- **Assigned to:** DPW

- City Facilities & Long-Range Plans

- **Description:** Bark Park - The Bark Park located on lower D Street provides dog owners a site where they can allow their pet to play, run and commune with other dogs. Though the park caters to dogs, it is also a place where residents can meet while their pets play and be contained within a safe and confined area.

- **Assigned to:** DPW & Recreation

- **Description:** Historical Museum - The Historical Museum Facility is currently in need of painting. The work includes minor building repairs such as plaster touch up, dry rot repairs, and window trim repairs or replacement.

- **Assigned to:** DPW

- **Description:** Facility Parking Lots - Several of the Town owned facility parking lots need reconstruction and/or resurfacing along with striping and Americans with Disabilities Act (ADA) upgrades. This project will address long term parking lot maintenance and reconstruction needs at: Creekside Villas, the Colma Community Center and Historical Museum, the Colma Police Station and the Public Works Maintenance Corporation Yard. The work will vary from facility to facility ranging from reconstruction, (Mill and fill) to minor surface treatments, such as crack sealing and slurry coats. All facilities will be restriped. Installation of additional ADA stalls will be considered if feasible for the Colma Community Center parking lot. Given the recent increase in oil prices and construction escalation costs, it is estimated that the project will increase by more than 20% over original estimates that were presented several years ago.

- **Assigned to:** DPW

- **Description:** An Urban Tree Master Plan outlines the objectives and actions needed to sustain, protect, and enhance trees along streets, parks, and open space area. The Town's trees have been tagged and entered into a GIS database. The next step is to contract with a certified arborist to survey and assess the health of town trees and provide a tree maintenance schedule that includes pruning, fertilizing, and replacing trees. The result of the study will be incorporated into the existing GIS database, along with tree maintenance and replacement schedule.

Cost for the tree survey and incorporating the results into the GIS database is estimated at \$100,000.

The project also includes tree replacement; however, an analysis of the existing tree conditions is required prior to any replacement. Staff is recommending a budget of \$200,000 for future year tree replacement.

- **Assigned to:** DPW

- Major Equipment, Technology & Fleet *

- **Description:** IT Infrastructure Upgrades - The ongoing maintenance of computers, as well as the Town's backbone network, requires periodic upgrades to ensure that operations continue. The project includes: replacement of desktop computers and other equipment, technology needs at Town-owned facilities, software updates, and upgrades to servers, switches and routers.
 - **Assigned to:** CMO

- **Description:** Vehicle Replacement Schedule - This Capital Improvement Project covers the purchase of vehicles and major fleet items Town-wide. Over the 2023-24 and 2024-25 fiscal years the vehicle replacement program anticipates replacement of fleet vehicles to be approximately \$515,000. During vehicle replacement staff will look for opportunities to extend the fleet to save costs, look for Electric Vehicle opportunities and funding that would subsidize those purchases. Staff will also review and update the current vehicle replacement schedule based on current market replacement cost.
 - **Assigned to:** Finance, Police Department and DPW

- **Description:** Equipment Purchase and Replacement - This Capital Improvement Project covers the purchase of major equipment Town-wide. In the FY 2022-23, the Police Department is requesting to update the Lawnet Equipment Upgrade while the Police Department Radio Encryption Upgrade will be on hold while the San Mateo County Police Chief Association research on the best system. This collaboration is important for the public safety departments to ensure smoother cross agency collaborations during emergencies. The project funding of \$150,000 is required in FY 2022/23 and FY 23/24.
 - **Assigned to:** Police Department

*** Priority Program**

