PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Roseville, California

ANNUAL FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

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PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
ANNUAL FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Placer Mosquito and Vector Control District
Roseville, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of Placer Mosquito and Vector Control District (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of Placer Mosquito and Vector Control District as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note A to the financial statements, effective July 1, 2021, the District adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than 12 months. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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

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

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

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

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 15, 2023

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

As management of the Placer Mosquito and Vector Control District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements, which begin on page 14.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of the resources at the close of fiscal year 2021-22 by $4,799,688 (net position).

- The District had program and general revenues of $5,305,994 and program and general expenses of $4,667,088 for the fiscal year ended June 30, 2022.

- As of the close of the current fiscal year, the District's governmental fund reported ending fund balance of $3,338,206.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. **Required supplementary information** is included in addition to the basic financial statements.

Government-wide financial statements are designed to provide readers with a broad overview of the District's finances, using accounting methods similar to those of a private-sector business. These statements provide both long-term and short-term information about the District's overall financial status. The government-wide financial statements can be found on pages 14-15 of this report.

The S*tatement of Net Position* presents information on all of the District's assets and liabilities and deferred outflows/inflows of resources as of the end of the fiscal year, with the differences reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The S*tatement of Activities* presents information on how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements report on the function of the District that is principally supported by charges for services (benefit assessments). The District's function is to control mosquitoes in order to increase the quality of life and decrease the risk of disease transmission in Placer County.

Fund financial statements are the more familiar groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund

The governmental fund is used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term financial resources, such as cash, that (1) have been spent on District programs during the fiscal year and (2) that will be available for financing such programs in the near future. The governmental fund financial statements can be found on pages 16 through 19 of this report.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental funds and governmental activities.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 20 through 44 of this report.

Required Supplementary Information is presented to reflect a budgetary comparison schedule for the General Fund, as well as the schedule of District's proportionate share of the net pension liability, schedule of District's pension plan contributions, schedule of changes in net other postemployment benefits (OPEB) liability and related ratios, and the schedule of the District's OPEB contributions. Required supplementary information can be found on pages 46 through 51 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position (assets and deferred outflows in excess of liabilities and deferred inflows) was $4,799,688 as of June 30, 2022, the close of the District's fiscal year.

Statement of Net Position
June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Current assets	$ 3,731,396	$ 3,586,504	$ 144,892	4%
Capital assets, net	3,755,559	3,831,845	(76,286)	-2%
Total assets	7,486,955	7,418,349	68,606	1%
Deferred outflows of resources	754,299	774,836	(20,537)	-3%
Current liabilities	737,935	568,469	169,466	30%
Long-term liabilities	2,041,714	2,271,995	(230,281)	-10%
Net pension liability	116,564	657,068	(540,504)	-82%
Net OPEB liability	33,808	519,215	(485,407)	-93%
Total liabilities	2,930,021	4,016,747	(1,086,726)	-27%
Deferred inflows of resources	511,545	15,656	495,889	3167%
Net position				
Net Investment in capital assets	1,579,980	1,468,025	111,955	8%
Restricted	229,668	212,001	17,667	8%
Unrestricted	2,990,040	2,480,756	509,284	21%
Total net position	$ 4,799,688	$ 4,160,782	638,906	15%

During fiscal year 2022, net position increased by $638,906 or 15% when compared to beginning net position.

Current assets increased by $144,892 or 4% due to an increase in total cash and investments as a result of an increase in charges for services (benefit assessments) based on the increase in the number of assessed properties and CPI increase in benefit assessment rates. Capital assets decreased by $76,286 or 2% mainly due to current year equipment and lease asset additions of approximately $113,000, offset by depreciation and amortization of approximately $203,000.

Current liabilities increased by $169,466 or 30% primarily due to the increase in voucher payables as there were two outstanding invoices, which were not paid at year end compared to none in the prior year. Long-term liabilities decreased by $230,281 or 10% mainly due to current year debt service payment related to financed purchase obligation, offset by lease liability additions resulted from the implementation of GASB Statement No. 87, *Leases*. The decreases in net pension and net OPEB liabilities and the related deferred outflows and deferred inflows of resources are mainly due to the changes in actuarial assumptions as a result of strong investment performance at the Plan level (CalPERS) from the 2021 actuarial valuation report.

The District has capital assets (e.g., building and improvements and equipment). Net investment in capital assets is not in spendable form and therefore, is not available to provide future program services. The unrestricted net position of the District is available for future use to provide program services.

Statement of Activities
For the Fiscal Years Ended June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Revenues:				
Program revenues:				
Charges for services (benefit assessments)	$ 4,918,395	$ 4,706,313	$ 212,082	5%
General revenues:				
Property taxes	374,620	361,391	13,229	4%
Gain on dispoal of capital assets	-	11,792	(11,792)	-100%
Intergovernmental revenue	52,954	-	52,954	N/A
Investment and other earnings (loss)	(39,975)	82,454	(122,429)	-148%
Total revenues	5,305,994	5,161,950	144,044	3%
Expenses:				
Program expenses - Public health and integrated vector management	4,667,088	4,852,150	(185,062)	-4%
Total expenses	4,667,088	4,852,150	(185,062)	-4%
Change in net position	638,906	309,800	329,106	106%
Net position, beginning of year	4,160,782	3,850,982	309,800	8%
Net position, end of year	$ 4,799,688	$ 4,160,782	$ 638,906	15%

The District's primary source of revenue is benefit assessments, which is shown in the financial statements under "charges for services (benefit assessments)". This revenue increased by $212,082 or 5% due to increase in the number of assessed properties and CPI increase in benefit assessment rates.

Investment and other earnings/(loss) decreased by $122,429 or 148% due to less favorable market conditions in fiscal year ended 2022. Total expenses decreased by $185,062 or 4% primarily due to a pension credit recognized in the current year.

Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The District's governmental fund is discussed below:

General Fund

The focus of the District's *general fund* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

As of the end of the current fiscal year, the District's general fund reported an ending fund balance of $3,338,206, an increase of $11,227 from fiscal year 2021.

Revenues by source and expenditures by function for the general fund are presented below:

Revenues by Source
General Fund
For the Years Ended June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Benefit assessments	$ 4,918,395	$ 4,706,313	$ 212,082	5%
Property taxes	374,620	361,391	13,229	4%
Intergovernmental	52,954	-	52,954	N/A
Investment earnings (loss)	(109,889)	12,285	(122,174)	-994%
Miscellaneous	69,914	70,169	(255)	0%
Total revenues	$ 5,305,994	$ 5,150,158	$ 155,836	3%

Expenditures by Function
General Fund
For the Years Ended June 30, 2022 and 2021

	2022	2021	Dollar Change	Percentage Change
Public health and integrated vector management	$ 4,904,631	$ 4,533,273	$ 371,358	8%
Debt service	366,720	341,336	25,384	7%
Capital outlay	103,902	102,330	1,572	2%
Total expenditures	$ 5,375,253	$ 4,976,939	$ 398,314	8%

Public health and integrated vector management expenditures increased by $371,358 or 8% primarily due to an increase in salaries and benefits resulting from a 5% COLA increase and public health pesticide increase as a result of increase in product costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's actual expenditures were less than appropriations by $161,111 or 3%. The major areas where appropriations and expenditures vary are as follows:

- Public health and pesticides $59,282
  Appropriations exceeding expenditures for pesticide related expenditures were due primarily to lower need than anticipated due to annual variation of mosquito and West Nile virus risk.

- Administration and Public Information $22,766
  Appropriations exceeding expenditures for administration and public information were due to cancellation of outreach events due to the COVID-19 pandemic.

- Maintenance $33,280
  Appropriations exceeding expenditures for maintenance related expenditures were due primarily to outside mosquito research project budgeted for but not completed.

- Rents and leases $28,035
  Appropriations exceeding expenditures for rents and leases were due to implementation of the GASB 87 leases standard and actual expenditures were recorded as debt service expenditures.

- Capital outlay $21,098
  Appropriations exceeding expenditures for capital outlay were due primarily to vehicles we budgeted for but were not able to acquire.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's net investment in capital assets as of June 30, 2022 was $1,579,980. This net investment in capital assets represents depreciable equipment, building and improvements, intangible assets, and lease assets for the District net of the accumulated depreciation/amortization and related lease liability. The change in capital assets during the current year is primarily due to equipment and lease asset additions of $113,271, offset by depreciation/amortization expense of $203,229. Refer to Note C to the basic financial statements for capital asset details.

Long-term Liabilities:

At June 30, 2022, the District had total long-term liabilities outstanding of $2,364,702. During the fiscal year ended, total long-term liabilities decreased by $214,776 because of the following:

- $269,000 decrease in financed purchase obligation due to principal pay down.

- $52,392 increase due to recording of lease liability resulting from the implementation of GASB Statement No. 87, *Lease*.

Detailed information about the District's long-term debt is presented in Note D in the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The budget for the fiscal year ending (FYE) June 30, 2023, is $5,536,364. The District conducted a three-year budget projection that suggests that to support existing levels of service, and meet future reserve goals, the District considered and approved the CPI adjustment for the District Benefit Assessments. The District Benefit Assessments is subject to an annual adjustment tied to the Consumer Price Index (CPI).

This increase was necessary for the District to operate effectively in a fiscally sustainable manner. The District will reevaluate the need for future changes in assessment rates on an annual basis with the goal of maintaining fiscal sustainability while meeting the District's mandate to protect public health from vectors and vector-borne disease.

The following factors were considered in preparing the District's budget for the FYE 2023:

- Need to address and manage increasing pension liability annual costs.

- Consideration of post COVID-19 pandemic changes in the workplace, supply chain, and use of technology to communicate and conduct business.

- Continued need to implement early detection and response plan for invasive mosquito species and mosquito-borne diseases. This includes evaluation of potentially costly long-term strategies to manage established populations of invasive *Aedes aegypti* mosquitos.

- Continued need to remain aware of and, to the extent feasible, prepared for novel vector-borne disease threats.

- Continued need to effectively identify and manage the risk of West Nile Virus, Lyme disease and other vector-borne diseases in Placer County.

- Continued need to effectively prevent adult mosquitoes through the use of source reduction measures, biological control, and appropriate use of mosquito larvicides, as well as the ability to quickly respond to high adult mosquito populations with appropriate adult mosquito control treatments.

- Continued operation of year-round Tahoe-area substation to provide services to eastern Placer County residents.

- Increase in cost or changes in availability and need for mosquito control materials, application equipment, and application services.

- Increasing costs to purchase and apply organic-certified public health pesticides to apply to mosquito development and harborage sites located on and in association with organic agricultural fields.

- Continued need to evaluate efficacy of mosquito control techniques and products, and continually assess and manage pesticide resistance in local mosquito populations.

- Continued need for public outreach and education that addresses immediate and long-term issues relevant to the District's ability to provide services, and to advise the public about vector risks and personal protective measures.

- Increasing need to collaborate with neighboring vector control agencies, business and governmental agency partners, and state association to address issues affecting vectors and vector control on a regional and state-wide basis.

- Continued need for regular maintenance of facility, vehicle fleet, field data collection and database systems, laboratory, equipment, and other critical infrastructure.

- Increasing need to develop innovative vector and vector-borne disease surveillance and management strategies, techniques, and equipment.

Future Events that will Financially Impact the District

- Invasive mosquitoes have been found in several locations in Placer County since 2019. It will be necessary over the next several years to increase capacity to provide new invasive mosquito management to the public by reallocating existing resources, developing increased efficiency in current workflows and seeking additional funding.

- Increasing costs associated with monitoring and managing insecticide-resistant mosquito populations, including developing, testing, and implementing novel insecticide management strategies.

- Continuing high prices for fleet vehicles and fuel.

- Balancing post-pandemic workforce challenges with the option for automating some work processes, considering remote work on an on-going basis, and planning for higher staff turnover.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Placer Mosquito and Vector Control District, 2021 Opportunity Drive, Roseville, California 95678.

BASIC FINANCIAL STATEMENTS

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2022

Assets		
Cash and investments	$	3,460,272
Restricted cash and investments		229,668
Interest receivable		1,554
Prepaid items		39,902
Capital assets:		
Nondepreciable		438,627
Depreciable, net		3,242,359
Leases, net		74,573
Total assets		7,486,955
Deferred outflows of resources		
Deferred amount on refunding		32,852
Deferred outflows related to pensions		383,708
Deferred outflows related to OPEB		337,739
Total deferred outflows of resources		754,299
Liabilities		
Accounts payable		226,658
Accrued salaries and benefits payable		166,532
Accrued interest payable		21,757
Compensated absences due within one year		15,627
Lease liability due within one year		28,361
Financed purchase obligation due within one year		279,000
Noncurrent liabilities:		
Compensated absences		140,644
Lease liability		47,070
Financed purchase obligation		1,854,000
Net pension liability		116,564
Net OPEB liability		33,808
Total liabilities		2,930,021
Deferred inflows of resources		
Deferred inflows related to pensions		101,754
Deferred inflows related to OPEB		409,791
Total deferred inflows of resources		511,545
Net Position		
Net investment in capital assets		1,579,980
Restricted		229,668
Unrestricted		2,990,040
Total net position	$	4,799,688

The notes to the basic financial statements are an integral part of this statement.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Program Revenues	Net (Expense) Revenue and Changes in Net Position
Governmental Activities	**Expenses**	**Charges for Services**	**Governmental Activities**
Public health and integrated vector management	$ 4,594,877	$ 4,918,395	$ 323,518
Interest on long-term debt	72,211	-	(72,211)
Total governmental activities	4,667,088	4,918,395	251,307
	General revenues (expenses):		
	Property taxes		374,620
	Intergovernmental		52,954
	Unrestricted investment loss		(109,889)
	Miscellaneous		69,914
	Total general revenues		387,599
	Change in net position		638,906
	Net position, beginning of year		4,160,782
	Net position, end of year		$ 4,799,688

The notes to the financial statements are an integral part of these financial statements.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
BALANCE SHEET – GENERAL FUND
JUNE 30, 2022

Assets		
Cash and investments	$	3,460,272
Restricted cash and investments		229,668
Interest receivable		1,554
Prepaid items		39,902
Total assets		3,731,396
Liabilities and Fund Balance		
Liabilities:		
Accounts payable		226,658
Accrued salaries and benefits payable		166,532
Total liabilities		393,190
Fund Balance:		
Nonspendable		39,902
Restricted		229,668
Assigned		2,138,753
Unassigned		929,883
Total fund balance		3,338,206
Total liabilities and fund balance	$	3,731,396

The notes to the basic financial statements are an integral part of this statement.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
RECONCILIATION OF THE GENERAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Fund balance	$	3,338,206
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the general fund.		3,680,986
Right-to-use assets used in governmental activities are not financial resources and therefore, are not reported in the general fund.		74,573
Deferred amount on refunding of long-term debt		32,852
Deferred outflows of resources related to pensions		383,708
Deferred outflows of resources related to OPEB		337,739
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly, are not reported as liabilities in the general fund:		
Accrued interest payable		(21,757)
Compensated absences		(156,271)
Direct financed purchase obligation outstanding		(2,133,000)
Lease liability		(75,431)
Net pension liability		(116,564)
Net OPEB liability		(33,808)
Deferred inflows of resources related to pensions		(101,754)
Deferred inflows of resources related to OPEB		(409,791)
Net position of governmental activities	$	4,799,688

The notes to the basic financial statements are an integral part of this statement.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Revenues	
Charges for services (benefit assessments)	$ 4,918,395
Property taxes	374,620
Intergovernmental	52,954
Investment loss	(109,889)
Miscellaneous	69,914
Total revenues	5,305,994
Expenditures	
Current:	
Public health and integrated vector management:	
Salaries and benefits	2,806,011
Professional services	726,856
Public health pesticides	670,386
Administration and public information	195,327
Insurance	179,212
Fuel and lubricants	51,839
Utilities	119,839
Maintenance	107,303
Rents and leases	316
Membership dues and subscriptions	27,455
Travel and transportation	11,059
Legal services	9,028
Debt service:	
Principal	297,094
Interest	69,626
Capital outlay	103,902
Total expenditures	5,375,253
Deficiency of revenues under expenditures	(69,259)
Other Financing Sources:	
Lease proceeds	80,486
Total other financing sources	80,486
Net change in fund balance	11,227
Fund balance – July 1, 2021	3,326,979
Fund balance – June 30, 2022	$ 3,338,206

The notes to the basic financial statements are an integral part of this statement.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
RECONCILIATION OF THE GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Net change in fund balance	$	11,227
Amounts reported for governmental activities in the statement of activities are different because:		
The general fund reported capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Capital outlay		103,902
Depreciation and amortization expense		(203,229)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Lease proceeds		(80,486)
Principal payments on long-term debt		269,000
Principal payments on lease liabilities		28,094
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the general fund.		
Change in accrued interest payable		2,743
Change in compensated absences		(1,832)
Amortization of deferred amount on refunding		(5,328)
Changes in net pension liability and related deferred outflows/inflows of resources		443,484
Changes in OPEB liability and related deferred outflows/inflows of resources		71,331
Change in net position of governmental activities	$	638,906

The notes to the basic financial statements are an integral part of this statement.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

In May 2000, Placer County voters approved an assessment to provide funds to set up the Placer Mosquito and Vector Control District (District). The District's objective is to control mosquitoes in the western portion of Placer County. Program activities include eliminating mosquitoes in their larval stage chemically, as well as with mosquitofish, monitoring diseases associated with local mosquitoes, fogging to reduce adult populations, and public education.

The District has a governing board composed of one member appointed by each of the following: Cities of Auburn, Colfax, Lincoln, Rocklin, and Roseville, Town of Loomis, and the Placer County Board of Supervisors.

Accounting Policies

The District accounts for its financial transactions in accordance with the policies and procedures of the County of Placer (County). The accounting policies of the District conform with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the District's activities. The District is only engaged in governmental activities and is supported by benefit assessments.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include direct charges to customers based on voter-approved debt by property assessment.

Separate financial statements are provided for the District's governmental fund. The General Fund is the general operating fund of the District and is used to account for all the District's financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for on a spending or "financial flow" measurement focus. Their reported fund balance is considered a measure of "available spendable resources."

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The governmental fund is accounted for using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current accounting period. Expenditures are recognized when the related fund liability is incurred (when goods are received, or services rendered). Revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year.

Cash and Investments

The District maintains cash in the Placer County Treasury where it is pooled with other County funds. The County Treasurer's investment pool is subject to oversight by the Treasury Review Panel. The District also maintains funds with Vector Control Joint Powers Agency (VCJPA) and fiscal agents.

The County's pooled investments are stated at fair value. The value of the District's pool shares that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool.

Prepaid Items

Payments made for services that will benefit future accounting periods are recorded as prepaid items. Prepaid items, as reported in the governmental funds balance sheet, are offset by a nonspendable fund balance account to indicate such amounts are not in spendable form. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Leases

The District engages in lease agreements to meet operational needs or to serve the general public. The District's lease contracts relate to office space and equipment. For short-term leases with a maximum possible term of 12 months or less at commencement, the District recognizes periodic revenue or expense based on the provisions of the lease contract. For all other contracts where the District is the lessee, the District recognizes a lease liability and an intangible right-to-use asset based on the present value of future lease payments over the contracted term of the lease. The right-to-use assets are reported with capital assets, and lease liabilities are reported as long-term debt in the statement of net position. The right-to-use assets are amortized over the term of the lease, as the District is not expected to lease assets beyond the underlying asset's useful life.

The District uses the County of Placer's estimated incremental borrowing rate as the discount rate for leases unless the rate the lessor charges is known. The County's incremental borrowing rate is an approximation of the rate the County would have to pay on a bond issuance or a lease-lease back arrangement such as a Certificate of Participation. If amendments or other certain circumstances occur that are expected to significantly affect the amount of the lease, the present value is remeasured and corresponding adjustments made. For lease contracts that include increases to rent payments related to the consumer price index (CPI) or similar indices, the available index increase is included in the present value at the commencement of the lease or upon remeasurement. Payments based on future performance are not included in the measurement of the lease liability or lease receivable but recognized as revenue or expense in the period performed. Residual value guarantees and exercise options will be included in the measurement if they are reasonably certain to be paid or exercised.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property (e.g., land), plant (e.g., buildings and improvements), equipment (e.g., vehicles, computers, office equipment and software), and intangible assets (e.g., software, easements), are reported in the applicable government-wide financial statements. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the date of donation. Capitalization thresholds are $5,000 for equipment and $100,000 for buildings and improvements and intangible assets.

Depreciation on capital assets is provided using the straight-line method. The estimated useful lives are as follows: equipment – 2 to 25 years; buildings and improvements – 10 to 50 years; and intangible assets – 5 to 15 years.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources, which represent a consumption of net assets that applies to future periods and so will not be recognized as an expense/expenditure until then. Deferred amounts on refunding qualify for reporting in this category, which represents the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition, the District records deferred outflows of resources related to pensions and OPEB, which are discussed in more detail in Notes F and G, respectively.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources, which represent an acquisition of net assets that applies to future periods and so will not be recognized as revenue until that time. The District records deferred inflows of resources related to pensions and OPEB, which are discussed in more detail in Notes F and G, respectively.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pensions expense, information about the fiduciary net position of the District's cost-sharing multiple-employer defined benefit pension plan participating in the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences

District employees accrue vacation at varying amounts based on length of service and sick leave at a rate of ninety-six (96) hours a year. An employee's vacation accrual may not exceed two hundred and forty (240) hours. Sick leave hours not used during the period are carried forward to the following years with no limit as to the number of hours that can be accumulated. Employees are not compensated for accrued but unused sick leave upon termination of employment; however, accrued but unused sick leave at the time of termination can be used as service time for purposes of retirement benefits, so long as this is consistent with the applicable contract and statutes of the California Public Employees' Retirement System (CalPERS).

Long-term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. In the governmental fund financial statements, long-term debt proceeds are reported as other financing sources. Principal and interest are reported as expenditures in the period in which the related payments are made.

Net Position

The government-wide financial statements utilize a net position presentation. Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The District's net position is categorized as net investment in capital assets, restricted, and unrestricted.

> ***Net Investment in Capital Assets*** – This category groups all capital assets into one component of net position. Accumulated depreciation of these assets reduces the balance in this category. Debt incurred and outstanding to construct and/or acquire capital assets, net of unspent proceeds, also reduces the balance in this category.
>
> ***Restricted*** – This category consists of restricted assets reduced by liabilities related to those assets and represents restricted cash and investments the District maintains with Vector Control Joint Powers Agency.
>
> ***Unrestricted*** – This category represents net position of the District, not restricted for any project or other purpose.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

In the fund financial statements, the governmental fund reports fund balance as nonspendable, restricted, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

> ***Nonspendable fund balance*** **–** amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
>
> ***Restricted fund balance*** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
>
> ***Assigned fund balance*** – amounts that are constrained by the District's *intent* to be used for specific purposes. The intent can be established at the highest level of decision making (Board of Trustees).
>
> ***Unassigned fund balance*** – amounts that constitute the residual balances that have no restrictions placed on them.

The Board of Trustees establishes, modifies, and rescinds fund balance commitments and assignments by passage of an ordinance or resolution. Assignments also require adoption of the budget and subsequent budget amendments that occur throughout the fiscal year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the assigned, and unassigned resources as they are needed. Assigned and unassigned fund balances are considered unrestricted.

Revenues

The County administers the District's revenue. The County bills and collects revenues through benefit assessments added to property tax billings. In addition, the District receives a percentage of the 1% property tax ad valorem rate. All receipts are deposited directly into the County's pooled cash fund for the District, after charging the District a 1% administrative fee. The District considers interest earned and property tax allocations to be general revenues.

Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current Governmental Accounting Standards Board (GASB) Pronouncement

The District adopted GASB Statement No. 87, *Leases* in fiscal year ended 2022. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The adoption of this statement resulted in the recognition of additional lease related assets and liabilities. Notes C and E provide details on the balances reported.

NOTE B – CASH AND INVESTMENTS

Cash and investments at June 30, 2022 consist of the following:

Cash and investments in County Treasury	$ 3,459,872
Cash and investments held with fiscal agents	229,668
Imprest cash	400
Total	$ 3,689,940

Cash and investments shown on the statement of net position and the balance sheet represent the District's share of the County Treasurer's cash and investment pool and its deposits with outside financial institutions and fiscal agents.

The District involuntarily participates in the County Treasurer's cash and investment pool. California Government Code Section 53600, et. seq., and the County investment policy authorizes the following investments: U.S. Treasury securities, U.S. agency securities, local agency bonds, bankers' acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, corporate notes, collateralized certificates of deposit, California Local Agency Investment Fund (LAIF), Certificate of Deposit Account Registry Services (CDARS) certificates of deposit and Supranationals. Other allowable investments pursuant to Government Code Section 53601, although restricted by the County's investment policy, include mutual funds, mortgage and collateral-backed securities, asset-backed securities, reverse repurchase agreements, and joint powers agency investment pools.

Cash and investments held by fiscal agents represents uncommitted funds held with the Vector Control Joint Powers Agency (VCJPA) Contingency Fund. These funds are used to pay for costs not covered under the VCJPA's insurance pool programs.

The County has a Treasury Review Panel, which performs regulatory oversight for its pool as required by Treasurer Policy. Investments are stated at fair value in accordance with generally accepted accounting principles. However, the value of the District's shares in the County investment pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. The District's investment in the County Treasurer's pool and the VCJPA as of June 30, 2022 are stated at fair value. The money market mutual fund for debt service is stated at net asset value. The County's Annual Comprehensive Financial Report (ACFR), containing information relating to the County's cash and investments by risk category, can be obtained from the County Auditor-Controller's Office or on the County's website.

NOTE B – CASH AND INVESTMENTS (CONTINUED)

GASB Statement No. 40, *Deposit, and Investment Risk Disclosures – an amendment of GASB Statement No. 3*, requires additional disclosures about a government's deposit and investment risks that include interest rate risk, credit risk, custodial credit risk, and concentration of credit risk. The District does not have an investment policy that addresses these specific types of risk.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. The weighted average to maturity of the County's external investment pool as of June 30, 2022 was 536 days and the Vector Control Joint Powers Agency (VCJPA) external investment pool as of June 30, 2022, was 2,326 days.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County and VCJPA external investment pools are not rated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of the failure of a depository institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (i.e., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurement (Continued)

The District's proportionate share of cash and investments in the County and VCJPA pools at June 30, 2022 are $3,459,872 and $229,668, respectively. Deposits and withdrawals from the County and VCJPA external investment pools are made on the basis of $1 and not fair value. Accordingly, these types of investments are based on uncategorized inputs not defined as a Level 1, Level 2, or Level 3 input.

NOTE C – CAPITAL ASSETS

Changes in the capital assets during the fiscal year ended June 30, 2022 were as follows:

	Balance July 1, 2021	Additions	Retirements / Transfers	Balance June 30, 2022
Capital assets, not being depreciated:				
Land	$ 438,627	$ -	$ -	$ 438,627
Construction in progress	9,368	-	(9,368)	-
Total capital assets not being depreciated	447,995	-	(9,368)	438,627
Capital asset, being depreciated/amortized:				
Building and improvements	5,708,316	-	-	5,708,316
Equipment and vehicles	1,012,171	32,785	(32,011)	1,012,945
Intangible assets	177,090	-	-	177,090
Total capital assets being depreciated and amortized	6,897,577	32,785	(32,011)	6,898,351
Less accumulated depreciation/amortization:				
Building and improvements	(2,873,796)	(74,593)	-	(2,948,389)
Equipment and vehicles	(623,698)	(81,974)	32,011	(673,661)
Intangible assets	(16,233)	(17,709)	-	(33,942)
Total accumulated depreciation and amortization	(3,513,727)	(174,276)	32,011	(3,655,992)
Total capital assets, being depreciated and amortized, net	3,383,850	(141,491)	-	3,242,359
Capital assets, net	$ 3,831,845	$ (141,491)	$ (9,368)	$ 3,680,986

NOTE C – CAPITAL ASSETS (CONTINUED)

The following table presents the lease asset and related amortization as of June 30, 2022:

	Balance July 1, 2021 (*)	Increases	Decreases	Balance June 30, 2022
Lease assets:				
Buildings and improvements	$ 19,005	$ 80,486	$ -	$ 99,491
Equipment	4,035	-	-	4,035
Total lease costs	23,040	80,486	-	103,526
Less accumulated amortization:				
Buildings and improvements	-	(26,532)	-	(26,532)
Equipment	-	(2,421)	-	(2,421)
Total accumulated amortization	-	(28,953)	-	(28,953)
Total lease assets, net	$ 23,040	$ 51,533	$ -	$ 74,573

NOTE D – LONG-TERM LIABILITIES

Changes in the District's long-term liabilities during the fiscal year ended June 30, 2022 were as follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year
Direct borrowings:					
Refinancing Financed Purchase Obligation	$ 2,402,000	$ -	$ (269,000)	$ 2,133,000	$ 279,000
Compensated absences	154,439	173,100	(171,268)	156,271	15,627
Lease liability (*)	23,039	80,486	(28,094)	75,431	28,361
Total	$ 2,579,478	$ 253,586	$ (468,362)	$ 2,364,702	$ 322,988

(*) Balance as of July 1, 2021 was restated due to the implementation of GASB Statement No. 87, *Leases.*

Direct Borrowing – Refinancing Financed Purchase Obligation

On September 1, 2018, the District entered into a $2,925,000 site and facilities direct borrowing agreement between the District and Public Property Financing Corporation of California (Corporation) to finance purchase certain property. The District received proceeds totaling $2,925,000, and is required to make semiannual payments. Those proceeds, along with $205,061 from the District were used to refund $3,040,000 of outstanding principal and $11,286 accrued interest on the Certificates, as well as $78,775 of issuance costs. The original deferred amount on refunding was $53,276 and is amortized over 10 years beginning September 1, 2018 and ending August 31, 2028. The deferred amount on refunding balance as of June 30, 2022 was $32,852.

NOTE D – LONG-TERM LIABILITIES (CONTINUED):

The following is a schedule of total debt service requirements to maturity as of June 30, 2022:

Year Ending	Financed Purchase Obligation - Direct Borrowing		
June 30,	Principal	Interest	Total
2023	$ 279,000	$ 61,001	$ 340,001
2024	288,000	52,326	340,326
2025	293,000	43,437	336,437
2026	305,000	34,287	339,287
2027	313,000	24,832	337,832
2028-2029	655,000	20,150	675,150
Total	$ 2,133,000	$ 236,033	$ 2,369,033

NOTE E – LEASES

The District entered into lease agreements as lessee with third parties for the rental of a copier and the rental of a satellite office of a local mosquito and vector control district, including office use, storage of district vehicles and equipment, and the storage of mosquito/vector control pesticides.

The lease terms include the noncancelable lease period. The lease contract includes increases to scheduled payments which are stated in the lease agreement. For the fiscal year ended June 30, 2022, the District recognized $28,094 in lease principal expense and $356 in lease interest expense.

The following table presents the lease liability principal and interest requirements to maturity:

Year Ending June 30,	Principal	Interest
2023	$ 28,361	$ 244
2024	26,856	133
2025	20,214	27
Total	$ 75,431	$ 404

NOTE F – PENSION PLAN

Plan Description

All qualified permanent and probationary District employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within the Miscellaneous risk pool. Rate plans within the Safety and Miscellaneous risk pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan. The District sponsors one rate plan within the Miscellaneous risk pool. Benefit provisions under the Plan

NOTE F – PENSION PLAN (CONTINUED)

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

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment and the retirement formula of 2.0% at 55 for existing "Miscellaneous Classic" members, 2.0% at 60 for existing "Miscellaneous Second Tier" members and 2.0% at 62 for "PEPRA Miscellaneous Tier" existing members and all future members. The cost-of-living adjustments for each plan are applied as specified by California Public Employees' Retirement Law (PERL).

The benefits in effect as of June 30, 2022 are summarized as follows:

	Miscellaneous Classic Plan	Miscellaneous Second Tier Plan	PEPRA Miscellaneous Tier Plan
	Hired on or before	Hired on or after	Hired on or after
Hire Date	June 30, 2011	July 1, 2011	January 1, 2013
Benefit formula	2.0% at 55	2.0% at 60	2.0% at 62
Minimum service years to vest	5	5	5
Benefit payments	monthly for life	monthly for life	monthly for life
Earliest allowable retirement age	50	50	52
Monthly benefits, as a % of eligible compensation	1.43% - 2.00%	1.09% - 2.00%	1.00% - 2.00%

Contributions

Section 20814(c) of PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process.

For public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employees under the Miscellaneous Classic, Miscellaneous Second Tier and PEPRA Miscellaneous Tier rate plans are required to contribute 7%, 7% and 6.75% of their annual pay, respectively. The District's contractually required contribution rates for the year ended June 30, 2022, for the Miscellaneous Classic, Miscellaneous Second Tier and PEPRA Miscellaneous Tier, were 10.34%, 8.65% and 7.59%, respectively, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's total contributions to the pension plan was $221,995 for the fiscal year ended June 30, 2022.

NOTE F – PENSION PLAN (CONTINUED)

Pensions Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a net pension liability of $116,564 for its proportionate share of the Miscellaneous risk pool's net pension liability. The net pension liability of the Plan was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The District's proportion of the net pension liability of the Plan was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion was 0.00614%, which was a decrease of 0.00944% from its proportion measured as of June 30, 2021 of .01558%.

As of June 30, 2022, the District reported a pension credit of $221,488 and reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 13,071	$ -
Net difference between projected and actual earnings on pension plan investments	-	101,754
Changes in proportion and differences between District contributions and proportionate share of contributions	37,741	-
Change in District's proportion	110,901	-
Employer pension contributions paid by District subsequent to measurement date	221,995	-
	$ 383,708	$ 101,754

The deferred outflows of resources of $221,995 results from pension contributions made subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the next fiscal year. Amounts reported as deferred outflows and deferred inflows of resources related to pensions, will be recognized in future pension expense as follows:

Year Ended June 30,	Amount
2023	$ 54,949
2024	32,076
2025	1,053
2026	(28,119)
Total	$ 59,959

NOTE F – PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation, rolled forward to June 30, 2021, was determined using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Services
Investment Rate of Return	7.15% Net of Pension Plan Investment, includes Inflation
Mortality Rate Table[1]	Derived using CalPERS' Membership Data for All Funds

[1] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

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Changes of Assumptions

There were no changes of assumptions for the measurement year ended June 30, 2021.

Long-Term Expected Rate of Return

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

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

NOTE F – PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation[1]	Real Return Years 1 - 10[2]	Real Return Years 11+[3]
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.92%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

[1] In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

[2] An expected inflation of 2.00% used for this period.

[3] An expected inflation of 2.92% used for this period.

Discount Rate

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability, calculated using the current discount rate of 7.15%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

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	1% Decrease 6.15%	Current Discount Rate 7.15%	1% Increase 8.15%
Net Pension Liability (Asset)	$ 737,329	$ 116,564	$ (396,613)

NOTE F – PENSION PLAN (CONTINUED)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to the pension benefits described in Note F, the District provides post-retirement healthcare benefits to its retirees administered by CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). The District participates in the California Employers' Retiree Benefit Trust (CERBT), an agent multiple employer plan administered by CalPERS. CalPERS issues a publicly available ACFR that includes financial statements and required supplementary information. Copies of CalPERS' ACFR may be obtained from their Executive Office, 400 Q Street, P.O. Box 942701, Sacramento, California 94229.

Benefits Provided

In accordance with California Government Code, all employees electing a CalPERS retirement date within 120 days of retiring from the District are eligible to receive healthcare benefits for life. Employees who retire directly from the District at the age of 55 or older and with at least 10 years of District and CalPERS service are eligible to receive the enhanced benefits, referred to as the District Supplemental Benefit Stipend. These benefits are payable for the lifetime of the retiree and his or her spouse at one of the following stipends:

1) If hired prior to July 1, 2008, the District will contribute 100% of the premium for the retiree and his or her spouse up to the Kaiser plan rates (by coverage level) in the Sacramento region.

2) If hired after July 1, 2008 but prior to July 1, 2011, the District will contribute the lesser of (a) and (b) below:

   (a) 100% of the monthly premium for the retire and his or her spouse.
   (b) The Kaiser plan rates (by coverage level) in the Sacramento region multiplied by the appropriate percentage from the District Retiree Medical Benefit Schedule, based on the employee's years of service with the District.

3) If hired on or after July 1, 2011, but prior to July 1, 2017, the District will contribute the lesser of (a) and (b) below:

   (a) 100% of the monthly premium for the retire and his or her spouse.
   (b) 80% of the Kaiser plan rates (by coverage level) in the Sacramento region multiplied by the appropriate percentage from the District Retiree Medical Benefit Schedule, based on the employee's years of service with the District.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Benefits Provided (Continued)

4) If hired on or after July 1, 2017, the District will contribute the lesser of (a) and (b) below:

   (a) 100% of the monthly premium for the retire and his or her spouse.
   (b) 80% of the Kaiser plan rates (by coverage level) in the Sacramento region multiplied by the appropriate percentage from the District Retiree Medical Benefit Schedule, based on the employee's years of service with the District, with the benefit ending at the earlier of the member's age 65, or Medicare eligibility.

The District Retiree Medical Benefit Schedule applies a percent to the District's otherwise maximum monthly subsidy for retirees hired on or after July 1, 2008:

District Retiree Medical Benefit Schedule

Years of District Service	% of Full Benefit Paid	Years of District Service	% of Full Benefit Paid
Less than 10	0%	15	75%
10	50%	16	80%
11	55%	17	85%
12	60%	18	90%
13	65%	19	95%
14	70%	20 or more	100%

Employees Covered

At June 30, 2022, the following employees were covered by the benefit terms:

Active plan members	22
Retirees and beneficiaries receiving benefits	2
Inactive plan members entitled to but not yet receiving benefits	-
Total	24

Contributions

Under PEMHCA, the District is obligated to contribute toward the cost of retiree medical coverage for all employees who retire from the District for the retiree's lifetime or until CalPERS medical coverage is discontinued.

All employees who retire from the District who are eligible to continue coverage in retirement will receive the required PEMHCA minimum employer contribution (MEC). Benefits continue to a covered surviving spouse as well, if eligible for survivor benefits under the retirement program. The MEC was $143 per month in 2021 and increased to $149 per month in 2022.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions (Continued)

The District's Board of Trustees is granted the authority to establish and amend contribution requirements of the District, in excess of the minimum for plan members. The Board establishes rates based on an actuarially determined rate based on annual actuarial valuation reports.

During the fiscal year ended June 30, 2022, the District contributed $187,363 to the OPEB plan. Of this amount, the District paid $21,363 in benefits provided to retirees during the year and $166,000 to the CERBT.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

Actuarial assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Contribution policy	Pre-funded through CERBT asset allocation Strategy 2
Actuarial assumptions:	
Discount rate	6.5%
Inflation	2.5%
Investment rate of return	6.4%
Salary increases	3.0% per year, used only to allocate the cost of benefits between service years.
Mortality, retirement, disability, termination	CalPERS 2017 experience study using 1997-2015 experience data.
Mortality improvement	MacLeod Watts Scale 2020 applied generationally.
Healthcare Cost Trend Rate	5.8% for 2022, grading down to 4.7 % for years 2048 and thereafter.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

Long-Term Expected Rate of Return

The expected long-term return on trust assets was derived from information published by CalPERS for CERBT Investment Strategy 2. CalPERS determined its returns using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expenses and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10[1]	Real Return Years 11+[2]
Global Equity	40.0%	4.80%	5.98%
Fixed Income	43.0%	1.10%	2.62%
Global Real Estate (REITs)	8.0%	3.20%	5.00%
Treasury Inflation Protected Securities	5.0%	0.25%	1.46%
Commodities	4.0%	1.50%	2.87%
Total	100.0%		

[1] An expected inflation of 2.00% used for this period.

[2] An expected inflation of 2.92% used for this period.

CalPERS' expected returns are split for years 1-10 and years 11 and thereafter. To derive the expected return specifically for the District, the OPEB actuary projected plan benefits in each future year. Then applying the plan specific benefit payments to CalPERS' bifurcated return expectations, the OPEB actuary determined the single equivalent long-term rate of return to be 6.5%.

Discount Rate

The discount rate used to measure the total OPEB was 6.5%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

Changes in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2021	$ 2,015,737	$ 1,496,522	$ 519,215
Changes in the year:			
Service cost	114,285	-	114,285
Interest on the total pension liability	138,529	-	138,529
Differences between actual and expected experience	(105,086)	-	(105,086)
Assumption changes	(178,500)	-	(178,500)
Contributions - employer	-	161,018	(161,018)
Net investment income	-	294,162	(294,162)
Benefit payments and refunds	(30,146)	(30,146)	-
Administrative expenses	-	(545)	545
Net changes	(60,918)	424,489	(485,407)
Balances at June 30, 2022	$ 1,954,819	$ 1,921,011	$ 33,808

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

The 1st table presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

The 2nd table presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

	Discount Rate		
	1% Decrease (5.5%)	**Discount Rate (6.5%)**	**1% Increase (7.5%)**
Net OPEB Liability (Asset)	$ 354,273	$ 33,808	$ (226,442)

	Healthcare Trend Rate		
	1% Decrease (4.8%)	**Current Trend (5.8%)**	**1% Increase (6.8%)**
Net OPEB Liability (Asset)	$ (276,962)	$ 33,808	$ 431,595

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of $116,032. As of June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 187,363	$ -
Changes of assumptions	120,943	162,992
Differences between actual and expected experiences	29,433	105,907
Net differences between projected and actual earnings on OPEB plan investments	-	140,892
Total	$ 337,739	$ 409,791

The amounts reported as deferred outflows of resources related to OPEB contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year.

Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in future OPEB expenses as follows:

Year Ending June 30,	Amount
2023	(34,808)
2024	(36,419)
2025	(36,161)
2026	(40,000)
2027	(1,624)
Thereafter	(110,403)
Total	$ (259,415)

NOTE H – RELATED PARTY TRANSACTIONS

Under contractual agreement, the County provides administrative services to the District**,** including personnel, and allocates costs related to these services and facilities to the District. For the fiscal year ended June 30, 2022, the County charged the District $16,416 for salaries and benefits, operating costs, and administrative services. The County also charged the District $53,401 for administrative and collection costs related to benefit assessments and property tax revenues for the fiscal year ended June 30, 2022.

NOTE I – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions and injuries to employees. The District and various other districts throughout the State of California formed the Vector Control Joint Power Agency (VCJPA) to provide coverage for workers' compensation, general and property liability exposures and to pay for the administration of the program. The Joint Powers Agreement established for its members the VCJPA General Liability and Workers' Compensation Plans.

The VCJPA is a "risk-sharing pool" and manages one pool for all members. The arrangement allows its members to transfer or pool risks and share in the cost of losses. The District currently reports all its risk management activities in its General Fund. Premiums due to the VCJPA are reported when incurred. Each member of the VCJPA pays an annual premium to the insurance system which is evaluated each year.

The agreement for the formation of the VCJPA provides that the system will be self-sustaining through member premiums and is insured through a commercial company for claims in excess of the self-insured retention.

VCJPA members are also permitted to deposit unobligated funds with the VCJPA in the Member Contingency Fund. The purpose of this fund is to pay for items not covered under VCJPA's pool programs. The District did not have any claims outstanding not covered by the pool programs. Deposit and withdrawal of unobligated funds may be made by the District at any time.

As of June 30, 2022, the District had $229,668 in the Member Contingency Fund.

REQUIRED SUPPLEMENTARY INFORMATION

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	$ 4,870,669	$ 4,870,669	$ 4,918,395	$ 47,726
Property taxes	359,657	359,657	374,620	14,963
Intergovernmental	-	-	52,954	52,954
Investment earnings (loss)	36,000	36,000	(109,889)	(145,889)
Miscellaneous	26,600	26,600	69,914	43,314
Total revenues	5,292,926	5,292,926	5,305,994	13,069
Expenditures:				
Current:				
Public health and integrated vector management:				
Salaries and benefits	2,885,092	2,820,705	2,806,013	14,692
Professional services	681,921	726,250	726,856	(606)
Public health pesticides	729,668	729,668	670,386	59,282
Administration and public information	218,093	218,093	195,327	22,766
Insurance	169,061	169,061	179,212	(10,151)
Fuel and lubricants	34,500	51,840	51,839	1
Utilities	136,791	136,791	119,839	16,952
Maintenance	113,583	140,583	107,303	33,280
Rents and leases	28,351	28,351	316	28,035
Membership dues and subscriptions	24,738	27,456	27,455	1
Travel and transportation	9,180	9,180	11,059	(1,879)
Legal services	15,000	15,000	9,028	5,973
Debt service:				
Interest	69,386	69,386	69,626	(240)
Principal	269,000	269,000	297,093	(28,093)
Capital outlay	125,000	125,000	103,902	21,098
Total expenditures	5,509,364	5,536,364	5,375,253	161,111
Other Financing Sources:				
Sale of capital assets	5,000	5,000	-	5,000
Lease proceeds	-	-	80,486	(80,486)
Net change in fund balance	$ (221,438)	$ (248,438)	$ 11,227	$ (259,665)

The notes to the required supplementary information is an integral part of this schedule.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS [1]

Fiscal Year	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered payroll	District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	Measurement Date
2015	0.00453%	$ 281,495	$ 1,181,197	23.83%	79.82%	6/30/2014
2016	0.00393%	269,960	1,289,603	20.93%	78.40%	6/30/2015
2017	0.00445%	384,878	1,312,324	29.33%	74.06%	6/30/2016
2018	0.00489%	485,387	1,443,816	33.62%	73.31%	6/30/2017
2019	0.00485%	467,374	1,555,261	30.05%	75.26%	6/30/2018
2020	0.54100%	554,704	1,696,717	32.69%	75.26%	6/30/2019
2021	0.60400%	657,068	1,871,876	35.10%	75.10%	6/30/2020
2022	0.00614%	116,564	1,815,514	6.42%	90.49%	6/30/2021

[1] Fiscal year 2015 was the first year of implementation of GASB Statement No. 68, therefore only eight years are shown.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS [(1)]

Fiscal Year	Actuarially determined contributions	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2015	$ 133,708	$ 133,708	$ -	$ 1,289,603	10.37%
2016	108,970	108,970	-	1,312,324	8.30%
2017	124,838	124,838	-	1,443,816	8.65%
2018	137,419	137,419	-	1,555,261	8.84%
2019	160,717	160,717	-	1,696,717	9.47%
2020	181,585	181,585	-	1,871,876	9.70%
2021	207,919	207,919	-	1,815,514	11.45%
2022	221,995	221,995	-	1,867,685	11.89%

[(1)] Fiscal year 2015 was the first year of implementation of GASB Statement No. 68, therefore only eight years are shown.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS [1]

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 114,285	$ 110,956	$ 101,051	$ 93,974	$ 83,936
Interest	138,529	124,790	109,909	98,783	77,722
Differences between expected and actual experience	(105,086)	-	(13,008)	-	56,988
Changes of assumptions	(178,500)	-	51,462	43,516	106,300
Benefit payments	(30,146)	(28,497)	(35,754)	(30,539)	(13,537)
Net change in total OPEB liability	(60,918)	207,249	213,660	205,734	311,409
Total OPEB liability -- beginning	2,015,737	1,808,488	1,594,828	1,389,094	1,077,685
Total OPEB liability -- ending (a)	$ 1,954,819	$ 2,015,737	$ 1,808,488	$ 1,594,828	$ 1,389,094
Plan fiduciary net position					
Contributions - employer	$ 161,018	$ 166,905	$ 169,880	$ 116,868	$ 185,034
Net investment income	294,162	69,756	76,338	57,796	54,736
Benefit payments	(30,146)	(28,497)	(35,754)	(30,539)	(13,537)
Administrative expense	(545)	(636)	(233)	(492)	(411)
Other expenses		-	-	(1,239)	-
Net change in plan fiduciary net position	424,489	207,528	210,231	142,394	225,822
Plan fiduciary net position -- beginning	1,496,522	1,288,994	1,078,763	936,369	710,547
Plan fiduciary net position -- ending (b)	$ 1,921,011	$ 1,496,522	$ 1,288,994	$ 1,078,763	$ 936,369
Net OPEB liability -- ending (a) - (b)	$ 33,808	$ 519,215	$ 519,494	$ 516,065	$ 452,725
Plan fiduciary net position as a percentage of the total OPEB liability	98.27%	74.24%	71.27%	67.64%	67.41%
Covered payroll	$ 1,842,947	$ 1,757,954	$ 1,743,007	$ 1,604,713	$ 1,443,816
Net OPEB liability as a percentage of covered payroll	1.83%	29.54%	29.80%	32.16%	31.36%
Measurement date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017

[1] Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore only five years are shown.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
LAST TEN FISCAL YEARS [1]

Fiscal Year	Actuarially determined contributions (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2018	$ 110,465	$ 116,868	$ (6,403)	$ 1,604,713	7.28%
2019	134,126	169,880	(35,754)	1,743,007	9.75%
2020	138,408	166,905	(28,497)	1,795,297	9.30%
2021	130,872	161,018	(30,146)	1,842,947	8.74%
2022	113,686	187,363	(73,677)	1,898,235	9.87%

Notes to schedule:

Valuation date for setting the ADC — June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay
Amortization period	30-year closed
Asset valuation method	Market value assets
Inflation	2.50%
Healthcare cost trend rates	5.80% in 2022, fluctuating down to 3.90% in 2075
Salary increases	3.00%
Investment rate of return	6.40%
Mortality	CalPERS 2017 Experience Study
Mortality improvement	MacLeod Watts Scale 2020 applied generationally

[1] Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore only five years are shown.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE A – BUDGETS AND BUDGETARY ACCOUNTING

Formal budgetary accounting is employed by the District as a management control for the District's general fund. The Board of Trustees adopts an annual budget each fiscal year. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary control is exercised at the fund level. All amendments to the budget are reflected in the financial statements and require the approval of the Board of Trustees. All unencumbered annual appropriations lapse at the end of each fiscal year. There are no encumbrances outstanding at year-end.

OTHER REPORT

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Placer Mosquito & Vector Control District
Roseville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the general fund of Placer Mosquito & Vector Control District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Placer Mosquito & Vector Control District's basic financial statements, and have issued our report thereon dated March 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Placer Mosquito & Vector Control District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Placer Mosquito & Vector Control District's internal control. Accordingly, we do not express an opinion on the effectiveness of Placer Mosquito & Vector Control District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Placer Mosquito & Vector Control District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 15, 2023

Global

INDEPENDENT
NETWORK MEMBER