

**AUBURN PUBLIC
CEMETERY DISTRICT**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

FISCAL YEAR ENDED JUNE 30, 2021

AUBURN PUBLIC CEMETERY DISTRICT

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For the Fiscal Year Ended June 30, 2021

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AUBURN PUBLIC CEMETERY DISTRICT

District Officials

June 30, 2021

BOARD OF TRUSTEES

Earl Wilson President
Michael Otten Vice-President
Leslie Maita Trustee
Melinda Herzog-Landrith Trustee
Terry Cooney Trustee

OTHER DISTRICT OFFICIALS

Craig Forrey District Manager
Danielle Nash.....Secretary/Bookkeeper

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Auburn Public Cemetery District
Auburn, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Auburn Public Cemetery District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 the District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Required Supplementary Information section on pages 4–7 and 32–36 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.

David Farnsworth, CPA

Dublin, California
March 14, 2022

AUBURN PUBLIC CEMETERY DISTRICT
Management's Discussion and Analysis
June 30, 2021

The Auburn Public Cemetery District (the District) is a non-enterprise Independent Special District in the State of California. The Placer County Board of Supervisors appoints five Trustees from the electors residing within the District for fixed terms. California state laws and regulations pertaining to Public Cemetery Districts are strictly enforced.

As a public agency, the District goal is not to make a profit as a private company. Therefore, the District continues to strive to achieve two major goals, which are:

- Improve and maintain the existing cemeteries
- Provide future generations with dignified burial grounds

The Trustees set policies, rates for sales/services, rate of wages, and approve major projects and expenditures. All financial transactions are prepared at the District office and then processed by the Placer County Auditor's office (i.e. accounts receivables/payables and payroll). All expenditure requests over \$5,000 are approved by two Trustees prior to payment and all major expenditures are approved by motion at a District Board Meeting. The Placer County Treasurer has been given the responsibility of investing the District funds. The Placer County Treasury Oversight Committee and the District Board of Trustees regularly monitor the investing.

The management of the Auburn Public Cemetery District has prepared the following narrative overview and analysis of the financial activities of the District for the Fiscal Year ended June 30, 2021. Please read this information in conjunction with the District's financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the components reported as net position.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods. (i.e. earned but unused vacation leave).

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund

AUBURN PUBLIC CEMETERY DISTRICT
Management's Discussion and Analysis
June 30, 2021

financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between the governmental fund and government wide statements. The fund financial statements can be found on pages 11 through 16 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 17 through 30 of this report.

Required Supplementary Information. In accordance with generally accepted accounting principles, the District presents required supplementary information other than the Management Discussion and Analysis, including net pension liability information, OPEB information, and the budgetary comparison schedules. The District adopts an annual appropriated budget for its General fund. The budgetary comparison schedule demonstrates compliance with the budget. Required Supplementary Information can be found on pages 32 through 36 of this report.

Government-wide Financial Analysis

The District presents its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments*. A comparative analysis of government-wide data is included with the prior fiscal year. At the end of the fiscal year, assets and deferred outflows exceeded liabilities and deferred inflows by \$4,055,103. This is referred to as “Net Position” and represents the equity or net worth of a governmental type organization. The prior year’s Net Position reported a restated balance of \$3,791,279. The current year’s \$4,055,103 balance is comprised of investments in Capital Assets of \$1,340,373, Restricted Nonexpendable Endowment Principal \$1,274,957, Expendable Endowment \$824,843, and Unrestricted Net Position of \$614,930. The District’s net position increased overall by 6.29% during the current fiscal year. This increase is explained in the government wide financial analysis, which follows.

Condensed Statement of Net Position

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>(Decrease)</u>	<u>Variance</u>
Current and other assets	\$ 3,596,386	\$ 3,220,509	\$ 375,877	11.67%
Capital assets	1,340,373	1,434,429	(94,056)	-6.56%
Total assets	<u>4,936,759</u>	<u>4,654,938</u>	<u>281,821</u>	<u>6.05%</u>
Deferred outflows of resources	<u>206,389</u>	<u>234,711</u>	<u>(28,322)</u>	<u>-12.07%</u>
Current liabilities	77,714	67,746	9,968	14.71%
Non-Current liabilities	713,978	699,619	14,359	2.05%
Total liabilities	<u>791,692</u>	<u>767,365</u>	<u>24,327</u>	<u>3.17%</u>
Deferred outflows of resources	<u>296,353</u>	<u>307,140</u>	<u>(10,787)</u>	<u>-3.51%</u>
Net Position				
Net investment in capital assets	1,340,373	1,434,429	(94,056)	-6.56%
Restricted for:				
Endowment	2,099,800	2,037,643	62,157	3.05%
Unrestricted net position	614,930	343,072	271,858	79.24%
Total net position	<u>\$ 4,055,103</u>	<u>\$ 3,815,144</u>	<u>\$ 239,959</u>	<u>6.29%</u>

AUBURN PUBLIC CEMETERY DISTRICT
Management's Discussion and Analysis
June 30, 2021

Condensed Statement of Activities

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>Increase/ (Decrease)</u>	<u>% Variance</u>
Taxes	\$ 609,367	\$ 584,033	\$ 25,334	4.34%
Charges for services	547,620	303,197	244,423	80.62%
Interest and rent	25,835	64,203	(38,368)	-59.76%
Other income	16,542	4,999	11,543	230.91%
Endowment care	53,460	18,540	34,920	188.35%
Total revenue	<u>1,252,824</u>	<u>974,972</u>	<u>277,852</u>	<u>28.50%</u>
Salaries and benefits	659,864	745,149	(85,285)	-11.45%
Services and supplies	256,394	231,016	25,378	10.99%
Depreciation	72,218	76,879	(4,661)	-6.06%
Total expenditures	<u>988,476</u>	<u>962,084</u>	<u>26,392</u>	<u>2.74%</u>
Change in net position	<u>\$ 264,348</u>	<u>\$ 293,784</u>	<u>\$ (29,436)</u>	<u>-10%</u>

Financial Analysis of the District's Governmental Funds

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

For the year ended June 30, 2021, the District reported an ending fund balance of \$3,517,137; an increase of \$365,755 from the prior year. Approximately 48.75% of revenue was generated through taxes collected (i.e., property), 44.04% of the District's revenue was generated from: charge for interment rights, services, product sales, and misc., and 2.08% was generated from use of money and property and other income. 4.30% was generated from contributions to endowment.

Governmental Funds

	<u>FY 2020-2021</u>	<u>FY 2019-2020</u>
Total revenues	\$ 1,249,093	\$ 972,348
Total expenditures	<u>889,957</u>	<u>1,290,524</u>
Excess of revenues over expenditures	359,136	(318,176)
Total other financing	<u>7,229</u>	<u>3,081</u>
Net change in fund balances	366,365	(315,095)
Fund balances - Beginning	<u>3,151,382</u>	<u>3,466,477</u>
Fund balances - Ending	<u>\$ 3,517,747</u>	<u>\$ 3,151,382</u>

Total expenses decreased from \$1,290,524 to \$889,957 decreased of approximately \$400,567 from the prior year.

- Salaries and benefits – Decrease of \$85,285 is primarily due to a decrease in OPEB expense compared to the prior period.
- Materials and supplies - Increased in the amount of \$25,378 is primarily due to increase in ground maintenance/repairs, liability insurance, and professional fees.
- Depreciation Expense – decrease in the amount of \$4,661 is due capital assets were previously fully depreciated in the prior period.

AUBURN PUBLIC CEMETERY DISTRICT
Management's Discussion and Analysis
June 30, 2021

Capital Assets and Debt Administration

Capital Assets

At the end of the current fiscal year, the District had net capital assets totaling \$1,340,373.

Debt Administration

At the end of the current fiscal year, the most significant portion of District's debt is the liability for Other Post-Employment Benefits. Accrued compensated absences and net pension liability comprise the remaining Long-term Liabilities.

Economic Factors and Next Year's Budget

The economy continues to impact the District's revenue in a variety of ways: Fewer pre-need interment rights being sold, and overall less burials.

The following items will be considered when preparing the 2021/2022 Budget:

- Continue to pursue grants, matching fund and award programs
- Property tax revenues based on FY 2020/2021 revenues and projections from the County Assessor's office
- Analysis of burial trends for consideration in future development plans
- Continued effort will be made to collaborate with other agencies for volunteer labor
- Tree maintenance issues which could potentially expose the District to liability
- Unsafe Upright Monuments/Copings which could potentially expose the District to liability
- Fire Mitigation on District's undeveloped parcel.
- The continued use of endowment fund earnings for maintenance purposes

Requests for Information

Questions concerning any of the information provided in this report or for additional information should be addressed to the District Manager, Auburn Public Cemetery District, P.O. Box 4357, Auburn, CA 95604.

BASIC FINANCIAL STATEMENTS

AUBURN PUBLIC CEMETERY DISTRICT

Statement of Net Position

June 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	\$ 1,492,259
Receivables:	
Interest receivable	558
Intergovernmental receivable	925
Inventories	3,174
Restricted cash and investments	2,099,470
Capital assets not being depreciated	245,882
Capital assets, net of accumulated depreciation	1,094,491
Total assets	<u>4,936,759</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	99,305
OPEB related	107,084
Total deferred outflows of resources	<u>206,389</u>
LIABILITIES	
Accounts payable	21,894
Accrued liabilities	30,772
Unearned revenues	25,048
Noncurrent liabilities:	
Net pension liability	407,127
Net OPEB liability	285,651
Compensated absences	21,200
Total liabilities	<u>791,692</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	10,737
OPEB related	285,616
Total deferred outflows of resources	<u>296,353</u>
NET POSITION	
Net investment in capital assets	1,340,373
Restricted for:	
Expendable - endowment	824,843
Nonexpendable - endowment principal	1,274,957
Unrestricted net position	614,930
TOTAL NET POSITION	<u><u>\$ 4,055,103</u></u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Statement of Activities
For the Year Ended June 30, 2021

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Primary Government:			<u>Primary Government Governmental Activities</u>
Governmental activities:			
Interment	\$ 989,000	\$ 547,620	\$ (441,380)
Total governmental activities	<u>\$ 989,000</u>	<u>\$ 547,620</u>	<u>(441,380)</u>
General Revenues and contributions to endowment:			
General revenues:			
Property taxes			609,367
Investment earnings			25,835
Miscellaneous			16,542
Contributions to permanent funds			53,460
Total general revenues and contributions to permanent funds			<u>705,204</u>
Change in net position			263,824
Net position - beginning, restated (Note 8)			<u>3,791,279</u>
Net position - ending			<u>\$ 4,055,103</u>

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

AUBURN PUBLIC CEMETERY DISTRICT

Balance Sheet

Governmental Funds

June 30, 2021

	General Fund	Permanent Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 1,492,259	\$ -	\$ 1,492,259
Restricted cash and cash equivalents	-	2,099,470	2,099,470
Receivables:			
Interest receivable	228	330	558
Intergovernmental receivables	925	-	925
Inventories	3,174	-	3,174
Total assets	<u>\$ 1,496,586</u>	<u>\$ 2,099,800</u>	<u>\$ 3,596,386</u>
LIABILITIES			
Accounts payable	\$ 21,894	\$ -	\$ 21,894
Accrued liabilities	30,772	-	30,772
Unearned revenues	25,048	-	25,048
Total liabilities	<u>77,714</u>	<u>-</u>	<u>77,714</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - due from other governments	925	-	925
FUND BALANCES			
Nonspendable:			
Inventory	3,174	-	3,174
Endowment principal	-	1,274,957	1,274,957
Restricted for:			
Cemetery maintenance and repairs	-	824,843	824,843
Committed for:			
Future capital assets	202,470	-	202,470
Unassigned	1,212,303	-	1,212,303
Total fund balances	<u>1,417,947</u>	<u>2,099,800</u>	<u>3,517,747</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,496,586</u>	<u>\$ 2,099,800</u>	<u>\$ 3,596,386</u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2021

Amounts reported for governmental activities in the statement of net position are difference because:

Total fund balances - governmental funds	\$ 3,517,747
Capital assets of \$1,358,540, net of accumulated depreciation of \$1,158,294, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,340,373
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	99,305
Deferred outflows - OPEB related	107,084
Deferred inflows - pension related	(10,737)
Deferred inflows - OPEB related	(285,616)
Receivables not available to pay for current period expenditures are reported as unavailable revenue in the funds.	925
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Net pension liability	(407,127)
Net OPEB liability	(285,651)
Compensated absences	(21,200)
Net position of governmental activities	<u><u>\$ 4,055,103</u></u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Permanent Fund	Total Governmental Funds
REVENUES			
Property taxes	\$ 606,098	\$ -	\$ 606,098
Intergovernmental	3,904	-	3,904
Charges for services	547,620	-	547,620
Investment earnings	17,138	8,697	25,835
Miscellaneous	12,176	-	12,176
Contributions to endowment	-	53,460	53,460
Total revenues	<u>1,186,936</u>	<u>62,157</u>	<u>1,249,093</u>
EXPENDITURES			
Current:			
Interment:			
Salaries and employee benefits	628,150	-	628,150
Materials and supplies	256,916	-	256,916
Capital outlay	4,891	-	4,891
Total expenditures	<u>889,957</u>	<u>-</u>	<u>889,957</u>
Excess of revenues over expenditures	<u>296,979</u>	<u>62,157</u>	<u>359,136</u>
OTHER FINANCING SOURCES			
Sale of general capital assets	7,229	-	7,229
Total other financing sources	<u>7,229</u>	<u>-</u>	<u>7,229</u>
Net change in fund balances	304,208	62,157	366,365
Fund balances-beginning	<u>1,113,739</u>	<u>2,037,643</u>	<u>3,151,382</u>
Fund balances-ending	<u>\$ 1,417,947</u>	<u>\$ 2,099,800</u>	<u>\$ 3,517,747</u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds	\$ 366,365
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	(67,327)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	(638)
The net effect of miscellaneous transactions involving capital assets is to increase net position	
Gain on sale of assets	(2,862)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(10,296)
Changes in pension liabilities and related deferred outflows and inflows of resources	(32,635)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	11,217
Change in net position of governmental activities	\$ 263,824

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

AUBURN PUBLIC CEMETERY DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

**Pension (and
Other Employee
Benefit)
Trust
Funds**

ASSETS

Cash and investments	\$	472,194
Total assets		<u>472,194</u>

NET POSITION

Restricted:		
Postemployment benefits other than pensions		472,194
Total net position	\$	<u><u>472,194</u></u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	Pension (and Other Employee Benefit) Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ -
Total contributions	<u>-</u>
Investment earnings:	
Interest	56,543
Total investment income	<u>56,543</u>
Less: investment expense	-
Net investment earnings	<u>56,543</u>
Total additions	<u>56,543</u>
DEDUCTIONS	
Administrative expenses	378
Total deductions	<u>378</u>
Net increase (decrease) in fiduciary net position	56,165
Net position - beginning	416,029
Net position - ending	<u><u>\$ 472,194</u></u>

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

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Note 1 Summary of Significant Accounting Policies

A. The Reporting Entity

Auburn Public Cemetery District (the District) is a special district within the County of Placer (County). The District was formed on September 5, 1935 to provide and maintain burial grounds for residents in the geographical area covered by the District. The basic operations of the District are supported by property taxes paid to Placer County, sales of interment services, and interment rights. The District is governed by a five-member Board of Trustees appointed by the Placer County Board of Supervisors.

The financial statements of Auburn Public Cemetery District include only the financial activities of the District. The District management considered all potential component units for inclusion in the reporting entity by applying criteria set forth in the accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

B. Accounting Policies

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body of establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

C. Basis of Presentation

Government-wide Statements – The statement of net position and the statement of activities display information about the District as a whole. Eliminations have been made to minimize the double counting of internal activities. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with the District. Program revenues include charges for services. Revenues that are not classified as program revenues, including all taxes and investment income, are presented as general revenues. Endowment deposits are presented as contributions to endowment. 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 when the related cash flows take place.

Fund Financial Statements – The fund financial statements provide information about the District's funds. The financial statements for governmental funds include a Balance Sheet, which generally includes only current assets and current liabilities, and a Statement of Revenues, Expenditures, and Changes in Fund Balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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 revenues to be available if they are collected within 60 days of the end of the fiscal year end. Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

The District reports the following major governmental funds:

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

General Fund – The General Fund is the main operating fund of the District. It is used for all activities except those that are required to be accounted for in another fund.

Permanent Fund – The Permanent Fund is used to account for restricted receipts and the related interest earnings. Permanent funds resources are legally restricted, to the extent that only earnings, and not principal, may be used for purposes that support the District’s programs.

The District reports the following fund types:

The Pension (and other employee benefit) trust fund accounts for the activities of the District Other Postemployment Benefit Trust Fund, which accumulates resources held in trust for other postemployment benefit payments to qualified beneficiaries.

D. Budgets and Budgetary Data

The District adopts an annual budget on or before August 30. From the effective date of the budget, the amounts stated as proposed expenditures become appropriations. The procedures followed require a proposed budget to be presented to the Board of Trustees at the July meeting after reviewing with the County on their most current estimates of tax revenues. The budget may be amended during the year should an economic need occur.

E. Receivables

Property taxes related to the current fiscal year are accrued as revenue and accounts receivable and are considered available when received within 60 days of year end. As of June 30, 2021, the District recorded an allowance for uncollectible accounts of \$12,563.

F. Inventories

Inventory consists of uninstalled vaults, vases and liners. Inventory is stated at cost using the first-in, first-out method of accounting. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

G. Capital Assets

Capital Assets, which include land, buildings and improvements, machinery, equipment, and vehicles 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 \$2,000 and an estimated useful life in excess of one year. Such assets are recorded as historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. For certain assets, estimated historical costs are used.

Depreciation is calculated by the straight-line method with half year convention, over the estimated useful lives of the respective assets as follows:

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

H. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District on the government-wide financial statements. Compensated absences are generally liquidated by the General Fund. Regular full-time District employees accrue vacation as follows:

Years of Service	Hours (Days) Accrued per Month
------------------	--------------------------------

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Less than 1 year	40 hours (5 days)
1 year - 2 years	80 hours (10 days)
2 years or more	120 hours (15 days)

Vacation is accrued on a daily basis. An employee may not accrue more than two times his/her annual accrual of vacation hours. If an employee accrues this maximum amount of vacation, the employee will not accrue any further vacation hours until he or she takes vacation and falls below the maximum accrual level. Employees have the option to cash out up to 40 hours of vacation each year, so long as the request is submitted between November 1 and December 1 of that year. Upon termination of employment employees are paid 100% of their accumulated vacation pay. The District had a total of \$10,295 in accrued compensated absences as of June 30, 2021. Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expenditure in the period taken, since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

I. Pensions

For purposes of measuring the net pension liability, pension expense, and deferred outflows/inflows of resources related to pensions, information about the fiduciary net position of the District's portions of the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan) maintained by the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the District's portions of the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's (OPEB Plan) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

K. Deferred Outflows and Deferred Inflows of Resources

In addition to assets and liabilities, the financial statements report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Contributions made to the District's pension and OPEB plan(s) after the measurement date but before the fiscal year end are recorded as a deferred outflow of resources and will reduce the net pension liability and total OPEB liability in the next fiscal year. Additional factors involved in the calculation of the District's pension and OPEB expenses and liabilities include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the District's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

periods. See Notes 6 and 7 for further details related to these pension and OPEB deferred outflows and inflows.

The District recognized an amount under the modified accrual basis of accounting to be reported as a deferred inflow of resources. The amount of \$925 is reported in the governmental funds balance sheet as unavailable revenue and represents receivables that have not been collected within the District's period of availability.

L. Net Position / Fund Balances

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

- Net investment in capital assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt, if any, that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation. Restricted net assets are presented in two types: expendable and nonexpendable. Expendable amounts represent amounts that can be spent subject to certain criteria. Nonexpendable represents amounts that are required to be retained in perpetuity.
- Unrestricted Net Position – This category represents net position of the District not restricted for any project or any other purpose.

The governmental fund statements utilize a fund balance presentation. Fund balances are categorized as nonspendable, restricted, committed, and unassigned.

- Nonspendable Fund Balance - This category presents the portion of fund balance that cannot be spent because it is either not in a spendable form or it is legally or contractually required to be maintained intact. The District has Inventory that meet the definition of nonspendable because the asset is not in a spendable form. The District also has the corpus of the Endowment fund that is legally required to remain intact and therefore meets the definition of nonspendable. The District reported \$3,174 to account for the inventory and \$1,274,957 to account for the nonspendable endowment principal balance.
- Restricted Fund Balance – This category presents the portion of the fund balance that is for specific purposes stipulated by constitution, external resource providers, laws and regulations, or enabling legislation. The District has interest earned on endowment funds that meet this definition. The District reported \$824,843 in restricted fund balances.
- Committed Fund Balance – This category presents the portion of the fund balance that can be used only for the specific purposes determined by a formal action (Resolution) of the District's highest level of decision-making authority. For the District, this level of authority lies with the Board of Trustees. The District has committed \$202,993 for future capital assets.
- Unassigned Fund Balance – This category presents the portion of the fund balance that does not

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

fall into nonspendable, restricted, or committed categories and is spendable.

When both restricted and unrestricted resources are available for use, it is the District's policy to first apply the expenditure toward restricted resources first, then unrestricted resources as they are needed.

M. Property Taxes

The District received property taxes from the County. Property taxes receivable are recorded in the fiscal year for which the tax is levied based on the property's assessed value. They become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and due in two installments, on November 1 and March 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are due on July 1, and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

O. Commitments and Contingencies

The District is subject to litigation arising in the normal course of business. In the opinion of management, there is no pending litigation which is likely to have a material adverse effect on the overall financial position of the District.

Note 2 Cash and Investments

Policies and Classification

The District's cash and investments consist of the following at June 30, 2021:

	Unrestricted	Restricted	Total
Government-wide statement of Net Position			
Governmental activities	\$ 1,492,259	\$ 2,099,470	\$ 3,591,729
Fiduciary Funds Statement of Net Position			
Pension (and other employee benefit) trust fund	-	472,194	472,194
Total cash and investments	\$ 1,492,259	\$ 2,571,664	\$ 4,063,923

The District has authorized staff to invest cash with the Placer County Treasurer in a series of pooled accounts with cash from various other governmental entities within the County, for investment purposes. State statutes govern the County's investment policies.

In addition, the County has an investment committee, which prescribes written investment policies regarding the types of investments that may be made. The policies limit amounts that may be invested in any one financial institution or amounts, which may be invested in long-term instruments. Interest earned from such time deposits and investments is allocated quarterly to the District based on its average daily cash balances. The fair value of the account at June 30, 2021 was provided by the County Treasurer.

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
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The District is a voluntary participant in the Placer County Investment Fund (PCIF) that is regulated by California Government Code Section 53600 under the oversight of the treasurer of the County of Placer. The District reports its investment in PCIF at the fair value amount provided by PCIF. The balance available for withdrawal is based on the accounting records maintained by PCIF, which are recorded on an amortized cost basis. The pool is not registered with the SEC and is unrated.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The investment policies does not provide guidance to management over interest rate risk. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair values to changes in market interest rates. As of June 30, 2021, the weighted average maturity of the investments contained in the Treasury's investment pool is approximately 643 days.

Credit Risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County Treasury investment pool does not have a rating provided by a nationally recognized statistical rating organization. The investment policy does not provide guidance to management over credit risk.

Concentration of credit risk – The concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District's investment policy does not provide guidance over concentration of credit risk.

Fair Value Measurements – The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy has three levels and is based on the valuation inputs used to measure an asset's fair value. Deposits and withdrawals in the PCIP are made in the basis of \$1 and not fair value. Accordingly, the District's proportionate share of investments in those funds at June 30, 2021, is an uncategorized input not defined as Level 1, Level 2, or Level 3 input.

Note 3 Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

	Balance Beginning of Year	Additions	Deletions	Adjustments	Balance End of Year
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 248,223	\$ -	\$ (2,864)	\$ -	\$ 245,359
Construction in progress	-	523	-	-	523
Total capital assets, not being depreciated	<u>248,223</u>	<u>523</u>	<u>(2,864)</u>	<u>-</u>	<u>245,882</u>
Capital assets, being depreciated					
Buildings	525,062	-	-	-	525,062
Infrastructure	1,486,049	-	-	409	1,486,458
Machinery and equipment	<u>258,868</u>	<u>4,368</u>	<u>-</u>	<u>-</u>	<u>263,236</u>

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
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Total capital assets, being depreciated	2,269,979	4,368	-	409	2,274,756
Less accumulated depreciation for:					
Buildings	(219,770)	(13,125)	-	4,153	(228,742)
Infrastructure	(704,733)	(35,207)	-	9,318	(730,622)
Machinery and equipment	(208,274)	(23,886)	-	11,259	(220,901)
Total accumulated depreciation	(1,132,777)	(72,218)	-	24,730	(1,180,265)
Total capital assets, being depreciated, net	1,137,202	(67,850)	-	25,139	1,094,491
Total governmental activities	\$ 1,385,425	\$ (67,327)	\$ (2,864)	\$ 25,139	\$1,340,373

Depreciation expense was charged to the functions/programs of the governmental activities of the District as follows:

Interment	72,218
Total depreciation expense	72,218

Note 4 Long-term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2021, are as follows:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Governmental Activities				
Compensated absences	\$ 10,904	\$ 31,443	\$ 21,147	\$ 21,200
Net pension liability	389,755	17,372	-	407,127
Net OPEB liability	298,960	-	13,309	285,651
Total governmental activities	\$ 699,619	\$ 48,815	\$ 34,456	\$ 713,978

Note 5 Defined Benefit Pension Plan

Plan Description

District employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). CalPERS acts as a common investment and administrative agent for its participating member employers. Benefits provisions under the Plan are established by State Statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits provided

The Plan 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. The Plan provides benefits based on two different valuation plans: Classic and PEPR. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The rate plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Employer rate plan	<u>Classic Tier I</u>	<u>Classic Tier II</u>	<u>PEPRA</u>
		Prior to January 1, 2013	On or after January 1, 2013
Hire date	Prior to 1993	2013	January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50 - 55	50 - 60	52 - 67
Requirement employee contributions rates	7.00%	7.00%	6.75%
Required employer contributions rates	10.484%	8.794%	7.732%

Contributions

Section 20814(c) of the California Public Employee' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS' annual actuarial valuation process. Each employer rate plan's actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan's allocated share of the cost of benefits earned by employees during the year, and 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, 2021 was \$57,874.

Proportionate share of net pension liability

At June 30, 2021, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$407,127. The District's net pension liability for the Plan is measured as a proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 and rolled-forward to June 30, 2020 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 Plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2019 measurement dates was as follows:

Proportion - June 30, 2019	0.00973%
Proportion - June 30, 2020	0.00965%
Change	<u><u>-0.00008%</u></u>

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

AUBURN PUBLIC CEMETERY DISTRICT
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Actuarial Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation rate	2.50%
Salary increases	Varies by entry age and service
Investment rate of return	7.15% net of pension plan investments, including inflation
Mortality rate table	Derived using CalPERS's membership data for all funds includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016
Postretirement benefit increases	Contract COLA up to 2.5% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the 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 adjusted to account for assumed administrative expenses. 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.

Asset Class(a)	New		Real Return Years 11+ (c)
	Strategic Allocation	Real Return Years 1 - 10(b)	
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	77.00%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-92.00%
Total	<u>100.00%</u>		

- (a) In the CalPERS 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 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in State Statutes. Based on these assumptions, the fiduciary net position of CalPERS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on CalPERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity Analysis

The following presents the District's proportionate share of the net pension liability calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate 6.15%	Current Discount Rate 7.15%	1% Increase in Discount Rate 8.15%
District's proportionate share of net pension liability	\$ 631,719	\$ 407,127	\$ 221,554

Pension Expense and Deferred Items Summary

For the year ended June 30, 2021, the District recognized pension expense of \$90,510 for its proportionate share of the pension expense. At June 30, 2021, the District reported its proportionate share of the deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 2,904
Differences between expected and actual experience	20,980	-
Differences between projected and actual investment earnings	12,094	-
Proportionate share of contributions	8,356	-
Change in employer's proportion	-	7,834
Pension contributions made subsequent to measurement date	57,874	-
	\$ 99,304	\$ 10,738

Deferred outflows of resources reported \$57,874 related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Year Ending June 30,	Pension Expense Amount
2022	\$ 3,272
2023	12,188
2024	9,433
2025	5,799
2026	-
Thereafter	-
Total	<u>\$ 30,692</u>

Pension Plan Fiduciary Net Position

The CalPERS pension trust fiduciary net position has been determined using the same basis to determine the net pension liability, deferred outflows and inflows of resources related to pension, and pension expense. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

Detailed information about the fiduciary net position is available in a separately issue CalPERS financial report. That report may be obtained on the CalPERS website at www.calpers.ca.gov.

Note 6 Other Postemployment Benefit (OPEB) Obligations

Plan Description

The District has established a Retiree Healthcare Plan and participates in the California Employer's Retiree Benefits Trust (CERBT), and agency multiple employer defined benefit postemployment healthcare plan administered by CalPERS. CERBT is an Internal Revenue Code Section 115 trust and an investment vehicle that can be used by all California public employers to prefund future retiree healthcare and other postemployment benefit costs.

Benefits Provided

The plan provides for the District to contribute 100% of the cost of health insurance premiums for retirees and their spouses. District employees who retire at age 50 or older and qualify for a CalPERS pension and become vested are eligible for lifetime medical benefits.

Employees Covered

As of June 30, 2021, actuarial valuation, the following inactive and active employees were covered by the benefit terms under the OPEB Plan:

Inactive employees receiving benefits	3
Inactive employees entitled to but not receiving benefits	-
Participating active employees	<u>6</u>
Total	<u><u>9</u></u>

Net OPEB Liability

The District's net OPEB liability of \$285,651 was measured as of June 30, 2021, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Inflation	2.50%
Salary increases	2.75%, average, including inflation
Discount rate	5.75%, net of investment expense, including inflation
Healthcare cost trend rates	4.00%
Retirees' share of cost	Retirees pay excess of any premiums over Blue Shield Access+HMP premium. Spousal coverage self-paid for hires after September 1, 2011

Mortality rates were based on the RP-2014 employee and Healthy Annuitant Mortality Tables for Males or Females, as appropriate, projected using a generational projection based on 100% of scale MP-2016 for years 2014 through 2029, 50% of MP-2016 for years 2030 through 2049, and 20% of MP-2016 for 2050 and thereafter.

Changes in Assumptions

Key Assumptions	Current Year	Prior Year
	June 30, 2021 Measurement Date for the year ended June 30, 2021	June 30, 2020 Measurement Date for the year ended June 30, 2020
Valuation interest rate	5.75%	6.00%
Expected rate of return on assets	5.75%	6.00%
Long-term medical trend rate	4.00%	4.50%
Projected payroll growth	2.75%	3.00%

Changes in the Net OPEB Liability

Balance at June 30, 2020 (Measurement date June 30, 2019)	\$ 714,230
Changes in recognized for the measurement period	
Service cost	47,839
Interest on Total OPEB liability	43,018
Differences between expected and actual experience	21,627
Changes of assumptions	(26,510)
Benefit payments, adjusted for implicit subsidy	<u>(42,359)</u>
Net change in Total OPEB Liability	<u>43,615</u>
Balance at June 30, 2021 (Measurement date June 30, 2020)	<u>757,845</u>

Plan Fiduciary Net Position

Contributions - employer, adjusted for implicit subsidy	42,359
Expected investment income, net of investment expense	24,950
Benefit payments, adjusted for implicit subsidy	(42,359)
Investment gains	31,593
Administrative expense	<u>(378)</u>
Net change in Plan Fiduciary Net Position	56,165

Plan Fiduciary Net Position - beginning (6/30/20)	<u>416,029</u>
Plan Fiduciary Net Position - ending (6/30/21)	<u>472,194</u>
Net OPEB Liability - ending	<u>\$ 285,651</u>

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Sensitivity of the District's Total Net OPEB Liability to Changes in the Discount Rate

The following presents the total Net OPEB liability of the District, as well as what the total Net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate -1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate + 1% (7.00%)
Net OPEB Liability	\$ 383,261	\$ 285,651	\$ 203,974

Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total Net OPEB liability of the District, as well as what the total Net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Trend 1% Lower 3.0%	Health Care Trend Rate 4.0%	Trend 1% Higher 5.0%
Net OPEB Liability	\$ 183,080	\$ 285,651	\$ 412,520

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended June 30, 2021, the District recognized OPEB expense was \$(12,550). The current balances of collective deferred outflows and deferred inflows of resources as of June 30, 2021 were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 106,228	\$ -
Changes in actuarial assumptions	-	260,342
Changes in proportionate share	-	-
Differences between projected and actual return on assets	856	25,274
Total	\$ 107,084	\$ 285,616

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

Year Ended June 30:	OPEB Expense Amount
2022	\$ (38,078)
2023	\$ (34,078)
2024	(34,077)
2025	(34,361)
2026	(28,044)
Thereafter	(13,894)
	\$(182,532)

AUBURN PUBLIC CEMETERY DISTRICT
Notes to the Financial Statements
June 30, 2021

Note 7 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District uses the Golden State Risk Management Authority to account for and finance risks for workers' compensation, general liability and property damage. For worker's compensation, the District retains the risk for the first \$300,000 of an individual claim. Insurance policies are purchased for the following exposures with the deductible or the amount of risk retention indicated in parenthesis: public officials and employment practices liability (\$25,000/25,000 deductible), boiler and machinery (\$10,000 deductible), and employee faithful performance (\$25,000 deductible). There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

Note 8 Prior Period Adjustment

The District restated certain prior year balances after identifying instances during 2021 where activities in the previous fiscal years were inaccurately recorded in the financial statements.

<u>Government-wide</u>	<u>Governmental Activities</u>
Net position, June 30, 2020, previously reported	\$ 3,766,140
Prior year capital assets	25,139
Balance, as restated, June 30, 2020	<u>\$ 3,791,279</u>

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

AUBURN PUBLIC CEMETERY DISTRICT
Schedule of Changes in the District's Net OPEB Liability
and Related Ratios
For the Year Ended June 30, 2021
Last 10 Years*

	<u>Measurement Date</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL OPEB LIABILITY				
Service cost	\$ 47,839	\$ 21,158	\$ 63,732	\$ 61,876
Interest	43,018	46,446	24,081	22,457
Adjustment to beginning balance	-	55,692	-	-
Expected return on assets	-	-	-	-
Administrative expenses	-	-	-	-
Change in deferred inflows	-	-	(58,822)	-
Difference between expected and actual experience	21,627	119,457	-	-
Changes of assumptions	(26,510)	(264,211)	(8,262)	-
Recognition of investment (gain)/loss deferrals	-	-	-	-
Benefit payments	<u>(42,359)</u>	<u>(34,517)</u>	<u>(39,494)</u>	<u>(25,478)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	43,615	(55,975)	(18,765)	58,855
NET OPEB LIABILITY, Beginning	<u>714,230</u>	<u>770,205</u>	<u>788,970</u>	<u>730,115</u>
NET OPEB LIABILITY, Ending	<u>757,845</u>	<u>714,230</u>	<u>770,205</u>	<u>788,970</u>
Plan Fiduciary Net Position				
Contributions	-	431,569	-	-
Expected investment income, net of investment expense	57,302	18,380	-	-
Benefit payments, adjusted for implicit subsidy	-	(34,517)	-	-
Administrative expense	<u>(378)</u>	<u>(162)</u>	<u>-</u>	<u>-</u>
Net change in Plan Fiduciary Net Position	56,924	415,270	-	-
Plan Fiduciary Net Position - beginning	<u>415,270</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - ending	<u>472,194</u>	<u>415,270</u>	<u>-</u>	<u>-</u>
District's Net OPEB Liability - beginning	<u>298,960</u>	<u>770,205</u>	<u>788,970</u>	
District's Net OPEB Liability - ending	<u>\$ 285,651</u>	<u>\$ 298,960</u>	<u>\$ 770,205</u>	<u>\$ 788,970</u>

Notes to schedule:

Change of benefit terms - There were no changes to benefit terms during measurement periods ended June 30, 2019, 2018, and 2017

Changes in assumptions - The discount rate decreased from 6.0% to 5.75%. The inflation rate increased from 2.25% to 2.50%. Healthcare cost trend rates decreased from 6% to 4%.

* Fiscal year 2018 was the 1st year of implementation, therefore only three years are shown.

See Notes to Required Supplementary Information

AUBURN PUBLIC CEMETERY DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
June 30, 2021
Last 10 Years*

	Measurement Date						
	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.00892%	0.00973%	0.98300%	0.010000%	0.0102%	0.0117%	0.0126%
District's proportionate share of the net pension liability	407,127	\$ 389,755	\$ 370,482	\$ 394,124	\$ 352,927	\$ 306,474	\$ 268,747
District's covered-employee payroll	378,822	\$ 363,427	\$ 353,714	\$ 309,933	\$ 259,409	\$ 284,604	\$ 280,880
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	107.47%	107.24%	104.74%	127.16%	136.05%	107.68%	95.68%
Plan fiduciary net position as a percentage of the total pension liability	74.97%	75.73%	75.39%	75.87%	79.89%	78.40%	79.82%

Notes to Schedule:

Change of benefit terms - For the measurement periods ended June 30, 2019, 2018, 2017, 2016, 2015, and 2014, there were no changes to the benefit terms.

Changes in assumptions - GASB 68 states that the long-term expected rate of return should be determined net pension plan investment expenses, but without reduction for pension plan administrative expense. The discount rate changed from 7.50% (net of administrative expenses in 2014) to 7.65% as of the June 30, 2015 measurement date to correct the adjustment, which previously reduced the discount rate for administrative expenses. For the measurement period ended June 30, 2016 and 2014, there were no changes in assumptions. The discount rate changed from 7.65% to 7.15% as of the June 30, 2017 measurement date. As of June 2018 measurement date the financial reporting inflation rate for the Plan was lowered from 2.75% to 2.50%. As of June 30, 2019 and June 30, 2020 measurement dates there were no changes in assumptions.

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

See Notes to Required Supplementary Information

AUBURN PUBLIC CEMETERY DISTRICT
Schedule of the District's Pension Contributions
June 30, 2021
Last 10 Years*

	Fiscal Year						
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 57,874	\$ 72,028	\$ 63,458	\$ 55,404	\$ 50,113	\$ 46,739	\$ 43,833
Contributions in relation to the contractually required contributions	(57,874)	(72,028)	(63,458)	(55,404)	(50,113)	(46,739)	(43,833)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 378,822	\$ 363,427	\$ 353,902	\$353,714	\$309,933	\$259,409	\$284,604
Contributions as a percentage of covered-employee payro	15.28%	19.82%	17.93%	15.66%	16.17%	18.02%	15.40%

* Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

See Notes to Required Supplementary Information

AUBURN PUBLIC CEMETERY DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ 543,001	\$ 543,001	\$ 606,098	\$ 63,097
Intergovernmental	-	-	3,904	3,904
Charges for services	327,000	327,000	547,620	220,620
Use of money and property	26,900	26,900	17,138	(9,762)
Other income	2,500	2,500	12,176	9,676
Total revenues	<u>899,401</u>	<u>899,401</u>	<u>1,186,936</u>	<u>287,535</u>
EXPENDITURES				
Current:				
Interment:				
Salaries and employee benefits	674,165	674,165	628,150	46,015
Materials and supplies	299,464	299,464	256,916	42,548
Capital outlay	32,000	32,000	4,891	27,109
Total expenditures	<u>1,005,629</u>	<u>1,005,629</u>	<u>889,957</u>	<u>115,672</u>
Excess of revenues over expenditures	<u>(106,228)</u>	<u>(106,228)</u>	<u>296,979</u>	<u>403,207</u>
OTHER FINANCING SOURCES (USES)				
Sale of general capital assets	-	-	7,229	7,229
Total other financing sources	<u>-</u>	<u>-</u>	<u>7,229</u>	<u>7,229</u>
Net change in fund balances	(106,228)	(106,228)	304,208	410,436
Fund balance-beginning	<u>1,113,739</u>	<u>1,113,739</u>	<u>1,113,739</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,007,511</u>	<u>\$ 1,007,511</u>	<u>\$ 1,417,947</u>	<u>\$ 410,436</u>

See Notes to Required Supplementary Information

AUBURN PUBLIC CEMETERY DISTRICT
Notes to Required Supplementary Information
June 30, 2021

Schedule of Changes in the Net OPEB Liability and Related Ratios

The District's OPEB liability is administered as an agent cost-sharing multiple-employer plan, which is administered by CalPERS. The schedule of changes in Net OPEB liability show a ten-year trend information, where available, about these amounts and they are changing from year to another.

Schedule of District's Proportionate Share of the Net Pension Liability (NPL)

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

Schedule of District's Pension Contributions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Budget for the general fund is prepared on the generally accepted accounting principles basis. Revenues are budgeted in the year receipt is expected; expenditures are budgeted in the year that the applicable warrant requisitions are expected to be issued. The budget and actual financial statements are reported on the above basis, with no material differences between them.

Annual budget requests are submitted by the District's staff to the District Board of Trustees for preliminary review and approval. After public hearing, a final budget is approved by the District Board of Trustees adopting said budget. Copies of the approved budget are sent to all required agencies.

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