

PLACER COUNTY
CEMETERY DISTRICT #1
AUDIT REPORT
For the Fiscal Years Ended
June 30, 2023 and 2022

PLACER COUNTY CEMETERY DISTRICT #1
Lincoln, California

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Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Placer County Cemetery District #1
Lincoln, CA

Opinions

We have audited the accompanying financial statements of the and for the years ended June 30, 2023, and 2022 and the related notes to the financial statements, which collectively comprise the Placer County Cemetery District #1, 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 Placer County Cemetery District #1, as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years 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 State Controller's Minimum Audit Requirements for California Special District. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Placer County Cemetery District #1, 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 Placer County Cemetery District #1'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 will always detect a material misstatement when it exists. Misstatement 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, we:

- 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 Placer County Cemetery District #1'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 Placer County Cemetery District #1'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7, the budgetary comparison schedule on pages 35-36, and schedule of required supplementary schedule- Pension Plan on page 38 and required supplementary schedule for OPEB on page 39-40 to be presented to supplement the basic financial statements. Such information, 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.


Blomberg & Griffin A.C.
Stockton, CA

December 05, 2023

PLACER COUNTY CEMETERY DISTRICT #1

Management's Discussion and Analysis

June 30, 2023 and 2022

This section of the annual financial report of the Placer County Cemetery District #1 (District) presents our discussion and analysis of the District's financial performance during the fiscal years ended June 30, 2023 and 2022. The Management's Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements, including the notes and the supplementary information that immediately follow this section.

FINANCIAL HIGHLIGHTS

The following summarizes the District's financial highlights:

Fiscal Year 2023 vs. 2022:

- In total, government-wide net position was \$16,528,811, which was an increase of \$1,308,917 from fiscal year ended June 30, 2022.
- General revenues accounted for \$2,442,428 or 93.05% on June 30, 2023 and \$2,134,784 or 91.24% on June 30, 2022 of total revenues.
- For fiscal year ending June 30, 2023, total government-wide assets were \$18,793,308, current asset was \$15,135,276 of which \$583,531 was restricted and net capital assets totaled \$2,709,411. For fiscal year ending June 30, 2022, total government-wide assets were \$17,242,573, current asset was \$13,652,421 of which \$551,091 was restricted and net capital assets totaled \$2,890,360.
- Total program expenses were \$1,315,906, a decrease of \$317,691 from prior fiscal year due to the pension and post-employment benefits adjustments.
- For the governmental funds, the revenue exceeded expenditures by \$1,477,191.

Fiscal Year 2022 vs. 2021:

- In total, government-wide net position was \$15,219,894, which was an increase of \$706,055 from fiscal year ended June 30, 2021.
- General revenues accounted for \$2,134,784 or 91.24% on June 30, 2022 and \$1,914,003 or 90.52% on June 30, 2021 of total revenues.
- For fiscal year ending June 30, 2022, total government-wide assets were \$17,242,573, current asset was \$13,652,421 of which \$551,091 was restricted and net capital assets totaled \$2,890,360.
- Total program expenses were \$1,633,597, an increase of \$480,576 from prior fiscal year due to the pension and post-employment benefits adjustments.
- For the governmental funds, the revenue exceeded expenditures by \$1,312,113.

PLACER COUNTY CEMETERY DISTRICT #1

Management's Discussion and Analysis

June 30, 2023 and 2022

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the government-wide statements.

The fund financial statements are composed of:

- Governmental fund statements, which tell how basic services were financed in the short-term, as well as what remained for future spending.

The Statement of Net Position and the Statement of Activities

The statement of net position and statement of activities report information about the District as a whole and its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Overtime increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition the District's buildings and other facilities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to record specific sources of funding and spending on particular programs:

- Some funds are required by law and covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

PLACER COUNTY CEMETERY DISTRICT #1

Management's Discussion and Analysis

June 30, 2023 and 2022

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Most of the District's basic services are reported in governmental funds which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using the modified accrual accounting, which measures cash, and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Because this information does not encompass the additional long-term focus of the government-wide statement, we provide additional information of the governmental fund statements that explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The following table presents a summary of the District's statement of net position by category as of June 30, 2023 and 2022.

TABLE 1: NET POSITION SUMMARY

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Assets & Deferred Outflows				
Current and Other Assets	\$ 15,135,276	\$ 13,652,421	\$ 1,482,855	10.86%
Capital Assets	2,709,411	2,890,360	(180,949)	-6.26%
Deferred Outflows	<u>948,621</u>	<u>699,792</u>	<u>248,829</u>	<u>35.56%</u>
Total Assets & Deferred Outflows	<u>\$ 18,793,308</u>	<u>\$ 17,242,573</u>	<u>\$ 1,550,735</u>	<u>40.16%</u>
Liabilities & Deferred Inflows				
Current Liabilities	\$ 50,638	\$ 55,727	\$ (5,089)	-9.13%
Accrued Vacation	46,014	39,253	6,761	17.22%
Deferred Revenue	323,594	312,840	10,754	3.44%
Net Pension Obligation	261,042	431,870	(170,828)	-39.56%
Net OPEB Obligation	870,897	564,196	306,701	54.36%
Deferred Inflows	<u>712,312</u>	<u>618,793</u>	<u>93,519</u>	<u>15.11%</u>
Total Liabilities & Deferred Inflows	<u>2,264,497</u>	<u>2,022,679</u>	<u>241,818</u>	<u>41.45%</u>
Net Position				
Invested in Capital Assets, net of related debt	2,709,411	2,890,360	(180,949)	-6.26%
Restricted	5,968,937	5,511,497	457,440	8.30%
Unrestricted	<u>7,850,463</u>	<u>6,818,037</u>	<u>1,032,426</u>	<u>15.14%</u>
Total Net Position	<u>\$ 16,528,811</u>	<u>\$ 15,219,894</u>	<u>\$ 1,308,917</u>	<u>17.18%</u>

PLACER COUNTY CEMETERY DISTRICT #1

Management's Discussion and Analysis

June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

A summary of total District revenues, expenses, and changes in net position is presented in the table below.

TABLE 2: CHANGES IN NET POSITION

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 151,545	\$ 168,018	\$ (16,473)	-9.80%
General Revenues:				
Taxes	2,081,633	1,870,578	211,055	11.28%
Interest and Investment Earnings	261,572	35,970	225,602	627.19%
Other Income (expense)	99,223	228,236	(129,013)	-56.53%
Total Revenues	<u>2,593,973</u>	<u>2,302,802</u>	<u>291,171</u>	<u>12.64%</u>
Program Expenses				
Governmental Activities	1,134,957	1,443,613	(308,656)	-21.38%
Depreciation	180,949	189,984	(9,035)	-4.76%
Total Expenses	<u>1,315,906</u>	<u>1,633,597</u>	<u>(317,691)</u>	<u>-19.45%</u>
Endowment Care	30,850	36,850	(6,000)	-16.28%
Changes in Net Position	<u>\$ 1,308,917</u>	<u>\$ 706,055</u>	<u>\$ 602,862</u>	<u>85.38%</u>

TABLE 3: GOVERNMENTAL ACTIVITIES

	<u>Total Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Governmental Activities	\$ 1,134,957	\$ 1,443,613	\$ (308,656)	-21.38%
Depreciation - Unallocated	180,949	189,984	(9,035)	-4.76%
Total Governmental Activities	<u>\$ 1,315,906</u>	<u>\$ 1,633,597</u>	<u>\$ (317,691)</u>	<u>-19.45%</u>

The table on page 6 displays, by function, the total and net costs of services provided. The net cost of services represents the total cost less grants and contributions and for revenue received where a charge is made for services provided.

Endowment Care Fund

The endowment care fund had cash balance on June 30, 2023 of \$583,531. The endowment care fund increased by \$32,440 for the fiscal year ended June 30, 2023.

PLACER COUNTY CEMETERY DISTRICT #1

Management’s Discussion and Analysis

June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

Endowment Care Fund (continued)

The endowment care fund had cash balance on June 30, 2022 of \$551,091. The endowment care fund increased by \$36,850 for the fiscal year ended June 30, 2022.

General Fund Budgetary Highlights

As Fiscal Year 2022-23 finalized by the Board of Directors, budgeted revenues totaled \$1,962,000. Budgeted expenditures totaled \$1,537,000. Revenues exceeded budget by \$616,338 while expenditures were less than budget by \$389,368 resulting in an overall positive variance of \$1,005,706.

As Fiscal Year 2021-22 finalized by the Board of Directors, budgeted revenues totaled \$1,835,500. Budgeted expenditures totaled \$1,435,500. Revenues exceeded budget by \$465,490 while expenditures were less than budget by \$407,961 resulting in an overall positive variance of \$873,451.

Capital Assets at Year End-Net of Depreciation

As of June 30, 2023, and 2022 the District owned the following capital assets:

TABLE 4: CAPITAL ASSETS

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Capital Assets				
Land	\$ 15,450	\$ 15,450	\$ -	0.00%
Structures and Improvements	5,082,883	5,082,883	-	0.00%
Equipment	530,913	530,913	-	0.00%
Accumulated Depreciation	<u>(2,919,835)</u>	<u>(2,738,886)</u>	<u>(180,949)</u>	<u>6.61%</u>
Total Capital Assets	<u>\$ 2,709,411</u>	<u>\$ 2,890,360</u>	<u>\$ (180,949)</u>	<u>-6.26%</u>

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have any questions regarding this report or need additional financial information, contact Placer County Cemetery District #1, 250 Santa Clara Way, Lincoln, CA 95648.

PLACER COUNTY CEMETERY DISTRICT #1

Statement of Net Position

June 30, 2023 and 2022

	2023	2022
	Governmental	Governmental
	Activities	Activities
	<hr/>	<hr/>
Assets		
Current Assets		
Cash & Cash Equivalents	\$ 14,500,402	\$ 13,071,965
Interest Receivable	33,475	5,978
Contracts Receivables	8,289	13,808
Inventory	9,579	9,579
	<hr/>	<hr/>
Total Current Assets	14,551,745	13,101,330
Capital Assets		
Capital Assets, nondepreciable	15,450	15,450
Capital Assets, net depreciable	2,693,961	2,874,910
	<hr/>	<hr/>
Total Capital Assets	2,709,411	2,890,360
Other Assets		
Permanently Restricted Investments	583,531	551,091
	<hr/>	<hr/>
Deferred Outflows of Resources		
Pension (Note 7)	233,400	250,391
OPEB (Note 8)	715,221	449,401
	<hr/>	<hr/>
Total Deferred Outflows of Resources	948,621	699,792
	<hr/>	<hr/>
Total Assets & Deferred Outflows	\$ 18,793,308	\$ 17,242,573
	<hr/>	<hr/>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 30,363	\$ 36,166
Accrued Payroll & Benefits	20,275	19,561
	<hr/>	<hr/>
Total Current Liabilities	50,638	55,727
Noncurrent Liabilities		
Accrued Vacation (Note 5)	46,014	39,253
Net Pension Liability (Note 7)	261,042	431,870
Net OPEB Liability (Note 8)	870,897	564,196
	<hr/>	<hr/>
Total Noncurrent Liability	1,177,953	1,035,319
Deferred Inflows of Resources		
Pension (Note 7)	523,581	384,253
OPEB (Note 8)	188,732	234,540
Deferred Revenue	323,593	312,840
	<hr/>	<hr/>
Total Deferred Inflows of Resources	1,035,906	931,633
	<hr/>	<hr/>
Total Liabilities & Deferred Inflows	2,264,497	2,022,679
	<hr/>	<hr/>
Net Position		
Investment in Capital Assets, Net of Related Debt	2,709,411	2,890,360
Restricted- Nonexpendable:		
Endowment Care	583,531	551,091
Restricted	5,385,406	4,960,406
Unrestricted	7,850,463	6,818,037
	<hr/>	<hr/>
Total Net Position	16,528,811	15,219,894
	<hr/>	<hr/>
Total Liabilities and Net Position	\$ 18,793,308	\$ 17,242,573
	<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1

Statement of Activities

For the Years Ended June 30, 2023 and 2022

	2023	2022
	Governmental	Governmental
	Activities	Activities
Program Expenses	<u> </u>	<u> </u>
Governmental Activities-Cemetery Services:		
Personnel Services	\$ 832,668	\$ 1,202,054
Materials and Supplies	302,289	241,559
Depreciation	<u>180,949</u>	<u>189,984</u>
Total Program Expenses	<u>1,315,906</u>	<u>1,633,597</u>
Program Revenues		
Charges for Services	<u>151,545</u>	<u>167,998</u>
Total Program Revenues	<u>151,545</u>	<u>167,998</u>
Net Program Expenses	<u>1,164,361</u>	<u>1,465,599</u>
General Revenues		
Taxes:		
Property Taxes	2,070,683	1,859,488
Intergovernmental Revenue	10,950	11,090
Investment Earnings	261,572	35,970
Other Services	99,223	224,991
Proceeds from Sale of Assets	<u>-</u>	<u>3,245</u>
Total General Revenues	<u>2,442,428</u>	<u>2,134,784</u>
Endowment Care	<u>30,850</u>	<u>36,870</u>
Change in Net Position	1,308,917	706,055
Net Position-Beginning of Year	<u>15,219,894</u>	<u>14,513,839</u>
Net Position-End of Year	<u><u>\$ 16,528,811</u></u>	<u><u>\$ 15,219,894</u></u>

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1

Balance Sheet-Governmental Funds

June 30, 2023

Assets	General Funds	Endowment Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Cash & Cash Equivalents	\$ 14,380,957	\$ 119,445	\$ 14,500,402
Interest Receivable	31,916	1,560	33,476
Contracts Receivable	8,289	-	8,289
Inventory	9,579	-	9,579
Permanently Restricted Investments	-	583,531	583,531
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 14,430,741</u>	<u>\$ 704,536</u>	<u>\$ 15,135,277</u>
Liabilities			
Accounts Payable	\$ 30,363	\$ -	\$ 30,363
Accrued Payable	20,275	-	20,275
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>50,638</u>	<u>-</u>	<u>50,638</u>
Deferred Inflows of Resources			
Deferred Revenue	322,003	1,590	323,593
	<u> </u>	<u> </u>	<u> </u>
Fund Balances			
Nonspendable:			
Inventory	9,579	-	9,579
Endowment Care	-	583,531	583,531
Assigned			
Future Occurrences	3,247,167	-	3,247,167
Capital Assets	750,000	-	750,000
New Cemetery Development	963,239	-	963,239
Unassigned	9,088,115	119,415	9,207,530
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>14,058,100</u>	<u>702,946</u>	<u>14,761,046</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 14,430,741</u>	<u>\$ 704,536</u>	<u>\$ 15,135,277</u>

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1

Balance Sheet-Governmental Funds

June 30, 2022

Assets	General Funds	Endowment Funds	Total Governmental Funds
Cash & Cash Equivalents	\$ 12,963,639	\$ 108,327	\$ 13,071,966
Interest Receivable	5,690	288	5,978
Due from Other Governments	-	-	-
Contracts Receivable	13,808	-	13,808
Inventory	9,579	-	9,579
Permanently Restricted Investments	-	551,091	551,091
Total Assets	\$ 12,992,716	\$ 659,706	\$ 13,652,422
Liabilities			
Accounts Payable	\$ 36,166	\$ -	\$ 36,166
Accrued Payable	19,561	-	19,561
Total Liabilities	55,727	-	55,727
Deferred Inflows of Resources			
Deferred Revenue	312,840	-	312,840
Fund Balances			
Nonspendable:			
Inventory	9,579	-	9,579
Endowment Care	-	551,091	551,091
Assigned			
Future Occurrences	3,247,167	-	3,247,167
Capital Assets	750,000	-	750,000
New Cemetery Development	963,239	-	963,239
Unassigned	7,654,164	108,615	7,762,779
Total Fund Balances	12,624,149	659,706	13,283,855
Total Liabilities and Fund Balances	\$ 12,992,716	\$ 659,706	\$ 13,652,422

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Funds</u>	<u>Other Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Property Taxes	\$ 2,070,683	\$ -	\$ 2,070,683
Intergovernmental Revenues	10,950	-	10,950
Charges for Current Services	151,545	30,850	182,395
Use of Money & Property	249,182	12,390	261,572
Other Services	99,223	-	99,223
	<u>2,581,583</u>	<u>43,240</u>	<u>2,624,823</u>
Total Revenues			
Expenditures			
Cemetery Services:			
Salaries & Benefits	845,343	-	845,343
Services and Supplies	302,289	-	302,289
	<u>1,147,632</u>	<u>-</u>	<u>1,147,632</u>
Total Expenditures			
Excess of Revenues Over Expenditures	<u>1,433,951</u>	<u>43,240</u>	<u>1,477,191</u>
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	1,433,951	43,240	1,477,191
Fund Balances-June 30, 2022	<u>12,624,149</u>	<u>659,706</u>	<u>13,283,855</u>
Fund Balances-June 30, 2023	<u>\$ 14,058,100</u>	<u>\$ 702,946</u>	<u>\$ 14,761,046</u>

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2022

	<u>General Funds</u>	<u>Other Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Property Taxes	\$ 1,859,488	\$ -	\$ 1,859,488
Intergovernmental Revenues	11,090	-	11,090
Charges for Current Services	167,998	36,870	204,868
Use of Money & Property	34,178	1,792	35,970
Other Services	224,991	-	224,991
Proceeds from Sale of Assets	3,245	-	3,245
	<u>2,300,990</u>	<u>38,662</u>	<u>2,339,652</u>
Expenditures			
Cemetery Services:			
Salaries & Benefits	785,980	-	785,980
Services and Supplies	241,559	-	241,559
	<u>1,027,539</u>	<u>-</u>	<u>1,027,539</u>
Total Expenditures	<u>1,027,539</u>	<u>-</u>	<u>1,027,539</u>
Excess of Revenues Over Expenditures	<u>1,273,451</u>	<u>38,662</u>	<u>1,312,113</u>
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,273,451	38,662	1,312,113
Fund Balances-June 30, 2021	<u>11,350,698</u>	<u>621,044</u>	<u>11,971,742</u>
Fund Balances-June 30, 2022	<u>\$ 12,624,149</u>	<u>\$ 659,706</u>	<u>\$ 13,283,855</u>

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1
 Reconciliation of the Balance Sheet-Governmental Funds
 to the Statement of Net Position
 June 30, 2023 and 2022

	2023	2022
Fund Balances of Governmental Funds	\$ 14,761,046	\$ 13,283,855
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 governmental funds.	2,709,411	2,890,360
Amounts to be provided to pay future vacation pay do not require current resources	(46,014)	(39,254)
Amounts to be provided to pay future pension benefits do not require current resources	(551,223)	(565,732)
Amounts to be provided to pay future OPEB benefits do not require current resources	(344,408)	(349,335)
Net Position of Governmental Activities	\$ 16,528,811	\$ 15,219,894

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances-Governmental Funds to the Statement of Activities

For the Years Ended June 30, 2023 and 2022

	2023	2022
Excess of Revenues Over Expenditures of Governmental Funds	\$ 1,477,191	\$ 1,312,113
Amounts reported for governmental activities in the statement of net position are different because:		
Capital outlays is reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions:		
Depreciation Expenses	(180,949)	(189,984)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consists of compensated absences. The change in the compensated absences liability totaled (\$6,761) in 2023 and (\$4,154) in 2022.		
	(6,761)	(4,154)
Pension Obligation are not due and payable in the current period and, therefore, are not reported as liabilities in the fund. The pension obligation expense is not an expense in the fund. The changes in the pension obligation is as follows:		
Deferred Outflows of Resources - Pension	(16,991)	135,229
Net Pension Liability - Pension	170,828	(47,309)
Deferred Inflows of Resources - Pension	(139,328)	(368,734)
OPEB Obligation are not due and payable in the current period and, therefore, are not reported as liabilities in the fund. The OPEB obligation expense is not an expense in the fund. The changes in the OPEB obligation is as follows:		
Deferred Outflows of Resources - OPEB	265,820	78,556
Net Pension Liability - OPEB	(306,701)	(57,068)
Deferred Inflows of Resources - OPEB	45,809	(152,594)
Change in Net Position of Governmental Funds	\$ 1,308,917	\$ 706,055

The accompanying notes are an integral part of the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy

A. The Reporting Entity

Placer County Cemetery District #1 (the District) is a special District of Placer County. The District was formed in 1925 to provide and maintain burial grounds for residents in the geographical area covered by the District. The basic operations of the District are provided by portions of property taxes paid to Placer County, services, and sales of burial sites. In the statement of revenues, expenditures, and changes in fund balances, these operations are reflected in the general funds.

The financial statements of Placer County Cemetery District #1 (the District) have been prepared in conformity with generally accepted accounting principles (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

The accounting methods and procedures adopted by the District conform to generally accepted accounting principles as applied to government entities.

B. Basis of Presentation

Governmental-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities, if any. Governmental activities are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy (Continued)

B. Basis of Presentation (Continued)

Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, net position, revenues, and expenditures/expenses. Funds are organized into three major categories: government, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria.

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund-The General Fund is the general operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Permanent Funds-Permanent Funds report trust arrangements in which the reporting government is the beneficiary of the earnings on the principal.

Major Funds-The District has four funds, all of which are designated as major funds as follows:

General Fund-See above description

Endowment Fund- Accounts for endowment fees collected by the District on grave sales which are permanently restricted, and interest earned on endowment funds which are unrestricted.

Benefits Assessment Fund-Accounts for assets held by the District in a trustee capacity. All funds are expendable with a portion designated for future use. The District discontinued the collection of fees for the Benefit Assessment District after the fiscal year 1999.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy (Continued)

B. Basis of Presentation (Continued)

New Cemetery Development Fund- the New Cemetery Development Fund is used to account for assets held by the District in a trustee capacity. All funds are expendable with a portion designated for future use. Funds are to be used for the acquisition and development of a new cemetery.

C. Measurement Focus and Basis for Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources focus as defined in item 2 below.

In the fund financial statements, the “current financial resources” measurement focusses or the “economic resources” measurement focus is used as appropriate:

1. The “current financial resources” measurement focus is used when accounting for all governmental funds. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. The funds use fund balance as a measure of available spendable financial resources at the end of the period.
2. The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or noncurrent) associated with the operation of these funds are reported.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy (Continued)

C. Measurement Focus and Basis for Accounting (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental accounting activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues, are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The District defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

D. Budgetary Data

The District follows the following procedures in establishing the budgetary data reflected in the financial statements for the general fund:

1. A proposed operating budget for the fiscal year beginning July 1 is presented to the Board of Directors at the July meeting. The operating budget includes proposed expenditures and the means to finance them.
2. By August 1, the Board of Directors adopts a final budget and submits it to Placer County. Placer County adjusts the budget to reflect their most current estimates of tax revenues. These adjustments are automatically accepted by the governing board.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy (Continued)

E. Property Taxes

Property taxes are attached as an enforceable lien on property as of January 1st. Taxes are levied on July 1st and are payable in two installments on December 10th and April 10th. All general property taxes are allocated by the County Auditor-Controller's office to the various taxing entities in installments during the year.

Placer County has elected to the Teeter Plan for property tax distributions. Therefore, the District receives 100% of the secured property tax levies to which it is entitled, whether or not collected. Unsecured delinquent taxes are considered fully collectible and no allowance for uncollectable taxes is provided.

Property taxes are accrued as receivables in the period when they are levied. Property tax revenues are recognized when they become available. "Available" means due, or past due, and receivable within the current period and collected or expected to be collected soon enough thereafter to be used to pay liabilities, for the current period. This period was 60 days from the end of the fiscal year.

F. Cash and Investments

Cash includes accounts maintained with the District's fiscal agent, Placer County. Placer County does not allow the District to make independent investments of excess funds.

G. Inventory

Inventory consists of uninstalled vaults. Inventory is stated at cost using the first-in, first-out method of accounting.

H. Estimates

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

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 1 Summary of Significant Accounting Policy (Continued)

I. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Structures and improvements	20-40 years
Infrastructures	40 years
Equipment	5 years
Office furniture and equipment	5 years

GASB Statement No. 34 requires the District to report and depreciate infrastructure assets. Infrastructure assets include roads, underground pipes, etc.

J. Pension Plan

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expenses, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the CalPERS Finance Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 2 Cash and Investments

Cash and investments were comprised of the following on June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash in Treasury	\$ 14,500,402	\$ 13,071,966
Cash in Treasury - Endowment	<u>583,531</u>	<u>551,091</u>
Total Cash and Investments	<u>\$ 15,083,933</u>	<u>\$ 13,623,057</u>

Investments

The District's investment policy, in conformity with applicable California General Statutes, authorizes investments in Placer County pooled funds. The value of the position in the pools is the same as the pool shares. These investments are not categorized since these funds and pools contain a diversified portfolio of securities within each category as defined in the following paragraph:

Category 1 includes investments that are insured or registered or for which collateral is held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or its trust department in the District's name. Category 3 includes unsecured and unregistered investments for which securities are held by the broker or dealer or by its trust department or agent but not in the District's name.

Note 3 Receivable

The interest receivable and contract receivable summary is as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Interest Receivable	\$ 33,475	\$ 5,978
Contract Receivable	<u>8,289</u>	<u>13,808</u>
Total Receivable	<u>\$ 41,764</u>	<u>\$ 19,786</u>

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 4 Capital Assets and Depreciation

Capital asset activity of the year ended June 30, 2023, was as follows:

	<u>June 30,</u> <u>2022</u>	<u>Increases</u>	<u>Reclass</u>	<u>June 30,</u> <u>2023</u>
Governmental Activities:				
Land	\$ 15,450	\$ -	\$ -	\$ 15,450
Structures and Improvements	5,109,150	-	-	5,109,150
Equipment	<u>504,647</u>	<u>-</u>	<u>-</u>	<u>504,647</u>
Total Depreciable Assets	<u>5,613,797</u>	<u>-</u>	<u>-</u>	<u>5,613,797</u>
Accumulated Depreciation:				
Structures and Improvement	(2,300,854)	(162,862)	-	(2,463,716)
Equipment	<u>(438,033)</u>	<u>(18,087)</u>	<u>-</u>	<u>(456,120)</u>
Total Accumulated Depreciation	<u>(2,738,887)</u>	<u>(180,949)</u>	<u>-</u>	<u>(2,919,836)</u>
Total Capital Assets, Net Accumulated Depreciation	<u>\$ 2,890,360</u>	<u>\$ (180,949)</u>	<u>\$ -</u>	<u>\$ 2,709,411</u>

Depreciation expenses for the years ended June 30, 2023 and 2022 was \$180,949 and \$189,984, respectively, and has been recorded in cemetery services in the statement of activities.

Note 5 Leave Policies

An employee may accumulate vacation pay up to 480 hours of vacation. Upon termination of employment, for any reason, employees are paid 100% of their accumulated vacation pay. As of June 30, 2023, and 2022, the accumulated vacation pay accrual was \$46,014 and \$39,253 respectively.

Note 6 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; injuries to employees; natural disasters.

There is no claims liability to be reported based on the requirements of Government Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount for the loss can be reasonably estimated.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 6 Risk Management (Continued)

There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverage for each of the past three years.

General Liability Coverage: The District carries a commercial general liability and wrongful acts insurance policy with coverage of \$250,000 per occurrence and an aggregate per coverage of \$250,000. The District's automobile liability and physical damage policy limits are \$49,750,000.

Worker's Compensation Coverage: The District carries a workers' compensation insurance policy in the amount of \$50,000,000 per incident per employee.

Note 7 Defined Benefits Pension Plan

The District provides eligible employees pension plan benefits through the Placer County Cemetery District #1 – Miscellaneous Plan (The Plan).

Plan Description, Benefits Provided and Employees Covered

The plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2021, Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2022, actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, 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 contribution rate of employees.

For the measurement period ended June 30, 2022 (the measurement date), for the miscellaneous plan the active employee contribution rate is 6.92 percent of annual pay,

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 7 Defined Benefits Pension Plan (Continued)

and the average employer's contribution rate is 10.34 percent of annual payroll. For the PEPRA miscellaneous plan the active employee contribution rate is 6.75 percent of annual pay, and the average employer's contribution rate is 7.47 percent of annual payroll.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2022 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021, total pension liability. Both the June 30, 2021, total pension liability and the June 30, 2022 total pension liability were based on the following actuarial methods and assumptions.

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Delivered using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS strews tested plans that would most likely results in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.90 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 7 Defined Benefits Pension Plan (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10</u>
Global Equity- cap-weighted	30%	4%
Global Equity- non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	-5.00	-0.59

The following table shows the Plan's proportionate share of the risk pool collective net pension liability over the measurement period.

	<u>Increase (Decrease)</u>		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at : 6/30/2021 (MD)	\$ 1,810,771	\$ 1,378,901	\$ 431,870
Balance at : 6/30/2022 (MD)	\$ 1,965,867	\$ 1,704,825	\$ 261,042
Net Changes during 2021-22	\$ (155,096)	\$ (325,924)	\$ 170,828

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(assets) of the Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 7 Defined Benefits Pension Plan (Continued)

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability/(Asset) -2023	\$ 529,025	\$ 261,042	\$ 40,558
Plan's Net Pension Liability/(Asset) -2022	\$ 670,948	\$ 431,870	\$ 234,228

PENSION EXPENSE AND DEFERRED OUTFLOWS AND DEFERRED INFLOWS

For the fiscal years ended June 30, 2023 and 2022, Pension Expense recognized is as follows:

Pension Expense - June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Total Service Costs	\$ 27,435	\$ 101,674
Net Plan to Plan Resource Movement	467	(11,449)
Recognize Changes of Assumptions	9,907	(6,843)
Interest on TPL	78,120	306,600
Contribution	73,115	(66,025)
Changes of Benefits Terms	207	223
Projected Earnings on PPI	(69,628)	(238,969)
Recognized Difference Between Projected and Actual Plan Earnings	5,336	39,462
Other Miscellaneous Expense	-	-
Recongize Difference Between Projected & Actual Earnings on Plan Investment	5,943	(115,417)
Administrative Expenses	635	3,438
 Total Pension Expense Recognized	 <u>\$ 131,537</u>	 <u>\$ 12,694</u>

For the measurement period ended June 30, 2022 and 2021 (the measurement date), the Placer County Cemetery District #1 incurred a pension expense/(income) of \$131,537 and \$12,694, respectively, for the Plan (the pension expense for risk pool for the measurement period is \$838,081,431 on June 30, 2022 and \$148,495,760 on June 30, 2021).

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 7 Defined Benefits Pension Plan (Continued)

As of June 30, 2023, and 2022, the Placer County Cemetery District #1 reports other amounts for the Plan as deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>FY2022/23 Deferred Outflows of Resources</u>	<u>FY2022/23 Deferred Inflows of Resources</u>	<u>FY2021/22 Deferred Inflows/(Outflows) of Resources</u>
Difference between Expected and Actual Experience	\$ 5,242	\$ 3,511	\$ 48,430
Changes of Assumptions	26,749	-	-
Difference between Projected and Actual Earnings on Pension Plan Investments	47,816	-	(377,000)
Difference between Employer's Contribution and Proportionate Share of Contribution	2,465	19,046	(3,338)
Changes in Employees Proportion Pension Contributions made Subsequent to Measurement Date	78,013	501,024	132,021
	<u>73,115</u>	<u>-</u>	<u>66,025</u>
Total	<u>\$ 233,400</u>	<u>\$ 523,581</u>	<u>\$ (133,862)</u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions, will be recognized in future pension expense as follows:

<u>Measurement Period Ended June 30,</u>	<u>FY22/23 Deferred Outflows/(Inflows) of Resources</u>	<u>FY21/22 Deferred Outflows/(Inflows) of Resources</u>
2023	\$ -	\$ (3,843)
2024	(53,383)	(14,768)
2025	(141,627)	(37,476)
2026	(124,418)	(90,978)
2027	29,246	13,207
2028	-	-
Thereafter	-	-

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 8 Other Post-Employment Benefits Plan

Plan Description

The District contributes to the California Employees Retiree Benefit Trust (CERBT), administered by CALPERS. The plan provides for the District to contribute 100% of the cost of health insurance premiums for retirees and their spouses.

OPEB Funding Policy

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

The District continues to prefund its OPEB liability, contributing 100% or more of the Actuarially Determined Contributions each year. With the District’s approval, the discount rate used in this valuation is 6.21% reflecting the District’s expectation of the long-term return on assets as of the measurement date.

Actuarial Assumptions

The actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and the actuaries will continue to monitor these assumptions in future valuations.

Important Dates for GASB 75 in this Report

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

Fiscal Year End	June 30, 2023
Measurement Date	June 30, 2022
Measurement Period	June 30, 2021 to June 30, 2022
Valuation Date	June 30, 2021

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 8 Other Post-Employment Benefits Plan (Continued)

Impact on Statement of Net Position and OPEB Expense for Fiscal 2023

The plan's impact on Net Position will be the sum of difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources. Different recognition periods apply to deferred resources depending on their origin. The plan's impact on Net Position on the measurement date can be summarized as follows:

<u>Items</u>	<u>For Reporting At Fiscal Year Ended June 30, 2023</u>
Total OPEB Liability	\$ 2,307,332
Fiduciary Net Position	(1,436,435)
Net OPEB Liability (Assets)	870,897
Deferred (Outflows) of Resources	(715,221)
Deferred Inflows of Resources	188,732
Impact on Statements of Net Position	<u>\$ 344,408</u>
 OPEB Expense, FYE 6/30/2023	 <u><u>\$ 202,206</u></u>

Change in Net Position During the Fiscal Year

<u>For Reporting Period at Fiscal Year End</u>	<u>6/30/2022</u>	<u>6/30/2023</u>	<u>Change</u>
<u>Measurement Date</u>	<u>6/30/2021</u>	<u>6/30/2022</u>	<u>During</u>
			<u>Period</u>
Total OPEB Liability	\$ 2,166,870	\$ 2,307,332	\$ 140,462
Fiduciary Net Position	1,602,674	1,436,435	(166,239)
Net OPEB Liability (Assets)	<u>564,196</u>	<u>870,897</u>	<u>306,701</u>
 Deferred Resources (Outflows) Inflows Due to:			
Assumption Changes	(206,809)	(157,595)	49,214
Plan Experience	(59,829)	(42,391)	17,438
Investment Experience	174,504	(119,370)	(293,874)
Deferred Contributions	(122,727)	(207,133)	(84,406)
Net Deferred (Outflows) Inflows	<u>(214,861)</u>	<u>(526,489)</u>	<u>(311,628)</u>
Impact on Statement of Net Position	<u>\$ 349,335</u>	<u>\$ 344,408</u>	<u>\$ (4,927)</u>

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 8 Other Post-Employment Benefits Plan (Continued)

Expected Long-term Return on Trust Assets

The expected long-term return on trust assets was derived from information published by CalPERS for CERBT Strategy 1. CalPERS determined its return 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 investments expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are summarized in the following table:

CERBT Strategy 1		Years 1-5			Years 6-20		
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-5 Year Expected Real Rate of Return*	Compound Return Yrs 1-5	General Inflation Rate Assumption	6-20 Year Expected Real Rate of Return*	Compound Return Years 6-20
Global Equity	49%	2.40%	4.40%	6.80%	2.30%	4.50%	6.80%
Fixed Income	23%	2.40%	-1.00%	1.40%	2.30%	2.20%	4.50%
Global Real Estate (REITs)	20%	2.40%	3.00%	5.40%	2.30%	3.90%	6.20%
Treasury Inflation Protected Securities	5%	2.40%	-1.80%	0.60%	2.30%	1.30%	3.60%
Commodities	3%	2.40%	0.80%	3.20%	2.30%	1.20%	3.50%
Volatility	12.10%		weighted	5.10%		weighted	6.30%

Recognition Period of Deferred Resources

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumptions changes during the period are recognized over the plan's Expected Average Remaining Service Life ("EARSL"). The EARSL of 6.35 years is the period used to recognize such changes in the OPEB Liability arising during the current measurement period.

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

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

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 8 Other Post-Employment Benefits Plan (Continued)

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year ended June 30, 2023.

<u>Placer County Cemetery District #1</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 184,025	\$ 26,430
Difference Between Expected and Actual Experience	54,087	11,696
Net Difference Between Projected and Actual Earnings on Investments	269,976	150,606
Deferred Contributions	207,133	-
Total	<u>\$ 715,221</u>	<u>\$ 188,732</u>

The District will recognize the Deferred Contributions in the next fiscal year. In addition, future recognition of these deferred resources is shown below.

<u>For the Fiscal Year Ending June 30</u>	<u>Recognized Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 100,988
2025	99,535
2026	107,802
2027	158,006
2028	60,157
Thereafter	-

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

The discount rate used for the fiscal year ended 2022 is 6.21%. Healthcare Cost Trend Rate was assumed to start at 5.61% (effective January 2023) and grade down to 3.9% for years 2075 and thereafter. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 8 Other Post-Employment Benefits Plan (Continued)

	Current-1%		Current+1%
<u>Change in Discount Rate</u>	<u>5.21%</u>	<u>Current 6.21%</u>	<u>7.21%</u>
Total OPEB Liability	2,645,349	2,307,332	2,031,176
Net OPEB Liability (Asset)	1,208,914	870,897	594,741
<u>Change in Healthcare Cost Trend Rate</u>	<u>Current Trend - 1%</u>	<u>Current Trend</u>	<u>Current Trend +1%</u>
Total OPEB Liability	1,997,382	2,307,332	269,353
Net OPEB Liability (Asset)	560,947	870,897	1,257,104

Note 9 Fund Balance Classifications

Governmental funds report fund balances in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The following classifications describe the relative strength of the spending constraints:

- *Non spendable fund balance* – amounts that are not in spendable form or are required to be maintained intact.
- *Restricted fund balance* – amount constrained to specific purposes by their Providers (such as grantors, bondholders, and higher levels of government), though constitutional provisions, or enabling legislation.
- *Committed fund balance* – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level of action to remove or change the constraint.
- *Assigned fund balance* – amounts the District intends to use for a specific purpose. Intent can be expressed by the District’s board or by an official or body to which the District’s board delegates authority.
- *Unassigned fund balance* – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Basic Financial Statements

June 30, 2023 and 2022

Note 10 Subsequent Events

The District has evaluated subsequent to June 30, 2023, to assess the need for potential recognition or disclosures in the financial statements. Such events were evaluated through December 05, 2023, the date these financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosures in the financial statements.

PLACER COUNTY CEMETERY DISTRICT #1

Budgetary Comparison Schedule

General fund

For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 1,813,000	\$ 1,813,000	\$ 2,081,633	\$ 268,633
Charges for Current Services	117,000	117,000	151,545	34,545
Interest	25,000	25,000	249,182	224,182
Other Income	7,000	7,000	95,978	88,978
Total Revenue	<u>1,962,000</u>	<u>1,962,000</u>	<u>2,578,338</u>	<u>616,338</u>
Expenditures				
Salaries & Employee Benefits	970,000	970,000	845,343	124,657
Service & Supplies	382,000	382,000	302,289	79,711
Capital Outlay	185,000	185,000	-	185,000
Total Expenditures	<u>1,537,000</u>	<u>1,537,000</u>	<u>1,147,632</u>	<u>389,368</u>
Excess of Revenues Over Expenditures	<u>425,000</u>	<u>425,000</u>	<u>1,430,706</u>	<u>1,005,706</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	3,245	3,245
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,245</u>	<u>3,245</u>
Net Change in Fund Balances			1,433,951	1,008,951
Fund Balances-June 30, 2022			<u>12,624,149</u>	
Fund Balances-June 30, 2023			<u>\$ 14,058,100</u>	

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

PLACER COUNTY CEMETERY DISTRICT #1

Budgetary Comparison Schedule

General fund

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 1,676,000	\$ 1,676,000	\$ 1,870,578	\$ 194,578
Charges for Current Services	102,000	102,000	167,998	65,998
Interest	50,000	50,000	34,178	(15,822)
Other Income	<u>7,500</u>	<u>7,500</u>	<u>228,236</u>	<u>220,736</u>
 Total Revenue	 <u>1,835,500</u>	 <u>1,835,500</u>	 <u>2,300,990</u>	 <u>465,490</u>
Expenditures				
Salaries & Employee Benefits	882,000	882,000	785,980	96,020
Service & Supplies	368,500	368,500	241,559	126,941
SB 257 C/C Fee	-	-	-	-
LAFCO	-	-	-	-
Designated for Future Acquisitions	-	-	-	-
Capital Outlay	<u>185,000</u>	<u>185,000</u>	<u>-</u>	<u>185,000</u>
 Total Expenditures	 <u>1,435,500</u>	 <u>1,435,500</u>	 <u>1,027,539</u>	 <u>407,961</u>
 Excess of Revenues Over Expenditures	 <u>400,000</u>	 <u>400,000</u>	 <u>1,273,451</u>	 <u>873,451</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	3,245	3,245
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>-</u>	 <u>-</u>	 <u>3,245</u>	 <u>3,245</u>
 Net Change in Fund Balances			 1,273,451	
 Fund Balances-June 30, 2021			 <u>11,350,698</u>	
 Fund Balances-June 30, 2022			 <u>\$ 12,624,149</u>	

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

PLACER COUNTY CEMETERY DISTRICT #1

Notes to Required Supplementary Information on
Budgetary Accounting and Control
June 30, 2023 and 2022

NOTE A: General Budget Policies

Formal budgetary integration is employed as a management control device during the year for the General Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) and consistent with the basis used for financial reporting. There are no reconciling items between the budgetary information and the GAAP information.

PLACER COUNTY CEMETERY DISTRICT #1
Schedules of Required Supplementary Information - Pension Plan
For the Fiscal Year,
Last 10 Years *

Schedule of the Plan's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date in Relation to PERF C

	2023	2022	2021	2020	2019	2018	2017	2016
Plan's Proportion of the Net Pension Liability/(Asset)	0.00156%	0.02274%	0.00912%	0.00894%	0.00791%	0.00764%	0.00875%	0.01170%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 261,042	\$ 431,870	\$ 384,561	\$ 357,055	\$ 298,136	\$ 301,046	\$ 208,687	\$ 156,979
Plan's Covered-Employee Payroll	\$ 385,303	\$ 268,455	\$ 344,639	\$ 299,018	\$ 289,342	\$ 327,628	\$ 332,658	\$ 320,971
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	67.75%	160.87%	111.58%	119.41%	103.04%	91.89%	62.73%	48.91%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	36.72%	76.15%	77.05%	77.31%	79.24%	76.94%	82.41%	85.80%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 32,489	\$ 37,563	\$ 36,792	\$ 30,494	\$ 31,834	\$ 28,777	\$ 32,460	\$ 34,474
Schedule of Plan Contributions								
Actuarially Determined Contribution	\$ 69,259	\$ 66,199	\$ 60,911	\$ 50,320	\$ 47,338	\$ 40,231	\$ 36,745	\$ 32,877
Contributors in Relation to the Actuarially Determined Contribution	(69,259)	(66,199)	(60,911)	(50,320)	(47,338)	(40,231)	(36,745)	(32,877)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 385,303	\$ 385,303	\$ 268,455	\$ 344,639	\$ 299,018	\$ 289,342	\$ 327,628	\$ 332,658
Contributions as a Percentage of Covered-Employee Payroll	17.98%	17.18%	22.69%	14.60%	15.83%	13.90%	11.22%	9.88%

Notes to Schedule

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2021 as they have minimal cost impact.

Change in Assumptions: None

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

PLACER COUNTY CEMETERY DISTRICT #1
Schedules of Required Supplementary Information - OPEB
For the Fiscal Years Ended,
Last 10 Years *

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the NET OPEB Liability. Only results for years since GASB 75 was implemented (fiscal year 2018 through 2023) are shown in the table.

Fiscal Year End	FYE 2023	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018
Measurement Date	6/30/2021	6/30/2020	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Service Cost	\$ 77,645	\$ 62,862	\$ 61,031	\$ 54,069	\$ 48,729	\$ 57,107
Interest	137,079	120,941	113,284	114,364	107,937	81,448
Differences between expected and actual experience	-	78,955	-	(38,580)	-	144,380
Changes of assumptions	-	260,865	-	(87,186)	65,497	138,982
Benefits payments	(74,262)	(68,102)	(63,830)	(66,518)	(62,743)	(36,617)
Net change in total OPEB liability	140,462	455,521	110,485	(23,851)	159,420	385,300
Total OPEB Liability - beginning	2,166,870	1,711,349	1,600,864	1,624,715	1,465,295	1,079,995
Total OPEB Liability - ending (a)	\$ 2,307,332	\$ 2,166,870	\$ 1,711,349	\$ 1,600,864	\$ 1,624,715	\$ 1,465,295
Plan fiduciary net position						
Contributions - employer	\$ 122,727	\$ 130,175	\$ 63,830	\$ 87,404	\$ 81,315	\$ 76,142
Net investment income	(214,298)	336,844	41,111	66,417	78,050	89,951
Benefits payments	(74,262)	(68,102)	(63,830)	(66,518)	(62,743)	(36,617)
Administrative Expenses	(406)	(464)	(569)	(231)	(1,823)	(458)
Net change in plan fiduciary net position	(166,239)	398,453	40,542	87,072	94,799	129,018
Plan fiduciary net position - beginning	1,602,674	1,204,221	1,163,679	1,076,607	981,808	852,790
Plan fiduciary net position - ending (b)	\$ 1,436,435	\$ 1,602,674	\$ 1,204,221	\$ 1,163,679	\$ 1,076,607	\$ 981,808
Net OPEB liability - ending (a) - (b)	\$ 870,897	\$ 564,196	\$ 507,128	\$ 437,185	\$ 548,108	\$ 483,487
Covered-employee payroll	\$ 398,000	\$ 361,514	\$ 353,452	\$ 328,365	\$ 334,819	\$ 331,551
Net OPEB liability as a % of covered-employee payroll	218.82%	156.06%	143.48%	133.14%	163.70%	145.83%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

PLACER COUNTY CEMETERY DISTRICT #1
 Schedules of Required Supplementary Information - OPEB
 For the Fiscal Years Ended,
 Last 10 Years *

Schedule of Contributions

Since establishing the OPEB trust, the District has made regular contributions toward funding the Actuarially Determined Contribution (ADC) and confirmed its intentions to continue doing so. This chart shows the contributions for the year since GASB 75 was implemented.

	FYE 2023	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018
Actuarially Determined Contribution	\$ 126,074	\$ 122,727	\$ 106,601	\$ 87,404	\$ 86,866	\$ 81,315
Contributions in relation to the actuarially determined contribution	207,133	122,727	236,776	63,830	87,404	81,315
Contributions deficiency (excess)	(81,059)	-	(130,175)	23,574	(538)	-
Covered-employee payroll	\$ 424,611	\$ 398,000	\$ 348,362	\$ 338,216	\$ 326,365	\$ 334,819
Net OPEB liability as a % of covered-employee payroll	48.78%	30.84%	67.97%	18.87%	26.78%	24.29%
Percent of ADC contributed	164.29%	100.00%	186.00%	73.03%	100.62%	100.00%

Notes to Schedule

	6/30/2021	6/30/2019	6/30/2017
Valuation Date:			
Method and assumptions used to determine contributions rates:			
Actuarial cost method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Closed Group Level % of Pay
Amortization method	Level % of pay closed 30 years	Level % of pay closed 30 years	Level % of Pay Close 30 years
Amortization period	18 yrs. remain	19 yrs. remain	20 yrs. remain 22 yrs. remain
Asset valuation method	Market Value	Market Value	Market Value
Inflation	2.50%	2.50%	0.0275
Healthcare cost trend rates	5.6% in 2023, fluctuates to 3.9% by 2077	6.5% in 2021, fluctuates to 4.0% by 2076	7.5% in 2019, step down .5% per year to 5.0% by 2024
Salary increase	3.00%	3.00%	0.0325
Investment rate of return	6.21%	6.85%	0.0728
Retirement age	From 50 to 75	From 50 to 75	From 50 to 75
Mortality	2017 CalPERS Study; improvement using Macleod Watts Scale 2022	2017 CalPERS Study; improvement using Macleod Watts Scale 2018	2014 CalPERS Experience Study; improvement using MacLeod Watts Scale 2017

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.