

# C/CAG

## City/County Association of Governments of San Mateo County

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

## C/CAG FINANCE COMMITTEE AGENDA

**Date:** Wednesday, December 1, 2021

**Time:** 12:00 noon

On September 16, 2021, the Governor signed AB 361, which amended certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings remotely via telephonically or by other electronic means under specified circumstances. Thus, pursuant to Government Code section 54953(e), the C/CAG Board and Committee meetings will be conducted via remote conferencing. Members of the public may observe or participate in the meeting remotely via one of the options below.

**Join by Zoom:**

<https://us02web.zoom.us/j/82048433870?pwd=NINQRnRVd2RDQzV3NUU2OUQrYkNaQT09>

**Meeting ID: 820 4843 3870**

**Password: 117332**

**Join by Phone: 669-900-6833**

**Meeting ID: 820 4843 3870**

**Password: 117332**

Persons who wish to address the C/CAG Finance Committee on an item to be considered at this meeting, or on items not on this agenda, are asked to submit written comments to [kwever@smcgov.org](mailto:kwever@smcgov.org). Spoken public comments will also be accepted during the meeting through Zoom. Please see instructions for written and spoken public comments at the end of this agenda.

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|--|--------------|--------------|
| 1. CALL TO ORDER   | Chair Colson | No materials |
| 2. BRIEF OVERVIEW OF TELECONFERENCE MEETING PROCEDURES   | Wever        | No materials |
| 3. PUBLIC COMMENT ON RELATED ITEMS NOT ON THE AGENDA<br><i>Note: Public comment is limited to two minutes per speaker.</i> | Chair Colson | No materials |
| 4. Approval of minutes of October 18, 2021 meeting. (Action)   | Wever        | Page 1-2     |
| 5. Receive copies of monthly investment statements for July, August, and September 2021. (Information)                     | Wever        | Page 3-21    |

- |   |                        |            |
|---|------------------------|------------|
| 6. Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed. (Action)  | Wever/Charpentier /Tam | Page 22-27 |
| 7. Accept the C/CAG Financial Statements (Audit) for Fiscal Year Ended June 30, 2021 and the Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2021 and communicate with representative from auditing firm. (Action) | Charpentier            | Page 28    |
| 8. Accept the following C/CAG Programs Audits:  | Charpentier            | Page 29-31 |
| 8A. Accept the C/CAG Single Audit Report for the Year Ended June 30, 2021 (Action)  |                        |            |
| 8B. Accept the Measure M Fund Financial Statements (Audit) for the Year Ended June 30, 2021 (Action)  |                        |            |
| 8C. Accept the Pedestrian/Bicycle Projects Transportation Development Act (TDA) Article III Fund Financial Statements (Audit) for the Year Ended June 30, 2021 (Action)   |                        |            |
| 9. Review and approve the 2022 Finance Committee Meeting Calendar. (Action)   | Wever                  | Page 32    |
| 10. Review and recommend increase of C/CAG Members Fees. (Action)   | Charpentier            | Page 33-36 |

## ADJOURN

The next regularly scheduled meeting will be on February 23, 2022.

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**PUBLIC NOTICING:** All notices of C/CAG regular Finance Committee meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA, and on C/CAG's website at: <http://www.ccag.ca.gov>.

**PUBLIC RECORDS:** Public records that relate to any item on the open session agenda for a regular Finance Committee meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Finance Committee meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Finance Committee. The Finance Committee has designated the City/County Association of Governments of San Mateo County (C/CAG), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on C/CAG's website at: <http://www.ccag.ca.gov>. Please note that C/CAG's office is temporarily closed to the public; please contact Kim Wever at (650) 599-1451 to arrange for inspection of public records.

**PUBLIC PARTICIPATION DURING VIDEOCONFERENCE MEETINGS:** Persons with disabilities who require auxiliary aids or services to participate in this meeting should contact Kim Wever at (650) 599-1451, five working days prior to the meeting date.

Written comments should be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to [kwever@smcgov.org](mailto:kwever@smcgov.org).
2. Your email 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.

3. Members of the public are limited to one comment per agenda item.
4. The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
5. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the C/CAG Finance Committee members and made publicly available on the C/CAG website along with the agenda. We cannot guarantee that emails received less than 2 hours before the meeting will be made publicly available on the C/CAG website prior to the meeting, but such emails will be included in the administrative record of the meeting.

Spoken comments will be accepted during the meeting through Zoom. Please read the following instructions carefully:

1. The C/CAG Finance Committee meeting may be accessed through Zoom at the online location indicated at the top of this agenda.
2. You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. You will be asked to enter an email address and name. We request that you identify yourself by your name as this will be visible online and will be used to notify you that it is your turn to speak.
4. When C/CAG Staff or Chair calls for the item on which you wish to speak, click on “raise hand”, and if you joined the meeting by phone, dial \*9 to raise hand. Staff will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak. When called, please limit your remarks to the time allotted.

*If you have any questions about this agenda, please contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org) or Kim Wever at [kwever@smcgov.org](mailto:kwever@smcgov.org)*

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
FINANCE COMMITTEE  
MEETING MINUTES  
October 18, 2021**

In compliance with Governor’s Executive Order N-29-20, and pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer, this meeting was conducted via remote conferencing

**Committee Members Attending:**

Davina Hurt (City of Belmont)  
Carlos Romero (City of East Palo Alto)  
Donna Colson (City of Burlingame)  
Adam Rak (City of San Carlos)

**Committee Member(s) Absent:**

Marie Chuang (Town of Hillsborough)

**Guests or Staff Attending:**

Carrie Tam – City of San Carlos Finance Staff  
Sean Charpentier, Kaki Cheung, Kim Wever – C/CAG Staff

**1. Call to order**

At 2:02 P.M. Chair Colson called the Finance Committee meeting to order.

**2. Brief overview of teleconference meeting procedures**

C/CAG staff Kim Wever described how the Finance Meeting would run virtually.

**3. Public comment on related items not on the agenda.**

There were no public comments regarding items not on the Agenda.

**4. Approval of minutes of August 25, 2021 meeting. (Action)**

*Motion – To approve the minutes of the August 25, 2021 Finance Committee meeting, Hurt/Rak. Roll Call was taken. All members in attendance voted to approve. Motion passed 4-0*

**5. Discussion on potential increase of C/CAG membership fees (Information)**

The Finance Committee members reviewed the fee increase options. The Committee had no issues with staff’s recommendation of pursuing option 2: one-time “catch up” increase of 5% and then annual increase to match CPI (assumes 2%). Member Hurt requested a work plan to justify the increase. The Committee guided staff to research if a CPI escalation cap of 3% is appropriate.

Staff will return at the Committee's next meeting to seek C/CAG Board recommendation.

**6. Discussion on the implementation of Committee's direction on strategy for addressing C/CAG's CALPERS Unfunded Accrued Liability (Information)**

The Finance Committee members reviewed and accepted staff's recommended implementation of the Committee's direction on strategy for addressing C/CAG's CALPERS Unfunded Accrued Liability. C/CAG staff recommended working with the Finance Committee annually during the budget process to identify the recommended annual payment amount to be included in the Draft Agency budget submitted to the Board for adoption.

**7. Adjournment.**

The meeting adjourned at approximately 2:50 P.M.

**C/CAG AGENDA REPORT**

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Receive copies of monthly investment statements for July, August, and September 2021

(For further information contact Kim Wever at [kwever@smcgov.org](mailto:kwever@smcgov.org))

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**RECOMMENDATION**

That the C/CAG Finance Committee receives copies of monthly investment statements for July, August, and September 2021.

**FISCAL IMPACT**

None

**SOURCE OF FUNDS**

C/CAG funds are held by the C/CAG Financial Agent (City of San Carlos)

**BACKGROUND**

The current C/CAG Investment Policy states that the C/CAG Finance Committee shall analyze investment portfolio at least every quarter. Attached are the monthly statements for C/CAG investment funds for the quarter ending on September 30, 2021.

**ATTACHMENTS**

1. C/CAG's Monthly Major Cash Inflows and Outflows, LAIF, and SMC Investment Fund Summary for July, August, and September 2021.
2. LAIF Performance Report Quarter Ending September 30, 2021
3. San Mateo County Treasurer's Office Pool Participants Distribution September 30, 2021
4. County Summary of Pool Earnings for July, August, and September 2021.
5. Overview of Market and Investment Statements Quarter Ending September 30, 2021

## July Cash Flow

CITY & COUNTY ASSOCIATION OF GOVERNMENTS  
 Recap of Monthly Major Cash Inflows and Outflows  
 for Quarter Ended September 30, 2021

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
July 2021	<b>Beginning book balance (Checking)</b>		<b>2,521,895</b>
	Measure M	DMV Cities: Belmont, Brisbane, Burlingame, East Palo Alto, Half Moon Bay, San Carlos, San Mateo, South San Francisco, and Towns: Atherton, Colma, and Woodside	622,514
	Member Contributions	Metropolitan Transportation Commission, Cities: Belmont, Brisbane, Burlingame, East Palo Alto, Half Moon Bay, San Carlos, San Mateo, South San Francisco, and Towns: Atherton, Colma, and Woodside	114,195
	Congestion Relief & Management	NPDES County of San Mateo	1,347,919
	Energy Watch	PG&E	26,903
	All other Receipts (2)	various	14,714
			111
		<b>Total July Cash Inflow</b>	<b>2,126,356</b>
	Measure M	EOA Inc., County of San Mateo, Town of Colma, and Redwood City	(460,066)
	Smart Corridor	Aegis ITS, Iteris Inc., and City of South San Francisco	(152,651)
	Congestion Relief & Management	Fehr & Peers Assoc., Gray Bowen Scott, TJKM Transportation, County of San Mateo, and Cities: Menlo Park and Redwood City	(297,823)
	Bay Area Air Quality	SAMTRANS	(37,500)
	Express Lane JPA	County of San Mateo	(23,635)
	NPDES	City of Brisbane, Craftwater Engineering, Groner S Assoc., and County of San Mateo	(171,345)
	Energy Watch	County of San Mateo	(13,926)
	AB1546	Redwood City and Town of Colma	(169,724)
	All other payments (32)	various	(96,604)
		<b>Total July Cash Outflow</b>	<b>(1,423,275)</b>
		<b>Net Cash Inflow/(Outflow)</b>	<b>703,081</b>
	<b>Ending book balance (Checking)</b>		<b>3,224,976</b>

## July LAIF Statement

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001 

August 02, 2021

[LAIF Home](#)  
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CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
 OF SAN MATEO COUNTY  
 FINANCE OFFICER  
 600 ELM STREET  
 SAN CARLOS, CA 94070

[Tran Type](#)  
[Definitions](#)

**Account Number:** 40-41-004

July 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/15/2021	7/14/2021	QRD	1679565	N/A	SYSTEM	11,900.94

**Account Summary**

Total Deposit:	11,900.94	Beginning Balance:	14,283,843.11
Total Withdrawal:	0.00	Ending Balance:	14,295,744.05





San Mateo County Treasurer  
555 County Center  
Redwood City, 94063  
(650) 599-1251 or (650) 599-7206

**July County Pool Statement**  
Statement Ending Date: 7/31/2021  
Account: 03412

## STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
6/30/2021	Balance brought forward			<b>\$9,532,812.22</b>
7/1/2021	FY20-21 4th Qtr Interest Apportion		\$24,303.66	<b>\$9,557,115.88</b>
7/31/2021	Ending Balance			<b>\$9,557,115.88</b>

CITY & COUNTY ASSOCIATION OF GOVERNMENTS  
Recap of Monthly Major Cash Inflows and Outflows  
for Quarter Ended September 30, 2021

## August Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
August	<b>Beginning book balance (Checking)</b>		<b>3,224,976</b>
	Measure M	DMV and Caltrans	680,343
	Congestion Relief & Management	Cities: Daly City, Foster City, Menlo Park, Millbrae, Pacifica, San Bruno, County of San Mateo, and Towns: Hillsborough and Portola Valley	1,267,432
	Energy Watch	PG&E	28,633
	Member Contributions	Cities: Daly City, Foster City, Menlo Park, Millbrae, Pacifica, San Bruno, County of San Mateo, and Towns: Hillsborough and Portola Valley	130,529
	All other Receipts (2)	various	163
		Total August Cash Inflow	2,107,100
	Measure M	SAMTRANS and EOA Inc.	(952,201)
	Congestion Relief & Mgmt	Commute.org, TJKM Transportation, and County of San Mateo	(109,366)
		Groner S Assoc., Geosyntec Consultant, City of Brisbane, and County of San	
	NPDES	Mateo	(71,496)
	Energy Watch	DNV GL Services, County of San Mateo	(47,106)
	Smart Corridor	Aegis ITS and Iteris Inc.	(72,086)
	Bay Area Air Quality	Commute.org and SAMTRANS	(175,972)
	Express Lane JPA	County of San Mateo	(10,318)
	All other payments (14)	various	(25,423)
	Transfer	San Mateo County Pool	(650,000)
	Transfer	LAIF	(950,000)
		Total August Cash Outflow	(3,063,968)
		<b>Net Cash Inflow/(Outflow)</b>	<b>(956,867)</b>
	<b>Ending book balance (Checking)</b>		<b>2,268,109</b>

## August LAIF Statement

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

September 01,  
 2021

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CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
 OF SAN MATEO COUNTY  
 FINANCE OFFICER  
 600 ELM STREET  
 SAN CARLOS, CA 94070

[Tran Type](#)  
[Definitions](#)

**Account Number:** 40-41-004

August 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
8/27/2021	8/26/2021	RD	1683833	N/A	CARRIE TAM	950,000.00

**Account Summary**

Total Deposit:	950,000.00	Beginning Balance:	14,295,744.05
Total Withdrawal:	0.00	Ending Balance:	15,245,744.05



San Mateo County Treasurer  
555 County Center  
Redwood City, 94063  
(650) 599-1251 or (650) 599-7206

**August County Pool Statement**  
Statement Ending Date: 8/31/2021  
Account: 03412

## STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
7/31/2021	Balance brought forward			<b>\$9,557,115.88</b>
8/27/2021	CCAG San Carlos Deposit		\$650,000.00	<b>\$10,207,115.88</b>
8/31/2021	Ending Balance			<b>\$10,207,115.88</b>

CITY & COUNTY ASSOCIATION OF GOVERNMENTS  
Recap of Monthly Major Cash Inflows and Outflows  
for Quarter Ended September 30, 2021

## September Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
September 2021	<b>Beginning book balance (Checking)</b>		<b>2,268,109</b>
	Measure M	Cities: Brisbane and San Carlos, Towns: Atherton and Coma	40,181
	Member Contributions	Redwood City	30,927
	Congestion Relief & Management	Caltrans, Metropolitan Transportation Commission, and Redwood City	691,961
	Energy Watch	PG&E	15,679
	All other Receipts (1)	various	29
	Transfer	San Mateo County Pool	200,000
	Transfer	LAIF	500,000
		Total September Cash Inflow	1,478,777
	Measure M	County of San Mateo and Streetlight Data	(374,013)
	Congestion Relief & Management	City of Menlo Park and County of San Mateo	(181,737)
	NPDES	Groner S Assoc. and County of San Mateo	(35,830)
	Express Lane JPA	County of San Mateo	(13,755)
	Smart Corridor	Aegis ITS and Iteris Inc.	(46,033)
	Energy Watch	County of San Mateo	(14,892)
	All other payments (30)	various	(80,814)
	Transfer	San Mateo County Pool	(300,000)
	Transfer	LAIF	(500,000)
		Total September Cash Outflow	(1,547,074)
		<b>Net Cash Inflow/(Outflow)</b>	<b>(68,297)</b>
	<b>Ending book balance (Checking)</b>		<b>2,199,811</b>

## September LAIF Statement

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

October 01, 2021

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CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
OF SAN MATEO COUNTY  
FINANCE OFFICER  
600 ELM STREET  
SAN CARLOS, CA 94070

[Tran Type](#)  
[Definitions](#)

**Account Number:** 40-41-004

September 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
9/13/2021	9/10/2021	RD	1684591	N/A	CARRIE TAM	500,000.00
9/22/2021	9/22/2021	RW	1685141	N/A	CARRIE TAM	-500,000.00

**Account Summary**

Total Deposit:	500,000.00	Beginning Balance:	15,245,744.05
Total Withdrawal:	-500,000.00	Ending Balance:	15,245,744.05



San Mateo County Treasurer  
555 County Center  
Redwood City, 94063  
(650) 599-1251 or (650) 599-7206

**September County Pool Statement**  
Statement Ending Date: 9/30/2021  
Account: 03412

## STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
8/31/2021	Balance brought forward			\$10,207,115.88
9/13/2021	CCAG Wire In		\$300,000.00	\$10,507,115.88
9/27/2021	Disbursement	\$200,000.00		\$10,307,115.88
9/30/2021	Ending Balance			\$10,307,115.88



# PMIA/LAIF Performance Report as of 10/19/21



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

Sep	0.206
Aug	0.221
Jul	0.221

## Quarterly Performance Quarter Ended 09/30/21

LAIF Apportionment Rate <sup>(2)</sup> :	0.24
LAIF Earnings Ratio <sup>(2)</sup> :	0.00000661958813242
LAIF Fair Value Factor <sup>(1)</sup> :	0.999873661
PMIA Daily <sup>(1)</sup> :	0.20%
PMIA Quarter to Date <sup>(1)</sup> :	0.22%
PMIA Average Life <sup>(1)</sup> :	321

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 09/30/21 \$179.1 billion

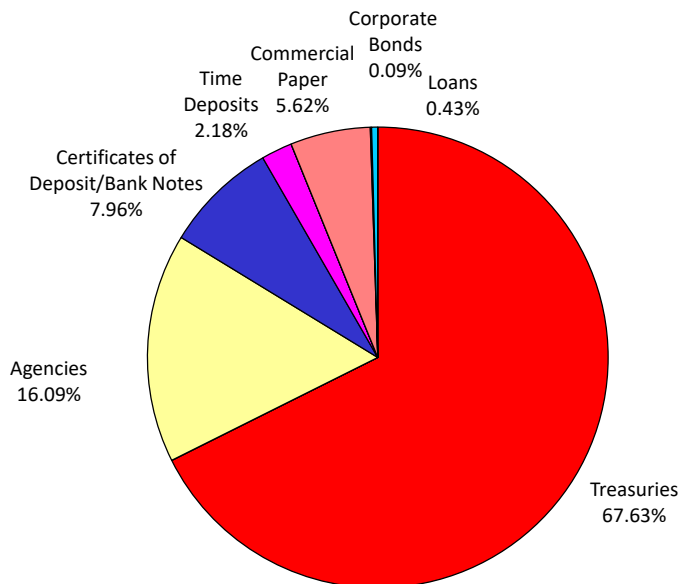


Chart does not include \$8,243,000.00 in mortgages, which equates to 0.004603%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller





California State Treasurer  
**Fiona Ma, CPA**



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**POOLED MONEY INVESTMENT ACCOUNT**

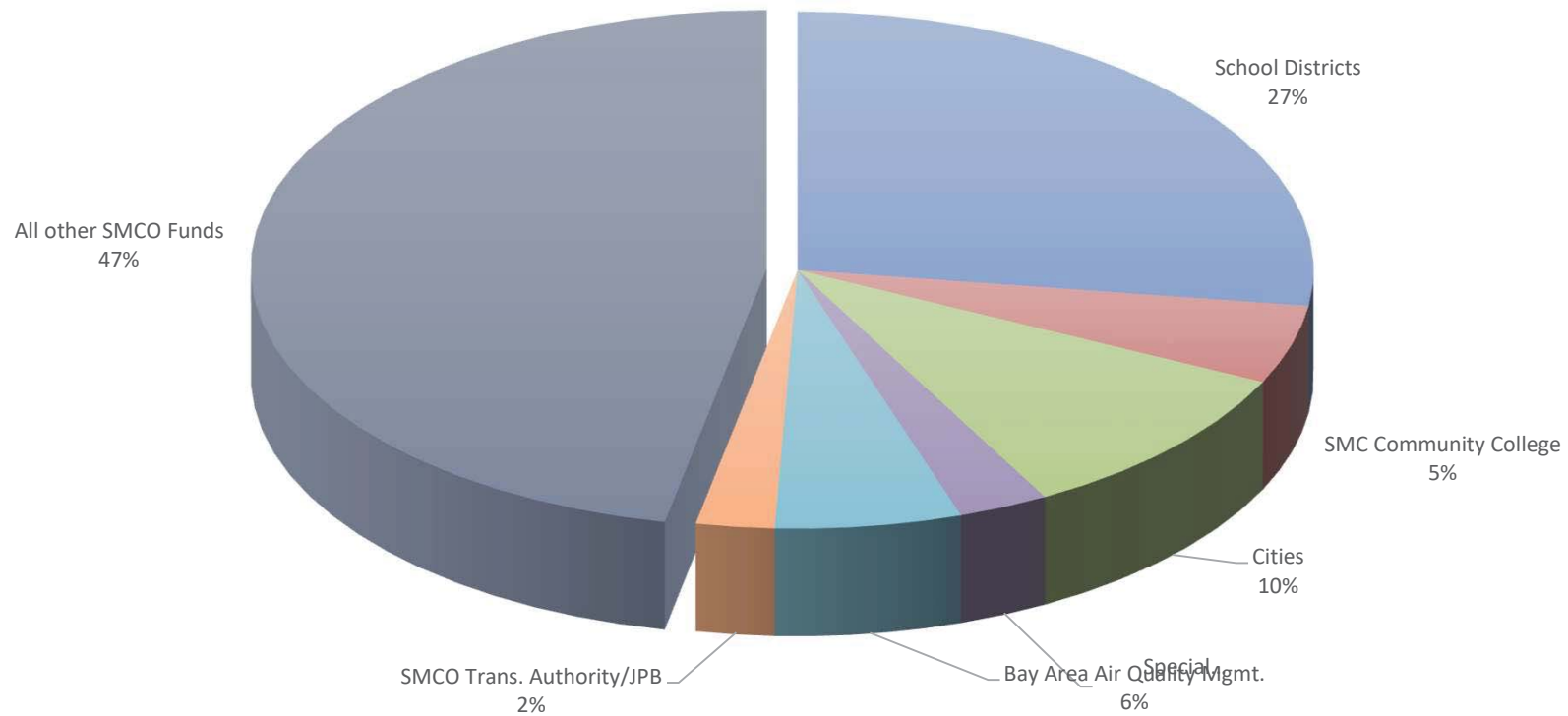
## PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203		



**SAN MATEO COUNTY TREASURER'S OFFICE POOL PARTICIPANTS DISTRIBUTION**  
**September 30, 2021**

**ATTACHMENT 3**



<b>Participants:</b>	<b>\$</b>	<b>%</b>
School Districts	\$ 1,639,180,891.72	23.8%
SMC Community College	\$ 296,334,772.86	8.7%
Cities	\$ 596,873,343.13	8.8%
Special Districts	\$ 170,402,361.88	3.3%
Bay Area Air Quality Mgmt.	\$ 351,033,617.43	6.0%
SMCO Trans. Authority/JPB	\$ 147,857,800.12	3.5%
All other SMCO Funds	\$ 2,820,848,501.79	45.9%
<b>Totals</b>	<b>\$ 6,022,531,288.93</b>	<b>100.0%</b>

\*Figures are based on the account balances of current pool participants and it will not match the Market Value of the pool.



**ESTIMATED SUMMARY OF POOL EARNINGS**  
**JULY 2021**

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss &amp; Interest Received</u>	<u>Period Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>				
U S Treasury Notes	\$ 1,965,105,000.00	\$ 1,569,507.13	U S Treasury Notes	\$ 1,129,044.67
Corporate Notes	522,915,000	601,353.77	Corporate Notes	117,223.92
Floating Rate Securities	22,000,000	10,073.54	Certificate of Deposit	(41,808.39)
Federal Agencies	744,170,000	499,761.25	Federal Agencies	85,385.73
U.S. Instrumentalities	140,125,000	44,040.86	U.S. Instrumentalities	177,645.96
Asset Backed Securities	98,843,639	74,560.24	Floating Rate Securities	24,877.80
Certificate of Deposit	160,000,000	218,401.37	Asset Backed Securities	68,816.61
	<b>\$ 3,653,158,638.79</b>	<b>\$ 3,017,698.16</b>	GSE Settlement	231,335.91
			LAIF/CAMP	25,661.93
			Dreyfus	1,741.60
			Union Bank Earnings Credit	26,609.27
			<b>Total Realized Income</b>	<b>\$1,846,535.00</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>				
U S Treasury Notes	\$ 1,011,650,000	\$ 728,942.69		
Corporate Notes	64,966,000	128,963.17		
Floating Rate Securities	22,500,000	10,226.45		
Federal Agencies	494,121,000	142,261.73		
U.S. Instrumentalities	622,512,000	(30,172.37)		
Certificate of Deposit	120,000,000	43,780.82		
Dreyfus	100,522,927	-		
CAMP	50,000,000	342.47		
LAIF	75,000,000	9,493.15		
	<b>\$ 2,561,271,926.96</b>	<b>\$ 1,033,838.11</b>		
<b>Total Accrued Interest</b>	<b>\$ 6,214,430,565.75</b>	<b>\$ 4,051,536.27</b>		
<b>Total Dollar Earnings for July</b>		<b>\$ 5,898,071.27</b>		

	<b>AVERAGE BALANCE</b>	<b>\$ 6,458,773,195.38</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>1.075%</b>	<b>5,898,071.27</b>
<b>ADMINISTRATION FEES</b>		<b>(521,125.67)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.980%</b>	<b>\$5,376,945.60</b>



## ESTIMATED SUMMARY OF POOL EARNINGS

August 2021

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss &amp; Interest Received</u>	<u>Period Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>				
U S Treasury Notes	\$ 1,910,605,000.00	\$ 1,522,359.40	U S Treasury Notes	\$ 1,070,944.56
Corporate Notes	515,250,000.00	572,017.46	Corporate Notes	176,166.44
Floating Rate Securities	22,000,000.00	33,363.40	Certificate of Deposit	233,146.16
Federal Agencies	709,395,000.00	443,977.39	Federal Agencies	604,363.18
U.S. Instrumentalities	140,125,000.00	60,325.10	U.S. Instrumentalities	26,094.06
Asset Backed Securities	97,142,638.48	71,450.31	Floating Rate Securities	1,796.61
Certificate of Deposit	60,000,000.00	60,853.42	Asset Backed Securities	62,167.28
	<b>\$ 3,454,517,638.48</b>	<b>\$ 2,764,346.48</b>	Dreyfus	1,576.41
			Union Bank Earnings Credit	19,181.63
			<b>Total Realized Income</b>	<b>\$2,195,436.33</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>				
U S Treasury Notes	\$ 946,925,000.00	\$ 717,332.98		
Corporate Notes	65,954,000.00	107,923.31		
Floating Rate Securities	22,500,000.00	5,381.25		
Federal Agencies	410,721,000.00	186,706.54		
U.S. Instrumentalities	632,512,000.00	60,933.07		
Certificate of Deposit	220,000,000.00	71,219.18		
Dreyfus	188,471,675.35	-		
CAMP	50,000,000.00	-		
LAIF	75,000,000.00	14,013.70		
	<b>\$ 2,612,083,675.35</b>	<b>\$ 1,163,510.02</b>		
<b>Total Accrued Interest</b>	<b>\$ 6,066,601,313.83</b>	<b>\$ 3,927,856.50</b>		
<b>Total Dollar Earnings for August</b>		<b>\$ 6,123,292.83</b>		

	<b>AVERAGE BALANCE</b>		<b>\$ 6,194,584,598.99</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>1.164%</b>		<b>6,123,292.83</b>
<b>ADMINISTRATION FEES*</b>			<b>(499,809.63)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>1.069%</b>		<b>\$ 5,623,483.20</b>

\*Current admin fees rate is at 9.5bp



# **ESTIMATED SUMMARY OF POOL EARNINGS** **September 2021**

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss &amp; Interest Received</u>	<u>Period Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>				
U S Treasury Notes	\$ 1,876,580,000.00	\$ 1,609,238.20	U S Treasury Notes	\$ 513,766.06
Corporate Notes	522,920,000.00	618,445.40	Corporate Notes	33,926.07
Floating Rate Securities	22,000,000.00	32,287.16	Certificate of Deposit	-
Federal Agencies	670,895,000.00	403,657.57	Federal Agencies	188,119.24
U.S. Instrumentalities	164,515,000.00	33,272.79	U.S. Instrumentalities	45,589.54
Asset Backed Securities	101,648,148.24	64,252.61	Floating Rate Securities	-
Certificate of Deposit	60,000,000.00	58,890.41	Asset Backed Securities	60,137.41
	<b>\$ 3,418,558,148.24</b>	<b>\$ 2,820,044.14</b>	Dreyfus	2,119.20
			Union Bank Earnings Credit	24,663.80
			<b>Total Realized Income</b>	<b>\$868,321.32</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>				
U S Treasury Notes	\$ 954,925,000.00	\$ 735,846.82		
Corporate Notes	75,419,000.00	125,698.90		
Floating Rate Securities	22,500,000.00	9,896.57		
Federal Agencies	492,735,000.00	173,773.59		
U.S. Instrumentalities	533,578,000.00	48,266.24		
Certificate of Deposit	220,000,000.00	198,082.19		
Dreyfus	29,832,984.88	-		
CAMP	75,000,000.00	1,006.81		
LAIF	75,000,000.00	13,561.64		
	<b>\$ 2,478,989,984.88</b>	<b>\$ 1,306,132.75</b>		
<b>Total Accrued Interest</b>	<b>\$ 5,897,548,133.12</b>	<b>\$ 4,126,176.90</b>		
<b>Total Dollar Earnings for September</b>		<b>\$ 4,994,498.22</b>		

	<b>AVERAGE BALANCE</b>	<b>\$ 6,025,748,367.74</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>1.008%</b>	<b>4,994,498.22</b>
<b>ADMINISTRATION FEES*</b>		<b>(470,503.64)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.913%</b>	<b>\$ 4,523,994.58</b>

\*Current admin fees rate is at 9.5bp



## SUMMARY OF POOL EARNINGS

Q1 FY 2021-22

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss &amp; Interest Received</u>	<u>Period Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>				
U S Treasury Notes	\$ 1,876,580,000.00	\$ 4,701,104.73	U S Treasury Notes	\$ 2,713,755.29
Corporate Notes	522,920,000.00	1,791,816.63	Corporate Notes	327,316.43
Floating Rate Securities	22,000,000.00	75,724.10	Certificate of Deposit	191,337.77
Federal Agencies	670,895,000.00	1,347,396.21	Federal Agencies	877,868.15
U.S. Instrumentalities	164,515,000.00	137,638.75	U.S. Instrumentalities	249,329.56
Asset Backed Securities	101,648,148.24	210,263.16	Floating Rate Securities	26,674.41
Certificate of Deposit	60,000,000.00	338,145.20	Asset Backed Securities	191,121.30
	<b>\$ 3,418,558,148.24</b>	<b>\$ 8,602,088.78</b>	GSE Settlement	231,335.91
			LAIF/CAMP	25,661.93
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>				
U S Treasury Notes	\$ 954,925,000.00	\$ 2,182,122.49	Dreyfus	5,437.21
Corporate Notes	75,419,000.00	362,585.38	Union Bank Earnings Credit	70,454.70
Floating Rate Securities	22,500,000.00	25,504.27	<b>Total Realized Income</b>	<b>\$4,910,292.66</b>
Federal Agencies	492,735,000.00	502,741.86		
U.S. Instrumentalities	533,578,000.00	79,026.94		
Certificate of Deposit	220,000,000.00	313,082.19		
Dreyfus	29,832,984.88	-		
CAMP	75,000,000.00	1,349.28		
LAIF	75,000,000.00	37,068.49		
	<b>\$ 2,478,989,984.88</b>	<b>\$ 3,503,480.90</b>		
<b>Total Accrued Interest</b>	<b>\$ 5,897,548,133.12</b>	<b>\$ 12,105,569.68</b>		
<b>Total Dollar Earnings for Q1 FY 2021-22</b>		<b>\$ 17,015,862.34</b>		

	<b>AVERAGE BALANCE</b>	<b>\$ 6,230,878,746.98</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>1.083%</b>	<b>17,015,862.34</b>
<b>ADMINISTRATION FEES*</b>		<b>(1,491,996.72)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.988%</b>	<b>\$ 15,523,865.62</b>

\*Current admin fees rate is at 9.5bp

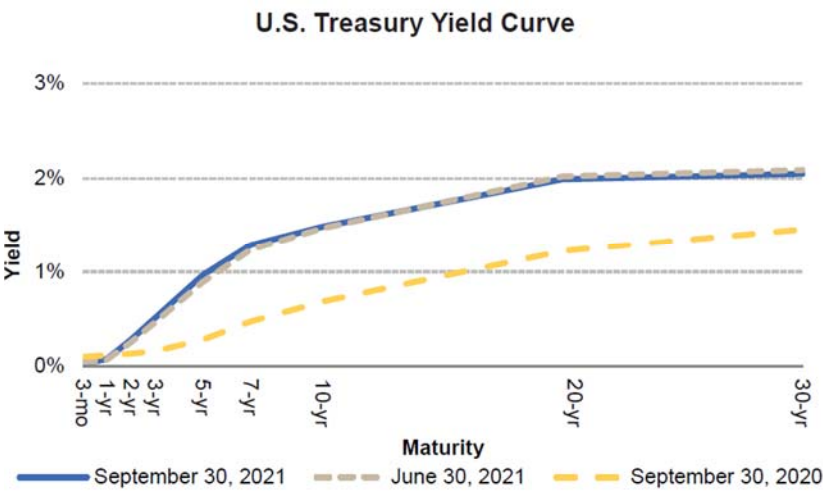
C/CAG Investment Portfolio Performance and Composition 3Q 2021  
Report Created for Finance Committee Meeting December 1, 2021

Capital Markets Summary 3Q 2021

Despite late-quarter volatility, U.S. stocks managed a small gain with the S&P 500 returning 0.6% for the third quarter. The index remained in positive territory for the last nine months and is up 15.9% year-to-date. Gross Domestic Product slowed to 2% in the third quarter as the delta variant peaked, but there are promising signs that 2021 will conclude with record economic growth. Inflation expectations continue to rise on strong economic demand coupled with continued slack in the labor market and global supply-chain shortages. TIPS (Treasury Inflation-Protected Securities) and high yield corporate bonds have performed best through the end of October 2021. Core bonds, Treasury bonds and international developed market bonds fared the worst (and in negative territory) for the same time as the global trend toward higher yields continued.

US Treasury Yield Curve and US Treasury Yields Over Time

Over the last year, Treasury yields have risen mostly on persistent inflationary pressures. The only decline has been the short-end of the yield curve where rates have flattened to nearly zero.

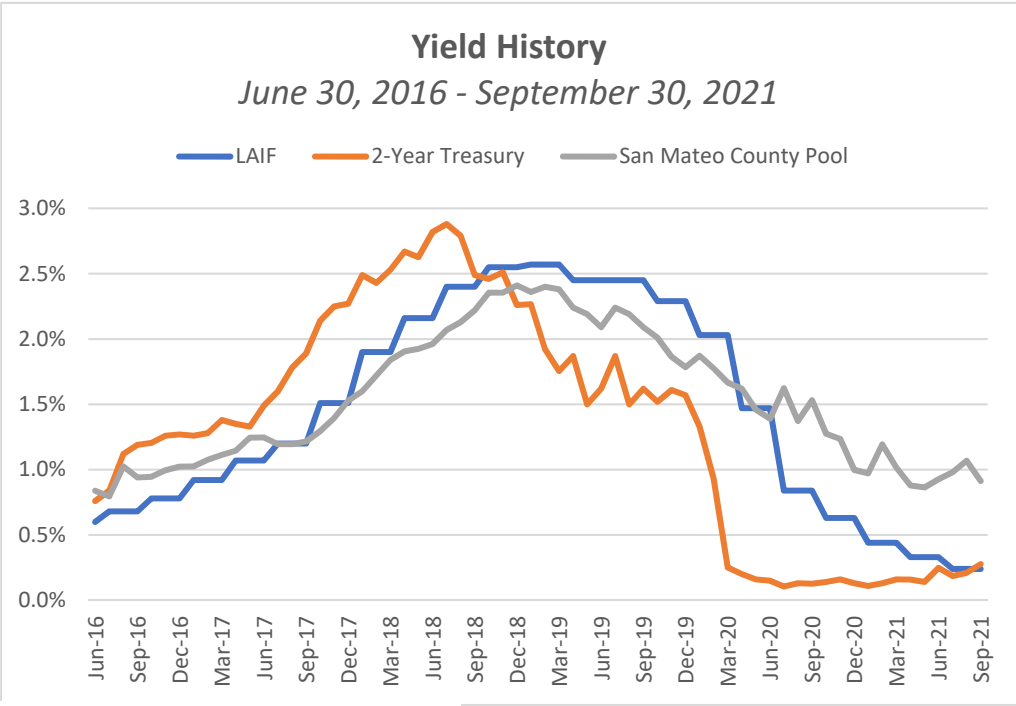


Source: PFM (Public Financial Management)

U.S. Treasury Yields

Maturity	Sep '21	Jun '21	Change over Quarter	Sep '20	Change over Year
3-Month	0.04%	0.04%	0.00%	0.10%	(0.06%)
1-Year	0.07%	0.07%	0.00%	0.12%	(0.05%)
2-Year	0.28%	0.25%	0.03%	0.13%	0.15%
5-Year	0.97%	0.89%	0.08%	0.28%	0.69%
10-Year	1.49%	1.47%	0.02%	0.69%	0.80%
30-Year	2.05%	2.09%	(0.04%)	1.46%	0.59%

Source: Bloomberg.



Source: PFM (Public Financial Management)



Portfolio Performance 3Q 2021

The C/CAG investment portfolio returns for the third quarter of 2021 were 0.22% for LAIF and 0.99% for the CoPool Fund. The CoPool Fund continues to marginally outperform the LAIF due to the allocations away from U.S. Treasuries and higher weightings in corporate bonds and U.S. Intermediary securities. The result was approximately a 77 basis point favorable yield to the CoPool Fund over the quarter. During the quarter, net flows to the LAIF fund were \$950,000 and to the CoPool Fund were \$650,000 to pay for program needs and to rebalance the portfolio. The total C/CAG portfolio asset allocation at the end of the third quarter was 59.7% to LAIF and 40.3% to the CoPool Fund, which is within the stated investment policy allocation ranges.

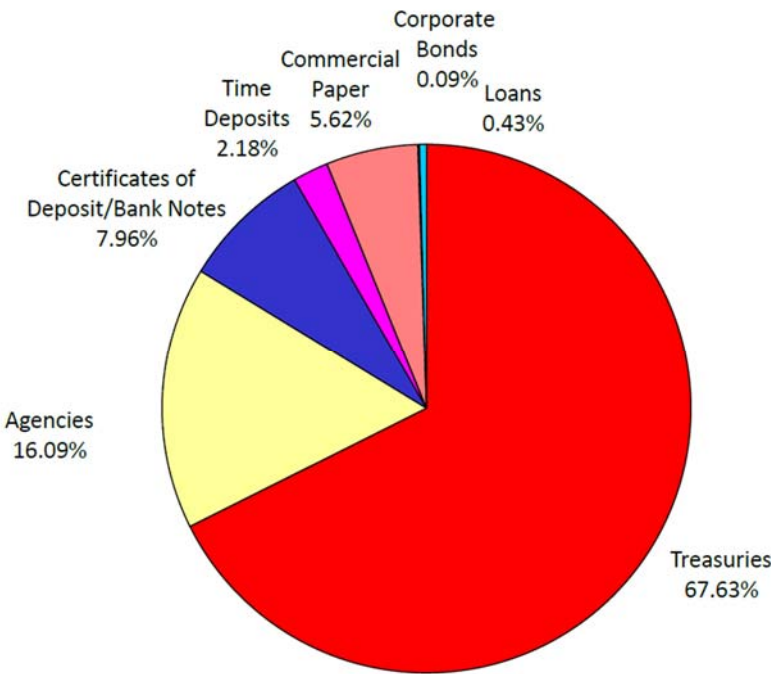
LAIF

PMIA Average Monthly Effective Yields:

July 2021	0.221
August 2021	0.221
September 2021	0.206

PMIA Quarter to Date: 0.22%

Portfolio Composition Pie Chart:



Source: PMIA/LAIF Performance Report as of 10/19/2021

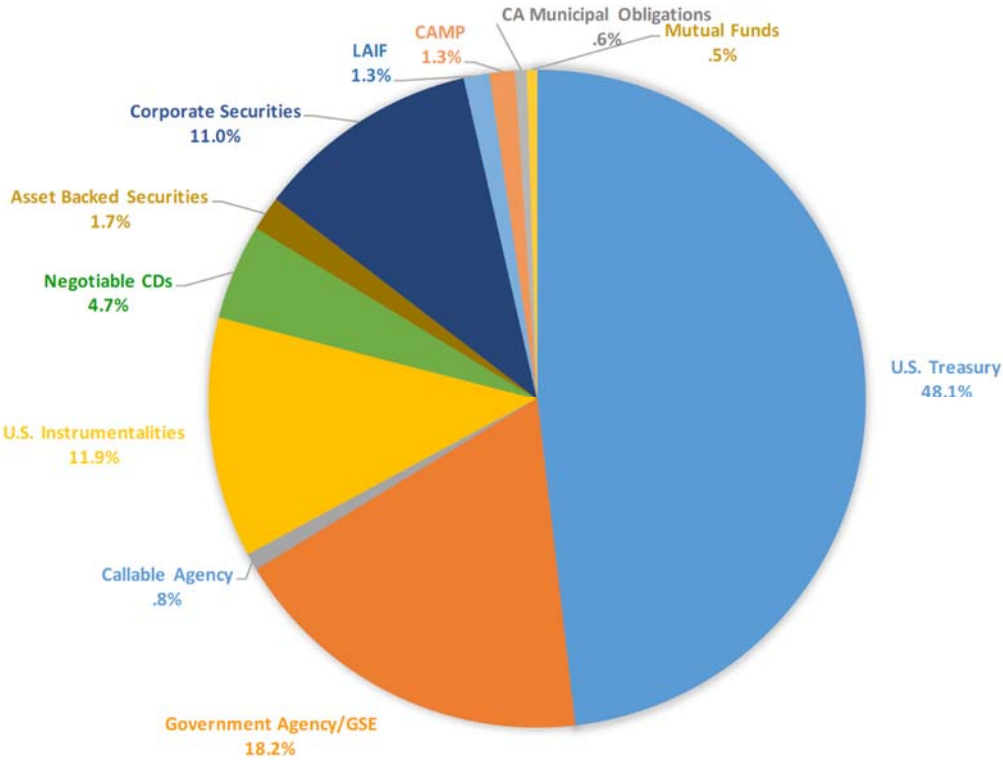
COPOOL

PMIA Average Monthly Effective Yields:

July 2021	0.98
August 2021	1.069
September 2021	0.913

PMIA Quarter to Date: 0.988%

Portfolio Composition Pie Chart:



Source: San Mateo County Investment Portfolio Compliance Report September 2021



## C/CAG AGENDA REPORT

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed.

(For further information contact Kim Wever at [kwever@smcgov.org](mailto:kwever@smcgov.org))

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### RECOMMENDATION

That the C/CAG Finance Committee review the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed.

### FISCAL IMPACT

Potential for higher or lower yields and risk associated with C/CAG investments.

### SOURCE OF FUNDS

The Investment Policy applies to all C/CAG funds held by the C/CAG Financial Agent (City of San Carlos).

### BACKGROUND

According to the C/CAG Investment Policy adopted on September 10, 2020:

*“The portfolio should be analyzed not less than quarterly by the C/CAG Finance Committee, and modified as appropriate periodically as recommended by the Finance Committee and approved by the C/CAG Board, to respond to changing circumstances in order to achieve the Safety of Principal.”*

The Finance Committee will seek to provide a balance between the various investments and maturities in order to give C/CAG the optimum combination of Safety of Principal, necessary liquidity, and optimal yield based on cash flow projections.

The LAIF Quarter Ending 9/30/21 net interest earning rate is 0.22%  
 San Mateo County Pool Quarter Ending 9/30/21 net interest earning rate is 0.99%

On November 14, 2013 the C/CAG Board approved the C/CAG investment portfolio as follows:

Local Agency Investment Fund (LAIF)	50% to 70%
San Mateo County Investment Pool (COPOOL)	30% to 50%

On December 2, 2020, the Finance Committee reviewed the investment portfolio and noted the increasing gap between the quarterly interest rate and the net of administrative fees of the LAIF and the COPOOL, with LAIF lagging behind the COPOOL. The Finance Committee recommended no change to the investment portfolio, but guided staff to target LAIF investments to 60% allocation and increase COPOOL investments to 40% allocation dependent upon the changes of the interest rate. On December 10, 2020, the C/CAG Board approved of no change to the range of limits to the C/CAG investment portfolio and approved the Finance Committee's recommendation for staff to target LAIF investments to 60% allocation and increase COPOOL investments to 40% allocation dependent upon the changes of the interest rate.

**Investment allocation between LAIF and COPOOL:**

	C/CAG BOARD APPROVED IN 2013	AS OF 9/30/2020	FINANCE COMMITTEE GUIDANCE ON 12/2/2020
LAIF	50% to 70%	69%	60%
COPOOL	30% to 50%	31%	40%

On August 25, 2021, the Finance Committee reviewed the investment portfolio and recommend no change to portfolio, but guided staff to continue monitoring the interest rates. On September 9, 2021, the C/CAG Board approved of no change to the investment portfolio.

The investment portfolio as of September 30, 2021 is as follows:

	6/30/2021		9/30/2021	
	Amount	Percent	Amount	Percent
LAIF	\$14,283,843	60.4%	\$15,245,744	59.7%
COPOOL	\$9,532,812	39.6%	\$10,307,116	40.3%
Total	\$23,816,655	100%	\$25,552,860	100%

The COPOOL and Total amounts for 6/30/2021 have been updated since Board approval. Staff found a typo on last quarter's report. The COPOOL amount should have been \$9,532,812 rather than \$9,352,812.

**ATTACHMENTS**

1. Quarterly Investment Report as of September 30, 2021 from San Carlos

**C/CAG**  
**CITY/COUNTY ASSOCIATION OF GOVERNMENTS**  
of San Mateo County

**Board of Directors Agenda Report**

**To: Sean Charpentier, Executive Director**  
**From: Carrie Tam, Financial Services Manager**  
**Date: December 1, 2021**

**SUBJECT: Quarterly Investment Report as of September 30, 2021**

**RECOMMENDATION:**

It is recommended that the C/CAG Board review and accept the Quarterly Investment Report.

**ANALYSIS:**

The attached investment report indicates that on September 30, 2021, funds in the amount of \$25,552,860 were invested producing a weighted average yield of 0.53%. Of the total investment portfolio, 59.7% of funds were invested in the Local Agency Investment Fund (LAIF) and 40.3% in the San Mateo County Investment Pool (COPOOL). On December 2, 2020, the Finance Committee reviewed the investment portfolio and noted the increasing gap between the quarterly interest rate, net of administrative fees, of LAIF and the COPOOL, with LAIF lagging behind the COPOOL. The Finance Committee recommended no change to the investment portfolio, but guided Staff to target LAIF investments to 60% allocation and increase COPOOL investments to 40% allocation dependent upon the changes of the interest rate. These percentages are within the range specified by the C/CAG Board. The portfolio mix reflects the Board approved percentage invested in the County Investment Pool and LAIF. Accrued interest earnings for this quarter totaled \$33,507.

Below is a summary of the changes from the prior quarter:

	<b>Qtr Ended 9/30/21</b>	<b>Qtr Ended 6/30/21</b>	<b>Increase (Decrease)</b>
Total Portfolio	\$ 25,552,860	\$ 23,816,655	\$ 1,736,205
Weighted Average Yield	0.53%	0.58%	-0.05%
Accrued Interest Earnings	\$ 33,507	\$ 36,205	\$ (2,698)

There was an increase of \$1.7 million in the portfolio balance this quarter compared to the previous quarter mostly due to the timing of member contributions, and cash receipts offset by expenses for Measure M and Congestion Relief and Management. The slightly lower quarterly interest rate resulted in slightly lower interest earnings for this quarter.

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis to ensure that C/CAG's investment portfolio will remain sufficiently liquid to meet all reasonably anticipated operating requirements. As of September 30, 2021, the portfolio contains sufficient liquidity to meet the next six months of expected expenditures by C/CAG. All investments are in compliance with the Investment Policy. Attachment 2 shows a historical comparison of the portfolio for the past nine quarters.

The primary objective of the investment policy of C/CAG remains to be the SAFETY OF PRINCIPAL. The permitted investments section of the investment policy also states:

*Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, and San Mateo County Investment pool, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments.*

The Investment Advisory Committee has reviewed and approved the attached Investment Report.

Attachments

- 1 – Investment Portfolio Summary for the Quarter Ended September 30, 2021
- 2 – Historical Summary of Investment Portfolio

## CITY &amp; COUNTY ASSOCIATION OF GOVERNMENTS

SUMMARY OF ALL INVESTMENTS  
For Quarter Ending September 30, 2021

Category	Quarterly Interest Rate**	Historical Book Value	% of Portfolio	GASB 31 ADJ Market Value
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**Liquid Investments:**

Local Agency Investment Fund (LAIF)	0.22%	15,245,744	59.7%	15,243,818
San Mateo County Investment Pool (COPOOL)	0.99%	10,307,116	40.3%	10,307,116

**Agency Securities**

none

<b>Total - Investments</b>	<b>0.53%</b>	<b>25,552,860</b>	<b>100%</b>	<b>25,550,934</b>
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<b>GRAND TOTAL OF PORTFOLIO</b>	<b>0.53%</b>	<b>\$ 25,552,860</b>	<b>100%</b>	<b>\$ 25,550,934</b>
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<b>Total Interest Earned This Quarter</b>	<b>33,507</b>
<b>Total Interest Earned (Loss) Fiscal Year-to-Date</b>	<b>33,507</b>

**Note: CCAG Board approved the following investment portfolio mix at its November 14, 2013 meeting:**

LAIF - 50% to 70%

COPOOL - 30% to 50%

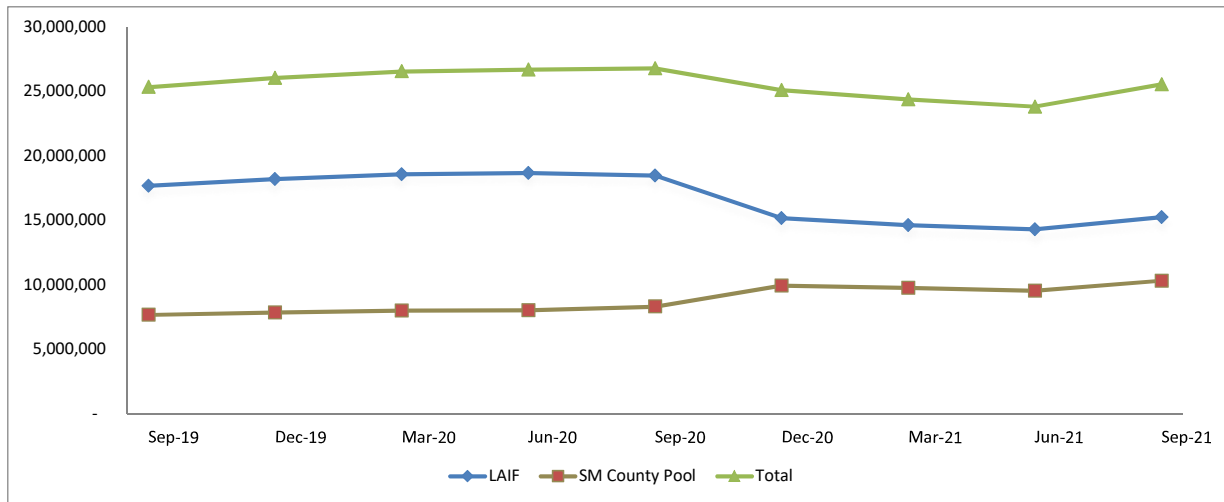
On December 2, 2020, the Finance Committee reviewed the investment portfolio and noted the increasing gap between the quarterly interest rate, net of administrative fees, of LAIF and the COPOOL, with LAIF lagging behind the COPOOL.

The Finance Committee recommended no change to the investment portfolio, but guided Staff to target LAIF investments to 60% allocation and increase COPOOL investments to 40% allocation dependent upon the changes of the interest rate.

\*Difference in value between Historical Value and Market Value may be due to timing of purchase. Investments in the investment pools may have been purchased when interest rates were lower or higher than the end date of this report. As interest rates increase or decrease, the value of the investment pools will decrease or increase accordingly. However, interest rate fluctuations does not have any impact to CCAG's balance in the investment pools. The market values are presented as a reference only.

\*\*Presented net of administrative fees

**City and County Association of Governments**  
**Historical Summary of Investment Portfolio**  
**September 30, 2021**



*Note: The chart type has been changed from Column to Line after receiving feedback from CCAG's Finance Committee*

**City/County Association of Governments Investment Portfolio**

	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
LAIF	17,679,856	18,186,431	18,568,498	18,659,231	18,477,316	15,165,848	14,617,426	14,283,843	15,245,744
SM County Pool	7,651,914	7,843,493	7,981,001	8,017,078	8,299,255	9,931,903	9,756,355	9,532,812	10,307,116
Total	25,331,770	26,029,924	26,549,499	26,676,309	26,776,571	25,097,751	24,373,781	23,816,655	25,552,860

**C/CAG AGENDA REPORT**

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Accept the C/CAG Financial Statements (Audit) for Fiscal Year Ended June 30, 2021 and the Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2021 and communicate with representative from auditing firm.

(For further information contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org))

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**RECOMMENDATION**

That the C/CAG Finance Committee accept the C/CAG Financial Statements (Audit) for Fiscal Year Ended June 30, 2021 and the Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2021 and communicate with representative from auditing firm.

**FISCAL IMPACT**

None.

**SOURCE OF FUNDS**

Member assessments, parcel fee, motor vehicle fee (TFCA/ AB1546/ Measure M), grants from State/ Federal Transportation programs, and other grants.

**BACKGROUND**

An independent audit was performed on C/CAG's financial statements and the related notes to the financial statements for the year ended June 30, 2021. No issues were identified that required correction. The auditor expressed the opinion that the C/CAG financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of C/CAG as of June 30, 2021, 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.

In accordance with auditing standards, the auditor considered C/CAG's internal control over financial reporting (internal control) as a basis for designing their audit procedures. The Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2021 is also attached.

**ATTACHMENTS**

1. C/CAG Financial Statements (Audit) for the Year Ended June 30, 2021 (available on-line at <http://ccag.ca.gov/committees/finance-committee/>)
2. C/CAG Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2021 (available on-line at <http://ccag.ca.gov/committees/finance-committee/>)

**C/CAG AGENDA REPORT**

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Accept the C/CAG Single Audit Report for the Year Ended June 30, 2021

(For further information contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org))

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**RECOMMENDATION**

That the Finance Committee accept the C/CAG Single Audit Report for the Year Ended June 30, 2021.

**FISCAL IMPACT**

None.

**SOURCE OF FUNDS**

Federal transportation funds.

**BACKGROUND**

An independent Single Audit Report was performed on C/CAG for the year ended June 30, 2021. The Single Audit is specifically for Federal funds received. A Single Audit is required when an agency received \$750,000 or more in federal awards. During that fiscal year, C/CAG had a total of \$1,708,775 in expenditures of federal funds.

The audit did not identify any deficiencies in internal control, or any significant deficiencies, or material weaknesses or instances of noncompliance material to the basic financial statements. The audit did not disclose any findings or questioned costs required to be reported in accordance with Uniform Guidance. The auditor expressed their opinion that the C/CAG complied, in all material respects, with the types of compliance requirements as specified that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

**ATTACHMENT**

1. Single Audit Report for Year Ended June 30, 2021 (available on-line at: <http://ccag.ca.gov/committees/finance-committee/>)



**C/CAG AGENDA REPORT**

Date: December 1, 2021  
To: C/CAG Finance Committee  
From: Sean Charpentier, Executive Director  
Subject: Accept the Measure M Fund Financial Statements (Audit) for the Year Ended June 30, 2021

(For further information contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org))

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**RECOMMENDATION**

That the C/CAG Finance Committee accept the Measure M Fund Financial Statements (Audit) for the Year Ended June 30, 2021.

**FISCAL IMPACT**

None.

**SOURCE OF FUNDS**

Dedicated motor vehicle fee.

**BACKGROUND**

On an annual basis, C/CAG conducts a separate independent audit on the Measure M Fund (\$10 vehicle registration fee). An audit report (Financial Statements) for the Measure M Funds for the year ended June 30, 2021 has been prepared. No issue was identified that require correction.

The auditor expressed their opinion that the Measure M financial statements present fairly, in all material respects, the respective financial position of the Measure M Fund, as of June 30, 2021, 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.

**ATTACHMENT**

1. Measure M Fund Financial Statements (audit report) for Fiscal Year Ended June 30, 2021 (available on-line at: <http://ccag.ca.gov/committees/finance-committee/>)

**C/CAG AGENDA REPORT**

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Accept the Pedestrian/Bicycle Projects Transportation Development Act (TDA) Article III Fund Financial Statements (Audit) for the Year Ended June 30, 2021

(For further information contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org))

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**RECOMMENDATION**

That the C/CAG Finance Committee accept the Pedestrian/Bicycle Projects Transportation Development Act (TDA) Article III Fund Financial Statements (Audit) for the Year Ended June 30, 2021.

**FISCAL IMPACT**

None.

**SOURCE OF FUNDS**

Transportation Development Act (TDA) Article III Fund in the Congestion Management Fund

**BACKGROUND**

Due to this year's completion of the San Mateo County Comprehensive Bicycle and Pedestrian Plan update, C/CAG conducted a separate independent audit on the TDA Article III fund authorized by the grant agency. An audit report (Financial Statements) for the TDA Article III Funds for the year ended June 30, 2021 has been prepared. No issue was identified that require correction.

The auditor expressed their opinion that the TDA Article III financial statements present fairly, in all material respects, the respective financial position of the TDA Article III Fund, as of June 30, 2021, 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.

**ATTACHMENT**

1. TDA Article III Fund Financial Statements (audit report) for Fiscal Year Ended June 30, 2021 (available on-line at: <http://ccag.ca.gov/committees/finance-committee/>)

## C/CAG AGENDA REPORT

Date: December 1, 2021

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Review and approve the 2022 Finance Committee Meeting Calendar

(For further information contact Kim Wever at [kwever@smcgov.org](mailto:kwever@smcgov.org))

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### RECOMMENDATION

It is recommended that the Finance Committee review and approve the meeting calendar for 2022.

### FISCAL IMPACT

None

### SOURCE OF FUNDS

None

### BACKGROUND

The Quarterly Investment report developed by San Carlos staff requires an internal review and approval process by the City's Investment Committee. Reports are typically available to C/CAG one and a half months following the end of the quarter.

C/CAG Board requested the Committee to review the Draft Annual Budgets before it goes to the C/CAG Board in May. Therefore, May's meeting will be earlier in the month.

The following dates are proposed:

Review Quarter	Meeting Date (12:00PM Noon)
October-December 2021	Wednesday, February 23, 2022
January-March 2022	Wednesday, May 11, 2022
April-June 2022	Wednesday, August 24, 2022
July- September 2022	Wednesday, November 30, 2022

Staff recommends the Finance Committee review and approve the meeting calendar for 2022.

### ATTACHMENTS

None

**C/CAG AGENDA REPORT**

Date: December 1, 2021

TO: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Review and recommend an increase of C/CAG Membership Fees

(For further information, contact Sean Charpentier at [scharpentier@smcgov.org](mailto:scharpentier@smcgov.org))

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**RECOMMENDATION:**

That the Finance Committee review and recommend an increase of C/CAG membership fees.

**FISCAL IMPACT:**

Estimated first year annual increase of approximately \$34,000, with individual increases ranging from \$39 to \$2,468 per jurisdiction.

**FUNDING SOURCES:**

C/CAG's membership fees are comprised of two components, including general fund and gas tax. Individual jurisdiction's share is based on population data that is adopted by C/CAG Board annually.

**BACKGROUND:**

When the Committee reviewed the FY 2021/22 Budget in May 2021, a discussion took place regarding a potential increase of C/CAG member fees starting in FY 2022/23. C/CAG membership fees under General Fund category have stayed flat for the past six years, and the gas tax component has not changed for the past eight years.

Staff are recommending the fee adjustments to implement more stable and predictable annual increases so as to avoid having a major increase in one year; to reflect rising costs for existing expenses; and account for additional expenses related to technology for future hybrid zoom Board and Committee meetings, a new contract for Federal Advocacy, and administrative support.

At the October 18, 2021 the Committee's reviewed and discussed three potential options for fee increase. The Committee generally agreed with staff's recommendation of option 2) one-time "catch up" increase of 5% and then annual increase to match CPI (assumes 2%), with a "not to exceed cap" on CPI. See Table 1, Projected Fee Increases by Member Agency in Attachment 1.

The Committee also guided staff to research "a not to exceed cap" for CPI (Consumer Price Index). Staff reviewed 10 years of actual CPI increases and multiple municipal labor MOUs for either Cost of Living Increases (COLA) or "CAPs" on CPI increases. The average annual CPI for the last 10 years has been 2.8%. The research of the Labor MOUs indicates that most COLA increases were 3%. Based on

this research, staff recommend a “not to exceed cap” of 3%. See Table 2, for the CPI increases in Attachment 2.

### *Recommendation*

Staff recommends that the Committee recommends Board approval of a one-time “catch up” increase of 5% and then annual increase to match CPI (not to exceed 3%) to the C/CAG Membership Fees under General Fund and Gas Tax.

If approved by the Finance Committee, staff will update the C/CAG Board of Directors in January and then communicate the proposed changes in the annual letter informing all City Finance Directors of the projected upcoming C/CAG fees. The fee recommendation will be reflected in the draft budget.

### **ATTACHMENT**

1. Table 1: Projected Fee increases by Member Agency
2. Table 2: CPI research

**ATTACHMENT 1**  
**Table 1: Projected Fee increases by Member Agency**

Agency	Population <sup>1</sup>	% of Population	Year: 2022	2023	2024	2025	2026	2027	Estimated 5-year Increase
			Escalation: Current	5%	2.5%	2.5%	2.5%	2.5%	
Atherton	7,031	0.909%	\$ 6,239	\$ 6,551	\$ 6,714	\$ 6,882	\$ 7,054	\$ 7,231	\$ 992
Belmont	26,813	3.468%	\$ 23,791	\$ 24,981	\$ 25,605	\$ 26,246	\$ 26,902	\$ 27,574	\$ 3,783
Brisbane	4,633	0.599%	\$ 4,111	\$ 4,316	\$ 4,424	\$ 4,535	\$ 4,648	\$ 4,765	\$ 654
Burlingame	30,118	3.895%	\$ 26,724	\$ 28,060	\$ 28,762	\$ 29,481	\$ 30,218	\$ 30,973	\$ 4,249
Colma	1,729	0.224%	\$ 1,534	\$ 1,611	\$ 1,651	\$ 1,692	\$ 1,735	\$ 1,778	\$ 244
Daly City	109,142	14.115%	\$ 96,842	\$ 101,684	\$ 104,226	\$ 106,832	\$ 109,503	\$ 112,240	\$ 15,398
East Palo Alto	30,794	3.982%	\$ 27,324	\$ 28,690	\$ 29,407	\$ 30,142	\$ 30,896	\$ 31,668	\$ 4,344
Foster City	33,033	4.272%	\$ 29,310	\$ 30,776	\$ 31,545	\$ 32,334	\$ 33,142	\$ 33,971	\$ 4,661
Half Moon Bay	12,431	1.608%	\$ 11,030	\$ 11,582	\$ 11,871	\$ 12,168	\$ 12,472	\$ 12,784	\$ 1,754
Hillsborough	11,418	1.477%	\$ 10,131	\$ 10,638	\$ 10,904	\$ 11,176	\$ 11,456	\$ 11,742	\$ 1,611
Menlo Park	35,254	4.559%	\$ 31,281	\$ 32,845	\$ 33,666	\$ 34,508	\$ 35,371	\$ 36,255	\$ 4,974
Millbrae	22,832	2.953%	\$ 20,259	\$ 21,272	\$ 21,804	\$ 22,349	\$ 22,907	\$ 23,480	\$ 3,221
Pacifica	38,331	4.957%	\$ 34,011	\$ 35,712	\$ 36,605	\$ 37,520	\$ 38,458	\$ 39,419	\$ 5,408
Portola Valley	4,607	0.596%	\$ 4,088	\$ 4,292	\$ 4,400	\$ 4,509	\$ 4,622	\$ 4,738	\$ 650
Redwood City	86,754	11.219%	\$ 76,977	\$ 80,826	\$ 82,847	\$ 84,918	\$ 87,041	\$ 89,217	\$ 12,240
San Bruno	45,454	5.878%	\$ 40,332	\$ 42,348	\$ 43,407	\$ 44,492	\$ 45,604	\$ 46,744	\$ 6,412
San Carlos	30,145	3.899%	\$ 26,748	\$ 28,085	\$ 28,787	\$ 29,507	\$ 30,245	\$ 31,001	\$ 4,253
San Mateo	103,087	13.332%	\$ 91,470	\$ 96,043	\$ 98,444	\$ 100,905	\$ 103,428	\$ 106,014	\$ 14,544
South San Francisco	67,879	8.778%	\$ 60,229	\$ 63,241	\$ 64,822	\$ 66,442	\$ 68,103	\$ 69,806	\$ 9,577
Woodside	5,676	0.734%	\$ 5,036	\$ 5,288	\$ 5,420	\$ 5,556	\$ 5,695	\$ 5,837	\$ 801
San Mateo County	66,083	8.546%	\$ 58,636	\$ 61,568	\$ 63,107	\$ 64,684	\$ 66,302	\$ 67,959	\$ 9,323
<b>Total</b>	<b>773,244</b>	<b>100%</b>	<b>\$ 686,103</b>	<b>\$ 720,408</b>	<b>\$ 738,418</b>	<b>\$ 756,879</b>	<b>\$ 775,801</b>	<b>\$ 795,196</b>	<b>\$ 109,093</b>
			Annual \$ Increase	\$ 34,305	\$ 18,010	\$ 18,460	\$ 18,922	\$ 19,395	\$ 109,093

1) Individual jurisdiction's share is based on new population data from Dept of Finance, 1/1/2020, adopted by CCAG Resolution 21-09.

Assumptions

- Populations remain same
- 5% increase in first year and 2.5% after that

**ATTACHMENT 2**  
**Table 2: CPI research**

CPI for All Urban Consumers (CPI-U)															
12-Month Percent Change															
Series Id: CUURS49BSA0															
Not Seasonally Adjusted															
Series Title:	All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted														
Area:	San Francisco-Oakland-Hayward, CA														
Item:	All items														
Base Period:	1982-84=100														
Years:	2011 to 2021														
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2011		1.7		2.8		2.4		2.9		3.2		2.9	2.6	2.2	3.0
2012		3.0		2.1		2.6		2.8		3.2		2.2	2.7	2.6	2.8
2013		2.4		2.4		2.6		2.0		1.6		2.6	2.2	2.4	2.1
2014		2.4		2.8		3.0		3.0		3.2		2.7	2.8	2.7	3.0
2015		2.5		2.4		2.3		2.6		2.6		3.2	2.6	2.5	2.7
2016		3.0		2.7		2.7		3.1		3.6		3.5	3.0	2.8	3.2
2017		3.4		3.8		3.5		3.0		2.7		2.9	3.2	3.6	2.9
2018		3.6		3.2		3.9		4.3		4.4		4.5	3.9	3.4	4.3
2019		3.5		4.0		3.2		2.7		3.0		2.5	3.3	3.7	2.9
2020		2.9		1.1		1.6		1.6		1.1		2.0	1.7	2.0	1.4
2021		1.6		3.8		3.2		3.7						2.5	
											10-year average		2.8		

Source: <https://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm>