



PLACER MOSQUITO AND VECTOR CONTROL DISTRICT

Roseville, California

**Independent Auditors' Reports, Management's Discussion
and Analysis, Basic Financial Statements, and Required
Supplementary Information**

For the Fiscal Year Ended June 30, 2024

Focused
on YOU



PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
For the Fiscal Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the 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 the Placer Mosquito and Vector Control District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the District, as of June 30, 2024, 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 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.

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.



To the Board of Trustees
Placer Mosquito and Vector Control District

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 generally accepted auditing standards 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 generally accepted auditing standards 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 the 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 required pension and other postemployment benefits schedules, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Board of Trustees
Placer Mosquito and Vector Control District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2025, 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.

LSL, LLP

Sacramento, California
April 4, 2025

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

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, 2024. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements, which begin on page 13.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at the close of fiscal year ended June 30, 2024, by \$5,005,074 (net position).
- The District had program and general revenues of \$6,148,291 and program expenses of \$5,971,309 for the fiscal year ended June 30, 2024.
- As of the close of the current fiscal year, the District's governmental fund reported an ending fund balance of \$3,768,876.

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 13-14 of this report.

The *Statement of Net Position* presents information on all of the District's assets and liabilities and deferred outflows and 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 *Statement 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

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 15-18 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 19-39 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 and related ratios, schedule of District's pension plan contributions, schedule of changes in net other postemployment benefits (OPEB) liability and related ratios, and the schedule of District's OPEB contributions. Required supplementary information can be found on pages 41-46 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 of resources in excess of liabilities and deferred inflows of resources) was \$5,005,074 as of June 30, 2024, the close of the District's fiscal year.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

The following table presents the District's statement of net position:

Statement of Net Position				
June 30, 2024 and 2023				
	2024	2023	Dollar Change	Percentage Change
Current assets	\$ 4,004,162	\$ 3,822,204	\$ 181,958	5%
Capital assets, net	3,674,854	3,735,648	(60,794)	-2%
Total assets	<u>7,679,016</u>	<u>7,557,852</u>	<u>121,164</u>	2%
Deferred outflows of resources	<u>1,424,531</u>	<u>1,448,393</u>	<u>(23,862)</u>	-2%
Current liabilities	599,297	636,479	(37,182)	-6%
Long-term liabilities	1,492,822	1,789,797	(296,975)	-17%
Net pension liability	1,079,914	887,737	192,177	22%
Net OPEB liability	623,102	592,322	30,780	5%
Total liabilities	<u>3,795,135</u>	<u>3,906,335</u>	<u>(111,200)</u>	-3%
Deferred inflows of resources	<u>303,338</u>	<u>271,818</u>	<u>31,520</u>	12%
Net position				
Net Investment in capital assets	2,069,388	1,807,453	261,935	14%
Restricted	271,652	240,051	31,601	13%
Unrestricted	2,664,034	2,780,588	(116,554)	-4%
Total net position	<u>\$ 5,005,074</u>	<u>\$ 4,828,092</u>	<u>176,982</u>	4%

The District's net position increased by \$177 thousand or 4% as of June 30, 2024, when compared to the prior year net position.

Current assets increased by approximately \$182 thousand or 5% 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 the annual increase in benefit assessment rates. Capital assets decreased by approximately \$61 thousand or 2% mainly due to the sale of a vehicle as well as current year depreciation and amortization offset by current year capital asset additions.

Current liabilities decreased by approximately \$37 thousand or 6% primarily due to the decrease in salaries and benefits, and voucher payables. The decrease in long-term liabilities of approximately \$297 thousand or 17% was mainly due to current year debt payments. The net pension liability increased by \$192 thousand or 22% based on the actuarial accounting valuation report. The net OPEB liability increased by \$31 thousand or 5% due to the decrease in discount rate from 5.70% to 5.65% and updates of the base healthcare trend scale to the Getzen Model 2023.

The District's net investment in capital assets (e.g., land, buildings and improvements, equipment, internally-generated software, subscription and lease 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management’s Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

The following table presents the District’s condensed statement of activities:

Statement of Activities
For the Fiscal Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Revenues:				
Program revenues:				
Charges for services (benefit assessments)	\$ 5,490,609	\$ 5,205,095	\$ 285,514	5%
General revenues:				
Property taxes	410,928	391,875	19,053	5%
Investment earnings and other revenues	246,754	88,391	158,363	179%
Total revenues	<u>6,148,291</u>	<u>5,685,361</u>	<u>462,930</u>	8%
Expenses:				
Program expenses - Public health and integrated vector management				
	<u>5,971,309</u>	<u>5,656,957</u>	<u>314,352</u>	6%
Total expenses	<u>5,971,309</u>	<u>5,656,957</u>	<u>314,352</u>	6%
Change in net position	176,982	28,404	148,578	523%
Net position, beginning of year	<u>4,828,092</u>	<u>4,799,688</u>	<u>28,404</u>	1%
Net position, end of year	<u>\$ 5,005,074</u>	<u>\$ 4,828,092</u>	<u>\$ 176,982</u>	4%

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 approximately \$286 thousand or 5% due to an increase in the number of assessed properties and the Consumer Price Index (CPI) increase in benefit assessment rates.

Investment earnings (loss) and other revenue increased by approximately \$158 thousand or 179% due to more favorable market conditions in the current fiscal year. Also, the district received insurance proceeds for the vehicle disposals in the current year. Total expenses increased by approximately \$314 thousand or 6% primarily due to the increase in salaries and benefits resulting from a 4.2% COLA, increasing benefits cost and the increase in public health pesticides due to the increase cost of treating invasive mosquitos.

Fund Financial Analysis

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

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

The District's General Fund is discussed below:

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 \$3,768,876, an increase of \$218,168 or 6% from fiscal year ended June 30, 2023.

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, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Benefit assessments	\$ 5,490,609	\$ 5,205,095	\$ 285,514	5%
Property taxes	410,928	391,875	19,053	5%
Investment earnings	165,056	67,305	97,751	145%
Rental income	8,283	5,237	3,046	58%
Miscellaneous	73,415	15,849	57,566	363%
Total revenues	<u>\$ 6,148,291</u>	<u>\$ 5,685,361</u>	<u>\$ 462,930</u>	8%

Expenditures by Function
General Fund
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Public health and integrated vector management	\$ 5,380,431	\$ 4,956,380	\$ 424,051	9%
Debt service	381,390	381,002	388	0%
Capital outlay	174,540	135,477	39,063	29%
Total expenditures	<u>\$ 5,936,361</u>	<u>\$ 5,472,859</u>	<u>\$ 463,502</u>	8%

Capital outlay increased by approximately \$39 thousand or 29% due to the addition of vehicle equipment assets to replace outdated vehicles that were sold.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

General Fund Budgetary Highlights

The District's actual expenditures were less than final budget (appropriations) by \$240,573 or 4%. The major areas where actual expenditures and appropriations vary are as follows:

- Salaries and benefits \$123,940
Appropriations exceeding actual expenditures for salaries and benefits were mainly due to lower than expected salaries and wages.
- Professional services \$18,598
Appropriations exceeding actual expenditures for professional services expenditure were primarily due to lower than expected need for professional services.
- Administration and public information \$37,688
Appropriations exceeding actual expenditures for administration and public information were due to projects that were budgeted for, but not needed.
- Utilities \$35,362
Appropriations exceeding actual expenditures for utilities were primarily due to lower than expected utility costs.
- Maintenance \$34,539
Appropriations exceeding actual expenditures for maintenance were due to lower than expected maintenance costs.
- Capital outlay \$10,073
Actual expenditures exceeding appropriations for capital outlay were primarily due to a vehicle repair, which was budgeted under maintenance expense, and was capitalized and recorded in capital outlay.

Capital Assets

The District's net investment in capital assets as of June 30, 2024, was \$2,069,388. This net investment in capital assets represents land, depreciable equipment, buildings and improvements, intangible assets, lease, and SBITA assets for the District net of the accumulated depreciation/amortization and related liability. The change in capital assets during the current year is primarily due to equipment asset additions offset by depreciation/amortization expense. Refer to Note 3 to the basic financial statements for capital asset details.

Long-Term Liabilities

As of June 30, 2024, the District had total long-term liabilities, including compensated absences, leases and SBITAs, outstanding of \$1,840,859 (including balances due within one year). During the fiscal year, total long-term liabilities decreased by \$295,010 mainly due to debt service payments. Refer to Note 4 to the basic financial statements for long-term liability details.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

Economic Factors and Next Year's Budget and Rates

The budget for the fiscal year ending (FYE) June 30, 2025, is \$6,212,173. 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 revenue. The District's Benefit Assessments is subject to an annual adjustment tied to the 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 2025:

- Need to address and manage increasing pension liability annual costs.
- 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 like locally transmitted Dengue fever which has been detected in Southern California.
- 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 mosquito population 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 a 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 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 the 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

- Increasing need to collaborate with neighboring vector control agencies, business and governmental agency partners, and state associations 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 with the eventual requirement to move to electric vehicles.

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
June 30, 2024

Assets	
Cash and investments	\$ 3,665,459
Restricted cash and investments	271,652
Interest receivable	11,131
Prepaid items	55,920
Capital assets:	
Nondepreciable	438,627
Depreciable, net	3,236,227
Total assets	<u>7,679,016</u>
 Deferred Outflows of Resources	
Deferred amount on refunding	22,196
Deferred outflows related to pensions	763,817
Deferred outflows related to OPEB	638,518
Total deferred outflows of resources	<u>1,424,531</u>
 Liabilities	
Accounts payable	125,037
Accrued salaries and benefits payable	110,249
Accrued interest payable	15,973
Compensated absences due within one year	21,320
Lease and SBITA liability due within one year	33,718
Financed purchase obligation due within one year	293,000
Noncurrent liabilities:	
Compensated absences	191,878
Lease and SBITA liability	27,944
Financed purchase obligation	1,273,000
Net pension liability	1,079,914
Net OPEB liability	623,102
Total liabilities	<u>3,795,135</u>
 Deferred Inflows of Resources	
Deferred inflows related to pensions	19,032
Deferred inflows related to OPEB	284,306
Total deferred inflows of resources	<u>303,338</u>
 Net Position	
Net investment in capital assets	2,069,388
Restricted	271,652
Unrestricted	2,664,034
Total net position	<u>\$ 5,005,074</u>

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

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2024

<u>Governmental Activities</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for Services</u>	<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in Net</u> <u>Position</u>
Public health and integrated vector management	\$ 5,920,914	\$ 5,490,609	\$ (430,305)
Interest on long-term debt	50,395	-	(50,395)
Total governmental activities	<u>5,971,309</u>	<u>5,490,609</u>	<u>(480,700)</u>
General revenues (expenses):			
Property taxes			410,928
Unrestricted investment earnings			165,056
Rental income			8,283
Miscellaneous			73,415
Total general revenues			<u>657,682</u>
Change in net position			176,982
Net position, beginning of year			4,828,092
Net position, end of year			<u>\$ 5,005,074</u>

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

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Balance Sheet
June 30, 2024

Assets	
Cash and investments	\$ 3,665,459
Restricted cash and investments	271,652
Interest receivable	11,131
Prepaid items	55,920
Total assets	\$ 4,004,162
 Liabilities and Fund Balance	
Liabilities:	
Accounts payable	\$ 125,037
Accrued salaries and benefits payable	110,249
Total liabilities	235,286
 Fund balance:	
Nonspendable	55,920
Restricted	271,652
Assigned	1,836,308
Unassigned	1,604,996
Total fund balance	3,768,876
Total liabilities and fund balance	\$ 4,004,162

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

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2024

Fund balance	\$	3,768,876
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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:

Nondepreciable		438,627
Depreciable, net		3,236,227
Deferred amount on refunding of long-term debt		22,196
Deferred outflows of resources related to pensions		763,817
Deferred outflows of resources related to OPEB		638,518

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		(15,973)
Compensated absences		(213,198)
Lease and SBITA liability		(61,662)
Direct financed purchase obligation outstanding		(1,566,000)
Net pension liability		(1,079,914)
Net OPEB liability		(623,102)
Deferred inflows of resources related to pensions		(19,032)
Deferred inflows of resources related to OPEB		(284,306)
Net position of governmental activities	\$	<u>5,005,074</u>

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
For the Fiscal Year Ended June 30, 2024

Revenues		
Charges for services (benefit assessments)	\$	5,490,609
Property taxes		410,928
Investment earnings		165,056
Rental income		8,283
Miscellaneous		73,415
Total revenues		<u>6,148,291</u>
Expenditures		
Current:		
Public health and integrated vector management:		
Salaries and benefits		3,203,098
Professional services		671,056
Public health pesticides		722,473
Administration and public information		225,728
Insurance		210,867
Fuel and lubricants		50,122
Utilities		114,651
Maintenance		105,179
Membership dues and subscriptions		32,818
Travel and transportation		27,086
Legal services		17,353
Debt service:		
Principal		328,057
Interest		53,333
Capital outlay		174,540
Total expenditures		<u>5,936,361</u>
Excess of revenues over expenditures		<u>211,930</u>
Other Financing Sources:		
Sales of capital assets		6,238
Net change in fund balance		218,168
Fund balance – July 1, 2023		3,550,708
Fund balance – June 30, 2024	\$	<u><u>3,768,876</u></u>

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

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net change in fund balance \$ 218,168

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	174,540
Buildings and equipment depreciation	(174,402)
Lease asset amortization	(44,047)
SBITA asset amortization	(12,260)

Revenues/(expenses) in the statement of activities that do not provide current financial resources are not reported in the fund.

Gain/(loss) on sale of assets	(4,625)
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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.

Principal payments on long-term debt	288,000
Principal payments on lease liabilities	26,856
Principal payments on SBITA liabilities	13,201

Amortization of deferred outflows on refunding, pensions, and OPEB	(23,862)
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Amortization of deferred inflows on pensions and OPEB	(31,520)
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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	2,938
Change in compensated absences	(33,048)
Changes in net pension liability	(192,177)
Changes in net OPEB liability	(30,780)

Change in net position of governmental activities	\$ 176,982
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The notes to the basic financial statements are an integral part of this statement.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1– 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. The reported fund balance is considered a measure of available spendable resources.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

The General 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 180 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).

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 approximates 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, equipment, and information technology software. For short-term leases with a maximum possible term of 12 months or less at commencement, the District recognizes periodic revenue or expenditure 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 lease asset based on the present value of future lease payments over the contracted term of the lease. The lease assets are reported as capital assets, and lease liabilities are reported as long-term debt in the statement of net position. The lease 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-leaseback 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 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 are included in the measurement if they are reasonably certain to be paid or exercised.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include land, buildings and improvements, equipment and vehicles, internally-generated software, subscription and lease assets 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. Land acquisitions are capitalized regardless of value.

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

Deferred Outflows and 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 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.

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.

Pensions

For purposes of measuring the net pension liability and deferred outflows of resources and deferred 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 (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.

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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

Compensated Absences

District employees accrue vacation at varying amounts based on length of service, District employees who are exempt from overtime shall receive 8 administrative leave days off per calendar year except for the General Manager who shall receive 10 administrative leave days, and sick leave at a rate of 96 hours a year. An employee's vacation accrual may not exceed 240 hours. Administrative leave hours not used by November 30th are paid out in December. 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, unused sick leave 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 debts 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.

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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

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.

Current Governmental Accounting Standards Board (GASB) Pronouncement

The District adopted the following GASB pronouncements in the fiscal year ended June 30, 2024:

The GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, in June 2022. This Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. This Statement does not have an impact on the District’s financial statements for the fiscal year ended June 30, 2024.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

The GASB issued Statement No. 101, *Compensated Absences*, in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences and by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The District early implemented this Statement as of and for the fiscal year ended June 30, 2024. With the implementation of this statement, the District disclosed the net change in compensated absences liability.

Note 2 – Cash and Investments

Cash and investments as of June 30, 2024, consist of the following:

Cash and investments in County Treasury	\$ 3,665,059
Cash and investments held with fiscal agents	271,652
Imprest cash	400
Total	\$ 3,937,111

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 obligations, 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 certificates of deposit, Supranationals, and Local Government Investment Pools.

Restricted cash and investments held by fiscal agents represents uncommitted funds held with the Vector Control Joint Powers Agency (VCJPA) Contingency Fund and are stated at fair value. 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 approximates fair value of the District’s position in the pool. 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

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, 2024, was 582 days and the Vector Control Joint Powers Agency (VCJPA) external investment pool as of June 30, 2024, was 2,282 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 fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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. As the District participates in the County Pool and VCJPA pools, external investment pools, it is not subject to the fair value hierarchy. The District's cash and investments are valued at net asset value in both investment pools as of June 30, 2024.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 3 – Capital Assets

Changes in the capital assets during the fiscal year ended June 30, 2024, were as follows:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 438,627	\$ -	\$ -	\$ 438,627
Total capital assets not being depreciated	<u>438,627</u>	<u>-</u>	<u>-</u>	<u>438,627</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	5,708,316	-	-	5,708,316
Equipment and vehicles	1,012,618	174,540	(41,712)	1,145,446
Internally-generated software	177,090	-	-	177,090
Subscription assets	67,554	-	-	67,554
Lease assets:				
Buildings	99,491	-	-	99,491
Equipment	87,579	-	-	87,579
Total capital assets being depreciated and amortized	<u>7,152,648</u>	<u>174,540</u>	<u>(41,712)</u>	<u>7,285,476</u>
Less accumulated depreciation/amortization:				
Buildings and improvements	(3,022,982)	(74,592)	-	(3,097,574)
Equipment and vehicles	(706,913)	(82,101)	37,087	(751,927)
Intangible assets	(51,651)	(17,709)	-	(69,360)
Subscription assets	(12,260)	(12,260)	-	(24,520)
Lease assets:				
Buildings	(53,063)	(26,531)	-	(79,594)
Equipment	(8,758)	(17,516)	-	(26,274)
Total accumulated depreciation and amortization	<u>(3,855,627)</u>	<u>(230,709)</u>	<u>37,087</u>	<u>(4,049,249)</u>
Total capital assets, being depreciated and amortized, net	<u>3,297,021</u>	<u>(56,169)</u>	<u>(4,625)</u>	<u>3,236,227</u>
Capital assets, net	<u>\$ 3,735,648</u>	<u>\$ (56,169)</u>	<u>\$ (4,625)</u>	<u>\$ 3,674,854</u>

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 4 – Long-Term Liabilities

Changes in the District’s long-term liabilities during the fiscal year ended June 30, 2024, were as follows:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Direct borrowings:					
Refinancing financed					
purchase obligation	\$ 1,854,000	\$ -	\$ (288,000)	\$ 1,566,000	\$ 293,000
Compensated absences	180,150	33,048 *	-	213,198	21,320
SBITAs	54,649	-	(13,201)	41,448	13,504
Leases	47,070	-	(26,856)	20,214	20,214
Total	<u>\$ 2,135,869</u>	<u>\$ 33,048</u>	<u>\$ (328,057)</u>	<u>\$ 1,840,860</u>	<u>\$ 348,038</u>

* The change in compensated absences liability is presented as a net change.

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, 2024, was \$22,196.

The following is a schedule of total debt service requirements to maturity as of June 30, 2024:

Year Ending June 30,	Financed Purchase Obligation - Direct Borrowing		
	Principal	Interest	Total
2025	293,000	43,437	336,437
2026	305,000	34,287	339,287
2027	313,000	24,832	337,832
2028	324,000	15,086	339,086
2029	331,000	5,064	336,064
Total	<u>\$ 1,566,000</u>	<u>\$ 122,706</u>	<u>\$ 1,688,706</u>

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 4 – Long-Term Liabilities (Continued):

The District entered into lease agreements as lessee with third parties for 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. The District also entered into Subscription-Based Information Technology Arrangement (SBITA) agreements for software subscriptions with annual required payments. The SBITA agreements have initial terms of one year; however, management is reasonably certain that the District will use the software for a 5-year term. As the interest rate implicit to the District’s SBITAs is not readily determined, the District utilizes Placer County’s incremental borrowing rate to discount the SBITA payments. For the fiscal year ended June 30, 2024, the District recognized \$40,057 in lease and SBITA principal expense and \$1,227 in lease interest expense.

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

Year Ending	Leases		SBITAs		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
June 30,						
2025	20,214	28	13,504	791	33,718	819
2026	-	-	13,814	481	13,814	481
2027	-	-	14,130	165	14,130	165
Total	<u>\$ 20,214</u>	<u>\$ 28</u>	<u>\$ 41,448</u>	<u>\$ 1,437</u>	<u>\$ 61,662</u>	<u>\$ 1,465</u>

Note 5 – 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 Miscellaneous risk pool 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 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. The cost-of-living adjustments for each plan are applied as specified by California Public Employees’ Retirement Law (PERL).

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 5 – Pension Plan (Continued)

The benefits in effect as of June 30, 2024, are summarized as follows:

	Miscellaneous Classic Plan	Miscellaneous Second Tier Plan	PEPRA Miscellaneous Tier Plan
	Hired on or before June 30, 2011	Hired on or after July 1, 2011	Hired on or after January 1, 2013
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 July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process.

For the Public Agency Cost-Sharing Plan 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. For the fiscal year ended June 30, 2024, employees under the Miscellaneous Classic, Miscellaneous Second Tier and Miscellaneous PEPRA rate plans were required to contribute 6.92%, 6.93% and 7.75% of their annual pay, respectively. The District's contractually required contribution rates for the year ended June 30, 2024, for the Miscellaneous Classic, Miscellaneous Second Tier, and Miscellaneous PEPRA rate plans were 11.84%, 10.10%, and 7.68%, 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 \$270,365 for the fiscal year ended June 30, 2024.

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources

At June 30, 2024, the District reported a net pension liability of \$1,079,914 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, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023. 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. As of June 30, 2024, the District's proportion was 0.02160%, which was an increase of 0.00263% from its proportion as of fiscal year ended June 30, 2023, of 0.01897%.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 5 – Pension Plan (Continued)

As of June 30, 2024, the District reported a pension expense of \$159,850 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
Change in assumptions	\$ 65,199	\$ -
Difference between expected and actual experience	55,168	8,558
Net difference between projected and actual earnings on pension plan investments	174,848	-
Differences between District's contributions and proportionate share of contributions	25,053	10,474
Change in District's proportion Pension contributions subsequent to measurement date	173,184	-
	270,365	-
	\$ 763,817	\$ 19,032

The deferred outflows of resources of \$270,365 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. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense over five years for the net differences between projected and actual earnings on pension plan investments and over the expected average remaining service lifetime (EARSL) of employees for the remaining items as follows:

Fiscal Year Ending June 30,	Amount
2025	\$ 191,152
2026	123,069
2027	155,181
2028	5,018
Total	\$ 474,420

The EARSL for the CalPERS's Cost-Sharing Multiple-Employer Miscellaneous risk pool was 3.8 years for the measurement period ended June 30, 2023.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 5 – Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation, rolled forward to June 30, 2023, was determined using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and services
Mortality rate table ¹	Derived using CalPERS' membership data for all funds
Post-retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowed Floor on Purchasing Power

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Changes of Assumptions

There were no changes of assumptions.

Long-Term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 5 – Pension Plan (Continued)

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

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 ^{1,2}
Global Equity - Cap-Weighted	30.0%	4.54%
Global Equity - Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-Backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.0%	

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

² Figures are based on the 2021-22 Asset Liability Management Study.

Discount Rate

The discount rate used to measure the total pension liability for CalPERS' Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan was 6.90%. 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 rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of 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 6.90%, 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 (5.90%) or 1 percentage point higher (7.90%) than the current rate.

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	\$ 1,937,134	\$ 1,079,914	\$ 374,348

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 5 – 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 6 – Other Postemployment Benefits

Plan Description

In addition to the pension benefits described in Note 5, 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 retiree 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 retiree 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 6 – Other Postemployment Benefits (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 retiree 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, 2024, the following employees were covered by the benefit terms:

Active plan members	25
Retirees and beneficiaries receiving benefits	2
Inactive plan members entitled to but not yet receiving benefits	-
Total	27

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 \$151 per month in the 2023 calendar year and increased to \$157 per month in the 2024 calendar year.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 6 – Other Postemployment Benefits (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, 2024, the District contributed \$100,226 to the CERBT OPEB plan.

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions

The total OPEB liability measured as of June 30, 2023, was determined using the following actuarial assumptions:

Valuation date	June 30, 2023
Measurement date	June 30, 2023
Contribution policy	Pre-funded through CERBT asset allocation Strategy 2
Funding method	Entry Age Normal Cost, level percent of pay
Asset valuation method	Market value of assets
Actuarial assumptions:	
Discount rate	5.65%
Inflation	2.50%
Salary increases	3.0% per year, used only to allocate the cost of benefits between service years.
Mortality improvement	MacLeod Watts Scale 2022 applied generationally from 2017
Healthcare cost trend rate	Healthcare trend was developed using the Getzen Model 2023 published by the Society of Actuaries. 6.5% effective January 1, 2025 and gradually decreasing over several decades to an ultimate rate of 3.9 % in 2075 and later years

Changes of Assumptions

This discount rate decreased from 5.70% to 5.65%, based on updated projected annual benefits applied to the CalPERS expected trust return.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 6 – Other Postemployment Benefits (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	Target Allocation	Real Return Years 1 - 5	Real Return Years 6-20
Global Equity	34.0%	4.40%	4.50%
Fixed Income	41.0%	-1.00%	2.20%
Global Real Estate	17.0%	3.00%	3.90%
Treasury Inflation Protected Securities	5.0%	-1.80%	1.30%
Commodities	3.0%	0.80%	1.20%
Total	<u>100.0%</u>		

To derive the expected future return specifically for the District, the OPEB actuary first adjusted CalPERS' future return expectations to align with the 2.5% general inflation assumption used in the District's OPEB actuarial valuation report. 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 5.65%.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.65%. 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.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 6 – Other Postemployment Benefits (Continued)

Changes in Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2023	\$ 2,436,346	\$ 1,844,024	\$ 592,322
Changes in the year:			
Service cost	123,703	-	123,703
Interest cost	144,917	-	144,917
Differences between expected and actual experience	(73,427)	-	(73,427)
Changes of assumptions	32,028	-	32,028
Contributions - employer	-	130,891	(130,891)
Net investment income	-	66,079	(66,079)
Benefit payments and refunds	(35,300)	(35,300)	-
Administrative expenses	-	(529)	529
Net changes	191,921	161,141	30,780
Balances at June 30, 2024	\$ 2,628,267	\$ 2,005,165	\$ 623,102

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

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 rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

	Discount Rate		
	1% Decrease (4.65%)	Current (5.65%)	1% Increase (6.65%)
Net OPEB Liability	\$ 1,075,692	\$ 623,102	\$ 257,809

	Healthcare Trend Rate		
	1% Decrease (5.50%)	Current (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 185,390	\$ 623,102	\$ 1,187,894

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 6 – Other Postemployment Benefits (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, Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$113,161. As of June 30, 2024, 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
Changes of assumptions	\$ 335,754	\$ 131,976
Differences between expected and actual experiences	18,411	152,330
Net differences between projected and actual earnings on OPEB plan investments	184,127	-
OPEB contributions subsequent to measurement date	100,226	-
Total	\$ 638,518	\$ 284,306

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in future OPEB expense over five years for the net differences between projected and actual earnings on OPEB plan investments and over the expected average remaining service lifetime (EARSL) of employees for the remaining items. The EARSL was 10.95 years for the measurement period ended June 30, 2023. Future recognition of these amounts is shown below:

Year Ending June 30,	Amount
2025	\$ 66,378
2026	62,539
2027	100,916
2028	15,953
2029	(556)
Thereafter	8,756
Total	\$ 253,986

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 7 – 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, 2024, the County charged the District \$15,322 for administrative services. The County also charged the District \$93,011 for administrative and collection costs related to benefit assessments and property tax revenues.

Note 8 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The District and various other districts throughout the State of California formed the Vector Control Joint Powers 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 that were 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, 2024, the District had \$271,652 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
For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,385,420	\$ 5,385,420	\$ 5,490,609	\$ 105,189
Property taxes	420,187	420,187	410,928	(9,259)
Investment earnings	10,000	10,000	165,056	155,056
Rental income	6,000	6,000	8,283	2,283
Miscellaneous	20,000	20,000	73,415	53,415
Total revenues	<u>5,841,607</u>	<u>5,841,607</u>	<u>6,148,291</u>	<u>306,684</u>
Expenditures:				
Current:				
Public health and integrated vector management:				
Salaries and benefits	3,327,038	3,327,038	3,203,098	123,940
Professional services	701,229	689,654	671,056	18,598
Public health pesticides	591,224	722,473	722,473	-
Administration and public information	272,086	263,416	225,728	37,688
Insurance	215,190	215,190	210,867	4,323
Fuel and lubricants	51,750	51,750	50,122	1,628
Utilities	150,013	150,013	114,651	35,362
Maintenance	121,144	139,718	105,179	34,539
Membership dues and subscriptions	30,745	30,745	32,818	(2,073)
Travel and transportation	25,860	25,860	27,086	(1,226)
Legal services	15,000	15,000	17,353	(2,353)
Debt service:				
Principal	288,000	328,057	328,057	-
Interest	52,326	53,553	53,333	220
Capital outlay	-	164,467	174,540	(10,073)
Total expenditures	<u>5,841,605</u>	<u>6,176,934</u>	<u>5,936,361</u>	<u>240,573</u>
Other Financing Sources:				
Sales of capital assets	-	-	6,238	(6,238)
Net change in fund balance	<u>\$ 2</u>	<u>\$ (335,327)</u>	<u>\$ 218,168</u>	<u>\$ 541,019</u>

Note: The negative variance for capital outlay expenditures is due to a vehicle repair, which was budgeted under the maintenance expenditure, but was capitalized and recorded in capital outlay.

The note 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

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 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
2023	0.01897%	887,737	1,867,685	47.53%	78.19%	6/30/2022
2024	0.02160%	1,079,914	2,094,553	51.56%	77.97%	6/30/2023

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Required Supplementary Information
Schedule of District's Pension Contributions
Last Ten Fiscal Years

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%
2023	245,517	245,517	-	2,094,553	11.72%
2024	270,365	270,365	-	2,217,354	12.19%

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Required Supplementary Information
Schedule of District's Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years ⁽¹⁾

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability							
Service cost	\$ 123,703	\$ 100,397	\$ 114,285	\$ 110,956	\$ 101,051	\$ 93,974	\$ 83,936
Interest cost	144,917	132,895	138,529	124,790	109,909	98,783	77,722
Differences between expected and actual experience	(73,427)	-	(105,086)	-	(13,008)	-	56,988
Changes of assumptions	32,028	269,598	(178,500)	-	51,462	43,516	106,300
Benefit payments	(35,300)	(21,363)	(30,146)	(28,497)	(35,754)	(30,539)	(13,537)
Net change in total OPEB liability	<u>191,921</u>	<u>481,527</u>	<u>(60,918)</u>	<u>207,249</u>	<u>213,660</u>	<u>205,734</u>	<u>311,409</u>
Total OPEB liability - beginning	<u>2,436,346</u>	<u>1,954,819</u>	<u>2,015,737</u>	<u>1,808,488</u>	<u>1,594,828</u>	<u>1,389,094</u>	<u>1,077,685</u>
Total OPEB liability - ending	<u>\$ 2,628,267</u>	<u>\$ 2,436,346</u>	<u>\$ 1,954,819</u>	<u>\$ 2,015,737</u>	<u>\$ 1,808,488</u>	<u>\$ 1,594,828</u>	<u>\$ 1,389,094</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ 130,891	\$ 187,363	\$ 161,018	\$ 166,905	\$ 169,880	\$ 116,868	\$ 185,034
Net investment income/(loss)	66,079	(242,501)	294,162	69,756	76,338	57,796	54,736
Benefit payments	(35,300)	(21,363)	(30,146)	(28,497)	(35,754)	(30,539)	(13,537)
Administrative expense	(529)	(486)	(545)	(636)	(233)	(492)	(411)
Other expenses	-	-	-	-	-	(1,239)	-
Net change in plan fiduciary net position	<u>161,141</u>	<u>(76,987)</u>	<u>424,489</u>	<u>207,528</u>	<u>210,231</u>	<u>142,394</u>	<u>225,822</u>
Plan fiduciary net position - beginning	<u>1,844,024</u>	<u>1,921,011</u>	<u>1,496,522</u>	<u>1,288,994</u>	<u>1,078,763</u>	<u>936,369</u>	<u>710,547</u>
Plan fiduciary net position - ending	<u>\$ 2,005,165</u>	<u>\$ 1,844,024</u>	<u>\$ 1,921,011</u>	<u>\$ 1,496,522</u>	<u>\$ 1,288,994</u>	<u>\$ 1,078,763</u>	<u>\$ 936,369</u>
Net OPEB liability - ending	<u>\$ 623,102</u>	<u>\$ 592,322</u>	<u>\$ 33,808</u>	<u>\$ 519,215</u>	<u>\$ 519,494</u>	<u>\$ 516,065</u>	<u>\$ 452,725</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	76.29%	75.69%	98.27%	74.24%	71.27%	67.64%	67.41%
Covered Payroll	\$ 2,042,943	\$ 1,877,668	\$ 1,842,947	\$ 1,757,954	\$ 1,743,007	\$ 1,604,713	\$ 1,443,816
Net OPEB Liability as a Percentage of Covered Payroll	30.50%	31.55%	1.83%	29.54%	29.80%	32.16%	31.36%
Measurement Date	6/30/2023	6/30/2022	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 seven 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)	1,757,954	9.49%
2021	161,018	161,018	-	1,842,947	8.74%
2022	113,686	187,363	(73,677)	1,877,668	9.98%
2023	116,828	130,959	(14,131)	2,042,943	6.41%
2024	120,047	100,226	19,821	2,105,000	4.76%

Notes to schedule:

Valuation date for setting the ADC	June 30, 2023	June 30, 2021	June 30, 2019	June 30, 2017
Methods and assumptions used to determine contribution rates:				
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal, Level % of Pay
Amortization method	Level % of Pay, Closed 30 year period	Level % of Pay, Closed 30 year period	Level % of Pay, Closed 30 year period	Level % of Pay, Closed 30 year period
Amortization period	18 years remain	19 years remain	21 years remain	24 years remain
Asset valuation method	Market value	Market value assets	Market value	Market value
Inflation	2.50%	2.50%	2.50%	2.75%
Healthcare cost trend rates	6.50% in 2025, fluctuating down to 3.90% by 2075	5.80% in 2022, fluctuating down to 3.90% in 2075	5.40% in 2021, stepping down .1% each year to 4.0% in 2076	7.50% in 2019, stepping down .5% each year to 5.0% in 2024
Salary increases	3.00%	3.00%	3.00%	3.25%
Investment rate of return	5.65%	6.40%	6.55%	6.73%
Mortality	CalPERS 2021 Experience Study	CalPERS 2017 Experience Study	CalPERS 2017 Experience Study	CalPERS 2014 Experience Study
Mortality improvement	MacLeod Watts Scale 2022 Generationally	MacLeod Watts Scale 2020 Generationally	MacLeod Watts Scale 2020 Generationally	MacLeod Watts Scale 2017 Generationally

⁽¹⁾ Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore only seven years are shown.

PLACER MOSQUITO AND VECTOR CONTROL DISTRICT
Note to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2024

Note 1 – Budgetary and Legal Compliance

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 total expenditure level, excluding capital outlay, which is exercised at the total capital outlay line-item 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***

To the Board of Trustees
Placer Mosquito and 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 the Placer Mosquito and Vector Control District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 4, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 the 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*.



To the Board of Trustees
Placer Mosquito and Vector Control District

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LSL, LLP

Sacramento, California
April 4, 2025