

**SOLANO COUNTY  
MOSQUITO ABATEMENT DISTRICT**

**ANNUAL FINANCIAL REPORT**

With Independent Auditor's Report Thereon

**JUNE 30, 2023**

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**

**ANNUAL FINANCIAL REPORT**  
June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Solano County Mosquito Abatement District  
Fairfield, California

### Opinion

We have audited the accompanying financial statements of the governmental activities of the Solano Mosquito Abatement District as of and for the year ended June 30, 2023 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 of the Solano County Mosquito Abatement District as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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 Solano Mosquito Abatement 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 Solano Mosquito Abatement District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Board of Trustees  
Solano County Mosquito Abatement District

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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 Solano County Mosquito Abatement 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.

To the Board of Trustees  
Solano County Mosquito Abatement District

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information and pension and OPEB 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.

Fechter & Company  
Certified Public Accountants

  
Sacramento, California  
October 9, 2023

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

The following Management’s Discussion and Analysis (MD&A) of the Solano County Mosquito Abatement District’s (the District) activities and financial performance provides an introduction to the financial statements of the District for the fiscal year ending June 30, 2023. The District is required to undergo an annual financial statement audit under California Government Code Section 26909.

Following this MD&A are the basic financial statements of the District together with the notes thereto which are essential to a full understanding of the data contained in the financial statements.

**DISTRICT ACTIVITY HIGHLIGHTS**

The District is headquartered in Solano County on Industrial Court in Fairfield. The District has provided mosquito control in Solano County since it was established in 1930. The Board of Trustees consists of eight trustees, one appointed by the County and one appointed by each of the seven cities located in the County. The general manager coordinates and oversees the activities of the District and supervises eight employees who work together in the public interest. Financial activities are supported from property tax revenues collected by the County of Solano and remitted to the District.

Mosquitoes that can carry St. Louis encephalitis, Western Equine encephalitis, West Nile virus, and canine heartworm are prevalent throughout the District.

Mosquito and vector control activities include public education, larval control, adult control, trapping, and monitoring. Activities are conducted year-round; however, the highest level of activity is in the spring and summer months when insect growth and activity is greatest. Surveillance is performed throughout the District. Mosquito specimens are collected at many sites for virus testing and to evaluate mosquito concentrations, breeding data, and species. Surveillance also includes routine inspections of areas known to breed high concentrations of mosquitoes and collection and evaluation of dead birds that may be infected with vector borne diseases.

Since the summer of 2004, West Nile virus has been detected in Solano County. This virus is carried by mosquitoes and presents a threat to the public health. The District monitors surveillance results from other disease control agencies in California and around the country and conducts its own surveillance activities for this virus. The following table shows the number of cases reported by year:

<u>Year</u>	<u>Dead</u>		<u>Mosquito</u>	<u>Sentinel</u>	
	<u>Human</u>	<u>Birds</u>	<u>Samples</u>	<u>Chickens</u>	<u>Horses</u>
2022	2	9	12	-	-
2021	2	2	22	-	-
2020	1	3	8	4	1
2019	1	-	5	4	-
2018	-	-	3	7	-
2017	1	4	9	11	-
2016	4	13	16	10	-
2015	1	10	6	7	-
2014	5	33	11	23	-
2013	1	15	1	12	-
2012	2	28	3	2	-

None of the human cases were fatal.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**FINANCIAL POSITION SUMMARY**

The District has designed a financial accounting system to record its financial activities, provide budgetary control and analysis, and report its financial position and results of operations. A condensed summary of the District's financial statements is shown as follows:

	2023	2022
<b>ASSETS</b>		
Current assets and other	\$ 9,684,344	\$ 10,623,971
Capital assets	1,418,971	1,313,474
<b>TOTAL ASSETS</b>	11,103,315	11,937,445
 <b>LIABILITIES</b>		
Current and other liabilities	2,679,037	1,299,021
<b>TOTAL LIABILITIES</b>	2,679,037	1,299,021
 <b>NET POSITION</b>		
Capital assets, net	1,418,971	1,313,474
Unrestricted	7,005,307	9,324,950
<b>TOTAL NET POSITION</b>	\$ 8,424,278	\$ 10,638,424

The District's assets exceeded liabilities by 8,424,278 at June 30, 2023. Cash makes up the majority of the assets, representing 63% of assets. These assets are used by District employees to provide control services to the public. Capital assets, increased by \$105,497 in 2023 following the purchase of drone technology, pick-ups and other equipment netted against current year depreciation expense of \$173,668. The District has plans to continually replace equipment when the need arises.

Current assets include cash and short-term investments that are used to pay expenses and liabilities, make capital investments, and provide working capital for the District. The District receives its revenues when property taxes are paid and remitted from the County. Property taxes are due in semi-annual installments and are generally paid in December and April of each year. Cash and investment levels are generally highest in December and April. These cash and investment balances carry the District's cash requirements for the next six months when virtually no cash revenues are received. Cash levels are lowest in November and March. The District has no debt financing.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**FINANCIAL OPERATIONS HIGHLIGHTS**

	2023	2022
Revenues	\$ 3,689,363	\$ 6,026,925
Operating expenses	5,180,026	2,024,811
<b>Excess of Revenues over Expenses</b>	<b>\$ (1,490,663)</b>	<b>\$ 4,002,114</b>

Revenues decreased \$2,337,562 and operating expenses increased by \$3,155,215, primarily due to the GASB 68 adjustments to pension expense which result in a pension credit during 2022, rather than a pension expense in the current fiscal year.

**ANALYSIS OF SIGNIFICANT BUDGET-TO-ACTUAL VARIATIONS**

	June 30, 2023		
	Actual	Budget	Variance
Revenues	\$ 3,689,363	\$ -	\$ 3,689,363
Operating expenses	3,200,643	3,279,350	78,707
<b>Excess of Revenues over Expenses</b>	<b>\$ 488,720</b>	<b>\$ (3,279,350)</b>	<b>\$ 3,610,656</b>

The District prepares an annual budget and measures actual results versus budgeted amounts on a monthly and annual bases. The budget is prepared by management and approved by the Board of Trustees. The County determines the assessed valuations for the property tax rolls and the amount actually received varies from year to year due to changes in assessments and collections that occur during the year such that the Board has determined to prepare this budget without including a budget for revenues. Expenditures were less than budgeted in an amount totaling \$78,707

Operating expenses of the District are budgeted based on historical amounts and anticipated needs and events expected during the fiscal year. Overall operating expenses were significantly less than total budgeted expenses. Higher operating expenses due to the extremely wet winter in Northern California which has also increased the presence of West Nile virus.

**FINANCIAL STATEMENTS**

The District's financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. The District is structured as a single governmental fund. Revenues are recognized when they become measurable and available. Expenses are recognized when incurred. Capital assets are capitalized and depreciated in the government-wide financial statements.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**DESCRIPTION OF SIGNIFICANT CAPITAL ASSET ACTIVITIES**

The District prepares a capital budget each year to plan for the orderly replenishment of equipment and facilities. Capital investments are usually financed internally from operations. During fiscal year 2023, the District purchased three pickup and two drones. There are current plans to continue replacing equipment on an as-needed basis.

**DESCRIPTION OF CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS**

The West Nile virus was first discovered in the eastern United States in 1999. The virus is mosquito borne and is carried by birds along their migratory paths. West Nile virus was found in birds in the District in the summer of 2004 and human cases were first reported in the summer of 2005. Birds have been infected every year since. Human cases were reported for years 2005 through 2008 and again in 2012, 2013, 2014, 2015, 2017 and 2021. The District anticipated this continued West Nile virus activity and continues to provide surveillance, monitoring, abatement, and public education regarding this disease. Fortunately, the viral activity in Solano County has not reached the levels found in some of the surrounding counties where substantial additional funds have been expended in responding to the increased threat.

**USING THIS AUDIT REPORT**

This annual financial report consists of two parts: The Management's Discussion and Analysis (this section) and the basic financial statements. The financial statements also include Notes to the Financial Statements that further explain some of the information in the financial statements and provide additional data regarding the District's operations.

**ADDITIONAL FINANCIAL INFORMATION**

This financial report is designed to provide interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional information, please contact the District's Manager at 2950 Industrial Court, Fairfield, California, 94533.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash and investments	\$ 6,980,007	\$ -	\$ 6,980,007
Inventory	520,337	-	520,337
Capital assets, net of accumulated depreciation	-	1,418,971	1,418,971
	\$ 7,500,344	1,418,971	8,919,315
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	\$ -	1,554,333	1,554,333
OPEB	-	629,667	629,667
Total Deferred Outflows of Resources		2,184,000	2,184,000
<b>LIABILITIES</b>			
Accrued expenses	423,989	-	423,989
Compensated absences	-	94,685	94,685
Net pension liability - long-term	-	785,123	785,123
Net OPEB liability - long-term	-	311,952	311,952
Total Liabilities	423,989	1,191,760	1,615,749
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	-	672,469	672,469
OPEB	-	390,819	390,819
Total Deferred Inflows of Resources		1,063,288	1,063,288
<b>FUND BALANCES</b>			
Non-spendable	520,337	(520,337)	-
Assigned for contingency/public health emergency	1,000,000	(1,000,000)	-
Assigned for GASB 68	1,250,000	(1,250,000)	-
Assigned for Working Capital Fund	2,160,133	(2,160,133)	-
Assigned for Capital Improvements	1,000,000	(1,000,000)	-
Unassigned	1,145,885	(1,145,885)	-
Total fund balances	7,076,355	(7,076,355)	
Total Liabilities and Fund Balances	\$ 7,500,344		
<b>Net Position</b>			
Invested in capital assets, net of related debt		1,418,971	1,418,971
Unrestricted		7,005,307	7,005,307
Total Net Position		\$ 8,424,278	\$ 8,424,278

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

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED  
JUNE 30, 2023**

	General Fund	Adjustments	Statement of Activities
<b>REVENUES</b>			
Property taxes	\$ 2,744,123	\$ -	\$ 2,744,123
Other tax revenue	791,338	-	791,338
Use of money and property	151,188	-	151,188
Miscellaneous	2,714	-	2,714
Total revenues	<u>3,689,363</u>	<u>-</u>	<u>3,689,363</u>
<b>EXPENDITURES</b>			
Salaries and wages	1,038,252	6,306	1,044,558
Employee benefits	336,882	2,078,573	2,415,455
Pesticides	947,784	-	947,784
Aircraft services	152,232	-	152,232
Insurance	93,086	-	93,086
Structure and grounds maintenance	36,247	-	36,247
Property tax administration	34,948	-	34,948
Utilities	46,682	-	46,682
Motor vehicles and equipment maintenance	29,864	-	29,864
Gas and oil	28,885	-	28,885
Materials and supplies	48,577	-	48,577
Professional services	47,296	-	47,296
Memberships	19,215	-	19,215
Publishing	32,765	-	32,765
Conference	13,662	-	13,662
Communications	13,530	-	13,530
Continuing education	1,130	-	1,130
Travel	442	-	442
Capital outlay	279,164	(279,164)	-
Depreciation expense	-	173,668	173,668
Total expenditures	<u>3,200,643</u>	<u>1,979,383</u>	<u>5,180,026</u>
Net changes in Fund Balances/Net Position	488,720	(1,979,383)	(1,490,663)
Fund Balances/Net Position - July 1, 2022	6,587,635	4,050,811	10,638,446
Prior period adjustment	-	(723,505)	(723,505)
Restated Fund Balances/Net Position - July 1, 2022	<u>6,587,635</u>	<u>3,327,306</u>	<u>9,914,941</u>
Fund Balances/Net Position - June 30, 2023	<u>\$ 7,076,355</u>	<u>\$ 1,347,923</u>	<u>\$ 8,424,278</u>

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

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2023**

	<u>Non- Expendable Trust</u>
	<u>Agency</u>
<b>ASSETS</b>	
Investments	<u>\$ 1,114,125</u>
<b>FUND BALANCE</b>	
Deferred compensation	<u>\$ 1,114,125</u>

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

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED  
JUNE 30, 2023**

	Non- Expendable Trust
	<u>Agency</u>
<b>ADDITIONS</b>	
Contributions from District	\$ 2,610
Investment earnings	1,697
Change in value of investments	25,913
Total additions	<u>30,220</u>
<b>DEDUCTIONS</b>	
Withdrawals	696
	<u>696</u>
Change in net position	<u>29,524</u>
Net position, beginning of year	1,084,601
Net position, end of year	<u><u>\$ 1,114,125</u></u>

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

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Reporting Entity**

The Solano County Mosquito Abatement District (the District) was formed by joint resolution of the Board of Supervisors of Solano County on June 18, 1930. The purpose of the District is to provide protection to the people against mosquito-borne diseases and relief from serious pest nuisance. The governing powers are found in the State Health and Safety Code, Chapter five of Division three. The District is governed by a Board of Trustees consisting of eight members. The City Council of each of the seven cities in the county is responsible for appointing one member, and the eighth member is appointed by the Solano County Board of Supervisors.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. Certain of the significant changes in the Statement include the following:

- A Management’s Discussion and Analysis (MD&A) section providing an analysis of the District’s overall financial position and results of operations. This is required supplementary information.
- Government-wide financial statements prepared using the economic resources measurement focus and the accrual basis of accounting for all of the District’s activities.

These and other changes are reflected in the accompanying financial statements, including these notes to financial statements.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the primary government.

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 charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Other items not properly included among program revenues are reported instead as general revenues.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

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 collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**Fund Accounting**

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

**Governmental Funds**

The “measurement focus” of a Governmental Fund is upon determination of financial position and changes in financial positions (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds used by the District:

General Fund – the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

**Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of the fund’s present increases (i.e., revenues) and decreases (i.e., expenditures) in net current assets.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basis of Accounting** (continued)

The modified accrual basis of accounting is used by the governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available.) “Measurable” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, special assessments, interest revenue and charges for services. Revenues consist mainly of property taxes that are calculated by Solano County. Tax levies are established in March of each year and are generally due in two installments in April and December of each year. Tax payments are remitted to the District by the respective county offices.

**Inventory**

Inventory is valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventory are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

General capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets over \$1,000 are capitalized at cost, where historical records are available, and are updated for additions and retirements during the year. Donated fixed assets are valued at their estimated fair market value on the date received. Capital assets are depreciated over their estimated useful lives, using the straight-line method, ranging from 5 to 30 years.

**Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Generally, earned vacation may be accumulated up to a maximum of 240 hours by all personnel. District employees do not receive compensation for accumulated sick leave upon termination of employment; however, accrued unused sick

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Compensated Absences** (continued)

leave at the time of termination shall be allowed as service time for purposes of PERS retirement benefits, so long as it is consistent with the applicable PERS contract and statutes. Accordingly, no sick leave has been accrued.

**Net Position**

Net position presents the difference between assets and liabilities in the statement of net position. Net position invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws, or regulations of other governments.

**Budgets and Budgetary Accounting**

The Board of Trustees approves a tentative budget no later than June 30 of each year, and adopts a final budget no later than August 30.

From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations. The Board of Trustees may amend the budget by motion during the fiscal year or make transfers from one object or purpose to another within the same budget unit. The original budget is presented in the financial statements. Appropriations lapse at the end of each fiscal year.

A budget is adopted for the General Fund on an accounting basis that materially conforms to accounting principles generally accepted in the United States of America.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Deferred Compensation Plan**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, and accounts for the liability and related assets (investments). The Plan, available to all full-time District employees, permits them to defer up to \$19,000 per year. Participants over the age of 50 may defer up to an additional \$6,000. The deferred compensation is not available to employees until termination, retirement, death, or reaching age 70 ½.

The District has a fiduciary responsibility for the assets of the plan and is prohibited from using plan assets for purposes other than paying benefits. Registered investments held by the deferred compensation fund are recorded at market value.

**Estimates and Assumptions**

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 and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fund Balances**

In February 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which establishes accounting and financial reporting standards for all governments that report governmental funds.

Under GASB 54, fund balances for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are now broken out in five categories:

- Non-spendable Fund Balance – this fund balance classification includes amounts that cannot be spent because they are either not in spendable form (i.e. – prepaid expenses) or legally or contractually required to be maintained intact.
- Restricted Fund Balance – this fund balance classification should be reported when there are constraints placed on the use of resources externally (by creditors, grant sources, contributors, etc.) or imposed by law or enabling legislation.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fund Balances** (continued)

- Committed Fund Balance – this fund balance classification can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (i.e. – fund balance designations passed by board resolution).
- Committed — amounts that can be used only for specific purposes determined by a formal action of Board of Directors. The Board of Directors is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Directors.
- Assigned — amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District’s adopted policy, only the Board of Directors or the District’s finance committee may assign amounts for specific purposes. The finance committee may assign amounts only up to \$500,000 for a specific purpose. However, all such assignments can be made only with unanimous approval of all committee members. Assignments are reviewed and approved by the Board of Directors.

**NOTE 2: CASH AND INVESTMENTS**

The District’s Management is responsible for maintaining a cash and investment pool for all funds in accordance with the District’s investment policy that is updated as necessary. The District maintains two checking accounts with a bank and invests cash in excess of immediate needs with the State of California Local Agency Investment Fund (LAIF). Funds invested with LAIF are treated as cash equivalents since they are immediately available. Total cash and investments are allocated to the District’s individual funds based on their equity in the pooled amount. Interest income is allocated to those funds that are required by law or administrative action to receive interest. Interest is allocated on a quarterly basis based on the aggregate cash balances in each fund receiving interest.

As of June 30, 2023, the carrying value of funds invested with the LAIF investment pool totaled \$1,258,811, which approximates market. The District also has funds in the Solano County Treasury of \$5,685,949 and Wells Fargo Bank of \$35,246.

The District’s pooled deposits are categorized to give an indication of the level of risk assumed by the District at fiscal year-end. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the District or by its agent in the District’s name.
- Category 2 - Collateralized with securities held by the pledging financial institution’s trust department or agent in the District’s name.
- Category 3 - Uncollateralized.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (continued)**

Deposits, categorized by level of risk, are:

	Bank	Category		
	Balance	1	2	3
Pooled Cash & Cash Equivalents	\$ 5,721,196	\$ 5,721,196	\$ -	\$ -
LAIF (Uncategorized)	1,258,811	-	-	-
Total	<u>\$6,980,007</u>	<u>\$ 5,721,196</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 3: EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)**

**Plan Description**

The District contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan that acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and District ordinance. Copies of the PERS annual financial report may be obtained from the executive office at 400 P Street, Sacramento, California 95814.

**Funding Policy**

All full-time District employees are eligible to participate in PERS. The Plan requires an employee contribution of 7% of annual covered salary; however, as stated in the Memorandum of Understanding, the District has agreed to pay pre-PEPRA employees' retirement contribution. Employees under PEPRA pay their portion of retirement. The District is required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by PERS actuaries and actuarial consultants and adopted by the Board of Administration. The contribution requirements of plan members and the District are established and may be amended by PERS. The District was required to contribute at an actuarially determined rate; the current rates of annual covered payroll for the 2023 fiscal year was 9.680% for miscellaneous employees and 6.99% for employees covered under PEPRA.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3: EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)**  
**(continued)**

**Funding Policy (continued)**

At June 30, 2023, the District reported a liability of \$785,123 in the Statement of Net Position for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 Pension Plan participants, which was actuarially determined. For the fiscal year ended June 30, 2023, the District recognized pension expense of \$2,157,507 in its Government-Wide financial statements. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

**Actuarial Assumptions**

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

- Discount Rate/Rate of Return – 6.90%, net of investment expense
- Inflation Rate – 2.30%
- Salary increases – Varies by Entry Age and Service
- COLA Increases – up to 2.30%
- Post-Retirement Mortality – Derived using CalPERS' Membership Data for all Funds

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2018.

The long-term expected rate of return on pension plan investments (6.90%) 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3: EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)  
(continued)  
Actuarial Assumptions (continued)**

Asset class	Assumed Asset Allocation	Real Return Years 1 - 101,2
Global equity - cap-weighted	30.0%	4.5%
Global equity non-cap-weighted	12.0%	3.8%
Private Equity	13.0%	7.3%
Treasury	5.0%	0.3%
Mortgage-backed Securities	5.0%	0.5%
Investment Grade Corporates	10.0%	1.6%
High Yield	5.0%	2.3%
Emerging Market Debt	5.0%	2.5%
Private Debt	5.0%	3.6%
Real Assets	15.0%	3.2%
Leverage	-5.0%	-0.6%

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension fund's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. In theory, the discount rate may differ from the long-term expected rate of return discussed previously. However, based on the projected availability of the pension fund's fiduciary net position, the discount rate is equal to the long-term expected rate of return on pension plan investments, and was applied to all periods of projected benefit payments to determine the total pension liability.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3: EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)  
(continued)  
Actuarial Assumptions (continued)**

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

The following presents what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the current rate:

	Discount Rate		
	<b>Current</b>		
	<b>Decrease by 1%</b> <b>5.90%</b>	<b>Discount Rate</b> <b>6.90%</b>	<b>Increase by 1%</b> <b>7.90%</b>
District's Proportionate Net Pension Liability	\$ 2,018,903	\$ 513,039	\$ (725,913)

Detailed information about the pension fund's fiduciary net position is available in the separately issued CalPERS comprehensive annual financial report which may be obtained by contacting CalPERS.

Pursuant to GASB Statement No. 63, the District recognized deferred outflows of resources in the government-wide and proprietary fund statements. These items are a consumption of net position by the District that is applicable to a future reporting period. Under the modified accrual basis of accounting, it is not enough that revenue is earned; it must also be available to finance expenditures of the current period. Governmental funds will therefore include deferred inflows of resources for amounts that have been earned but are not available to finance expenditures in the current period.

Deferred outflows and inflows related to pensions are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 52,572	\$ -
Differences between Expected and Actual Experience	10,303	6,900
Differences between Projected and Actual Investment Earnings	93,975	-
Differences between Employer's Contributions and Proportionate Share of Contributions	128,921	299,443
Change in Employer's Proportion	1,156,081	58,061
Pension Contributions Made Subsequent to Measurement Date	48,113	-
	\$ 1,489,965	\$ 364,404

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3: EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)  
(continued)  
Actuarial Assumptions (continued)**

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

Year Ending June 30,	Amount
2024	\$ 197,315
2025	385,884
2026	241,188
2027	57,478
2028 and thereafter	-
Total	<u>\$ 881,865</u>

**NOTE 4: CAPITAL ASSETS**

The District's recorded capital asset balances changed during the year as follows:

	Beginning Balance	Additions	Deletions	Reclassifications	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 501,804	\$ -	\$ -	\$ -	\$ 501,804
Total capital assets, not being depreciated	501,804	-	-	-	501,804
Capital assets, being depreciated:					
Buildings and improvements	2,704,720	-	-	-	2,704,720
Automotive equipment	440,388	198,445	(84,817)	-	554,016
Equipment	178,902	78,564	(52,641)	-	204,825
Office equipment	61,890	2,156	-	-	64,046
Total capital assets, being depreciated	3,385,900	279,165	(137,458)	-	3,527,607
Accumulated depreciation	(2,574,230)	(173,668)	137,458	-	(2,610,440)
Total capital assets being depreciated, net	811,670	105,497	-	-	917,167
Capital assets, net of depreciation	<u>\$ 1,313,474</u>	<u>\$ 105,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,418,971</u>

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation expense was \$173,668 for the year ended June 30, 2023.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 5: ADJUSTMENTS**

Total Fund Balance - Total Governmental Funds	\$ 7,076,355
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of accumulated depreciation, are not financial resources and therefore are not reported in the governmental funds balance sheet.	1,418,971
Deferred outflows of resources are not a current financial expenditure	2,184,000
Long-term liabilities are not due and payable in the current period and are not reported in the Governmental funds balance sheet.	<u>(2,255,048)</u>
Net Position of Governmental Activities	<u><u>\$ 8,424,278</u></u>
 Net Change in Governmental Fund Balance	 \$ 488,720
Amounts reported for governmental activities in the Statement of Activities are different because:	
The change in compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.	(6,306)
Change in deferred pension liability and OPEB	(2,078,573)
Depreciation expense, net of capital outlay, on capital assets is reported in the government-wide Statement of Activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	<u>105,496</u>
Change in Net Position of Governmental Activities	<u><u>\$ (1,490,663)</u></u>

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 6: SELF-INSURANCE PROGRAM**

The Solano County Mosquito Abatement District entered into a Joint Powers Authority (JPA) agreement with other special districts throughout California to form a Self-Insurance Fund for the purpose of creating an insurance fund for comprehensive general liability and property damage, and to provide worker's compensation benefits for their employees. The pool uses a combination of self-insurance and excess insurance for potential claims. Condensed financial information (audited) of the Special District Risk Management Authority, at and for the year ended June 30, 2022 is presented below:

**Special District Risk Management Authority  
Condensed Financial Information  
June 30, 2022**

	Total Joint Venture
Current Assets	\$ 27,604,621
Other Assets	108,013,011
Capital Assets	4,387,966
Deferred outflows	750,427
Total Assets	<u>\$140,756,025</u>
Current Liabilities	\$ 24,067,477
Non-current Liabilities	48,900,068
Deferred inflows	445,351
Net Position	<u>67,343,129</u>
Total Liabilities and Net Position	<u>\$140,756,025</u>
Total Revenue	\$ 88,964,501
Total Expenditures	80,958,538
Other Non-Operating Income	<u>(7,006,121)</u>
Increase in Net Position	999,842
Net Position, July 1, 2021	<u>66,343,287</u>
Net Position, June 30, 2022	<u>\$ 67,343,129</u>

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7: LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the year ended June 30, 2023 is as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Compensated absences	\$ 88,380	\$ 6,306	\$ -	\$ 94,686
Net OPEB liability	89,904	222,048	-	311,952
Net Pension (Asset)/liability	<u>(1,414,820)</u>	<u>2,199,943</u>	<u>-</u>	<u>785,123</u>
Total Governmental Activities	<u>\$ (1,236,536)</u>	<u>\$ 2,428,297</u>	<u>\$ -</u>	<u>\$ 1,191,761</u>

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS**

*Plan Description and Benefits Provided*

The District provides post-employment health care benefits to certain employees who are eligible to retire with PERS and have a retirement date within 120 days of separation of employment.

For the year ended June 30, 2023, eight retirees received health benefits. Expenditures for post-employment health care benefits are recognized as the premiums are paid. During the year ended June 30, 2023, expenditures of \$68,780 were recognized for post-employment health care benefits.

*Funding Policy*

The required contribution is based on projected pay-as-you-go financing requirements, with an amount of funding the actuarial accrued liability as determined annually by the Board. For the fiscal year ended June 30, 2023, the District contributed the annual required contribution. For reporting purposes, this amount is capitalized as a deferred outflow of resources as the measurement period for the liability is June 30, 2023.

*Employees Covered by Benefit Terms*

At the OPEB liability measurement date of June 30, 2022, the following employees were covered by the benefit terms:

- Active employees – 9
- Retirees – 9

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS (continued)**

*Total OPEB Liability*

The District's total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.25%
Medical cost trend	5-6.55% increases
Discount rate	6.0%

	2023	2022
Total beginning OPEB Liability	\$ 89,904	\$ 1,015,001
Service cost	43,099	32,377
Interest	122,102	133,588
Change of assumptions	320,559	53,422
Change of benefit terms	-	-
Experience differences	-	(289,278)
Employer contributions	(1,101,806)	(573,953)
Investment earnings	213,753	(281,653)
Administrative expenses	437	400
Net change in total OPEB liability	(401,856)	(925,097)
Total OPEB liability - ending	\$ (311,952)	\$ 89,904
Covered-employee payroll	\$ 766,434	\$ 1,777,118
Total OPEB liability as a percentage of covered payroll	(40.70)%	117.25%

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS (continued)**

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

The following presents the total OPEB liability of the District, as well as what the District's total 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 discount rate:

Discount Rate		
Decrease by 1% 5.00%	Current Discount Rate 6.00%	Increase by 1% 7.00%

District's net OPEB plan liability (asset)	\$ 15,810	\$ (311,952)	\$(570,123)
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*Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the total OPEB liability of the District, as well as what the District's total 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 discount rate:

Health Care Costs		
Decrease by 1% 4% to 5.5%	Current Discount Rate 5% to 6.55%	Increase by 1% 6% to 7.55%

District's net OPEB plan liability (asset)	\$ (594,050)	\$ (311,952)	\$ 48,358
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*OPEB expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended June 30, 2023 the District recognized OPEB expense of \$68,780. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss and actuarial assumptions. At June 30, 2023 the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8: OTHER POST-EMPLOYMENT BENEFITS (continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 43,645	\$ 200,277
Changes of assumptions	305,046	58,974
Net difference between projected and actual earnings on OPEB plan investments	<u>280,976</u>	<u>131,568</u>
Total	<u><u>\$ 629,667</u></u>	<u><u>\$ 390,819</u></u>

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

Year ended June 30:	
2024	\$ 37,001
2025	34,818
2026	32,788
2027	79,801
2028	44,099
Thereafter	10,341
	<u><u>\$ 238,848</u></u>

**NOTE 9: PRIOR PERIOD ADJUSTMENT**

The prior year OPEB calculation was based on an incorrect actuarial valuation in error. The error was corrected through the prior period adjustment.

**NOTE 10: SUBSEQUENT EVENTS**

The date of management review is through October 9, 2023. No additional events have occurred that would materially affect the carrying amount of the assets and liabilities reported on the District's year-end financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2023**

<b>REVENUES</b>	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>		<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Property taxes	\$ -	\$ -	\$ 2,744,123	\$ 2,744,123
Other tax revenue	-	-	791,338	791,338
Use of money and property	-	-	151,188	151,188
Miscellaneous	-	-	2,714	2,714
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>3,689,363</b>	<b>3,689,363</b>
<b>EXPENDITURES</b>				
Salaries and wages	1,187,000	1,187,000	1,038,252	148,748
Employee benefits	390,000	390,000	336,882	53,118
Pesticides	600,000	600,000	947,784	(347,784)
Aircraft services	140,000	140,000	152,232	(12,232)
Insurance	115,000	115,000	93,086	21,914
Structure and grounds maintenance	70,000	70,000	36,247	33,753
Property tax administration	44,000	44,000	34,948	9,052
Utilities	60,000	60,000	46,682	13,318
Motor vehicles and equipment maintenance	43,000	43,000	29,864	13,136
Gas and oil	80,000	80,000	28,885	51,115
Materials and supplies	71,850	71,850	48,577	23,273
Professional services	80,000	80,000	47,296	32,704
Memberships	30,000	30,000	19,215	10,785
Publishing	40,000	40,000	32,765	7,235
Conference	16,000	16,000	13,662	2,338
Communications	23,000	23,000	13,530	9,470
Continuing education	2,500	2,500	1,130	1,370
Travel	2,000	2,000	442	1,558
Capital outlay	285,000	285,000	279,164	5,836
<b>Total expenditures</b>	<b>3,279,350</b>	<b>3,279,350</b>	<b>3,200,643</b>	<b>78,707</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (3,279,350)</b>	<b>\$ (3,279,350)</b>	<b>488,720</b>	<b>3,610,656</b>
Fund balance, beginning of year			<u>6,587,635</u>	
Fund balance, end of year			<u>\$ 7,076,355</u>	

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –  
OTHER POST EMPLOYMENT BENEFITS  
JUNE 30, 2022**

**Schedule of Changes in the  
Net OPEB Liability and Related Ratios  
Last Ten Fiscal Years \***

	Reporting Date: Fiscal Year Ended June 30					
	2023	2022	2021	2020	2019	2018
Total beginning OPEB liability	\$ 89,904	\$ 1,015,001	\$ 952,913	\$ 1,054,754	\$ 1,066,403	\$ 1,243,828
Service cost	43,099	32,377	31,358	34,660	33,009	26,485
Interest	122,102	133,588	129,735	129,483	122,483	127,598
Change of assumptions	320,559	53,422	-	(159,102)	-	(180,901)
Change of benefit terms	-	-	-	(52,816)	-	-
Experience differences	-	(289,278)	(8,170)	117,464	1,225	15,299
Employer contributions	(1,101,806)	(573,953)	(62,202)	(127,342)	(120,394)	(111,665)
Investment earnings	213,753	(281,653)	(29,037)	(44,342)	(48,298)	(54,518)
Administrative expenses	437	400	404	154	326	277
Net change in OPEB liability	<u>(401,856)</u>	<u>(925,097)</u>	<u>62,088</u>	<u>(101,841)</u>	<u>(11,649)</u>	<u>(177,425)</u>
Total ending OPEB liability	<u>\$ (311,952)</u>	<u>\$ 89,904</u>	<u>\$ 1,015,001</u>	<u>\$ 952,913</u>	<u>\$ 1,054,754</u>	<u>\$ 1,066,403</u>
Covered employee payroll	\$ 766,434	\$ 810,898	\$ 730,419	\$ 810,898	\$ 799,061	\$ 799,061
Total OPEB liability as a percentage of covered payroll	-40.70%	11.09%	131.99%	117.51%	132.00%	133.46%
Plan fiduciary net position as a percentage of total OPEB Liability	114.77%	94.80%	45.78%	46.50%	40.59%	36.60%
Measurement date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017

\* Fiscal year 2018 was the first year of implementation.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION – PENSIONS  
JUNE 30, 2023**

**Schedule of the District’s Proportionate Share of Net Pension Liability  
Last Ten Fiscal Years \***

Last 10 Fiscal Years*:	Measurement Date: Fiscal Year Ended June 30				
	2014	2015	2016	2017	2018
District's proportion of the net pension liability	0.06652%	0.06780%	0.06341%	0.04631%	0.03321%
District's proportionate share of the net pension liability	\$ 2,052,688	\$ 1,859,341	\$ 2,025,825	\$ 1,825,707	\$ 1,251,581
District's covered-employee payroll	916,462	972,275	982,985	984,244	920,204
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	223.97%	191.24%	206.09%	185.49%	136.01%
Plan Fiduciary net position as a percentage of the total pension liability	76.53%	78.26%	77.81%	80.44%	87.06%
	2019	2020	2021	2022	
District's proportion of the net pension liability	0.01856%	0.00523%	-0.03139%	0.08548%	
District's proportionate share of the net pension liability	\$ 743,359	\$ 568,698	\$ (1,414,820)	\$ 513,039	
District's covered-employee payroll	983,989	837,082	860,750	790,341	
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	75.55%	67.94%	-164.37%	64.91%	
Plan Fiduciary net position as a percentage of the total pension liability	92.69%	75.10%	90.49%	90.49%	

\* FY 2015 was the first year of implementation.  
Additional years will be presented as they become available.

**SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION – PENSIONS  
JUNE 30, 2023**

**Schedule of District Contributions  
Last Ten Fiscal Years \***

Last 10 Fiscal Years\*:

	Reporting Date: Fiscal Year Ended June 30				
	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 239,925	\$ 230,712	\$ 192,741	\$ 166,084	\$ 128,640
Total action contribution	<u>239,925</u>	<u>230,712</u>	<u>192,741</u>	<u>166,084</u>	<u>128,640</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 916,462	\$ 972,275	\$ 982,985	\$ 984,244	\$ 920,204
Contributions as a percentage of covered-employee payroll	26.17%	23.73%	19.61%	16.87%	13.98%
	2020	2021	2022	2023	
Actuarially determined contribution	\$ 104,392	\$ 139,787	\$ 136,042	\$ 111,534	
Total action contribution	<u>104,392</u>	<u>139,787</u>	<u>136,042</u>	<u>111,534</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's covered-employee payroll	\$ 983,989	\$ 837,082	\$ 860,750	\$ 790,341	
Contributions as a percentage of covered-employee payroll	10.61%	16.70%	15.81%	14.11%	

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