BOARD OF DIRECTORS
MEETING AGENDA

Thursday, April 21, 2016
9:00 a.m.

CCCTA Paratransit Facility
Gayle B. Uilkema Memorial Board Room
2477 Arnold Industrial Way
Concord, California

The County Connection Board of Directors may take action on each item on the agenda. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

1) Call to Order/Pledge of Allegiance
2) Roll Call/Confirm Quorum
3) Public Communication
4) Consent Calendar
   a. Approval of Minutes of Regular Meeting of March 17, 2016*
   b. Accept OPEB Actuarial Valuation for FY 2016 and FY 2017*
   c. FY2015-16 MTC Transit Performance Initiative Grant*-
      Adopt Resolution No. 2016-019, Authorizing the Filing of an Application for Funding Assigned to MTC and Committing Any Necessary Matching Funds and Stating Assurance to Complete the Project*
5) Report of Chair
6) Report of General Manager
   a. Update and Report on the Draft Contra Costa Transportation Authority (CCTA) Transportation Expenditure Plan (TEP)
   b. Report on BART Bus Bridge
7) Report of Standing Committees
   a. Administration & Finance Committee
      (Committee Chair: Director Bob Simmons)
      1) Revised Fiscal Year 2017 Draft Budget and Financial Forecast *
         Resolution No. 2016-020*
         (The A&F Committee recommends that the Board of Directors approve the FY

2017 draft budget for the purpose of filing a timely TDA claim and adopt Resolution No. 2016-020.)

8) Board Communication
Under this item, Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report (on any matter) be made at another meeting.

9) Closed Session
Conference with Legal Counsel-Anticipated Litigation
Government Code Section 54956.9(b) (one potential case)

10) Adjournment

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*Enclosure
**It will be available at the Board meeting.

General Information

Possible Action: The Board may act upon any item listed on the agenda.

Public Comment: Each person wishing to address the County Connection Board of Directors is requested to complete a Speakers Card for submittal to the Clerk of the Board before the meeting convenes or the applicable agenda item is discussed. Persons who address the Board are also asked to furnish a copy of any written statement to the Clerk. Persons who wish to speak on matters set for Public Hearings will be heard when the Chair calls for comments from the public. After individuals have spoken, the Public Hearing is closed and the matter is subject to discussion and action by the Board.

A period of thirty (30) minutes has been allocated for public comments concerning items of interest within the subject matter jurisdiction of the Board. Each individual will be allotted three minutes, which may be extended at the discretion of the Board Chair.

Consent Items: All matters listed under the Consent Calendar are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Board Member or a member of the public prior to when the Board votes on the motion to adopt.

Availability of Public Records: All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available for public inspection at 2477 Arnold Industrial Way, Concord, California, at the same time that the public records are distributed or made available to the legislative body. The agenda and enclosures for this meeting are posted also on our website at www.countyconnection.com.

Accessible Public Meetings: Upon request, County Connection will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service so that it is received by County Connection at least 48 hours before the meeting convenes. Requests should be sent to the Board Clerk, Lathina Hill, at 2477 Arnold Industrial Way, Concord, CA 94520 or hill@countyconnection.com

Shuttle Service: With 24-hour notice, a County Connection LINK shuttle can be available at the North Concord BART station for individuals who want to attend the Board meetings. To arrange for the shuttle service, please call Robert Greenwood – 925/680 2072, no later than 24 hours prior to the start of the meeting.

Currently Scheduled Board and Committee Meetings

Board of Directors:	Thursday, May 19, 9:00 a.m., County Connection Board Room
Administration & Finance:	Wednesday, May 4, 9:00 a.m. 1676 N. California Blvd., Suite 620, Walnut Creek, CA
Advisory Committee:	TBA, County Connection Board Room
Marketing, Planning & Legislative:	Thursday, May 5, 8:30 a.m., 2477 Arnold Industrial Way, Concord, CA
Operations & Scheduling:	Friday, May 6, 8:00a.m., Supervisor Andersen's Office 309 Diablo Road, Danville, CA

The above meeting schedules are subject to change. Please check the County Connection Website (www.countyconnection.com) or contact County Connection staff at 925/676-1976 to verify date, time and location prior to attending a meeting.

This agenda is posted on County Connection's Website (www.countyconnection.com) and at the County Connection Administrative Offices, 2477 Arnold Industrial Way, Concord, California

Agenda Item No. 4.a.

CCCTA BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING

March 17, 2016

CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

Vice Chair Hoffmeister called the regular meeting of the Board of Directors to order at 9 a.m. Board Members present were Directors Dessayer, Hoffmeister, Hudson, Manning, Schroder, Simmons and Tatzin. Director Worth arrived after the meeting convened. Directors Andersen, Noack and Storer were absent.

Staff: Ramacier, Chun, Cerda, Cheung, Churchill, Clark, Hill, Horta, Martinez, McCarthy, Mitchell, Muzzini and Rettig

PUBLIC HEARING: Short Range Transit Plan, FY2016-2025

At 9:03 a.m. Vice Chair Hoffmeister opened the public hearing regarding the Short Range Transit Plan for FY2015-16 through FY2024-25. The Short Range Transit Plan or SRTP is a planning document that a) defines performance standards, b) evaluates current service, c) describes the capital improvement program, and d) projects the operating budget for a ten year period. Vice Chair Hoffmeister asked if there were any comments from the public regarding the Short Range Transit Plan for FY2015-16 through FY2024-25. No comments were received and the public hearing closed at 9:04 a.m.

CONSENT CALENDAR

MOTION: Director Schroder moved approval of the Consent Calendar, consisting of the following items: (a) Approval of Minutes of Regular Meeting of February 18, 2016; (b) County Connection Investment Policy-Quarterly Reporting Requirement; (c) Resolution No. 2016-017, Approving and Establishing the 2016 Contribution Rate for the Cafeteria Plan for Non Represented Administrative Employees. Director Manning seconded the motion and it received the following vote of approval:

Aye:	Directors Dessayer, Hoffmeister, Hudson, Manning, Schroder, Simmons and Tatzin
No:	None
Abstain:	None
Absent:	Directors Andersen, Noack, Storer and Worth

REPORT OF CHAIR: None

REPORT OF GENERAL MANAGER:

General Manager Rick Ramacier updated the Board on the current plan for running a bus bridge to BART, as BART is not running some of its service between North Concord and Bay Point. Staff explained that County Connection, TriDelta and AC Transit are all running extra services during commute hours in the a.m. and p.m. Although this is short term, BART does not exactly know when the tracks will be fixed and safe to operate. County Connection will be reimbursed for all extra costs incurred during this time.
Director Worth who arrived during the discussion, commented that MTC was available to support the bus bridge with resources, if necessary.

Recognition of Employees of the 4th Quarter, 2015

Carol Simon-Maintenance
Joyce Clark-Transportation
Juan Ruiz-Transportation
Gerardo Cerda-Administration

Director Hoffmeister thanked the employees for their longevity of service and commitment to County Connection.

Update and Report on the Draft Contra Costa Transportation Authority (CCTA) Transportation Expenditure Plan (TEP)It was reported that the development of the Transportation Expenditure Plan continues, with substantial input from the regional transportation planning committees and cities. The Board discussed the perspectives of the geographic regions within the county, and the importance of funding public transit needs as a major priority. The Board expressed general support for how the staff is engaged in the process and supports staff to continuing to be engaged in this manner.

The General Manager and Director Dessayer reported on the APTA Legislative Conference in D.C. March 13-15. Productive meetings were held with Congressional representatives and FTA staff concerning the recently enacted FAST Act, development of the transportation appropriations bill, and County Connection's electric trolley project. Director Dessayer complimented Rick Ramacier and Bill Churchill on their presentations, which were all very well received.

REPORT OF STANDING COMMITTEES

Marketing, Planning & Legislative Committee

Short Range Transit Plan

Director Schroder introduced the item, noting that a duly noticed public hearing was held earlier in the meeting, and that the MP&L reviewed the draft SRTP in January and February. He stated that the Short Range Transit Plan has been updated in light of the comments received. Vice Chair Hoffmeister opened the floor to public comment.

PUBLIC COMMENT:
S. Alapati, a citizen from the City of San Ramon spoke to the Board about his concern with Route 35. He would like Route 35 service to be increased to help those that are out early and those that are traveling late. Vice Chair Hoffmeister thanked the speakers for coming and advised that staff will look into the possibilities to improve Route 35 service.

MOTION: Director Schroder moved that the Board approve Resolution No. 2016-018, Approve FY2016-2025 Short Range Transit Plan for Submission to MTC and Submittal of Applications for

Federal Funding for Projects and Activities. Director Manning seconded the motion and it received the following vote of approval:

Aye:	Directors Andersen, Dessayer, Hoffmeister, Hudson, Simmons, Storer, Tatzin and Worth
No:	None
Abstain:	None
Absent:	Directors Andersen, Noack and Storer

BOARD COMMUNICATION: None

ADJOURNMENT: Vice Chair Hoffmeister adjourned the regular Board meeting at 9:52 a.m.

Minutes prepared by

Lathina Hill
Assistant to the General Manager

Date

County Connection

INTER OFFICE MEMO

To: Board of Directors

Date: April 13, 2016

From: Erick Cheung, Director of Finance

Reviewed by:

SUBJECT: OPEB Actuarial Valuation

SUMMMARY OF ISSUES:

The Government Accounting Standards Board (GASB) issued reporting standards that require County Connection to prepare an actuarial valuation of our Other Post-Employment Benefits (OPEB) under GASB Statement No. 45 (GASB 45). The valuation assesses our OPEB liabilities that are recorded in the financial statements along with additional disclosure information as required by GASB 45. An OPEB actuarial valuation is required by GASB 45 to be updated every two years with the last one completed in Fiscal Year (FY) 2014. The OPEB Actuarial Valuation report attached is for FY 2016 and FY 2017.

County Connection's Unfunded Actuarial Accrued Liability (UAAL) as of July 1, 2015 is $6.75 million, an increase of $2.1 million since the last valuation. The main reason for the increase is a change in actuarial standards which now requires the implicit subsidy be factored as part of the calculation. Implicit subsidy exists when the premiums charged for retiree coverage are lower than the expected retiree claims for that coverage. Pre-Medicare retirees are able to continue medical coverage at the same premium rates being charged to active employees, and this difference creates an implicit benefit subsidy. There is also a credit for current employees paying higher premiums based on rates including retirees that are Pre-Medicare age. The net impact of implicit subsidy is an additional $2.1 million in accrued liability that is required to be accounted for beginning this fiscal year.

Consider this simplified example in a plan for one month with one active employee and one retiree.

	Estimated Premiums Based on Claims	Actual Premium Paid	Total Subsidy Received (Provided)
Current Employee	$500	$600	($100)
Retiree Pre-Medicare Age	$800	$600	$200
Recognized Expense/Liability			**$100**

The Annual Required Contribution (ARC) for FY 2016 is $726,531 (see PP.1 of Bickmore Report), but County Connection gets credit under implicit subsidy of $121,739 for current employees, therefore the amount paid to retirees and the trust should amount to $604,792.

This amount is $39,792 over the original FY 2016 Budget of $565,000. The ARC for FY 2017 is $749,220 (see PP.16 of Bickmore Report) and the amount net of credit paid to retirees and trust should be $601,501. The FY 2017 Proposed Budget presented in the prior month included $789,930 based on preliminary information. The current version has been reduced by $188,429 due to agree with the actuarial report.

Catherine L. MacLeod, Director of Health and Benefit Actuarial Services of Bickmore will be present to review the report with the committee members and answer questions. Bickmore is a risk management company for public entities and provides a wide variety of services. Bickmore also provides management services for the two insurance pools in which County Connection is a member – CalTIP (liability and property) and LAWCX (excess workers compensation).

RECOMMENDATION:

The A&F Committee recommends that the Board accept the OPEB Actuarial Valuation and continue to follow best practice and County Connection's past practice to fund the Annual Required Contribution as stated in the actuarial report.

FINANCIAL IMPLICATION:

Based on Bickmore's actuarial valuation, the ARC net of credits for FY 2016 and FY 2017 amounts to $604,792 and $601,501, respectively and incorporated in the FY 2017 Proposed Budget.

February 26, 2016

Mr. Erick Cheung
Director of Finance
Central Contra Costa Transit Authority
2477 Arnold Industrial Way
Concord, CA 94520

Re: July 1, 2015 Actuarial Report on GASB 45 Retiree Benefit Valuation

Dear Mr. Cheung:

We are pleased to enclose our report providing the results of the July 1, 2015 actuarial valuation of other post-employment benefit (OPEB) liabilities for the Central Contra Costa Transit Authority (the Authority). The report's text describes our analysis and assumptions in detail. *This report should be considered a draft until the Authority has had an opportunity to review and comment. Once any issues have been discussed and resolved, we will issue our final report.*

The primary purposes of the report are to develop the value of future OPEB expected to be provided by the Authority, and the current OPEB liability and the annual OPEB expense to be reported in the Authority's financial statements for the fiscal years ending June 30, 2016 and June 30, 2017.

This valuation was prepared with the understanding that the Authority will continue:

- To contribute 100% of the total ARC each year, including trust contributions, as applicable, to the irrevocable OPEB trust account with Public Agency Retirement Services (PARS).
- To follow the terms of its current PEMHCA resolution on file with CalPERS. There have been no changes to the benefits provided since the 2013 valuation was prepared.
- To provide medical and other healthcare contributions for active employees in addition to those provided by the PEMHCA resolutions through a pre-tax flexible benefit plan in order maintain compliance with PEMHCA requirements.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of the Authority's staff, who provided valuable information and assistance to enable us to perform this valuation. Please let us know if we can be of further assistance.

Sincerely,

Catherine L. MacLeod, FSA, FCA, EA, MAAA
Director, Health and Benefit Actuarial Services

Enclosure

Table of Contents

A. Executive Summary

This report presents the results of the July 1, 2015 actuarial valuation of the Central Contra Costa Transit Authority (the Authority) other post-employment benefit (OPEB) programs. The purposes of this valuation are to assess the OPEB liabilities and provide disclosure information as required by Statement No. 45 of the Governmental Accounting Standards Board (GASB 45). This report reflects the valuation of two distinct types of OPEB liability; additional information is provided in Section C.

- An "explicit subsidy" exists when the employer contributes directly toward retiree healthcare premiums. In this program, benefits may include a monthly subsidy toward medical premiums for eligible retirees. Future excise taxes expected to be paid for "high cost" coverage are also explicit costs and are included with explicit liabilities.
- An "implicit subsidy" exists when the premiums charged for retiree coverage are lower than the expected retiree claims for that coverage. Pre-Medicare retirees able to continue medical coverage at the same premium rates as are charged for active employees creates an implicit benefit subsidy under GASB 45. *This is the first valuation required to include the implicit subsidy liability.*

How much the Authority contributes each year affects the calculation of liabilities. The Authority has been prefunding its OPEB obligations by consistently making contributions greater than or equal to the Annual Required Contribution (ARC) each year and is expected to continue doing so. Trust assets are currently invested in PARS. With the Authority's approval, this valuation was prepared using a 5.1% discount rate, the same rate used in the prior valuation. Please note that use of this rate is an assumption and is not a guarantee of future investment performance.

Exhibits presented in this report reflect Bickmore's understanding that the results of this July 1, 2015 valuation will be applied in determining the annual OPEB expense for the fiscal years ending June 30, 2016 and 2017.

The Actuarial Accrued Liability and Assets as of July 1, 2015 are shown below:

Subsidy	Explicit	Implicit	Total
Discount Rate	5.1%	5.1%	5.1%
Actuarial Accrued Liability	$ 6,682,227	$ 2,103,420	$ 8,785,647
Actuarial Value of Assets	2,032,180	-	2,032,180
Unfunded Actuarial Accrued Liability	4,650,047	2,103,420	6,753,467
Funded Ratio	30.4%	0.0%	23.1%

Assuming the Authority continues to follow its previously established policy of prefunding its OPEB liabilities, the following summarizes results for the fiscal year ending June 30, 2016:

Subsidy	Explicit	Implicit	Total
Annual Required Contribution (ARC) for FYE 2016	$ 491,829	$ 234,702	$ 726,531
Expected employer paid benefits for retirees	208,258	-	208,258
Current year's implicit subsidy credit	-	121,739	121,739
Expected contribution to OPEB trust	283,571	112,963	396,534
Expected net OPEB obligation at June 30, 2016	(7,476)	-	(7,476)

Executive Summary (Concluded)

Detailed results for the fiscal years ending June 30, 2016 and 2017 are shown in tables beginning on page 13. A breakout of results by group is provided in Appendix 1 and additional information to facilitate OPEB reporting in the Authority's financial statements is provided in Appendix 3.

The liabilities shown in the report reflect assumptions regarding continued future employment, rates of retirement and survival, and elections by future retirees to retain coverage for themselves and their dependents. Please note that this valuation has been prepared on a closed group basis; no provision is generally made for new employees until the valuation date following their employment.

An exhibit comparing current valuation results to those from the prior valuation is provided on page 6, followed by a description of changes. An actuarial valuation is, by its nature, a projection and to the extent that actual experience is not what we assumed, future results will be different. 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 medical premium rates or in the subsidy provided by the Authority toward retiree medical premiums;
- Longer life expectancies of retirees;
- Significant changes in expected retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents;
- Higher or lower returns on plan assets than were assumed; and
- Implementation of GASB 75, the new OPEB accounting standard, which should be not later than the Authority's fiscal year ending June 30, 2018. One key change moves reporting of the unfunded OPEB liability from a footnote to the balance sheet.

Details of our valuation process and the various disclosures required by GASB 45 are provided on the succeeding pages. The next valuation is scheduled to be prepared as of July 1, 2017. If there are any significant changes in the employee data, benefits provided or the funding policy, please contact us to discuss whether an earlier valuation is appropriate.

Important Notices

This report is intended to be used only to present the actuarial information relating to other postemployment benefits for the Authority's financial statements and to provide the annual contribution information with respect to the Authority's current OPEB funding policy. 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. The Authority should consult counsel on these matters; Bickmore does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the Authority consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.

B. Requirements of GASB 45

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. The underlying intent of GASB 45 is to systematically recognize the projected cost of OPEB during the years employees are working, rather than over the years when the benefits would be paid.

We understand that the Authority implemented GASB 45 for the fiscal year ended June 30, 2009. For agencies with 200 or more members covered by or eligible for plan benefits, GASB 45 requires that a valuation be prepared no less frequently than every two years. GASB 45 disclosures include the determination of an annual OPEB cost. For the first year, the annual OPEB cost is equal to the annual required contribution (ARC) as determined by the actuary.

- If the Authority's OPEB contributions had been equal to the ARC each year, the net OPEB obligation would equal $0.
- If the Authority's actual contribution is less than (greater than) the ARC, then a net OPEB obligation (asset) amount is established. In subsequent years, the annual OPEB expense will reflect adjustments made to the net OPEB obligation, in addition to the ARC (see Tables 1B and 1D).

GASB 45 provides for recognition of payments as contributions if they are made (a) directly to retirees or beneficiaries, (b) to an insurer, e.g., for the payment of premiums, or (c) to an OPEB fund set aside toward the cost of future benefits. Funds set aside for future benefits should be considered contributions to an OPEB plan only if the vehicle established is one that is capable of building assets that are separate from and independent of the control of the employer and legally protected from its creditors. Furthermore, the sole purpose of the assets should be to provide benefits under the plan. These conditions generally require the establishment of a legal trust, such as the Authority's OPEB trust account with PARS. Earmarked assets or reserves may be an important step in financing future benefits, but they may not be recognized as an asset for purposes of reporting under GASB 45.

We reiterate that GASB 45 applies only to the expense to be charged to an agency's income statements and to providing other related liability disclosures. While the Annual Required Contribution typically comprises the majority of the annual OPEB expense, it is a theoretical, not a required contribution amount. The decision whether or not to prefund, and at what level, is at the discretion of the Authority, as are the manner and term for paying down the unfunded actuarial accrued liability. Once a funding policy has been established, however, the Authority's auditor may have an opinion as to the timing and manner of any change to such policy in future years. The level of prefunding also affects the selection of the discount rate used for valuing the liabilities.

New GASB Statement 75, issued in June 2015, will impact the liabilities and/or expense developed in future valuations and will require new information to be reported beginning with the Authority's fiscal year ending June 30, 2018.

C. Sources of OPEB Liabilities

General Types of OPEB

In general, post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are:

- Medical
- Vision
- Dental
- Life Insurance
- Prescription drug

Other possible post-employment benefits 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[1] or other direct retiree payments which fall under other GASB accounting statements.

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, the retirees pay a premium based on a pool of members that, 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. Paragraph 13.a. of GASB 45 generally requires an implicit subsidy of retiree premium rates be valued as an OPEB liability.

For actuarial valuations dated prior to March 31, 2015, an exception existed for plan employers with a very small membership in a large "community-rated" healthcare program. Following a change in Actuarial Standards of Practice, GASB no longer offers this exception. *This change had a significant impact on this valuation of the Authority's OPEB liability*.

OPEB Obligations of the Authority

The Authority provides continuation of medical coverage to its retiring employees, which may create one or both of the following types OPEB liabilities:

- **Explicit subsidy liabilities**: The Authority contributes directly toward retiree medical premiums, as described in Table 3A. Liabilities relating to these benefits are included in this valuation.
- **Implicit subsidy liabilities**: Employees are covered by the CalPERS medical program. The same monthly premiums are charged for active employees and for pre-Medicare retirees and CalPERS has confirmed that the claims experience of these members is considered together in setting these premium rates. We determine the implicit rate subsidy for pre-Medicare retirees as the difference between (a) projected retiree medical claim costs by age and (b) premiums expected to be charged for retirees. For details, see Table 4 and Addendum 1: Bickmore Healthcare Claims Age Rating Methodology.

  Different monthly premiums are charged for Medicare-eligible members and CalPERS has confirmed that only the claims experience of these Medicare eligible members is considered in setting these premium rates. We have assumed that this premium structure is adequate to cover the expected claims of these retirees and believe that there is no implicit subsidy of premiums for these members by active employees.

[1] When a terminating employee's unused sick leave credits are converted to provide or enhance a defined benefit OPEB, e.g., healthcare benefits, such converted sick leave credits should be valued under GASB 45.

D. Valuation Process

The valuation has been based on employee census data and benefits initially submitted to us by the Authority in December 2015 and clarified in various related communications. A summary of the employee data is provided in Table 2 and a summary of the benefits provided under the Plan is provided in Table 3A. 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 the Authority as to its accuracy. The valuation described below has been performed in accordance with the actuarial methods and assumptions described in Table 4.

In projecting 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 with the Authority to receive benefits.
- To the extent assumed to retire from the Authority, the probability of various possible retirement dates for each retiree, based on current age and service; and
- 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 70 years or more.

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 "actuarial accrued liability" (AAL). The amount of future OPEB cost allocated for active employees in the current year is referred to as the "normal cost". The remaining active cost to be assigned to future years is called the "present value of future normal costs".

In summary:

Actuarial Accrued Liability	Past Years' Cost Allocations	$ 8,785,647
plus Normal Cost	Current Year's Cost Allocation	339,806
plus Present Value of Future Normal Costs	Future Years' Cost Allocations	2,070,798
equals Present Value of Projected Benefits	Total Benefit Costs	$ 11,196,251

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets is applied to offset the AAL. In this valuation, we set the Actuarial Value of Assets equal to the market value of assets invested in in the Authority's irrevocable OPEB trust account invested with PARS. The market value reported as of June 30, 2015 was $2,032,180. The portion of the AAL not covered by assets is referred to as the unfunded actuarial accrued liability (UAAL).

E. Basic Valuation Results

The following chart compares the results of the July 1, 2015 valuation of OPEB liabilities to the results of the July 1, 2013 valuation.

Funding Policy	Prefunding Basis			
Valuation date	**7/1/2013**	**7/1/2015**		
Subsidy	Explicit	Explicit	Implicit	Total
Discount rate	5.5%	5.1%	5.1%	5.1%
Number of Covered Employees				
Actives	233	227	212	227
Retirees	38	48	12	48
Total Participants	271	275	224	275
Actuarial Present Value of Projected Benefits				
Actives	$ 5,647,516	$ 5,966,253	$ 2,738,279	$ 8,704,532
Retirees	1,691,697	2,248,616	243,103	2,491,719
Total APVPB	7,339,213	8,214,869	2,981,382	11,196,251
Actuarial Accrued Liability (AAL)				
Actives	4,184,245	4,433,611	1,860,317	6,293,928
Retirees	1,691,697	2,248,616	243,103	2,491,719
Total AAL	5,875,942	6,682,227	2,103,420	8,785,647
Actuarial Value of Assets	1,165,830	2,032,180	-	2,032,180
Unfunded AAL (UAAL)	4,710,112	4,650,047	2,103,420	6,753,467
Normal Cost	227,211	225,961	113,845	339,806
Percent funded	19.8%	30.4%	0.0%	23.1%
Reported covered payroll	12,017,071	13,209,132	13,209,132	13,209,132
UAAL as percent of payroll	39.2%	35.2%	15.9%	51.1%

Note: Authority explicit liabilities shown above as of July 1, 2015 include approximately $61,000 in projected excise tax liability for retirees expected to be covered by "high cost" plans under the Affordable Care Act.

The funded ratio (the ratio of the Actuarial Value of Assets divided by the Actuarial Accrued Liability) is 23.1% as of July 1, 2015. Covered payroll as of July 1, 2015 was reported to be $13,209,132. The Unfunded Actuarial Accrued Liability, expressed as a percentage of payroll, is 51.1% as of this date.

Changes Since the Prior Valuation

Even if all of our previous assumptions were met exactly as projected, liabilities generally increase over time as active employees get closer to the date their benefits are expected to begin. Given the uncertainties involved and the long term nature of these projections, our prior assumptions were not and are not likely to ever to be exactly realized. Nonetheless, it is helpful to review why results are different than we anticipated.

In comparing results shown in the exhibit above, we can see that the Unfunded Actuarial Accrued Liability (UAAL) increased by roughly $2,043,000, between July 1, 2013 and July 1, 2015, from about $4,710,000 to $6,753,000. We expected the UAAL to decrease by about $82,000 over this two year

Basic Valuation Results (Concluded)

period, from the excess of new contributions and trust earnings over additional costs accrued for active employees, benefits paid to retirees and the passage of time. Thus, the actual UAAL is $2,125,000 higher than expected. This difference is primarily a result of the following:

- A $2,103,000 increase in the AAL to begin recognizing the implicit subsidy of medical coverage for current and future retirees prior to becoming eligible for Medicare; in developing this liability, we added assumptions regarding expected claims cost by age and gender (see Addendum 1 for a description of this methodology);
- A $329,000 increase in the AAL due to a change in the discount rate, from 5.5% to 5.1%; this change reflects the expected long term return on investments of 5.7% reduced by .6% to cover estimated trust administration and investment fees;
- A $161,000 increase in the AAL due to revised assumptions for future disability and service retirements, based on the 2014 CalPERS retirement plan experience study covering City employees; we also updated our projection of future improvements in future mortality rates which results in longer life expectancies (see Addendum 2 for a description of this methodology);
- A $207,000 decrease in the AAL relating to a decrease in the percentage of married employees we assumed will cover a spouse on a Authority medical plan in retirement; while we continue to assumed that 85% of future retirees will be married, we decreased the percentage of married retirees assumed to cover their spouse to 60%, down from 70%, based on a review of recent plan experience; and
- A $261,000 decrease in the UAAL from plan experience relative to prior assumptions. Plan experience includes factors such as changes in plan membership, retiree elections and changes in medical premiums and limits on benefits other than previously projected. Plan experience would include a small experience loss for new employees hired since July 2013.

  Plan experience also includes asset performance relative to the expected contributions and rate of return. Actual plan assets are about $21,000 higher than projected, primarily because contributions to PARS were about $63,000 higher than we projected during this two year period. These higher contributions were offset by $42,000 less than expected in net return on assets. The actual rate of return was about 4.1% per year, somewhat less than the 5.5% assumed long term rate of return assumed over the prior two years.

F. Funding Policy

The specific calculation of the ARC and annual OPEB expense for an employer depends on how the employer elects to fund these benefits. The funding levels can generally be categorized as follows:

1. *Prefunding* - contributing an amount greater than or equal to the ARC each year. Prefunding generally allows the employer to have the liability calculated using a higher discount rate, which in turn lowers the liability. In addition, following a prefunding policy does not build up a net OPEB obligation (or gradually reduces it to $0). Prefunding results in this report were developed using a discount rate of 5.1%.
2. *Pay-As-You-Go funding* – contributing only the amounts needed to pay retiree benefits in the current year; generally requires a lower discount rate, such as 4.0%.
3. *Partial prefunding* – contributing more than the current year's retiree payments but less than 100% of the ARC; requires that liabilities be developed using a discount rate that "blends" the relative portions of benefits that are prefunded and those not.

Determination of the ARC

The Annual Required Contribution (ARC) consists of two basic components, which have been adjusted with interest to the Authority's 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 (UAAL).

ARCs for the fiscal years ending June 30, 2016 and June 30, 2017 are developed in Tables 1A and 1C.

Decisions Affecting the Amortization Payment

The period and method for amortizing the AAL can significantly affect the ARC. GASB 45:

- Prescribes a maximum amortization period of 30 years and requires no minimum amortization period (except 10 years for certain actuarial gains). Immediate full funding of the liability is also permitted.
- Allows amortization payments to be determined (a) as a level percentage of payroll, designed to increase over time as payroll increases, or (b) as a level dollar amount much like a conventional mortgage, so that this component of the ARC does not increase over time. Where a plan is closed and has no ongoing payroll base, a level percent of payroll basis is not permitted.
- Allows the amortization period to decrease annually by one year (closed basis) or to be maintained at the same number of years (open basis).

Funding Policy Illustrated in This Report

It is our understanding that the Authority's prefunding policy includes amortization of the unfunded AAL over a closed 30-year period initially effective July 1, 2009. As of July 1, 2015, 6 years of amortization have occurred and 24 years remain. Amortization payments are determined on a level percent of pay basis.[2]

[2] Where the UAAL is amortized on a level percent of pay basis, if all assumptions are met, the UAAL may increase, rather than decrease, in the earlier years of the amortization period.

Funding Policy
(Concluded)

Funding of the Implicit Subsidy

The implicit subsidy liability created when expected retiree medical insurance claims exceed the retiree premiums was described earlier in Section C. In practical terms, when the Authority pays the premiums for active employees each year, their premiums include an amount expected to be transferred to cover the portion of the retirees' claims not covered by their premiums. This transfer represents the current year's implicit subsidy. Paragraph 13.g. of GASB 45 allows for recognition of payments to an irrevocable trust *or directly to the insurer* as an employer's contribution to the ARC. We have estimated the portion of this year's premium payment attributable to the implicit subsidy and recommend netting this amount against the funding requirement for the implicit subsidy (see Tables 1B and 1D).

There is a larger question about whether or not the Authority will want to prefund the implicit subsidy liability. Some possible options include:

- Prefunding 100% of the ARC relating to both the explicit subsidy and implicit subsidy liabilities. *For purposes of this draft report, this is the approach we assumed the Authority would follow.*
- Prefunding 100% of the ARC relating to both the explicit subsidy and implicit subsidy liabilities, but intentionally allocate the entire trust contribution to more quickly pay-off the explicit subsidy liability, rather than allocating any toward the implicit subsidy liability. We believe this would allow the implicit subsidy liability to be developed using the prefunding discount rate of 5.1%.
- Prefunding 100% of the ARC developed for the explicit subsidy liability, but financing the implicit subsidy liability on a pay-as-you-go basis. We believe this approach would require determining the implicit subsidy liability using a pay-as-you-go discount rate (e.g., 4.0% rather than the 5.1%).

We are available to review these options further with the Authority.

G. Choice of 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". Methods that produce higher initial annual (prefunding) costs will produce lower annual costs later. Conversely, methods that produce lower initial costs will produce higher annual costs later relative to the other methods. GASB 45 allows the use of any of six actuarial funding methods; a brief description of each is in the glossary.

Factors Impacting the Selection of Funding Method

While the goal of GASB 45 is to match recognition of retiree medical expense with the periods during which the benefit is earned, the funding methods differ because they focus on different financial measures in attempting to level the incidence of cost. Appropriate selection of a funding method contributes to creating intergenerational equity between generations of taxpayers. The impact of potential new employees entering the plan may also affect selection of a funding method, though this is not a factor in this plan.

We believe it is most appropriate for the plan sponsor to adopt a theory of funding and consistently apply the funding method representing that theory. This valuation was prepared using the entry age normal cost method with normal cost determined on a level percent of pay basis. The entry age normal cost method often produces initial contributions between those of the other more common methods and is generally regarded by pension actuaries as the most stable of the funding methods and is one of the most commonly used methods for GASB 45 compliance.

Factors Affecting the Selection of Assumptions

Special considerations apply to the selection of actuarial funding methods and assumptions for the Authority. The demographic actuarial assumptions (such as rates of retirement, disability, termination and mortality) used in this report were chosen, for the most part, to be the same as the actuarial assumptions used for the most recent actuarial valuations of the retirement plans covering Authority employees. Other assumptions, such as healthcare trend, age related healthcare claims, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. We will continue to gather information and monitor these assumptions for future valuations, as more experience develops.

In selecting an appropriate discount rate, GASB states that the discount rate should be based on the expected long-term yield of investments used to finance the benefits. As requested by the Authority, the discount rate used in this valuation is 5.1%. Information received from PARS Investment advisors, regarding the long term expected return of the trust account's portfolio and investment strategy, supports use of this discount rate.

H. Certification

This report presents the results of our actuarial valuation of the other post-employment benefits provided by the Central Contra Costa Transit Authority. The purpose of this valuation was to provide the actuarial information required for the Authority's reporting under Statement 45 of the Governmental Accounting Standards Board. The calculations were focused on determining the plan's funded status as of the valuation date, developing the Annual Required Contribution and projecting the Net OPEB Obligations for the years to which this report is expected to be applied.

We certify that this report has been prepared in accordance with our understanding of GASB 45. To the best of our knowledge, the report is complete and accurate, based upon the data and plan provisions provided to us by the Authority. We believe the assumptions and method used are reasonable and appropriate for purposes of the financial reporting required by GASB 45. The results may not be appropriate for other purposes.

Each of the undersigned individuals is a Fellow in the Society of Actuaries and Member of the American Academy of Actuaries who satisfies the Academy Qualification Standards for rendering this opinion.

Signed: February 26, 2016

____	____
Catherine L. MacLeod, FSA, FCA, EA, MAAA	Francis M. Schauer Jr., FSA, FCA, EA, MAAA

Table 1

Results for fiscal year ending 2015: The ARC and AOE for the Authority's fiscal year ending June 30, 2015 were developed as part of the July 2013 valuation. We used the net OPEB obligation reported in the Authority's June 30, 2015 financial statements as the starting point for developing the net OPEB obligation as of June 30, 2016, shown in Table 1B.

Results for fiscal years 2016 and 2017: The basic results of our July 1, 2015 valuation of OPEB liabilities for the Authority calculated under GASB 45 were summarized in Section E. Those results are applied to develop the annual required contribution (ARC), annual OPEB expense (AOE) and the net OPEB obligation (NOO) or net OPEB asset (NOA) to be reported by the Authority for its fiscal years ending June 30, 2016 and June 30, 2017.

As noted earlier in this report, the development of the ARC reflects the assumption that the Authority will contribute at least 100% of the total ARC each year, with contributions comprised of (a) direct payments to insurers toward retiree premiums, (b) recognition of the current year's implicit subsidy as a contribution, and (c)) contributions to the OPEB trust. If this understanding is incorrect or if actual Authority contributions differ by more than an immaterial amount, some of the results in this report will need to be revised.

Employees reflected in future years' costs: The counts of active employees and retirees shown in Tables 1A and 1C are the same as the counts of active and retired employees on the valuation date. While we do not adjust these counts between valuation dates, the liabilities and costs developed for those years already anticipate the likelihood that some active employees may leave employment forfeiting benefits, some may retire and elect benefits and coverage for some of the retired employees may cease. However, because this valuation has been prepared on a closed group basis, no potential future employees are included. We will incorporate any new employees in the next valuation, in the same way we included new employees hired after July 2013 in this July 2015 valuation.

We also note that the number of active employees and retirees expected to create an implicit subsidy OPEB liability are lower than the number of those which create an explicit subsidy liability. CalPERS medical premiums for those over age 65 (active or retired) and expected to be eligible for Medicare are not subsidized by active employee medical premiums, so do not create an implicit subsidy liability.

Table 1A
ARC Calculation for FYE 2016

The table below develops the ARC for the Agency's fiscal year ending June 30, 2016 determined on a prefunding basis. Calculations are shown separately, and in total, relating to Explicit and Implicit OPEB benefits.

Funding Policy	**Prefunding Basis**		
Valuation date	**7/1/2015**		
Subsidy	Explicit	Implicit	Total
For fiscal year beginning	7/1/2015	7/1/2015	7/1/2015
For fiscal year ending	6/30/2016	6/30/2016	6/30/2016
Expected long-term return on assets	5.1%	5.1%	5.1%
Discount rate	5.1%	5.1%	5.1%
Number of Covered Employees			
Actives	227	212	227
Retirees	48	12	48
Total Participants	275	224	275
Actuarial Present Value of Projected Benefits			
Actives	$ 5,966,253	$ 2,738,279	$ 8,704,532
Retirees	2,248,616	243,103	2,491,719
Total APVPB	8,214,869	2,981,382	11,196,251
Actuarial Accrued Liability (AAL)			
Actives	4,433,611	1,860,317	6,293,928
Retirees	2,248,616	243,103	2,491,719
Total AAL	6,682,227	2,103,420	8,785,647
Actuarial Value of Assets	2,032,180	-	2,032,180
Unfunded AAL (UAAL)	4,650,047	2,103,420	6,753,467
Normal Cost	225,961	113,845	339,806
Amortization method	Level % of Pay	Level % of Pay	Level % of Pay
Initial amortization period (in years)	30	30	30
Remaining period (in years)	24	24	24
Determination of Amortization Payment			
UAAL	$ 4,650,047	$ 2,103,420	$ 6,753,467
Factor	19.2149	19.2149	19.2149
Payment	242,002	109,468	351,470
Annual Required Contribution (ARC)			
Normal Cost	225,961	113,845	339,806
Amortization of UAAL	242,002	109,468	351,470
Interest to fiscal year end	23,866	11,389	35,255
Total ARC at fiscal year end	491,829	234,702	726,531
Projected covered payroll	$ 13,209,132	$ 13,209,132	$ 13,209,132
Normal Cost as a percent of payroll	1.7%	0.9%	2.6%
ARC as a percent of payroll	3.7%	1.8%	5.5%
ARC per active ee	2,167	1,107	3,201

Table 1B
Expected OPEB Disclosures for FYE 2016

The following exhibit develops the annual OPEB expense, estimates the expected OPEB contributions and projects the net OPEB obligation as of June 30, 2016 reflecting the assumed prefunding policy described in this report.

	Prefunding Basis		
Fiscal Year End	**6/30/2016**	**6/30/2016**	**6/30/2016**
Subsidy	Explicit	Implicit	Total
1. Calculation of the Annual OPEB Expense			
a. ARC for current fiscal year	$ 491,829	$ 234,702	$ 726,531
b. Interest on Net OPEB Obligation (Asset)	(383)	-	(383)
c. Adjustment to the ARC	410	-	410
d. **Annual OPEB Expense (a. + b. + c.)**	491,856	234,702	726,558
2. Calculation of Expected Contribution			
a. Estimated payments on behalf of retirees	208,258	-	208,258
b. Estimated current year's implicit subsidy	-	121,739	121,739
c. Estimated contribution to OPEB trust	283,571	112,963	396,534
d. **Total Expected Employer Contribution**	491,829	234,702	726,531
3. Change in Net OPEB Obligation *(1.d. minus 2.d.)*	27	-	27
Net OPEB Obligation (Asset), beginning of fiscal year	(7,503)	-	(7,503)
Net OPEB Obligation (Asset) at fiscal year end	(7,476)	-	(7,476)

In the table above, we assumed that the Authority's contributions would equal 100% of the total ARC of $726,531. This may require adjusting the projected $396,534 contribution to the trust if actual retiree benefit payments are higher or lower than the estimate of $208,258 shown above. We also assumed that the Authority would take credit for the current year's implicit subsidy as an OPEB contribution toward the implicit subsidy ARC.

Notes on calculations above:

- Interest on the net OPEB obligation (or asset), shown above in item 1.b. is equal to the applicable discount rate (5.1%) multiplied by the net OPEB obligation (or asset) at the beginning of the year.
- The Adjustment to the ARC, shown above in item 1.c., is always the opposite sign of the net OPEB obligation or asset and exists to avoid double-counting of the amounts previously expensed but imbedded in the current ARC. This adjustment is calculated as *the opposite of* the net OPEB obligation (or asset) at the beginning of the year, plus interest on that amount (item 1.b.) with the sum then divided by the same amortization factor used to determine the ARC for this year (see the prior page for these factors).

Table 1C
ARC Calculation for FYE 2017

In the following exhibit, the July 1, 2015 valuation results have been adjusted (rolled forward) two years based on the underlying actuarial assumptions. These results are used to develop the annual required contribution (ARC) for the fiscal year ending June 30, 2017.

Funding Policy	**Prefunding Basis**		
Valuation date	**7/1/2015**		
Subsidy	Explicit	Implicit	Total
For fiscal year beginning	7/1/2016	7/1/2016	7/1/2016
For fiscal year ending	6/30/2017	6/30/2017	6/30/2017
Expected long-term return on assets	5.1%	5.1%	5.1%
Discount rate	5.1%	5.1%	5.1%
Number of Covered Employees			
Actives	227	212	227
Retirees	48	12	48
Total Participants	275	224	275
Actuarial Present Value of Projected Benefits			
Actives	$ 6,230,385	$ 2,832,142	$ 9,062,527
Retirees	2,195,184	179,551	2,374,735
Total APVPB	8,425,569	3,011,693	11,437,262
Actuarial Accrued Liability (AAL)			
Actives	4,857,063	2,029,055	6,886,118
Retirees	2,195,184	179,551	2,374,735
Total AAL	7,052,247	2,208,606	9,260,853
Actuarial Value of Assets	2,419,392	112,963	2,532,355
Unfunded AAL (UAAL)	4,632,855	2,095,643	6,728,498
Normal Cost	233,305	117,545	350,850
Amortization method	Level % of Pay	Level % of Pay	Level % of Pay
Initial amortization period (in years)	30	30	30
Remaining period (in years)	23	23	23
Determination of Amortization Payment			
UAAL	$ 4,632,855	$ 2,095,643	$ 6,728,498
Factor	18.5863	18.5863	18.5863
Payment	249,262	112,752	362,014
Annual Required Contribution (ARC)			
Normal Cost	233,305	117,545	350,850
Amortization of UAAL	249,262	112,752	362,014
Interest to fiscal year end	24,611	11,745	36,356
Total ARC at fiscal year end	507,178	242,042	749,220
Projected covered payroll	$ 13,638,429	$ 13,638,429	$ 13,638,429
Normal Cost as a percent of payroll	1.7%	0.9%	2.6%
ARC as a percent of payroll	3.7%	1.8%	5.5%
ARC per active ee	2,234	1,142	3,301

Table 1D
Expected OPEB Disclosures for FYE 2017

The following exhibit develops the annual OPEB expense, estimates the expected OPEB contributions and projects the net OPEB obligation as of June 30, 2017 reflecting the assumed prefunding policy described earlier in this report.

	Prefunding Basis		
Fiscal Year End	**6/30/2017**	**6/30/2017**	**6/30/2017**
Subsidy	Explicit	Implicit	Total
1. Calculation of the Annual OPEB Expense			
a. ARC for current fiscal year	$ 507,178	$ 242,042	$ 749,220
b. Interest on Net OPEB Obligation (Asset)	(381)	-	(381)
c. Adjustment to the ARC	423	-	423
d. **Annual OPEB Expense (a. + b. + c.)**	507,220	242,042	749,262
2. Calculation of Expected Contribution			
a. Estimated payments on behalf of retirees	250,200	-	250,200
b. Estimated current year's implicit subsidy	-	147,719	147,719
c. Estimated contribution to OPEB trust	256,978	94,323	351,301
d. **Total Expected Employer Contribution**	507,178	242,042	749,220
3. Change in Net OPEB Obligation *(1.d. minus 2.d.)*	42	-	42
Net OPEB Obligation (Asset), beginning of fiscal year	(7,476)	-	(7,476)
Net OPEB Obligation (Asset) at fiscal year end	(7,434)	-	(7,434)

In the table above, we assumed that the Authority's contributions would equal 100% of the total ARC of $749,220. This may require adjusting the projected $351,301 contribution to the trust if actual retiree benefit payments are higher or lower than the estimate of $250,200 shown above. We also assumed that the Authority would take credit for the current year's implicit subsidy of $147,719 as an OPEB contribution toward funding the implicit subsidy ARC.

Notes on calculations above:

- Interest on the net OPEB obligation (or asset), shown above in item 1.b. is equal to the applicable discount rate (5.1%) multiplied by the net OPEB obligation (or asset) at the beginning of the year.
- The Adjustment to the ARC, shown above in item 1.c., is always the opposite sign of the net OPEB obligation or asset and exists to avoid double-counting of the amounts previously expensed but imbedded in the current ARC. This adjustment is calculated as *the opposite of* the net OPEB obligation (or asset) at the beginning of the year, plus interest on that amount (item 1.b.) with the sum then divided by the same amortization factor used to determine the ARC for this year (see the prior page for these factors).

Table 2
Summary of Employee Data

The Authority reported 227 active employees; of these, 171 are currently participating in the medical program while 56 employees were waiving coverage as of the valuation date. Age and service information for the reported individuals is provided below:

Distribution of Benefits-Eligible Active Employees								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25		1					1	0%
25 to 29		3					3	1%
30 to 34	3	5	3				11	5%
35 to 39		11	7	6	2		26	11%
40 to 44	1	2	6	5	4		18	8%
45 to 49		6	8	6	8	4	32	14%
50 to 54	4	2	7	4	11	13	41	18%
55 to 59	2	6	7	6	5	16	42	19%
60 to 64		1	3	7	5	16	32	14%
65 to 69		1	3	2	3	10	19	8%
70 & Up						2	2	1%
Total	10	38	44	36	38	61	**227**	**100%**
Percent	4%	17%	19%	16%	17%	27%	**100%**	

	July 2013 Valuation	July 2015 Valuation
Annual Covered Payroll	$12,017,071	$13,209,132
Average Attained Age for Actives	52.1	51.6
Average Years of Service	14.5	12.9

There are also 48 retirees or their beneficiaries currently receiving benefits under this program, whose ages are summarized below.

Retirees by Age		
Current Age	**Number**	**Percent**
Below 50	0	0%
50 to 54	0	0%
55 to 59	1	2%
60 to 64	8	17%
65 to 69	17	35%
70 to 74	11	23%
75 to 79	8	17%
80 & up	3	6%
Total	**48**	**100%**
Average Attained Age for Retirees:		70.5

The chart below summarizes the number of active and retired employees by group:

Participants by Group				
		Retired		
Group	Active	Under age 65	Over age 65	Total
Administration	47	3	16	66
ATU	167	6	21	194
Teamsters	13	0	2	15
Total	**227**	**9**	**39**	**275**

Table 2- Summary of Employee Data (Continued)

The chart below reconciles the number of actives and retirees included in the July 1, 2013 valuation of the Authority plan with those included in the July 1, 2015 valuation:

Reconciliation of Authority Plan Members Between Valuation Dates					
Status	Covered Actives	Waiving Actives	Covered Retirees	Covered Surviving Spouses	Total
Number reported as of July 1, 2013	178	55	35	3	271
New employees	16	16			32
Terminated employees	(12)	(8)			(20)
New retiree, elected coverage	(14)		14		0
New retiree, waiving coverage	(4)	(3)			(7)
Previously covered, now waiving	(4)	4			0
Previously waiving, now covered	10	(10)			0
Deceased or dropped coverage			(4)		(4)
Data corrections	1	2			3
Number reported as of July 1, 2015	**171**	**56**	**45**	**3**	**275**

Overall, the total population was stable over the prior two years, increasing by only 4 members. The active population decreased by 6, while the number of retirees receiving benefits increased by 10.

Of the 21 new retirements reported since July 1, 2013, 14 ($2/3^{rds}$) elected to continue coverage while 7 waived coverage ($1/3^{rd}$). As expected, we observed some differences in the percentages of ATU and non-ATU retirees electing coverage as well as differences for retirees under and over age 65.

Plan elections: The charts below and on the following page summarize the plans (and associated caps) chosen by employees in the Administrative, ATU, and Teamsters groups.

Administrative Employees						
Frozen Active & Retiree Caps						
	Single Party Coverage		Two Party Coverage		Family Coverage	
Plan	Caps	Number of Participants	Caps	Number of Participants	Caps	Number of Participants
Anthem HMO Traditional	$ 494.86	9	$989.71	3	$ 1,286.63	5
Anthem HMO Select	270.71		541.42		703.85	
Blue Shield HMO	329.08	4	658.10		855.60	
Blue Shield NetValue	329.08	4	658.10		855.60	1
Kaiser	303.56	14	607.12	8	789.26	2
PERS Care	494.86	2	989.71		1,286.63	
PERS Choice	289.98	2	579.96		753.95	
PERS Select	270.71		541.42		703.85	
United Healthcare	303.56		607.12		789.26	
Waiving Coverage		12				
Total		**47**		**11**		**8**

Table 2- Summary of Employee Data (Concluded)

Amalgamated Transit Union (ATU)						
Frozen Active Caps (Retirees receive 75% of caps below in 2016)						
	Single Party Coverage		Two Party Coverage		Family Coverage	
Plan	Caps	Number of Participants	Caps	Number of Participants	Caps	Number of Participants
Anthem HMO Traditional	$ 374.92	5	$ 749.83	2	$ 974.78	5
Anthem HMO Select	233.59		467.18	1	607.34	
Blue Shield HMO	266.47	4	532.93	4	692.81	
Blue Shield NetValue	266.47	4	532.93	3	692.81	2
Kaiser	235.34	53	470.67	31	611.87	32
PERS Care	374.92	1	749.83		974.78	
PERS Choice	241.24	1	482.48	2	627.23	
PERS Select	233.59		467.18		607.34	
United Healthcare	235.34		470.67		611.87	
Waiving Coverage		44				
Total		**112**		**43**		**39**

Teamsters, Local 856						
Frozen Active and Retiree Caps						
	Single Party Coverage		Two Party Coverage		Family Coverage	
Plan	Caps	Number of Participants	Caps	Number of Participants	Caps	Number of Participants
Anthem HMO Traditional	$ 374.92	1	$ 749.83	1	$ 974.78	1
Anthem HMO Select	226.58		453.16		589.11	
Blue Shield HMO	280.29		560.57		728.74	
Blue Shield NetValue	280.29	1	560.57	1	728.74	1
Kaiser	254.15	3	508.30	3	660.79	3
PERS Care	374.92		749.83		974.78	
PERS Choice	241.24		482.48		627.23	
PERS Select	226.58		453.16		589.11	
United Healthcare	254.15		508.30		660.79	
Waiving Coverage						
Total		**5**		**5**		**5**

Table 3A
Summary of Retiree Benefit Provisions

OPEB provided: The Authority reported that the only OPEB provided is medical 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, which requires attainment of age 50 (age 52, if a new to PERS on or after January 1, 2013) with 5 years of State or public agency service or approved disability retirement.

If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement or during any future open enrollment period. 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.

The employee must begin his or her retirement warrant within 120 days of terminating employment with the Authority to be eligible to continue medical coverage through the Authority and be entitled to the employer subsidy described below.

Benefits provided: As a condition of participation in the CalPERS medical program, the Authority is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The Authority maintains three resolutions, executed at differing dates, for the Administrative, Amalgamated Transit Union (ATU) and Teamster employee groups, respectively. For each of these groups, the Authority maintains an "unequal" resolution with CalPERS defining the level of the Authority's contribution toward the cost of medical plan premiums.

- Under the unequal resolution, the employer's contribution toward *retiree* medical benefits is determined as follows: (1) 5% *multiplied by* (2) the number of prior years the agency group has been contracted with PEMHCA *multiplied by* (3) the contribution the employer makes toward active employee health benefits for that group.
- Note, however, that the monthly benefit may not be less than the required PEMHCA minimum employer contribution (MEC). The MEC was $122 per month in 2015 and increased to $125 per month in 2016. If the current benefits are not increased in the future, eventually the MEC will overtake the fixed subsidies and become the operative benefit. In Appendix 2, we have provided a projection of the years in which this is expected to occur.

Continued on the following page

Table 3A – Summary of Retiree Benefit Provisions (Continued)

The Administrative and Teamster groups have each participated in the Authority's unequal resolutions for over 20 years. Therefore, the Authority contributes 100% of the applicable active subsidy to retirees in the Administrative and Teamster groups. The following two charts describe the subsidies provided to Administrative and Teamster actives and retirees, varying by group and CalPERS medical plan:

Administrative Group			
Active and Retiree Monthly Subsidies by Plan			
Plan	Self	Self + 1	Self + Family
Anthem HMO Traditional	$494.86	$989.71	$1,286.63
Anthem HMO Select	270.71	541.42	703.85
Blue Shield Access	329.08	658.10	855.60
Blue Shield Access Advantage	329.08	658.10	855.60
Blue Shield NetValue	329.08	658.10	855.60
Blue Shield NetValue Advantage	329.08	658.10	855.60
Kaiser	303.56	607.12	789.26
PERS Care	494.86	989.71	1,286.63
PERS Choice	289.98	579.96	753.95
PERS Select	270.71	541.42	703.85
United Healthcare	303.56	607.12	789.26

Teamsters			
Active and Retiree Monthly Subsidies by Plan			
Plan	Self	Self + 1	Self + Family
Anthem HMO Traditional	$374.92	$749.83	$974.78
Anthem HMO Select	226.58	453.16	589.11
Blue Shield Access	280.29	560.57	728.74
Blue Shield Access Advantage	280.29	560.57	728.74
Blue Shield NetValue	280.29	560.57	728.74
Blue Shield NetValue Advantage	280.29	560.57	728.74
Kaiser	254.15	508.30	660.79
PERS Care	374.92	749.83	974.78
PERS Choice	241.24	482.48	627.23
PERS Select	226.58	453.16	589.11
United Healthcare	254.15	508.30	660.79

Continued on the following page

Table 3A – Summary of Retiree Benefit Provisions (Concluded)

ATU's unequal resolution was executed in 2002; therefore, ATU has completed only 14 of the 20 year unequal phase-in period as of the valuation date. Thus, in 2015 the Authority contributed 70% of the active ATU subsidies to ATU retirees, which increased to 75% in 2016. The active subsidies for ATU employees, varying by plan are shown below:

Amalgamated Transit Union (ATU)			
Active Monthly Subsidies by Plan			
Plan	Self	Self + 1	Self + Family
Anthem HMO Traditional	$374.92	$749.83	$974.78
Anthem HMO Select	233.59	467.18	607.34
Blue Shield Access	266.47	532.93	692.81
Blue Shield Access Advantage	266.47	532.93	692.81
Blue Shield NetValue	266.47	532.93	692.81
Blue Shield NetValue Advantage	266.47	532.93	692.81
Kaiser	235.34	470.67	611.87
PERS Care	374.92	749.83	974.78
PERS Choice	241.24	482.48	627.23
PERS Select	233.59	467.18	607.34
United Healthcare	235.34	470.67	611.87

Current premium rates: The 2016 CalPERS monthly medical plan rates in the Bay Area rate group are shown in the table below. If different rates apply where the member resides outside of this area, those rates are reflected in the valuation, but not listed here. The additional CalPERS administration fee is assumed to be separately expensed each year and has not been projected as an OPEB liability in this valuation.

Bay Area 2016 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 HMO Select HMO	$721.79	$1,443.58	$1,876.65	*Not Available*		
Anthem HMO Traditional HMO	855.42	1,710.84	2,224.09	*Not Available*		
Blue Shield Access+ HMO	1,016.18	2,032.36	2,642.07	*Not Available*		
Blue Shield NetValue HMO	1,033.86	2,067.72	2,688.04	*Not Available*		
Kaiser HMO	746.47	1,492.94	1,940.82	297.23	594.46	1,042.34
UnitedHealthcare HMO	955.44	1,910.88	2,484.14	320.98	641.96	1,215.22
PERS Choice PPO	798.36	1,596.72	2,075.74	366.38	732.76	1,211.78
PERSCare PPO	889.27	1,778.54	2,312.10	408.04	816.08	1,349.64

Table 3B
General CalPERS Annuitant Eligibility Provisions

The content of this section has been drawn from Section C, Summary of Plan Provisions, of the State of California OPEB Valuation as of June 30, 2014, issued December 2014, to the State Controller from Gabriel Roeder & Smith. It is provided here as a brief summary of general annuitant and survivor coverage.

Health Care Coverage

Retired Employees

A member is eligible to enroll in a CalPERS health plan if he or she retires within 120 days of separation from employment and receives a monthly retirement allowance. If the member meets this requirement, he or she may continue his or her enrollment at retirement, enroll within 60 days of retirement, or enroll during any Open Enrollment period. If a member is currently enrolled in a CalPERS health plan and wants to continue enrollment into retirement, the employee will notify CalPERS and the member's coverage will continue into retirement.

Eligibility Exceptions*:* Certain family members are not eligible for CalPERS health benefits:

- Children age 26 or older
- Children's spouses
- Former spouses
- Disabled children over age 26 who were never enrolled or were deleted from coverage
- Grandparents
- Parents
- Children of former spouses
- Other relatives

Coordination with Medicare

CalPERS retired members who qualify for premium-free Part A, either on their own or through a spouse (current, former, or deceased), must sign up for Part B as soon as they qualify for Part A. A member must then enroll in a CalPERS sponsored Medicare plan. The CalPERS-sponsored Medicare plan will pay for costs not paid by Medicare, by coordinating benefits.

Survivors of an Annuitant

If a CalPERS annuitant satisfied the requirement to retire within 120 days of separation, the survivor may be eligible to enroll within 60 days of the annuitant's death or during any future Open Enrollment period. Note: A survivor cannot add any new dependents; only dependents that were enrolled or eligible to enroll at the time of the member's death qualify for benefits.

Surviving registered domestic partners who are receiving a monthly annuity as a surviving beneficiary of a deceased employee or annuitant on or after January 1, 2002, are eligible to continue coverage if currently enrolled, enroll within 60 days of the domestic partner's death, or enroll during any future Open Enrollment period.

Surviving enrolled family members who do not qualify to continue their current coverage are eligible for continuation coverage under COBRA.

Table 4
Actuarial Methods and Assumptions

Valuation Date	July 1, 2015
Funding Method	Entry Age Normal Cost, level percent of pay[3]
Asset Valuation Method	Market value of assets
Long Term Return on Assets	5.1%
Discount Rate	5.1%
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25% per year, used only to allocate the cost of benefits between service years
Assumed Wage Inflation	3.0% per year; used to determine amortization payments if developed on a level percent of pay basis
General Inflation Rate	2.75% per year

Demographic actuarial assumptions used in this valuation are based on the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, 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 those published by CalPERS adjusted to back out 20 years of Scale BB to central year 2008 and then projected forward 6 years using Bickmore Scale 2014 to year 2014.

Mortality Before Retirement

Mortality rates in the table below are from the CalPERS experience study, adjusted as described above.

These rates were then adjusted on a generational basis by Bickmore Scale 2014 to anticipate future mortality improvement.

CalPERS Public Agency Miscellaneous Non-Industrial Deaths		
Age	Male	Female
15	0.00020	0.00015
20	0.00028	0.00018
30	0.00051	0.00027
40	0.00070	0.00047
50	0.00147	0.00103
60	0.00340	0.00201
70	0.00619	0.00408
80	0.01157	0.00918

[3] The level percent of pay aspect of the funding method refers to how the normal cost is determined. Use of level percent of pay cost allocations in the funding method is separate from and has no effect on a decision regarding use of a level percent of pay or level dollar basis for determining amortization payments.

Table 4 - Actuarial Methods and Assumptions (Continued)

Mortality After Retirement

Representative mortality rates for 2014 are shown in the charts below. The rates were then adjusted on a generational basis by Bickmore Scale 2014 to anticipate future mortality improvement.

Healthy Lives

CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality		
Age	Male	Female
40	0.00103	0.00085
50	0.00475	0.00480
60	0.00785	0.00481
70	0.01541	0.01105
80	0.04556	0.03271
90	0.14423	0.10912
100	0.32349	0.29541
110	0.97827	0.97516
115	1.00000	1.00000

Disabled Miscellaneous

CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality From Jan 2014 Experience Study Report		
Age	Male	Female
20	0.00548	0.00339
30	0.00717	0.00469
40	0.00887	0.00565
50	0.01594	0.01192
60	0.02530	0.01363
70	0.03394	0.02460
80	0.07108	0.05326
90	0.16458	0.14227

Termination Rates

Miscellaneous Employees: Sum of Vested Terminated & Refund Rates From CalPERS Experience Study Report Issued January 2014						
Attained Age	Years of Service					
	0	3	5	10	15	20
15	0.1812	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1742	0.1193	0.0946	0.0000	0.0000	0.0000
25	0.1674	0.1125	0.0868	0.0749	0.0000	0.0000
30	0.1606	0.1055	0.0790	0.0668	0.0581	0.0000
35	0.1537	0.0987	0.0711	0.0587	0.0503	0.0450
40	0.1468	0.0919	0.0632	0.0507	0.0424	0.0370
45	0.1400	0.0849	0.0554	0.0427	0.0347	0.0290

Table 4 - Actuarial Methods and Assumptions (Continued)

Service Retirement Rates

Miscellaneous Employees: 2% at 60 formula From CalPERS Experience Study Report Issued January 2014						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0100	0.0130	0.0150	0.0180	0.0190	0.0210
55	0.0220	0.0290	0.0350	0.0400	0.0450	0.0490
60	0.0560	0.0770	0.0920	0.1050	0.1170	0.1300
65	0.1500	0.2090	0.2550	0.2870	0.3210	0.3580
70	0.1170	0.1620	0.1970	0.2220	0.2480	0.2770
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 January 2014						
Current Age	Years of Service					
	5	10	15	20	25	30
52	0.0103	0.0132	0.0160	0.0188	0.0216	0.0244
55	0.0440	0.0560	0.0680	0.0800	0.0920	0.1040
60	0.0616	0.0784	0.0952	0.1120	0.1288	0.1456
65	0.1287	0.1638	0.1989	0.2340	0.2691	0.3042
70	0.1254	0.1596	0.1938	0.2280	0.2622	0.2964
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Disability Retirement Rates

CalPERS Public Agency Miscellaneous Disability From Jan 2014 Experience Study Report		
Age	Male	Female
20	0.00017	0.00010
25	0.00017	0.00010
30	0.00019	0.00024
35	0.00049	0.00081
40	0.00122	0.00155
45	0.00191	0.00218
50	0.00213	0.00229
55	0.00221	0.00179
60	0.00222	0.00135

Table 4 - Actuarial Methods and Assumptions (Continued)

Healthcare Trend

Medical plan premiums and claims costs by age are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective on the dates shown below:

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2016	Actual	2020	6.00%
2017	7.50%	2021	5.50%
2018	7.00%	2022	5.00%
2019	6.50%	2023 & later	4.50%

The PEMHCA minimum required contribution (MEC) is assumed to increase annually by 4.5%.

Employer Cost Sharing

We have assumed no increase in the fixed dollar amounts contributed by the Authority for active employees.

Participation Rate

Participating actives: The following chart shows the percent of current active employees who are assumed to elect medical coverage in retirement:

Percent of Current Active Employees Assumed to Elect Medical Coverage in Retirement				
Group	Age at Retirement	With Medical Coverage & Retiring in 2014	Annual Decrease in Percent Electing Coverage	Minimum Percent Electing
Admin	Under 65	80%	2.0%	45%
Admin	65 or older	100%	1.5%	60%
ATU	Under 65	65%	2.0% *	45%
ATU	65 or older	80%	1.5% *	60%
Teamster	Under 65	75%	2.0%	45%
Teamster	65 or older	100%	1.5%	60%

*Decreased election percentages for future ATU retirees are assumed to begin in 2020, since the retiree benefit level gradually increases until then.

The applicable percentages above are multiplied by .75 to arrive at the percentages for future retirees currently waiving medical coverage through CCCTA.

Retired participants: Existing medical plan elections are assumed to be continued until the retiree's death.

Table 4 - Actuarial Methods and Assumptions (Continued)

Spouse Coverage	*Active employees:* 85% are assumed to be married at retirement and 60% of married employees are assumed to elect coverage for their spouse in retirement. Surviving spouses are assumed to retain coverage until their death. Husbands are assumed to be 3 years older than their wives. *Retired participants*: Existing elections for spouse coverage are assumed to be continued 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. Spouse gender is assumed to be the opposite of the employee.
Dependent Coverage	*Active employees*: 30% are assumed to cover dependents other than a spouse under age 26 at retirement; eligibility for coverage for the youngest dependent is assumed to end at the retiree's age 63. *Retired participants* covering dependent children are assumed to end such coverage when the youngest currently covered dependent reaches age 26.
Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.
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 Bickmore's Age Rating Methodology provided in Addendum 1 to this report. Representative claims costs derived from the dataset provided by CalPERS for retirees not currently covered or not expected to be eligible for Medicare appear on the following page: All current and future Medicare-eligible retirees are assumed to be covered by plans that are rated based solely on the experience of Medicare retirees. Therefore, no implicit subsidy is calculated for Medicare-eligible retirees.

Table 4 - Actuarial Methods and Assumptions (Continued)

The chart below summarizes the expected monthly claims by medical plan and gender for selected ages.

Expected Monthly Claims by Medical Plan for Selected Ages										
	Male					Female				
Medical Plan	50	53	56	59	62	50	53	56	59	62
Blue Shield Access+–Bay Area	$ 947	$ 1,116	$ 1,296	$ 1,486	$ 1,689	$ 1,173	$ 1,288	$ 1,386	$ 1,498	$ 1,651
Blue Shield NetValue–Bay Area	1,024	1,207	1,402	1,607	1,827	1,269	1,393	1,499	1,620	1,786
Kaiser–Bay Area	732	863	1,002	1,149	1,306	907	996	1,072	1,158	1,277
Kaiser–Other Southern California	601	709	823	943	1,072	745	818	880	951	1,048
Kaiser–Out of State	707	834	969	1,110	1,262	876	962	1,036	1,119	1,234
Kaiser–Sacramento	690	814	945	1,083	1,231	855	939	1,011	1,092	1,204
PERS Choice–Bay Area	716	844	981	1,124	1,278	887	974	1,049	1,133	1,249
PERS Choice–Out of State	396	467	542	622	707	491	539	580	627	691
PERSCare–Bay Area	644	759	882	1,011	1,149	798	876	943	1,019	1,123
PERSCare–Los Angeles	513	605	702	805	915	636	698	751	812	895
PERSCare–Out of State	396	467	543	622	707	491	539	580	627	691
Other HMO Bay Area	816	962	1,117	1,280	1,455	1,011	1,110	1,194	1,291	1,423

Table 4 - Actuarial Methods and Assumptions (Concluded)

Excise tax on high-cost plans	The expected value of excise taxes for high cost plan coverage for retirees, now expected to be effective in the year 2020, was included in this valuation. Annual threshold amounts for 2018 under the Affordable Care Act (ACA) were assumed to increase at the General Inflation Rate. A 40% excise tax rate was applied to the portion of premiums projected to exceed the threshold.

2018 Thresholds	Ages 55-64	All Other Ages
Single	$ 11,850	$ 10,200
Other than Single	$ 30,950	$ 27,500

Changes Since the Prior Valuation:

Discount Rate	Decreased from 5.5% to 5.1%
Assumed Wage Inflation	Decreased from 3.25% to 3.0%
General Inflation Rate	Decreased from 3.0% to 2.75%
Demographic assumptions	Assumed mortality and disability and service retirement rates were updated from those provided in the CalPERS 2010 experience study report to those provided in the CalPERS 2014 experience study report. Rates of mortality were updated to the rates in the midpoint year of the CalPERS 2014 experience study (2008), then projected on a generational basis by Bickmore Scale 2014.
Healthcare trend	Medical plan premium rates are assumed to increase at a slightly lower rate in 2025 and later years than was assumed in the prior valuation, the result of a change in our methodology for estimating the potential impact of the excise tax for high cost plans under the Affordable Care Act.
Spouse Coverage	The percentage of married active employees who are assumed to elect coverage for their spouse in retirement was decreased to 60%, from 70%.
Age-Related Medical Premiums	We introduced methodology for developing age-related medical premiums based on updated research and data sponsored by the Society of Actuaries. We added an implicit subsidy analysis for pre-Medicare retirees covered by the CalPERS medical program.
Excise Tax Impact	We directly projected the potential impact of the excise tax attributable to retirees for high cost healthcare plans for retirees, as provided by the Affordable Care Act.

Table 5
Projected Benefit Payments

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 the Authority. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Table 4.

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).

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2016	$ 168,111	$ 40,147	$ 208,258	$ 75,950	$ 45,789	$ 121,739	$ 329,997
2017	172,103	78,097	250,200	55,612	92,107	147,719	397,919
2018	173,320	117,574	290,894	55,258	129,752	185,010	475,904
2019	175,363	154,082	329,445	54,571	149,407	203,978	533,423
2020	176,734	191,341	368,075	28,465	172,914	201,379	569,454
2021	177,526	232,038	409,564	-	201,089	201,089	610,653
2022	177,817	271,546	449,363	-	223,317	223,317	672,680
2023	172,817	302,752	475,569	-	219,016	219,016	694,585
2024	167,531	329,986	497,517	-	236,349	236,349	733,866
2025	161,973	348,778	510,751	-	278,651	278,651	789,402
2026	156,168	367,169	523,337	-	253,675	253,675	777,012
2027	150,124	381,270	531,394	-	215,193	215,193	746,587
2028	143,856	393,204	537,060	-	237,622	237,622	774,682
2029	137,368	401,784	539,152	-	230,979	230,979	770,131
2030	130,677	409,206	539,883	-	214,410	214,410	754,293

The amounts shown in the Explicit Subsidy section reflect the expected payment by the Authority 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 amounts shown in the Implicit Subsidy section reflect the expected 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.

Appendix 1A
Breakout of Valuation Results by Group FYE June 30, 2016

The chart below breaks out the valuation results for 3 employee groups for the fiscal year ending June 30, 2016. Amortization of the unfunded actuarial accrued liability is on the same basis as described in Section F.

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Appendix 1B
Breakout of Valuation Results by Group FYE June 30, 2017

The chart below breaks out the valuation results for 3 employee groups for the fiscal year ending June 30, 2017. Amortization of the unfunded actuarial accrued liability is on the same basis as described in Section F.

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Appendix 2
Summary of Caps and Expected PEMHCA MEC Increases

The chart below summarizes each of the current single party coverage caps and provides the year in which the PEMHCA Minimum Employer Contribution (MEC) is expected to exceed the cap, based on the assumed annual increase in the MEC of 4.5%.

Single Party Coverage Caps & Years When MEC is Expected to Exceed the Cap						
Group	**Administrative**		**ATU**		**Teamsters**	
Plan	Single Party Subsidies	Year when MEC is proj to exceed subsidy	Single Party Subsidies	Year when MEC is proj to exceed subsidy	Single Party Subsidies	Year when MEC is proj to exceed subsidy
Anthem HMO Traditional	$ 494.86	2048	$ 374.92	2041	$ 374.92	2041
Anthem HMO Select	270.71	2034	233.59	2031	226.58	2030
Blue Shield	329.08	2038	266.47	2034	280.29	2035
Blue Shield Advantage	329.08	2038	266.47	2034	280.29	2035
Blue Shield NetValue	329.08	2038	266.47	2034	280.29	2035
Blue Shield NetValue Advantage	329.08	2038	266.47	2034	280.29	2035
Kaiser	303.56	2037	235.34	2031	254.15	2033
PERS Care	494.86	2048	374.92	2041	374.92	2041
PERS Choice	289.98	2036	241.24	2031	241.24	2031
PERS Select	270.71	2034	233.59	2031	226.58	2030
United Healthcare	305.56	2037	235.34	2031	254.15	2033

Appendix 3
Comparison of Valuation Results at Alternate Discount Rates

The exhibit below compares the results of this valuation at 5.1%, 4.35% and 5.88% developed for the fiscal year ending June 30, 2016.

Discount Rate	**Moderately Conservative Option**			**Conservative Option**				**Moderate Option**			
	5.10%			**4.35%**			Percentage Cost Increase from 5.1%	**5.88%**			Percentage Cost Decrease from 5.1%
Subsidy	**Explicit**	**Implicit**	**Total**	**Explicit**	**Implicit**	**Total**		**Explicit**	**Implicit**	**Total**	
Actuarial Present Value of Future Benefits											
Actives	$ 5,966,253	$ 2,738,279	$ 8,704,532	$ 6,879,650	2,989,165	$ 9,868,815	13%	$ 5,191,869	2,509,244	7,701,113	-12%
Retirees	2,248,616	243,103	2,491,719	2,414,659	246,717	2,661,376	7%	2,095,987	239,451	2,335,438	-6%
Total	8,214,869	2,981,382	11,196,251	9,294,309	3,235,882	12,530,191	12%	7,287,856	2,748,695	10,036,551	-10%
Actuarial Accrued Liability											
Actives	4,433,611	1,860,317	6,293,928	4,965,662	1,953,702	6,919,364	10%	3,962,653	1,767,182	5,729,835	-9%
Retirees	2,248,616	243,103	2,491,719	2,414,659	246,717	2,661,376	7%	2,095,987	239,451	2,335,438	-6%
Total	6,682,227	2,103,420	8,785,647	7,380,321	2,200,419	9,580,740	9%	6,058,640	2,006,633	8,065,273	-8%
Actuarial Value of Assets	2,032,180	-	2,032,180	2,032,180	-	2,032,180		2,032,180	-	2,032,180	
Unfunded Actuarial Accrued Liability (UAAL)	4,650,047	2,103,420	6,753,467	5,348,141	2,200,419	7,548,560		4,026,460	2,006,633	6,033,093	
Amortization factor *	19.2149	19.2149	19.2149	20.7462	20.7462	20.7462		17.7977	17.7977	17.7977	
Normal Cost	225,961	113,845	339,806	268,147	127,084	395,231	16%	190,431	101,596	292,027	-14%
Amortization of UAAL	242,002	109,468	351,470	257,789	106,064	363,853		226,235	112,747	338,982	
Interest to fiscal year end	23,866	11,389	35,255	22,878	10,142	33,020		24,500	12,603	37,103	
Annual Required Contribution (ARC)	491,829	234,702	726,531	548,814	243,290	792,104	9%	441,166	226,946	668,112	-8%
Estimated retiree benefits	208,258	121,739	329,997	208,258	121,739	329,997		208,258	121,739	329,997	
Estimated Contributions to PARS	283,571	112,963	396,534	340,556	121,551	462,107		232,908	105,207	338,115	
Total Estimated Contributions	491,829	234,702	726,531	548,814	243,290	792,104		441,166	226,946	668,112	

* Amortization payments were developed with 24 years remaining with payments determined on a level percent of pay basis

Appendix 4
General OPEB Disclosure and Required Supplementary Information

The Information necessary to complete the OPEB footnote in the Authority's financial reports is summarized below, or we note the location of the information contained elsewhere in this report:

Summary of Plan Provisions:	See Table 3A
OPEB Funding Policy:	See Section F; details are also provided in Tables 1A and 1C
Annual OPEB Cost and Net OPEB Obligation:	See Table 1B and 1D
Actuarial Methods and Assumptions:	See Table 4
Funding Status and Funding Progress:	See Section E – Basic Valuation Results

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)
7/1/2009	$ -	$ 4,534,658	$ 4,534,658	0.0%	$ 15,219,990	29.8%
7/1/2011	$ 790,158	$ 7,322,135	$ 6,531,977	10.8%	$ 13,510,453	48.3%
7/1/2013	$ 1,165,830	$ 5,875,942	$ 4,710,112	19.8%	$ 12,017,071	39.2%
7/1/2015	$ 2,032,180	$ 8,785,647	$ 6,753,467	23.1%	$ 13,209,132	51.1%

Required Supplementary Information:	Three Year History of Amounts Funded See chart below:

OPEB Cost Contributed

Fiscal Year Ended	Annual OPEB Cost	Employer OPEB Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2014	$ 485,538	$ 484,379	99.8%	$ 4,368
6/30/2015	$ 502,513	$ 514,384	102.4%	$ (7,503)
6/30/2016	*$ 726,558*	*$ 726,531*	*100.0%*	*$ (7,476)*
6/30/2017	*$ 749,262*	*$ 749,220*	*100.0%*	*$ (7,434)*

Italicized values above are estimates which may change if contributions are other than projected.

To see these values separately for explicit and implicit subsidy liabilities, please refer to Section E of the report or to Tables 1B and 1D.

Addendum 1: Bickmore Age Rating Methodology

Both accounting standards (e.g. GASB 45) 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. Table 4 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 Table 4.
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.

Addendum 2: Bickmore 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 principals 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 **Bickmore Scale 2014** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2014 Report, published in October 2014 and (2) the demographic assumptions used in the 2015 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published July 2015.

Bickmore Scale 2014 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2014 which has two segments – (1) historical improvement rates for the period 1951-2007 and (2) Scale MP-2014's best estimate of future mortality improvement for years 2008 and thereafter. The Bickmore scale uses the same improvement rates as the MP-2014 scale during the historical period 1951-2007. In addition, the Bickmore scale uses Scale MP-2014's best estimate of future mortality improvement for years 2008-2010. The Bickmore scale then transitions from the last used MP-2014 improvement rate in 2010 to the Social Security Administration (SSA) Intermediate Scale. This transition to the SSA Intermediate Scale occurs linearly over the 10 year period 2011-2020. After this transition period, the Bickmore Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2020-2038. The SSA's Intermediate Scale has a final step down in 2039 which is reflected in the Bickmore scale for years 2039 and thereafter. Over the ages 100 to 115, the SSA improvement rate is graded to zero.

Scale MP-2014 can be found at the SOA website and the projection scales used in the 2015 Social Security Administrations Trustees Report at the Social Security Administration website.

Glossary

Actuarial Accrued Liability (AAL) – 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; see “Actuarial Present Value”

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

Aggregate – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Annual Required Contribution (ARC) – The amount the employer would contribute to a defined benefit OPEB plan for a given year, it is the sum of the normal cost and some amortization (typically 30 years) of the unfunded actuarial accrued liability

Annual OPEB Expense – The OPEB expense reported in the Agency’s financial statement, which is comprised of three elements: the ARC, interest on the net OPEB obligation at the beginning of the year and an ARC adjustment.

Attained Age Normal Cost (AANC) – An actuarial funding method where, for each plan member, the excess of the actuarial present value of benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the individual’s projected earnings or service forward from the valuation date to the assumed exit date

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

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

Entry Age Normal Cost (EANC) – 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

Glossary (Continued)

Excise Tax – The Affordable Care Act created a 40% excise tax on the value of "employer sponsored coverage" that exceeds certain thresholds. The tax is first effective is 2020.

Frozen Attained Age Normal Cost (FAANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the unit credit method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Frozen Entry Age Normal Cost (FEANC) – An actuarial funding method under which the excess of the actuarial present value of projected benefits over the actuarial accrued liability (determined under the entry age normal cost method) is levelly spread over the earnings or service of the group forward from the valuation date to the assumed exit date, based not on individual characteristics but rather on the characteristics of the group as a whole

Financial Accounting Standards Board (FASB) – A private, not-for-profit organization designated by the Securities and Exchange Commission (SEC) to develop generally accepted accounting principles (GAAP) for U.S. public corporations

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; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization and selects the members of each board

Net OPEB Obligation (Asset) - The net OPEB obligation (NOO) represents the accumulated shortfall of OPEB funding since GASB 45 was implemented. If cumulative contributions have exceeded the sum of the prior years' annual OPEB expenses, then a net OPEB asset results.

Non-Industrial Disability (NID) – Unless specifically contracted by the individual Agency, PAM employees are assumed to be subject to only non-industrial disabilities.

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

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.

Glossary (Concluded)

Projected Unit Credit (PUC) – An actuarial funding method where, for each individual, the projected plan benefit is allocated by a consistent formula from entry date to assumed exit date

Public Agency Miscellaneous (PAM) – Actuarial assumptions used by CalPERS for most 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)

Trend – The healthcare cost trend rate, defined as the rate of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the actuarial value of plan assets

Unit Credit (UC) -- An actuarial funding method where, for each individual, the unprojected plan benefit is allocated by a consistent formula from entry date to assumed exit date

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

County Connection

INTER OFFICE MEMO

Agenda Item # 4.c.

To: Board of Directors

Date: 04/12/2016

From: Ruby Horta, Manager of Planning

Reviewed by:

SUBJECT: FY2015-16 MTC Transit Performance Initiative Grant

Background:

In October 2012, the Metropolitan Transportation Commission (MTC) committed $60 million in regional Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) funds to the Transit Performance Initiative (TPI) Incentive Program, of which $45 million has been made available to date.

The TPI incentive program rewards those agencies that improve ridership and/or productivity, based on a distribution formula established by the Commission:

- 85% of the annual allocation to the largest seven transit operators and 15% to the remaining transit operators.

- Of the 15% for small operators:

    - 25% is based on annual passenger increase;
    - 25% is based on annual passenger per hour increase; and
    - 50% based on total annual passengers.

This year, MTC is issuing the last call for projects for the remaining $15 million in the TPI incentive program (for FY15-16). Based on the formula above, County Connection has been allocated $236,897 for FY16. Projects funded from this program are intended to focus on improving ridership and productivity.

For this final call for projects staff has elected to allocate funding to two ongoing projects:

- REMIX (formerly TRANSITMIX) Software - $17,600
    - This mapping software package improves public/stakeholder communication by integrating geospatial, demographic, and employment data to convey the impacts of route/service changes while streamlining the route planning workflow by offering live cost calculations as well as scenario comparisons.
- Implementation of Access Improvement Projects - $219,297

- This project improves bicycle and pedestrian access to existing bus stops in County Connection’s service area. The improvements were recommended in the Access Improvement Study and include: installing concrete pads, bringing stops into compliance with ADA, installing/improving shelters, improving lighting and safety, installing wheelchair ramps, etc.

Recommendation:

The Administration and Finance Committee recommends the Board approve the use of the FY2016 TPI funds in the amount of $236,897 to complete the projects listed above by signing Resolution 2016-019.

Financial Implications:

A minimum 12% match is required amounting to $32,304. The local match would be funded with TDA funds.

RESOLUTION NO. 2016-019

BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA
*** * ***
RESOLUTION OF LOCAL SUPPORT

AUTHORIZING THE FILING OF AN APPLICATION FOR FUNDING ASSIGNED TO THE METROPOLITAN TRANSPORTATION COMMISSION (MTC) AND COMMITING ANY NECESSARY MATCHING FUNDS AND STATING ASSURANCE TO COMPLETE THE PROJECT

WHEREAS, the Central Contra Costa Transit Authority (CCCTA) (herein referred to as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for $236,897 in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Program (STP) funding, Congestion Mitigation and Air Quality Improvement (CMAQ) funding, Transportation Alternatives Program (TAP)/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the Access Improvements Implementation and Remix Software Project (herein referred to as PROJECT) for the Transit Performance Initiative Incentive Funding Program (herein referred to as PROGRAM); and

WHEREAS, the Moving Ahead for Progress in the 21st Century Act (Public Law 112-141, July 6, 2012) and any extensions or successor legislation for continued funding (collectively, MAP 21) authorize various federal funding programs including, but not limited to the Surface Transportation Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149) and the Transportation Alternatives Program (TA) (23 U.S.C. § 213); and

WHEREAS, state statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to MAP-21, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of

REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans. FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and
- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC’s Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC’s funding agreement with the countywide transportation agency; and

WHEREAS, APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

WHEREAS, there is no legal impediment to APPLICANT making applications for the funds; and

WHEREAS, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

WHEREAS, APPLICANT authorizes its General Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

NOW, THEREFORE, BE IT RESOLVED that the APPLICANT is authorized to execute and file an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under MAP-21 or continued funding; and be it further

RESOLVED that APPLICANT will provide any required matching funds; and be it further

RESOLVED that APPLICANT understands that the REGIONAL DISCRETIONARY FUNDING for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING; and be it further

RESOLVED that APPLICANT understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and APPLICANT has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans. FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and be it further

RESOLVED that PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP**;** and be it further

RESOLVED that APPLICANT has reviewed the PROJECT and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and be it further

RESOLVED that PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM; and be it further

RESOLVED that, in the case of a transit project, APPLICANT agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised; and be it further

RESOLVED that, in the case of a highway project, APPLICANT agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC

Resolution No. 4104; and be it further

RESOLVED that, in the case of an RTIP project, PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and be it further

RESOLVED that APPLICANT is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects; and be it further

RESOLVED that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and be it further

RESOLVED that there is no legal impediment to APPLICANT making applications for the funds; and be it further

RESOLVED that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and be it further

RESOLVED that APPLICANT authorizes its General Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and be it further

RESOLVED that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and be it further

RESOLVED that the MTC is requested to support the application for the PROJECT described in the resolution, and if approved, to include the PROJECT in MTC's federal TIP upon submittal by the project sponsor for TIP programming**.**

Regularly passed and adopted this 21st day of April 2016 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Robert Storer, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board

County Connection

INTER OFFICE MEMO

To: Board of Directors

Date: April 21, 2016

From: Erick Cheung, Director of Finance

Reviewed by:

SUBJECT: Revised Fiscal Year 2017 Draft Budget and Financial Forecast

SUMMARY OF ISSUES:

County Connection's Fiscal Year (FY) 2017 Draft Budget and Financial Forecast has been reviewed by the Administration and Finance Committee's (Committee). The Committee is forwarding it to the Board for review and approval for the purpose of filing a timely Transportation Development Act (TDA) claim with the Metropolitan Transportation Commission (MTC).

Staff will continue to update the budget. A draft will be presented in May and the final proposed budget will be submitted in June for approval following a public hearing.

FY 2017 Draft Budget and FY 2016 Estimate:

The FY 2017 Draft Budget proposes operating expenses of $37,152,187. The Fixed Route's proposed operating budget is $30,715,813 and a contingency of $800,000. The proposed operating budget is $1,525,142 (5.2%) higher than the FY 2016 Estimated amount due mainly to agreed upon salary increases with bargaining groups and rising fuel costs. Paratransit's proposed operating budget is $5,636,374 and is $222,859 (4.1%) higher due to estimated contract increases for purchased transportation.

Overview of Fiscal Year 2016

Expenses

Estimated Operating Expenses (Page 2) for FY 2016 are expected to be $34,604,185, which is below the adopted budget of $36,741,165 by $2,136,980 (5.8%). The following is an analysis of estimated expenses in comparison to budget:

Category	Description	Estimated Amount Over (Under) Budget ($ in thousands)
Wages and benefits	Negotiated salary increases of 4% effective July 1, 2015.	$ 426
Services	Clipper fees appear lower than anticipated, but this is first year of implementation	$ (90)
Materials and supplies	Diesel fuel costs have decreased	$ (1,081)
Contingency	Contingency is not currently needed based on estimated expenses	$ (1,326)
	Total	$ (2,071)

Revenues

Estimated Operating Revenues for FY2016 are equal with expenses, since the majority of County Connection's revenue is on a reimbursement basis. The following is an analysis of estimated revenues expenses in comparison to budget:

Category	Description	Estimated Amount Over (Under) Budget ($ in thousands)
Fare Revenue	Fare revenue lower than budgeted	$ (177)
FTA Section 5307	Federal FTA 5307 funding has increased Paratransit funding from an average of $670K to $1.2M. This created carryover funds used this fiscal year.	$ 730
Proposition 1B	Carry over of Proposition 1B Funds used for Clever Devices maintenance contract.	$ 84
TDA 4.0	TDA 4.0 is considered revenue of last resort, as estimated expenses are lower than budgeted, the use of TDA 4.0 revenues is also lower.	$ (2,778)
	Total	$ (2,141)

<u>Overview of FY 2017 Proposed Budget</u>

Expenses

The FY 2017 Proposed Operating Budget is $37,152,187, which is $2,548,002 or 7.4% more than the FY 2016 estimated amount. It includes an operating contingency of $800,000. The following proposed expenses are larger than the estimated FY 2016 amount:

Category	Description	Budget Amount Over (Under) Estimate ($ in thousands)
Wages	Increases of 3% based on labor negotiations and addition of a Planning position	$ 501
Benefits	Assumes fully staffed, which increase medical costs for service workers and mechanics ($89K) and estimated increases in cafeteria ($141K) .	$ 230
Utilities	Estimated PG&E costs for Walnut Creek Trolley	$ 100
Materials and supplies	Assumes diesel fuel prices will rise over the next year to $1.6M, but still below the average of $2.1M in FY2012 to FY 2014.	$ 481
Purchased transportation	Increase in contracted costs with First Transit for paratransit services.	$ 234
Contingency	Estimated contingency	$ 800
	Total	$ 2,346

Revenues

The FY 2017 Proposed Operating Revenues is equal with expenses, since the majority of County Connection's revenue is on a reimbursement basis. The budget assumes that $18,820,096 in TDA 4.0 funds will be used, which is an increase of $3,620,099 over the estimated amount. There are a couple of reasons such as the increase in proposed costs noted above and assumes use of the estimated contingency of $800,000. There were also adjustments in revenue which include a decline in STA revenues with falling gas prices for $2,073,519 which is a decrease of $850,129. Also, adjusting for stable federal revenues at approximately $1,350,000, which is a decrease of $819,413, since most of the carryover will have been used in FY 2016.

STA revenue has declined approximately 22% from the original FY 2016 estimate provided by MTC last February from $3.1 million to $2.4 million. Also, FY 2017 STA Revenue Based estimates still have not been provided by MTC due to changes by the State Controller's Office on allocations. MTC is still trying to resolve the issues with the State Controller's Office at this time and believe estimates will be provided sometime in April. Below is a summary table of STA revenue not including true up amounts for the previous years.

MTC - STA	2017 estimate (b)	2016 revised estimate (b)	2016 original estimate (a)	2015 audit	2014 audit
STA Population	$ 1,719,595	$ 1,632,679	$ 2,120,279	$ 2,117,987	$ 2,244,998
STA Regional Paratransit (c)	$ 275,025	$ 261,124	$ 339,109	$ 338,732	$ 359,057
STA Revenue Based (d)	$ 541,573	$ 514,199	$ 627,072	$ 638,775	$ 647,035
Total	**$ 2,536,193**	**$ 2,408,002**	**$ 3,086,460**	**$ 3,095,494**	**$ 3,251,090**
$ Difference	**$ 128,191**	**$ (678,458)**	**$ (9,034)**	**$ (155,596)**	**n/a**
% Difference	**5%**	**-22%**	**0%**	**-5%**	**n/a**

(a) Based upon MTC February 25, 2015 estimate does not include true up amounts for previous year.
(b) Based upon MTC February 24, 2016 estimate does not include true up amounts for previus year.
(c) Amount reflects County Connection's portion of the regional percent: 41.359%
(d) STA Revenue Based amounts have not been provided by Agency due to changes by State Controller's Office. MTC provides overall estimated revenue declines 18 from the original estimate. The 2017 amount assumes increase is consitent with STA Regional and Population of 5.3%.

FTA 5307 revenues on a continuing basis are estimated to be $1.2 million annually based on the last grant. As mentioned earlier, County Connection had grant funds remaining from previous years and is estimated to use most of those funds in FY 2016. Prior to FY 2014, the annual amount was approximately $670 thousand annually and has now doubled over the last three years. One of the issues related to federal funding is timing of funding, for example, County Connection doesn't receive the FY 2016 allocation instruction until June 2016 and the funds are then received sometime in August or September.

Low Carbon Transit Operations Program (LCTOP) is a new funding source and could provide additional funds to County Connection. These funds are currently used for the Martinez Shuttle Route 3 for approximately $186 thousand, but there appears to be additional funding that could be used for capital or operational needs. The FY 2017 budget assumes an increase to $574 thousand based on MTC's preliminary estimate that LCTOP funds could provide $20 million over 25 years. This also assumes that the current restrictions on the use of these funds are amended since it is currently very difficult for County Connection to spend, but there appears to be legislation which may assist us.

Capital Program

The FY 2017 Draft Budget includes $20.0 million in capital purchases (see PP.6). The majority of the expenses are for the completion of the bus replacement for $18.8 million. The funding for the buses is from Federal 5307 for $16.7 million with matching from State Proposition 1B and Bridge Toll funds for $2.1 million.

Key Assumptions Used for the Ten-Year Financial Forecast

TDA Revenue 4.0

The Contra Costa Auditor Controller's estimate for FY 2017 is $17,584,948; this amount is 3.11% over the FY 2016 revised estimate of $17,054,847. The Auditor Controller does not provide a projection beyond FY 2017. In this forecast, staff uses a TDA growth rate of 3% annually after FY 2017. This is still less than Contra Costa Transportation Authority's (CCTA) Measure J sales tax projection in the Strategic Plan published in December 2013 which averages 3.69% for FY 2018 through FY 2025.

Operating Revenues

- Passenger fares are increased 2% annually for Fixed route and Paratransit. Fare increases are projected for FY2018, FY 2021 and FY 2024.
- STA revenue for FY 2017 is estimated by MTC and used a 5% growth factor from a lower base amount; a 3% growth rate is assumed in the out years.
- Measure J is projected to grow at the rate used in the Authority's revised Measure J Strategic Plan published in December 2013 which averages 3.69% from FY 2018 to FY 2025.
- LCTOP Funds for FY 2017 for $573,087, assuming 3% annual increase would be approximately $20 million over 25 years. MTC is still reviewing the allocation for population based revenue and the forecast assumes the legislation is changed for operational use by County Connection.

Operating Expenses

The forecast assumes that the service levels will remain the same and 3% wage increases per the MOUs agreed upon last year continue into future years. A 2.5% growth rate in the coming years and estimated to grow to 3% by FY 2022 has been used for fixed route nonwage expenses except as noted in the following bullets:

- Cafeteria plan expenses are assumed to increase at 4% per year.
- PERS employer rates reflect the recent actuarial report from PERS. For FY 2017 the rate is 7.553% which is a decrease from the current year of 8.997%. PERS estimates the rates will be 7.9% for FY 2018, 8.4% for FY 2019, 8.8% for FY 2020, 9.2% for FY 2021, and 9.6% for FY 2022. For FY 2023 through FY 2025, the assumption keeps the rate at 9.6%.

TDA Reserve (PP.10)

The TDA Reserve is estimated to begin FY 2017 at $10.5 million and reduce to $9.1 million (24.5% of Operating Budget) at the end. The decrease is due mainly to declining STA revenue mentioned earlier. The forecast shows reserves declining on average by $700 thousand each year and projected to be $1.5 million (3.3% of Operating Budget) in FY 2025. The drop in the reserves also assumes other capital funding cannot be located for the next major bus replacement for $3.1 million in FY 2024.

The Committee requested to review reserve levels and the financial impact to the operating budget. Staff has provided three reserve levels at 12%, 16% and 20%. Based on the reserve rate, the table shows the amount required and if the forecast has sufficient reserves for that fiscal year. If reserves are not sufficient, the difference is provided and an estimate of service hours that would need to be reduced to reach reserve target level.

RECOMMENDATION:

The A&F Committee recommends that the Board of Directors approve the FY 2017 draft budget for the purpose of filing a timely TDA claim. An updated draft budget will be presented in May and the final proposed budget will be submitted in June for Board approval following a public hearing.

County Connection

DRAFT

Operating and Capital Budget

Fiscal Year 2017

Concord, California

April 2016

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Fiscal Year 2017
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County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

FY 2017 BUDGET SUMMARY

	ESTIMATED FY 2016	ADOPTED BUDGET FY 2016	% VARIANCE	PROPOSED BUDGET FY 2017	PROPOSED OVER/(UNDER) ESTIMATED
Operations					
Fixed Route	$ 29,190,671	$ 31,347,968	-6.9%	$ 31,515,813	8.0%
Paratransit	$ 5,413,514	$ 5,393,197	0.4%	$ 5,636,374	4.1%
Subtotal	$ 34,604,185	$ 36,741,165	-5.8%	$ 37,152,187	7.4%
Capital					
Fixed Route	$ 21,389,000	$ 1,154,000	1753.5%	$ 20,010,000	-6.4%
Paratransit	$ -	$ 150,000	-100.0%	$ -	N/A
Subtotal	$ 21,389,000	$ 1,304,000	1540.3%	$ 20,010,000	-6.4%
Grand Total	$ 55,993,185	$ 38,045,165	47.2%	$ 57,162,187	2.1%

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 BUDGET- OPERATING EXPENDITURES

Category	ACTUAL FY 2015	ESTIMATED FY 2016	ADOPTED FY 2016	FY 2016 Estimate vs Budget Amount +/(-)	FY 2016 Estimate vs Budget % +/(-)	PROPOSED FY 2017	FY2017 vs 2016 Estimate Amount +/(-)	FY2017 vs 2016 Estimate % +/(-)
Fixed Route								
Wages	$ 12,735,523	$ 13,531,925	$ 13,144,086	$ 387,839	3.0%	$ 14,032,523	$ 500,598	3.7%
Fringe benefits-paid time off	1,990,457	$ 2,230,650	2,107,574	123,076	5.8%	2,252,345	21,695	1.0%
Fringe benefits-other	5,708,214	$ 7,229,339	7,314,776	(85,437)	-1.2%	7,487,183	257,844	3.6%
Total Wages and benefits	20,434,194	$ 22,991,914	22,566,436	425,478	1.9%	23,772,051	780,137	3.4%
Services	1,892,568	$ 2,155,069	2,263,970	(108,901)	-4.8%	2,153,251	(1,818)	-0.1%
Materials and supplies	2,758,566	$ 2,400,831	3,602,610	(1,201,779)	-33.4%	2,926,150	525,319	21.9%
Utilities	233,643	$ 296,879	322,500	(25,621)	-7.9%	421,000	124,121	41.8%
Casualty and liability	627,088	$ 547,373	567,861	(20,488)	-3.6%	610,861	63,488	11.6%
Taxes	249,805	$ 283,500	285,000	(1,500)	-0.5%	285,500	2,000	0.7%
Leases and rentals	40,454	$ 47,013	42,000	5,013	11.9%	46,000	(1,013)	-2.2%
Miscellaneous	178,707	$ 166,652	183,400	(16,748)	-9.1%	199,560	32,908	19.7%
Purchased transportation	225,391	$ 301,440	187,795	113,645	60.5%	301,440	-	0.0%
Total Other Expenses	6,206,222	6,198,757	7,455,136	(1,256,379)	-16.9%	6,943,762	745,005	12.0%
Subtotal	26,640,416	29,190,671	30,021,572	(830,901)	-2.8%	30,715,813	1,525,142	5.2%
Contingency			1,326,396	(1,326,396)	-100.0%	800,000	800,000	N/A
Subtotal	26,640,416	29,190,671	31,347,968	(2,157,297)	-6.9%	31,515,813	2,325,142	8.0%
Paratransit								
Wages	94,561	113,974	92,432	21,542	23.3%	98,489	(15,485)	-13.6%
Fringe benefits	54,013	51,833	62,191	(10,358)	-16.7%	55,685	3,852	7.4%
Total Wages and benefits	148,574	165,807	154,623	11,184	7.2%	154,174	(11,633)	-7.0%
Services	16,670	16,883	11,320	5,563	49.1%	16,100	(783)	-4.6%
Materials and supplies	2,940	3,400	3,400	-	0.0%	3,400	-	0.0%
Utilities	22,752	24,400	20,800	3,600	17.3%	25,400	1,000	4.1%
Taxes	272	400	400	-	0.0%	400	-	0.0%
Miscellaneous	178	913	941	(28)	-3.0%	900	(13)	-1.4%
Purchased transportation	4,925,650	5,201,711	5,201,713	(2)	0.0%	5,436,000	234,289	4.5%
Total Other Expenses	4,968,462	5,247,707	5,238,574	9,133	0.2%	5,482,200	234,493	4.5%
Subtotal	5,117,036	5,413,514	5,393,197	20,317	0.4%	5,636,374	222,859	4.1%
Total	$ 31,757,452	34,604,185	36,741,165	$ (2,136,980)	-5.8%	$ 37,152,187	$ 2,548,002	7.4%

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

FY 2017 BUDGET- OPERATING REVENUES

Category	ACTUAL FY 2015	ESTIMATE FY 2016	ADOPTED FY 2016	FY 2016 Estimate vs Budget Amount +/(-)	FY 2016 Estimate vs Budget % +/(-)	PROPOSED FY 2017	FY2017 vs 2016 Estimate Amount +/(-)	FY2017 vs 2016 Estimate % +/(-)
Fixed Route								
Fare revenue	$ 3,205,910	$ 3,100,000	$ 3,145,626	$ (45,626)	-1.5%	$ 3,162,000	$ 62,000	2.0%
Special service revenue	1,386,527	1,390,820	1,403,790	(12,970)	-0.9%	1,418,500	27,680	2.0%
	4,592,437	4,490,820	4,549,416	(58,596)	-1.3%	4,580,500	89,680	2.0%
Advertising revenue	586,768	603,600	617,100	(13,500)	-2.2%	609,122	5,522	0.9%
Non-Operating rev	135,343	104,200	110,000	(5,800)	-5.3%	104,600	400	0.4%
FTA New Freedom	54,869	45,131	53,200	(8,069)	-15.2%	-	(45,131)	-100.0%
Low Carbon Transit Ops Prog	-	175,000	185,881	(10,881)	-5.9%	573,087	398,087	227.5%
Other State Grants	117,063	201,304	116,919	84,385	72.2%	116,919	(84,385)	-41.9%
STA Population and Revenue	2,230,195	2,573,138	2,004,760	568,378	28.4%	1,492,069	(1,081,069)	-42.0%
TDA 4.0	14,376,482	15,199,997	17,978,531	(2,778,534)	-15.5%	18,032,644	2,832,647	18.6%
Measure J	4,287,458	4,252,440	4,212,120	40,320	1.0%	4,401,274	148,834	3.50%
BART Express Funds	697,596	739,702	739,702	-	0.0%	777,759	38,057	5.1%
Dougherty Valley Dev Fees	-	50,000	100,000	(50,000)	-50.0%	75,000	25,000	50.0%
Other Local Grants	78,796	75,000	-	75,000	100.0%	75,000	-	0.0%
RM 2/Other- Express	145,337	145,339	145,339	-	0.0%	145,339	-	0.0%
Lifeline	-	535,000	535,000	-	0.0%	532,500	(2,500)	-0.5%
Subtotal	27,302,344	29,190,671	31,347,968	(2,157,297)	-6.9%	31,515,813	2,325,142	8.0%
Paratransit								
Fare revenue	553,521	507,300	639,722	(132,422)	-20.7%	517,400	10,100	2.0%
Non-Operating revenue	47	100	100	-	0.0%	100	-	0.0%
FTA Section 5307	1,171,949	2,169,413	1,439,327	730,086	50.7%	1,350,000	(819,413)	-37.8%
TDA 4.5	766,150	829,680	829,680	-	0.0%	791,132	(38,548)	-4.6%
TDA 4.0	-	-	-	-	N/A	787,452	787,452	N/A
Measure J	1,380,877	1,419,169	1,428,000	(8,831)	-0.6%	1,468,840	49,671	3.50%
STA Paratransit & Rev based	1,095,630	350,510	878,888	(528,378)	-60.1%	581,450	230,940	65.9%
BART ADA Service/Other	148,862	137,342	177,480	(40,138)	-22.6%	140,000	2,658	1.9%
Subtotal	5,117,036	5,413,514	5,393,197	20,317	0.4%	5,636,374	222,860	4.1%
Total	$ 32,419,380	$ 34,604,185	$ 36,741,165	$ (2,136,980)	-5.9%	$ 37,152,187	$ 2,548,002	7.4%

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

FY 2017 Revenue Source Utilization

	Anticipated Revenue	Anticipated Utilization	Difference
Fixed Route			
Fare revenue	$ 3,162,000	$ 3,162,000	$ -
Special service revenue	1,418,500	1,418,500	-
Advertising revenue	609,122	609,122	-
Non-Operating revenue	104,600	104,600	-
Low Carbon Transit Operations Program (LCTOP)	573,087	573,087	-
Other State Grants	116,919	116,919	-
STA Population and Revenue Based	1,492,069	1,492,069	-
TDA 4.0	16,649,496	18,032,644	(1,383,148)
Measure J	4,401,274	4,401,274	-
BART Express Funds	777,759	777,759	-
Dougherty Valley Development Fees	75,000	75,000	-
Other Local Grants	75,000	75,000	-
RM2- Express	145,339	145,339	-
Lifeline	532,500	532,500	-
Total Fixed Route Operating Revenue	**$ 30,132,665**	**$ 31,515,813**	**$ (1,383,148)**
Paratransit			
Fare revenue	$ 517,400	$ 517,400	$ -
Non-operating revenue	100	100	-
FTA Section 5307	1,350,000	1,350,000	-
TDA 4.5	791,132	791,132	-
TDA 4.0	787,452	787,452	-
Measure J	1,468,840	1,468,840	-
STA Paratransit	581,450	581,450	-
BART ADA Service/Other	140,000	140,000	-
Total Paratransit Operating Revenue	**$ 5,636,374**	**$ 5,636,374**	**$ -**
Capital Program			
TDA 4.0	$ 148,000	$ 148,000	$ -
Increase (Decrease) to TDA reserve			**$ (1,383,148)**

County Connection
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STAFFING

	Position Type	FY 2011 ACTUAL	FY 2012 ACTUAL	FY 2013 ACTUAL	FY 2014 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 ACTUAL	FY 2017 PROPOSED
Transportation	Transportation administration	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0
	Training	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Transit Supervisor/Dispatcher	10.0	10.0	10.0	11.0	12.0	12.0	12.0	12.0
		15.0	15.0	16.0	17.0	18.0	18.0	18.0	18.0
	Full-time runs	125.0	125.0	127.0	128.0	128.0	128.0	122.0	128.0
	Part-time runs	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
	Full-time stand-by (Protection)	35.0	35.0	36.0	36.0	36.0	36.0	36.0	36.0
		172.0	172.0	175.0	176.0	176.0	176.0	170.0	176.0
	Total Transportation	**187.0**	**187.0**	**191.0**	**193.0**	**194.0**	**194.0**	**188.0**	**194.0**
Maintenance	Maintenance administration	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
	Facilities	5.0	5.0	5.0	6.0	6.0	6.0	6.0	6.0
		10.0	10.0	10.0	11.0	11.0	11.0	11.0	11.0
	Mechanic, Level VI					4.0	4.0	4.0	4.0
	Mechanic, Level V	5.0	5.0	5.0	5.0	3.0	3.0	3.0	3.0
	Mechanic, Level IV	4.0	4.0	4.0	3.0	5.0	5.0	5.0	5.0
	Mechanic, Level III	7.0	7.0	7.0	5.0	5.0	5.0	6.0	7.0
	Mechanic, Level II	2.0	2.0	2.0	3.0	-	1.0	-	-
	Mechanic, Level I	1.0	1.0	1.0	3.0	-	1.0	-	-
	Bus service workers	10.0	10.0	10.0	10.0	9.0	10.0	9.0	10.0
		29.0	29.0	29.0	29.0	26.0	29.0	27.0	29.0
	Total Maintenance	**39.0**	**39.0**	**39.0**	**40.0**	**37.0**	**40.0**	**38.0**	**40.0**
General Administration	General Administration	4.5	4.0	3.0	3.0	3.0	3.0	3.0	3.0
	Stores & Procurement	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
	Stores workers	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Finance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
	Human Resources	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Marketing	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Customer service	6.5	6.0	6.0	6.0	8.0	8.0	8.0	8.0
	IT	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
	Planning/Scheduling	5.0	6.0	6.0	6.0	5.0	5.0	5.0	6.0
	Subtotal in full time equivalents	31.0	30.0	29.0	29.0	30.0	30.0	30.0	31.0
Fixed Route Operations	**Total**	**257.0**	**256.0**	**259.0**	**262.0**	**261.0**	**264.0**	**256.0**	**265.0**
	Paratransit	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total Operations		**259.0**	**258.0**	**261.0**	**264.0**	**263.0**	**266.0**	**258.0**	**267.0**

County Connection
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY2017 CAPITAL PROGRAM-BUDGET YEAR
($ in thousands)

	Funding Source							
	Federal	State	State	State	State	MTC	MTC	
Capital Category	5307	Prop 1B - PTMISEA Rolling Stock	Prop 1B - PTMISEA Facility Rehab	Lifeline - 1B Population Based Bonds	Bridge Tolls	TPI Funds - Stop Access & IT	TDA	Total
Non Revenue Fleet	-	-	$ 35	-	-	-	$ 128	$ 163
Revenue Fleet	16,722	1,580	-	-	480	-	-	18,782
Facility Maintenance and Modernization	-	-	550	-	-	-	-	550
Information Technology	-	-	-	-	-	280	20	300
Maintenance Equipment & Tools	-	-	165	-	-	-	-	165
Office Furniture and Equipment	-	-	50	-	-	-	-	50
Total	$ 16,722	$ 1,580	$ 800	$ -	$ 480	$ 280	$ 148	$ 20,010

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

TEN YEAR CAPITAL PROGRAM

$ In Thousands

Capital Program:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Non Revenue Fleet	$ 70	$ 163	$ 78	$ -	$ 369	$ 227	$ -	$ 99	$ 126	$ 109	$ 1,241
Revenue Fleet	19,826	18,782	-	2,092	-	-	1,189	-	25,182	-	67,071
Facility Maintenance & Modernization	465	550	550	-	100	100	100	500	2,100	-	4,465
Street Amenities	319	-	-	500	-	-	-	500	-	-	1,319
Information Technology	400	300	80	195	85	180	300	80	90	85	1,795
Maintenance Equipment & Tools	193	165	100	275	65	50	50	50	1,000	50	1,998
Office Furniture and Equipment	116	50	123	50	70	80	80	80	100	100	849
Total Capital Program	**$ 21,389**	**$ 20,010**	**$ 931**	**$ 3,112**	**$ 689**	**$ 637**	**$ 1,719**	**$ 1,309**	**$ 28,598**	**$ 344**	**$ 78,738**
Capital Program by Service:											
Fixed-Route	$ 21,389	$ 20,010	$ 931	$ 872	$ 689	$ 637	$ 530	$ 1,309	$ 28,598	$ 344	$ 75,309
Paratransit	-	-	-	2,240	-	-	1,189	-	-	-	3,429
Total Capital Program by Service	**$ 21,389**	**$ 20,010**	**$ 931**	**$ 3,112**	**$ 689**	**$ 637**	**$ 1,719**	**$ 1,309**	**$ 28,598**	**$ 344**	**$ 78,738**

Capital Funding by Source	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Federal 5307	$ 14,342	$ 16,722	$ -	$ 1,864	$ -	$ -	$ 989	$ -	$ 20,368	$ -	$ 54,285
State Prop 1B PTMISEA - Rolling Stock	3,055	1,580	-	-	-	-	-	-	-	-	4,635
State Prop 1B PTMISEA - Facility Rehab	-	800	-	-	-	-	-	-	-	-	800
Lifeline - 1B Population based Bonds	255	-	-	300	-	300	-	300	-	-	1,155
MTC TPI Funds - Stop Access & IT	280	280	280	280	280	280	280	280	280	280	2,800
Bridge Toll Revenue	868	480	-	100	-	-	80	29	850	-	2,407
Transportation Development Act	2,589	148	651	568	409	57	370	700	3,100	64	8,656
To Be Determined	-	-	-	-	-	-	-	-	4,000	-	4,000
Total Capital Funding by Source	**$ 21,389**	**$ 20,010**	**$ 931**	**$ 3,112**	**$ 689**	**$ 637**	**$ 1,719**	**$ 1,309**	**$ 28,598**	**$ 344**	**$ 78,738**

Revenue Fleet Replacements	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
# Fixed Route Vehicles	33	35	-	-	-	-	-	-	40	-	108
# Paratransit Vehicles	-	-	-	42	-	-	21	-	-	-	63
Total Revenue Fleet Replacement	**33**	**35**	**-**	**42**	**-**	**-**	**21**	**-**	**40**	**-**	**171**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

TEN YEAR FINANCIAL FORECAST *$ In Thousands*

		FY2016	FY2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Revenue Hours	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***	***224,324***
1	Passenger Fares	3,100	3,162	3,541	3,612	3,685	4,127	4,209	4,293	4,809	4,905
2	Special Fares	1,391	1,418	1,446	1,475	1,505	1,535	1,566	1,597	1,629	1,662
3	Advertising	604	609	615	620	629	642	655	668	681	695
4	Non-Operating Revenue	104	105	105	105	105	105	105	105	105	105
5	FTA New Freedom	45	-	-	-	-	-	-	-	-	-
6	Low Carbon Transit Operations Program	175	573	590	608	626	645	664	684	705	726
7	Other State Grants	201	117	117	117	117	117	117	117	117	117
8	STA Paratransit & Revenue Based	2,573	1,492	1,548	1,594	1,642	1,692	1,742	1,795	1,848	1,904
9	TDA 4.0	15,200	18,033	17,511	18,099	18,793	19,085	19,837	20,484	20,895	21,638
10	Measure J	4,252	4,401	4,569	4,743	4,919	5,096	5,279	5,469	5,666	5,871
11	BART Express Funds	740	778	801	825	850	876	902	929	957	957
12	Dougherty Valley Dev Fees	50	75	75	100	100	100	105	109	-	-
13	Other Local Grants	75	75	77	79	81	83	85	87	89	91
14	RM2/Other - Express	145	145	145	145	145	145	145	145	145	145
15	Lifeline	535	533	533	533	533	533	533	533	533	533
16	**Total Fixed Route Operating Revenue**	**29,190**	**31,516**	**31,673**	**32,685**	**33,730**	**34,811**	**35,944**	**37,045**	**38,179**	**39,349**
17	**Operating Expenses w/o contingency and GASB 68**	**29,190**	**30,716**	**31,673**	**32,685**	**33,730**	**34,811**	**35,944**	**37,045**	**38,179**	**39,349**
	% increase in expenses	**6.3%**	**5.2%**	**3.1%**	**3.2%**	**3.2%**	**3.2%**	**3.3%**	**3.1%**	**3.1%**	**3.1%**
18	**CalPERS GASB 68 adjustment**	-	-	-	-	-	-	-	-	-	-
19	**Operating expense contingency**	-	800	-	-	-	-	-	-	-	-
20	**Total Fixed Route Operating Expenses**	**29,190**	**31,516**	**31,673**	**32,685**	**33,730**	**34,811**	**35,944**	**37,045**	**38,179**	**39,349**
	Revenue Hours	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***	***74,394***
21	Passenger Fares	507	517	579	591	603	675	689	703	801	817
22	Non-Operating revenue	-	-	-	-	-	-	-	-	-	-
23	FTA Section 5307	2,170	1,350	1,411	1,411	1,421	1,427	1,429	1,431	1,434	1,437
24	TDA 4.5	830	791	815	839	864	890	917	945	973	1,002
25	TDA 4.0	-	787	705	734	770	750	809	870	848	910
26	Measure J	1,419	1,469	1,525	1,583	1,642	1,701	1,762	1,825	1,891	1,959
27	STA Paratransit & Revenue Based	351	581	599	617	635	654	674	694	715	737
28	Bart ADA service	137	140	144	148	152	157	162	167	172	177
29	**Total Paratransit Operating Revenue**	**5,414**	**5,635**	**5,778**	**5,923**	**6,087**	**6,254**	**6,442**	**6,635**	**6,834**	**7,039**
30	**Total Paratransit Operating Expenses**	**5,414**	**5,636**	**5,778**	**5,923**	**6,087**	**6,254**	**6,442**	**6,635**	**6,834**	**7,039**
	% increase in expenses	**5.8%**	**4.1%**	**2.5%**	**2.5%**	**2.8%**	**2.7%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
31	**Total CCCTA Operating Budget**	**$ 34,604**	**$ 37,152**	**$ 37,451**	**$ 38,608**	**$ 39,817**	**$ 41,065**	**$ 42,386**	**$ 43,680**	**$ 45,013**	**$ 46,388**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

TEN YEAR FORECAST *In $ Thousands*

		FY2016	FY2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
32	**Capital Revenue**										
33	Federal 5307	14,342	16,722	-	1,864	-	-	989	-	20,368	-
34	State Prop 1B PTMISEA - Rolling Stock	3,055	1,580	-	-	-	-	-	-	-	-
35	State Prop 1B PTMISEA - Facility Rehab	-	800	-	-	-	-	-	-	-	-
36	Lifeline - 1B Population based Bonds	255	-	-	300	-	300	-	300	-	-
37	MTC TPI Funds - Stop Access & IT	280	280	280	280	280	280	280	280	280	280
38	Bridge Toll Revenue	868	480	-	100	-	-	80	29	850	-
39	Transportation Development Act	2,589	148	651	568	409	57	370	700	3,100	64
40	To Be Determined	-	-	-	-	-	-	-	-	4,000	-
41	**Total Capital Revenue**	**$ 21,389**	**$ 20,010**	**$ 931**	**$ 3,112**	**$ 689**	**$ 637**	**$ 1,719**	**$ 1,309**	**$ 28,598**	**$ 344**
42	**Capital Projects**	**$ 21,389**	**$ 20,010**	**$ 931**	**$ 3,112**	**$ 689**	**$ 637**	**$ 1,719**	**$ 1,309**	**$ 28,598**	**$ 344**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

TDA RESERVE *$ In Thousands*

		FY2016	FY2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
43	Beginning Balance	$ 11,419	$ 10,486	$ 9,103	$ 8,348	$ 7,604	$ 6,848	$ 6,749	$ 6,119	$ 5,062	$ 1,847
44	Estimated TDA 4.0 Allocation	$ 16,856	$ 17,585	$ 18,112	$ 18,656	$ 19,216	$ 19,792	$ 20,386	$ 20,997	$ 21,627	$ 22,276
		4.41%	**4.32%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**
	TDA 4.0 Needed for Operations and Capital:										
45	Used for Fixed route operations	(15,200)	(18,033)	(17,511)	(18,099)	(18,792)	(19,085)	(19,837)	(20,484)	(20,895)	(21,638)
46	Used for Paratransit operations	-	(787)	(705)	(734)	(770)	(750)	(809)	(870)	(848)	(910)
47	TDA Used for Operations	**(15,200)**	**(18,820)**	**(18,216)**	**(18,833)**	**(19,562)**	**(19,835)**	**(20,646)**	**(21,354)**	**(21,743)**	**(22,548)**
48	Used for Capital Program	**(2,589)**	**(148)**	**(651)**	**(568)**	**(409)**	**(57)**	**(370)**	**(700)**	**(3,100)**	**(64)**
49	**Ending TDA Reserve**	**$ 10,486**	**$ 9,103**	**$ 8,348**	**$ 7,604**	**$ 6,848**	**$ 6,749**	**$ 6,119**	**$ 5,062**	**$ 1,847**	**$ 1,511**
50	Number Of Months of Operating Expenses in Reserve	3.6	2.9	2.7	2.4	2.1	2.0	1.7	1.4	0.5	0.4
51	Percentage of operating budget	30.3%	24.5%	22.3%	19.7%	17.2%	16.4%	14.4%	11.6%	4.1%	3.3%

	Reserve Percentage of:	**FY2016**	**FY2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
52	12%	$ 4,152	$ 4,458	$ 4,494	$ 4,633	$ 4,778	$ 4,928	$ 5,086	$ 5,242	$ 5,402	$ 5,567
53	Amount Above/(Below) Reserve Level	$ 6,334	$ 4,645	$ 3,854	$ 2,971	$ 2,070	$ 1,821	$ 1,033	$ (180)	$ (3,555)	$ (4,056)
54	Est. Reduction of Hours of Service to Maintain Reserves - Fixed Route and Paratransit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(1,223)	(23,593)	(26,111)
55	16%	$ 5,537	$ 5,944	$ 5,992	$ 6,177	$ 6,371	$ 6,570	$ 6,782	$ 6,989	$ 7,202	$ 7,422
56	Amount Above/(Below) Reserve Level	$ 4,949	$ 3,159	$ 2,356	$ 1,427	$ 477	$ 179	$ (663)	$ (1,927)	$ (5,355)	$ (5,911)
57	Est. Reduction of Hours of Service to Maintain Reserves - Fixed Route and Paratransit	N/A	N/A	N/A	N/A	N/A	N/A	(4,673)	(13,180)	(35,537)	(38,064)
58	20%	$ 6,921	$ 7,430	$ 7,490	$ 7,722	$ 7,963	$ 8,213	$ 8,477	$ 8,736	$ 9,003	$ 9,278
59	Amount Above/(Below) Reserve Level	$ 3,565	$ 1,673	$ 858	$ (118)	$ (1,115)	$ (1,464)	$ (2,358)	$ (3,674)	$ (7,156)	$ (7,767)
60	Est. Reduction of Hours of Service to Maintain Reserves - Fixed Route and Paratransit	N/A	N/A	N/A	(912)	(8,356)	(10,650)	(16,616)	(25,125)	(47,487)	(50,018)

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
FIXED ROUTE							
Wages, Operators	7,307,386	7,713,000	7,570,100	142,900	7,885,000	172,000	
Wages, Operator/trainer	180,465	167,887	159,000	8,887	165,000	(2,887)	
Wages, Trans Admin	1,069,690	1,146,541	1,048,341	98,200	1,132,410	(14,131)	
Wages, Scheduling	114,276	129,496	119,380	10,116	129,841	345	
Wages, Maint Admin	411,269	461,578	410,622	50,956	447,043	(14,535)	
Wages, Building Maint.	288,926	277,643	303,100	(25,457)	324,795	47,152	
Wages, Customer Service	367,093	392,896	393,155	(259)	423,509	30,613	
Wages, Promotion	138,410	135,970	133,529	2,441	143,791	7,821	
Wages, EE Services	161,009	177,302	152,896	24,406	164,628	(12,674)	
Wages, Finance	358,798	403,176	357,553	45,623	402,818	(358)	
Wages, Safety & Trng	94,219	128,786	155,653	(26,867)	146,871	18,085	
Wages, General Admin	476,718	489,670	447,228	42,442	489,698	28	
Salaried Pool	-	-	-	-	-	-	
Performance based Comp Pool	-	-	40,000	(40,000)	-	-	
Wages, Admin Bonus	1,355	41,400	1,400	40,000	41,400	-	
Wages, Board	19,900	26,400	26,400	-	26,400	-	
Wages, Planning	395,445	343,724	367,834	(24,110)	506,592	162,868	
Wages, Service Workers	356,537	361,459	402,060	(40,601)	446,958	85,499	
Wages, Serv Wrkr Bonus	-	2,200	2,200	-	2,250	50	
Wages, Mechanics	979,526	1,128,147	1,048,985	79,162	1,149,019	20,872	
Wages, Mechanic Bonus	14,501	4,650	4,650	-	4,500	(150)	
Total Wages	**12,735,523**	**13,531,925**	**13,144,086**	**387,839**	**14,032,523**	**500,598**	**4%**
Sick, Operators	342,765	309,000	350,500	(41,500)	309,000	-	
Sick, Trans Admin	38,998	44,222	29,615	14,607	37,348	(6,874)	
Sick, Scheduling	(7,688)	2,046	3,402	(1,356)	4,314	2,268	
Sick, Maint Admin	9,303	4,158	11,811	(7,653)	14,990	10,832	
Sick, Building Maint.	17,842	13,972	8,537	5,435	10,635	(3,337)	
Sick, Customer Svc	14,922	18,855	10,930	7,925	13,783	(5,072)	
Sick, Promotion	1,943	7,272	3,834	3,438	4,828	(2,444)	
Sick, EE Services	1,635	3,026	4,405	(1,379)	5,529	2,503	
Sick, Finance	7,587	12,366	10,253	2,113	13,322	956	
Sick, Safety & Trng	306	-	4,395	(4,395)	4,932	4,932	
Sick, General Admin	15,789	13,011	12,563	448	16,232	3,221	
Sick, Planning	25,536	4,579	10,507	(5,928)	16,993	12,414	
Sick, Service Workers	10,260	11,674	5,570	6,104	6,162	(5,512)	
Sick, Mechanics	24,875	31,943	20,523	11,420	22,443	(9,500)	
Total Sick Pay	**504,073**	**476,124**	**486,845**	**(10,721)**	**480,511**	**4,387**	**1%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Holiday, Operators	360,048	400,000	376,700	23,300	400,000	-	
Holiday, Trans Admin	50,720	52,748	55,801	(3,053)	60,699	7,951	
Holiday, Scheduling	6,742	7,011	6,410	601	7,011	-	
Holiday, Maint Admin	25,574	26,597	22,255	4,342	24,362	(2,235)	
Holiday, Building Maint.	16,527	17,188	16,085	1,103	17,283	95	
Holiday, Customer Svc	15,562	16,184	20,595	(4,411)	22,397	6,213	
Holiday, Promotion	7,966	8,285	7,225	1,060	7,848	(437)	
Holiday, EE Services	10,165	10,572	8,299	2,273	8,985	(1,587)	
Holiday, Finance	17,124	17,808	19,319	(1,511)	21,651	3,843	
Holiday, Safety & Trng	6,656	6,923	8,282	(1,359)	8,016	1,093	
Holiday, General Admin	18,713	19,461	19,484	(23)	26,381	6,920	
Holiday, Planning	19,471	20,250	19,798	452	27,619	7,369	
Holiday, Service Workers	17,890	18,606	19,775	(1,169)	21,922	3,316	
Holiday, Mechanics	49,940	51,937	55,717	(3,780)	61,182	9,245	
Total Holiday Pay	**623,098**	**673,570**	**655,745**	**17,825**	**715,356**	**41,786**	**6%**
Vacation, Operators	432,860	497,200	480,100	17,100	502,000	4,800	
Vacation, Trans Admin	94,774	111,910	86,260	25,650	95,171	(16,739)	
Vacation, Scheduling	8,181	9,649	9,397	252	10,308	659	
Vacation, Maint Admin	32,704	38,322	36,461	1,861	39,928	1,606	
Vacation, Building Maint.	20,100	18,700	24,047	(5,347)	24,688	5,988	
Vacation, Customer Svc	20,808	26,881	27,445	(564)	31,041	4,160	
Vacation, Promotion	10,719	10,521	11,617	(1,096)	13,080	2,559	
Vacation, EE Services	12,512	14,429	13,832	597	14,974	545	
Vacation, Finance	28,194	32,305	30,546	1,759	29,962	(2,343)	
Vacation, Safety & Trng	8,473	9,079	10,726	(1,647)	13,360	4,281	
Vacation, General Admin	29,143	32,957	32,697	260	37,647	4,690	
Vacation, Planning	24,951	23,907	29,897	(5,990)	45,491	21,584	
Vacation, Service Wrkrs	20,451	24,275	25,951	(1,676)	27,354	3,079	
Vacation, Mechanics	53,289	132,962	81,503	51,459	87,112	(45,850)	
Total Accrued Vacation	**797,159**	**983,097**	**900,479**	**82,618**	**972,116**	**(10,981)**	**-1%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Abs Pay, Operators	50,137	69,000	54,400	14,600	69,000	-	
Abs Pay, Trans Admin	-	2,000	2,593	(593)	3,765	1,765	
Abs Pay, Scheduling	-	100	297	(197)	435	335	
Abs Pay, Maint Admin	-	700	1,033	(333)	1,511	811	
Abs Pay, Building Maint.	-	500	747	(247)	1,072	572	
Abs Pay, Customer Svc	-	700	736	(36)	1,389	689	
Abs Pay, Promotion	-	300	335	(35)	487	187	
Abs Pay, EE Services	-	400	386	14	557	157	
Abs Pay, Finance	-	800	899	(99)	1,342	542	
Abs Pay, Safety & Trng	-	400	384	16	498	98	
Abs Pay, General Admin	-	900	906	(6)	1,635	735	
Abs Pay, Planning	-	500	920	(420)	1,713	1,213	
Separation Pay/Benefits	13,230	20,859	-	20,859	-	(20,859)	
Abs Pay, Service Wrkrs	-	300	386	(86)	430	130	
Abs Pay, Mechanics	2,760	400	483	(83)	528	128	
Total Absence Pay	**66,127**	**97,859**	**64,505**	**33,354**	**84,362**	**(13,497)**	**-14%**
Total Paid Time Off	**1,990,457**	**2,230,650**	**2,107,574**	**123,076**	**2,252,345**	**21,695**	**1%**
Total Compensation	**14,725,980**	**15,762,575**	**15,251,660**	**510,915**	**16,284,868**	**522,293**	**3%**
FICA, Operators	118,352	130,000	118,600	11,400	131,300	1,300	
FICA, Trans Admin	16,936	17,296	17,724	(428)	19,270	1,974	
FICA, Scheduling	1,917	1,968	2,014	(46)	2,203	235	
FICA, Maint Admin	3,312	2,132	2,052	80	3,642	1,510	
FICA, Building Maint.	5,878	5,269	4,565	704	5,489	220	
FICA, Customer Service	6,335	6,498	6,566	(68)	7,136	638	
FICA, Promotion	2,461	2,406	2,270	136	2,465	59	
FICA, EE Services	2,908	2,763	2,607	156	2,823	60	
FICA, Finance	5,315	5,522	5,118	404	6,803	1,281	
FICA, Safety & Trng	-	806	1,450	(644)	1,284	478	
FICA, General Admin	8,326	7,985	8,125	(140)	8,398	413	
FICA, Board Members	1,629	1,989	2,020	(31)	2,020	31	
FICA, Planning	7,408	5,440	6,220	(780)	8,679	3,239	
FICA, Service Workers	5,332	5,191	5,955	(764)	6,640	1,449	
FICA, Mechanics	13,572	15,015	13,574	1,441	15,998	983	
Total FICA/Medicare	**199,681**	**210,280**	**198,860**	**11,420**	**224,150**	**13,870**	**7%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
PERS-RET, Operators	816,348	980,000	932,200	47,800	900,000	(80,000)	
PERS-RET, Trans Admin	139,141	160,763	163,987	(3,224)	159,569	(1,194)	
PERS-RET, Scheduling	14,932	17,322	17,357	(35)	16,790	(532)	
PERS-RET, Maint Admin	68,876	80,432	75,047	5,385	74,580	(5,852)	
PERS-RET, Bldg Maint.	38,164	42,690	46,374	(3,684)	43,268	578	
PERS-RET, Cstmr Svc	46,455	52,488	59,250	(6,762)	56,483	3,995	
PERS-RET, Promotion	21,678	25,046	23,110	1,936	22,594	(2,452)	
PERS-RET, EE Services	24,103	27,900	26,470	1,430	25,872	(2,028)	
PERS-RET, Finance	55,724	63,685	60,281	3,404	61,115	(2,570)	
PERS-RET, Sfty & Trng	21,316	21,503	28,705	(7,202)	25,275	3,772	
PERS-RET, Gen Admin	66,144	72,926	78,776	(5,850)	72,253	(673)	
PERS-RET, Planning	65,289	68,397	64,635	3,762	82,392	13,995	
GM-457 Retirement	18,092	16,800	14,500	2,300	17,000	200	
PERS-RET, Service Wrkr	41,861	46,798	53,544	(6,746)	50,717	3,919	
PERS-RET, Mechanics	115,337	136,077	150,865	(14,788)	136,205	128	
PERS GASB 68 Adjustment	(813,319)	-	-	-	-	-	
Total Retirement	**740,141**	**1,812,827**	**1,795,101**	**17,726**	**1,744,113**	**(68,714)**	**-4%**
Medical, Operators	666,228	676,000	673,189	2,811	682,730	6,730	
Medical, Trans Admin	99,362	111,508	101,387	10,121	112,624	1,116	
Medical, Scheduling	16,757	16,756	16,757	(1)	16,924	168	
Medical, Maint Admin	30,470	30,316	30,444	(128)	30,619	303	
Medical, Building Maint.	44,867	51,034	45,895	5,139	51,544	510	
Medical, Customer Svc	27,312	34,908	25,526	9,382	35,257	349	
Medical, Promotion	9,887	11,877	10,219	1,658	11,996	119	
Medical, Finance	29,693	33,164	30,356	2,808	35,029	1,865	
Medical, Safety & Trng	6,765	18,804	6,627	12,177	21,592	2,788	
Medical, General Admin	63,376	63,863	73,197	(9,334)	66,496	2,633	
Medical, Planning	33,722	32,914	32,965	(51)	41,776	8,862	
Medical, Service Workers	170,366	179,170	204,470	(25,300)	209,300	30,130	
Medical, Mechanics	327,344	358,339	388,493	(30,154)	417,763	59,424	
Medical Admin Charge	9,294	10,000	11,000	(1,000)	11,000	1,000	
Medical, Retirees	132,384	176,000	170,000	6,000	186,560	10,560	
OPEB benefits	370,130	428,819	395,000	33,819	423,440	(5,379)	
Total Medical	**2,037,957**	**2,233,472**	**2,215,525**	**17,947**	**2,354,650**	**121,178**	**5%**
Dental, Operators	234,315	238,670	249,655	(10,985)	249,660	10,990	
Dental, Trans Admin	26,621	26,846	26,983	(137)	26,990	144	
Dental, Scheduling	3,371	3,440	3,504	(64)	3,500	60	
Dental, Maint Admin	5,384	5,500	5,499	1	5,500	-	
Dental, Building Maint.	7,500	8,644	7,589	1,055	7,590	(1,054)	
Dental, Customer Svc	11,456	13,514	11,291	2,223	11,290	(2,224)	
Dental, Promotion	2,013	2,060	2,098	(38)	2,100	40	

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Dental, EE Services	2,804	2,898	2,849	49	2,850	(48)	
Dental, Finance	5,316	5,471	5,469	2	5,470	(1)	
Dental, Safety & Trng	1,023	3,567	1,031	2,536	1,030	(2,537)	
Dental, General Admin	6,950	7,689	6,753	936	6,750	(939)	
Dental, Planning	7,499	4,869	7,899	(3,030)	7,900	3,031	
Total Dental	**314,252**	**323,168**	**330,620**	**(7,452)**	**330,630**	**7,462**	**2%**
WC, Operators	411,122	529,263	529,263	-	545,141	15,878	
WC, Trans Admin	44,422	57,256	57,256	-	58,974	1,718	
WC, Scheduling	4,123	5,397	5,397	-	5,559	162	
WC, Maint Admin	19,693	25,460	25,460	-	26,224	764	
WC, Building Maint.	9,883	12,671	12,671	-	13,051	380	
WC, Customer Svc	23,050	29,684	29,684	-	30,575	891	
WC, Promotion	11,489	14,901	14,901	-	15,348	447	
WC, EE Services	11,489	14,901	14,901	-	15,348	447	
WC, Finance	19,693	25,460	25,460	-	26,224	764	
WC, Safety & Trng	11,489	14,901	14,901	-	15,348	447	
WC, General Admin	21,372	27,572	27,572	-	28,399	827	
WC, Planning	17,363	22,292	22,292	-	22,961	669	
WC, Service Workers	33,700	43,529	43,529	-	44,835	1,306	
WC, Mechanics	102,011	131,524	131,524	-	135,470	3,946	
Total Workers Comp	**740,899**	**954,811**	**954,811**	**-**	**983,457**	**28,646**	**3%**
Life, Operators	61,064	64,077	66,905	(2,828)	65,880	1,803	
Life, Trans Admin	7,329	7,332	7,938	(606)	7,510	178	
Life, Scheduling	873	873	899	(26)	900	27	
Life, Maint Admin	3,689	3,689	3,800	(111)	3,800	111	
Life, Building Maint.	3,439	2,780	9,420	(6,640)	2,910	130	
Life, Customer Svc	3,940	4,540	3,221	1,319	4,680	140	
Life, Promotion	1,275	1,275	1,313	(38)	1,310	35	
Life, EE Services	1,382	1,382	1,423	(41)	1,420	38	
Life, Finance	2,489	2,338	2,564	(226)	2,390	52	
Life, Safety & Trng	768	638	792	(154)	660	22	
Life, General Admin	3,014	3,046	3,104	(58)	3,140	94	
Life, Planning	3,654	2,617	3,332	(715)	3,230	613	
Total Life Insurance	**92,916**	**94,587**	**104,711**	**(10,124)**	**97,830**	**3,243**	**3%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
SUI, Operators	76,728	83,800	83,800	-	85,000	1,200	
SUI, Trans Admin	6,384	6,518	7,083	(565)	7,088	570	
SUI, Scheduling	798	707	886	(179)	886	179	
SUI, Maint Admin	1,995	2,400	2,213	187	2,215	(185)	
SUI, Building Maint.	2,619	2,102	2,656	(554)	2,658	556	
SUI, Customer Svc	3,817	2,468	3,984	(1,516)	4,430	1,962	
SUI, Promotion	798	791	886	(95)	886	95	
SUI, Safety & Trng	399	1,437	885	552	886	(551)	
SUI, General Admin	3,739	2,124	3,099	(975)	3,101	977	
SUI, EE Services	798	840	885	(45)	886	46	
SUI, Finance	2,008	3,753	2,213	1,540	2,215	(1,538)	
SUI, Planning	2,680	2,024	2,213	(189)	2,658	634	
SUI, Service Workers	3,591	2,393	4,427	(2,034)	4,430	2,037	
SUI, Mechanics	8,436	7,229	8,411	(1,182)	8,860	1,631	
Total SUI	**114,790**	**118,586**	**123,641**	**(5,055)**	**126,199**	**7,613**	**6%**
Operator Uniforms	48,579	48,000	48,000	-	50,000	2,000	
Uniforms - Maint. Pers.	15,049	15,560	14,880	680	16,640	1,080	
Total Uniforms	**63,628**	**63,560**	**62,880**	**680**	**66,640**	**3,080**	**5%**
Operator Medical Exams	15,205	15,190	11,000	4,190	15,000	(190)	
Emp Assistance Prog.	13,519	13,506	14,000	(494)	14,000	494	
Cafeteria Plan- Admin	372,180	318,918	333,560	(14,642)	344,277	25,359	
Cafeteria Plan-ATU	958,500	1,013,685	1,119,067	(105,382)	1,126,917	113,232	
Mechanic Tool Allowance	12,011	14,680	14,500	180	15,820	1,140	
Wellness Program	23,255	28,600	28,000	600	30,000	1,400	
Substance Abuse Prog.	9,280	10,469	8,500	1,969	10,500	31	
Ergonomics/W/C Prog	-	3,000	-	3,000	3,000	-	
Total Other Benefits	**1,403,950**	**1,418,048**	**1,528,627**	**(110,579)**	**1,559,514**	**141,466**	**10%**
Total Benefits	**7,698,671**	**9,459,989**	**9,422,350**	**37,639**	**9,739,528**	**279,539**	**3%**
Total Wages and Benefits	**20,434,194**	**22,991,914**	**22,566,436**	**425,478**	**23,772,051**	**780,137**	**3%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Management Services	3,224	25,841	25,000	841	25,000	(841)	
Agency Fees	50	200	300	(100)	200	-	
In-Service Monitoring	-	6,000	6,000	-	6,000	-	
Mobility Services	27,194	32,000	32,200	(200)	33,000	1,000	
Schedules/Graphics	42,027	65,523	70,000	(4,477)	70,000	4,477	
Promotions	152,962	178,667	180,000	(1,333)	180,000	1,333	
Recruitment	33,084	25,000	25,000	-	25,000	-	
Hiring Costs	-	18,000	18,000	-	18,000	-	
Legal Fees	355,766	300,000	385,000	(85,000)	350,000	50,000	
Financial services	2,500	10,000	10,000	-	5,000	(5,000)	
Auditor Fees	47,891	43,500	43,500	-	45,000	1,500	
Freight In and Out	6,536	6,387	7,000	(613)	7,000	613	
Bid and Hearing Notices	807	1,000	1,000	-	1,000	-	
Service Development	43,929	40,000	40,000	-	40,000	-	
Section 8 Planning	-	-	-	-	-	-	
Trans. Printing/Reproduc.	6,239	5,000	5,000	-	5,000	-	
Payroll Services	67,756	71,821	64,000	7,821	73,976	2,155	
Retail service charge	-	-	-	-	-	-	
Bank service charge	7,205	26,421	100	26,321	27,500	1,079	
Commuter check process fee	202	240	300	(60)	300	60	
Pay PERS file upload	-	-	-	-	-	-	
Special Planning- reimb expenses	133,665	100,000	66,500	33,500	50,000	(50,000)	
Temporary Help-All depts	26,247	25,000	25,000	-	27,000	2,000	
Temp Help-Shop	7,012	1,076	-	1,076	-	(1,076)	
Temporary Help-Transportation	-	-	2,000	(2,000)	-	-	
Clipper Fees	-	9,600	100,000	(90,400)	14,400	4,800	
SVR-Differential/Radiator	20,517	25,000	34,700	(9,700)	21,600	(3,400)	
SVR-Transmission	36,200	61,673	65,000	(3,327)	52,000	(9,673)	
SVR-Upholstery/Glass	14,783	44,460	54,000	(9,540)	40,000	(4,460)	
SVR-Towing	8,045	13,245	18,400	(5,155)	18,400	5,155	
SVR-Engine Repair	4,279	84,000	84,000	-	44,000	(40,000)	
SVR-Body Repair	142,935	104,730	105,000	(270)	110,250	5,520	
Emission controls	42,500	30,984	35,000	(4,016)	35,000	4,016	

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Phone Maint. Services	8,313	9,000	10,000	(1,000)	9,000	-	
Support Vehicle maint	6,492	16,437	20,500	(4,063)	20,000	3,563	
IT Supplies/replacements	14,242	13,359	18,000	(4,641)	18,000	4,641	
Clever Devices/rideck maint	168,001	198,560	180,845	17,715	231,000	32,440	
Office Equipment Maint.	15,170	26,494	20,000	6,494	20,000	(6,494)	
Building Maint. Service	47,719	81,520	82,000	(480)	82,000	480	
Landscape Service	67,848	86,482	86,400	82	86,400	(82)	
IT Contracts	130,130	147,889	125,000	22,889	135,000	(12,889)	
Radio Maint. Service	8,683	13,372	-	13,372	10,500	(2,872)	
IT Consulting	-	-	10,000	(10,000)	10,000	10,000	
RED Support Expense	5,804	13,800	15,000	(1,200)	10,000	(3,800)	
Real Time Bus maintenance servi	-	-	-	-	-	-	
Contract Cleaning Service	2,886	2,595	2,400	195	2,500	(95)	
Waste Removal	11,164	11,975	13,200	(1,225)	13,200	1,225	
Hazardous Waste	80,812	86,612	86,625	(13)	86,625	13	
Armored Transport	11,065	-	-	-	-	-	
Fire Monitoring	2,823	3,630	4,000	(370)	4,000	370	
Security Services	74,863	83,976	84,000	(24)	86,400	2,424	
Other Services	2,998	4,000	4,000	-	4,000	-	
Total Services	**1,892,568**	**2,155,069**	**2,263,970**	**(108,901)**	**2,153,251**	**(1,818)**	**0%**
Diesel Fuel	1,664,101	1,119,054	2,200,000	(1,080,946)	1,600,000	480,946	
Oils and Lubricants	71,010	74,992	75,000	(8)	90,000	15,008	
Gasoline	30,071	30,754	31,500	(746)	32,000	1,246	
CNG Alternative Fuel	-	-	-	-	-	-	
Tires and Tubes	223,529	231,750	242,930	(11,180)	225,950	(5,800)	
Safety Supply	9,466	5,000	5,500	(500)	5,000	-	
Transportation Supplies	13,129	12,500	12,500	-	13,000	500	
BART Relief Tickets	47,075	55,000	55,000	-	57,000	2,000	
CSS-Soaps	1,823	13,399	14,000	(601)	14,000	601	
CSS-Solvents	-	-	5,000	(5,000)	-	-	
CSS-Cleaning	7,689	6,920	7,000	(80)	7,000	80	
CSS-Safety	8,043	8,026	8,000	26	8,000	(26)	
CSS-Antifreeze	3,675	5,987	5,880	107	6,400	413	
CSS-Gases	5,732	6,741	7,000	(259)	7,000	259	
Oil Analysis	9,000	-	18,000	(18,000)	18,000	18,000	
Equipment/Garage Exp.	22,594	24,816	25,000	(184)	25,000	184	
Coach Repair Parts	497,587	628,301	698,500	(70,199)	625,000	(3,301)	
Shelter/Bus Stop Supply	913	14,562	15,000	(438)	15,000	438	
Radio Maint Supply	-	-	-	-	-	-	
Janitorial Supplies	21,046	18,170	20,000	(1,830)	20,000	1,830	
Lighting Supply	1,992	5,500	7,000	(1,500)	6,000	500	
Building Repair Supply	40,811	42,006	42,000	6	45,000	2,994	
Landscape Supply	1,003	9,080	10,000	(920)	10,000	920	

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Tickets, Passes, Xfrs	24,870	16,015	15,000	1,015	23,000	6,985	
Supplies - Offsites	2,199	2,500	2,500	-	2,500	-	
Personnel Office Supply	9,382	1,244	1,000	244	1,000	(244)	
Computer Supplies	3,816	360	-	360	-	(360)	
Office Supplies-Administration	19,500	15,144	15,500	(356)	16,500	1,356	
Office Supplies-2nd Floor	-	-	-	-	-	-	
Office Supplies-Maint.	1,895	3,500	3,500	-	3,500	-	
Postage	9,202	11,005	12,000	(995)	11,000	(5)	
Obsolete Parts Write-Off	149	-	-	-	-	-	
Safety Contingency Plans	1,742	4,000	4,000	-	4,000	-	
Training Supply	251	1,300	1,300	-	1,300	-	
Contracts & Grants Supply	-	3,000	6,000	(3,000)	3,000	-	
Supplies- IC	3,934	5,205	7,000	(1,795)	6,000	795	
Repair parts-grant exp	1,337	25,000	30,000	(5,000)	25,000	-	
Total Materials & Supplies	**2,758,566**	**2,400,831**	**3,602,610**	**(1,201,779)**	**2,926,150**	**525,319**	**22%**
Telephone Svc - TC				-		-	
Pacific Gas and Electric	134,752	180,000	188,000	(8,000)	185,000	5,000	
PG&E - WC Trolley	-	-	-	-	100,000	100,000	
Telephone Svc - Concord	11,637	16,305	25,000	(8,695)	25,000	8,695	
Contra Costa Water District	23,505	24,500	24,500	-	26,000	1,500	
Telephone-Cellular	63,749	76,074	85,000	(8,926)	85,000	8,926	
Total Utilities	**233,643**	**296,879**	**322,500**	**(25,621)**	**421,000**	**124,121**	**42%**
Physical Damage	87,271	26,492	25,888	604	29,141	2,649	
Property Premiums	42,596	40,864	44,300	(3,436)	44,300	3,436	
Other Premiums	19,890	19,493	9,431	10,062	25,000	5,507	
UST Insurance	-	9,000	9,822	(822)	9,000	-	
Liability Premiums	282,214	314,024	328,420	(14,396)	328,420	14,396	
Insurance/Liability losses	195,117	137,500	150,000	(12,500)	175,000	37,500	
Total Insurance	**627,088**	**547,373**	**567,861**	**(20,488)**	**610,861**	**63,488**	**12%**
Property Tax	10,969	11,000	10,000	1,000	11,500	500	
Licenses / Registrations	1,395	1,500	2,000	(500)	1,500	-	
Fuel Storage Tank Fees	11,685	14,000	15,000	(1,000)	15,000	1,000	
Use and Other Taxes	6,877	7,000	8,000	(1,000)	7,500	500	
Sales Tax	218,879	250,000	250,000	-	250,000	-	
Total Taxes	**249,805**	**283,500**	**285,000**	**(1,500)**	**285,500**	**2,000**	**1%**
Radio Site Lease-Diablo	37,428	38,500	35,000	3,500	39,000	500	
Equipment Leases	3,026	8,513	7,000	1,513	7,000	(1,513)	
Total Leases	**40,454**	**47,013**	**42,000**	**5,013**	**46,000**	**(1,013)**	**-2%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Business Expense- Tran	31	-	100	(100)	-	-	
Business Expense-admin	-	400	400	-	400	-	
Business Expense-Fin	703	500	500	-	500	-	
Board Travel	13,691	16,500	16,500	-	16,500	-	
Staff Travel	58,103	50,000	40,000	10,000	50,000	-	
CTA Dues	12,325	13,000	14,000	(1,000)	14,000	1,000	
APTA Dues	34,510	31,562	30,000	1,562	35,560	3,998	
Other Memberships	-	-	-	-	-	-	
Business Expense	1,165	4,690	4,000	690	4,000	(690)	
Training Program	440	-	25,000	(25,000)	25,000	25,000	
Training / Subs-Gm	5,593	5,000	7,500	(2,500)	7,500	2,500	
Misc exp	281	1,000	1,200	(200)	1,000	-	
Employee Functions	46,257	35,000	35,000	-	35,000	-	
Employee Awards	1,628	5,000	5,000	-	5,000	-	
Departing Emp gifts	434	-	1,000	(1,000)	1,000	1,000	
Paypal fees	3,546	4,000	3,200	800	4,100	100	
Total Miscellaneous	**178,707**	**166,652**	**183,400**	**(16,748)**	**199,560**	**32,908**	**20%**
Alamo Creek Shuttle	106,488	166,000	106,070	59,930	166,000	-	
St Marys shuttle	43,180	48,000	36,415	11,585	48,000	-	
Cal State rte 260 shuttle	75,723	87,440	45,310	42,130	87,440	-	
Total Purchased Transportation	**225,391**	**301,440**	**187,795**	**113,645**	**301,440**	**-**	**0%**
Total Other Operating Expense	**6,206,222**	**6,198,757**	**7,455,136**	**(1,256,379)**	**6,943,762**	**745,005**	**12%**
Contingency			**1,326,396**	**(1,326,396)**	**800,000**	**800,000**	
TOTAL FIXED ROUTE EXPENSE	**26,640,416**	**29,190,671**	**31,347,968**	**(2,157,297)**	**31,515,813**	**2,325,142**	**8%**

County Connection

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

OPERATING EXPENSE DETAIL

Account Desc	FY 2015 Actual	FY 2016 Estimated	FY 2016 Budget	Over (Under) FY 2016 Budget	Proposed FY 2017 Budget	Over (Under) FY 2016 Est/Actual	Over (Under) % FY 2016 Est/Actual
Paratransit							
Wages	94,561	113,974	92,432	21,542	98,489	(15,485)	
Sick Wages	5,110	-	2,656	(2,656)	3,300	3,300	
Holiday Pay	3,756	4,468	5,205	(737)	5,562	1,094	
Vacation Pay	7,770	9,001	7,925	1,076	8,489	(512)	
Absence pay	-	200	232	(32)	332	132	
Cafeteria Plan	8,711	9,132	12,563	(3,431)	9,894	762	
FICA	1,523	1,580	1,573	7	1,684	104	
PERS	12,078	14,035	13,553	482	12,840	(1,195)	
Medical	12,161	10,076	14,151	(4,075)	9,678	(398)	
Dental	2,013	1,565	2,098	(533)	2,100	535	
Life Insurance	891	891	1,350	(459)	920	29	
SUI	-	885	885	-	886	1	
Agency Fees/Public Info	-	-	100	(100)	100	100	
Promotions	-	-	400	(400)	400	400	
Legal Fees	4,326	3,000	3,000	-	3,000	-	
Building Maint Services	1,103	1,845	1,720	125	1,500	(345)	
Software Maint Services	-	-	-	-	-	-	
Radio Maint Services	4,190	7,038	6,100	938	6,100	(938)	
Community Van Maint	7,051	5,000	-	5,000	5,000	-	
Office Supply, PTF	2,940	3,400	3,400	-	3,400	-	
Gas and Electric	21,938	23,000	19,400	3,600	24,000	1,000	
Cell Phone	814	1,400	1,400	-	1,400	-	
Sales Tax	272	400	400	-	400	-	
Purchased Trans-LINK	4,773,376	5,029,565	5,029,567	(2)	5,275,000	245,435	
Purchased Trans-BART	152,037	171,146	171,146	-	160,000	(11,146)	
Other Purch Trans	237	1,000	1,000	-	1,000	-	
Training / Subscriptions	-	500	541	(41)	500	-	
Other Misc Expenses	178	413	400	13	400	(13)	
Total Paratransit	**5,117,036**	**5,413,514**	**5,393,197**	**20,317**	**5,636,374**	**222,859**	**4%**
TOTAL CCCTA	**31,757,452**	**34,604,185**	**36,741,165**	**(2,136,980)**	**37,152,187**	**2,548,002**	**7%**

RESOLUTION NO. 2016-020

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
BOARD OF DIRECTORS

* * *

AUTHORIZES FILING APPLICATIONS AND SUPPORTING DOCUMENTS WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT, STATE TRANSIT ASSISTANCE, AND RM2 FUNDS FOR FY 2017

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq*., for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions; and

WHEREAS, the Transportation Development Act (TDA) (Public Utilities Code Section 99200, *et. seq.*), provides for the disbursement of funds from the Local Transportation Fund (LTF) of the County of Contra Costa for use by eligible applicants for the purpose of public transit; and

WHEREAS, pursuant to the provisions of the TDA, and pursuant to the applicable rules and regulations thereunder (21 Cal. Code of Regs. Section 6600, *et. seq.*) a prospective applicant wishing to receive an allocation from the LTF shall file its claim with the Metropolitan Transportation Commission; and

WHEREAS, the State Transit Assistance (STA) fund is created pursuant to Public Utilities Code Sections 99310 *et. seq.;* and

WHEREAS, the STA fund makes funds available pursuant to Public Utilities Code Section 99313.6 for allocation to eligible applicants to support approved transit projects; and

WHEREAS, TDA funds from the LTF of Contra Costa County and STA funds will be required by applicants in Fiscal Year 2017 for public transit capital and operating assistance; and

WHEREAS, CCCTA is an eligible applicant for TDA and STA funds pursuant to Public Utilities Code Sections 99260(a), 99262, 99275, 99313 and 99314 as attested by the opinion of Authority's counsel; and

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred to as Regional Measure 2, identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 (RM2) funds, pursuant to Streets and Highways Code Section 30914(c) and (d); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

WHEREAS, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

WHEREAS, CCCTA is an eligible sponsor of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

WHEREAS, the Express Bus Routes are eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

WHEREAS, the Regional Measure 2 allocation request demonstrates a fully funded operating plan that is consistent with the adopted performance measures, as applicable, for which CCCTA is requesting that MTC allocate Regional Measure 2 funds, and

WHEREAS, the certification by CCCTA of assurances is required for the allocation of funds by MTC; and

WHEREAS, CCCTA requires an allocation of these funds for capital and operating assistance to support CCCTA's provision of public transit services in the Central Contra Costa County area for Fiscal Year 2017.

NOW, THEREFORE, BE IT RESOLVED, that CCCTA, and its agents shall comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 2 Policy Guidance (MTC Resolution No. 3636); and be it further

RESOLVED, that CCCTA certifies that the project is consistent with the Regional Transportation Plan (RTP), and be it further

RESOLVED, that CCCTA approves the Express Bus routes operating proposals; and be it further

RESOLVED, that CCCTA is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Capital Program, in accordance with California Streets and Highways Code 30914(d); and be it further

RESOLVED, that CCCTA is authorized to submit an application for Regional Measure 2 funds for Express Bus Operations in accordance with California Streets and Highways Code 30914(d); and be it further

RESOLVED, that CCCTA certifies that the projects and purposes for which RM2 funds are being requested are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 *et. seq*.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 *et. seq*.) and, if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 *et. seq*. and the applicable regulations thereunder; and be it further

RESOLVED, that there is no legal impediment to CCCTA making allocation requests for Regional Measure 2 funds; and be it further

RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of CCCTA to deliver such project; and be it further

RESOLVED, that CCCTA indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from any and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of CCCTA, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages; and be it further

RESOLVED, that CCCTA shall, if any revenues or profits from any non-governmental use of property (or project) that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and be it further

RESOLVED by the Board of Directors of the Central Contra Costa Transit Authority that the General Manager, or his designee, is authorized to execute and file appropriate applications, together with all necessary supporting documents, with the Metropolitan Transportation Commission for allocation of TDA, STA and RM2 funds for Fiscal Year 2017; and be it further

RESOLVED that a copy of this resolution be transmitted to the Metropolitan Transportation Commission in conjunction with the filing of the claims, and the Metropolitan Transportation Commission be requested to grant the allocation of funds as specified herein,

Regularly passed and adopted this 21th day of April 2016 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

____

Robert Storer, Chair, CCCTA Board of Directors

ATTEST:

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Lathina Hill, Clerk to the Board