SAN JACINTO VALLEY
CEMETERY DISTRICT

Financial Statements
and
Supplementary Information
with
Independent Auditors' Report

For the Year Ended
June 30, 2022

TABLE OF CONTENTS

SPAFFORD AND LANDRY CPAs
HERE TO MAKE THE COMPLEX SIMPLE.

Patrick D. Spafford, CPA
Todd Landry, CPA

Licensed by the California Board of Accountancy
Member: American Institute of Certified Public Accountants

Independent Auditors' Report

To the Board of Trustees
San Jacinto Valley Cemetery District

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Jacinto Valley Cemetery District (the District) as of and for the year ended June 30, 2022 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, each major fund, and the aggregate remaining fund information of San Jacinto Valley Cemetery District (the District), as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

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 will always detect a material misstatement when it exists.

1849 W. Redlands Blvd., #102, Redlands, CA 92373 · P.O. Box 8847 Redlands, CA 92375 · Tel 909-792-1852 · Fax 909-792-2015

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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, 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 on pages 3 through 7 and the Schedules as listed in the table of contents on pages 36 through 38 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.

Spafford & Landry, Inc.

October 20, 2022

SAN JACINTO VALLEY CEMETERY DISTRICT

Management's Discussion and Analysis

The following section of the San Jacinto Valley Cemetery District's annual financial statements includes management's insights and analysis of the District's financial performance for the year ended June 30, 2022.

A. Introduction to the Basic Financial Statements

These financial statements consist of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended.

The basic financial statements include the Statement of Net Position and the Statement of Activities (the government-wide statements), and the fund financial statements, which include the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the District's major funds and its non-major funds on a summarized basis. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most financially significant funds.

The notes to financial statements and this discussion and analysis support these statements. All sections must be considered together to obtain a complete understanding of the financial picture of the District. In addition, to the basic financial statements and accompanying notes, this report also presents combining fund statements.

During fiscal 2022, the District adopted no new accounting guidance.

<u>Statement of Net Position</u>: The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred in flows of resources, on an accrual basis.

<u>Statement of Activities</u>: The Statement of Activities represents the revenues earned and the expenses incurred during the year on an accrual basis.

<u>Analytical Overview-Summary</u>: Assets have increased for the district primarily in the areas of cash and cash equivalents as a result of positive earnings for the year and capital assets from increased spending on capital outlay. Liabilities decreased primarily in the areas of net pension obligation and OPEB. The Statement of Activities showed positive change in net position as a result is an increase in current services and property taxes.

The expenditure budget amounts are higher than the actual due to overestimating in this area to balance the budget.

B. Comparative Analysis of Current and Prior Year Activities and Balances

A summary of key financial statement information is used as a basis for reviewing current year results.

Condensed Financial Statement Information

Statement of Net Position

	June 30, 2022	June 30, 2021
Assets		
Current assets	$ 254,532	$ 405,760
Investments	2,760,681	2,434,003
Capital assets	2,278,011	2,341,304
Total assets	5,293,224	5,181,067
Deferred outflows of resources	393,260	263,441
Liabilities and net position		
Current liabilities	96,325	98,685
Long-term liabilities	1,579,884	2,383,919
Total liabilities	1,676,209	2,482,604
Deferred inflows of resources	698,416	193,115
Net invested in capital assets	2,039,035	2,006,933
Restricted	1,640,480	1,641,250
Unrestricted (deficit)	(367,656)	(879,394)
Net position	$ 3,311,859	$ 2,768,789

B. Comparative Analysis of Current and Prior Year Activities and Balances (Continued)

Condensed Financial Statement Information (Continued)

Statement of Activities

	For the Years Ended June 30, 2022	2021
Revenues		
Charges for Services:		
Current services	$ 704,267	$ 610,772
Perpetual care endowment	119,482	107,961
General Revenues:		
Property taxes	439,282	417,914
Investment income	(107,885)	31,463
Other	69,193	67,465
Total revenues	1,224,399	1,235,575
Expenses		
Salaries and employee benefits	235,861	690,719
Utilities	48,071	42,138
Services and supplies	299,484	193,787
Interest	17,430	18,063
Depreciation	80,423	59,397
Total expenses	681,269	1,004,104
Change in net position	543,070	231,471
Net position beginning of year	2,768,789	2,537,318
Net position end of year	$ 3,311,859	$ 2,768,789

C. Financial Analysis of Governmental Funds

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

Governmental Funds: Governmental funds are the total amount of revenues and expenditures from all sources of federal, state, county, private grants, third party revenues, interest earned, and other miscellaneous items. All funding sources can be categorized into three main categories – General Fund, Special Revenue – Preneed Fund, Permanent Perpetual Care Fund and Other Governmental Funds.

SAN JACINTO VALLEY CEMETERY DISTRICT

Management's Discussion and Analysis

C. Financial Analysis of Governmental Funds (Continued)

General Fund: This fund represents the main source of receiving tax revenues and generated revenues to pay for the district's normal operations.

Special Revenue - Preneed Fund: This fund is used for collecting funds received for advanced cemetery arrangements and dispersing funds when At Need.

Permanent Fund: This fund is used to report resources that are legally restricted to the extent that only earnings, not principle, may be used for purposes that support the cemetery.

Other Governmental Funds: ACO, these funds are revenue from taxes, services and interest earned for future land purchase and other need for the district.

D. Budget to Actual Performance

The budget to actual performance for the General Fund presented below is based on the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances and the modified accrual basis of accounting.

Revenues, Expenditures and Changes in Fund Balance Budget to Actual

	For the Year Ended June 30, 2022		
	Budget	Actual	Variance
Revenues			
Total revenues	$ 1,074,255	$ 851,316	$ (222,939)
Expenditures			
Salaries and employee benefits	$ 557,600	$ 566,856	$ (9,256)
Utilities	4,500	48,071	(43,571)
Services and supplies	483,613	299,484	184,129
Debt service	-	112,825	(112,825)
Capital outlay	175,000	17,130	157,870
Total expenditures	1,220,713	1,044,366	176,347
Surplus (deficit)	$ (146,458)	$ (193,050)	$ (46,592)

The District's funding sources consist primarily of tax and service revenue. The budgeted amount represented above is simply estimation from reviewing prior year performance.

E. Capital Assets

The District had no significant changes for 2021-2022 period.

F. Factors Impacting Future Periods

The District is concentrating on paying down the development loan.

G. Request for Information

This financial report is designed to provide a general overview of San Jacinto Valley Cemetery District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the General Manager, San Jacinto Valley Cemetery District, P.O. Box 505, San Jacinto, CA 92581.

FINANCIAL STATEMENTS

SAN JACINTO VALLEY CEMETERY DISTRICT

Statement of Net Position

June 30, 2022

Assets		
Cash and cash equivalents	$	118,833
Due from County of Riverside		
Property taxes		15,246
Interest		1,118
Accounts receivable contracts		101,600
Prepaid expenses		6,362
Inventory		11,373
Investments		2,760,681
Capital assets, net of accumulated depreciation		2,278,011
Total assets		5,293,224
Deferred outflows of resources		
Deferred outflows of resources for OPEB		201,719
Deferred outflows of resources for pension		191,541
		393,260
Liabilities		
Accounts payable		9,960
Non - current liabilities		
Due within one year - compensated absences		6,407
Due within one year - note payable		79,958
Due in more than one year - note payable		159,018
Due in more than one year - pension liability and OPEB		1,420,866
Total liabilities		1,676,209
Deferred inflows of resources		
Deferred inflows of resources for OPEB		376,143
Deferred inflows of resources for pension		322,273
		698,416
Net position		
Net investment in capital assets		2,039,035
Restricted for:		
Expendable		54,958
Nonexpendable		1,585,522
Unrestricted (deficit)		(367,656)
Net position	$	3,311,859

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

SAN JACINTO VALLEY CEMETERY DISTRICT

Statement of Activities

For the Year Ended June 30, 2022

Expenses	
Salaries and employee benefits	$ 235,861
Utilities	48,071
Services and supplies	299,484
Interest	17,430
Depreciation	80,423
Total expenses	681,269
Program revenues	
Charges for current services	704,267
Net program revenues	22,998
General revenues	
Property taxes	439,282
Investment income	(107,885)
Other revenues	69,193
Total general revenues	400,590
Charges for services - perpetual care endowment	119,482
Change in net position	543,070
Net position, beginning of year	2,768,789
Net position, end of year	$ 3,311,859

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

SAN JACINTO VALLEY CEMETERY DISTRICT

Balance Sheet
Governmental Funds

June 30, 2022

	Major Funds				
		Special Revenue	Permanent Fund	Capital Project	Total
	General	Preneed	Perpetual Care	ACO Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	91,480	$ 20,490	$ 6,847	$ 16	$ 118,833
Investments	321,834	782,395	1,628,269	28,183	2,760,681
Prepaid expenses	6,362	-	-	-	6,362
Inventory	11,373	-	-	-	11,373
Due from County of Riverside					
Property taxes	15,246	-	-	-	15,246
Interest	652	198	268	-	1,118
Accounts receivable contracts	62,820	33,684	5,096	-	101,600
Total assets	$ 509,767	$ 836,767	$ 1,640,480	$ 28,199	$ 3,015,213
Liabilities and fund balances					
Liabilities					
Accounts payable	$ 9,960	$ -	$ -	$ -	$ 9,960
Total liabilities	9,960	-	-	-	9,960
Fund balances					
Nonspendable					
Other	17,735	-	-	-	17,735
Permanent fund principal	-	-	1,585,522	-	1,585,522
Committed					
Capital projects	-	-	-	28,199	28,199
Assigned					
Preneed	-	836,767	-	-	836,767
Other purposes	-	-	54,958	-	54,958
Unassigned	482,072	-	-	-	482,072
Total fund balances	499,807	836,767	1,640,480	28,199	3,005,253
Total liabilities and fund balances	$ 509,767	$ 836,767	$ 1,640,480	$ 28,199	$ 3,015,213

SAN JACINTO VALLEY CEMETERY DISTRICT

Balance Sheet
Governmental Funds (Continued)

June 30, 2022

Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balances	$	3,005,253
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		2,278,011
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the governmental funds:		
Deferred employer pension contribution		69,361
Deferred employer OPEB contribution		75,383
Deferred outflows of resources - pension		122,180
Deferred inflows of resources - pension		(322,273)
Deferred outflows of resources - OPEB		126,336
Deferred inflows of resources - OPEB		(376,143)
Net pension liability		(203,085)
OPEB trust liability		(1,217,781)
Note payable		(238,976)
Compensated absences		(6,407)
Net position of governmental activities	$	3,311,859

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

SAN JACINTO VALLEY CEMETERY DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended June 30, 2022

	Major Funds				
		Special Revenue	Permanent Fund	Capital Project	Total
	General	Preneed	Perpetual Care	ACO Fund	Governmental Funds
Revenues					
Property taxes	$ 439,282	$ -	$ -	$ -	$ 439,282
Charges for current services	341,638	362,629	-	-	704,267
Other revenues	69,193	-	-	-	69,193
Investment income (loss)	1,203	(33,431)	(73,383)	(2,274)	(107,885)
Total revenues	851,316	329,198	(73,383)	(2,274)	1,104,857
Expenditures					
Current:					
Salaries and employee benefits	566,856	-	-	-	566,856
Utilities	48,071	-	-	-	48,071
Services and supplies	299,484	-	-	-	299,484
Debt service					
Principal	95,395	-	-	-	95,395
Interest	17,430	-	-	-	17,430
Capital outlay	17,130	-	-	-	17,130
Total expenditures	1,044,366	-	-	-	1,044,366
Excess of revenues over (under) expenditures	(193,050)	329,198	(73,383)	(2,274)	60,491
Other financing sources (uses)					
Operating transfers in	420,027	-	-	48,000	468,027
Operating transfers (out)	(48,000)	(296,853)	(46,869)	(76,305)	(468,027)
Special item					
Charges for services - perpetual care	-	-	119,482	-	119,482
Net change in fund balances	178,977	32,345	(770)	(30,579)	179,973
Fund balances					
Balances, beginning of year	320,830	804,422	1,641,250	58,778	2,825,280
Balances, end of year	$ 499,807	$ 836,767	$ 1,640,480	$ 28,199	$ 3,005,253

SAN JACINTO VALLEY CEMETERY DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds (Continued)

For the Year Ended June 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$	179,973
Governmental funds report 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 expense. This is the amount by which capital outlay exceeded depreciation in the current period.		(63,293)
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 governmental funds.		
Net pension expense		246,573
Net OPEB expense		88,651
Compensated absences		(4,229)
Principal payments on note payable		95,395
Change in net position of governmental activities	$	543,070

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

SAN JACINTO VALLEY CEMETERY DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Governmental Funds

For the Year Ended June 30, 2022

	General Fund		
	Budgeted amounts original/ final	**Actual**	**Variance - favorable (unfavorable)**
Revenues			
Property taxes	$ 392,753	$ 439,282	$ 46,529
Charges for current services	629,027	341,638	(287,389)
Other revenues	50,675	69,193	18,518
Investment income	1,800	1,203	(597)
Total revenues	1,074,255	851,316	(222,939)
Expenditures			
Current:			
Salaries and employee benefits	557,600	566,856	(9,256)
Utilities	4,500	48,071	(43,571)
Services and supplies	483,613	299,484	184,129
Debt service	-	112,825	(112,825)
Capital outlay	175,000	17,130	157,870
Total expenditures	1,220,713	1,044,366	176,347
Excess of revenues over (under) expenditures	(146,458)	(193,050)	(46,592)
Other financing sources (uses)			
Appropriations for contingencies	(15,000)	-	15,000
Operating transfers in	-	420,027	420,027
Operating transfers (out)	-	(48,000)	(48,000)
Total other financing sources (uses)	(15,000)	372,027	387,027
Net change in fund balances	(161,458)	178,977	340,435
Fund balances			
Balances, beginning of year	161,458	320,830	159,372
Balances, end of year	$ -	$ 499,807	$ 499,807

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

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Reporting Entity

San Jacinto Valley Cemetery District (the District) was formed August 27, 1917 in the County of Riverside under the Health and Safety Code Sections 8890 et seq. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice within California Special Districts. The District accounts for its financial transactions in accordance with the policies and procedures of the State Controller's Office Division of Local Government Fiscal Affairs Minimum Audit Requirements and Reporting Guidelines for California Special Districts.

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues, and expenditures, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

Accounting principles generally accepted in the United States of America require that these financial statements present the accounts of the District and any of its component units. Component units are legally separate entities of which the District is considered to be financially accountable or otherwise has a relationship, which is such that the exclusion of the entity would cause the financial statements to be misleading. Blended component units are considered, in substance, part of the District's operations, so the accounts of these entities are to be combined with the data of the District. Component units, which do not meet these requirements, are reported in the financial statements as discrete units to emphasize their separate legal status. However, the District has determined that it is not financially accountable for, nor has any other relationship with, any other organization, which would require its inclusion in these financial statements.

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 of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately, compared to *business-type activities*, which rely to a significant extent on fees and charges for support. The District currently has no business-type activities.

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 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

1. Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements (Continued)

Taxes and other items not properly included among *program revenues* are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

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 related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 120 days after yearend, except for contracts for services which are recognized at the time the contract is signed. Property taxes and investment income are susceptible to accrual. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Permanent funds account for assets for which the principal may not be spent.

The District reports the following major governmental funds:

General Fund - The general fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District has one major special revenue fund: Preneed. This fund is restricted for the purchase of burial items other than the grave plot.

Permanent Fund – The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the cemetery - that is, for the benefit of the cemetery or its citizenry.

Additionally, the District reports the following other non-major funds:

Capital Project – The District has one non-major capital project fund for the ACO capital projects fund.

1. Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

By state law, the District's governing board must approve a tentative budget no later than July 1 and adopt a final budget no later than September 15. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes mandate the District maintain substantially all of its cash in the Riverside County Treasury. The County's investment pool operates in accordance with appropriate state laws and regulations. The fair value of the District's position in the pool is not the same as the value of the pooled shares. The method used to determine the value of participants' equity withdrawn is based on the book value, amortized cost plus accrued interest, multiplied by the District's percentage at the date of such withdrawal. The County Treasurer's investments, including U.S. Treasury and Agency securities, are carried at fair value based on current market prices. Bond anticipation notes are carried at fair value. Commercial paper is carried at amortized cost. Investments in bankers' acceptances and nonparticipating guaranteed investment contracts are carried at cost. Participating guaranteed investment contracts are carried at fair value based on net realizable value.

The District has adopted GASB Statement No. 72, *Fair Value Measurement and Application;* investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Mutual funds are carried at fair value based on the funds' share price. Local agency obligations are carried at fair value based on the value of each participating dollar.

Receivables and Allowance for Doubtful Accounts

Contracts for services include both preneed and at-need receivables to be collected. The accounts are evaluated on an annual basis to determine those that may not be collectable using the specific identification method. The allowance for accounts receivable is based on those accounts that have been identified as uncollectable that must be approved by the District's Board of Directors to be written-off. At June 30, 2022 there was no allowance for accounts receivable.

Inventory

Inventory of preneed supplies and fuel is valued at the lower of cost or market using the first-in/first-out method. The costs of government fund-type inventories are recorded as expenditures when consumed rather than when purchased.

1. **Summary of Significant Accounting Policies** (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $500 and an estimated useful life of five years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the estimated useful lives varying from 20 to 40 years for buildings, 25 to 40 years for infrastructure, 10 to 30 years for land improvements and 5 to 20 years for equipment.

Interfund Balances and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as due to/from other funds (i.e., current portion of interfund loans). Interfund transfers occur because the District receives charges for services through the special revenues funds and transfers these funds to the general fund as expenditures are incurred or due to contractual requirements.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents the consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

Currently, the District has deferred inflows/outflows of resources for its pension plan and postemployment benefits plan.

Compensated Absences

Each employee can earn up to 4 weeks of vacation per year. The District accrued a liability for compensated absences, which meets the following criteria:

- The District’s obligation relating to employees’ rights to receive compensation for future absences is attributable to employees’ service already rendered.
- The obligation relates to rights that vest or accumulate.
- Payment of the compensation is probable.
- The amount can be reasonably estimated.

1. Summary of Significant Accounting Policies (Continued)

Compensated Absences (Continued)

Compensated absences expected to be paid with expendable available resources are accrued and recorded as liabilities and expenditures of the general fund. Amounts not expected to be liquidated with expendable available financial resources are reported in the government-wide financial statements.

Pension

The District follows *GASB Statement No. 68, Accounting and Financial Reporting for Pensions.* This statement requires accrual-based measurement and recognition of the cost of pension benefits during the periods when employees render their services.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the San Jacinto Valley Cemetery District's California Public Employees' Retirement System (CalPERS) 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 the CalPERS. 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, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

Other Postemployment Benefits (OPEB)

The District follows *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement requires accrual-based measurement and recognition of the cost of postemployment benefits during the periods when employees render their services.

GASB 75 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
Reporting Period (RP)	July 1, 2021 to June 30, 2022
Measurement Period (MP)	July 1, 2020 to June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets as well as any premium or discount paid on debt reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulation of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. This category represents the net position of the District that is nonexpendable and held in perpetuity for perpetual care and that is expendable as a result of investment earnings from those funds to be used to support the cemetery.
- *Unrestricted Net Position* – This category represents the net position of the District, not restricted for any project or other purpose.

Fund Balances - Governmental Funds

The District's fund balance categories define the nature and extent of the constraints placed on it fund balance as follows:

- *Nonspendable Fund Balance* – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – Amounts constrained to specific purposes by their providers (such as grantors, contributors, or laws or regulations of other governments).
- *Committed Fund Balance* – Amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Trustees budget resolution). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level 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 Board of Trustees.
- *Unassigned Fund Balance* – Amounts that are available for any purpose. Positive amounts can only be reported in the general fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in the General Fund, it is the District's policy to use unassigned resources first, then assigned, and then committed as needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any other governmental fund, it is the District's policy to use committed resources first, then assigned, and then unassigned as needed. The District does not have a formal minimum fund balance requirement. However, the District has adopted a Reserve Policy, which addresses various targeted reserve amounts in the General Fund and the action that will be taken if the reserves fall below the targeted amount.

1. Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes are assessed under various legislative provisions, contained in the Government Code and the Revenue and Taxation Code, by the County Assessor and State Board of Equalization. Taxes on real property are limited to one percent of assessed valuation, plus additional taxes for repayment of any existing voted indebtedness. The County of Riverside in accordance with statutory formulas collects and distributes the taxes to the District. Tax increment revenues received by redevelopment agencies in the County of Riverside are passed-through directly to the District by the cities receiving the taxes.

Secured property taxes are levied on or before the first business day of September of each year. They become a lien on real property on January 1st preceding the fiscal year for which taxes are levied and can be paid in two installments. The first installment is due November 1st and delinquent December 10th, and the second installment is due February 1st of the following year and is delinquent April 10th. Unsecured personal property taxes are due January 1st and become delinquent if unpaid on August 13th.

New Accounting Pronouncement

During the year ended June 30, 2022 the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* (GASB 87), which establishes a single approach for local and state governments in all lease accounting. It also accounts for certain lease liabilities that may not be currently reported in the financial statements. The stated objective of this new standard "is to better meet the information needs of financial statements users by improving accounting and financial reporting got leases by governments." The implementation of this standard did not have a material impact on the District's net position or changes in net position.

2. Cash and Investments

Cash and investments are presented in the statement of net position and the balance sheet as follows:

Cash and cash equivalents	
Deposits - Bank of Hemet	$ 91,280
Cash and Sweep balances - Stifel, Nicolaus & Company, Inc.	27,353
Cash on hand	200
Total cash and cash equivalents	118,833
Investments	2,760,681
Total deposits and investments	$ 2,879,514

2. Cash and Investments (Continued)

Cash and investments at June 30, 2022:

	Weighted Average Maturities	Fair Value
External Investment Pool - Cash in Riverside County Treasury	N/A	$ 456,595
Investments held with Stifel, Nicolaus & Company, Inc.:		
Government/Municipal bonds	0.72	820,374
U.S. Agencies	0.92	695,670
Negotiable Certificates of Deposit	1.1	540,948
Cash and Sweep balances	N/A	27,353
Mutual funds	N/A	247,094
Portfolio weighted average maturity	0.91	

Custodial Credit Risk – Deposits and Investments

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of a failure of the counter party (e.g., 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.

Neither the California Government Code nor the County's investment policy contains legal or policy requirements that would limit the District's exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secures deposits made by state or local government 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 District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2022, $547,875 of the District's bank and sweep balances, including funds held by Stifel, Nicolaus & Company, Inc., were collateralized by the bank's trust department but not in the District's name. The District's investments in negotiable certificates of deposit at various savings & loans located throughout the U.S. were less than the maximum FDIC insured amount at each savings & loan and therefore are fully insured.

Interest Rate Risk – Investments

Interest rate risk is the measurement of how changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the more sensitive to changes in market interest rates of its fair value. One of the ways the County of Riverside Treasurer manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so a portion of its portfolio is maturing or coming close to maturity to ensure the cash flow and liquidity of operations. The weighted average maturity of the County of Riverside Treasurer's investments is 1.19 years.

2. Cash and Investments (Continued)

The District has a formal investment policy that limits investment maturities to 5 years or less, except for US treasury bills, notes, and bonds, which may have a maximum maturity of 30 years, as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2022, the District's weighted average maturity of its investment portfolio was 0.91 years.

Credit Risk – Investments

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 policy is in accordance with state law and as such, limits certain investments to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices.

The County Treasurer's investments consist of 31.02% federal agencies, 26.08% U.S. Treasury bonds, 11.93% commercial paper, 1.98% municipal bonds, 1.31% Int'l bank for reconstruction and development and Int'l finance corporation, 0.80% CalTRUST short term fund, 20.05% certificate and time deposits, and 6.84% money market/mutual funds.

The credit ratings for these investments include Aaa/Aa3 by Moody's Investor Service, AAA/AA- by Standard and Poor's, and non-rated for certain investments. The carrying value and market value as of June 30, 2022 for the District's pooled investments with the County Treasurer was $456,595.

The District's investments in corporate bonds and U.S. agencies through Stifel, Nicolaus & Company, Inc. were generally, rated Moody's AA and above. All the District's investments in U.S. agencies carry the implicit guarantee of the U.S. Government.

Concentration of Credit Risk

The District's investment policy places limits on the amounts the District may invest in any one issuer or type of investment and as of June 30, 2022 the District was in compliance with its investment policy.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. 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. The District does not have any investments that are measured using Level 3 inputs.

Mutual funds are valued based on quoted market prices. Government bonds, corporate bonds, foreign bonds, government asset backed/CMO securities and negotiable certificates of deposit are valued based on a matrix pricing model.

2. Cash and Investments (Continued)

Investment Valuation (Continued)

Investments' fair value measurements are as follows at June 30, 2022:

	Level 1	Level 2	Level 3	Total
External Investment Pool	$ -	$ 456,595	$ -	$ 456,595
Mutual Funds	247,094	-	-	247,094
Government/Municipal Bonds	-	820,374	-	820,374
Government Asset Backed/CMO Securities	-	695,670	-	695,670
Negotiable Certificates of Deposit	-	540,948	-	540,948
	$ 247,094	$ 2,513,587	$ -	$ 2,760,681

Capital Assets

The following is a summary of the changes in capital assets during the year:

	Balance 07-01-21	Increases	Decreases	Balance 06-30-22
Capital assets being depreciated:				
Equipment and vehicles	$ 241,581	$ -	$ -	$ 241,581
Buildings	537,580	11,230	1,775	547,035
Infrastructure	1,917,074	5,900	-	1,922,974
Land improvements	452,618	-	-	452,618
	3,148,853	17,130	1,775	3,164,208
Less: accumulated depreciation	1,184,017	80,423	1,775	1,262,665
	1,964,836	(63,293)	-	1,901,543
Capital assets not being depreciated:				
Land	376,468	-	-	376,468
	$ 2,341,304	$ (63,293)	$ -	$ 2,278,011

Depreciation expense amounted to $80,423 for the year ended June 30, 2022.

3. Long-Term Debt

The Cemetery has a loan with Bank of Hemet in the original amount of $400,000. The note bears interest at 5.25% and is payable in monthly installments of $7,608, including principal and interest. The note is secured by the Cemetery property. The amount outstanding was $238,976 at June 30, 2022.

3. Long-Term Debt (Continued)

At June 30, 2022, the scheduled principal payments for the note payable were as follows:

Years	Principal	Interest	Total
2023	$ 79,958	$ 11,342	$ 91,300
2024	84,259	7,042	91,301
2025	74,759	2,417	77,176
	$ 238,976	$ 20,801	$ 259,777

5. Non-Current Liabilities

A schedule of changes in non-current liabilities for the year ended June 30, 2022 is shown below:

	Balance 07-01-21	Additions	Decreases	Balance 06-30-22	Due Within One Year	Due in More One Year
Compensated absences	$ 2,178	$ 16,838	$ 12,609	$ 6,407	$ 6,407	$ -
Note payable	334,371	-	95,395	238,976	79,958	159,018
Compensated absences	$ 336,549	$ 16,838	$ 108,004	$ 245,383	$ 86,365	$ 159,018

6. Pension Plan

Plan Description, Benefits Provided and Employees Covered

All qualified permanent and probationary employees are eligible to participate in the San Jacinto Valley Cemetery District Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of an individual rate plan within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the miscellaneous pools. Accordingly, rate plans within the miscellaneous pools are not separate plans under GASB Statement No. 68.

Individual employers may sponsor more than one rate plan in the miscellaneous pools. San Jacinto Valley Cemetery District sponsors two rate plans. Benefit provisions under the Plan are established by State statute and San Jacinto Valley Cemetery District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found at CalPERS' website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 55 with statutorily reduced benefits.

6. Pension Plan (Continued)

Plan Description, Benefits Provided and Employees Covered (Continued)

Benefits Provided (Continued)

All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and will be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS.

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's contributions to the Plan for the year ended June 30, 2022 were $69,361.

For the measurement period ended June 30, 2021 (the measurement date), the active employee contribution rate is 7.100 percent of annual pay, and the average employer's contribution rate is 8.650 percent (7.590 percent for PEPRA) of annual payroll. Employer contributions rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution. CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis.

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

At June 30, 2022, the District reported a net pension liability of $203,085 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. The District's proportion of the net pension liability 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 participants actuarially determined.

At June 30, 2022, the District's proportion was 0.01070%. The District recognized pension expense (credit) of $242,012 and change in proportion of -0.00463% for the year ended June 30, 2022.

6. Pension Plan (Continued)

Plan Description, Benefits Provided and Employees Covered (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	$ -	$ -
Differences between expected and actual experiences	22,774	-
Differences between projected and actual investment earnings	-	177,282
Differences between employer's contributions and Proportionate share of contributions	-	144,991
Change in employer's proportion	99,406	-
Pension contributions made subseuqent to measurement date	69,361	-
	$ 191,541	$ 322,273

The $69,361 reported as deferred outflows of resources related to the pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (59,412)
2024	(48,881)
2025	(42,809)
2026	(48,991)
	$ (200,093)

6. Pension Plan (Continued)

Plan Description, Benefits Provided and Employees Covered (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liability on the June 30, 2020 actuarial valuation was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality Rate Table (1)	Derived using CalPERS Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies

(1) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The Experience Study report can be obtained at CalPERS' website at www.calpers.ca.gov under Forms and Publications.

Change in Assumption

There were no changes in assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result 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.

6. Pension Plan (Continued)

Plan Description, Benefits Provided and Employees Covered (Continued)

Discount Rate (Continued)

Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 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.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes which includes the agent plan and two cost-sharing plans for PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11 - 60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects 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.

Asset Class	New Strategic Allocation[(a)]	Real Return Years 1-10[(b)]	Real Return Years 11+[(c)]
	%	%	%
Global Equity	50.00	4.80	5.98
Fixed Income	28.00	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	-	(0.92)

(a) In the basic financial statements, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities
(b) An expected inflation of 2.00% used for this period
(c) An expected inflation of 2.92% used for this period

6. Pension Plan (Continued)

Plan Description, Benefits Provided and Employees Covered (Continued)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate:

	Discount Rate less 1% 6.15%	Current Discount Rate 7.15%	Discount Rate plus 1% 8.15%
District's proportionate share of the net pension liability	$ 740,817	$ 203,085	$ (241,451)

During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net positions is available in the separately issued CalPERS financial report.

The District did not report a payable outstanding for contributions to the pension plan required for the year ended June 30, 2022.

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss: Net differences between projected and actual earnings on pension plan investments (5-year straight-line amortization) and all other amounts (Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period).

7. Other Postemployment Benefits Plan (OPEB)

Plan Description

Plan administration. The District administers a single employer defined benefit healthcare plan. The District provides postretirement health care benefits under PEMHCA.

Benefits provided. Employees who reach age 50 and have completed 5 years of service with the District are eligible to receive District paid medical benefits in retirement. The District provides a lifetime benefit towards medical coverage through PEMHCA. Retired employees are subject to a monthly cap of $630. The retiree is responsible for any costs in excess of this cap.

Plan membership. At July 1, 2021, membership consisted of 7 active plan members and 5 inactive plan member or beneficiaries currently receiving benefits.

Contributions. The contribution requirements of Plan members and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

Net OPEB Liability

The District's Net OPEB Liability was measured as of June 30, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2021 (June 30, 2021). Standard actuarial update procedures were used to project/discount from valuation to measurement dates. As permitted by professional standards, this actuarial determination was rolled forward for a second year.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions	
Salary increases	3.00%
Inflation rate	2.75%
Healthcare cost trend rate	6.00% for 2021; 5.758% for 2022; 5.50% for 2023; 5.20% for 2024-2069, and 4.00% for 2070 and later years; Medicare ages: 4.005 percent for all years.

Pre-retirement mortality rates were based on the CalPERS Experience Study (2000-2019). Post-retirement mortality rates were based on the CalPERS Experience Study (2000-2019).

Actuarial assumptions used in the July 1, 2021 valuation were based on a review of plan experience during the period July 1, 2020 to June 30, 2021.

Discount rate. GASB 75 requires a discount rate that reflects the following:

a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

7. Other Postemployment Benefits Plan (OPEB) (Continued)

Net OPEB Liability (Continued)

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's Total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Fidelity GO AA 20-Years Municipal Index	Discount Rate
June 30, 2019	June 30, 2018	4.00%	3.62%	3.62%
June 30, 2020	June 30, 2019	4.00%	3.13%	3.13%
June 30, 2021	June 30, 2020	4.00%	2.45%	3.13%
June 30, 2022	June 30, 2021	4.00%	1.92%	1.92%

The components of the net OPEB liability is as follows:

Total OPEB liability	$ 1,217,781
Plan fiduciary net postion	-
Net OPEB liability (asset)	$ 1,217,781
Measurement date	June 30, 2021
Reporting date	June 30, 2022

The following table shows the changes in the net OPEB liability:

Total OPEB Liability	
Service Cost	$ 46,663
Interest	49,659
	96,322
Difference between expected and actual experience	(597,403)
Change in assumptions	205,317
Benefit payments (1)	(42,990)
Net change in total OPEB liability	(338,754)
Net OPEB obligation, beginning of year	1,556,535
Net OPEB obligation, end of year	$ 1,217,781

(1) Amount includes implicit subsidy associated with benefits paid.

7. Other Postemployment Benefits Plan (OPEB) (Continued)

Net OPEB Expense

The components of the net OPEB expense are as follows:

Net OPEB Liability, beginning of year	$ 1,556,535
Net OPEB Liability, end of year	1,217,781
Change in net OPEB liability	(338,754)
Change in deferred outflows	(116,305)
Change in deferred inflows	366,228
Employer contributions	42,990
Adjustment	197
OPEB Expense	$ (45,644)
Service costs	$ 46,663
Interest cost	49,659
Recognition of deferred outflows and inflows	
Difference between expected and actual experience	(231,175)
Change in assumptions	84,346
Differences btween projected and actual investments	
Adjustment	4,863
Net OPEB Expense	$ (45,644)

Sensitivity of the net OPEB liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (0.92%) or 1% point higher (2.92%) than the current discount rate:

	Discount Rate less 1% 0.92%	Current Discount Rate 1.92%	Discount Rate plus 1% 2.92%
District's proportionate share of the net OPEB liability	$ 1,394,168	$ 1,217,781	$ 1,074,562

7. Other Postemployment Benefits Plan (OPEB) (Continued)

Sensitivity of the net OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5% percent decreasing to 4% percent) or 1% point higher (7% percent decreasing to 6% percent) than the current healthcare cost trend rates:

	Healthcare Cost Trend Rates less 1% 5.00%	Healthcare Cost Trend Rates Current 6.00%	Healthcare Cost Trend Rates plus 1% 7.00%
District's proportionate share of the net OPEB liability	$ 1,141,413	$ 1,217,781	$ 1,291,980

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

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ -	$ 376,143
Changes in assumptions and other inputs	126,336	-
OPEB contributions made subseuqent to measurement date	75,383	-
	$ 201,719	$ 376,143

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (146,945)
2024	(102,862)
	$ (249,807)

8. Property Taxes

Property taxes allocated to the District for the year ended June 30, 2022 were as follows:

Current:	
Secured	$ 344,686
Unsecured	16,780
Supplemental - passthrough	3,067
Prior:	
Unsecured	5,076
Tax relief subventions	3,000
RDV Apportionment	66,673
Total	$ 439,282

9. Excess of Expenditures over Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations in salaries and employee benefits, utilities and debt services (the level of budgetary control) of the general fund by $165,652. This over expenditure was funded by additional charges for current services and by available fund balance.

10. Other Risks and Uncertainties

Investment securities are exposed to various risks such as interest rate, market, and credit. The financial markets in recent months have shown heightened volatility and the markets are significantly down. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term could materially affect investment balances and the amounts reported in the financial statements. Additionally, many mutual funds invest in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies.

These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than similar types of securities of comparable U.S. companies.

SUPPLEMENTARY INFORMATION

SAN JACINTO VALLEY CEMETERY DISTRICT

Schedule of the District's Proportionate Share of the Net Pension Liability

For the Years Ended

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.010700%	0.013630%	0.013620%	0.011880%	0.011810%	0.010200%	0.004300%	0.004100%
District's proportionate share of the net pension liability	$ 203,085	$ 575,037	$ 545,353	$ 447,608	$ 465,517	$ 354,000	$ 117,110	$ 258,000
District's covered employee payroll	$ 339,599	$ 287,964	$ 337,923	$ 331,499	$ 345,983	$ 305,185	$ 285,591	$ 273,664
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	59.80%	199.69%	161.38%	135.03%	134.55%	116.00%	41.01%	94.28%
District's proportion share of the fiduciary net position as a percentage of the District's total pension liability	80.25%	83.20%	84.82%	71.12%	88.59%	90.74%	80.00%	81.00%

Notes to Schedule

Historical information is required only for measurement periods for which GASB 75 is applicable.
Future years' information will be displayed up to 10 years as information becomes available.

Schedule of the District's Pension Contributions

For the Years Ended

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required employer contribution (actuarially determined)	$ 69,361	$ 54,286	$ 47,215	$ 37,097	$ 28,270	$ 21,722	$ 21,788	$ 17,928
Contributions in relation to the actuarially determined contributions	(69,361)	(54,286)	(47,215)	(37,097)	(28,270)	(21,722)	(21,788)	(17,928)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 339,599	$ 287,964	$ 337,923	$ 331,499	$ 345,983	$ 305,185	$ 285,591	$ 273,664
Employer contributions as a percentage of covered employee payroll	20.42%	18.85%	13.97%	11.19%	8.17%	7.12%	7.63%	6.55%

Notes to Schedule

Change in benefit terms: None.

Change in assumptions: None.

Historical information is required only for measurement periods for which GASB 68 is applicable.
Future years' information will be displayed up to 10 years as information becomes available.

SAN JACINTO VALLEY CEMETERY DISTRICT

Schedule of Changes in the Net OPEB Liability and Related Ratios

For the Measurement Period Ending

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service Cost	$ 46,663	$ 92,615	$ 92,615	$ 77,249	$ 77,249
Interest	49,659	53,024	53,024	40,914	40,914
	96,322	145,639	145,639	118,163	118,163
Difference between expected and actual experience	(597,403)	-	(42,961)	-	-
Changes in assumptions	205,317	-	43,471	-	-
Benefits paid (1)	(42,990)	(75,366)	(63,464)	(105,691)	(67,936)
Net change in total OPEB liability	(338,754)	70,273	82,685	12,472	50,227
Total OPEB liability, beginning of year	1,556,535	1,486,262	1,403,577	1,391,105	1,340,878
Total OPEB liability, end of year	1,217,781	1,556,535	1,486,262	1,403,577	1,391,105
Plan Fiduciary Net Position					
Contributions - employer (1)	42,990	75,366	63,464	105,691	67,936
Benefits paid (1)	(42,990)	(75,366)	(63,464)	(105,691)	(67,936)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position, beginning of year	-	-	-	-	-
Plan fiduciary net position, end of year	$ -	$ -	$ -	$ -	$ -
Net OPEB liability, beginning of year	1,556,535	1,486,262	1,403,577	1,391,105	1,340,878
Net OPEB liability, end of year	$ 1,217,781	$ 1,556,535	$ 1,486,262	$ 1,403,577	$ 1,391,105

(1) Amount includes implicit subsidy associated with benefits paid.

Plan fiduciary net position as a percentage of the total OPEB liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
District's covered employee payroll	$ 339,599	$ 287,964	$ 337,923	$ 331,499	$ 345,983
Net OPEB liability as a percentage of covered employee payroll	358.59%	540.53%	439.82%	423.40%	402.07%

Notes to Schedule

Change in benefit terms: None.
Change in assumptions: None.

Historical information is required only for measurement periods for which GASB 75 is applicable
Future years' information will be displayed up to 10 years as information becomes available.

SAN JACINTO VALLEY CEMETERY DISTRICT

Schedule of Contributions

For the Year Ended

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Contractually required employer contribution (actuarially determined)	$ 42,990	$ 75,366	$ 103,637	$ 105,691	$ 122,813
Contributions in relation to the actuarially determined contributions	(42,990)	(75,366)	(103,637)	(105,691)	(122,813)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 339,599	$ 287,964	$ 337,923	$ 331,499	$ 345,983
Employer contributions as a percentage of covered employee payroll	12.66%	26.17%	30.67%	31.88%	35.50%

Notes to Schedule

Actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022 were from the June 30, 2021 actuarial valuation.

Methods and assumptions used to determine contributions:

Salary increases	3.00%	3.00%	3.00%	3.00%	3.00%
Inflation rate	2.75%	3.00%	3.00%		
Medical cost trend rate	6.00% for 2021; 5.75% for 2022; 5.50% for 2023; 5.20% for 2024-2069; and 4.00% for 2070 and later years; Medicare ages: 4.00% for all years.				
Employer cap adjustment	Employer contribution is capped at $630.00				
Age Adjustment Factor				4.00%	4.00%
Percent married				50.00%	50.00%

Historical information is required only for measurement periods for which GASB 75 is applicable
Future years' information will be displayed up to 10 years as information becomes available.