PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
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For the Fiscal Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Members of the Board of Directors of the
Peninsula Traffic Congestion Relief Alliance
San Mateo County, California

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Peninsula Traffic Congestion Relief Alliance (Alliance), California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Alliance's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Alliance as of June 30, 2022, and the respective changes in financial position and, the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements] for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management's for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alliance's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Maze & Associates

Pleasant Hill, California
October 15, 2022

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The Management's Discussion and Analysis (MD&A) section presents an overview and analysis of the financial performance of the Peninsula Traffic Congestion Relief Alliance (Alliance) for the fiscal year (FY) ended June 30, 2022. It should be read in conjunction with the audited financial statements that follow this section.

FINANCIAL ANALYSIS

Net Position

The following table summarizes the Alliance's change in net position from last year to this year

Table 1
Comparative Net Position
For the Years Ended June 30, 2022 and 2021

	FY 2022	FY 2021	$ Change	% Change
Current and other assets	$ 1,716,234	$ 1,777,692	$ (61,458)	-3.5%
Capital assets, net of depreciation	10,335	13,568	(3,233)	-23.8%
Total assets	1,726,569	1,791,260	(64,691)	-3.6%
Deferred outflows (Pension and OPEB)	252,769	261,035	(8,266)	-3.2%
Current liabilities	412,604	496,067	(83,463)	-16.8%
Long-term liabilities	292,453	746,858	(454,405)	-60.8%
Total liabilities	705,057	1,242,925	(537,868)	-43.3%
Deferred inflows (Pension and OPEB)	416,540	163,817	252,723	154.3%
Net position:				
Net investment in capital assets	10,335	13,568	(3,233)	-23.8%
Unrestricted	847,406	631,985	215,421	34.1%
Total net position	$ 857,741	$ 645,553	$ 212,188	32.9%

The Alliance's net position increased by $212,188 or 32.9% in FY22 compared to the prior fiscal year. This was caused by a combination of a $72,957 net decrease in assets and deferred outflows, and a $285,145 net decreased in liabilities and deferred inflows. The net decrease in assets and deferred outflows consisted primarily of an $8,266 decrease in pension-related deferred outflows which represent a reduction of the outflow of resources related to a future reporting period. The net decrease in liabilities and deferred inflows (inflow of resources related to a future reporting period) was due to a combination of lower current and long-term liabilities and increase in deferred inflows to pension and Other Post-Employment Benefits (OPEB). An $83,463 decrease in current liabilities was primarily due to a lower accounts payable balance at the year end. Total long-term liabilities, made up of the collective net pension and OPEB liabilities, decreased by $454,405. A $252,723 increase in OPEB-related deferred inflows was due to changes in the plan's actuarial assumptions.

Net investment in capital assets represents the Alliance's investment in equipment. The balance did not change significantly in Fiscal Year 2021-22 compared to the prior year and remains low. This is due to the Alliance leasing its office space and contracting out operation of the commuter shuttles to an external vendor. The minimal capital asset value shown in Table 1 represents general office equipment and furniture which is capitalized and depreciated according to a five-year useful life.

Unrestricted net position totaling $847,406 represents the part of net position that can be used to finance operations.

Statement of Activities and Changes in Net Position

The following table summarizes the Alliance's revenues, expenses, and changes in net position.

Table 2
Comparative Statement of Activities and Changes in Net Position
For the Years Ended June 30, 2022 and 2021

	FY 2022	FY 2021	$ Change	% Change
Program Revenues				
Employer Shuttles	2,562,817	2,272,802	290,015	12.8%
Employer Services	396,561	394,436	2,125	0.5%
Commuter Services	535,466	405,967	129,499	31.9%
Community Services	158,527	66,186	92,341	139.5%
Admin, Finance & Business	63,784	192,512	(128,728)	-66.9%
Miscellaneous Revenue	9,621	4,728	4,893	103.5%
Total Revenues	3,726,776	3,336,631	390,145	11.7%
Program Expenditures				
Employer Shuttles	2,475,303	2,236,522	238,781	10.7%
Employer Services	368,429	396,180	(27,751)	-7.0%
Commuter Services	514,410	538,266	(23,856)	-4.4%
Community Services	90,161	87,730	2,431	2.8%
Admin, Finance & Business	66,288	233,852	(167,564)	-71.7%
Total Expenses	3,514,591	3,492,550	22,041	0.6%
Increase (decrease) in net position	212,185	(155,919)	368,104	236.1%
Beginning net position	645,556	801,475	(155,919)	-19.5%
Ending net position	857,741	645,556	212,185	32.9%

While the Statement of Net Position (Table 1) shows the change in financial position, the Statement of Activities (Table 2 above) provides answers as to the nature and sources of the changes.

Overall revenues increased in FY22 by $390,145, or 11.7%, when compared with the prior year. This was primarily caused by a direct function of the Coronavirus Disease 2019 (Covid-19) pandemic that occurred during the prior years. Due to the pandemic, several shuttle routes were suspended, and others had significant reductions in service which resulted in reduced program funding. Many employees working for the Alliance's corporate partners switched from office-based to a remote-working model from April 2020 through the fiscal year 2021. During fiscal year 2022, some of these employees started going back to work in the office. This resulted in higher levels of employer focused programming which impacted funding.

Program expenditures in FY22 slightly increased, when compared with the prior year, by a total of $22,041 or 0.6%. There was a $238,781 increase in Employer Shuttles due to the increasing services described above. There was a $167,564 decrease in general Administration, Finance and Business expenditure due to decreases in expense allocations to administrative accounts and decrease in net pension liability. Employer Services had a decrease of $27,751 and Community Services programming had a decrease of $23,856 in expense allocation due to a decrease in net pension liability. The decreases were partially offset by higher expenses focusing on the "essential" businesses and employees that were operating throughout the Covid-19 pandemic.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our member agencies and all other stakeholders with a general overview of the Alliance's finances and to show the Alliance's accountability for the revenues and expenses in the course of doing business. If you have questions about this report or need additional financial information, contact the Executive Director, Peninsula Traffic Congestion Relief Alliance, 400 Oyster Point Blvd, Suite 409, South San Francisco, CA 94080.

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STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position reports the difference between the Alliance's total assets and deferred outflows and the Alliance's total liabilities and deferred inflows, including all the Alliance's capital assets. The Statement of Net Position presents information similar to the traditional balance sheet format, but presents it in a way that focuses the reader on the composition of the Alliance's net position, by subtracting total liabilities from total assets.

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

The Statement of Activities presents the Alliance's expenses first, listed by program. Program revenues, that is, revenues which are generated directly by these programs, are then deducted from program expenses to arrive at the net expense of each governmental program. The Alliance's general revenues are then listed and the Change in Net Position is computed and reconciled with the Statement of Net Position.

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

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Cash (Note 2)	$ 801,456
Grants receivable	797,000
Prepaids	38,728
Capital assets: Equipment, net (Note 3)	10,335
Collective net OPEB asset (Note 5)	79,050
Total Assets	1,726,569
DEFERRED OUTFLOW OF RESOURCES	
Related to pension (Note 4)	236,471
Related to OPEB (Note 5)	16,298
Total Deferred Outflows of Resources	252,769
LIABILITIES	
Accounts payable	252,576
Compensated absences, due within one year (Note 1D)	51,528
Unearned revenue	108,500
Collective net pension liability (Note 4)	292,453
Total Liabilities	705,057
DEFERRED INFLOW OF RESOURCES	
Related to pension (Note 4)	290,570
Related to OPEB (Note 5)	125,970
Total Deferred Inflows of Resources	416,540
NET POSITION	
Net investment in capital assets	10,335
Restricted for traffic congestion mitigation programs	847,406
Total Net Position	$ 857,741

See accompanying notes to financial statements

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Program Revenues	Net (Expense)
	Expenses	Operating Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities:			
Employer Shuttles	$ 2,475,303	$ 2,562,817	$ 87,514
Employer Services	368,429	396,561	28,132
Commuter Services	514,410	535,466	21,056
Community Services	90,161	158,527	68,366
Administration, Finance and Business Practices	66,288	63,784	(2,504)
Total Governmental Activities	$ 3,514,591	$ 3,717,155	202,564
General revenues:			
Miscellaneous revenue			9,621
Total General Revenues			9,621
Change in Net Position			212,185
Net Position - Beginning			645,556
Net Position - Ending			$ 857,741

See accompanying notes to financial statements

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MAJOR GOVERNMENTAL FUND

GENERAL FUND

The General Fund is the general operating fund of the Alliance. It is used to account for all financial resources. The General Fund is always a major fund.

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
GENERAL FUND
BALANCE SHEET
JUNE 30, 2022

ASSETS	
Cash (Note 2)	$ 801,456
Grants receivable	797,000
Prepaids	38,728
Total Assets	$ 1,637,184
LIABILITIES	
Accounts payable and accrued liabilities	$ 252,576
Unearned Revenue	108,500
Total Liabilities	361,076
DEFERRED INFLOW OF RESOURCES	
Unavailable revenue - Grants receivable	324,516
Total Deferred inflows of Resources	324,516
FUND BALANCES	
Nonspendable:	
Prepaids	38,728
Restricted for traffic congestion mitigation programs	912,864
Total Fund Balance	951,592
Total Liabilities, deferred inflows of resources and fund balances	$ 1,637,184

See accompanying notes to financial statements

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
RECONCILIATION OF THE
GENERAL FUND BALANCE SHEET
WITH THE
STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances reported on the General Fund Balance Sheet	$ 951,592
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	10,335
DEFERRED OUTFLOWS AND INFLOWS	
The deferred outflows below are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds:	
Deferred outflows related to pension	236,471
Deferred inflows related to pension	(290,570)
Deferred outflows related to OPEB	16,298
Deferred inflows related to OPEB	(125,970)
LONG TERM ASSETS AND LIABILITIES	
The assets/liabilities below are not due and receivable/payable in the current period and therefore are either deferred or not reported in the funds:	
Unavailable revenue - Grants receivable	324,516
Compensated absences	(51,528)
Collective net pension liability	(292,453)
Collective net OPEB asset	79,050
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 857,741

See accompanying notes to financial statements

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES		
AB 434 Grants	$	419,982
Measure A Funds		486,000
C/CAG Carpool Funds		3,600
C/CAG Congestion Relief Funds		510,000
Shuttle Consortium Contributions		950,054
Shuttle Grants Pass-Throughs		1,312,089
Miscellaneous revenue		9,621
Total Revenues		3,691,346
EXPENDITURES		
Employer Shuttles		2,530,407
Employer Services		417,830
Commuter Services		573,310
Community Services		107,262
Administration, Finance and Business Practices		82,249
Total Expenditures		3,711,058
Net Change in Fund Balance		(19,712)
Fund Balance at Beginning of Year		971,304
FUND BALANCE AT END OF YEAR	$	951,592

See accompanying notes to financial statements

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
RECONCILIATION OF THE
NET CHANGES IN FUND BALANCE
WITH THE CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCE	$ (19,712)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense:	
Capital assets additions and retirements	1,314
Depreciation expense is deducted from the fund balance	(4,547)
ACCRUAL OF NONCURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds:	
Grant received from prior year unavailable revenue	35,430
Compensated absences	(1,373)
Net pension liability, deferred outflows and deferred inflows	190,007
Net OPEB liability, deferred outflows and deferred inflows	11,066
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 212,185

See accompanying notes to financial statements

PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
REVENUES				
AB 434 Grants	$ 600,000	$ 600,000	$ 419,982	$ (180,018)
Measure A Funds	486,000	486,000	486,000	-
C/CAG Carpool Funds	66,000	66,000	3,600	(62,400)
C/CAG Congestion Relief Funds	510,000	510,000	510,000	-
Shuttle Consortium Contributions	947,800	947,800	950,054	2,254
Shuttle Grants Pass-Throughs	1,603,100	1,603,100	1,312,089	(291,011)
Miscellaneous revenues	60,000	60,000	9,621	(50,379)
Total Revenues	4,272,900	4,272,900	3,691,346	(581,554)
EXPENDITURES				
Employer Shuttles	2,860,937	2,860,937	2,530,407	330,530
Employer Services	516,178	516,178	417,830	98,348
Commuter Services	743,443	743,443	573,310	170,133
Community Services	133,677	133,677	107,262	26,415
Administration, Finance and Business Practices	113,165	113,165	82,249	30,916
Total Expenditures	4,367,400	4,367,400	3,711,058	656,342
NET CHANGE IN FUND BALANCE	$ (94,500)	$ (94,500)	(19,712)	$ 74,788
Fund Balance at Beginning of Year			971,304	
FUND BALANCE AT END OF YEAR			$ 951,592	

See accompanying notes to financial statements

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Peninsula Traffic Congestion Relief Alliance (Alliance) is a joint exercise of powers between the cities of Belmont, Brisbane, Burlingame, Colma, Daly City, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, County of San Mateo, Town of Atherton, Town of Hillsborough and Town of Portola Valley formed to perform transit systems management efforts to mitigate traffic congestion in the member communities. The Alliance began operations on July 1, 2000.

The Alliance is controlled by an eighteen member board consisting of one member from each entity's governing board. None of the member entities exercise specific control over the budgeting and financing of Alliance activities beyond their representation on the board. The City of San Carlos fulfills contractual obligations for the Alliance by providing administrative and accounting services.

The Alliance's operations are financed by grants received from other governments and contributions from Shuttle Consortium members. Measure A funds are countywide voter-approved sales taxes distributed by the San Mateo County Transportation Authority which must be used for local transportation purposes to mitigate traffic congestion. AB 434 grants must be used to reduce air pollution caused by mobile sources.

B. Basis of Presentation

The Alliance's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

Organization-wide Statements: The Statement of Net Position and the Statement of Activities display overall information about the Alliance.

The Statement of Activities presents a summary of expenses specifically associated with each function of the Alliance's governmental activities. Program revenues include grants and contributions that are restricted to meeting the operational needs of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Alliance's General Fund.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The organization-wide financial statements (Statement of Net Position and Statement of Activities) are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred,* regardless of when the related cash flows take place.

The major governmental fund (General Fund) is reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Alliance uses the modified accrual basis of accounting, under which revenues are recognized when they become available and measurable as net current assets. Expenditures are recognized when the related fund liability is incurred. Revenues susceptible to accrual consist of grants and interest. Grants collected within 60 days after year-end are accrued as revenue.

Non-exchange Transactions, in which the Alliance gives or receives value without directly receiving or giving equal value in exchange, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

D. Compensated Absences

Accumulated unpaid employee benefits are accrued at year-end. If the vacation is not taken by employees during their employment, the Alliance is obligated to make cash payments to them on termination or retirement at the salary rates then in effect.

Balance June 30, 2021	$	50,155
Additions		5,027
Payments		(3,654)
Balance June 30, 2022	$	51,528
Due within one year	$	51,528

E. Estimates

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

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position or balance sheets report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position or balance sheet will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as inflow of resources (revenue) until that time.

NOTE 2 – CASH AND INVESTMENTS

The California Government Code requires California banks and savings and loan associations to secure the Alliance's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the Alliance's name.

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Alliance's cash on deposit or first trust deed mortgage notes with a market value of 150% of the Alliance's total cash deposits, as collateral for these deposits. The Alliance may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The Alliance, however, has not waived the collateralization requirements. Under California Law this collateral is held in a separate investment pool by another institution in the Alliance's name and places the Alliance ahead of general creditors of the institution.

The Alliance's cash balance is held in an operating account with Wells Fargo bank. On June 30, 2022, the book balance was $801,456. The Alliance did not hold any investments.

NOTE 3 – EQUIPMENT

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is calculated using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Alliance has assigned a useful life of 5 years for equipment. Depreciation expense is charged to the Shuttle Management program based on its usage of the related assets.

NOTE 3 – EQUIPMENT (Continued)

The Alliance's capital assets comprise the following at June 30, 2022:

	Balance at June 30, 2021	Additions	Deletions	Balance at June 30, 2022
Equipment	$ 109,912	$ 1,534	$ (11,175)	$ 100,271
Accumulated Depreciation	(96,344)	(4,547)	10,955	(89,936)
Capital Assets, Net of Accumulated Depreciation	$ 13,568	$ (3,013)	$ (220)	$ 10,335

NOTE 4 – EMPLOYEE RETIREMENT PLAN

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the Alliance's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Alliance resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous	
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	2.0% - 3.0%	1.0% - 2.5%
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	14.54%	7.59%

NOTE 4 – EMPLOYEE RETIREMENT PLAN (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis. The Alliance's required contributions for the unfunded liability in the Miscellaneous Plans was $56,096.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Alliance is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

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

	Miscellaneous
Contributions - employer	$ 135,911

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2022, the Alliance reported a collective net pension liability for its proportionate share of the net pension liability of the Plan of $292,453.

The Alliance's collective net pension liability for its Plan is measured as the proportionate share of the net pension liability. The net pension liability of their Plan is measured as of June 30, 2021, and the total pension liability for its Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The Alliance's proportion of the net pension liability was based on a projection of the Alliance's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Alliance's proportionate share of the net pension liability for its Plan as of June 30, 2020 and 2021 was as follows:

	Miscellaneous
Proportion - June 30, 2020	0.017706%
Proportion - June 30, 2021	0.015402%
Increase (Decrease)	(0.002304%)

NOTE 4 – EMPLOYEE RETIREMENT PLAN (Continued)

For the year ended June 30, 2022, the Alliance recognized a pension credit of ($190,007). At June 30, 2022, the Alliance reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution subsequent to measurement date	$ 135,911	$ -
Differences between actual and expected experience	32,796	-
Changes in assumptions	-	-
Net differences between projected and actual earnings on plan investments	-	(255,296)
Difference in actual contributions and proportionate contributions	-	(35,274)
Change in proportion and differences between actual contributions and proportionate share of contributions	67,764	-
Total	$ 236,471	$ (290,570)

$135,911 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2023	$ (31,649)
2024	(37,389)
2025	(50,422)
2026	(70,550)
Total	$ (190,010)

NOTE 4 – EMPLOYEE RETIREMENT PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2021, the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions for all benefit tiers:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increase	(1)
Investment Rate of Return	7.15% (2)
Mortality	Derived using CalPERS Membership Data for all Funds (3)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

(1) Depending on age, service and type of employment
(2) Net of pension plan investment expenses, including inflation
(3) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for the Plan was 7.15%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 4 – EMPLOYEE RETIREMENT PLAN (Continued)

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

The table below reflects expected real rates of return by asset class.

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Public Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%
Total	100%		

(a) In the CalPERS Annual Comprehensive Financial Report, Fixed income is included in the Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
(b) An expected inflation of 2.0% used for this period
(c) An expected inflation of 2.92% used for this period

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

	Discount Rate		
	1% Decrease 6.15%	Current 7.15%	1% Increase 8.15%
Miscellaneous	$ 838,884	$ 292,453	$ (159,273)

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

NOTE 4 – EMPLOYEE RETIREMENT PLAN (Continued)

Subsequent Event - On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy approved by the CalPERS Board in 2015, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the CalPERS Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense, but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the CalPERS GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

NOTE 5 – POST-EMPLOYMENT HEALTH CARE BENEFITS

A. General Information about the Alliance's Other Post Employment Benefit (OPEB) Plan

Plan Description – The Alliance's Other Post Employment Benefit (OPEB) Plan provides health insurance benefits to its active employees and eligible retirees under the Public Employees' Medical and Hospital Care Act (PEMHCA). Medical coverage is currently provided through CalPERS. This coverage requires the employer to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52 if a miscellaneous employee new to PERS on or after January 1, 2013) with 5 years of State or public agency service or (b) an approved disability retirement.

During the fiscal year 2013, the Alliance was authorized to participate in the California Employers retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB, with a deposit of $48,674 with CERBT to begin funding its OPEB liability. CERBT is administrated by CalPERS, and is managed by an appointed board not under the control of the Alliance. Generally accepted accounting principles permit contributions to be treated as OPEB assets and deducted from the Actuarial Accrued Liability (AAL) when such contributions are placed in an irrevocable trust or equivalent arrangement. This Trust is not considered a component unit of the Alliance and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Benefits Provided – The Alliance contributes toward the cost of retiree medical coverage, as well as the cost of medical coverage of family members, for the retiree's lifetime, or until coverage is discontinued. The Alliance maintains a resolution with CalPERS defining the level of the Alliance contribution toward the cost of medical plan premiums for employees and retirees to be the PEMHCA minimum employer contribution, which is $149 per month in 2022 and increases to $151 in 2023.

NOTE 5 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2022:

Active employees	7
Inactive employees or beneficiaries currently receiving benefit payments	0
Inactive employees entitled to but not yet receiving benefit payments	0
Total	7

B. Net OPEB Liability

Actuarial Methods and Assumptions – The Alliance's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal, level percent of pay
Asset Valuation Method	Market value of assets
Trust Administrative Expenses	.10% of trust assets
Long Term Return on Assets	5.76% as of June 30, 2021 and 6.6% as of June 30, 2020, net of plan investment expenses
Discount Rate	5.76% as of June 30, 2021 and 6.5% as of June 30, 2020
Salary Increase	3.0% per year; used only to allocate the cost of benefits between service years
Inflation	2.5% per year
Mortality Improvement	MacLeod Watts Scale 2020 applied generationally from 2015
Healthcare Trend Rate	Start at 5.70% in 2022, fluctuates until ultimate rate of 4% in 2076

The underlying mortality assumptions were based on the MacLeod Watts Scale 2020 and all other actuarial assumptions used in the June 2021 valuation were based on demonstrated plan experience and/or the best estimate of the expected future experience.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 5 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Asset Class	Target Allocation	1-5 Year Expected Real Rate of Return *	6+ Year Expected Real Rate of Return *
Global Equity	34.0%	4.40%	4.50%
Fixed Income	41.0%	-1.50%	0.40%
Global Real Estate (REITs)	14.0%	3.00%	3.70%
Treasury Inflation Protected Securities	5.0%	-1.80%	0.50%
Commodities	3.0%	0.80%	1.10%
Total	97.0%		

* Preliminary estimate, pending confirmation by CalPERS.

Discount Rate – The discount rate used to measure the total OPEB liability was 5.76%. The projection of cash flows used to determine the discount rate assumed that Alliance's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in Net OPEB Liability

The changes in the net OPEB liability follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability/(Asset) (a) - (b)**
Balance at 6/30/21 (Measurement Date 6/30/2020)	**$ 69,913**	**$ 141,306**	**$ (71,393)**
Changes Recognized for the Measurement Period:			
Service Cost	7,541	-	7,541
Interest on the total OPEB liability	5,112	-	5,112
Employer Contributions	-	-	-
Differences between expected and actual experience	(5,353)	-	(5,353)
Changes of assumptions	12,773	-	12,773
Net investment income	-	27,782	(27,782)
Administrative expenses	-	(52)	52
Net changes in fiscal year 2022	20,073	27,730	(7,657)
Balance at 6/30/22 (Measurement Date 6/30/2021)	**$ 89,986**	**$ 169,036**	**$ (79,050)**

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report. The benefit payments and refunds include implied subsidy benefit payments. However, in fiscal year 2022, the actuarially determined implicit subsidy was $0
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NOTE 5 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Alliance, as well as what the Alliance's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.76%) or 1-percentage-point higher (6.76%) than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1% 4.76%	Discount Rate 5.76%	Discount Rate +1% 6.76%
$ (64,242)	$ (79,050)	$ (91,333)

The following presents the net OPEB liability of the Alliance, as well as what the Alliance's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.76%) or 1-percentage-point higher (6.76%) than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
1% Decrease Current Trend	Healthcare Cost Trend Rates Current Trend	1% Increase Current Trend
$ (93,709)	$ (79,050)	$ (60,628)

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Alliance recognized OPEB expense of ($11,066). On June 30, 2022, the Alliance reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contribution made subsequent to the measurement date differences between actual and expected experience	$ -	$ (84,238)
Changes of assumptions	16,298	(27,905)
Net differences between projected and actual earnings on plan investments	-	(13,827)
Total	$ 16,298	$ (125,970)

There were no deferred outflows of resources related to contributions subsequent to the measurement date since the plan was determined to be in surplus. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

NOTE 5 – POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)

Year Ended June 30	Annual Amortization
2023	$ (14,345)
2024	(14,496)
2025	(14,413)
2026	(14,729)
2027	(11,039)
Thereafter	(40,650)
Total	$ (109,672)

NOTE 6 – CONTINGENCY

The Alliance participates in grant programs subject to program audits in accordance with the provisions of applicable laws, rules and regulations and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The Alliance expects such amounts, if any, to be immaterial.

NOTE 7 – NET POSITION AND FUND BALANCES

A. Net Position

Net Position is the excess of all the Alliance assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. The Alliance net position is divided into two segments.

Net Investment in Capital Assets, describes the portion of Net Position equal to the current net book value of the Alliance capital assets, less the outstanding balance of any debt issued to finance these assets if any.

Restricted Net Position describes the remaining portion of Net Position which are all restricted to be used for the Alliance's traffic congestion mitigation programs.

B. Fund Balance

The Alliance's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, which requires the Alliance to classify its fund balances based on spending constraints imposed on the use of resources.

For programs with multiple funding sources, the Alliance prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

NOTE 7 – NET POSITION AND FUND BALANCES (Continued)

Nonspendable represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, and assets not expected to be converted to cash, such as prepaids are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the Board which may be altered only by formal action of the Board. Encumbrances and nonspendable amounts subject to Board commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the Board's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board or its designee and may be changed at the discretion of the Board or its designee. This category includes encumbrances; Nonspendables, when it is the Alliance's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits.

REQUIRED SUPPLEMENTARY INFORMATION

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COST-SHARING EMPLOYER DEFINED PENSION PLAN:

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

This schedule reports the proportion (percentage) of the collective net pension liability, the proportionate share (amount) of the collective net pension liability, the employer's covered payroll, the proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered employee payroll and the pension plan's fiduciary net position as a percentage of the total pension liability.

SCHEDULE OF CONTRIBUTIONS

This schedule reports the cost sharing employer's contributions to the plan which are actuarially determined, the employer's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered employee payroll.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN:

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

This schedule reports the changes of the collective net OPEB liability, the employer's covered payroll, the collective net OPEB liability as a percentage of the employer's covered payroll and the OPEB plan's fiduciary net position as a percentage of the total OPEB liability.

SCHEDULE OF CONTRIBUTIONS

This schedule reports the employer's contributions to the OPEB plan which are actuarially determined, the employer's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered payroll.

COST-SHARING MULTIPLE-EMPLOYER DEFINED PENSION PLAN
LAST 10 YEARS*
SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIO AS OF THE MEASUREMENT DATE

	Miscellaneous Plan							
Measurement Date	**6/30/14**	**6/30/15**	**6/30/16**	**6/30/17**	**6/30/18**	**6/30/19**	**6/30/20**	**6/30/21**
Plan's proportion of the Net Pension Liability	0.00543%	0.01340%	0.01400%	0.01530%	0.01532%	0.01649%	0.01771%	0.01540%
Plan's proportion share of the Net Pension Liability (Asset)	$ 337,663	$ 367,754	$ 486,389	$ 603,108	$ 577,212	$ 660,396	$ 746,858	$ 292,453
Plan's Covered Payroll	718,217	762,715	719,644	710,980	654,182	722,776	776,372	717,896
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	47.01%	40.90%	63.77%	84.83%	88.23%	91.37%	96.20%	40.74%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%	88.29%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a. Golden Handshakes).

Changes in assumptions: In 2021, there were no changes in the discount rate

* Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

COST-SHARING MULTIPLE-EMPLOYER DEFINED PENSION PLAN
LAST 10 YEARS*
SCHEDULE OF CONTRIBUTIONS

MISCELLANEOUS

Fiscal year ended	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	$ 107,786	$ 96,984	$ 100,077	$ 101,152	$ 94,731	$ 111,789	$ 130,289	$ 135,911
Contributions in relation to the actuarially determined contributions	(107,786)	(96,984)	(100,077)	(101,152)	(94,731)	(111,789)	(130,289)	(135,911)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 718,217	$ 762,715	$ 719,644	$ 710,980	$ 654,182	$ 722,776	$ 776,372	$ 717,896
Contributions as a percentage of covered payroll	15.01%	12.72%	13.91%	14.23%	14.48%	15.47%	16.78%	18.93%

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 Years as of the Valuation Date
Asset valuation method	Market Value of Assets
Discount Rate	7.15%
Inflation	2.50%
Salary increases	Annual increase vary by category, entry age and duration of service
Retirement age	50 years

* Fiscal year 2015 was the 1st year of implementation, therefore only eight years are shown.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN
LAST 10 YEARS*
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Measurement Date	**6/30/17**	**6/30/18**	**6/30/19**	**6/30/20**	**6/30/21**
Total OPEB Liability					
Service Cost	$ 10,073	$ 10,400	$ 11,302	$ 7,321	$ 7,541
Interest	9,479	10,817	12,284	4,329	5,112
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	(106,878)	-	(5,353)
Changes of assumptions	-	7,604	(37,595)	-	12,773
Benefit payments	-	-	-	-	-
Net change in total OPEB liability	19,552	28,821	(120,887)	11,650	20,073
Total OPEB liability - beginning	130,777	150,329	179,150	58,263	69,913
Total OPEB liability - ending (a)	$ 150,329	$ 179,150	$ 58,263	$ 69,913	$ 89,986
Plan fiduciary net position					
Contributions - employer	$ 6,588	$ 6,588	$ 14,808	$ -	$ -
Contributions - employee	-	6,120	-	-	-
Net investment income	6,501	-	8,061	7,259	27,782
Administrative expense	(47)	(52)	(24)	(66)	(52)
Other expenses	-	(131)	-	-	-
Benefit payments	-	-	-	-	-
Net change in plan fiduciary net position	13,042	12,525	22,845	7,193	27,730
Plan fiduciary net position - beginning	85,701	98,743	111,268	134,113	141,306
Plan fiduciary net position - ending (b)	$ 98,743	$ 111,268	$ 134,113	$ 141,306	$ 169,036
Net OPEB (asset) liability - ending (a)-(b)	$ 51,586	$ 67,882	$ (75,850)	$ (71,393)	$ (79,050)
Plan fiduciary net position as a percentage of the total OPEB liability	65.68%	62.11%	230.19%	202.12%	187.85%
Covered payroll	$ 706,881	$ 708,487	$ 660,148	$ 679,952	$ 776,372
Net OPEB liability as a percentage of covered payroll	7.30%	9.58%	-11.49%	-10.50%	-10.18%

* Fiscal year 2018 was the first year of implementation.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN
LAST 10 YEARS*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended June 30,	2018	2019	2020	2021	2022
Actuarially determined contribution	$ 6,588	$ 14,808	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	6,588	14,808	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 706,881	$ 660,148	$ 679,952	$ 776,372	$ 800,000
Contributions as a percentage of covered payroll	0.93%	2.24%	0.00%	0.00%	0.00%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar
Amortization Period	20 years open
Asset valuation method	Audited Market Value of Trust Assets
Actuarial Assumptions:	
Inflation	2.50%
Healthcare Trend Rate	5.7% in 2021, fluctuates until ultimate rate of 4% in 2076
Salary Increases	3.00%
Investment Rate of Return	5.76%
Retirement Age	From 50 to 75
Mortality	CalPERS 2017 Experience Study
Mortality Improvement	MacLeod Watts Scale 2020 generationally

* Fiscal year 2018 was the first year of implementation.

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INDEPENDENT AUDITOR'S REPORT ON MANAGEMENT'S ASSERTION

To the Board of Directors of the
Peninsula Traffic Congestion Relief Alliance
San Mateo County, California

We have examined management's assertion, included in the accompanying Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in Accordance with the San Mateo County Congestion Relief Plan (the Agreement)* between the Alliance and the San Mateo County Transportation Authority dated on January 1, 2009 that the Alliance complied with the requirements of the Agreement during the year ended June 30, 2022. Management is responsible for that assertion. Our responsibility is to express an opinion on management's assertion based upon our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion that the Alliance complied with the requirements of the Agreement is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing and extent of procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, management's assertion that the Alliance complied with the requirements of the Agreement for the year ended June 30, 2022 is fairly stated, in all material respects.

This report is intended solely for the information and use of Alliance management and the San Mateo County Transportation Authority and is not intended to be and should not be used by anyone other than those specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

Pleasant Hill, California
October 15, 2022

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Commute.org

October 15, 2022

San Mateo County Transportation Authority
1250 San Carlos Avenue
San Carlos, California 94070

Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes*

The Peninsula Traffic Congestion Relief Alliance (Alliance) is responsible for complying with the *Agreement for Distribution of San Mateo County Measure A Funds* for *Local Transportation Purposes* (Agreement) between the Alliance and the San Mateo County Transportation Authority effective on January 1, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transactions and use tax approved by *Measure A – San Mateo County Transportation Expenditure Plan* (Measure), the Alliance agrees that funds, "shall not be used to replace funds previously provided by property tax or other local revenues for public transportation purposes, and that Alliance will limit the use of funds provided pursuant to this agreement to the improvement and maintenance of local transportation, including streets and road improvements."

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2022:

- Management is responsible for establishing and maintaining an effective internal control structure with respect to compliance with the Agreement;
- Management is responsible for complying with the Agreement;
- Management has evaluated the Alliance's compliance with the requirements of the Agreement;
- All Transactions for the Year Ended June 30, 2022, are in compliance with the Agreement.

John Ford
Executive Director

Rebecca Mendenhall
Administrative Services Director

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