

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

C/CAG FINANCE COMMITTEE MEETING AGENDA

Date: Wednesday, May 22, 2024	Join by Zoom Webinar: https://us02web.zoom.us/j/89349437177?pwd=ZGIZT1VUTEFEakltSk85ZWIRdGNhZz09
Time: 12:00 p.m.	
Location: San Mateo City Hall Conference Room C 300 W. 20th Ave San Mateo, CA 94403	Zoom Webinar ID: 893 4943 7177 Password: 875833 Join by Phone: (669) 900-6833

HYBRID MEETING - IN-PERSON AND BY VIDEOCONFERENCE

This meeting of the C/CAG Finance Committee will be held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at the location above. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the agency, or of the acts or omissions of the Board and committees. Speakers shall not disrupt, disturb, or otherwise impede the orderly conduct of a Board meeting. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

1. CALL TO ORDER/ROLL CALL Chair Colson No materials
2. PUBLIC COMMENT ON RELATED ITEMS NOT ON THE AGENDA Chair Colson No materials
Note: Public comment is limited to two minutes per speaker. Please refer to the instructions at the end of this agenda for details regarding how to provide public comments. Members of the public who wish to address the Committee should complete a speaker's slip to make a public comment in person or raise their hand in Zoom to speak virtually.
3. Approval of minutes from the April 24, 2024 meeting. (Action) Wever Page 1-2
4. Receive copies of monthly investment statements for January, February, and March 2024. (Information) Wever Page 3-21
5. Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed. (Action) Charpentier/Harris Page 22-26

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|---|-------------|--------------|
| 6. Review and recommend Board approval of the draft final C/CAG Program Budget and Member Fees for Fiscal Year 2024/25. (Action) | Charpentier | Page 27-59 |
| 7. Receive a copy of the Actuarial Valuation of Other Post-Employment Benefit (OPEB) Programs as of June 30, 2023 and GASB 75 Report for the fiscal year ending June 30, 2024. (Action) | Charpentier | Page 60-110 |
| 8. Receive a presentation on the C/CAG Strategic Plan development process and participate in a discussion on the proposed Agency mission, vision, core values, goals, objectives, and performance measures. (Information) | Charpentier | Page 111-123 |
| 9. Discussion on changing the Committee meeting time. (Possible Action) | Charpentier | Page 124 |

ADJOURN

The next regularly scheduled meeting will be on August 21, 2024.

PUBLIC NOTICING: All notices of C/CAG regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Court Yard, 555 County Center, Redwood City, 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.

ADA REQUESTS: Persons with disabilities who require auxiliary aids or services to participate in this meeting should contact Kim Wever at (650) 599-1451 or kwever@smcgov.org by 10:00 a.m. prior to the meeting date.

PUBLIC PARTICIPATION DURING HYBRID MEETINGS: During hybrid meetings of the Finance Committee, members of the public may address the Committee as follows:

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.
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 in person and through Zoom. Public comments will be taken first by

speakers in person, followed by via Zoom. Please read the following instructions carefully:

***In-person participation:**

1. If you wish to speak to the C/CAG Finance Committee, please fill out a speaker's slip located on the 2nd floor auditorium side table against the wall. If you have anything that you wish distributed to the Committee and included in the official record, please hand it to the C/CAG staff who will distribute the information to the Committee members and staff.

***Remote participation:**

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 Co-Chairs call for the item on which you wish to speak, click on "raise hand." Staff will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak. If calling in via phone, press *9 to raise your hand and when called upon press *6 to unmute.
5. 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 or Kim Wever at kwever@smcgov.org

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
FINANCE COMMITTEE
MEETING MINUTES
April 24, 2024**

In compliance with the provisions of the Government Code section 54953(e), this meeting of the C/CAG Finance Committee was held in person and by teleconference.

Committee Members Attending In-Person:

Carlos Romero (City of East Palo Alto)
Donna Colson (City of Burlingame)
Adam Rak (City of San Carlos)
Michael Salazar (City of San Bruno)

Guests or Staff Attending In-Person:

Sean Charpentier, Kaki Cheung, Kim Wever – C/CAG Staff
Drew Corbett – DKG Consultants

Guests or Staff Attending Remotely:

Paul Harris – City of San Carlos Finance Staff

1. Call to order/Roll Call

At 12:07 P.M. Chair Colson called the Finance Committee meeting to order.

2. Public comment on related items not on the agenda.

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

3. Approval of minutes from the November 29, 2023 and February 14, 2024 meetings. (Action)

Motion – To approve the minutes from the November 29, 2023 and February 14, 2024 Finance Committee meetings, Rak/ Romero. All members in attendance voted to approve. Motion passed.

4. Review the initial draft, assumptions, and input on the C/CAG Fiscal Year 2024/25 Program Budget and Member Fees. (Information)

C/CAG Executive Director Sean Charpentier introduced Drew Corbett, Principal at DKG Consultants who assisted C/CAG on developing the agency budget. Sean and Drew presented on the FYE2024 accomplishments and FYE2025 goals. Drew provided budget highlights and next steps. Drew explained the large variance in the FYE2025 budget is due to timing of receiving certain revenues and then distributing the funds the following fiscal year, such as the Northern Cities Smart Corridor project.

C/CAG Executive Director Sean Charpentier added that there may be a need for a budget amendment for the possible \$60M NOAA grant in the Fall 2024. Chair Colson inquired about

the coordination with OneShoreline on this grant. Sean confirmed that they incorporated elements from OneShoreline and they did also provide a letter of support.

Member Romero requested to have the presentation available online before the meeting. Staff confirmed they can upload future presentations before and will also upload and email this presentation after this meeting.

5. Adjournment.

The meeting adjourned at approximately 12:52 P.M.

C/CAG AGENDA REPORT

Date: May 22, 2024
To: C/CAG Finance Committee
From: Sean Charpentier, Executive Director
Subject: Receive copies of monthly investment statements for January, February, and March 2024

(For further information contact Kim Wever at kwever@smcgov.org)

RECOMMENDATION

That the C/CAG Finance Committee receives copies of monthly investment statements for January, February, and March 2024.

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 March 31, 2024.

EQUITY IMPACTS AND CONSIDERATIONS

C/CAG's Investment Policy supports investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance.

ATTACHMENTS

1. C/CAG's Monthly Major Cash Inflows and Outflows, LAIF, and SMC Investment Fund Summary for January, February, and March 2024.
2. LAIF Performance Report Quarter Ending March 31, 2024.
3. San Mateo County Treasurer's Office Pool Participants Distribution March 31, 2024.
4. County Summary of Pool Earnings for January, February, and March 2024.
5. Overview of Market and Investment Statements Quarter Ending March 31, 2024.

CITY & COUNTY ASSOCIATION OF GOVERNMENTS
 Recap of Monthly Major Cash Inflows and Outflows
 for Quarter Ended March 31, 2024

January Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
Jan 2024	Beginning book balance (Checking)		2,175,784
	Measure M	DMV	1,049,969
	Express Lane JPA	San Mateo County Transportation Authority	64,405
	Energy Watch	PG&E	74,825
	Bay Area Air Quality	Bay Area Air Quality Management District	547,476
	All other Receipts (1)	WF Interest	11,931
		Total Jan Cash Inflow	1,748,605
	Smart Corridor	Kimley-Horn & Assoc, Aegis ITS, Iteris Inc, Redwood City	(16,899)
	Congestion Relief & Management	Kittelson & Associates, Gray Bowen Scott, Mariposa Planning, Redwood City, Alameda County Transportation, Shaw/Yoder/Antwih	(96,610)
	Bay Area Air Quality	San Mateo County	
	Express Lane JPA	Redwood City	(13,818)
	NPDES	Ken Brown, Redwood City	(11,158)
	Energy Watch	San Mateo County, Redwood City	(2,159)
	Measure M	San Mateo, Hillsborough, East Palo Alto, Pacifica, South San Francisco, Redwood City, Brisbane, EOA Inc, San Mateo County	(907,534)
	All other payments (7)	various	(38,138)
	Transfer	San Mateo County Pool	(300,000)
	Transfer	LAIF	(1,000,000)
		Total Jan Cash Outflow	(2,386,317)
		Net Cash Inflow/(Outflow)	(637,712)
	Ending book balance (Checking)		1,538,072

California State Treasurer
Fiona Ma, CPA



January LAIF Statement

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

February 13, 2024

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

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

January 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
1/10/2024	1/9/2024	RD	1744703	1705115	PAUL HARRIS	1,000,000.00
1/12/2024	1/11/2024	QRD	1745616	N/A	SYSTEM	167,071.41

Account Summary

Total Deposit:	1,167,071.41	Beginning Balance:	15,478,855.25
Total Withdrawal:	0.00	Ending Balance:	16,645,926.66



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

January County Pool Statement
 Statement Ending Date: 1/31/2024
 Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments - 03412

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
12/31/2023	Balance brought forward			\$10,341,683.59
1/1/2024	FY 23-24 Interest Allocation Q2		\$96,144.53	\$10,437,828.12
1/29/2024	Wire In		\$300,000.00	\$10,737,828.12
1/31/2024	Ending Balance			\$10,737,828.12

CITY & COUNTY ASSOCIATION OF GOVERNMENTS
 Recap of Monthly Major Cash Inflows and Outflows
 for Quarter Ended March 31, 2024

February Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
Feb 2024	Beginning book balance (Checking)		1,538,072
	Member Contributions	Menlo Park	13,225
	NPDES	San Mateo County	155,417
	Congestion Relief & Management	Caltrans, Menlo Park, Metropolitan Transportation Commission	1,378,196
	Energy Watch	PG&E	33,875
	Measure M	DMV, Caltrans - District 4	570,134
	Express Lane JPA	San Mateo County Transportation Authority	29,584
	All other Receipts (1)	WF Interest	10,768
		Total Feb Cash Inflow	2,191,200
	Measure M	EOA Inc., Daly City, Woodside Town, Kaki Cheung, Burlingame City, Redwood City, San Mateo County	(197,924)
	Congestion Relief & Mgmt	California Association, Gray Bowen Scott, Kittelson & Associates, Mariposa Planning, Redwood City, San Mateo County, San Mateo Daily Journal, TKJM Transportation	(731,541)
	Express Lane JPA	Redwood City, San Mateo County	(55,692)
	NPDES	EOA Inc., San Mateo, Redwood City, BAWSCA	(83,641)
	Energy Watch	Redwood City	(2,748)
	Smart Corridor	Kimley-Horn & Assoc., Redwood City, Aegis ITS, South San Francisco	(38,867)
	Bay Area Air Quality	Commute.org, San Mateo County, Half Moon Bay City	(105,464)
	All other payments (15)	various	(27,692)
		Total Feb Cash Outflow	(1,243,568)
		Net Cash Inflow/(Outflow)	947,631
	Ending book balance (Checking)		2,485,704

California State Treasurer *Fiona Ma, CPA*



February LAIF Statement

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

March 06, 2024

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[PMIA Average Monthly Yields](#)

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

February 2024 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	16,645,926.66
Total Withdrawal:	0.00	Ending Balance:	16,645,926.66



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

February County Pool Statement
Statement Ending Date: 2/29/2024
Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments - 03412

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
1/31/2024	Balance brought forward			\$10,737,828.12
2/29/2024	Ending Balance			\$10,737,828.12

CITY & COUNTY ASSOCIATION OF GOVERNMENTS
 Recap of Monthly Major Cash Inflows and Outflows
 for Quarter Ended March 31, 2024

March Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
Mar 2024	Beginning book balance (Checking)		2,485,704
	Measure M	DMV	653,577
	NPDES	San Mateo County	83,744
	Energy Watch	PG&E	40,596
	All other Receipts (1)	WF Interest	8,096
	Transfer	San Mateo County Pool, LAIF	
		Total Mar Cash Inflow	786,013
	Measure M	Samtrans, Belmont, Foster City, Millbrae, San Bruno, San Carlos, Menlo Park, San Mateo County, EOA Inc, Redwood City	(206,940)
	Congestion Relief & Management	California Association, Mariposa Planning, Redwood City, San Mateo County, Solano Transportation, Ken Brown, Fehr & Peers	(206,008)
	NPDES	Clear Creek Solution, Global Philanthropy, San Mateo County, EOA Inc, Ken Brown, Redwood City, Shaw/Yoder/Antwih	(208,151)
	Bay Area Air Quality	San Mateo County	(1,201)
	Express Lane JPA	Redwood City, San Mateo County	(26,145)
	Smart Corridor	Aegis Its, Iteris Inc, Kimley-Horn & Associates Inc, Redwood City	(41,316)
	Energy Watch	Redwood City, San Mateo County	(107,485)
	All other payments (12)	various	(26,925)
	Transfer	San Mateo County Pool	(530,000)
	Transfer	LAIF	(270,000)
		Total Mar Cash Outflow	(1,624,170)
		Net Cash Inflow/(Outflow)	(838,157)
	Ending book balance (Checking)		1,647,547

California State Treasurer
Fiona Ma, CPA



March LAIF Statement

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

April 11, 2024

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[PMIA Average Monthly Yields](#)

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

March 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
3/20/2024	3/19/2024	RD	1749134	N/A	PAUL HARRIS	270,000.00

Account Summary

Total Deposit:	270,000.00	Beginning Balance:	16,645,926.66
Total Withdrawal:	0.00	Ending Balance:	16,915,926.66



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

March County Pool Statement
Statement Ending Date: 3/31/2024
Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments - 03412

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
2/29/2024	Balance brought forward			\$10,737,828.12
3/19/2024	Wire In		\$530,000.00	\$11,267,828.12
3/31/2024	Ending Balance			\$11,267,828.12



PMIA/LAIF Performance Report as of 5/8/24



Quarterly Performance Quarter Ended 03/31/24

LAIF Apportionment Rate ⁽²⁾ :	4.30
LAIF Earnings Ratio ⁽²⁾ :	0.00011755619077389
LAIF Administrative Cost ^{(1)*} :	0.27
LAIF Fair Value Factor ⁽¹⁾ :	0.994191267
PMIA Daily ⁽¹⁾ :	4.22
PMIA Quarter to Date⁽¹⁾:	4.12
PMIA Average Life ⁽¹⁾ :	226

PMIA Average Monthly Effective Yields⁽¹⁾

April	4.272
March	4.232
February	4.122
January	4.012
December	3.929
November	3.843

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 3/31/24 \$156.5 billion

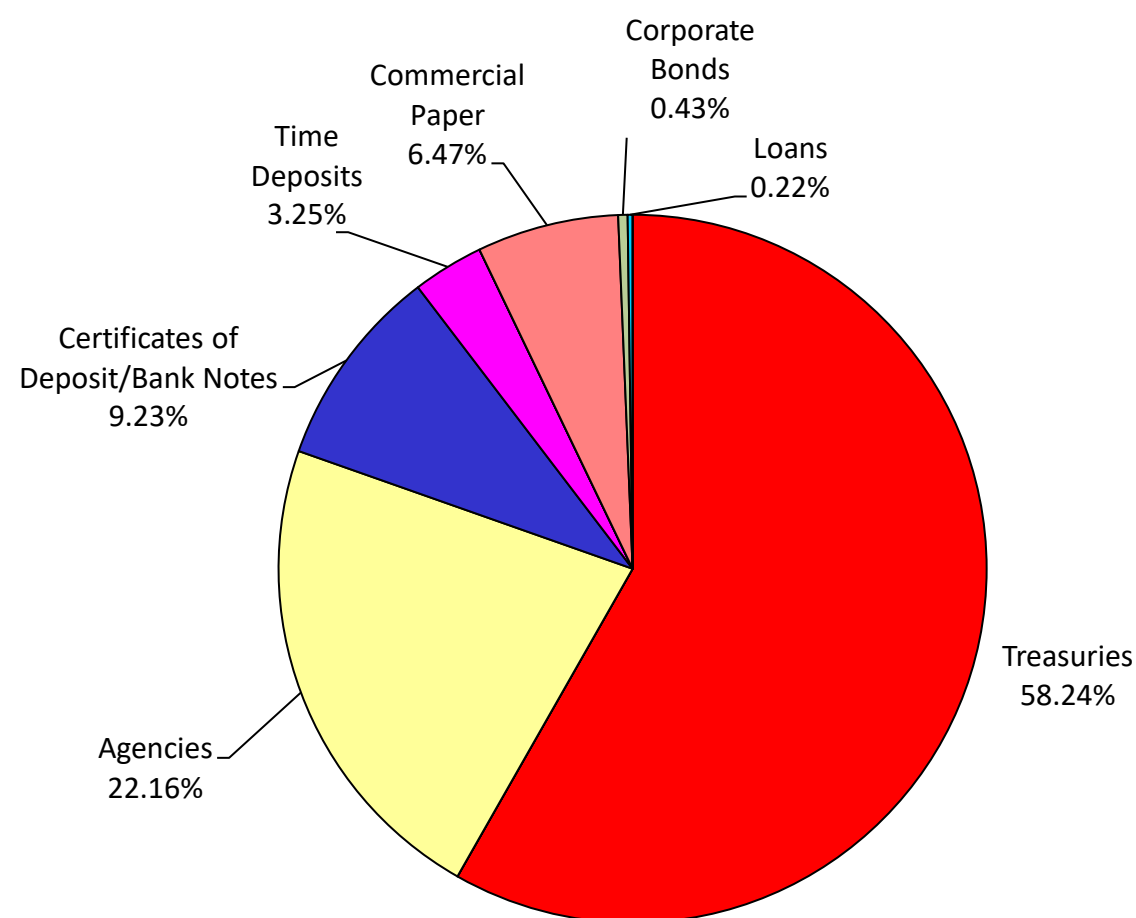


Chart does not include \$2,005,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



California State Treasurer
Fiona Ma, CPA



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LOCAL AGENCY INVESTMENT FUND

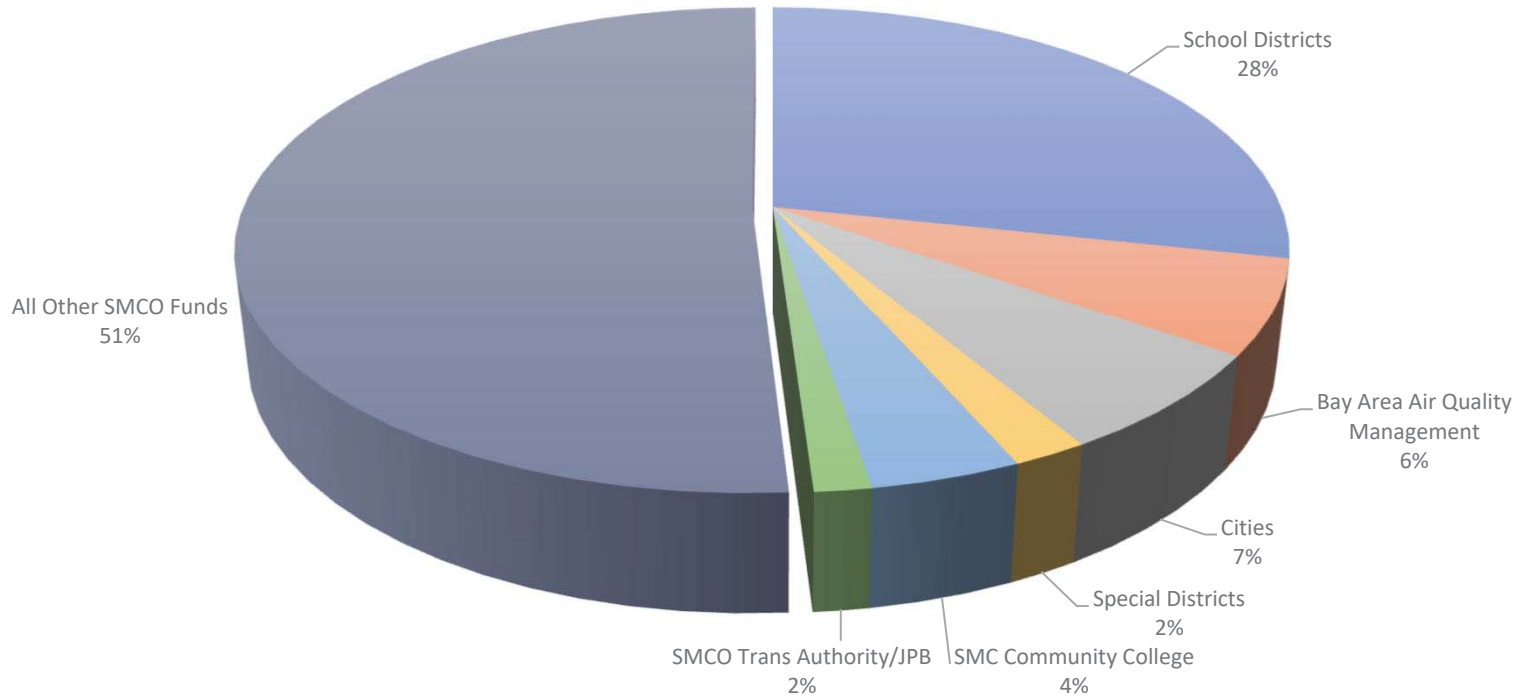
PMIA Average Monthly Effective Yields

	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	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	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	2.425	2.624	2.831	2.870	2.993	3.167	3.305*	3.434	3.534	3.670	3.843	3.929
2024	4.012	4.122	4.232	4.272								

* Revised



SAN MATEO COUNTY TREASURER'S OFFICE POOL PARTICIPANTS DISTRIBUTION
March 31, 2024



Participants	\$	%
School Districts	\$ 2,312,240,958.08	28.38%
Bay Area Air Quality Management	515,351,564.05	6.32%
Cities	546,405,335.35	6.71%
Special Districts	163,104,413.80	2.00%
SMC Community College	327,296,286.54	4.02%
SMCO Trans Authority/JPB	123,674,602.43	1.52%
All Other SMCO Funds	4,160,233,689.65	51.06%
Total	\$ 8,148,306,849.90	100.00%

*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
January 2024

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 1,226,255,000	\$ 2,009,698.93	Corporate Notes	\$ 260,518.89
Corporate Notes	838,672,000	2,477,017.21	Federal Agencies	1,836,869.84
Federal Agencies	2,099,723,000	6,710,668.13	U.S, Instrumentalities	83,964.62
U.S, Instrumentalities	369,850,000	1,064,554.13	Asset Backed Securities	16,886.20
Asset Backed Securities	34,458,318	18,835.90	Certificate of Deposit	125,352.47
Certificate of Deposit	17,000,000	80,999.18	U S Treasury Notes	272,931.69
	\$ 4,585,958,318	\$ 12,361,773.47	Dreyfus	901,056.82
			US Bank Earnings Credit	14,437.04
			CAMP	1,447,447.10
			CALTRUST	589,929.61
			Total Realized Income	\$ 5,549,394.28
Short Term Securities Maturing < 1 year				
U S Treasury Notes	\$ 613,510,000.00	\$ 554,316.05		
Corporate Notes	326,950,000	680,610.77		
Federal Agencies	1,364,389,000	4,533,806.43		
U.S, Instrumentalities	434,856,000	1,727,428.07		
Asset Backed Securities	-	-		
Certificate of Deposit	193,000,000	850,464.11		
Commercial Paper	312,000,000	1,489,240.00		
Dreyfus	104,257,225	-		
CAMP	245,000,000	1,009,691.78		
CALTRUST	50,000,000	211,054.79		
	\$ 3,643,962,225.24	\$ 11,056,612.01		
Total Accrued Interest	\$ 8,229,920,542.97	\$ 23,418,385.48		
Total Dollar Earnings for January		\$ 28,967,779.76		

AVERAGE BALANCE		\$ 8,441,463,486.73
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	4.040%	28,967,779.76
ADMINISTRATION FEES*		(681,098.90)
NET EARNINGS RATE / NET DOLLAR EARNINGS	3.945%	\$ 28,286,680.86

*Current admin fees rate is at 9.5bp



ESTIMATED SUMMARY OF POOL EARNINGS

February 2024

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 1,367,405,000	\$ 1,999,786.56	Corporate Notes	\$ 129,765.43
Corporate Notes	848,337,000	2,494,487.60	Federal Agencies	691,073.43
Federal Agencies	1,951,049,000	5,936,305.16	U.S, Instrumentalities	148,474.27
U.S, Instrumentalities	399,850,000	1,143,977.02	Commercial Paper	22,475.00
Asset Backed Securities	32,039,787	15,663.11	Asset Backed Securities	15,916.65
Certificate of Deposit	37,000,000	140,978.90	U S Treasury Notes	380,066.52
	\$ 4,635,680,787	\$ 11,731,198.35	Dreyfus	205,841.87
			US Bank Earnings Credit	25,529.66
			Total Realized Income	\$ 1,619,142.83
Short Term Securities Maturing < 1 year				
U S Treasury Notes	\$ 535,570,000	\$ 553,786.49		
Corporate Notes	319,630,000	654,503.71		
Federal Agencies	1,444,799,000	4,954,858.52		
U.S, Instrumentalities	438,684,000	1,555,197.20		
Asset Backed Securities	-	-		
Certificate of Deposit	279,800,000	960,424.50		
Commercial Paper	287,000,000	1,280,785.00		
Dreyfus	67,592,736	-		
CAMP	145,000,000	591,267.13		
CALTRUST	50,000,000	197,438.36		
	\$ 3,568,075,736	\$ 10,748,260.90		
Total Accrued Interest	\$ 8,203,756,523.37	\$ 22,479,459.25		
Total Dollar Earnings for February		\$ 24,098,602.08		

AVERAGE BALANCE		\$ 8,189,534,132.55
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	3.704%	24,098,602.08
ADMINISTRATION FEES*		(618,141.55)
NET EARNINGS RATE / NET DOLLAR EARNINGS	3.609%	\$ 23,480,460.53

*Current admin fees rate is at 9.5bp



ESTIMATED SUMMARY OF POOL EARNINGS

March 2024

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 1,441,605,000	\$ 2,553,678.00	U S Treasury Notes	\$ 320,679.06
Corporate Notes	802,582,000	2,616,256.17	Corporate Notes	149,598.44
Federal Agencies	1,843,549,000	6,354,170.71	Federal Agencies	839,044.72
U.S. Instrumentalities	359,850,000	1,155,038.82	U.S. Instrumentalities	163,268.79
Asset Backed Securities	30,706,018	16,964.61	Asset Backed Securities	16,990.25
Certificate of Deposit	37,000,000	161,853.97	Certificate of Deposit	116,888.70
	\$ 4,515,292,018	\$ 12,857,962.29	Commercial Paper	114,991.64
			Dreyfus	187,442.05
			US Bank Earnings Credit	23,247.96
			Total Realized Income	\$ 1,932,151.61
Short Term Securities Maturing < 1 year				
U S Treasury Notes	\$ 531,270,000	\$ 540,982.54		
Corporate Notes	302,610,000	515,110.93		
Federal Agencies	1,502,879,000	5,143,696.25		
U.S. Instrumentalities	528,684,000	1,959,015.78		
U S Treasury Bills	50,000,000	68,520.82		
Certificate of Deposit	266,800,000	1,246,701.94		
Commercial Paper	307,000,000	1,356,628.89		
Dreyfus	34,330,558	-		
CAMP	150,000,000	196,020.55		
CALTRUST	75,000,000	251,904.11		
	\$ 3,748,573,558	\$ 11,278,581.81		
Total Accrued Interest	\$ 8,263,865,576	\$ 24,136,544.10		
Total Dollar Earnings for March		\$ 26,068,695.71		

AVERAGE BALANCE		\$ 8,121,367,636.18
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	3.779%	26,068,695.71
ADMINISTRATION FEES*		(655,271.99)
NET EARNINGS RATE / NET DOLLAR EARNINGS	3.684%	\$ 25,413,423.71

*Current admin fees rate is at 9.5bp



**SUMMARY OF POOL EARNINGS
Q3 FISCAL YEAR 2023-24**

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 1,441,605,000.00	\$ 5,914,717.18	U S Treasury Notes	\$ 1,938,123.38
Corporate Notes	802,582,000.00	6,461,363.77	Corporate Notes	1,708,873.75
Federal Agencies	1,843,549,000.00	15,864,395.72	Federal Agencies	8,280,997.26
U.S. Instrumentalities	359,850,000.00	2,482,587.47	U.S. Instrumentalities	1,269,261.03
Asset Backed Securities	30,706,018.21	17,089.52	Asset Backed Securities	84,220.04
Certificate of Deposit	37,000,000.00	383,832.05	Certificate of Deposit	461,693.22
	\$ 4,515,292,018	\$ 31,123,985.71	Commercial Paper	821,425.00
			Dreyfus	1,294,340.74
			CAMP	897,447.11
			CALTRUST	106,546.03
			US Bank Earnings Credit	63,214.66
			Total Realized Income	\$ 16,926,142.22
Short Term Securities Maturing < 1 year				
U S Treasury Notes	\$ 531,270,000.00	\$ 1,333,085.28		
Corporate Notes	302,610,000.00	1,239,161.27		
Federal Agencies	1,502,879,000.00	12,855,100.21		
U.S. Instrumentalities	528,684,000.00	5,249,070.21		
U S Treasury Bills	50,000,000.00	68,520.82		
Certificate of Deposit	266,800,000.00	2,954,942.16		
Commercial Paper	307,000,000.00	3,894,362.22		
Dreyfus	34,330,557.76	-		
CAMP	150,000,000.00	1,449,034.25		
CALTRUST	75,000,000.00	660,397.26		
	\$ 3,748,573,558	\$ 29,703,673.68		
Total Accrued Interest	\$ 8,263,865,576	\$ 60,827,659.39		
Total Dollar Earnings for Q3 FY 2023-24		\$ 77,753,801.61		

	AVERAGE BALANCE	\$ 8,252,929,359.53
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	3.779%	77,753,801.61
		(1,954,700.67)
TRUE-UP ADJUSTMENT FROM Q3 FY 2023-24		1,369,357.67
NET EARNINGS RATE / NET DOLLAR EARNINGS	3.750%	\$ 77,168,458.61

*Current admin fees rate is at 9.5bp

C/CAG Investment Portfolio Performance and Composition 4Q 2023

Report Created for Finance Committee May 22, 2024

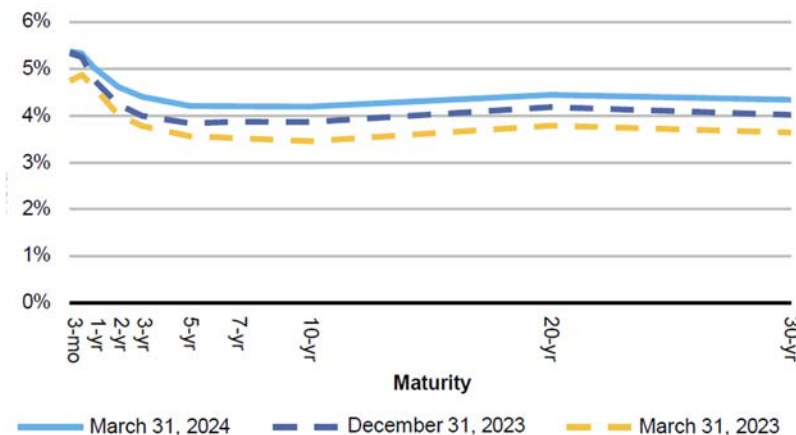
Capital Markets Summary 1Q 2024

In the first quarter of 2024, the U.S. economy demonstrated strong resilience characterized by robust consumer spending, declining inflation, and a healthy labor market. The Federal Reserve maintained the overnight rate at 5.25% to 5.50%, continuing its pause on rate hikes since July 2023. The Fed's projection now includes three 0.25% rate cuts for 2024, with fewer cuts planned for 2025. As a result, market expectations have aligned more closely with the Fed's outlook, leading to higher yields in the first quarter due to the Fed's "higher-for-longer" stance. Equity markets benefited from this strong economic backdrop, with the S&P 500 Index rising by 10.6%.

US Treasury Yield Curve & US Treasury Yields Over Time

Inflation readings for January and February were above expectations, but overall, CPI continued its downward trend from mid-2022 peaks. The U.S. economy grew impressively, with real GDP rising 3.4% in Q4 2023, driven by strong consumer spending supported by a tight labor market that added over 800,000 jobs in the first quarter. As the market adjusted to the delayed rate cut expectations, U.S. Treasury yields rose significantly, impacting longer-duration Treasury indices negatively, while shorter-duration indices saw positive returns. Investment-grade sectors, especially asset-backed securities, performed well due to tightening yield spreads and strong market demand.

U.S. Treasury Yield Curve



Source: PFM (Public Financial Management)

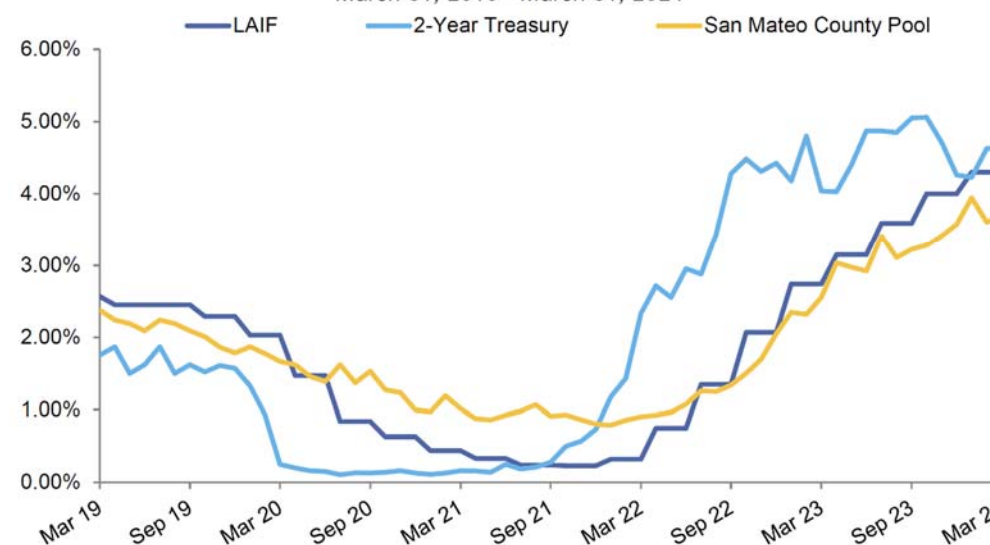
U.S. Treasury Yields

Maturity	Mar '24	Dec '23	Change over Quarter	Mar '23	Change over Year
3-Month	5.37%	5.34%	0.03%	4.75%	0.62%
1-Year	5.03%	4.77%	0.26%	4.62%	0.41%
2-Year	4.62%	4.25%	0.37%	4.03%	0.59%
5-Year	4.21%	3.85%	0.36%	3.58%	0.63%
10-Year	4.20%	3.88%	0.32%	3.47%	0.73%
30-Year	4.34%	4.03%	0.31%	3.65%	0.69%

Source: Bloomberg.

Yield History

March 31, 2019 - March 31, 2024



Source: PFM (Public Financial Management)

Portfolio Performance 1Q 2024

The C/CAG investment portfolio returns for the first quarter of 2024 were strong, with a 4.12% return for LAIF and a 3.75% return for the County Pool Fund. Both investment pools continue a trend of increasing quarterly effective yields, with LAIF's effective yield increasing from 3.42% to 4.12% since the first quarter of the fiscal year, and the County Pool Fund's increasing from 3.32% to 3.75% during that same time period. The total C/CAG portfolio asset allocation at the end of the first quarter was 60% to LAIF and 40% to the County Pool Fund, which is within the stated investment policy allocation ranges.

LAIF

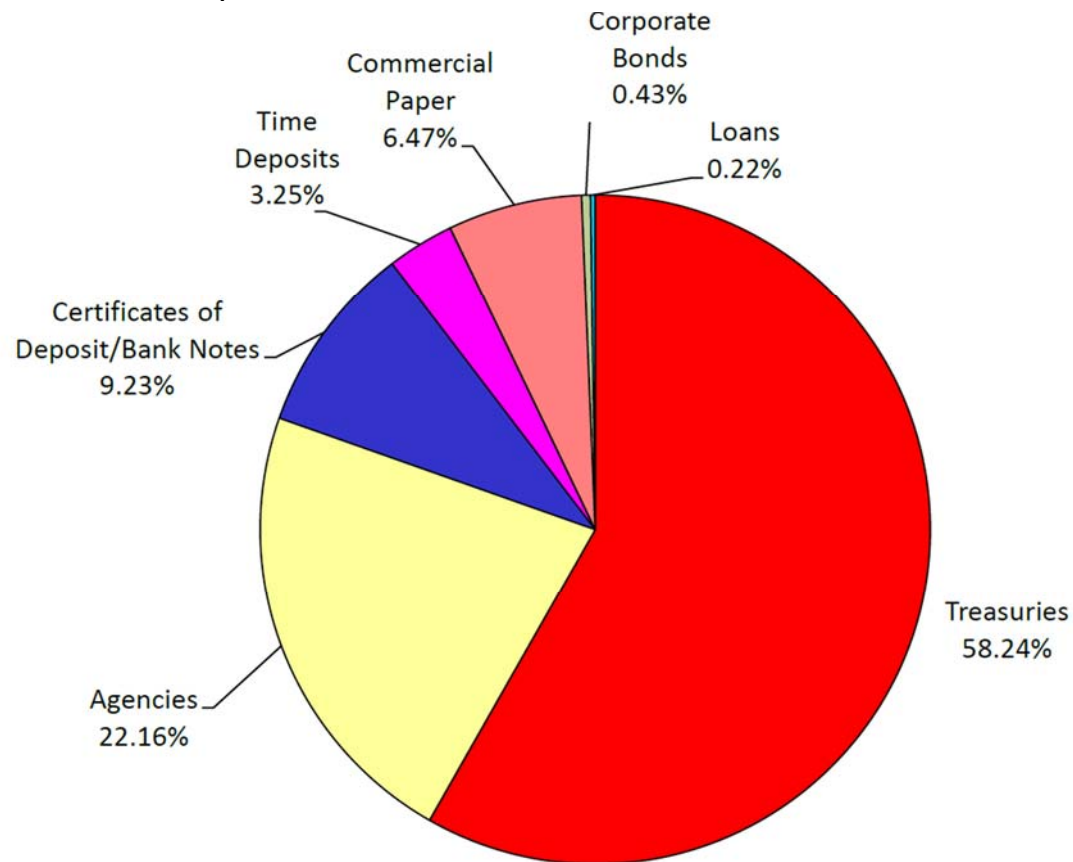
PMIA Average Monthly Effective Yields:

January 2024	4.012
February 2024	4.122
March 2024	4.232

PMIA Quarter to Date: 4.12%

PMIA Average Life: 226 days or 0.62 years

Portfolio Composition Pie Chart:



Source: PMIA/LAIF Performance Report as of 5/8/2024

COPOOL

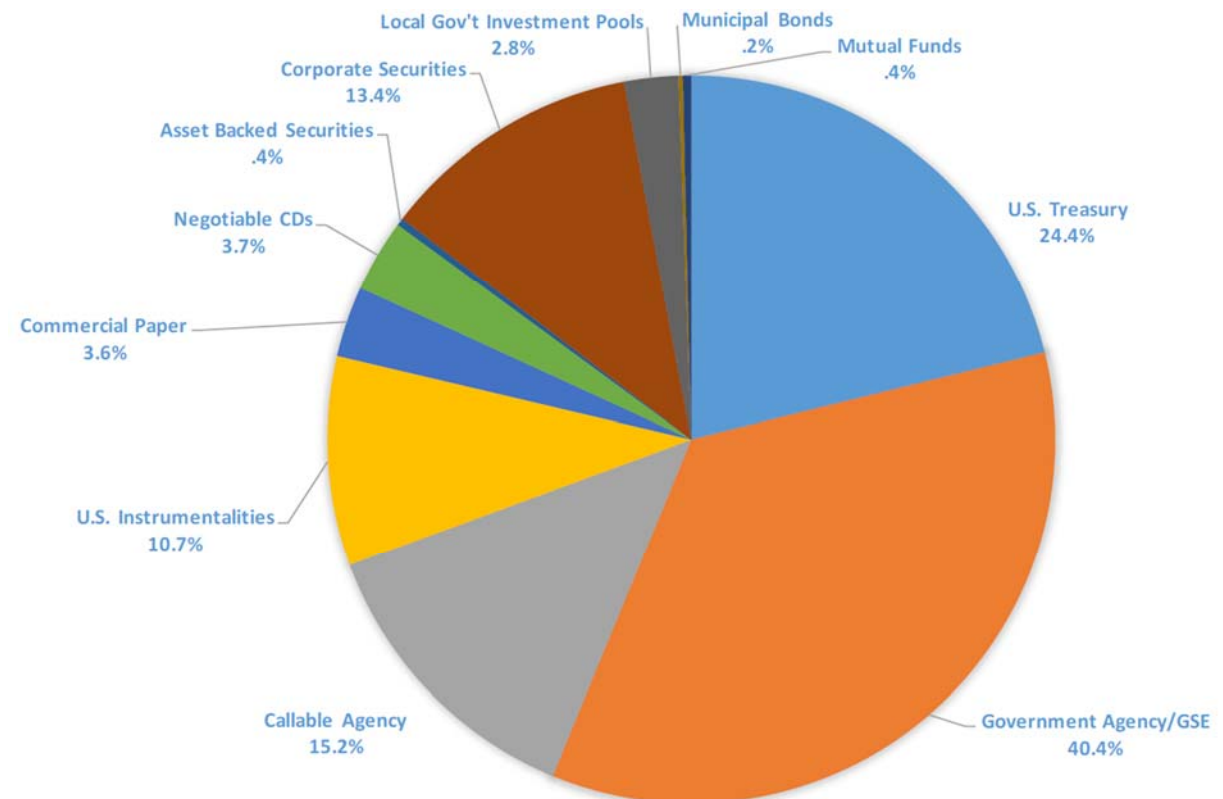
PMIA Average Monthly Effective Yields:

January 2024	3.945
February 2024	3.609
March 2024	3.684

PMIA Quarter to Date: 3.75%

PMIA Average Duration: 1.52 years

Portfolio Composition Pie Chart:



Source: San Mateo County Investment Portfolio Compliance Report March 2024

C/CAG AGENDA REPORT

Date: May 22, 2024

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)

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 3/31/24 net interest earning rate is 4.12%
 San Mateo County Pool Quarter Ending 3/31/24 net interest earning rate is 3.75%

The LAIF’s average life is 226 days, or 0.62 of a year. San Mateo County Pool’s current average maturity of the portfolio is 1.67 years with an average duration of 1.52 years.

On November 14, 2013 the C/CAG Board approved the following C/CAG investment portfolio parameters:

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	FINANCE COMMITTEE GUIDANCE ON 12/2/2020
LAIF	50% to 70%	60%
COPOOL	30% to 50%	40%

On February , the Finance Committee reviewed the investment portfolio and recommend no change to portfolio, but guided staff to continue monitoring the interest rates. On December 14, 2023, the C/CAG Board approved of no change to the investment portfolio.

The investment portfolio as of March 31, 2024 is as follows:

	12/31/2023		3/31/2024	
	Amount	Percent	Amount	Percent
LAIF	\$15,478,855	60%	\$16,915,927	60%
COPOOL	\$10,341,684	40%	\$11,267,828	40%
Total	\$25,820,539	100%	\$28,183,755	100%

Staff do not recommend adjusting the investment allocation at this time.

EQUITY IMPACTS AND CONSIDERATIONS

C/CAG Investment Policy supports investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance.

ATTACHMENTS

1. Quarterly Investment Report as of March 31, 2024 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: Paul Harris, Financial Services Manager
Date: April 30, 2024

SUBJECT: Quarterly Investment Report as of March 31, 2024

RECOMMENDATION:

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

ANALYSIS:

The attached investment report (Attachment 1) indicates that on March 31, 2024, funds in the amount of \$28,183,755 were invested producing a weighted average yield of 3.95%. Of the total investment portfolio, 60.0% of funds were invested in the Local Agency Investment Fund (LAIF) and 40.0% 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 \$277,427.

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

	Qtr Ended 03/31/2024	Qtr Ended 12/31/2023	Increase (Decrease)
Total Portfolio	\$ 28,183,755	\$ 25,820,539	\$ 2,363,216
Weighted Average Yield	3.95%	3.66%	0.29%
Accrued Interest Earnings	\$ 277,427	\$ 263,216	\$ 14,211

There was an increase of \$2.3 million in the portfolio balance at the end of this quarter compared to the previous quarter mainly due to the timing of cash receipts offset by expenses for Measure M, Bay Area Air Quality, Congestion Relief and Management, and Express Lane. The higher quarterly interest rate resulted in higher interest earnings.

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 March 31, 2024, 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 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 March 31, 2024
- 2 – Historical Summary of Investment Portfolio

CITY & COUNTY ASSOCIATION OF GOVERNMENTS

SUMMARY OF ALL INVESTMENTS

For Quarter Ending March 31, 2024

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)	4.12%	16,915,927	60%	16,817,667
San Mateo County Investment Pool (COPOOL)	3.68%	11,267,828	40%	11,135,544

Agency Securities

none

Total - Investments	3.95%	28,183,755	100%	27,953,211
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GRAND TOTAL OF PORTFOLIO	3.95%	\$ 28,183,755	100%	\$ 27,953,211
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Total Interest Earned This Quarter	277,427
Total Interest Earned (Loss) Fiscal Year-to-Date	769,263

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

C/CAG AGENDA REPORT

Date: May 22, 2024

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Review and Recommend Board Approval of the Draft Final C/CAG Program Budget and Member Fees for Fiscal Year 2024-25

(For further information or questions contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the C/CAG Finance Committee review and recommend Board approval of the draft final C/CAG Program Budget and Member Fees for Fiscal Year 2024-25.

FISCAL IMPACT

In accordance with the proposed C/CAG 2024-25 Program Budget.

SOURCE OF FUNDS

Funding sources for C/CAG include member assessments, cost reimbursement from partners, grants, regional/state/federal transportation and other funds, property taxes/fees, Department of Motor Vehicle fees, State or Federal earmarks, and interest earnings.

BACKGROUND

Each year, the C/CAG Board reviews the draft annual budget and member fees in the month of May and approves the final version in June.

On April 24, 2024, the Finance Committee reviewed the initial draft and assumptions for the Fiscal Year 2024-25 Program Budget and Member Fees. The C/CAG Board reviewed the budget and assumptions at the May 9, 2024 meeting. Final C/CAG Fiscal Year 2024-25 Program Budget and Fees will be submitted to C/CAG Board for approval on June 13, 2024.

Staff has updated the final budget to account for the more up-to-date information available, which included refining projections for year-end estimates for fiscal year 2023-24 and updating fiscal year 2024-25 budget amounts. Based on the updates, revenues for fiscal year 2024-25 increased by nearly \$1.8 million, while expenditures were up just over \$800,000. The majority of the increased revenues came from additional reimbursements for projects funded with federal funds; however, it is important to note that these federal funds are granted over a four-to-five-year period, meaning higher reimbursements in the short term mean the total grant commitment will be depleted earlier. For expenditures, the increase was a function of increased distributions out of the TFCA Fund and the Measure M Fund. The table on the following page summarizes the changes between the updated budget and the original draft budget.

Table 1: Updated Budget Summary

	Beginning Balance	Revenues	Expenditures	Ending Balance
Original 2024-25	\$39,150,484	\$19,578,773	\$39,503,131	\$19,226,126
Updated 2024-25	\$38,841,603	\$21,343,884	\$40,338,165	\$19,847,322
Difference	(\$308,881)	\$1,765,111	\$835,034	\$621,196

For fiscal year 2024-25, it is proposed that the total member fees and assessments are as follows:

- Member Fees (including General Fund and Gas Tax Fees) – Pursuant to budget guidance approved in C/CAG Resolution 22-04, an annual increase that is consistent with the most recent regional Consumer Price Index (CPI) at a rate not to exceed 3% is authorized. The CPI adjustment provides stability for C/CAG’s ongoing operations and avoids the future need of a large increase to make up for inflation. The annual 2023 regional Consumer Price Index rate was 3.7%. Per the resolution, the fiscal year 2024-25 C/CAG membership fees will increase by the maximum of 3%.
- Congestion Relief Program Assessment – For fiscal year 2024-25, the amount of this assessment has been increased by \$92,500, to a total of \$1,942,500 Countywide, pursuant to C/CAG Resolution 23-63. This assessment is authorized by the C/CAG Board every four years, and the 5% increase is being made to reflect the decline in purchasing power over the years, as the underlying fee has not been increased since 2007. Additionally, in each of the subsequent two years of the assessment period, the fee is to be escalated by CPI, with a maximum annual increase of 3%. This is in an effort to maintain the current levels of service and investment.

For budgeting purposes, the draft member fees for each individual member agency were sent to City Managers and the County Executive on March 19, 2024.

Assumptions and Highlights on the Fiscal Year 2024-25 Budget:

C/CAG manages its funds by grouping related revenues and expenditures into ten specific Program Funds. This includes General Fund, Transportation Fund, Smart Corridor Fund, Stormwater (NPDES) Fund, Measure M (\$10 Vehicle Registration Fee) Fund, Express Lanes Joint Powers Authority, Congestion Relief Program, Energy Watch, Transportation Fund for Clean Air, and AB 1546 (\$4 Vehicle Registration Fee).

The General Fund is set up to cover C/CAG general overhead related revenues and expenditures. The allowable expenses, such as legal and accounting fees and printing costs, are shared by the other C/CAG program funds prorated based on the proportionate share. Airport/Land Use (ALUC) related expenses are fully funded by the General Fund.

Revenues - Primary sources of funds:

1. Member fees – As described on the previous page, assessments for this year reflect a 3% increase.
2. Vehicle registration fees and property taxes – C/CAG levies a \$10 vehicle registration fee for transportation and stormwater runoff programs. C/CAG receives certain property tax for the stormwater program. C/CAG also receives a portion of the Air District levied vehicle registration fee. For the FY 2024-25 budget, it is assumed the overall revenues will be substantially the same as last year.

3. Grants – C/CAG receives two types of grants:
 - a. On-going planning grants: MTC provides a five-year grant for various transportation planning and programming related activities and projects, allocated on an annual basis. Any unspent amount can be rolled over to the following fiscal year. Revenue is on a reimbursement basis.
 - b. Project specific grants: This type of grant is for specific projects, typically on a reimbursable basis. Project specific grant amounts will likely vary year-over-year to account for the variability of grant opportunities.

Expenditures – The majority of C/CAG expenditures are in the following four categories:

Administrative Services:

Costs in this category reflect the staffing costs for C/CAG’s Executive Director and Clerk, as well as for the ongoing retiree medical costs for three former C/CAG employees.

Professional Services:

These costs reflect County of San Mateo employees from the Department of Public Works that work on various initiatives in support of C/CAG. Costs billed by the County to C/CAG reflect the fully-burdened cost of these employees, including a charge for County overhead expenditures. Total expenditures related to professional services is approximately nine percent of the fiscal year 2024-25 C/CAG budget.

Consultant Services:

C/CAG spends a significant amount of its funding on consultants, approximately 29 percent of total budgeted expenditures for fiscal year 2024-25. These consultants provide specialized technical services in support of various C/CAG initiatives and projects.

Distributions:

C/CAG serves as either a direct funding source or a pass-through funding source to a number of organizations such as Commute.org, SamTrans, all 20 cities and the County (traffic congestion management and stormwater pollution prevention programs), County Office of Education (Safe Routes to School), and BAWSCA (Rain Barrel Rebate Program). For 2024-25, this category also includes \$13.8 million in funding to the cities leading the construction phase for the Smart Corridor program in the northern portion of the County. In total, distributions to other entities represent approximately 60 percent of the C/CAG budget for 2024-25.

Other:

The proposed budget includes the payment of the interest (approximately \$60,000) on the \$2.6 million of San Mateo County Express Lane Joint Powers Authority (SMCEL-JPA) Operating loan. It is anticipated that the SMCEL-JPA will continue to make annual interest payments, and that principal payments will occur in the future after the SMCEL-JPA operating and equipment reserves are funded. Staff will return to the Finance Committee with an update and discussion on the operating loan at a later date.

C/CAG also applied for a \$60 million NOAA application for the countywide implementation of multiple green infrastructure and OneWatershed projects. Awards will be announced in early

summer. If successful, C/CAG will return with a budget amendment later in the fiscal year.

Major Organizational Fiscal Year 24-25 Goals:

The proposed FY 24-25 budget reflects the ongoing work tasks and priorities that were identified in the Draft 2-Year Work Plan. See attachment 3 for the updated 2-year workplan. Major new or updated initiatives for FY 24-25 include:

- 1) Administration:
 - a) Secure long-term finance and administrative support.
 - b) Complete C/CAG's first Strategic Plan.
 - c) Continue to implement the Equity Action Plan.
- 2) Prepare the following planning studies:
 - a) Begin the County Transportation Plan update.
 - b) Conduct planning of buffered bike lane along El Camino Real in Millbrae and San Bruno.
 - c) Initiate the update of the Countywide Bicycle and Pedestrian Plan.
 - d) Start the Congestion Management Program biannual update.
 - e) Complete the VMT/GHG Mitigation Plan.
 - f) Complete OneWatershed Climate Resilience Framework and Community-Led Plan.
- 3) Manage various funding activities:
 - a) Allocate approximately \$1M in TFCA funding.
 - b) Initiate planning for the next cycle of One Bay Area Grant (OBAG) program.
- 4) Provide ongoing support for Municipal Regional Stormwater Permit (MRP) 3.0 implementation, advance OneWatershed Integrated Climate Resilience infrastructure planning, distribute rain barrels via rebate partnership with BAWSCA, and continue to advance San Bruno Regional Stormwater Capture Project.
- 5) Capital Projects:
 - a) Commence construction of the North Cities Smart Corridor project and 92/101 Area Improvements.
 - b) Complete the PAED phase for the Managed Lanes North of I-380.
 - c) Advance the PAED phase of the 92/101 Direct Connector.
- 6) Implement Phase II of the San Mateo County Express Lanes's Community Transportation Benefits Program, and complete an organizational assessment of the Express Lanes Joint Power Authority.

EQUITY IMPACTS AND CONSIDERATIONS

Progress made to advance equity in Fiscal Year 2023-2024 is summarized in Attachment 4. Staff plans to provide annual updates together with the budget review process.

ATTACHMENTS

1. Proposed C/CAG Member Fee for Fiscal Year 2024-25
2. Consolidated Fiscal Year 2024-25 Proposed Budget
 - a. Exhibits: 2024-25 Proposed Budget, 2023-24 Estimated Revenues and Expenditures, 2023-24 Adopted Budget, and 2024-25 Proposed Budget summaries by fund.

3. C/CAG's Two Year Workplan
4. FY2024 Progress update on C/CAG Equity Action Plan implementation.

Draft C/CAG Member Fees - FY 2024-2025¹

Agency	Population ³	Percent of Population	General Fund Fee ²	Gas Tax Fee ²	Total Member Fee
Atherton	6,678	0.905%	\$ 2,780	\$ 4,139	\$ 6,919
Belmont	26,793	3.632%	\$ 11,153	\$ 16,607	\$ 27,761
Brisbane	4,648	0.630%	\$ 1,935	\$ 2,881	\$ 4,816
Burlingame	30,136	4.085%	\$ 12,545	\$ 18,680	\$ 31,224
Colma	1,359	0.184%	\$ 566	\$ 842	\$ 1,408
Daly City	101,471	13.756%	\$ 42,239	\$ 62,896	\$ 105,135
East Palo Alto	28,586	3.875%	\$ 11,900	\$ 17,719	\$ 29,618
Foster City	32,703	4.433%	\$ 13,613	\$ 20,271	\$ 33,884
Half Moon Bay	11,226	1.522%	\$ 4,673	\$ 6,958	\$ 11,631
Hillsborough	10,962	1.486%	\$ 4,563	\$ 6,795	\$ 11,358
Menlo Park	32,478	4.403%	\$ 13,520	\$ 20,131	\$ 33,651
Millbrae	22,487	3.048%	\$ 9,361	\$ 13,938	\$ 23,299
Pacifica	37,082	5.027%	\$ 15,436	\$ 22,985	\$ 38,421
Portola Valley	4,247	0.576%	\$ 1,768	\$ 2,632	\$ 4,400
Redwood City	81,495	11.048%	\$ 33,924	\$ 50,514	\$ 84,438
San Bruno	42,054	5.701%	\$ 17,506	\$ 26,067	\$ 43,573
San Carlos	29,496	3.999%	\$ 12,278	\$ 18,283	\$ 30,561
San Mateo	103,318	14.006%	\$ 43,008	\$ 64,041	\$ 107,049
South San Francisco	64,323	8.720%	\$ 26,776	\$ 39,870	\$ 66,646
Woodside	5,128	0.695%	\$ 2,135	\$ 3,179	\$ 5,313
San Mateo County	60,974	8.266%	\$ 25,382	\$ 37,794	\$ 63,176
TOTAL	737,644	100.000%	\$ 307,060	\$ 457,222	\$ 764,282

NOTES:

1. C/CAG member fees are comprised of two components: General Fund and Gas Tax.
2. Per C/CAG Resolution 22-04, C/CAG member fees for both the General Fund and the Gas Tax portions are to increase by the annual regional Consumer Price Index (CPI), with a max at 3%.
3. Individual jurisdiction's share is based on new population data from Dept of Finance, 1/1/2023, adopted by C/CAG Resolution 24-06.

Draft Congestion Relief Program (CRP) Assessment - FY 2024-2025¹

Agency	Percent of Population ²	Total Trips ²	% of Trips	Congestion Relief
Atherton	0.905%	32,815	0.617%	\$ 14,789
Belmont	3.632%	166,620	3.134%	\$ 65,721
Brisbane	0.630%	66,207	1.245%	\$ 18,217
Burlingame	4.085%	313,808	5.903%	\$ 97,016
Colma	0.184%	50,528	0.951%	\$ 11,021
Daly City	13.756%	554,083	10.423%	\$ 234,843
East Palo Alto	3.875%	143,743	2.704%	\$ 63,902
Foster City	4.433%	263,851	4.964%	\$ 91,268
Half Moon Bay	1.522%	93,359	1.756%	\$ 31,839
Hillsborough	1.486%	55,931	1.052%	\$ 24,653
Menlo Park	4.403%	354,196	6.663%	\$ 107,479
Millbrae	3.048%	145,056	2.729%	\$ 56,112
Pacifica	5.027%	208,298	3.918%	\$ 86,884
Portola Valley	0.576%	36,833	0.693%	\$ 12,322
Redwood City	11.048%	735,787	13.842%	\$ 241,740
San Bruno	5.701%	296,184	5.572%	\$ 109,488
San Carlos	3.999%	251,045	4.723%	\$ 84,706
San Mateo	14.006%	818,876	15.405%	\$ 285,656
South San Francisco	8.720%	461,262	8.677%	\$ 168,971
Woodside	0.695%	43,111	0.811%	\$ 14,629
San Mateo County	8.266%	224,172	4.217%	\$ 121,243
TOTAL	100.000%	5,315,765	100.000%	\$ 1,942,500

NOTES:

1. Per C/CAG Resolution 23-63, Total CRP (countywide total) assessment fees are proposed a one-time increase by 5% (\$92,500 countywide, from \$1,850,000 to \$1,942,500).
2. Congestion Relief Fee is calculated based on population (Dept of Finance 2023) and trips generated (C/CAG/VTA travel demand model 2019), 50% each, respectively.

Draft NPDES Member Fee^{1,2,4}

Agency	NPDES Basic ³	NPDES	TOTAL NPDES
Atherton			
Belmont			
Brisbane	\$ -	\$ 12,303	\$ 12,303
Burlingame			
Colma	\$ -	\$ 4,154	\$ 4,154
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	\$ -	\$ 128,158	\$ 128,158
South San Francisco			
Woodside	\$ 11,165	\$ 8,564	\$ 19,729
San Mateo County			
TOTAL	\$ 11,165	\$ 153,178	\$ 164,343

NOTES:

1. NPDES assessments shown above are for INFO ONLY.
- 2- Agencies not listed are collected by the Flood Control Dist.
- 3- Basic fees for Brisbane, Colma, San Mateo are collected by the Flood Control District.
4. NPDES assessments are based on total parcels in each jurisdiction.

FISCAL YEAR 2024-25 C/CAG CONSOLIDATED PROGRAM BUDGET

	Administrative Program	Transportation Programs	Express Lanes JPA	SMCRP Program	Smart Corridor	LGP Energy Watch	TFCA Programs	NPDES Programs	AB 1546 Fees	Measure M Fees	Total
BEGINNING BALANCE	1,890,408	3,709,324	2,697,133	3,254,198	13,420,294	665,728	1,535,939	1,171,285	406,301	10,090,993	38,841,603
REVENUES											
Interest Earnings	87,373	123,591	69,244	158,567	144,147	21,032	46,651	78,662	19,471	347,862	1,096,600
Member Contribution	307,060	457,222	0	1,942,500	0	0	0	164,343	0	0	2,871,125
Cost Reimbursements	0	0	634,116	0	0	0	0	0	0	0	634,116
MTC/ Federal Funding	0	2,537,600	0	0	0	0	0	0	0	706,268	3,243,868
Grants	0	1,398,575	0	0	0	850,000	0	1,525,000	0	0	3,773,575
DMV Fee	0	0	0	0	0	0	1,044,800	0	0	6,700,000	7,744,800
NPDES Fee	0	0	0	0	0	0	0	1,471,800	0	0	1,471,800
TA Cost Share	0	200,000	0	0	0	0	0	0	0	0	200,000
Miscellaneous/ SFIA	0	0	0	0	0	0	0	0	0	0	0
Street Repair Funding	0	0	0	0	0	0	0	0	0	0	0
PPM-STIP	0	308,000	0	0	0	0	0	0	0	0	308,000
Assessment	0	0	0	0	0	0	0	0	0	0	0
TLSP	0	0	0	0	0	0	0	0	0	0	0
TOTAL	394,433	5,024,988	703,360	2,101,067	144,147	871,032	1,091,451	3,239,805	19,471	7,754,130	21,343,884
TOTAL SOURCES OF FUNDS	2,284,841	8,734,312	3,400,493	5,355,265	13,564,441	1,536,760	2,627,390	4,411,090	425,772	17,845,123	60,185,487
EXPENDITURES											
Administration Services	111,984	103,944	195,387	93,725	16,834	19,763	2,000	26,010	0	50,838	620,484
Professional Services	95,743	1,871,572	349,604	291,462	125,000	27,646	39,637	529,636	0	259,339	3,589,639
Consulting Services	622,629	3,123,680	0	900,565	941,000	892,125	0	3,156,984	10,000	1,948,288	11,595,271
Supplies	8,000	0	0	10,000	0	2,000	0	2,000	0	0	22,000
Prof. Dues & Memberships	18,525	0	0	0	0	17,500	0	28,000	0	500	64,525
Conferences & Meetings/Trainings	31,000	15,000	0	15,000	0	2,000	0	6,000	0	2,500	71,500
Printing/ Postage	10,000	0	0	0	0	0	0	0	0	0	10,000
Publications	3,000	0	0	0	0	0	0	0	0	0	3,000
Distributions	0	0	0	1,285,500	13,762,081	0	2,351,848	30,000	374,000	6,459,817	24,263,246
OPEB Trust	55,000	0	0	0	0	0	0	0	0	0	55,000
Miscellaneous	15,000	0	0	0	0	0	0	0	0	0	15,000
Bank Fee	3,500	0	0	0	0	0	0	0	0	0	3,500
Audit Services	25,000	0	0	0	0	0	0	0	0	0	25,000
Loan to SMCEL JPA	0	0	0	0	0	0	0	0	0	0	0
TOTAL	999,381	5,114,196	544,991	2,596,252	14,844,915	961,034	2,393,485	3,778,630	384,000	8,721,282	40,338,165
TRANSFERS											
Transfers In	0	0	0	60,000	3,091,000	157,500	0	40,000	0	0	3,348,500
Transfers Out	0	0	60,000	848,500	0	0	0	0	0	2,440,000	3,348,500
Administrative Allocation	(667,482)	329,458	90,889	64,238	23,654	7,906	6,944	92,665	0	51,728	0
TOTAL	(667,482)	329,458	150,889	852,738	(3,067,346)	(149,594)	6,944	52,665	0	2,491,728	0
NET CHANGE	62,534	(418,666)	7,480	(1,347,923)	(11,633,422)	59,592	(1,308,978)	(591,490)	(364,529)	(3,458,880)	(18,994,281)
TRANSFER TO RESERVES	0	0	0	0	0	0	0	0	0	0	0
TOTAL USE OF FUNDS	331,899	5,443,654	695,880	3,448,990	11,777,569	811,440	2,400,429	3,831,295	384,000	11,213,010	40,338,165
ENDING BALANCE	1,952,942	3,290,658	2,704,613	1,906,275	1,786,872	725,320	226,961	579,795	41,772	6,632,113	19,847,322
RESERVE FUND											
Beginning Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000
Transfers In	0	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000

FISCAL YEAR 2023-24 C/CAG CONSOLIDATED YEAR-END ESTIMATE

	Administrative Program	Transportation Programs	Express Lanes JPA	SMCRP Program	Smart Corridor	LGP Energy Watch	TFCA Programs	NPDES Programs	AB 1546 Fees	Measure M Fees	Total
BEGINNING BALANCE	1,425,977	3,671,575	3,044,665	2,976,433	4,378,302	564,995	1,379,289	1,603,452	525,868	9,362,417	28,932,973
REVENUES											
Interest Earnings	69,201	97,885	155,957	125,587	114,166	16,658	36,947	62,301	15,421	275,512	969,635
Member Contribution	298,116	443,905	0	1,850,000	0	0	0	160,738	0	313,000	3,065,759
Cost Reimbursements	0	0	474,000	0	0	0	0	0	0	0	474,000
MTC/ Federal Funding	0	2,223,135	0	0	0	0	0	0	0	777,151	3,000,286
Grants	0	430,000	0	0	10,316,938	483,649	0	816,549	0	0	12,047,136
DMV Fee	0	0	0	0	0	0	1,020,400	0	12	6,738,041	7,758,453
NPDES Fee	0	0	0	0	0	0	0	1,583,100	0	0	1,583,100
TA Cost Share	0	0	0	0	0	0	0	0	0	50,000	50,000
Miscellaneous/ SFIA	0	0	0	0	0	0	0	0	0	0	0
Street Repair Funding	0	0	0	0	0	0	0	0	0	0	0
PPM-STIP	0	236,000	0	0	0	0	0	0	0	0	236,000
Assessment	0	0	0	0	0	0	0	0	0	0	0
TLSP	0	0	0	0	0	0	0	0	0	0	0
TOTAL	367,317	3,430,925	629,957	1,975,587	10,431,104	500,307	1,057,347	2,622,688	15,433	8,153,704	29,184,369
TOTAL SOURCES OF FUNDS	1,793,294	7,102,500	3,674,622	4,952,020	14,809,406	1,065,302	2,436,636	4,226,140	541,301	17,516,121	58,117,342
EXPENDITURES											
Administration Services	103,689	96,244	180,914	86,782	15,587	18,299	1,000	24,083	0	47,072	573,670
Professional Services	82,637	1,394,409	293,086	103,000	0	0	25,000	262,343	0	167,877	2,328,352
Consulting Services	233,915	1,523,622	0	402,893	614,525	494,256	0	2,655,586	10,000	2,246,335	8,181,132
Supplies	3,536	0	0	0	0	0	0	0	0	0	3,536
Prof. Dues & Memberships	1,500	0	0	0	0	17,500	0	30,000	0	500	49,500
Conferences & Meetings/Trainings	20,000	7,487	0	3,000	0	1,700	0	2,970	0	2,000	37,157
Printing/ Postage	300	0	0	0	0	0	0	0	0	0	300
Publications	0	0	0	0	0	0	0	0	0	0	0
Distributions	0	0	0	697,947	1,450,000	0	862,825	30,000	125,000	4,875,570	8,041,342
OPEB Trust	55,000	0	0	0	0	0	0	0	0	0	55,000
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0
Bank Fee	3,500	0	0	0	0	0	0	0	0	0	3,500
Audit Services	2,250	0	0	0	0	0	0	0	0	0	2,250
Loan to SMCEL JPA	0	0	0	0	0	0	0	0	0	0	0
TOTAL	506,327	3,021,762	474,000	1,293,622	2,080,112	531,755	888,825	3,004,982	135,000	7,339,354	19,275,739
TRANSFERS											
Transfers In	0	0	0	503,489	691,000	150,000	0	40,000	0	0	1,384,489
Transfers Out	0	0	503,489	841,000	0	0	0	0	0	40,000	1,384,489
Administrative Allocation	(603,441)	371,414	0	66,689	0	17,819	11,872	89,873	0	45,774	0
TOTAL	(603,441)	371,414	503,489	404,200	(691,000)	(132,181)	11,872	49,873	0	85,774	0
NET CHANGE	464,431	37,749	(347,532)	277,765	9,041,992	100,733	156,650	(432,167)	(119,567)	728,576	9,908,630
TRANSFER TO RESERVES	0	0	0	0	0	0	0	0	0	0	0
TOTAL USE OF FUNDS	(97,114)	3,393,176	977,489	1,697,822	1,389,112	399,574	900,697	3,054,855	135,000	7,425,128	19,275,739
ENDING BALANCE	1,890,408	3,709,324	2,697,133	3,254,198	13,420,294	665,728	1,535,939	1,171,285	406,301	10,090,993	38,841,603
RESERVE FUND											
Beginning Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000
Transfers In	0	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000

FISCAL YEAR 2023-24 C/CAG CONSOLIDATED ADOPTED BUDGET

	Administrative Program	Transportation Programs	Express Lanes JPA	SMCRP Program	Smart Corridor	LGP Energy Watch	TFCA Programs	NPDES Programs	AB 1546 Fees	Measure M Fees	Total
BEGINNING BALANCE	1,454,158	3,373,441	3,036,046	2,394,335	3,158,833	325,896	1,370,712	1,267,304	517,066	9,233,484	26,131,275
REVENUES											
Interest Earnings	30,800	63,900	123,546	99,100	35,200	9,900	26,400	35,200	11,500	25,800	461,346
Member Contribution	298,116	443,905	0	1,850,000	0	0	0	160,282	0	300,000	3,052,303
Cost Reimbursements	0	0	532,603	0	0	0	0	0	0	0	532,603
MTC/ Federal Funding	0	1,362,500	0	0	0	0	0	0	0	706,268	2,068,768
Grants	0	465,740	0	0	10,312,000	720,000	0	1,725,000	0	0	13,222,740
DMV Fee	0	0	0	0	0	0	1,020,400	0	0	6,700,000	7,720,400
NPDES Fee	0	0	0	0	0	0	0	1,582,678	0	0	1,582,678
TA Cost Share	0	0	0	0	0	0	0	0	0	50,000	50,000
Miscellaneous/ SFIA	0	0	0	0	0	0	0	0	0	0	0
Street Repair Funding	0	0	0	0	0	0	0	0	0	0	0
PPM-STIP	0	235,000	0	0	0	0	0	0	0	0	235,000
Assessment	0	0	0	0	0	0	0	0	0	0	0
TLSP	0	0	0	0	0	0	0	0	0	0	0
TOTAL	328,916	2,571,045	656,149	1,949,100	10,347,200	729,900	1,046,800	3,503,160	11,500	7,782,068	28,925,838
TOTAL SOURCES OF FUNDS	1,783,074	5,944,486	3,692,195	4,343,435	13,506,033	1,055,796	2,417,512	4,770,464	528,566	17,015,552	55,057,113
EXPENDITURES											
Administration Services	120,000	214,000	205,889	66,000	86,000	16,000	2,000	36,000	0	47,000	792,889
Professional Services	146,853	1,830,886	326,714	301,170	0	82,103	63,364	458,812	0	205,019	3,414,921
Consulting Services	552,655	2,386,338	0	1,551,838	991,000	850,000	0	2,670,083	384,000	2,438,223	11,824,137
Supplies	11,000	2,000	0	0	0	0	0	0	0	0	13,000
Prof. Dues & Memberships	19,250	22,000	0	3,000	0	0	0	28,000	0	500	72,750
Conferences & Meetings/Trainings	15,500	5,000	0	1,000	1,000	10,000	0	6,000	0	7,000	45,500
Printing/ Postage	10,000	6,000	0	0	0	0	0	0	0	0	16,000
Publications	4,000	3,000	0	0	0	0	0	0	0	0	7,000
Distributions	0	0	0	1,079,200	12,812,000	0	2,297,730	830,000	125,000	6,229,159	23,373,089
OPEB Trust	55,000	0	0	0	0	0	0	0	0	0	55,000
Miscellaneous	13,700	2,000	0	1,000	0	0	0	1,000	0	0	17,700
Bank Fee	3,500	0	0	0	0	0	0	0	0	0	3,500
Audit Services	22,500	0	0	0	0	0	0	0	0	2,500	25,000
Loan to SMCEL JPA	0	0	0	0	0	0	0	0	0	0	0
TOTAL	973,958	4,471,224	532,603	3,003,208	13,890,000	958,103	2,363,094	4,029,895	509,000	8,929,401	39,660,486
TRANSFERS											
Transfers In	0	0	0	0	691,000	150,000	0	40,000	0	0	881,000
Transfers Out	0	0	0	841,000	0	0	0	0	0	40,000	881,000
Administrative Allocation	(603,441)	371,414	0	66,689	0	17,819	11,872	89,873	0	45,774	0
TOTAL	(603,441)	371,414	0	907,689	(691,000)	(132,181)	11,872	49,873	0	85,774	0
NET CHANGE	(41,601)	(2,271,593)	123,546	(1,961,797)	(2,851,800)	(96,022)	(1,328,166)	(576,608)	(497,500)	(1,233,107)	(10,734,648)
TRANSFER TO RESERVES	0	0	0	0	0	0	0	0	0	0	0
TOTAL USE OF FUNDS	370,517	4,842,638	532,603	3,910,897	13,199,000	825,922	2,374,966	4,079,768	509,000	9,015,175	39,660,486
ENDING BALANCE	1,412,557	1,101,848	3,159,592	432,538	307,033	229,874	42,546	690,696	19,566	8,000,377	15,396,627
RESERVE FUND											
Beginning Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000
Transfers In	0	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	40,000	800,000	0	300,000	0	0	0	120,000	0	340,000	1,600,000

GENERAL FUND ADMINISTRATION

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	1,127,187	1,454,158	1,425,977	1,890,408	
REVENUES					
Interest Earnings	47,498	30,800	69,201	87,373	183.68%
Member Contribution	289,433	298,116	298,116	307,060	3.00%
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	0	0	0	-
Grants	0	0	0	0	-
DMV Fee	0	0	0	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	336,931	328,916	367,317	394,433	19.92%
TOTAL SOURCES OF FUNDS	1,464,118	1,783,074	1,793,294	2,284,841	28.14%
EXPENDITURES					
Administration Services	152,384	120,000	103,689	111,984	-6.68%
Professional Services	270,557	146,853	82,637	95,743	-34.80%
Consulting Services	71,218	552,655	233,915	622,629	12.66%
Supplies	7,466	11,000	3,536	8,000	-27.27%
Prof. Dues & Memberships	1,500	19,250	1,500	18,525	-3.77%
Conferences & Meetings/Trainings	7,800	15,500	20,000	31,000	100.00%
Printing/ Postage	483	10,000	300	10,000	0.00%
Publications	2,259	4,000	0	3,000	-25.00%
Distributions	0	0	0	0	-
OPEB Trust	0	55,000	55,000	55,000	0.00%
Miscellaneous	527	13,700	0	15,000	9.49%
Bank Fee	307	3,500	3,500	3,500	0.00%
Audit Services	16,809	22,500	2,250	25,000	11.11%
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	531,310	973,958	506,327	999,381	2.61%
TRANSFERS					
Transfers In	493,169	0	0	0	-
Transfers Out	0	0	0	0	-
Administrative Allocation	0	(603,441)	(603,441)	(667,482)	10.61%
TOTAL	(493,169)	(603,441)	(603,441)	(667,482)	10.61%
NET CHANGE	298,790	(41,601)	464,431	62,534	-250.32%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	38,141	370,517	(97,114)	331,899	-10.42%
ENDING BALANCE	1,425,977	1,412,557	1,890,408	1,952,942	38.26%
RESERVE FUND					
Beginning Balance	40,000	40,000	40,000	40,000	0.00%
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	40,000	40,000	40,000	40,000	0.00%

TRANSPORTATION PROGRAMS

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	3,271,875	3,373,441	3,671,575	3,709,324	
REVENUES					
Interest Earnings	70,475	63,900	97,885	123,591	93.41%
Member Contribution	430,975	443,905	443,905	457,222	3.00%
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	1,362,500	2,223,135	2,537,600	86.25%
Grants	1,995,686	465,740	430,000	1,398,575	200.29%
DMV Fee	0	0	0	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	200,000	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	235,000	235,000	236,000	308,000	31.06%
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	2,732,136	2,571,045	3,430,925	5,024,988	95.45%
TOTAL SOURCES OF FUNDS	6,004,011	5,944,486	7,102,500	8,734,312	46.93%
EXPENDITURES					
Administration Services	128,671	214,000	96,244	103,944	-51.43%
Professional Services	1,459,590	1,830,886	1,394,409	1,871,572	2.22%
Consulting Services	426,821	2,386,338	1,523,622	3,123,680	30.90%
Supplies	0	2,000	0	0	-100.00%
Prof. Dues & Memberships	4,600	22,000	0	0	-100.00%
Conferences & Meetings/Trainings	9,562	5,000	7,487	15,000	200.00%
Printing/ Postage	0	6,000	0	0	-100.00%
Publications	0	3,000	0	0	-100.00%
Distributions	0	0	0	0	-
OPEB Trust	0	0	0	0	-
Miscellaneous	0	2,000	0	0	-100.00%
Bank Fee	0	0	0	0	-
Audit Services	2,258	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	2,031,502	4,471,224	3,021,762	5,114,196	14.38%
TRANSFERS					
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Administrative Allocation	300,934	371,414	371,414	329,458	-11.30%
TOTAL	300,934	371,414	371,414	329,458	-11.30%
NET CHANGE	399,700	(2,271,593)	37,749	(418,666)	-81.57%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	2,332,436	4,842,638	3,393,176	5,443,654	12.41%
ENDING BALANCE	3,671,575	1,101,848	3,709,324	3,290,658	198.65%
RESERVE FUND					
Beginning Balance	800,000	800,000	800,000	800,000	0.00%
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	800,000	800,000	800,000	800,000	0.00%

EXPRESS LANES JPA

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	2,884,876	3,036,046	3,044,665	2,697,133	
REVENUES					
Interest Earnings	61,736	123,546	155,957	69,244	-43.95%
Member Contribution	0	0	0	0	-
Cost Reimbursements	331,799	532,603	474,000	634,116	19.06%
MTC/ Federal Funding	0	0	0	0	-
Grants	0	0	0	0	-
DMV Fee	0	0	0	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	393,535	656,149	629,957	703,360	7.20%
TOTAL SOURCES OF FUNDS	3,278,411	3,692,195	3,674,622	3,400,493	-7.90%
EXPENDITURES					
Administration Services	128,709	205,889	180,914	195,387	-5.10%
Professional Services	204,987	326,714	293,086	349,604	7.01%
Consulting Services	0	0	0	0	-
Supplies	0	0	0	0	-
Prof. Dues & Memberships	0	0	0	0	-
Conferences & Meetings/Trainings	35	0	0	0	-
Printing/ Postage	0	0	0	0	-
Publications	0	0	0	0	-
Distributions	0	0	0	0	-
OPEB Trust	0	0	0	0	-
Miscellaneous	15	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	0	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	333,746	532,603	474,000	544,991	2.33%
TRANSFERS					
Transfers In	100,000	0	0	0	-
Transfers Out	0	0	503,489	60,000	-
Administrative Allocation	0	0	0	90,889	-
TOTAL	(100,000)	0	503,489	150,889	-
NET CHANGE	159,789	123,546	(347,532)	7,480	-93.95%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	233,746	532,603	977,489	695,880	30.66%
ENDING BALANCE	3,044,665	3,159,592	2,697,133	2,704,613	-14.40%
RESERVE FUND					
Beginning Balance	0	0	0	0	-
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	0	0	0	0	-
					38

SAN MATEO COUNTY SMART COORIDOR

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	2,171,031	3,158,833	4,378,302	13,420,294	
REVENUES					
Interest Earnings	103,696	35,200	114,166	144,147	309.51%
Member Contribution	0	0	0	0	-
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	0	0	0	-
Grants	0	10,312,000	10,316,938	0	-100.00%
DMV Fee	0	0	0	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	103,696	10,347,200	10,431,104	144,147	-98.61%
TOTAL SOURCES OF FUNDS	2,274,727	13,506,033	14,809,406	13,564,441	0.43%
EXPENDITURES					
Administration Services	45,625	86,000	15,587	16,834	-80.43%
Professional Services	0	0	0	125,000	-
Consulting Services	541,223	991,000	614,525	941,000	-5.05%
Supplies	0	0	0	0	-
Prof. Dues & Memberships	0	0	0	0	-
Conferences & Meetings/Trainings	0	1,000	0	0	-100.00%
Printing/ Postage	0	0	0	0	-
Publications	0	0	0	0	-
Distributions	156,077	12,812,000	1,450,000	13,762,081	7.42%
OPEB Trust	0	0	0	0	-
Miscellaneous	0	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	0	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	742,925	13,890,000	2,080,112	14,844,915	6.87%
TRANSFERS					
Transfers In	2,846,500	691,000	691,000	3,091,000	347.32%
Transfers Out	0	0	0	0	-
Administrative Allocation	0	0	0	23,654	-
TOTAL	(2,846,500)	(691,000)	(691,000)	(3,067,346)	343.90%
NET CHANGE	2,207,271	(2,851,800)	9,041,992	(11,633,422)	307.93%
TRANSFER TO RESERVES	0	0	0	0	
TOTAL USE OF FUNDS	(2,103,575)	13,199,000	1,389,112	11,777,569	-10.77%
ENDING BALANCE	4,378,302	307,033	13,420,294	1,786,872	481.98%
RESERVE FUND					
Beginning Balance	0	0	0	0	-
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	0	0	0	0	-
					40

SAN MATEO LGP ENERGY WATCH

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	454,380	325,896	564,995	665,728	
REVENUES					
Interest Earnings	14,666	9,900	16,658	21,032	112.44%
Member Contribution	0	0	0	0	-
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	0	0	0	-
Grants	329,970	720,000	483,649	850,000	18.06%
DMV Fee	0	0	0	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	344,636	729,900	500,307	871,032	19.34%
TOTAL SOURCES OF FUNDS	799,016	1,055,796	1,065,302	1,536,760	45.55%
EXPENDITURES					
Administration Services	3,293	16,000	18,299	19,763	23.52%
Professional Services	197,997	82,103	0	27,646	-66.33%
Consulting Services	132,658	850,000	494,256	892,125	4.96%
Supplies	0	0	0	2,000	-
Prof. Dues & Memberships	0	0	17,500	17,500	-
Conferences & Meetings/Trainings	1,875	10,000	1,700	2,000	-80.00%
Printing/ Postage	0	0	0	0	-
Publications	1,193	0	0	0	-
Distributions	0	0	0	0	-
OPEB Trust	0	0	0	0	-
Miscellaneous	0	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	0	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	337,016	958,103	531,755	961,034	0.31%
TRANSFERS					
Transfers In	150,000	150,000	150,000	157,500	5.00%
Transfers Out	47,005	0	0	0	-
Administrative Allocation	0	17,819	17,819	7,906	-55.63%
TOTAL	(102,995)	(132,181)	(132,181)	(149,594)	13.17%
NET CHANGE	110,615	(96,022)	100,733	59,592	-162.06%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	234,021	825,922	399,574	811,440	-1.75%
ENDING BALANCE	564,995	229,874	665,728	725,320	215.53%
RESERVE FUND					
Beginning Balance	0	0	0	0	-
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	0	0	0	0	41

TRANSPORTATION FUND FOR CLEAN AIR

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	1,415,352	1,370,712	1,379,289	1,535,939	
REVENUES					
Interest Earnings	27,898	26,400	36,947	46,651	76.71%
Member Contribution	0	0	0	0	-
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	0	0	0	-
Grants	0	0	0	0	-
DMV Fee	1,028,232	1,020,400	1,020,400	1,044,800	2.39%
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	1,056,130	1,046,800	1,057,347	1,091,451	4.27%
TOTAL SOURCES OF FUNDS	2,471,482	2,417,512	2,436,636	2,627,390	8.68%
EXPENDITURES					
Administration Services	0	2,000	1,000	2,000	0.00%
Professional Services	21,206	63,364	25,000	39,637	-37.45%
Consulting Services	136,496	0	0	0	-
Supplies	0	0	0	0	-
Prof. Dues & Memberships	0	0	0	0	-
Conferences & Meetings/Trainings	0	0	0	0	-
Printing/ Postage	0	0	0	0	-
Publications	0	0	0	0	-
Distributions	929,589	2,297,730	862,825	2,351,848	2.36%
OPEB Trust	0	0	0	0	-
Miscellaneous	0	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	0	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	1,087,291	2,363,094	888,825	2,393,485	1.29%
TRANSFERS					
Transfers In	0	0	0	0	-
Transfers Out	4,902	0	0	0	-
Administrative Allocation	0	11,872	11,872	6,944	-41.51%
TOTAL	4,902	11,872	11,872	6,944	-41.51%
NET CHANGE	(36,063)	(1,328,166)	156,650	(1,308,978)	-1.44%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	1,092,193	2,374,966	900,697	2,400,429	1.07%
ENDING BALANCE	1,379,289	42,546	1,535,939	226,961	433.45%
RESERVE FUND					
Beginning Balance	0	0	0	0	-
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	0	0	0	0	42

AB1546 (\$4 DMV FEE) PROGRAM

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	538,376	517,066	525,868	406,301	
REVENUES					
Interest Earnings	11,984	11,500	15,421	19,471	69.31%
Member Contribution	0	0	0	0	-
Cost Reimbursements	0	0	0	0	-
MTC/ Federal Funding	0	0	0	0	-
Grants	0	0	0	0	-
DMV Fee	714	0	12	0	-
NPDES Fee	0	0	0	0	-
TA Cost Share	0	0	0	0	-
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	12,698	11,500	15,433	19,471	69.31%
TOTAL SOURCES OF FUNDS	551,074	528,566	541,301	425,772	-19.45%
EXPENDITURES					
Administration Services	0	0	0	0	-
Professional Services	0	0	0	0	-
Consulting Services	25,206	384,000	10,000	10,000	-97.40%
Supplies	0	0	0	0	-
Prof. Dues & Memberships	0	0	0	0	-
Conferences & Meetings/Trainings	0	0	0	0	-
Printing/ Postage	0	0	0	0	-
Publications	0	0	0	0	-
Distributions	0	125,000	125,000	374,000	199.20%
OPEB Trust	0	0	0	0	-
Miscellaneous	0	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	0	0	0	0	-
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	25,206	509,000	135,000	384,000	-24.56%
TRANSFERS					
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Administrative Allocation	0	0	0	0	-
TOTAL	0	0	0	0	-
NET CHANGE	(12,508)	(497,500)	(119,567)	(364,529)	-26.73%
TRANSFER TO RESERVES	0	0	0	0	
TOTAL USE OF FUNDS	25,206	509,000	135,000	384,000	-24.56%
ENDING BALANCE	525,868	19,566	406,301	41,772	113.49%
RESERVE FUND					
Beginning Balance	0	0	0	0	-
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	0	0	0	0	-
Note: Beginning/ Ending Reserve Fund Balance is not included in Beginning/ Ending Fund Balance					
					44

MEASURE M (\$10 DMV FEE)

	2022-23	2023-24	2023-24	2024-25	Y-O-Y Budget
	ACTUALS	ADOPTED	ESTIMATED	BUDGET	% Change
BEGINNING BALANCE	11,090,583	9,233,484	9,362,417	10,090,993	
REVENUES					
Interest Earnings	261,605	25,800	275,512	347,862	1248.30%
Member Contribution	166,889	300,000	313,000	0	-100.00%
Cost Reimbursements	552,804	0	0	0	-
MTC/ Federal Funding	0	706,268	777,151	706,268	0.00%
Grants	0	0	0	0	-
DMV Fee	6,863,941	6,700,000	6,738,041	6,700,000	0.00%
NPDES Fee	0	0	0	0	-
TA Cost Share	0	50,000	50,000	0	-100.00%
Miscellaneous/ SFIA	0	0	0	0	-
Street Repair Funding	0	0	0	0	-
PPM-STIP	0	0	0	0	-
Assessment	0	0	0	0	-
TLSP	0	0	0	0	-
TOTAL	7,845,239	7,782,068	8,153,704	7,754,130	-0.36%
TOTAL SOURCES OF FUNDS	18,935,822	17,015,552	17,516,121	17,845,123	4.88%
EXPENDITURES					
Administration Services	23,924	47,000	47,072	50,838	8.17%
Professional Services	163,623	205,019	167,877	259,339	26.50%
Consulting Services	2,222,150	2,438,223	2,246,335	1,948,288	-20.09%
Supplies	0	0	0	0	-
Prof. Dues & Memberships	500	500	500	500	0.00%
Conferences & Meetings/Trainings	1,841	7,000	2,000	2,500	-64.29%
Printing/ Postage	0	0	0	0	-
Publications	0	0	0	0	-
Distributions	4,982,162	6,229,159	4,875,570	6,459,817	3.70%
OPEB Trust	0	0	0	0	-
Miscellaneous	0	0	0	0	-
Bank Fee	0	0	0	0	-
Audit Services	2,258	2,500	0	0	-100.00%
Loan to SMCEL JPA	0	0	0	0	-
TOTAL	7,396,458	8,929,401	7,339,354	8,721,282	-2.33%
TRANSFERS					
Transfers In	0	0	0	0	-
Transfers Out	2,176,947	40,000	40,000	2,440,000	6000.00%
Administrative Allocation	0	45,774	45,774	51,728	13.01%
TOTAL	2,176,947	85,774	85,774	2,491,728	2804.99%
NET CHANGE	(1,728,166)	(1,233,107)	728,576	(3,458,880)	180.50%
TRANSFER TO RESERVES	0	0	0	0	-
TOTAL USE OF FUNDS	9,573,405	9,015,175	7,425,128	11,213,010	24.38%
ENDING BALANCE	9,362,417	8,000,377	10,090,993	6,632,113	-17.10%
RESERVE FUND					
Beginning Balance	340,000	340,000	340,000	340,000	0.00%
Transfers In	0	0	0	0	-
Transfers Out	0	0	0	0	-
Ending Balance	340,000	340,000	340,000	340,000	0.00%
					45

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			2024				2025				
			1Qtr	2Qtr	3Qtr	4Qtr	1Qtr	2Qtr	3Qtr	4Qtr	
Agency wide efforts			Partner Orgs								
1	Measure M Management (General)	Manage Measure M (\$10 Vehicle License Fee) including planning, admin, and annual formula distributions.	All 21- Jurisdictions, SamTrans, County Office of Education	X	X	X	X	X	X	X	X
2	General Financial/Organizational Tasks (contracts, HR, CALPERs, financial management, Audits, Finance Committee Investment policies)			X	X	X	X	X	X	X	X
3	Oversight, management and participation in Committees (CMEQ, TAC, BPAC, AAC, Stormwater, Finance)	C/CAG has 9 standing committees, including ALUC, with approximately 75 regular scheduled Brown Act meetings each year.		X	X	X	X	X	X	X	X
4	Airport Land Use Commission Activities and Committee (ALUC)	ALUC Meetings, project review, and ALUCP Management.		X	X	X	X	X	X	X	X
5	21- Elements support	C/CAG is a major partner in supporting 21 Elements efforts.	SMC Dept Housing, all 21- jurisdictions	X	X	X	X	X	X	X	X
6	C/CAG Equity Action Plan Implementation	Implementation of action items identified in the Equity Plan		X	X	X	X	X	X	X	X
7	State and Federal Advocacy Program	State advocacy (Shaw Yoder Antwih Schmelzer & Lange) for tracking and commenting on legislation and pursuing funding; & Federal Funding advocacy (Ken Brown & Associates) Schedule DC and Sacramento legislative visits.		X	X	X	X	X	X	X	X
8	C/CAG Strategic Plan Development	Develop a vision statement, strategic priorities, and a project list		X	X	X	X				
9	C/CAG Update Website	TBD	N/A								
10	Create Handbook of C/CAG Committees	TBD									
Stormwater Program			Partner Orgs								
11	Regional Water Board MRP Compliance	Managing Regional Stormwater Permit for all permittees (22) in San Mateo County, including 5 Year contract with EOA and coordinating annual compliance.	Water Quality Control Board, all 21 Jurisdictions	X	X	X	X	X	X	X	X
12	Multi Benefit Regional Projects	Continue to support Orange Memorial Park project in SSF; Implement recent \$2.4m Federal Earmark for project in San Bruno and initiate planning for NOAA grant to fund full project design/permitting/construction; support project development and funding options for Red Morton Park in Redwood City and Twin Pines project in Belmont. Evaluate future regional projects.	San Bruno, Belmont, Redwood City, Caltrans and 22 Stormwater Permittees	X	X	X	X	X	X	X	X
13	Advancing OneWatershed San Mateo County Efforts	Advance OneWatershed Framework Project with Geosyntec and countywide partners; develop concept plan for new OneWatershed Pilot Project in San Bruno Creek Watershed;	OneShoreline, BAWSCA, Climate Resilient Communities, San Bruno, County of San Mateo, South San Francisco	X	X	X	X	X	X	X	X
14	Phase II Green Infrastructure Tracking & Mapping Tool	Advance GI Tracking and Mapping Tool to support new MRP requirements for asset management, trash control mapping and GSI implementation	C/CAG member agencies	X	X	X	X	X			
15	Pilot Bulk Rain Barrel Rebates	Annual project to distribute approximately 800+ rain barrels. See press release and coverage in Agenda #9 Communications.	BAWSCA and RainWater Solutions, plus C/CAG member agencies	X	X	X	X	X	X	X	X

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			2024				2025					
			1Qtr	2Qtr	3Qtr	4Qtr	1Qtr	2Qtr	3Qtr	4Qtr		
16	Exploration of Stormwater Funding/Financing	Continue to explore funding and financing options for long-term stormwater revenue;										
17	\$50m+ NOAA Grant for One Watershed and Sustainable Streets	Apply for \$50m+ NOAA Grant for OneWatershed Projects in San Bruno and throughout San Mateo County;(San Bruno Regional Project and pilot OneWatershed Project in San Bruno Creek Watershed, Sustainable Streets Projects (Daly City, Colma, East Palo Alto), Pescadero Creek Flood Plain Restoration, Work Force Development, and Programmatic Enhancements for Regional Collaborative Program) implement if successful.	OneWatershed Partners, plus SFEI, Association of Ramaytush Ohlone, San Mateo Resource Conservation District, ReEscape CA, EnviroCert, San Jose Conservation Corps, Green Schoolyards America	X	X	X	X	X	X	X	X	X
18	Scaling Schoolyard Greening Efforts (State and Federal earmark attempt)	Support advanced design work for three sites in San Carlos School District following Resilient San Carlos Schoolyards project and additional schoolyard greening planning work at 10 additional school sites throughout the county if successful with funding request.	San Mateo County Office of Education					X	X	X	X	
	Energy and Climate Program		Partner Orgs									
19	San Mateo County Energy Watch (SMCEW)		OOS	X	X	X	X	X	X	X	X	X
20	Climate Action Planning (RICAPS)			X	X	X	X	X	X	X	X	X
21	Laundry to Landscape Program	Potential Earmark		X	X	X	X	X	X	X	X	X
22	Carbon Neutrality Plan	Potential Earmark			X	X	X	X	X			
	Transportation Plans/Studies C/CAG LEAD		Partner Orgs									
23	Community Based Transportation Plans - San Bruno/SSF	MTC required transportation plans for Equity Priority Communities. Initiate update of San Bruno/SSFplan w/completion est. end of 2025.	MTC, San Bruno, SSF	X	X	X	X	X	X	X	X	X
24	Congestion Management Plan Biannual Update	Required update of Congestion Management Plan every two years to monitor traffic on CMP Network and Companion Network.	All 21 Jurisdictions					X	X	X	X	
25	MTC RTP PBA 2050 Update	Every 4 years MTC must update its RTP Plan Bay Area. This update is intended to be a "focused" update. RTP is a 30 year plan that identifies over \$5.1 billion in San Mateo County projects.	All 21 Jurisdictions, SMCTA, SamTrans	X	X	X	X	X	X	X	X	X
26	County Transportation Plan Update (CTP)	Countywide update to the Countywide Transportation Plan. Required by MTC to connect Countywide efforts to the RTP PBA.	SMCTA, 21 Jurisdictions	X	X	X	X	X	X	X	X	X
27	Dumbarton Corridor Feasibility Study and Plan (Pre PID)	Study to identify alternatives to connect the Dumbarton Bridge to the Highway 101 Express Lanes. Roadway and ATP only. Alternatives will then be studied in greater detail in a PID. \$500k	East Palo Alto, Menlo Park, SamTrans, SMCTA	X	X	X	X	X	X			
28	Local Roadway Safety Plan	Countywide Local Roadway Safety Plan will identify safety improvement in Cities to reduce severe injury and fatal collisions on local roadways and ensure jurisdictions are eligible for certain types of MTC funding as well as making the County more competitive for certain types of Federal	All 21 Jurisdictions	X	X							
29	Planning Buffered Bike Lane El Camino Real San Bruno/Millbrae	Planning and design for 3.7 mile of buffered bike lane along ECR in San Bruno and Millbrae. Funded with \$760k budget request from then Asm. Mullin.	San Bruno, Millbrae, SMCTA	X	X	X	X	X	X			

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			2024				2025					
			1Qtr	2Qtr	3Qtr	4Qtr	1Qtr	2Qtr	3Qtr	4Qtr		
30	VMT/GHG Mitigation Plan and Program	Planning for a GHG/VMT Mitigation Program. Funded by Caltrans Planning Grant. \$670k. Recruiting consultant now.	Caltrans	X	X	X	X	X				
31	Countywide Comprehensive Bike and Pedestrian Plan	Update to the 2021 Comprehensive Bike and Ped Plan. Will identify and prioritize bicycle and pedestrian projects, update the equity focus areas, and include e-bike strategies, sidewalk inventories, and an update to the equity focus areas. Will submit applications for Caltrans planning grant, RAISE Planning Grant, and Earmarks.	All 21 jurisdictions, SMCTA				X	X	X	X	X	
32	Countywide Adaptive Traffic Signal Synchronization Plan and Implementation	Identify key corridors and routes to implement adaptive signal timing; prioritize signal timing for transit vehicles and emergency vehicles; install bicycle detection software; and leverage technology to better control and manage traffic flow. May seek federal earmark funding.	All 21 jurisdictions, SamTrans							X	X	
	Transportation Plans/Studies C/CAG Supporting Role		Partner Orgs									
33	Countywide Autonomous Vehicle Strategic Plan (SMCTA)	Identify the current state of AV in San Mateo County, establish a shared-vision for AV deployment, identify opportunities and challenges for AV deployment in the county, and to develop an AV action plan with prioritized next steps that align with potential funding availability.	SMCTA	X	X	X						
34	Implementation of pilot projects identified in the Autonomous Vehicle Plan	Implement pilot projects identified in the Autonomous Vehicle Strategic Plan	SMCTA				X	X	X	X	X	
35	US 101 Multimodal Strategy (SMCTA)	Develop a strategy and conduct outreach to create a multimodal package of projects to be added to or bundled with and complement the existing highway projects.	SMCTA	X	X	X						
	Transportation Programs		Partner Orgs									
36	Ongoing STIP, RTIP, MEASURE M, OBAG, Federal Project Delivery, and other required admin activities	Assist cities with regional, state, and Federal Funding. Currently assisting member agencies with the delivery of approx. \$195m in funding throughout the County	All 21 jurisdictions, SMCTA	X	X	X	X	X	X	X	X	X
37	Safe Routes To School Program	The (SRTS) Program is a collaborative effort between (C/CAG and the San Mateo County Office of Education (SMCOE). The program encourages and enables school children to walk and bicycle to school by implementing projects and activities that improve the health, well-being, and safety of children, resulting in less traffic congestion and vehicle emissions caused by school-related travel.	County Office of Education, school districts	X	X	X	X	X	X	X	X	X
38	TDM Policy Management	C/CAG's Countywide TDM policy is used by a majority of the Cities.	All 21 jurisdictions	X	X	X	X	X	X	X	X	X
39	Shuttle Program	C/CAG supports shuttle investment.	SMCTA, Commute.org, Menlo Park	X	X	X	X	X	X	X	X	X
40	Regional Support and Advocacy at MTC/ABAG and Caltrans for regional priorities.	Coordinate with multiple staff level committees, brief MTC Commissioners on relevant issues, support member agency <u>roadway, multimodal, and grade separation applications.</u>	All 21 jurisdictions	X	X	X	X	X	X	X	X	X
41	Transportation Fund for Clean Air County Program Manager Fund Management	C/CAG distributes Air District funds to qualifying projects that reduce air pollution, greenhouse gas emissions, and traffic congestion by improving transportation options.	BAAQMD, Commute.org	X	X	X	X	X	X	X	X	X
42	Big Data (StreetLight Data) Services	C/CAG manages a joint countywide subscription to StreetLight Data, allowing users to access big data to perform robust transportation analytics.	All 21 jurisdictions	x	x	x						

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			1Qtr	2Qtr	3Qtr	4Qtr	1Qtr	2Qtr	3Qtr	4Qtr	
43	Micromobility (Bikeshare/Scooter share) Program Implementation	C/CAG Board adopted the Shared Micromobility Feasibility Study and Implementation Plan in December 2022. C/CAG has formed a Governance Working Group of participating pilot jurisdictions to finalize the program guidelines and procure vendor to launch the pilot. C/CAG is also developing a Community Outreach Plan to gain input from the community on station locations and an equity program. Pilot is anticipated to be operational in late 2024.	MTC, Daly City, Colma, SMC, Redwood City	X	X	X	X	X	X	X	X
44	USDOT Safe Streets for All Grant and Program (Placeholder)	Explore applying for Safe Streets for All Grant and Program for top 10 priority bike and pedestrian safety projects in each jurisdiction throughout County (Based on Local Streets and Roads Safety Plan) in 2024 and implementing if successful	All 21 jurisdictions	X	X	X	X	X	X	X	X
	Calls For Projects/Funding		Partner Orgs								
45	Lifeline STA County Block Call For Projects	Issue CFP In Q2 FY 23/24; The Lifeline Transportation Program is designed to help low-income residents by funding transportation projects that will improve their mobility options.	All 21 Jurisdictions; CBOs; SamTrans	X	X						
46	TDA Article 3	Provide planning and capital funding for active transportation projects. Will facilitate FY24-25 Call for Projects in beginning 2023 Q4.	All 21 Jurisdictions; CBOs; MTC	X	X	X	X				
47	Measure M Countywide Transportation Innovative Grant Program	A new Countywide Competitive Pilot Program dedicated to fund nimble Senior Mobility, ITS/Smart Corridor, Safe Routes to School, and Stormwater Management projects.	Measure M Funded Program Managers			X	X	X	X		
48	2026 STIP Update	Required update for County Formula Share STIP Funds.	SMCTA, Caltrans					X	X	X	
	Smart Corridor Projects (C/CAG Lead)		Partner Orgs								
49	Smart Corridor Ongoing Maintenance	Maintenance for fixtures and of Fiberoptic line that currently spans from East Palo Alto to San Bruno.	11 existing Smart Corridor jurisdictions; Caltrans	X	X	X	X	X	X	X	X
50	Smart Corridor SSF Construction	Support construction of Smart Corridor in SSF, including providing funding. Construction cost estimated at \$8.5M and anticipate completion by end of 2023.	SSF	X	X	X	X				
51	Smart Corridor Constuction Daly City/Colma	Support construction of Smart Corridor in Brisbane, Daly City, and Colma, including providing funding. Construction cost estimated at \$12.6M and anticipate construction advertisement in summer 2023.	Daly City & Colma, Caltrans	X	X	X	X	X	X	X	X
52	Smart Corridor Constuction Brisbane	Support construction of Smart Corridor in Brisbane, Daly City, and Colma, including providing funding. Construction cost estimated at \$12.6M and anticipate construction advertisement in summer 2023.	Brisbane, Caltrans	X	X	X	X	X	X	X	X
	Managed Lane North of I 380 (Co-Sponsor with SMCTA)		Partner Orgs								
52	PAED (Planning)	Project would extend the managed lanes north of I 380 to the SM/SF county line and close the remaining gap in SMC along 101. Total Project Cost Estimated at \$315.5M (Construction estimated at \$272.2M)	SMCTA, Caltrans	X	X	X	X	X			
53	PSE (Design)							X	X	X	X
54	Construction										
	92/101 Multi Modal Area Improvements (Co-Sponsor with SMCTA)		Partner Orgs								

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			2024				2025					
			1Qtr	2Qtr	3Qtr	4Qtr	1Qtr	2Qtr	3Qtr	4Qtr		
55	PSE (Design)	Project would improve 92/101 Interchange at 4 locations, construction buffered bike lane along Fashion Island Blvd, and a mobility hub interchange. Construction Cost Est \$51M (\$44M for Highway Construction and \$7M for Multi-modal Component).	SMCTA, Caltrans, Foster City, City of San Mateo	X								
56	Construction			X	X	X	X	X	X	X	X	X
92/101 Direct Connector (Co-Sponsor with SMCTA)			Partner Orgs									
57	PAED (Planning)	Project is analyzing options to provide a direct connector between Hwy 92 and the Hwy 101 express lanes to encourage transit and HOVs. Total Proj Cost Est \$195.3M - Construction cost est is \$165M	SMCTA, Caltrans, Foster City, City of San Mateo	X	X	X	X	X	X	X	X	X
58	PSE (Design)											
59	Construction											
San Mateo County Express Lane JPA (101 Express Lanes)			Partner Orgs									
60	FY Budget Preparation	Prepare program budget.	SMCEL-JPA	X	X			X	X			
61	Equity Program Oversight	Oversee equity program with Samaritan House that distributes \$100 Clipper Cards or \$100 FasTrak Transponders. Explore evaluation of program including increasing the amount to \$200, adding online enrollment, and transitioning to a mobility wallet.	SMCEL-JPA	X	X	X	X	X	X	X	X	X
62	Expenditure Plan	State Required expenditure plan before any net revenue is expended.	SMCEL-JPA	X	X	X	X	X				
63	Organizational Assessment	Founding JPA requires an organizational assessment regarding the administrative structure of the organization.	SMCEL-JPA	X	X	X	X	X	X			
64	Express Lane Program Operation	Manage the express lane program operation from I-380 to San Mateo County/Santa Clara County line.	SMCEL-JPA	X	X	X	X	X	X	X	X	X
65	Ongoing management of Express Lanes Asset Database	Develop a database that enables strategic and systematic process of maintain, upgrading and expanding assets to support Express Lane operation. Designed to focus on resource allocation and planning.	SMCEL-JPA	X	X	X	X	X	X	X	X	X

C/CAG AGENDA REPORT

Date: May 22, 2024
To: C/CAG Finance Committee
From: Sean Charpentier, Executive Director
Subject: FY2024 Progress update on C/CAG Equity Action Plan implementation.

(For further information or response to questions, contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the C/CAG Finance Committee receive a progress update on the implementation of initiatives outlined in the C/CAG Equity Action Plan.

FISCAL IMPACT

Costs associated for the first six months of the Equity Action Plan implementation are difficult to assess because actions completed were undertaken by staff under multiple program areas and administrative activities.

SOURCE OF FUNDS

General fund, NPDES fund, Congestion Relief fund, and Congestion Management fund.

BACKGROUND

On April 24, 2022, the C/CAG Board of Directors adopted Resolution 22-16 authorizing the C/CAG Executive Director to execute an agreement with Mariposa Planning Solutions (Consultant) for the C/CAG Equity Assessment and Framework Development Project (Project). The C/CAG Board was updated with presentations by staff and the Consultant. The sixth meeting culminated in the Board's adoption of Resolution 23-99, approving the C/CAG Equity Assessment and Framework Development Project Final Report and Action Plan on December 14, 2023.

In the first six months since the adoption of the Action Plan, staff have implemented many of the 35 actions, especially those that could be implemented immediately. Some examples are the addition of Equity Impact Statements into all Board and Committee staff reports (Equity Action Plan #20). Another example is inclusion of language in new job postings (Equity Action Plan #12), expressing C/CAG's commitment to equity and desire to hire applicants with equity knowledge and/or experience.

Action 27 entails the creation of a database comprising contacts for Equity Focus Areas. The Action was integrated into the San Mateo County Shared Micromobility Community Outreach Plan, resulting in the development of a contact list for Community Based Organizations (CBOs). The list is currently utilized for various community engagement efforts.

In all, 21 actions have been completed or substantially completed, although many of these items are ongoing. For a complete list of actions and their status, staff has included Attachment 2 – Equity Action Plan Implementation Update to this staff report.

Below are additional instances illustrating the integration of the Equity Assessment into the various operational aspects of C/CAG, categorized by program areas.

General Organizational

1. Equity Action Plan #5: The adopted Equity Assessment was emailed to all local elected officials in San Mateo County in March 2024.
2. Equity Action Plan #12: The following language has been incorporated into the C/CAG’s job descriptions.

“At C/CAG, we are committed to equity, which we define as actively identifying, acknowledging, and addressing historical and current disparities that might otherwise influence economic, health, and quality of life outcomes in the communities we serve. We strive to foster a workplace where equity and inclusion are core values. We also aim to create an environment where all employees are treated with fairness and respect, regardless of their background, and one where their unique perspectives are celebrated. We are dedicated to building a diverse and inclusive workforce, and we welcome candidates who share our commitment to these values.”

The ideal candidate possesses “knowledge of: Principles and practices of equity centered processes and engagement with diverse communities and/or community organizations.”

3. Equity Action Plan #13: The adopted Equity Assessment has been integrated into onboarding materials for new C/CAG Board of Director and/or committee members. The same will be included in the onboarding of any new staff.
4. Equity Action Plan #20: Equity Sections have been added to all C/CAG Board Staff reports and committee staff reports.
5. Equity Action Plan #21: Table 1 in attachment 1 has the reporting metrics for the recommended TDA Article 3 Call for Projects. The recommended Lifeline Transportation Call for Projects will be added to the June 13th Staff report. Eight percent (80%) of the funding recommended as part of the TDA Article 3 call for projects is in or will benefit an Equity Focus Area or Equity Priority Community.

Stormwater

1. C/CAG’s application for the NOAA Climate Resilience Regional Challenge grant for the “Implementing OneWatershed Climate Resilience Infrastructure in San Mateo County” project involved seven community-based organizations and/or non-profit organizations as core partners. These organizations were strategically selected to advance climate justice and equity

in climate adaptation planning.

Safe Routes to School

1. The SRTS program's commitment to equity extends to educational opportunities, outreach events, and partnerships to improve safety in priority schools.
2. The program prioritizes grant funding in schools that are in Equity Priority Communities.

Lifeline Transportation Program

1. The Lifeline Transportation Program funds projects, identified through the community-based transportation planning (CBTP) process, which improves the mobility of low-income residents.
2. C/CAG issued a call for project in February 2024 and will bring recommended projects/program to the C/CAG Board at its June meeting. Due to the nature of Lifeline Transportation funding, all the projects/programs funded are anticipated to benefit equity priority and Equity Focus Areas.
3. Staff distributed the call for projects schedule, along with information on the two virtual C/CAG outreach meetings, to the CBO list.

Local Roadway Safety Plan

1. C/CAG Countywide Local Roadway Safety Plan identified prioritized project locations using social equity as one of three criteria. Specifically, identifying locations where safety projects would benefit disadvantaged populations.

Micromobility

1. Within the Shared Micromobility Community Outreach Plan, efforts were undertaken to solicit feedback and input from the community regarding station placement and equity program pricing.
2. The Plan also created a Community Based Organization contact list and the team engaged with them through surveys and outreach events.
3. The project's subconsultant, Silicon Valley Bicycle Coalition, partnered with Redwood City PAL, Friends for Youth, and Coastside on Bikes to host the free bike repair clinics in Daly City and North Fair Oaks.

Shuttles and Community Based Transportation Plans (CBTP)

1. San Mateo County Shuttle Program CFP for FY23/24 & 24/25 included revised scoring criteria to include a strong equity component (25 pts out of maximum 110). Four shuttle routes are located within EPCs that received funding.
2. Consultant contract to update to San Bruno/SSF CBTP was awarded. The Plan is designed specifically to address access and mobility needs in the Equity Priority Communities (EPCs) within these communities, and projects identified will be prioritized in the LifeLine Transportation funding program. The scope includes funding for CBOs to engage in the plan development process and provide input.

TDA Article 3

1. For the FY 2023/2024 cycle, staff proposed updated scoring criteria to prioritize equity and incentivize the development of more projects in underserved areas. Some of the changes from previous cycles are noted below:
 - In the previous TDA 3 cycle, project proposals received maximum points if they were mostly located within a C/CAG Equity Focus Area (EFA) or MTC Equity Priority Community (EPC). For this year's cycle, 1 of 5 points were granted to projects that, while not falling within EFAs or EPCs, demonstrated a clear service to underserved areas or were adjacent to EFAs/EPCs.
 - In the previous TDA 3 cycle, project proposals received more points if applicants could provide higher local matches. For this year's cycle, if a project was located mostly in a C/CAG EFA or MTC EPC, and provided at least the required 10% match, the project received the maximum 10 points. If a project was not located in an EFA or EPC, the applicant would need to provide a 50% local match to receive the maximum 10 points.
 - Project proposals also received 1 point if the applicant had previously applied for TDA 3 funding for the same project in the past 10 years but was not awarded funding. This was to encourage jurisdictions to apply that may not have been awarded in recent years.
2. In addition to C/CAG's typical Call for Projects outreach to eligible jurisdictions, C/CAG distributed the Call for Projects to C/CAG's Community Based Organization (CBO) list. C/CAG also hosted three Community Workshop meetings on Zoom open to members of the public C/CAG invited CBOs and interested members of the public to attend to learn more about the TDA Article 3 program, project eligibility, and to encourage public members to advocate for local projects that they would like to see built or improved within their communities.
3. For this cycle, C/CAG received 10 applications. Eight of these applications were in an equity area, defined as located mostly within an EFA/EPC, or an area that is adjacent to an EFA/EPC or in a clearly underserved area. If approved by the C/CAG Board on May 9th, 80% of the total programming funding available will be awarded to projects in an equity area.
4. See Attachment 1, Table 1 for a summary of projects within equity areas. C/CAG will continue to document the number of applicants and funded projects that fall within equity areas for future TDA cycles.

The FY 2024-25 budget requests a total of \$53,500 for completion of specific actions in the coming year.

EQUITY IMPACTS AND CONSIDERATIONS

This staff report provides an update on the advancement of C/CAG's adopted Equity Framework and

Action Plan, serving as an integral component of the ongoing Actions stipulated in the Plan. It fulfills the requirement of reporting annually to the Board on implementation progress.

ATTACHMENTS

1. Table 1: Funding Summary
2. Equity Action Plan Implementation Update

Table 1: Funding Summary

	C/CAG Board of Directors Award	Received applications	Applications Funded	Applications located mostly within an EFA/EPC	Applications adjacent to EFA/EPC or in clearly underserved area	Total Programming Funding Available	Total Funding Recommended for Applications in Equity Areas	% of Funding Recommended to Equity Areas
TDA Article 3 (DRAFT RECOMMENDED)	5/9/2024	10	10	5	3	\$2,590,706	\$2,062,217	80%
Lifeline Transportation (Draft Recommended)	6/13/2024	13	12	11	2	\$4,500,000	\$5,795,575	92%

Draft Equity Action Plan Update

C/CAG Equity Framework Action Plan

Report to C/CAG Board - 2024

Category 1: Internal Equity (Organization and Administration)

Goal 1: Create and maintain internal equity reporting, feedback, coordination, and collaboration structures.

Outcome: The Equity Framework and Action Plan's intent, commitments, and progress is communicated and in a constant state of implementation, with learning and adaptation along the way.

Actions	Current Status	FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
1. Establish an Equity Lead among C/CAG staff to help implement the Framework and Action Plan and support the use of new equity approaches and tools.	Completed	FY 2023-24	Ongoing		\$0
2. Convene and support the C/CAG Board of Directors (BOD) Equity Framework Ad Hoc Committee as needed to assist with Framework and Action Plan implementation.	TBD	Ongoing			
3. Conduct an annual evaluation of gaps, progress, lessons learned, and next steps towards meeting Equity Framework goals, outcomes, and actions, including project and program-level goals and actions.	Completed & Ongoing as part of Equity Framework Overview.	FY 2023-24	Ongoing		\$0
4. Provide an Equity Framework overview and equity evaluation update to the C/CAG BOD and Committees and at least one additional relevant public meeting each year.	Partially completed - report developed and ready for presentation.	FY 2023-24			\$0
5. Send C/CAG's Equity Framework and Action Plan to all elected officials in San Mateo County, with C/CAG's annual equity evaluation and progress updates.	Completed and Ongoing.	FY 2023-24	Ongoing		\$0
6. Obtain additional sources of funding to help implement the Equity Framework and Action Plan and provide staff and leadership with needed support.	Ongoing. Applied for RAISE and CALTRANS planning grants for implementing updated mapping.	FY 2023-24	Ongoing		\$0

Goal 2: Continually strengthen and maintain internal organizational understanding, resources, and capacity.

Outcomes:

- An increase in the number of staff, board, and committee members that are representative of EFA demographics and/or geographies.
- Staff, board, and committee members have a greater depth of credentials and/or lived experience relevant to equity advancement work.

Actions	Current Status	FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
7. Consider adding equity focused seats to the Congestion Management & Environmental Quality (CMEQ) and Resource Management and Climate Protection (RMCP) committees.	TBD		TBD	TBD	\$0
8. Incorporate equity criteria in recruitment and selection of new candidates for open public committee member seats and encourage greater EFA geographic and demographic representation for appointed seats.	Initiated for current and future recruitments.	FY 2023-24	Ongoing		\$0
9. Conduct outreach to equity-focused CBOs to fill vacant public member seats for applicable committees (CMEQ RMCP).	Completed and ongoing using CBO EFA database created as part of Goal #27.	FY 2023-24	Ongoing		\$0
10. Explore developing a stipend policy for public members on C/CAG committees to increase the quantity and diversity of applicants for open committee seats.	TBD		TBD	TBD	
11. Work with the County on all C/CAG HR actions to identify opportunities to leverage their equity-oriented Human Resources Action Plan, staffing, and other HR resources.	Working with County Equity Office to both leverage County resources and participate in Community of Practice.	FY 2023-24	Ongoing		\$0
12. To the extent possible, incorporate equity expertise as a desired qualification in job descriptions for all relevant staff positions.	Incorporated into recruitment language.	FY 2023-24	Ongoing		
13. Ensure that the Equity Framework is included in all onboarding materials for C/CAG Staff, Board members, new staff, and Committee members.	Incorporated into Onboarding materials	FY 2023-24	Ongoing		
14. All staff participate in an agency-wide diversity, equity, inclusion, and belonging (DEIB) training on an annual basis and at least one equity-focused professional development activity of their choice every two years, including County of San Mateo equity trainings available to C/CAG staff.	In process. Staff are participating in County foundational equity trainings. Equity Lead will identify next level trainings.	FYs 2023-25	Ongoing		\$2,000
15. Provide the Board of Directors (BOD) with an annual presentation from an expert in the field on emerging equity themes relevant to C/CAG's activities.	Including in Budget		FY 2024-25 Ongoing		\$4,000

Draft Equity Action Plan Update

Goal 3: Promote economic justice and shared prosperity through procurement opportunities.

Outcome: C/CAG creates more procurement opportunities for Disadvantaged Business Enterprises (DBE).

Actions		FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
16. Explore C/CAG's needs and goals around inclusive procurement and identify next steps and tools to achieve those goals.	TBD		TBD	TBD	
17. Join a procurement platform so SBE and DBE businesses can sign up to receive notification of C/CAG procurement opportunities.	Working on identifying a procurement platform that is both public and "accessible". May be able to leverage County's use of platform.		FY 2024-25		

Category 2: C/CAG-Led Plans, Projects, Policies, Programs, and Grant Funding Opportunities

Goal 4: Infuse a pro-equity approach in C/CAG-led or sponsored projects, programs, plans, and grant funding opportunities to maximize benefits for Equity Focus Area (EFA) geographies and demographics.

Outcomes:

- Equity is integrated in the design of projects, programs, funding calls, and other actions and initiatives.
- All applicable planning efforts, projects, and programs assess equity needs, impacts, and benefits, and convey results to the public, C/CAG committees & board.
- C/CAG staff, board, and committees have a clear understanding of how and which programs, projects, plans, and grant funded programs and projects are advancing equity.
- C/CAG-led or sponsored programs, projects, plans, and funding improves outcomes in EFA communities.

Actions		FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
18. Use C/CAG's Equity Evaluation Review (EER) Tool to assist staff and decision makers in considering a range of equity considerations in the early stages of project, plan, program, and funding call design.	Tool available to staff and being used.	FY 2023-24	Ongoing		\$0
19. Include an appropriately-scaled equity analysis, assessing benefits and burdens of proposed actions, in all projects, programs, and planning efforts.	Ongoing and in progress		Ongoing		\$0
20. Provide the board and committees with a new Equity Section within staff reports to communicate benefits, burdens, and recommendations at the project, plan, program, and funding approval stage.	Completed for all Committees and Board	FY 2023-24	Ongoing		\$0
21. Establish reporting metrics relevant to C/CAG grant programs to evaluate and report on progress towards achieving equitable outcomes, including the percentage of funds benefiting EFA geographies and/or demographics.	Completed and ongoing. See Table 1 in Equity Assessment.	FY 2023-24	Ongoing		\$0
22. Evaluate C/CAG grantmaking spending and consider changes to project selection criteria, including the number of points that are allocated for equity outcomes and equitable engagement, & the degree to which a local match for projects located in EFAs is required.	Ongoing using data collected through #21.	FY 2023-24	Ongoing		\$0
23. Leverage outside funding whenever possible to assist EFAs with technical assistance for applicable state and regional funding applications.	Need to determine best approach.		FY 2024-25	TBD	\$0
24. Center equity and climate resiliency in C/CAG's upcoming strategic planning.	Included in Strategic Planning effort.	FY 2023-24			\$0

Draft Equity Action Plan Update

Category 3: EFA Community Engagement, Empowerment, & Accountability

Goal 5: Build and maintain trust, transparency, and lasting relationships with EFA-serving CBOs.

Outcomes:

- Create an organized and centralized repository of CBO and community leader contacts for partnership, information sharing, and other engagement opportunities.
- Decision makers, EFA stakeholders, and the broader community are informed of progress towards meeting Equity Framework goals.
- EFA-serving CBOs are resourced to support C/CAG in reaching impacted and underserved populations and to provide valuable input and perspective.
- C/CAG projects, programs, planning efforts, and funding calls are increasingly effective at meaningfully engaging EFA-serving CBOs and other equity stakeholders.

Actions		FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
25. Design equitable public participation plans for relevant C/CAG plans and projects, including: a. An emphasis on sufficient funding for outreach to areas of greatest need. b. Use of equitable communication and public participation strategies tailored towards EFA audiences.	Ongoing. Elements included in recently awarded Community Based Transportation Plan for San Bruno and SSF.	FY 2023-24	Ongoing		\$0
26. Incorporate adequate budget to support participation and input from EFA-serving CBOs and community leaders in C/CAG projects, grant proposals, and planning efforts (Obtain feedback on the methodology and funding amount from CBOs)	Ongoing. Elements included in recently awarded Community Based Transportation Plan for San Bruno and SSF.	FY 2023-24	Ongoing		\$0
27. Establish and maintain a database of Equity Focus Area (EFA) contacts that C/CAG staff can use for communications and community engagement purposes.	Excel spreadsheet of CBOs and community contacts has been developed.	FY 2024-24	Ongoing and to updated		\$0
28. Use C/CAG's EFA database to inform equity-focused CBOs of nonprofit funding opportunities within calls for projects, opportunities to serve on C/CAG Committees, and other opportunities to improve equitable public participation.	Completed and ongoing. Email data base is utilized for calls for projects and committee recruitments.	FY 2023-24	Ongoing		
29. Complete a study on improving language accessibility in C/CAG's materials and website with plan for necessary updates.	TBD		TBD	TBD	

Goal 6: Use data and mapping to increase understanding and awareness of existing disparities and opportunities to advance equity.

Outcome: C/CAG staff leverage data, mapping, and analytical tools that are improved over time.

Actions		FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
30. Establish and update an online equity dashboard, storyboard, and/or other data reporting and visualization strategies to share progress on data and performance measures relevant to C/CAG's Equity Framework, program areas, and activities.	Could be coordinated with website update.		FY 2024-25 & TBD		\$20,000
31. Update Equity Focus Area maps and associated demographic indicators such as race, income, and seniors 75 years and over) for each applicable C/CAG program area within five years and every five years thereafter based on available data, changing demographics and community conditions, EFA input, and other considerations.	Ongoing. Applied for Federal RAISE grant and Caltrans planning grant for this scope as part of the update to the Countywide Bicycle and Pedestrian Plan.				2025-26 or later
32. Work with other county-level agencies to coordinate mapping and data use, including opportunities to create unified Equity Focus Area maps.	Ongoing. Applied for Federal RAISE grant and Caltrans planning grant for this scope as part of the update to the Countywide Bicycle and Pedestrian Plan.				2025-26 or later

Category 4: Countywide Leadership, Coalition Building, and Advocacy

Goal 7: Provide countywide leadership.

Outcome: Through actions within the agency and as part of its role as a regional convener, C/CAG is increasingly seen as a leader in equity advancement efforts in San Mateo County.

Actions		FY 2023-24	FY 2024-25	TBD	FY2024-25 Budget Requests
33. Include equity in annual legislative priorities and actively support legislation that helps advance Equity Framework goals.	Completed - incorporated	Completed	Ongoing		\$0
34. Help SMC cities and the County meet equity standards in new state/federal requirements, including obtaining HCD's Prohousing Designation, by sharing equity best practices and other strategies.	Planned for FY 2024-25		FY 2024-25		\$0
35. Encourage regional and state standards that support C/CAG Equity Framework Goals, including within grants funding guidelines.	Staff aware of need to participate and promote C/CAG's Equity priorities.	FY 2023-24	Ongoing		\$0
36. Support the next generation of equity focused planners and engineers, including exploring options for funding relevant scholarships for students in the region.	Staff has begun research on Agencies and CBOs to possible partner with for an annual scholarship for a recipient in San Mateo County (APA, ITS, WTS, Minetta, COMTO).		FY 2024-25		\$7,500

Total	\$53,500
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C/CAG AGENDA REPORT

Date: May 22, 2024

TO: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Receive a copy of the Actuarial Valuation of Other Post-Employment Benefit (OPEB) Programs as of June 30, 2023 and GASB 75 Report for the fiscal year ending June 30, 2024

(For further information or response to questions Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION:

That the Finance Committee receive a copy of the Actuarial Valuation of Other Post-Employment Benefit (OPEB) Programs as of June 30, 2023 and GASB 75 Report for the fiscal year ending June 30, 2024.

FISCAL IMPACT:

Cost to prepare the updated actuarial valuation report for OPEB liabilities is \$5,850.

REVENUE SOURCES:

Funding for the report preparation is from C/CAG General Fund.

BACKGROUND/DISCUSSION:

The Government Accounting Standards Board (GASB) adopted accounting and financial reporting standards provide requirements for the accounting and financial reporting by employers for post-employment benefits other than pensions (OPEB). C/CAG provides post-employment benefits in the form of health insurance for retirees. C/CAG has elected to prefund OPEB through CalPERS Trust. See additional background information in the section below.

The California Employers' Retiree Benefit Trust (CERBT) Fund is an Internal Revenue Code Section 115, multiple-employer OPEB trust fund and has a fiduciary responsibility for financial reporting in accordance with the Governmental Accounting Standards Statement No. 74. C/CAG is required to submit a renewal OPEB Valuation at least every two years, including the Certificate of Funding Policy.

C/CAG engaged MacLeod Watts, Inc., an actuarial services firm, to prepare the updated actuarial valuation of other postemployment benefits (OPEB) liabilities to comply with GASB 75. The Principal Actuary of MacLeod Watts, prior to founding the firm, was the Director of Post-Employment Benefits at Bickmore & Associates, which provided services to C/CAG since 2012.

Although GASB 75 requires that updated calculations be prepared after the close of every fiscal year

end, each valuation may typically be used for two years (fiscal year ending June 30, 2022 and fiscal year ending June 30, 2024) in the development of the plan accounting under GASB 75.

This report presents the results derived from the actuarial valuation conducted on June 30, 2023 (Measurement date of June 30, 2023) of the Other Post-Employment Benefit (OPEB) program of C/CAG. The purposes of this valuation are to:

1. Develop Actuarially Determined Contribution (ADC) levels for prefunding plan benefits.
2. Provide information required by the California Employers' Retiree Benefit Trust (CERBT).
3. Assess the OPEB liabilities and provide disclosure information as required by Statement No. 75 of the Government Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2023.

Below is a brief summary of Actuarially Determined Contribution (ADC) and other related data excerpt from the report:

Valuation date	6/30/2021	6/30/2023	
Discount rate	5.50%	5.50%	
Number of Covered Employees			
Actives	2	2	
Retirees	2	3	
Total Participants	4	5	
For fiscal year ending	6/30/2024	6/30/2025	6/30/2026
Actuarial Present Value of Projected Benefits	\$ 526,106	\$ 675,904	\$ 677,912
Actuarial Accrued Liability (AAL)			
Actives	300,761	131,203	159,728
Retirees	161,222	364,909	349,812
Total AAL	461,983	496,112	509,540
Actuarial Value of Assets	373,450	401,194	428,402
Unfunded AAL (UAAL)	88,533	94,918	81,138
UAAL Amortization method	Level Dollar	Level Dollar	Level Dollar
Remaining amortization period (years)	7	6	5
Amortization Factor	5.9019	5.2703	4.5052
Actuarially Determined Contribution (ADC)			
Normal Cost	\$ 6,239	\$ 20,198	\$ 20,804
Amortization of UAAL	15,001	18,010	18,010
Interest to fiscal year end	1,296	2,101	2,135
Total ADC	22,536	40,309	40,949

As described on the prior page, OPEB funding consists of 3 different sources. The chart below estimates how these 3 contribution sources would apply toward satisfying the ADC for each of these years.

1 Implicit subsidy contribution	\$ 13,569	\$ 8,433	\$ 9,858
2 Estimated agency paid premiums for retirees	\$ 25,155	\$ 25,793	\$ 27,337
3 Estimated agency contribution to OPEB trust	-	6,083	3,754
Total Expected Employer Contributions (1+2+3)	\$ 38,724	\$ 40,309	\$ 40,949

Additional background information:

In compliance with Government Accounting Standards Board (GASB) Statement Number 45, C/CAG retained Bickmore & Associates, an actuarial firm, in 2012 to prepare the Actuarial Valuation of the Other Post-Employment Benefit Programs. This valuation was conducted as of July 1, 2012, and covered fiscal years ending June 30, 2014 and June 30, 2015. That actuarial valuation was updated in June 2016 for fiscal years ending June 30, 2016 and June 30, 2017.

On June 11, 2015, the C/CAG Board approved Resolution 15-33 authorizing an agreement and election of C/CAG to prefund OPEB through CalPERS – California Employers’ Retiree Benefit Trust Program (CERBT). On June 11, 2015, the C/CAG Board also approved a funding policy in the amount of \$30,000 to cover the Annual Required Contribution (ARC) as initial investment into the CERBT trust and selected Asset Allocation Strategy 2 for FY 2014-15. Subsequently, C/CAG adopted the below Resolutions authorizing the prefunding of OPEB through CalPERS Trust as follows:

- Resolution 15-xx prefunding of \$30,000 for FY 2014-15.
- Resolution 16-21 prefunding of \$27,000 for FY 2015-16.
- Resolution 17-26 prefunding of \$25,000 for FY 2016-17.
- Resolution 18-37 prefunding of \$44,631 for FY 2017-18.
- Resolution 19-34 prefunding of \$42,802 for FY 2018-19.
- Resolution 20-39 prefunding of \$48,452 for FY 2019-20.
- Resolution 21-26 prefunding of \$40,244 for FY 2020-21.
- Resolution 22-58 prefunding of \$20,823 for FY 2021-22.
- Resolution 23-62 prefunding of \$55,000 for FY 2022-23.
- Resolution 24-xx prefunding of \$55,000 for FY2023-24.

In total, C/CAG invested \$381,288 in the CERBT Trust, with the account ending balance of \$101,122 on June 30, 2023.

Funds deposited into an irrevocable trust may only be used to pay retiree medical benefits. However, should C/CAG stop prefunding retiree medical benefits, it may withdraw funds from the trust, as needed, to pay retiree medical benefits. Also, if C/CAG were ever able to completely extinguish its retiree medical liability, any funds remaining in the trust would be returned to C/CAG.

In October 2021, the Finance Committee directed C/CAG staff to make higher annual payments to CALPERS to address C/CAG's CALPERS Unfunded Accrued Liability. C/CAG staff also 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. The draft FY2024-2025 budget includes an amount of \$55,000 for OPEB payment.

EQUITY IMPACTS AND CONSIDERATIONS

This item is necessary for the administration/operations of C/CAG.

ATTACHMENT

1. Actuarial Valuation of Other Post-Employment Benefit (OPEB) Programs as of June 30, 2023 and GASB 75 Report for the fiscal year ending June 30, 2024

MacLeod Watts

April 19, 2024

Sean Charpentier
Executive Director
City/County Association of Governments of San Mateo County
555 County Center, 5th Floor
Redwood City, CA 94063

DRAFT

Re: City/County Association of Governments of San Mateo County Other Post-Employment Benefits Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2024

Dear Mr. Charpentier:

We are pleased to enclose our actuarial report providing financial information about the other post-employment benefit (OPEB) liabilities of the City/County Association of Governments of San Mateo County. The primary purposes of this report are to:

- 1) Remeasure plan liabilities as of June 30, 2023, in accordance with GASB 75's biennial valuation requirement,
- 2) Develop Actuarially Determined Contributions levels for prefunding plan benefits,
- 3) Provide information to be submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy filing requirements for the trust, and
- 4) Provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in C/CAG's financial statements for the fiscal year ending June 30, 2024.

The exhibits presented in this report reflect C/CAG's established practice of contributing 100% of the Actuarially Determined Contributions each year. We assumed that OPEB trust assets remain in CERBT Asset Allocation Strategy 2. We based the valuation on the employee data, details on plan benefits and retiree benefit payments reported to us by C/CAG. Please review our summary of this information to be comfortable that it is consistent with your records. **Note: Contributions and payroll for fiscal year 2023/24 shown in this report are estimates** which should be updated after the close of the year.

We appreciate the opportunity to work on this analysis and acknowledge staff who provided valuable information to enable us to prepare this report. Please let us know if we can be of further assistance.

Sincerely,

Catherine L. MacLeod, FSA, FCA, EA, MAAA
Principal & Consulting Actuary

Enclosure

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A. Executive Summary

This report presents the results of the June 30, 2023, actuarial valuation and accounting information about the other post-employment benefits (OPEB) of the City/County Association of Governments of San Mateo County (C/CAG). The purposes of this report are to: 1) summarize the valuation results; 2) develop Actuarially Determined Contribution levels for prefunding the benefits; 3) provide information required by the California Employers' Retiree Benefit Trust; (CERBT) and 4) provide disclosure information required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2024.

Important background information regarding the valuation process can be found in Appendix 1. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations, including the requirements of GASB 75. The pages following this executive summary present exhibits and other information relevant for disclosures under GASB 75.

Results of the June 30, 2023, valuation will likely be applied to prepare C/CAG's GASB 75 report for the fiscal year ending June 30, 2025. If there are any significant changes in plan members, plan benefits or eligibility and/or OPEB funding policy, however, an earlier valuation may be required or appropriate.

OPEB Obligations of C/CAG

Continuation of medical coverage to C/CAG retirees creates the following types of OPEB liabilities:

- **Explicit subsidy liabilities:** An "explicit subsidy" exists when the employer contributes directly toward the cost of retiree healthcare. In this program, C/CAG pays a portion of medical premiums for qualifying retirees. These benefits are described in Supporting Information, Section 2.
- **Implicit subsidy liabilities:** An "implicit subsidy" exists when premiums are developed using blended active and retiree claims experience. In this situation, premiums charged for retirees may not be sufficient to cover expected medical claims¹ and the premiums charged for active employees are said to "implicitly subsidize" retirees. This OPEB program includes implicit subsidy liabilities for retiree coverage prior to coverage under Medicare.
- **Other subsidy liabilities:** In the CalPERS medical program, the premium rates for Medicare-covered retirees are based only on retiree claims experience of the pool. Pooled plans that do not blend active and retiree premiums likely generate subsidies between employers and retirees within the pool. An actuarial practice note indicates these subsidies should be included in plan liabilities to the extent they are paid by the employer.² We generally expect these subsidies to be small and included any such liability with the implicit subsidy liability in this report.

We determine explicit subsidy liabilities using the expected direct payments promised by the plan toward retiree coverage. We determine the implicit and other subsidy liabilities as the projected difference between (a) estimated retiree medical claim costs by age and (b) premiums charged for retiree coverage. For more information on MacLeod Watts' age rating methodology, see Appendix 2.

¹ In rare situations, premiums for retiree coverage may be high enough that they subsidize active employees' claims.

² Exceptions exist for: 1) Medicare Advantage Plans: these plans are treated as if their premiums are age-based due to the nature of the Federal subsidies paid to these plans. 2) Plans with low explicit subsidies to Medicare-covered retirees: in these plans no part of any potential pool subsidy is expected to be paid by the employer.



Executive Summary

(Continued)

OPEB Funding Policy

C/CAG’s OPEB funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. “Prefunding” is the term used when an agency consistently contributes an amount based on an actuarially determined contribution (ADC) each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust assets. Pay-as-you-go, or “PAYGO”, is the term used when an agency only contributes the required retiree benefits when due. When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate.

C/CAG continues to prefund its OPEB liability, consistently contributing 100% or more of the Actuarially Determined Contributions each year. With C/CAG’s approval, the discount rate used for accounting purposes and to develop Actuarially Determined Contributions for plan funding is 5.50%. Information on how this rate was determined is provided on page 12, Expected Return on Trust Assets.

Actuarial Assumptions

The actuarial “demographic” assumptions (i.e., rates of retirement, death, disability or other termination of employment) used in this report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plan(s) covering C/CAG employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. All these assumptions, and more, impact expected future benefits.

Please note that this valuation has been prepared on a closed group basis. This means that only employees and retirees present as of the valuation date are considered. We do not consider replacement employees for those we project to leave the current population of plan participants until the valuation date following their employment.

We emphasize that this actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and we will continue to monitor these assumptions in future valuations. See Section 3 for a description of assumptions used in this valuation.

Important Dates for GASB 75 in this Report

GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a *valuation date* no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a *measurement date* up to one year prior to the close of the fiscal year. The following dates were used for this report:

Fiscal Year End	June 30, 2024
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022, to June 30, 2023
Valuation Date	June 30, 2023



Executive Summary

(Concluded)

Updates Since the Prior Report

Executive management benefits have changed since the June 2021 valuation was prepared. Updated employee census and premium data was provided and with this new information, we determined plan experience, the difference between actual and expected liability results since the prior valuation. We also reviewed and updated certain assumptions used to project the OPEB liability. Investment experience, the difference between actual and expected return on trust assets) was also determined.

The Net OPEB Liability on the current measurement date is higher than that reported one year ago. Section C presents the new valuation results and provides additional information on the impact of the new assumptions and plan experience. See *Recognition Period for Deferred Resources* on page 13 for details on how these changes are recognized.

Impact on Statement of Net Position and OPEB Expense for Fiscal Year Ending 2024

The plan's impact to Net Position will be the sum of difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources.

Items	For Reporting At Fiscal Year Ending June 30, 2024	
Total OPEB Liability	\$	482,410
Fiduciary Net Position		(381,288)
Net OPEB Liability	\$	101,122
<i>Adjustment for Deferred Resources:</i>		
Deferred (Outflows)		(104,112)
Deferred Inflows		20,720
Impact on Statement of Net Position	\$	17,730
OPEB Expense, FYE 6/30/2024	\$	34,964

Important Notices

This report is intended to be used only to present the actuarial information relating to other postemployment benefits for C/CAG's financial statements. The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. We note that various issues in this report may involve legal analysis of applicable law or regulations. C/CAG should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend C/CAG consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.

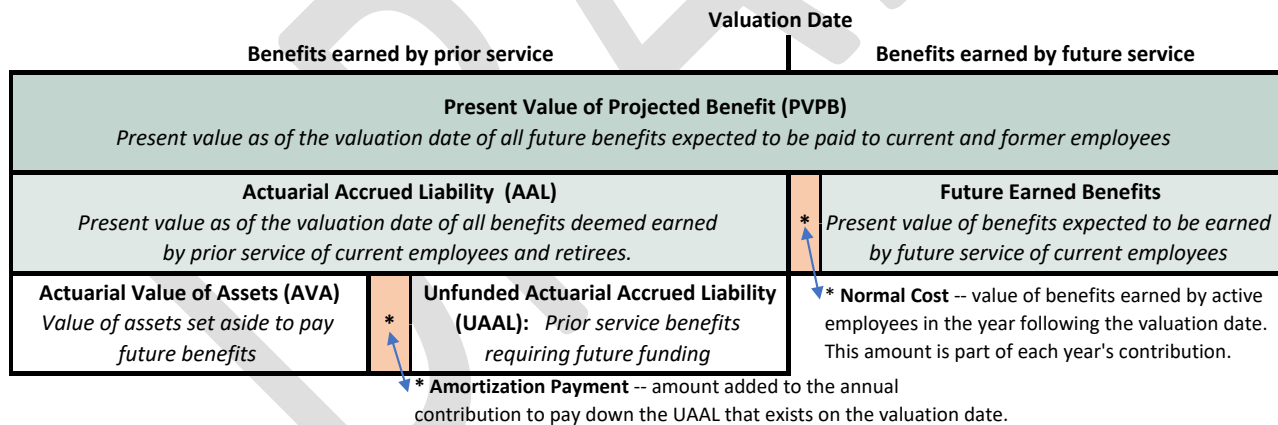


B. Valuation Process

This valuation is based on employee census data and benefits initially submitted by C/CAG and clarified in various related communications. A summary of the employee data is provided in Section 1 and a summary of the plan benefits is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on C/CAG as to its accuracy. The valuation has been performed in accordance with the process described below using the actuarial methods and assumptions described in Section 3 and is consistent with our understanding of Actuarial Standards of Practice.

In projecting benefit values and liabilities, we first determine an expected premium or benefit stream over each current retiree's or active employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and any implicit subsidies arising when retiree premiums are expected to be partially subsidized by premiums paid for active employees. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected dates when benefits will end. Assumptions regarding the probability that each employee will remain in service to receive benefits and the likelihood that employees will elect coverage for themselves and their dependents are also applied.

We then calculate the present value of these future benefit streams by discounting the value of each future expected employer payment back to the valuation date using the valuation discount rate. This present value is called the **Present Value of Projected Benefits (PVPB)** and represents the current value of all expected future plan payments to current retirees and current active employees. Note that this long-term projection does not anticipate entry of future employees.



The next step in the valuation process splits the Present Value of Projected Benefits into 1) the value of benefits already earned by prior service of current employees and retirees and 2) the value of benefits expected to be earned by future service of current employees. Actuaries employ an "attribution method" to divide the PVPB into prior service liabilities and future service liabilities. For this valuation we used the **Entry Age Normal** attribution method. This method is the most commonly used for government funding purposes and the only attribution method allowed for financial reporting under GASB 75.

We call the value of benefits deemed earned by prior service the **Actuarial Accrued Liability (AAL)**. Benefits deemed earned by service of active employees in a single year is called the **Normal Cost** of



Valuation Process

(Concluded)

benefits. The present value of all future normal costs (PVFNC) plus the Actuarial Accrued Liability will equal the Present Value of Projected Benefits (i.e., $PVPB = AAL + PVFNC$).

The difference between the value of trust assets (i.e., the Market Value of Assets), or a smoothed asset value (i.e., the Actuarial Value of Assets), and the Actuarial Accrued Liability yields the **Unfunded Actuarial Accrued Liability (UAAL)**. The UAAL represents, as of the valuation date, the present value of benefits already earned by past service that remain unfunded. A plan is generally considered “fully funded” when the UAAL is zero. The plan sponsor of a fully funded plan will still need to make future contributions for benefits earned by future service of active employees. But in a fully funded plan, the plan sponsor has set aside sufficient assets to pay for benefits that have been earned by past service of current retirees and active employees if all valuation assumptions are realized.

Future contributions by C/CAG will fund 1) the remaining part of OPEB benefits earned by past service (the Unfunded Actuarial Accrued Liability) and 2) the value of benefits earned each year by service of active employees. Various strategies might be employed to pay down the UAAL such as longer or shorter amortization payments, and flat or escalating payments depending on the plan sponsors goals and funding philosophy.

Variation in Future Results

Please note that projections of future benefits over such long periods (frequently 70 or more years) which are dependent on numerous assumptions regarding future economic and demographic variables are subject to substantial revision as future events unfold. While we believe that the assumptions and methods used in this valuation are reasonable for the purposes of this report, the costs to C/CAG reflected in this report are subject to future revision, perhaps materially. Demonstrating the range of potential future plan costs was beyond the scope of our assignment except to the limited extent of providing liability information at various discount rates.

Certain actuarial terms and GASB 75 terms may be used interchangeably, as shown below. Specific results from this valuation are provided in the following Section C.

Actuarial Terminology	GASB 75 Terminology
Present Value of Projected Benefits (PVPB)	<i>No equivalent term</i>
Actuarial Accrued Liability (AAL)	Total OPEB Liability (TOL)
Market Value of Assets (MVA)	Fiduciary Net Position
Actuarial Value of Assets (AVA)	<i>No equivalent term</i>
Unfunded Actuarial Accrued Liability (UAAL)	Net OPEB Liability
Normal Cost	Service Cost

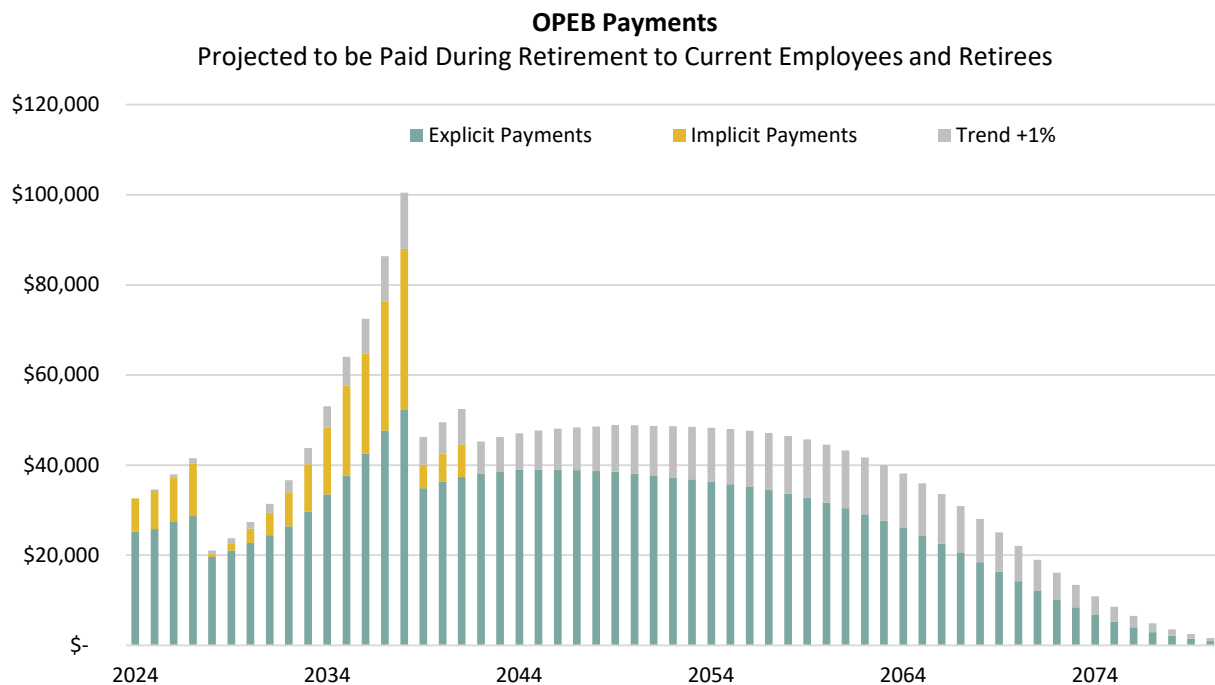


C. Valuation Results as of June 30, 2023

This Section presents the basic results of our recalculation of the OPEB liability using the updated employee data, plan provisions and asset information provided to us for the June 30, 2023, valuation. We described the general process for projecting all future benefits to be paid to retirees and current employees in the preceding Section. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Supporting Information, Section 3.

Lifetime medical coverage and premium benefits are offered for qualifying retirees who enroll in the coverage offered by C/CAG. Please see Supporting Information, Section 2 for details.

The following graph illustrates the annual other post-employment benefits projected to be paid on behalf of current retirees and current employees expected to retire from C/CAG.



- The amounts shown in green reflect the expected payment by C/CAG toward retiree premiums.
- Those shown in yellow reflect the implicit subsidy and/or Medicare pool subsidy benefits provided (i.e., the excess of estimated retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage).
- The projections in gray reflect increases in benefit levels if healthcare trend were 1% higher.

The first 15 years of benefit payments from the graph above are shown in tabular form on page 20.

Liabilities relating to these projected benefits are shown beginning on the following page.



Valuation Results as of June 30, 2023

(Continued)

This chart compares the results measured as of June 30, 2022, based on the prior valuation, with the results measured as of June 30, 2023, based on the current valuation.

Valuation Date	6/30/2021			6/30/2023		
Fiscal Year Ending	6/30/2023			6/30/2024		
Measurement Date	6/30/2022			6/30/2023		
Discount rate	5.50%			5.50%		
Number of Covered Employees						
Actives	2			2		
Retirees	2			3		
Total Participants	4			5		
OPEB Subsidy Type	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarial Present Value of Projected Benefits						
Actives	\$ 348,029	\$ 83,110	\$ 431,139	\$ 207,501	\$ 87,281	\$ 294,782
Retirees	151,658	(6,473)	145,185	339,127	38,531	377,658
Total APVPB	499,687	76,637	576,324	546,628	125,812	672,440
Total OPEB Liability (TOL)						
Actives	280,210	72,515	352,725	80,525	24,227	104,752
Retirees	151,658	(6,473)	145,185	339,127	38,531	377,658
TOL	431,868	66,042	497,910	419,652	62,758	482,410
Fiduciary Net Position	315,062			381,288		
Net OPEB Liability	182,848			101,122		
Service Cost						
For the period following the measurement date	5,848	1,016	6,864	12,520	7,091	19,611

The Net OPEB Liability has decreased by \$81,726 from that reported one year ago. Some of this change was expected and some was unexpected. Reasons for the change in the TOL are discussed on the following page.



Valuation Results as of June 30, 2023

(Concluded)

Expected NOL changes: The NOL was expected to decrease by \$74,333, from additional service and interest costs accruing for the period reduced by employer contributions and earnings on trust assets.

Unexpected NOL changes further decreased the NOL by \$7,393 and fall into one of these categories:

- *Investment experience:* Trust asset return fell short of the expected earnings by \$7,521.
- *Benefit changes:* The maximum benefit provided for Executive Management employees was decreased, which decreased the NOL by \$7,809.
- *Plan experience* increased the TOL by \$1,369 reflecting results different than expected based on the prior valuation data and assumptions. The primary reasons are shown in the chart below.
- *Assumption changes* collectively decreased the TOL by \$8,474. These changes are listed below, with additional information provided on the last page in Supporting Information, Section 3.

This chart reconciles results measured as of June 30, 2022, to results measured on June 30, 2023.

Reconciliation of Changes During Measurement Period	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at Fiscal Year Ending 6/30/2023 <i>Measurement Date 6/30/2022</i>	\$ 497,910	\$ 315,062	\$ 182,848
Expected Changes During the Period:			
Service Cost	6,864		6,864
Interest Cost	26,820		26,820
Expected Investment Income		18,838	(18,838)
Employer Contributions		89,270	(89,270)
Trust Administrative Expenses		(91)	91
Benefit Payments	(34,270)	(34,270)	-
Total Expected Changes During the Period	(586)	73,747	(74,333)
Expected at Fiscal Year Ending 6/30/2024 <i>Measurement Date 6/30/2023</i>	\$ 497,324	\$ 388,809	\$ 108,515
Unexpected Changes During the Period:			
<i>Change Due to Investment Experience</i>		(7,521)	7,521
<i>Change Due to Benefit Changes</i>	(7,809)		(7,809)
<i>Plan Experience: Liability Changes Other Than Expected</i>	1,369		
<i>Assumption Changes:</i>			
Update To Healthcare Trend	(14,138)		
Updated Demographic Assumptions	5,664		
Change Due to Assumption Changes			(8,474)
Total Unexpected Changes During the Period	(14,914)	(7,521)	(7,393)
Balance at Fiscal Year Ending 6/30/2024 <i>Measurement Date 6/30/2023</i>	\$ 482,410	\$ 381,288	\$ 101,122



D. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year ending June 30, 2024. C/CAG is classified for GASB 75 purposes as a single employer. *Deferred Contributions and covered payroll for fiscal year 2023/24 shown in this Section are estimates subject to change based on the final reported amounts.*

Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

Plan Summary Information for FYE June 30, 2024 <i>Measurement Date is June 30, 2023</i>	C/CAG
Items Impacting Net Position:	
Total OPEB Liability	\$ 482,410
Fiduciary Net Position	<u>(381,288)</u>
Net OPEB Liability (Asset)	101,122
<i>Deferred (Outflows) Due to:</i>	
Assumption Changes	(15,771)
Plan Experience	(5,232)
Investment Experience	(44,385)
Deferred Contributions	(38,724)
<i>Deferred Inflows Due to:</i>	
Assumption Changes	6,574
Plan Experience	-
Investment Experience	<u>14,146</u>
Impact on Statement of Net Position, FYE 6/30/2024	<u>\$ 17,730</u>
Items Impacting OPEB Expense:	
Service Cost	\$ 6,864
Cost of Plan Changes	(7,809)
Interest Cost	26,820
Expected Earnings on Assets	(18,838)
Trust Administrative Expenses	91
<i>Recognition of Deferred Outflows:</i>	
Assumption Changes	14,581
Plan Experience	8,992
Investment Experience	14,760
<i>Recognition of Deferred (Inflows):</i>	
Assumption Changes	(1,900)
Plan Experience	(1,525)
Investment Experience	<u>(7,072)</u>
OPEB Expense, FYE 6/30/2024	<u>\$ 34,964</u>



Accounting Information

(Continued)

Change in Net Position During the Fiscal Year

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End <i>Measurement Date</i>	6/30/2023 <i>6/30/2022</i>	6/30/2024 <i>6/30/2023</i>	Change During Period
Total OPEB Liability	\$ 497,910	\$ 482,410	\$ (15,500)
Fiduciary Net Position	<u>(315,062)</u>	<u>(381,288)</u>	<u>(66,226)</u>
Net OPEB Liability (Asset)	182,848	101,122	(81,726)
<i>Deferred (Outflows) Due to:</i>			
Assumption Changes	(30,352)	(15,771)	14,581
Plan Experience	(12,855)	(5,232)	7,623
Investment Experience	(51,624)	(44,385)	7,239
Deferred Contributions	(89,270)	(38,724)	50,546
<i>Deferred Inflows Due to:</i>			
Assumption Changes	-	6,574	6,574
Plan Experience	1,525	-	(1,525)
Investment Experience	<u>21,218</u>	<u>14,146</u>	<u>(7,072)</u>
Impact on Statement of Net Position	<u>\$ 21,490</u>	<u>\$ 17,730</u>	<u>\$ (3,760)</u>

Change in Net Position During the Fiscal Year

Impact on Statement of Net Position, FYE 6/30/2023	\$ 21,490
OPEB Expense (Income)	34,964
Employer Contributions During Fiscal Year	<u>(38,724)</u>
Impact on Statement of Net Position, FYE 6/30/2024	<u>\$ 17,730</u>

OPEB Expense

Employer Contributions During Fiscal Year	\$ 38,724
Deterioration (Improvement) in Net Position	<u>(3,760)</u>
OPEB Expense (Income), FYE 6/30/2024	<u>\$ 34,964</u>



Accounting Information

(Continued)

Change in Fiduciary Net Position During the Measurement Period

	C/CAG
Fiduciary Net Position at Fiscal Year Ending 6/30/2023	\$ 315,062
<i>Measurement Date 6/30/2022</i>	
Changes During the Period:	
Investment Income	11,317
Employer Contributions	89,270
Trust Administrative Expenses	(91)
Benefit Payments	(34,270)
Net Changes During the Period	66,226
Fiduciary Net Position at Fiscal Year Ending 6/30/2024	\$ 381,288
<i>Measurement Date 6/30/2023</i>	

Expected Long-term Return on Trust Assets

CalPERS last updated the projected future investment returns for CERBT Strategy 2 in March 2022. The returns were determined using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are split for years 1-5 and years 6 -20. We assumed that the returns for years 6 through 20 would continue in later years.

CERBT Strategy 2		Years 1-5			Years 6-20		
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-5 Year Expected Real Rate of Return	Compound Return Yrs 1-5	General Inflation Rate Assumption	6-20 Year Expected Real Rate of Return	Compound Return Years 6-20
Global Equity	34%	2.40%	4.40%	6.80%	2.30%	4.50%	6.80%
Fixed Income	41%	2.40%	-1.00%	1.40%	2.30%	2.20%	4.50%
Global Real Estate(REITs)	17%	2.40%	3.00%	5.40%	2.30%	3.90%	6.20%
Treasury Inflation Protected Securities	5%	2.40%	-1.80%	0.60%	2.30%	1.30%	3.60%
Commodities	3%	2.40%	0.80%	3.20%	2.30%	1.20%	3.50%
Volatility	9.9%		weighted	4.2%		weighted	5.9%

To derive the expected future trust return specifically for C/CAG, we first adjusted CalPERS' future return expectations to align with the 2.5% general inflation assumption used in this report. Then applying the plan specific benefit payments (as determined from the June 30, 2023, valuation) to CalPERS' bifurcated return expectations, we determined the single equivalent long-term rate of return to be 5.50%.



Accounting Information

(Continued)

Recognition Period for Deferred Resources

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the plan's Expected Average Remaining Service Life ("EARSL"). The EARSL of 4.46 years is the period used to recognize such changes in the OPEB Liability arising during the current measurement period.

When applicable, changes in the Fiduciary Net Position due to investment performance different from the assumed earnings rate are always recognized over 5 years.

Liability changes attributable to benefit changes occurring during the period, if any, are recognized immediately.

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year end June 30, 2024.

C/CAG	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 15,771	\$ 6,574
Differences Between Expected and Actual Experience	5,232	-
Net Difference Between Projected and Actual Earnings on Investments	30,239	-
Deferred Contributions	38,724	-
Total	\$ 89,966	\$ 6,574

In addition, future recognition of these deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2025	\$ 21,161
2026	10,245
2027	12,490
2028	772
2029	-
Thereafter	-



Accounting Information

(Continued)

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

The discount rate used for accounting purposes for the fiscal year end 2023 is 5.50%. Healthcare Cost Trend Rate was assumed to start at 6.5% (increase effective January 1, 2025; known January 2024 increases were applied) and grade down to 3.9% for years 2075 and later. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	Current - 1% 4.50%	Current 5.50%	Current + 1% 6.50%
Total OPEB Liability	539,257	482,410	435,056
Increase (Decrease)	56,847		(47,354)
% Increase (Decrease)	11.8%		-9.8%
Net OPEB Liability (Asset)	157,969	101,122	53,768
Increase (Decrease)	56,847		(47,354)
% Increase (Decrease)	56.2%		-46.8%
Change in Healthcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
Total OPEB Liability	431,961	482,410	543,191
Increase (Decrease)	(50,449)		60,781
% Increase (Decrease)	-10.5%		12.6%
Net OPEB Liability (Asset)	50,673	101,122	161,903
Increase (Decrease)	(50,449)		60,781
% Increase (Decrease)	-49.9%		60.1%



Accounting Information
(Continued)

Schedule of Changes in C/CAG's Net OPEB Liability and Related Ratios

Fiscal Year Ending June 30	2024	2023	2022	2021	2020	2019	2018
<i>Measurement Date</i>	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
<i>Discount Rate on Measurement Date</i>	5.50%	5.50%	6.20%	6.25%	6.25%	6.25%	6.50%
Total OPEB liability							
Service Cost	\$ 6,864	\$ 5,762	\$ 28,715	\$ 27,879	\$ 24,240	\$ 22,676	\$ 20,211
Interest	26,820	28,003	25,324	22,675	19,323	17,515	16,127
Changes of benefit terms	(7,809)	-	-	-	-	-	-
Differences between expected and actual experience	1,369	-	30,225	-	(21,201)	-	(9,558)
Changes of assumptions	(8,474)	35,021	6,362	-	37,405	7,876	8,580
Benefit payments	(34,270)	(33,561)	(8,804)	(9,217)	(10,330)	(9,531)	(23,408)
Net change in total OPEB liability	(15,500)	35,225	81,822	41,337	49,437	38,536	11,952
Total OPEB liability - beginning	497,910	462,685	380,863	339,526	290,089	251,553	239,601
Total OPEB liability - ending (a)	\$ 482,410	\$ 497,910	\$ 462,685	\$ 380,863	\$ 339,526	\$ 290,089	\$ 251,553
Plan fiduciary net position							
Contributions - employer	\$ 89,270	\$ 50,016	\$ 49,048	\$ 57,669	\$ 53,132	\$ 54,162	\$ 48,408
Net investment income	11,317	(41,308)	52,102	10,179	9,662	5,389	4,093
Benefit payments	(34,270)	(33,561)	(8,804)	(9,217)	(10,330)	(9,531)	(23,408)
Administrative expenses	(91)	(85)	(120)	(94)	(30)	(161)	(31)
Net change in plan fiduciary net position	66,226	(24,938)	92,226	58,537	52,434	49,859	29,062
Plan fiduciary net position - beginning	315,062	340,000	247,774	189,237	136,803	86,944	57,882
Plan fiduciary net position - ending (b)	\$ 381,288	\$ 315,062	\$ 340,000	\$ 247,774	\$ 189,237	\$ 136,803	\$ 86,944
Net OPEB liability - ending (a) - (b)	\$ 101,122	\$ 182,848	\$ 122,685	\$ 133,089	\$ 150,289	\$ 153,286	\$ 164,609
Covered payroll in the measurement period	\$ 347,103	\$ 313,888	\$ 325,887	\$ 308,984	\$ 298,420	\$ 283,864	\$ 311,785
Net OPEB liability as a % of covered payroll	29.13%	58.25%	37.65%	43.07%	50.36%	54.00%	52.80%



Accounting Information
(Continued)

Schedule of Changes in C/CAG's Net OPEB Liability and Related Ratios
(concluded)

Fiscal Year Ending June 30	2024	2023	2022	2021	2020	2019	2018
<i>Measurement Date</i>	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
<i>Discount Rate on Measurement Date</i>	5.50%	5.50%	6.20%	6.25%	6.25%	6.25%	6.50%

Notes to Schedule

Valuation Date	6/30/2023	6/30/2021	6/30/2019	6/30/2017
Actuarial cost method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay
Asset valuation method	Market Value	Market Value	Market Value	Market Value
Inflation	2.50%	2.50%	2.50%	2.75%
Healthcare cost trend rates	6.50% in 2025 decreasing to 3.9% by 2075	5.7% in 2022, fluctuating down to 4.0% by 2076	5.4% in 2021, fluctuating down to 4.0% by 2076	7.5% in 2019, step down .5% per year to 5.0% by 2024
Salary increases	3.00%	3.00%	3.00%	3.25%
Investment rate of return	5.50%	6.10%	6.15%	6.50%
Retirement age	50 to 75	50 to 75	50 to 75	50 to 75
Mortality	2021 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2014 CalPERS Experience Study
Mortality Improvement	MW Scale 2022	MacLeod Watts Scale 2020	MacLeod Watts Scale 2020	MacLeod Watts Scale 2017



Accounting Information
(Continued)

Schedule of Contributions

The chart below shows the Actuarially Determined Contribution (ADC), C/CAG's contribution, and the excess or shortfall.

Fiscal Year Ending June 30	2024		2023		2022		2021		2020		2019		2018	
Actuarially Determined Contribution (ADC)	\$	22,536	\$	24,980	\$	50,016	\$	49,312	\$	55,709	\$	54,899	\$	54,162
Contributions in relation to the ADC		<i>38,724</i>		89,270		50,016		49,048		57,669		53,132		54,162
Contribution deficiency (excess)	\$	<i>(10,087)</i>	\$	(64,290)	\$	-	\$	264	\$	(1,960)	\$	1,767	\$	-
Covered payroll during the fiscal year	\$	<i>358,000</i>	\$	347,103	\$	313,888	\$	325,887	\$	308,984	\$	298,418	\$	283,864
Contributions as a % of covered payroll		<i>10.82%</i>		25.72%		25.72%		15.05%		18.66%		17.80%		19.08%
% of ADC contributed		<i>171.83%</i>		357.37%		100.00%		99.46%		103.52%		96.78%		100.00%

Notes to Schedule - assumptions used to develop Actuarially Determined Contributions

	6/30/2021		6/30/2019		6/30/2017		
Valuation Date	6/30/2021		6/30/2019		6/30/2017		
Actuarial cost method	Entry Age Normal Level % of Pay		Entry Age Normal Level % of Pay		Entry Age Normal Level % of Pay		
Amortization method	10 year closed Level Dollar		10 year closed Level Dollar		10 year closed Level Dollar		
Amortization period	7 yrs remain	8 yrs remain	9 yrs remain	10 yrs (fresh start)	5 yrs remain	6 yrs remain	7 yrs remain
Asset valuation method	Market Value		Market Value		Market Value		
Inflation	2.50%		2.50%		2.75%		
Healthcare cost trend rates	5.7% in 2022, fluctuating down to 4.0% by 2076		5.4% in 2021, fluctuating down to 4.0% by 2076		7.5% in 2019, step down .5% per year to 5.0% by 2024		
Salary increases	3.00%		3.00%		3.25%		
Investment rate of return	6.10%		6.15%		6.50%		
Retirement age	50 to 75		50 to 75		50 to 75		
Mortality	2017 CalPERS Experience		2017 CalPERS Experience Study		2014 CalPERS Experience Study		
Mortality Improvement	MW Scale 2020		MW Scale 2020		MW Scale 2017		



Accounting Information
(Continued)

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

C/CAG	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)	(d) Deferred Outflows:				(e) Deferred Inflows:			Impact on Statement of Net Position (f) = (c) - (d) + (e)
				Assumption Changes	Plan Experience	Investment Experience	Deferred Contributions	Assumption Changes	Plan Experience	Investment Experience	
Balance at Fiscal Year Ending 6/30/2023 <i>Measurement Date 6/30/2022</i>	\$ 497,910	\$ 315,062	\$ 182,848	\$ 30,352	\$ 12,855	\$ 51,624	\$ 89,270	\$ -	\$ 1,525	\$ 21,218	\$ 21,490
Changes During the Period:											
Service Cost	6,864		6,864								6,864
Interest Cost	26,820		26,820								26,820
Expected Investment Income		18,838	(18,838)								(18,838)
Employer Contributions		89,270	(89,270)								(89,270)
Changes of Benefit Terms	(7,809)		(7,809)								(7,809)
Trust Administrative Expenses		(91)	91								91
Benefit Payments	(34,270)	(34,270)	-								-
Assumption Changes	(8,474)		(8,474)					8,474			-
Plan Experience	1,369		1,369		1,369						-
Investment Experience		(7,521)	7,521			7,521					-
Recognized Deferred Resources				(14,581)	(8,992)	(14,760)	(89,270)	(1,900)	(1,525)	(7,072)	117,106
Contributions After Measurement Date							38,724				(38,724)
Net Changes in Fiscal Year 2023-2024	(15,500)	66,226	(81,726)	(14,581)	(7,623)	(7,239)	(50,546)	6,574	(1,525)	(7,072)	(3,760)
Balance at Fiscal Year Ending 6/30/2024 <i>Measurement Date 6/30/2023</i>	\$ 482,410	\$ 381,288	\$ 101,122	\$ 15,771	\$ 5,232	\$ 44,385	\$ 38,724	\$ 6,574	\$ -	\$ 14,146	\$ 17,730



Accounting Information
(Continued)

Schedule of Deferred Outflows and Inflows of Resources

A listing of all deferred resource bases used to develop the Net Position and OPEB Expense is shown below. Deferred Contributions are not shown.

Measurement Date: June 30, 2023

Deferred Outflow or (Inflow)						Balance as of Jun 30, 2023	Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:						
Date Created	Source	Impact on Net OPEB Liability (NOL)	Initial Amount	Period (Yrs)	Annual Recognition		2022-23 (FYE 2024)	2023-24 (FYE 2025)	2024-25 (FYE 2026)	2025-26 (FYE 2027)	2026-27 (FYE 2028)	2027-28 (FYE 2029)	Thereafter
6/30/2019	PlanExperience	DecreasedNOL	\$ (21,201)	4.31	\$ (4,919)	\$ -	\$ (1,525)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6/30/2019	AssumptionChanges	IncreasedNOL	37,405	4.31	8,679	-	2,689	-	-	-	-	-	-
6/30/2019	InvestmentEarnings	IncreasedNOL	225	5.00	45	-	45	-	-	-	-	-	-
6/30/2020	InvestmentEarnings	IncreasedNOL	3,159	5.00	632	631	632	631	-	-	-	-	-
6/30/2021	PlanExperience	IncreasedNOL	30,225	3.48	8,685	4,170	8,685	4,170	-	-	-	-	-
6/30/2021	AssumptionChanges	IncreasedNOL	6,362	3.48	1,828	878	1,828	878	-	-	-	-	-
6/30/2021	InvestmentEarnings	DecreasedNOL	(35,362)	5.00	(7,072)	(14,146)	(7,072)	(7,072)	(7,074)	-	-	-	-
6/30/2022	AssumptionChanges	IncreasedNOL	35,021	3.48	10,064	14,893	10,064	10,064	4,829	-	-	-	-
6/30/2022	InvestmentEarnings	IncreasedNOL	62,895	5.00	12,579	37,737	12,579	12,579	12,579	12,579	-	-	-
6/30/2023	PlanExperience	IncreasedNOL	1,369	4.46	307	1,062	307	307	307	307	141	-	-
6/30/2023	AssumptionChanges	DecreasedNOL	(8,474)	4.46	(1,900)	(6,574)	(1,900)	(1,900)	(1,900)	(1,900)	(874)	-	-
6/30/2023	InvestmentEarnings	IncreasedNOL	7,521	5.00	1,504	6,017	1,504	1,504	1,504	1,504	1,505	-	-



Accounting Information

(Continued)

Detail of C/CAG Contributions to the Plan

C/CAG contributions to the Plan occur as benefits are paid to or on behalf of retirees and/or as contributions are made to the OPEB trust. Benefit payments may occur in the form of direct payments for premiums (“explicit subsidies”) and/or indirect payments to retirees in the form of higher premiums for active employees (“implicit subsidies”). Note that the implicit subsidy contribution does not represent cash payments to retirees, but rather the reclassification of a portion of active healthcare expense to be recognized as a retiree healthcare cost. For details, see Appendices for a description of implicit subsidy plan contributions.

C/CAG reported the following OPEB contributions paid during the measurement period.

For the Measurement Period, Jul 1, 2022 thru Jun 30, 2023	C/CAG
Employer	
(a) Contribution To Trust	\$ 55,000
(b) Benefits Paid Directly To or On Behalf of Retirees	22,611
(c) Implicit Subsidy Payment	11,659
Trust	
(d) Benefits Paid Directly To or On Behalf of Retirees	-
(e) Reimbursements to Employer	-
<i>Total Benefits Paid During the MP, (b)+(c)+(d)</i>	34,270
<i>Employer Contribution During the MP, (a)+(b)+(c)-(e)</i>	89,270

Estimated C/CAG OPEB contributions made after the measurement date but prior to the current fiscal year end in the chart below. These estimates should be updated with the actual amounts once known after the close of the year.

For the Fiscal Year, Jul 1, 2023 thru Jun 30, 2024	C/CAG
Employer	
(f) Contribution To Trust	\$ -
(g) Benefits Paid Directly To or On Behalf of Retirees	25,155
(h) Implicit Subsidy Payment	13,569
Trust	
(i) Benefits Paid Directly To or On Behalf of Retirees	-
(j) Reimbursements to Employer	-
<i>Total Benefits Paid During the Current FY, (g)+(h)+(i)</i>	38,724
<i>Employer Contribution During the Current FY, (f)+(g)+(h)-(j)</i>	38,724



Accounting Information

(Continued)

Projected Benefit Payments (15-year projection)

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from C/CAG. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Section 3.

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2024	\$ 25,155	\$ -	\$ 25,155	\$ 13,569	\$ -	\$ 13,569	\$ 38,724
2025	25,761	32	25,793	8,435	(2)	8,433	34,226
2026	27,123	214	27,337	9,776	82	9,858	37,195
2027	28,398	493	28,891	11,237	274	11,511	40,402
2028	18,776	830	19,606	-	617	617	20,223
2029	19,481	1,569	21,050	-	1,638	1,638	22,688
2030	20,156	2,570	22,726	-	3,111	3,111	25,837
2031	20,788	3,659	24,447	-	4,932	4,932	29,379
2032	21,367	5,069	26,436	-	7,509	7,509	33,945
2033	21,893	7,738	29,631	-	10,576	10,576	40,207
2034	22,358	11,124	33,482	-	14,772	14,772	48,254
2035	22,744	14,903	37,647	-	20,029	20,029	57,676
2036	23,037	19,498	42,535	-	22,159	22,159	64,694
2037	23,246	24,406	47,652	-	28,688	28,688	76,340
2038	23,358	28,887	52,245	-	35,760	35,760	88,005

The amounts shown in the Explicit Subsidy section of the table reflect the expected payment by C/CAG toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date (“current retirees”) and those expected to retire after the valuation date (“future retirees”). **The explicit subsidy benefit amount shown for FYE 2024 is currently an estimate and will be replaced with the actual amount, once known.**

The amounts shown in the Implicit Subsidy section reflect the estimated excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees’ coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).



Accounting Information

(Concluded)

Sample Journal Entries

OPEB Accounts at Beginning of Fiscal Year	By Source		Sources Combined	
	Debit	Credit	Debit	Credit
Net OPEB Liability		182,848		182,848
<i>Deferred Outflow:</i>				
Assumption Changes	30,352			
Plan Experience	12,855			
Investment Experience	51,624			
Contribution Subsequent to MD	89,270			
Deferred Outflows			184,101	
<i>Deferred Inflow:</i>				
Assumption Changes		-		
Plan Experience		1,525		
Investment Experience		21,218		
Deferred Inflows				22,743
Record Benefits Paid to Retirees	Debit		Credit	
Net OPEB Liability	25,155			
Cash			25,155	
Record Implicit Subsidy Payment	Debit		Credit	
Net OPEB Liability	13,569			
Premium Expense			13,569	
Record End of Year Updates to OPEB Accounts	Debit	Credit	Debit	Credit
Net OPEB Liability	43,002		43,002	
<i>Deferred Outflow:</i>				
Assumption Changes		14,581		
Plan Experience		7,623		
Investment Experience		7,239		
Contribution Subsequent to MD		50,546		
Deferred Outflows				79,989
<i>Deferred Inflow:</i>				
Assumption Changes		6,574		
Plan Experience	1,525			
Investment Experience	7,072			
Deferred Inflows			2,023	
OPEB Expense	34,964		34,964	



E. Funding Information

The employer's OPEB funding policy and level of contributions to an irrevocable OPEB trust directly affects the discount rate which is used to calculate the OPEB liability to be reported in the employer's financial statements. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. Prefunding also improves the security of benefits for current and potential future recipients and contributes to intergenerational taxpayer equity by better matching the cost of the benefits to the service years in which they are "earned" and which correspond to years in which taxpayers benefit from those services.

Paying Down the UAAL

Once an employer decides to prefund, a decision must be made about how to pay for benefits related to accumulated prior service that have not yet been funded (the Unfunded Actuarial Accrued Liability, or UAAL³). This is most often, though not always, handled through structured amortization payments. The period and method chosen for amortizing this unfunded liability can significantly affect the Actuarially Determined Contribution (ADC) or other basis selected for funding the OPEB program.

Much like paying off a mortgage, when the Actuarial Accrued Liability (AAL) exceeds plan assets, choosing a longer amortization period to pay off the UAAL means smaller payments, but the payments will be required for more years; plan investments will have less time to work toward helping reduce required contribution levels. When the plan is in a surplus position, the reverse is true, and a longer amortization period is usually preferable.

There are several ways the amortization payment can be determined. The most common methods are calculating the amortization payment as a level dollar amount or as a level percentage of payroll. The employer might also choose to apply a shorter period when the UAAL is positive, i.e., when trust assets are lower than the AAL, but opt for a longer period or to exclude amortization of a negative UAAL, when assets exceed the AAL. The entire UAAL may be amortized as one single component or may be broken into multiple components reflecting the timing and source of each change, such as those arising from assumption changes, benefit changes and/or liability or investment experience.

The amortization period(s) should not exceed the number of years which would allow current trust assets plus future contributions and earnings to be sufficient to pay all future benefits and trust expenses each year. Prefunding of OPEB is optional and contributions at any level are permitted. However, if trust sufficiency is not expected, a discount rate other than the assumed trust return will likely be required for accounting purposes.

Funding and Prefunding of the Implicit Subsidy

An implicit subsidy liability is created when retiree medical claims are expected to exceed the premiums charged for retiree coverage. Recognition of the estimated implicit subsidy each year is handled by an accounting entry, reducing the amount paid for active employees and shifting that amount to be treated as a retiree healthcare expense/contribution (see Sample Journal Entries). The implicit subsidy is a true benefit to the retiree but can be difficult to see when medical premiums are set as a flat rate for both actives and pre-Medicare retirees.

³ We use actuarial, rather than accounting, terminology to describe the components used to develop the ADCs.



Funding Information

(Continued)

This might lead some employers to believe the benefit is not real or is merely an accounting construct, and thus to forgo prefunding of retiree implicit benefits.

Consider what would happen if the retiree premiums were based only on expected retiree claims experience. Almost certainly, retiree premiums would increase while premiums for active employees would go down if the active premiums no longer had to help support the higher retiree claims. *Who would pay the increases in retiree premiums?* Current plan documents and bargaining agreements would have to be consulted. Depending on circumstances, the increase in retiree premiums might remain the responsibility of the employer, pass entirely to the retirees, or some blending of the two. The answer would determine whether separate retiree-only premium rates would result in a higher or lower employer OPEB liability. In the current premium structure, with blended active and pre-Medicare retiree premiums, the employer is clearly, though indirectly, paying the implicit retiree cost.

The prefunding decision is complex. OPEB materiality, budgetary concerns, desire to use the full trust rate in developing the liability for GASB 75, and other factors must be weighed by each employer. Since prefunding OPEB benefits is not required, each employer's OPEB prefunding strategy will depend on how they balance these competing perspectives.

Development of the Actuarially Determined Contributions

C/CAG has approved development of ADCs based on the following two components, which are then adjusted with interest to each fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the unfunded actuarial accrued liability over a closed 10 year period; 7 years remain for determining the ADC for the fiscal year ending June 30, 2024. Amortization payments are determined on a level dollar basis.

Actuarially Determined Contributions, developed as described above for C/CAG's fiscal years ending June 30, 2025, and 2026 are shown the exhibit on the next page. These ADCs incorporate both explicit (cash benefit) and implicit subsidy benefit liabilities. Contributions credited toward meeting the ADC will be comprised of:

- 1) direct payments to insurers toward retiree premiums, to the extent not reimbursed to C/CAG by the trust; plus
- 2) each year's implicit subsidy payment; and
- 3) contributions to the OPEB trust.

ADCs determined on this basis should provide for trust sufficiency, based on the current plan provisions and census data, provided all assumptions are exactly realized and if C/CAG contributes 100% or more of the ADC each year. When an agency commits to funding the trust at or above the ADC, the expected long-term trust return may be used as the discount rate in determining the plan liability for accounting purposes. Trust sufficiency cannot be guaranteed to a certainty, however, because of the non-trivial risk that the assumptions used to project future benefit liabilities may not be realized.



Funding Information

(Continued)

We develop the Actuarially Determined Contributions (ADCs) for fiscal years ending June 30, 2025, and June 30, 2026, from the results of this valuation. The ADC for fiscal year end June 30, 2024, was developed from the prior (2021) valuation and we have included this for reference as well.

The biggest component of the increase in the ADCs for FYEs 2025 and 2026 over 2024 is the addition of the new employee hired since the 2021 valuation was prepared, as reflected in the normal cost.

Valuation date	6/30/2021	6/30/2023	
Discount rate	5.50%	5.50%	
Number of Covered Employees			
Actives	2	2	
Retirees	2	3	
Total Participants	4	5	
For fiscal year ending	6/30/2024	6/30/2025	6/30/2026
Actuarial Present Value of Projected Benefits	\$ 526,106	\$ 675,904	\$ 677,912
Actuarial Accrued Liability (AAL)			
Actives	300,761	131,203	159,728
Retirees	161,222	364,909	349,812
Total AAL	461,983	496,112	509,540
Actuarial Value of Assets	373,450	401,194	428,402
Unfunded AAL (UAAL)	88,533	94,918	81,138
UAAL Amortization method	Level Dollar	Level Dollar	Level Dollar
Remaining amortization period (years)	7	6	5
Amortization Factor	5.9019	5.2703	4.5052
Actuarially Determined Contribution (ADC)			
Normal Cost	\$ 6,239	\$ 20,198	\$ 20,804
Amortization of UAAL	15,001	18,010	18,010
Interest to fiscal year end	1,296	2,101	2,135
Total ADC	22,536	40,309	40,949

As described on the prior page, OPEB funding consists of 3 different sources. The chart below estimates how these 3 contribution sources would apply toward satisfying the ADC for each of these years.

1 Implicit subsidy contribution	\$ 13,569	\$ 8,433	\$ 9,858
2 <i>Estimated agency paid premiums for retirees</i>	\$ 25,155	\$ 25,793	\$ 27,337
3 <i>Estimated agency contribution to OPEB trust</i>	-	6,083	3,754
Total Expected Employer Contributions (1+2+3)	\$ 38,724	\$ 40,309	\$ 40,949

We have *estimated* how much C/CAG will pay in retiree medical premiums. If the actual amounts paid are lower than our projection, the contribution to the trust should be increased to balance so that total contributions equal or exceed the ADC each year.



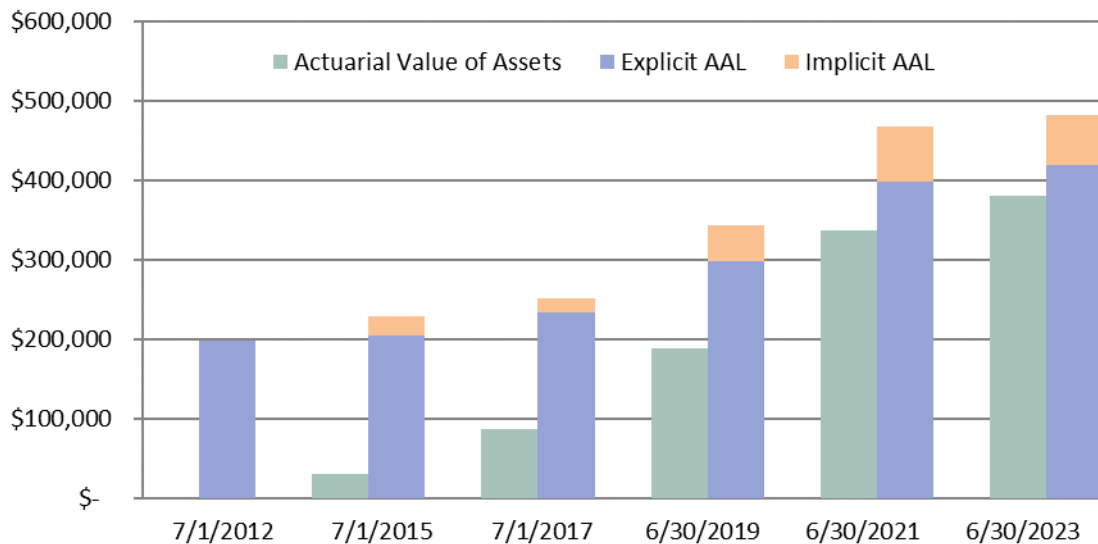
Funding Information

(Concluded)

In this section, we provide a review of key components of valuation results from 2012 through 2024.

Schedule of Funding Progress							
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)	Discount Rate
7/1/2012	\$ -	\$ 197,811	\$ 197,811	0.0%	\$ 247,208	80.0%	4.00%
7/1/2015	\$ 30,000	\$ 229,309	\$ 199,309	13.1%	\$ 239,064	83.4%	6.50%
7/1/2017	\$ 86,944	\$ 251,553	\$ 164,609	34.6%	\$ 275,124	59.8%	6.50%
6/30/2019	\$ 189,237	\$ 343,321	\$ 154,084	55.1%	\$ 298,420	51.6%	6.15%
6/30/2021	\$ 336,636	\$ 467,444	\$ 130,808	72.0%	\$ 325,887	40.1%	6.10%
6/30/2023	\$ 381,288	\$ 482,410	\$ 101,122	79.0%	\$ 347,103	29.1%	5.50%

Schedule of Funding Progress



Significant changes during this period include:

- **July 1, 2015:** First time recognition of the implicit subsidy liability relating to medical coverage; discount rate increased from 4% to 6.5%; plan members increased from 2 to 4.
- **June 30, 2019:** Discount rate decreased to 6.15% reflecting lower future expected trust return; reflected new demographic assumptions from the 2017 CalPERS experience study and reflected the timing of retirement for one employee.
- **June 30, 2021:** Updated the expected retirement date for one employee; the new director was hired after the valuation date and, as such, was not included in the analysis; return on trust assets was considerably higher than assumed.
- **June 30, 2023:** Decreased benefits for Executives hired on/after 9/1/2018; updated healthcare trend and demographic assumptions; trust earnings were lower than assumed over the past two years.



F. Certification

The primary purposes of this report are: (1) to provide actuarial information of the other postemployment benefits (OPEB) provided by the City/County Association of Governments of San Mateo County (C/CAG) in compliance with Statement 75 of the Governmental Accounting Standards Board (GASB 75); and (2) to provide Actuarially Determined Contributions for prefunding of this program in conformity with the District's OPEB funding policy. C/CAG is not required to contribute the ADC shown in this report and we make no representation that it will, in fact, fund the OPEB trust at any particular level.

In preparing this report we relied without audit on information provided by C/CAG. This information includes, but is not limited to, plan provisions, census data, and financial information. We performed a limited review of this data and found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.

We consider the actuarial assumptions and methods used in this report to be individually reasonable under the requirements imposed by GASB 75 and taking into consideration reasonable expectations of plan experience. The results provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different due to a variety of reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan results based on alternative assumptions was beyond the scope of our assignment except to the limited extent required by GASB 75 and in accordance with C/CAG's stated OPEB funding policy. Results for accounting purposes may be materially different than results obtained for other purposes such as plan termination, liability settlement, or underlying economic value of the promises made by the plan.

This report is prepared solely for the use and benefit of C/CAG and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions: C/CAG may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, and C/CAG may provide this work to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned are unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are members of the American Academy of Actuaries and meet the qualification standards for rendering this opinion.

Signed: April 19, 2024

Catherine L. MacLeod, FSA, FCA, EA, MAAA

Raegann E. Conner, Actuarial Analyst



G. Supporting Information

Section 1 - Summary of Employee Data

Plan Members: C/CAG reported 2 active employees in the data provided to us for the June 2023 valuation. There are also 3 retirees currently receiving benefits under this program. The chart below summarizes census data used for valuation:

2023 Valuation Census	Active	Retired	Total
Number	2	3	5
Average Age	49.9	68.7	62.1
Average Service	5.1	13.2	11.4
Average Age at Retirement	n/a	61.8	61.8

Summary of Plan Member Counts: The number of members currently or potentially eligible to receive benefits under the OPEB plan are required to be reported in the notes to the financial statements.

Summary of Plan Member Counts	
Number of active plan members	2
Number of inactive plan members currently receiving benefits	3
Number of inactive plan members entitled to but not receiving benefits	0

Changes in covered members: Since the June 30, 2021, valuation date, the previous Executive Director retired and a new Director was hired and is now included in the June 30, 2023, valuation. There were no other changes in active or retired members covered by this plan.

Reconciliation of C/CAG Plan Members Between Valuation Dates			
Status	Covered Actives	Covered Retirees	Total
Number reported as of June 30, 2021	2	2	4
New employees	1		1
Separated employees			0
New retiree, elected coverage	(1)	1	0
New retiree, waiving coverage			0
Deceased			0
Number reported as of June 30, 2023	2	3	5



Supporting Information

(Continued)

Section 2 - Summary of Retiree Benefit Provisions

OPEB provided: C/CAG reported that the only OPEB provided is retiree medical plan coverage.

Access to coverage: Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 if Classic or age 52, if PEPRAs with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement benefit within 120 days of terminating employment with C/CAG to be eligible to continue medical coverage through C/CAG and be entitled to the benefits described below. It is the timing of initiating retirement benefits and not timing of enrollment in the medical program which determines whether or not the retiree qualifies for lifetime medical coverage and any benefits defined in the PEMHCA resolution.

If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

Retiree medical benefits provided: As a PEMHCA employer, C/CAG is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. It is our understanding that C/CAG has or will execute a resolution with CalPERS defining the level of its contribution toward the cost of medical plan premiums for *active and retired* employees to be the PEMHCA minimum employer contribution (MEC)⁴. The MEC was \$151 per month in 2023 and increased to \$157 per month in 2024.

Employees who retire from C/CAG with 10 or more years of C/CAG service⁵ receive a higher benefit:

- *For Executive Management retirees hired prior to September 1, 2018, and all others regardless of date hired:* 100% of the actual retiree-only premium, but not more than the Kaiser Region 1 Basic Family monthly premium rate (\$2,655.67 in 2024).
- *For Executive Management retirees hired on or after September 1, 2018:* 90% of their actual retiree-only premium, but not more than 90% of the Kaiser Region 1 single party rate (Basic or Medicare retiree rate, as applicable (\$919.27 or \$347.85 in 2024).

C/CAG will pay the PEMHCA minimum portion of the benefit directly to CalPERS and reimburse the retiree for any remaining benefit as described above.

Upon the retiree's death, surviving annuitants may continue coverage, but the only subsidy they will receive is the PEMHCA MEC.

⁴ It is our understanding that C/CAG has established a pre-tax flexible benefit plan to provide premiums in excess of the MEC for active employees and that PEMHCA does not require these additional payments to be paid to retirees.

⁵ Only 5 years of service was required for Executive Management hired prior to January 2013.



Supporting Information

(Continued)

Section 2 - Summary of Retiree Benefit Provisions

Monthly premiums for selected plans in 2024 are shown below.

Region 1 2024 Health Plan Rates						
	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
Plan	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Anthem Select HMO	1,138.86	2,277.72	2,961.04	405.83	811.66	1,217.49
Anthem Traditional HMO	1,339.70	2,679.40	3,483.22	405.83	811.66	1,217.49
Kaiser HMO*	1,021.41	2,042.82	2,655.67	386.55	773.10	1,159.65
PERS Platinum PPO	1,314.27	2,628.54	3,417.10	448.15	896.30	1,344.45

**Medicare rates shown are for Kaiser Medicare Advantage Summit*



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. Actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Important Dates

Valuation Date	June 30, 2023
Fiscal Year End	June 30, 2024
GASB 75 Measurement Date	June 30, 2023 (last day of the prior fiscal year)

Valuation Methods

Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.

Development of Age-related Medical Premiums

Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs – From Birth to Death", sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts's Age Rating Methodology (see Appendices).

Pre-Medicare retiree premiums are blended with premiums for active members. Medicare-eligible retirees are covered by plans which are rated solely on the experience of Medicare retirees with no subsidy by active employee premiums.

Monthly baseline premium costs were set equal to the active single premiums shown in the chart in Section 2. Representative claims costs derived from the dataset provided by CalPERS are shown in the chart on the following page. Estimated age-based claims were applied (a) for all retirees not yet eligible for Medicare and (b) for Medicare retirees receiving benefits in excess of the PEMHCA minimum *and* covered by Medicare Supplement plans.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Development of Age-related
Medical Premiums (continued)

		Expected Monthly Claims by Medical Plan for Selected Ages - Male											
Region	Medical Plan	Non-Medicare Retirees					Medicare Retirees						
		50	53	56	59	62	65	70	75	80	85	90	95
Region 1	Anthem Select HMO	1,045	1,232	1,431	1,640	1,865	<i>Claims not developed for Medicare Advantage plans</i>						
	Anthem Traditional HMO	1,295	1,527	1,774	2,033	2,311	<i>Claims not developed for Medicare Advantage plans</i>						
	Kaiser HMO	934	1,102	1,280	1,467	1,667	<i>Claims not developed for Medicare Advantage plans</i>						
	PERS Platinum PPO	1,299	1,531	1,779	2,039	2,318	381	427	464	486	480	458	454
		Expected Monthly Claims by Medical Plan for Selected Ages - Female											
Region	Medical Plan	Non-Medicare Retirees					Medicare Retirees						
		50	53	56	59	62	65	70	75	80	85	90	95
Region 1	Anthem Select HMO	1,295	1,422	1,530	1,654	1,823	<i>Claims not developed for Medicare Advantage plans</i>						
	Anthem Traditional HMO	1,605	1,763	1,897	2,049	2,259	<i>Claims not developed for Medicare Advantage plans</i>						
	Kaiser HMO	1,158	1,272	1,368	1,479	1,630	<i>Claims not developed for Medicare Advantage plans</i>						
	PERS Platinum PPO	1,609	1,768	1,902	2,055	2,266	365	413	447	467	471	462	454



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Economic Assumptions

Long Term Return on Assets	5.50% as of June 30, 2023, and 5.50% as of June 30, 2022, net of plan investment expenses
Discount Rate	5.50% as of June 30, 2023, and 5.50% as of June 30, 2022
General Inflation Rate	2.5% per year
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Healthcare Trend	Medical plan premiums and estimated claims costs by age are assumed to increase once each year. Increases over the prior year's levels are assumed to be effective on the dates shown in the chart below.

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2024	Actual	2040-2043	4.8%
2025	6.5%	2044-2049	4.7%
2026	6.0%	2050-2059	4.6%
2027	5.5%	2060-2065	4.5%
2028	5.4%	2066-2067	4.4%
2029	5.3%	2068-2069	4.3%
2030	5.2%	2070	4.2%
2031	5.1%	2071-2072	4.1%
2032-2037	5.0%	2073-2074	4.0%
2038-2039	4.9%	2075 & later	3.9%

The healthcare trend shown above was developed using the Getzen Model 2023 published by the Society of Actuaries using the following settings: CPI 2.5%; Real GDP Growth 1.4%; Excess Medical Growth 1.0%; Expected Health Share of GDP in 2032 20%; Resistance Point 21%; Year after which medical growth is limited to growth in GDP 2075.

PEMHCA Minimum Required Benefit The PEMHCA minimum employer contribution is assumed to increase by 4.0% per year.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Participant Election Assumptions

Participation Rate	<p><i>Active employees:</i> 70% of those expected to qualify for only the PEMHCA MEC and 100% of those assumed to qualify for the higher C/CAG subsidy are assumed to continue their current plan election in retirement.</p> <p><i>Retired participants:</i> Existing medical plan elections are assumed to be maintained until the retiree’s death.</p>
Spouse Coverage	<p><i>Active employees:</i> 40% are assumed to be married and elect coverage for their spouse in retirement. Surviving spouses are assumed to continue coverage until their death. Husbands are assumed to be 3 years older than their wives.</p> <p><i>Retired participants:</i> Existing elections for spouse coverage are assumed to continue until the spouse’s death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.</p>
Medicare Eligibility	<p>Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65. Coverage ends at age 65.</p>

Demographic Assumptions

Demographic actuarial assumptions used in this valuation are based on the 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were the published CalPERS rates, then projected as described below.

Mortality After Retirement
(before improvement applied)

Healthy Lives

Disabled Miscellaneous

CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality			CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality		
Age	Male	Female	Age	Male	Female
40	0.00075	0.00039	20	0.00411	0.00233
50	0.00271	0.00199	30	0.00452	0.00301
60	0.00575	0.00455	40	0.00779	0.00730
70	0.01340	0.00996	50	0.01727	0.01439
80	0.04380	0.03403	60	0.02681	0.01962
90	0.14539	0.11086	70	0.04056	0.02910
100	0.36198	0.31582	80	0.08044	0.06112
110	1.00000	1.00000	90	0.16770	0.14396



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Service Retirement Rates

Miscellaneous Employees: 2.7% at 55 formula From CalPERS Experience Study Report Issued November 2021						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0110	0.0160	0.0220	0.0330	0.0340	0.0380
55	0.0450	0.0580	0.0820	0.1380	0.2080	0.2780
60	0.0870	0.0840	0.0960	0.1420	0.1650	0.1980
65	0.1820	0.2010	0.2420	0.2640	0.2930	0.2930
70	0.2270	0.2270	0.2270	0.2270	0.2270	0.2270
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Miscellaneous "PEPRA" Employees: 2% at 62 formula From CalPERS Experience Study Report Issued November 2021						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55	0.0100	0.0190	0.0280	0.0360	0.0610	0.0960
60	0.0310	0.0510	0.0710	0.0910	0.1110	0.1380
65	0.1080	0.1410	0.1730	0.2060	0.2390	0.3000
70	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Disability Retirement Rates

None assumed, due to the small size of the employee group and low likelihood of occurrence.

Software and Models Used in the Valuation

ProVal - MacLeod Watts utilizes ProVal, a licensed actuarial valuation software product from Winklevoss Technologies (WinTech) to project future retiree benefit payments and develop the OPEB liabilities presented in this report. ProVal is widely used by the actuarial community. We review results at the plan level and for individual sample lives and find them to be reasonable and consistent with the results we expect. We are not aware of any material inconsistencies or limitations in the software that would affect this actuarial valuation.

Age-based premiums model – developed internally and reviewed by an external consultant at the time it was developed. See discussion on Development of Age-Related Medical Premiums in Appendices.

Getzen model – published by the Society of Actuaries; used to derive medical trend assumptions described earlier in this section.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Changes in assumptions or methods since the prior Measurement Date

Demographic Assumptions	Updated demographic assumptions from those in the 2019 CalPERS experience study to those recommended in the CalPERS 2021 Experience Study report issued November 2021 The mortality improvement scale was updated from MacLeod Watts Scale 2020 to MacLeod Watts Scale 2022, reflecting continued updates in available information (see Appendices).
Healthcare Trend	Updated the base healthcare trend scale from Getzen Model 2021_b to Getzen Model 2023, as published by the Society of Actuaries

Changes in benefit provisions since the prior Measurement Date

Maximum Benefit for Executives Hired on/after 9/1/2018	Decreased maximum benefit from 100% of the Kaiser Region 1 family rate to 90% of the actual single party premium, up to 90% of the Kaiser Region 1 single party rate (Basic or Medicare retiree rate, as applicable).
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Appendix 1: Important Background Information

General Types of Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an “explicit subsidy”. In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an “implicit subsidy” of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

Expected retiree claims		
Premium charged for retiree coverage		<i>Covered by higher active premiums</i>
Retiree portion of premium	Agency portion of premium Explicit subsidy	Implicit subsidy

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the Agency does not impact the amount of the implicit subsidy.

Valuation Process

The valuation was based on employee census data and benefits provided by C/CAG. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on C/CAG as to its accuracy. The valuation was also based on the actuarial methods and assumptions described in Section 3.

In developing the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee’s future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We then apply assumptions regarding:

- The probability that each individual employee will or will not continue in service to receive benefits.
- The probability of when such retirement will occur for each retiree, based on current age, service and employee type; and



Important Background Information

(Continued)

- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.

We then calculate a present value of these benefits by discounting the value of each future expected benefit payment, multiplied by the assumed expectation that it will be paid, back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for many decades.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method and the amounts for each individual are then summed to get the results for the entire plan. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "Total OPEB Liability". The OPEB cost allocated for active employees in the current year is referred to as "Service Cost".

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets ("Fiduciary Net Position") is applied to offset the "Total OPEB Liability", resulting in the "Net OPEB Liability". If a plan is not being funded, then the Net OPEB Liability is equal to the Total OPEB Liability.

It is important to remember that an actuarial valuation is, by its nature, a projection of one possible future outcome based on many assumptions. To the extent that actual experience is not what we assumed, future results will differ. Some possible sources of future differences may include:

- A significant change in the number of covered or eligible plan members
- A significant increase or decrease in the future premium rates
- A change in the subsidy provided by the Agency toward retiree premiums
- Longer life expectancies of retirees
- Significant changes in estimated retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents
- Higher or lower returns on plan assets or contribution levels other than were assumed, and/or
- Changes in the discount rate used to value the OPEB liability



Important Background Information

(Continued)

Requirements of GASB 75

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and required supplementary information (RSI) in the financial reports of state and local governmental employers.

Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the “Measurement Date”).

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- *Timing of recognition:* Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.
- *Deferred recognition periods:* These periods differ depending on the source of the gain or loss.

Difference between projected and actual trust earnings:	5 year straight-line recognition
All other amounts:	Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.



Important Background Information
 (Continued)

Implicit Subsidy Plan Contributions

An implicit subsidy occurs when estimated retiree claims exceed the premiums charged for retiree coverage. When this occurs, we expect part of the premiums paid for active employees to cover a portion of retiree claims. This transfer represents the current year’s “implicit subsidy”. Because GASB 75 treats payments to an irrevocable trust *or directly to the insurer* as employer contributions, each year’s implicit subsidy is treated as a contribution toward the payment of retiree benefits.

The following hypothetical example illustrates this treatment:

Hypothetical Illustration of Implicit Subsidy Recognition	For Active Employees	For Retired Employees
<i>Prior to Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Accounting Treatment	Compensation Cost for Active Employees	Contribution to Plan & Benefits Paid from Plan
<i>After Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Implicit Subsidy Adjustment	(23,000)	23,000
Accounting Cost of Premiums Paid	\$ 388,000	\$ 71,000
Accounting Treatment Impact	Reduces Compensation Cost for Active Employees	Increases Contributions to Plan & Benefits Paid from Plan

The example above shows that total payments toward active and retired employee healthcare premiums is the same, but for accounting purposes part of the total is shifted from actives to retirees. This shifted amount is recognized as an OPEB contribution and reduces the current year’s premium expense for active employees.



Important Background Information (Concluded)

Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.

Actuarial Funding Method and Assumptions

The “ultimate real cost” of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method.

The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the “incidence of cost”. GASB 75 specifically requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period’s service cost determined as a level percentage of pay.

The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable.



Appendix 2: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g., GASB 75) and actuarial standards (e.g., ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

1. *Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant.* For example, a claims cost curve might show that, if a 50 year old male has \$1 in claims, then on average a 50 year old female has claims of \$1.25, a 30 year male has claims of \$0.40, and an 8 year old female has claims of \$0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section 3 provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
2. *Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage.* An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section 3.
3. *Spread the total premium paid by the group to each covered participant or dependent based on expected claims.* The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.



Appendix 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

- (1) Short-term mortality improvement rates should be based on recent experience.
- (2) Long-term mortality improvement rates should be based on expert opinion.
- (3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The **MacLeod Watts Scale 2022** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

MacLeod Watts Scale 2022 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2021 which has two segments – (1) historical improvement rates for the period 1951-2017 and (2) an estimate of future mortality improvement for years 2018-2020 using the Scale MP-2021 methodology but utilizing the assumptions used in generating Scale MP-2015. The MacLeod Watts scale then transitions from the 2020 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10-year period 2021-2030. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2030-2044. The SSA's Intermediate Scale has a final step in 2045 which is reflected in the MacLeod Watts scale for years 2045 and thereafter. Over the ages 95 to 117, the age 95 improvement rate is graded to zero.

Scale MP-2021 can be found at the SOA website and the projection scales used in the 2021 Social Security Administrations Trustees Report at the Social Security Administration website.



Glossary

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

Actuarial Present Value of Projected Benefits (APVPB) – The amount presently required to fund all projected plan benefits in the future. This value is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

Deferred Contributions – When an employer makes contributions after the measurement date and prior to the fiscal year end, recognition of these contributions is deferred to a subsequent accounting period by creating a deferred resource. We refer to these contributions as Deferred Contributions.

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member’s account are determined and the terms of distribution of the account after separation from employment

Discount Rate - Interest rate used to discount future potential benefit payments to the valuation date. Under GASB 75, if a plan is prefunded, then the discount rate is equal to the expected trust return. If a plan is not prefunded (pay-as-you-go), then the rate of return is based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Expected Average Remaining Service Lifetime (EARS�) – 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

Entry Age Actuarial Cost Method – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual’s projected earnings or service from entry age to the last age at which benefits can be paid

Explicit Subsidy – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer’s payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree’s coverage

Fiduciary Net Position –The value of trust assets used to offset the Total OPEB Liability to determine the Net OPEB Liability.

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments.

Health Care Trend – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.



Glossary

(Continued)

Implicit Subsidy – The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a ‘blended’ group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

Net OPEB Liability (NOL) – The liability to employees for benefits provided through a defined benefit OPEB. Only assets administered through a trust that meet certain criteria may be used to reduce the Total OPEB Liability.

Net Position – The Impact on Statement of Net Position is the Net OPEB Liability adjusted for deferred resource items

OPEB Expense – The OPEB expense reported in the Agency’s financial statement. OPEB expense is the annual cost of the plan recognized in the financial statements.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

PEMHCA – The Public Employees’ Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that a contracting Agency contribute toward medical insurance premiums for retired annuitants and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

Plan Assets – The value of cash and investments considered as ‘belonging’ to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, GASB 75 requires (a) contributions to the OPEB plan be irrevocable, (b) OPEB assets to dedicated to providing OPEB benefit to plan members in accordance with the benefit terms of the plan, and (c) plan assets be legally protected from creditors, the OPEB plan administrator and the plan members.

Public Agency Miscellaneous (PAM) – Non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

Service Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the actuarial funding method; also called normal cost

Total OPEB Liability (TOL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; a subset of “Actuarial Present Value”

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility



C/CAG AGENDA REPORT

Date: May 22, 2024

To: C/CAG Finance Committee

From: Sean Charpentier, Executive Director

Subject: Receive a presentation on the C/CAG Strategic Plan development process and participate in a discussion on the proposed Agency mission, vision, core values, goals, objectives, and performance measures

(For further information or response to questions, contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the Finance Committee receive a presentation on the C/CAG Strategic Plan development process and participate in a discussion on the proposed Agency mission, vision, core values, goals, objectives, and performance measures.

FISCAL IMPACT

The total not to exceed amount for the development of C/CAG's first strategic plan is \$130,623.

SOURCE OF FUNDS

The adopted Fiscal Year 2023/2024 Budget includes funding for an agency strategic plan. This project will be funded with a combination of general operation funds, Congestion Relief Program funds, and contributions from the Stormwater and Energy programs.

BACKGROUND

With the successful completion of the Agency's Equity Assessment and Framework, and the significant policy and regulatory changes effecting the transportation, energy and stormwater fields, C/CAG started the process to develop its first Strategic Plan to cover the next three to five years. Through a competitive procurement process, MIG Inc. (MIG) was selected to perform this work.

The Consultant will provide information on the strategic plan development process, and facilitate a discussion on the proposed mission, vision, core values, goals, objectives, and performance measures.

Attachment 1 showcases the draft Strategic Plan framework.

EQUITY IMPACTS AND CONSIDERATIONS

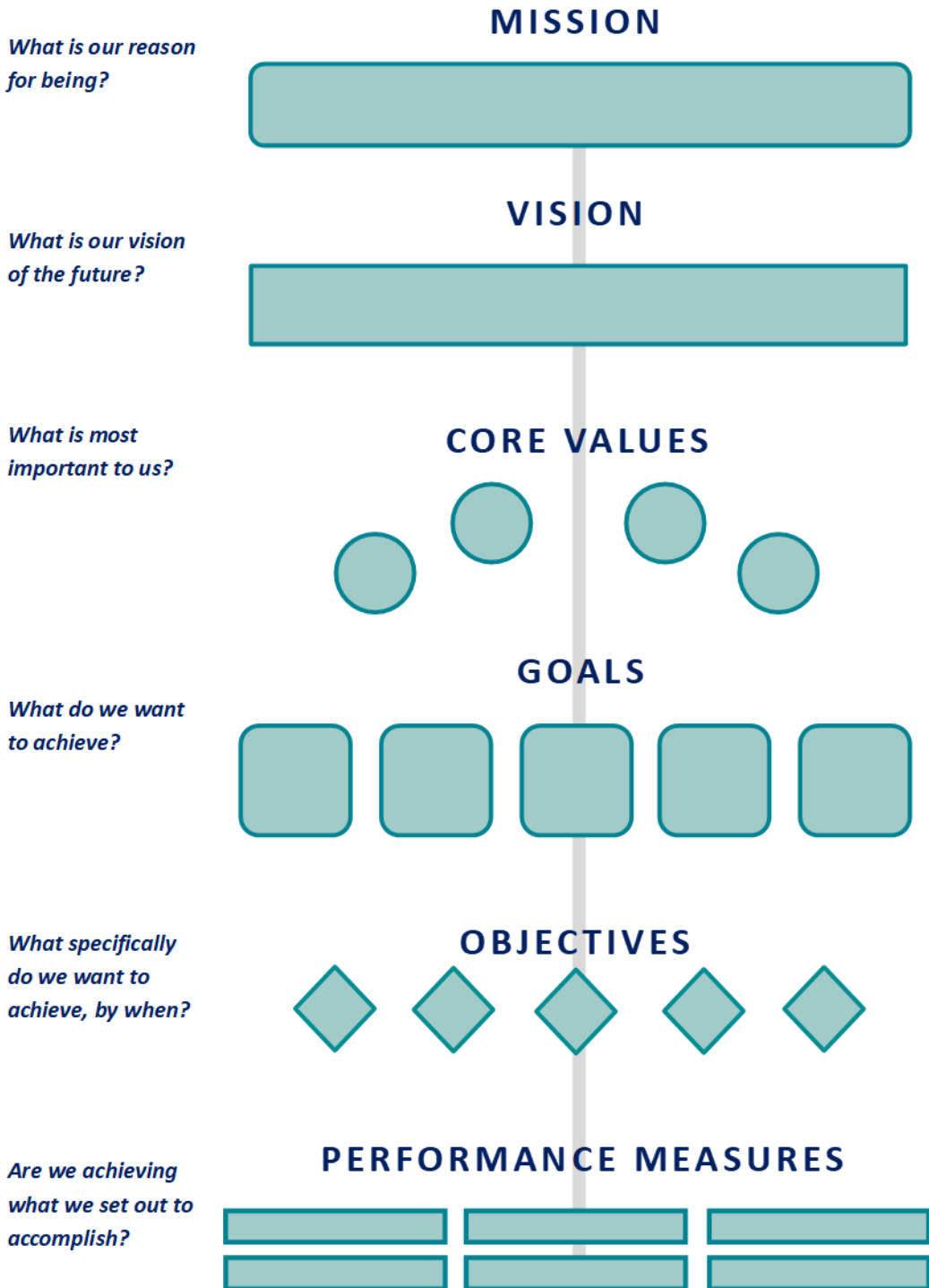
This item improves the administration/operations of C/CAG. C/CAG is currently implementing its

Equity Assessment. The strategic planning process may identify additional desired equity outcomes or strategies.

ATTACHMENT

1. Draft C/CAG Strategic Plan Framework

C/CAG STRATEGIC PLAN FRAMEWORK



MISSION

C/CAG provides a collaborative forum for all jurisdictions in San Mateo County to pursue our shared goals for an equitable, accessible, and robust multi-modal transportation network and a climate resilient future.

VISION

C/CAG is a leader in innovative and sustainable mobility, climate-resilient infrastructure, clean energy, and balanced land use, while achieving equitable outcomes and improved quality of life for San Mateo County's diverse communities.

CORE VALUES

- **Collaboration** – We work together to improve quality of life in San Mateo County.
- **Transparency** – We are open and accessible in all our communications and actions.
- **Equity** – We take concrete steps to address the needs of underserved communities.
- **Sustainability** – We commit to meeting the needs of the present without compromising the ability of future generations to meet their own needs.
- **Innovation** – We are driven by continuous improvement.

GOALS

1. **Transportation** – Plan, fund, implement, and maintain a robust multimodal transportation system that is safe, connected, equitable, accessible, and environmentally sustainable.
2. **Stormwater Management** – Manage stormwater as a resource, meet Regional Stormwater Permit requirements, and reduce climate risk through promotion of green infrastructure and a watershed management approach.
3. **Energy, Environment, and Climate** – Enhance community resilience to climate change throughout San Mateo County.
4. **Land Use and Airport Compatibility** – Meet the County's housing and economic development goals while addressing airport safety impacts.
5. **Finance and Administration** – Secure adequate funding and maintain effective organizational systems to support C/CAG's mission.

GOAL 1 – TRANSPORTATION

Plan, fund, implement, and maintain a robust multimodal transportation system that is safe, connected, equitable, accessible, and environmentally sustainable.

GOAL 1 ONGOING RESPONSIBILITIES

- **Planning**
 - Support regional transportation planning efforts.
 - Coordinate with the San Mateo County Office of Education on Safe Routes to Schools planning and activities.
- **Operations**
 - Manage countywide Transportation Demand Management policy.
 - Oversee the Smart Corridor program and its ongoing maintenance activities.
 - Manage the San Mateo County Express Lane Program in partnership with the San Mateo County Transportation Authority.
 - Implement asset management tools and practices to extend asset lifespan and minimize lifecycle costs.
 - Support implementation of Local Roadway Safety Plan (LRSP) priority countermeasures for every jurisdiction.
- **Funding**
 - Obtain and distribute regional, state, and federal funding for C/CAG priority programs and projects.
 - Assist local jurisdictions with the delivery and administration of regional, state, and federally funded projects.
 - Provide planning and capital funding for active transportation and sustainable streets projects.

GOAL 1 – SPECIFIC OBJECTIVES

Short Term (0 - 2 years)

- 1.1 Support the MTC RTP Plan Bay Area 2050 Update (date TBD).
- 1.2 Collaborate with the TA to craft an Automated Vehicle Strategic Plan (2024).
- 1.3 Facilitate the Transportation Development Act Article 3 FY24-25 Call for Projects (date TBD).
- 1.4 Complete Congestion Management Plan Update (2025 and biannually thereafter).
- 1.5 Complete County Transportation Plan Update, including setting targets to increase bicycle and pedestrian mode shares (by 2026).
- 1.6 Construct 92/101 Area Improvements project (2026).
- 1.7 Complete construction of a Smart Corridor system in SSF, Brisbane, Daly City, and Colma (by 2027).
- 1.8 Complete biannual STIP Programming (2026 and biannually thereafter).
- 1.9 Conduct a call for project for Cycle 7 of Lifeline Transportation Funds (2024 and biannually thereafter).
- 1.10 Conduct a call for project for the Measure M Countywide Transportation Innovative Grant (2025 and every 3 years thereafter).
- 1.11 Participate in guideline development for One Bay Area Grant Cycle 4 process (date TBD).
- 1.12 Complete the preliminary design and receive environmental clearance for a managed lane on US 101 from I-380 to County Line with San Francisco (2025).
- 1.13 Complete San Mateo Countywide Local Roadway Safety Plan (2025 and every 5 years thereafter).
- 1.14 Update the San Bruno/South San Francisco Community Based Transportation Plan (by 2026).

Medium Term (2 - 5 years)

- 1.15 Update the Countywide Bicycle and Pedestrian plan (complete by 2027).
- 1.16 Develop a Measure M Implementation Plan that covers FY26/27 to FY30/31 (complete by 2027).
- 1.17 Revise the Congestion Relief Program Strategic Plan (complete by 2027).
- 1.18 Develop a Countywide Adaptive Traffic Signal Synchronization Plan (2027).
- 1.19 Implement a successful micro-mobility (bikeshare/scooter share) pilot program in the recommended geographic areas, leading to a countywide program (2025).
- 1.20 Strengthen and update County Transportation Demand Management policy, including supporting strategies for the Coastsides (date TBD).
- 1.21 Plan and design 3.7 miles of buffered bike lanes along El Camino Real in San Bruno and Millbrae (date TBD).
- 1.22 Continue planning and design of the US 101/SR92 Interchange Direct Connector Project and SM101 Managed Lanes North of I-380 project (2028).
- 1.23 Leverage Smart Corridor infrastructure to increase the utilization for Transit Signal Prioritization, Emergency Vehicle Preemption, adaptive traffic signal synchronization technologies (date TBD).
- 1.24 Continue planning and design of the US 101/SR92 Interchange Direct Connector Project and SM101 Managed Lanes North of I-380 project (2028).

Long Term (5+ years)

- 1.25 Construct the selected project alternative for US 101/SR92 Interchange Direct Connector Project and SM101 Managed Lanes North of I-380 project (date TBD).

GOAL 1 – PERFORMANCE MEASURES

- Mode shift (proportion of trips made by transit, shuttles, high occupancy vehicles, biking, and walking).
- Miles of new/upgraded bicycle and pedestrian facilities.
- Implementation of the countywide CMP TDM policy.
- Reduction of traffic-related injuries and fatalities.
- Percent of grant funds allocated to Equity Priority Communities/Equity Focus Areas.

DRAFT

GOAL 2 – STORMWATER MANAGEMENT

Manage stormwater as a resource, meet Regional Stormwater Permit requirements, and reduce climate risk through promotion of green infrastructure and an integrated watershed management approach.

GOAL 2 – ONGOING RESPONSIBILITIES

- **Planning**

- Adapt our street network to better address rainfall and heat related climate change impacts.
- Plan and implement multi-benefit green infrastructure at the parcel, street, and regional scales under a “OneWatershed” framework.

- **Operations**

- Manage Regional Stormwater Permit for all permittees (22) in San Mateo County, including 5-year term contracts with consultants and coordinating annual compliance.
- Explore Risk-based Integrated Water Management.

- **Funding**

- Secure dedicated stormwater funding for water quality compliance and infrastructure implementation.
- Fund multi-benefit watershed-scale green infrastructure.

GOAL 2 – SPECIFIC OBJECTIVES

Short Term (0 - 2 years)

- 2.1 Explore options to provide operational support to Orange Memorial Park project in South San Francisco (2026).
- 2.2 Implement the recent \$2.4M Federal Earmark for a regional stormwater capture project in San Bruno and seek additional funding for regional multi-benefit projects at Red Morton Park in Redwood City, and Twin Pines project in Belmont (2026 and ongoing).
- 2.3 Clarify roles of C/CAG, One Shoreline, and the Resource Conservation District of San Mateo with respect to stormwater management (2025).
- 2.4 Establish Pilot Bulk Rain Barrel Rebate program as ongoing program in conjunction with BAWSCA (2026).

Medium Term (2 - 5 years)

- 2.5 Complete institutional framework and program components for OneWatershed Climate Resilience Infrastructure Program (2029).
- 2.6 Identify and initiate design on 3-5 new regional multi benefit OneWatershed projects (2029).
- 2.7 Implement the Phase II Green Infrastructure Tracking & Mapping Tool (2029).
- 2.8 Invest in green infrastructure at 12 school sites (2029).
- 2.9 Obtain sustainable funding for stormwater management at countywide scale (2029).

Long Term (5+ years)

- 2.10 Implement 5-10 high priority opportunities in Sustainable Streets Master Plan (2030).
- 2.11 Establish goals for increasing groundwater recharge through green infrastructure projects (2030).
- 2.12 Explore opportunities to further advance OneWatershed integration with wastewater and water supply systems (date TBD).
- 2.13 Develop a fully operational OneWatershed Climate Resilience Infrastructure Program with funding and institutional structures (date TBD).

GOAL 2 – PERFORMANCE MEASURES

- Municipal Regional Stormwater Permit Compliance.
- Volume of stormwater captured for beneficial use.
- Completion of regional multi benefit OneWatershed projects.
- Initiation of new OneWatershed projects.
- Percentage of San Mateo County jurisdictions with completed stormwater plans.

GOAL 3 – ENERGY, ENVIRONMENT, AND CLIMATE

Enhance community resilience to climate change throughout San Mateo County.

GOAL 3 – ONGOING RESPONSIBILITIES

- **Planning**

- Support partner organization efforts to improve climate resiliency and climate change impacts.
- Modernize and best utilize the energy grid in the building and transportation electrification transition.
- Support streamlining of permitting and site upgrade processes at agencies, including utilities.
- Support State-level efforts to transition away from fossil fuels.
- Support Bay Area Water Supply and Conservation Agency planning efforts to conserve sources of potable water.
- Support cities' use of Regionally Integrated Climate Action Planning Suite (RICAPS) program resources and technical assistance.
- Initiate carbon neutrality planning.
- Integrate multiple mitigation and adaptation planning approaches where feasible.
- Explore alternative energy sources such as green hydrogen.

- **Operations**

- Promote conservation and expansion of potable water resources through conservation and use of recycled water.
- Promote the installation of battery charging infrastructure.
- Provide access to energy efficiency and building and transportation electrification programs for government, residents, and businesses.
- Assist with local efforts to convert the public fleet to zero emission vehicles.

- **Funding**

- Maintain, extend, or expand funding of the C/CAG - PG&E Local Government Partnership.
- Seek additional funding for RICAPS and Countywide Carbon Neutrality interim goal planning and implementation.
- Partner with organizations with available funding for efforts.
- Secure ongoing funding.

GOAL 3 – SPECIFIC OBJECTIVES

Short Term (0 - 2 years)

- 3.1 Collaborate with and clarify roles of C/CAG with respect to the roles performed by other agencies (2026 and ongoing).
- 3.2 Implement the San Mateo County Energy Watch program and secure funding for next program cycle (January 2026).
- 3.3 Continue development for Carbon Neutrality Planning (2026).
- 3.4 Complete VMT/GHG Model Mitigation Program project (2025).

Medium Term (2 - 5 years)

- 3.5 Assist local jurisdictions in developing and implementing Climate Action or Carbon Neutrality Plans through the Regional Climate Action Planning Suite program (date TBD).
- 3.6 Secure funding to implement the Laundry to Landscape Program (date TBD).
- 3.7 Implement the Carbon Neutrality Plan (date TBD).
- 3.8 Explore opportunities to increase tree canopy (date TBD).
- 3.9 Support and track implementation of VMT/GHG-reducing projects or programs (date TBD).

Long Term (5+ years)

- 3.10 Support cities to meet State Carbon Neutrality goals (date TBD).
- 3.11 Explore opportunities to promote microgrids to build readiness for the future (date TBD).

GOAL 3 – PERFORMANCE MEASURES

- Completion and implementation of a Countywide Carbon Neutrality Plan.
- Reduction of greenhouse emissions and/or vehicle miles traveled.
- Number of building energy efficiency projects referred to and completed by third-party contractors.
- Level of carbon sequestration.

GOAL 4 – LAND USE AND AIRPORT COMPATIBILITY

Meet the County’s housing and economic development goals while addressing airport safety impacts.

GOAL 4 – ONGOING RESPONSIBILITIES

- **Planning**
 - Assist member jurisdictions with meeting their Regional Housing Needs Allocation requirements.
 - Facilitate compliance with MTC’s Transit Oriented Communities requirements.
 - Manage Airport Land Use Compatibility Plans.
- **Operations**
 - Facilitate Airport Land Use Commission meetings.
 - Manage Airport Land Use Commission project review.
- **Funding**
 - Continue to support 21-Elements effort.
 - Advocate and secure funding for updating Airport Land Use Compatibility Plans.
 - Advocate for State and Regional funding to assist local jurisdictions with Regional Housing Needs Allocations and meeting the MTC’s Transit Oriented Communities requirements.

GOAL 4 – SPECIFIC OBJECTIVES

Short Term (0 - 2 years)

- 4.1 Address minor amendments in the San Carlos the Airport Land Use Compatibility Plan (ALUCP) with respect to childcare facilities in Zone 6 (date TBD).
- 4.2 Support cities with Transit-Oriented Communities compliance (date TBD).
- 4.3 Support cities with securing HCD Pro Housing Designation (date TBD).

Medium Term (2 - 5 years)

- 4.4 Update ALUCPs within three years of final Caltrans Aviation Handbook update (date TBD).
- 4.5 Support cities with their Housing Elements (date TBD).

Long Term (5+ years)

GOAL 4 – PERFORMANCE MEASURES

- Housing element certification.
- Number of member agencies that have secured HCD’s Pro Housing determination.

GOAL 5 – FINANCE AND ADMINISTRATION

Secure adequate funding and maintain effective organizational systems to support C/CAG’s mission.

GOAL 5 – ONGOING RESPONSIBILITIES

- Secure administrative and finance staff support.
- Advocate for federal, state, and regional funding for San Mateo County.
- Track and influence State and Regional legislation that may impact C/CAG goals.
- Facilitate Board committees.
- Increase visibility of C/CAG’s accomplishments and contributions.
- Enhance employee training and development.

GOAL 5 – SPECIFIC OBJECTIVES

Short Term (0 - 2 years)

- 5.1 Implement financial planning and forecasting processes to support long-term sustainability (2025).
- 5.2 Create an online data dashboard to showcase C/CAG’s accomplishments (2025).
- 5.3 Develop and implement an onboarding process for new staff and Board members (by 2025).
- 5.4 Create and maintain committee guidebook that includes procedures, work plans, and key documents (date TBD).
- 5.5 Create and implement a community outreach public awareness strategy (2026).
- 5.6 Update C/CAG website and include new performance tracking capabilities (2026).

Medium Term (2 - 5 years)

- 5.1 Substantially complete implementation of Equity Action Plan and begin update of it (2027).
- 5.2 Streamline internal processes, such as contract management and grant compliance (date TBD).

Long Term (5+ years)

- 5.3 Secure a sustaining, dedicated funding source for C/CAG (date TBD).

GOAL 5 – PERFORMANCE MEASURES

- Achievement of one or more C/CAG dedicated funding source(s).
- Completion and implementation of the Equity Action Plan.
- Receipt of federal funding.

C/CAG AGENDA REPORT

Date: May 22, 2024
 To: C/CAG Finance Committee
 From: Sean Charpentier, Executive Director
 Subject: Discussion on changing the Committee meeting time.
 (For further information contact Kim Wever at kwever@smcgov.org)

RECOMMENDATION

That the C/CAG Finance Committee discuss the Committee meeting time and may approve a time change for the remaining 2024 calendar.

FISCAL IMPACT

None

SOURCE OF FUNDS

None

BACKGROUND

At the November 29, 2023 Finance Committee meeting, the Committee approved the 2024 calendar as follow:

Review Quarter	Meeting Date (12:00 P.M. Noon)
October-December 2023	Wednesday, February 14, 2024
Draft Budget Study Session	Wednesday, April 24, 2024 ¹
January-March 2024	Wednesday, May 22, 2024
April-June 2024	Wednesday, August 21, 2024
July- September 2024	Wednesday, December 4, 2024

At the April 24, 2024 Finance Committee meeting, the Committee expressed interest in discussing a possible change to the meeting time and directed staff to explore other time slots. Staff is recommending changing the meeting start time from 12:00 P.M. Noon to 9:00 A.M to create more flexibility for current and future Finance Committee members’ schedule.

ATTACHMENTS

None