

**PLEASANT VALLEY
RECREATION AND PARK DISTRICT**

FINANCIAL STATEMENTS
JUNE 30, 2022

PLEASANT VALLEY RECREATION AND PARK DISTRICT
TABLE OF CONTENTS
June 30, 2022

FINANCIAL SECTION

Independent Auditors' Report.....1
Management's Discussion and Analysis3

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:
 Statement of Net Position.....10
 Statement of Activities11
Fund Financial Statements:
 Balance Sheet – Governmental Funds.....12
 Reconciliation of the Governmental Funds Balance Sheet to
 the Statement of Net Position13
 Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Governmental Funds.....14
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
 and Changes in Fund Balances to the Statement of Activities.....15
 Statement of Fiduciary Net Position – Fiduciary Fund16
 Statement of Changes in Fiduciary Net Position – Fiduciary Fund17
Notes to Basic Financial Statements18

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual – General Fund38
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual – Special Revenue Fund – Assessment District Fund.....39
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
 Budget and Actual – Special Revenue Fund – Quimby Fund40
Schedule of Changes in the OPEB Liability and Related Ratios.....41
Schedule of OPEB Contributions... ..42
Schedule of Proportionate Share of Net Pension Liability43
Schedule of Pension Contributions.....44

SUPPLEMENTARY INFORMATION

Combining Balance Sheet – Nonmajor Governmental Funds.....45
Combining Statement of Revenues, Expenditures, and Changes in Fund
 Balances – Nonmajor Governmental Funds.....46

FINANCIAL SECTION



Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Pleasant Valley Recreation and Park District
Camarillo, California

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, fiduciary fund information, and the aggregate remaining fund information of the Pleasant Valley Recreation and Park District, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Pleasant Valley Recreation and Park District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Pleasant Valley Recreation and Park District, as of June 30, 2022, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pleasant Valley Recreation and Park 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 Pleasant Valley Recreation and Park District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pleasant Valley Recreation and Park District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pleasant Valley Recreation and Park District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of changes in OPEB liability and related ratios, the schedule of OPEB contributions, the schedule of proportionate share of pension liability, and the schedule of pension contributions 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.

Supplementary Information

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Pleasant Valley Recreation and Park District's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2023, on our consideration of the Pleasant Valley Recreation and Park District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the District's basic financial statements as of and for the fiscal year ended June 30, 2021, and we expressed unmodified audit opinions on those audited financial statements in our report dated February 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Moss, Remy & Hargheim LLP

Santa Maria, California
February 16, 2023

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

This discussion and analysis of the Pleasant Valley Recreation and Park District (PVRPD) financial performance provides an overall review of the PVRPD financial activities for the fiscal year ended June 30, 2022. The intent of this narrative is to provide a complete overview of PVRPD's financial performance. Readers should review this in conjunction with the basic financial statements which follow this section.

FINANCIAL HIGHLIGHTS
GOVERNMENTAL FUNDS

- During the fiscal year ending June 30, 2022, PVRPD's government wide net position increased by \$1,418,353 (4.40%), which includes assets, deferred outflows of resources, liabilities and deferred inflows of resources.
- Total overall revenue increased by \$973,882 (9.76%) due to increases in special assessments and Quimby Fees, operating grants & contribution and other revenue.
- Total expenditures increased by \$2,936,774. Salaries & Benefits increased by \$768,182 (22.37%%) and Materials & Services increased by \$32,862 (0.92%) due to reopening of facilities to higher capacity and increased services due to the reduction in COVID-19 restrictions. Capital Outlay increased by \$2,130,057 (654.95%) and Debt Service increased by \$5,673 (.56%).

OVERVIEW OF THIS FINANCIAL REPORT

The Government-wide financial statements are presented on an “economic resources” measurement focus and use an accrual basis of accounting. Accordingly, all of the PVRPD's assets and liabilities, including capital assets and long-term liabilities are included in the accompanying Statement of Net Position. The Statement of Net Position includes all of the District's investments in resources (Assets) and the obligations to creditors (Liabilities). The Statement of Activities presents changes in net position measuring the success over the past year and is used to determine credit worthiness.

Government-wide Financial Statements

Statement of Activities and Statement of Net Position

The Government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and the Statement of Activities answer the question of whether the District's financial position is improving or deteriorating. These statements include all assets, deferred outflow of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. 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. These two statements report the District's net position and changes to them. The difference between the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, or net position, can measure the District's financial health.

Governmental Funds Financial Statements

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance

Fund financial statements are designed to report information about groupings or related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting, like other state and local governments, to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on the short-term inflow and outflow of

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

spendable resources, as well as on balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to Basic Financial Statements

The notes provide additional information that is essential to fully understanding the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the District's budgetary status and funding progress of its retirement plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve, over time, as a useful indicator of a government's financial position. District assets and deferred outflows of resources are above liabilities and deferred inflows of resources by \$33.7 million as of June 30, 2022.

Condensed Statement of Net Position
June 30,

	<u>2022</u>	<u>2021</u>
Assets:		
Current Assets	\$ 13,614,421	\$ 13,751,716
Capital Assets	39,718,889	38,290,987
Total Assets	53,333,310	52,042,703
 Deferred Outflows of Resources		
Pensions	1,512,059	1,354,980
Other Post Employment Benefits	248,345	280,401
Deferred Charge of Refunding	504,588	534,854
Total Deferred Outflows of Resources	2,264,992	2,170,235
 Liabilities:		
Current Liabilities	563,410	457,289
Long-Term Due in 1 Year	492,290	599,335
Long-Term Due in more than 1 year	16,824,642	20,113,404
Total Liabilities	17,880,342	21,170,028
 Deferred Inflows of Resources		
Pensions	3,761,550	611,596
Other Post Employment Benefits	295,482	188,739
Total Deferred Inflows of Resources	4,057,032	800,335

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

Net Position:

Net Investment in Capital Assets	28,426,163	26,725,673
Net Restricted & Unrestricted	<u>5,234,765</u>	<u>5,986,588</u>
Total Net Position	<u>33,660,928</u>	<u>32,712,261</u>

The largest portion of the District's net position reflects its net investment of \$28.4 million in capital assets (land, buildings, improvements, equipment, infrastructure, plus any construction in progress, all net of accumulated depreciation). The District uses these capital assets to provide services to citizens and they are not available for future spending.

The second largest portion is the long-term debt the District incurred in 2009 for the development of Pleasant Valley Fields Sports Complex formally known as Village at the Park. Certificates of Participation sold for an amount of \$12.6 million with a maturity date of June 30, 2039. In April 2017, the District refunded the 2009 Certificates of Participation in the amount of \$13.0 million with a maturity date of November 1, 2045. By refunding the COP the District saved \$644 thousand overall. In August 2012, the District obtained a bank loan in the amount of \$1.8 million for refinancing the CalPERS Side-Fund which will be paid off in Fall of calendar year 2022. (For more information on the long-term obligations see Notes 4, 5, 6, and 8 in the Financial Statements).

Total Net Position (assets and deferred outflows of the District minus liabilities and deferred inflows) was \$33,660,928 as of June 30, 2022, which is an increase of \$1,418,353 (4.40%) from the prior year.

Fiscal Year 2021-2022 saw lessened effects from COVID-19. As governmental regulations have been lifted, the District has been able to offer expanded access to facility rentals and increased programming.

Statement of Revenues, Expenditures and Changes in Fund Balances

As shown on the table on the following page, the District's net change in fund balance was \$1,418,353 in the fiscal year ending June 30, 2022. This increase is due to an overall increase in revenue received during the fiscal year of property tax, special assessments, rentals and registration fees, and other revenues, due to lessened COVID-19 restrictions. Along with an increase in revenue, the District saw an increase in expenditures. This increase in expenditures was necessary to provide the increase in services to the community compared to prior years. There was also \$1,663,047 of Quimby funds spent on one time capital projects.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

Condensed Statement of Revenues, Expenditures and Changes in Fund Balances
June 30,

	<u>2022</u>	<u>2021</u>
Revenues:		
Charges for Services	\$ 2,481,195	\$ 1,796,444
Operating Grants and Contributions	103,291	61,634
General Revenue		
Property Taxes	7,623,274	7,390,848
Investment Income	(2,909)	69,508
Other	751,525	664,060
Total Revenues	10,956,376	9,982,494
Expenses:		
Recreation and Park Operations	\$ 11,286,809	\$ 8,350,035
Excess of Revenue over (under) expenditures		
	\$ (330,433)	\$ 1,632,459
Net Change in Fund Balance	(330,433)	1,632,459
Fund Balance - Beginning of Year	13,376,650	11,744,191
Prior Period Adjustment	81,309	0
Net Position - End of Year	\$ 13,127,526	\$ 13,376,650

Charges for services includes programs, class fees, facility & other rental fees, cell tower income, senior services income, activity guide advertising income, indemnity income, Park Impact fees, and Quimby Fees. The Charges for Services increased by \$684,751 (38.12%)

Operating Grants (Habitat Conservation Fund) and Contributions increased by \$41,657 (67.59%).

There were no Capital Grants and Contribution for Fiscal Year 2021-2022.

Property tax revenue, the District's primary source of revenue, increased by \$232,426 (3.14%).

Investment income decreased by \$72,417 (-104.19%) due to a correction in fair market valuation for the funds deposited into the District's LAIF investment account. Other Revenue increased by \$87,465 (13.17%).

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

GOVERNMENTAL FUND FINANCIAL STATEMENT ANALYSIS

The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the close of fiscal year 2021-2022, Total Governmental Funds reported a combined ending fund balance of \$13,621,162, a decrease of \$130,554 (0.95%) in comparison with the prior year. Fund Balance is the net worth of a fund, found by calculating the assets and subtracting the liabilities. This decrease is mainly due to the \$1,663,047 of capital spending from the District Quimby fund.

The following are the District's major funds:

General Fund (Fund 10)

The General Fund is the District's primary operating fund. General Fund expenditures have risen by \$1,439,381 (20.56%) as more programs are offered, yet property tax revenue, the District's main source of funds, has a limited ability to grow, and as such, General Fund revenue only increased by \$771,451 (8.82%). The General Fund showed a net increase in fund balance (calculating the assets and subtracting the liabilities) of \$1,072,002 (page 14 of the audit report) in fiscal year 2021-2022. This increase is less than the \$1,739,932 increase in fund balance for the year ended June 30, 2021. This change is primarily due to reestablishing normal operations as the restrictions from COVID-19 are lessened.

Revenues exceeded expenses by \$1,072,002 for the period ended 2021-2022.

Special Assessment District Special Revenue Fund (Fund 20)

The Special Assessment District Fund is used primarily for district-wide park landscape maintenance. It is also used to pay for a portion of the Park's personnel salaries and fringes. The Assessment District Fund showed a net change in fund balance of \$76,347.

The revenue for the period ended June 30, 2022, exceeded expenses by \$76,347.

Park Dedication Fees (Quimby Fund-Fund 30)

The Quimby Act was passed in 1975 and amended in 1982, this act requires developers to set aside land, donate a conservation easement or pay fees for park improvements. Revenues generated through the Quimby Act cannot be used for the operation of parks or personnel. Over the past 6 years the District has received Quimby Funds and in fiscal year 2021-2022 the District did not receive any Quimby Fees from developers but did collect \$8,242 in investment earnings. The District did complete some Capital Projects using Quimby fees, with total expenditures of \$1,663,083, leading to a net negative change in fund balance of \$1,654,841.

Nonmajor Governmental Funds (Funds 40 and 50)

Park Impact Fees Fund 40: On June 23, 2021, the City of Camarillo added Chapter 16.52 to the Camarillo Municipal Code. Chapter 16.52 establishes Park Impact Fees to any new residential construction, not subject to a subdivision, and new or expanded non-residential construction within the city. Revenues generated through Park Impact Fees cannot be used for the operation of parks or personnel. In fiscal year 2021-2022, the District received \$172,347. See Supplementary Information on Pages 45 and 46.

CDBG Grant Fund 50: In September of 2021, the District entered into an agreement with the City of Camarillo for U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funding. This funding is used to support food distribution for low income families. The CDBG funding reimburses the District for expenditures spent on a quarterly basis. The District received

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

\$31,113 in revenue for Fiscal Year 2021-2022, including \$10,441 receivables which included payroll for the last week in June that was paid out in July of 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets (net of accumulated depreciation)
June 30,

	<u>2022</u>	<u>2021</u>
Land	\$ 22,732,253	\$ 22,732,253
PV Fields	14,007,861	14,007,861
Improvements	20,420,469	17,348,917
Equipment	2,643,849	2,590,444
Assessment Assets	128,560	128,560
Freedom Fields	2,019,161	2,019,161
Construction in Progress	1,498,009	2,167,683
Depreciation	<u>(23,731,273)</u>	<u>(22,703,892)</u>
Total Capital Assets, net	\$ 39,718,889	\$ 38,290,987

Long-Term Debt

The District's long-term debt as of period ending June 30, 2022 is \$17,316,932. There was a net \$3,395,807 decrease from the year ended June 30, 2021, \$1,078,118 of which was a prior-period adjustment to the net pension liability. There are three major sources of long-term debt obligations: (1) \$11,735,000 for the development of Pleasant Valley Fields Sports Complex (2) Pension Liability of \$3,846,728 and (3) \$130,000 for refinancing the CalPERS Side-Fund.

Outstanding Long-Term Debt

	<u>2022</u>	<u>2021</u>
Compensated Absences	\$ 494,358	\$ 464,807
Notes Payable-Pension Related debt	130,000	380,000
2017 Certificates of Participation	11,735,000	12,035,000
Certificates of Participation Premium	62,314	65,168
Other Post-Employment Benefits	1,048,532	1,116,798
Net Pension Liability	<u>3,846,728</u>	<u>6,650,966</u>
Total Outstanding Long-Term Debt	<u>\$ 17,316,932</u>	<u>\$ 20,712,739</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2022

ECONOMIC FACTORS

The District's primary revenue source is property taxes, which continue to improve each fiscal year. The District has seen an increase in property tax revenue in fiscal year 2021-2022. However, the current housing market is beginning to weaken, with average market prices declining in the last half of calendar year 2022. Ventura County Assessor's tax appropriation showed a 3.14% increase for fiscal year 2021-2022 over the prior fiscal year. Additionally, the District has increased revenue from Charges for Services by 38.12%, increased personnel spending by 22.37% and services and supplies spending by 0.92%, these increases being the result of COVID-19 restrictions being lessened and the District increasing program offerings and increased facility rentals.

Managing District resources in an environment of unstable revenues compounded by increasing costs is a challenge facing the District. Consequently, resources for future capital maintenance, replacement, and new park and facility development must be either acquired from resources currently available in operating revenue, or additional revenue sources must be identified.

The state implemented pension reform on January 1, 2013, creating a third-tier retirement program with a new 2% at 62 formula for employees new to CalPERS. The District's other two plans are 2.5% at 55 and 2% at 60. On July 1, 2013, the Board of Directors took action that increased the employee contributions to the maximum allowed by state statute. One of the biggest economic factors for the District is the continued rising cost of CalPERS Unfunded Liability. For fiscal year 2022-2023 the District's payment to CalPERS will be \$508,376. This payment increased from prior year (\$501,541 FY21-22) as the District continues to pay off the 2@60 and the 2@62 unfunded liability annually, as well as due to inconsistent returns from the stock market.

REQUEST FOR INFORMATION

The District's financial report is designed to provide citizens, taxpayers, creditors, and investors with a general overview of PVRPD's finances and show accountability for the money it receives. Questions regarding any of the information provided in this report or to request additional information, please contact the District's General Manager at the Pleasant Valley Recreation and Park District, 1605 E. Burnley Street, Camarillo, California 93010 or call (805) 482-1996.

BASIC FINANCIAL STATEMENTS

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022
With Comparative Totals for June 30, 2021

	Total Governmental Activities	
	2022	2021
ASSETS		
Cash and investments	\$ 13,368,899	\$ 13,462,073
Accrued interest receivable	8,758	17,450
Accounts receivable	17,485	55,299
Property taxes and assessments receivable	214,000	211,274
Prepaid items	5,279	5,620
Capital assets - not being depreciated	24,230,262	24,899,936
Depreciable capital assets, net of accumulated depreciation	15,488,627	13,391,051
Total assets	53,333,310	52,042,703
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	1,512,059	1,354,980
Other postemployment benefits	248,345	280,401
Deferred charge on refunding	504,588	534,854
Total deferred outflows of resources	2,264,992	2,170,235
LIABILITIES		
Accounts payable	195,743	226,105
Accrued salaries and benefits	104,143	27,984
Unearned revenue and customer deposits	187,009	120,977
Accrued interest payable	76,515	82,223
Long-term liabilities - due in one year		
Compensated absences	49,436	46,481
Pension related debt	130,000	250,000
Certificates of participation	310,000	300,000
Certificates of participation premium	2,854	2,854
Long-term liabilities - due in more than one year		
Compensated absences	444,922	418,326
Other postemployment benefits payable	1,048,532	1,116,798
Pension related debt		130,000
Certificates of participation	11,425,000	11,735,000
Certificates of participation premium	59,460	62,314
Net pension liability	3,846,728	6,650,966
Total liabilities	17,880,342	21,170,028
DEFERRED INFLOWS OF RESOURCES		
Pensions	3,761,550	611,596
Other postemployment benefits	295,482	188,739
Total deferred inflows of resources	4,057,032	800,335
NET POSITION		
Net investment in capital assets	28,426,163	26,725,673
Restricted	4,534,792	5,940,927
Unrestricted	699,973	45,661
Total net position	\$ 33,660,928	\$ 32,712,261

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position	2021	
		Charges for Services	Operating Contributions and Grants			Capital Contributions and Grants
Governmental Activities:						
Recreation and park operations	\$ 10,697,450	\$ 2,481,195	\$ 103,291	\$ -	\$ (8,112,964)	\$ (7,309,761)
Total governmental activities	<u>\$ 10,697,450</u>	<u>\$ 2,481,195</u>	<u>\$ 103,291</u>	<u>\$ -</u>	<u>(8,112,964)</u>	<u>(7,309,761)</u>
General Revenues:						
Property taxes					7,623,274	7,390,848
Investment earnings					(2,909)	69,508
Other revenues					751,525	664,060
Total general revenues					<u>8,371,890</u>	<u>8,124,416</u>
Change in net position					<u>258,926</u>	<u>814,655</u>
Net position - beginning of fiscal year					32,242,575	31,165,001
Prior period adjustments					<u>1,159,427</u>	<u>262,919</u>
Net position - beginning of fiscal year-restated					<u>33,402,002</u>	<u>31,427,920</u>
Net position - end of fiscal year					<u>\$ 33,660,928</u>	<u>\$ 32,242,575</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2022

With Comparative Totals for June 30, 2021

	General Fund	Assessment District Fund	Quimby Fund	Nonmajor Governmental Funds	Total Governmental Funds	
					2022	2021
ASSETS						
Cash and investments	\$ 8,867,273	\$ 1,037,091	\$ 3,292,176	\$ 172,359	\$ 13,368,899	\$ 13,462,073
Accrued interest receivable			8,758		8,758	17,450
Accounts receivable	7,044			10,441	17,485	55,299
Property taxes and assessments receivable	188,665	25,335			214,000	211,274
Due from other funds	6,741				6,741	
Prepaid expenditures	5,279				5,279	5,620
Total assets	<u>\$ 9,075,002</u>	<u>\$ 1,062,426</u>	<u>\$ 3,300,934</u>	<u>\$ 182,800</u>	<u>\$ 13,621,162</u>	<u>\$ 13,751,716</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenditures	\$ 194,816	\$ -	\$ 927	\$ -	\$ 195,743	\$ 226,105
Accrued salaries and benefits	104,143				104,143	27,984
Deposits	25,976				25,976	38,798
Due to other funds				6,741	6,741	
Unearned revenue	161,033				161,033	82,179
Total liabilities	<u>485,968</u>	<u>-</u>	<u>927</u>	<u>6,741</u>	<u>493,636</u>	<u>375,066</u>
Fund Balances						
Nonspendable:						
Prepays	5,279				5,279	5,620
Restricted:						
Specified park projects		1,062,426	3,300,007	172,359	4,534,792	5,940,927
CDBG food service				3,700	3,700	
Assigned:						
Compensated absences	494,358				494,358	464,807
Postemployment benefits payable	1,048,532				1,048,532	1,116,798
Pension-related debt	130,000				130,000	612,000
Unassigned	6,910,865				6,910,865	5,236,498
Total fund balances	<u>8,589,034</u>	<u>1,062,426</u>	<u>3,300,007</u>	<u>176,059</u>	<u>13,127,526</u>	<u>13,376,650</u>
Total liabilities and fund balances	<u>\$ 9,075,002</u>	<u>\$ 1,062,426</u>	<u>\$ 3,300,934</u>	<u>\$ 182,800</u>	<u>\$ 13,621,162</u>	<u>\$ 13,751,716</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances - governmental funds \$ 13,127,526

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

Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation. Net capital assets consist of:

Capital assets	\$	63,450,162	
Accumulated depreciation		(23,731,273)	
			39,718,889

Interest payable: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statements of activities, it is recognized in the period it is incurred. (76,515)

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Certificates of participation	\$	(11,735,000)	
Certificates of participation premiums		(62,314)	
Notes payable-pension related debt		(130,000)	
Compensated absences		(494,358)	
Other postemployment benefits		(1,048,532)	
Net pension liability		(3,846,728)	
			(17,316,932)

In governmental funds, loss on refunding is recognized as an expenditure in the period incurred. In the government-wide statements, loss on refunding is amortized over the life of the debt. 504,588

Deferred outflows and inflows of resources relating to pensions and other postemployment benefits: In governmental funds, deferred outflows and inflows of resources relating to pensions and other postemployment benefits are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and other postemployment benefits are reported.

Deferred inflows of resources relating to pensions	\$	(3,761,550)	
Deferred inflows of resources relating to other postemployment benefits		(295,482)	
Deferred outflows of resources relating to pensions		1,512,059	
Deferred outflows of resources relating to other postemployment benefits		248,345	
			(2,296,628)

Total net position - governmental activities \$ 33,660,928

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED JUNE 30, 2022
With Comparative Totals for Fiscal Year Ended June 30, 2021

	General Fund	Assessment District Fund	Quimby Fund	Nonmajor Governmental Funds	Total Governmental Funds	
					2022	2021
Revenues						
Property taxes	\$ 7,599,058	\$ 24,216	\$ -	\$ -	\$ 7,623,274	\$ 7,390,848
Charges for services:						
Special assessments		1,206,651			1,206,651	1,178,294
Ordinance fees				172,347	172,347	
Registration and other fees	562,273				562,273	253,452
Facility and other rental fees	539,924				539,924	364,698
Intergovernmental grants and contributions	72,178			31,113	103,291	61,634
Investment earnings	(11,486)	323	8,242	12	(2,909)	69,508
Other revenues	751,525				751,525	664,060
Total revenues	<u>9,513,472</u>	<u>1,231,190</u>	<u>8,242</u>	<u>203,472</u>	<u>10,956,376</u>	<u>9,982,494</u>
Expenditures						
Salaries and benefits	4,143,496	32,128		26,339	4,201,963	3,433,781
Materials and services	3,017,761	592,959	36	1,074	3,611,830	3,578,968
Capital outlay	792,236		1,663,047		2,455,283	325,226
Debt service:						
Principal	250,000	300,000			550,000	522,000
Interest	237,977	229,756			467,733	490,060
Total expenditures	<u>8,441,470</u>	<u>1,154,843</u>	<u>1,663,083</u>	<u>27,413</u>	<u>11,286,809</u>	<u>8,350,035</u>
Excess of revenues over (under) expenditures	<u>1,072,002</u>	<u>76,347</u>	<u>(1,654,841)</u>	<u>176,059</u>	<u>(330,433)</u>	<u>1,632,459</u>
Net change in fund balances	<u>1,072,002</u>	<u>76,347</u>	<u>(1,654,841)</u>	<u>176,059</u>	<u>(330,433)</u>	<u>1,632,459</u>
Fund balances - beginning of fiscal year	7,435,723	986,079	4,954,848		13,376,650	11,744,191
Prior-period adjustment	81,309				81,309	
Fund balances - beginning of fiscal year, restated	<u>7,517,032</u>	<u>986,079</u>	<u>4,954,848</u>		<u>13,457,959</u>	
Fund balances - end of fiscal year	<u>\$ 8,589,034</u>	<u>\$ 1,062,426</u>	<u>\$ 3,300,007</u>	<u>\$ 176,059</u>	<u>\$ 13,127,526</u>	<u>\$ 13,376,650</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2022

Total net change in fund balances - governmental funds \$ (330,433)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets is less than depreciation expense.

Capital outlays which were capitalized as capital assets	\$	2,455,283	
Depreciation expense		<u>(1,027,381)</u>	
			1,427,902

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The differences between compensated absences earned and compensated absences paid was: (29,551)

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. 550,000

In governmental funds, if debt is issued at a premium, the premium is recognized as an Other Financing Source in the period it is incurred. In the government-wide statements, the premium is amortized as interest over the life of the debt. Amortization of debt issue premium for the period was: 2,854

In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during but owing from the prior period was: 5,708

In governmental funds, loss on debt refunding is recognized as an expenditure in the period they are incurred. In the government-wide statements, the loss is amortized over the life of the debt. Loss on refunding amortization for the period was: (30,266)

In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual basis OPEB costs and actual employer contributions was: (70,533)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: (1,266,755)

Total change in net position - governmental activities \$ 258,926

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2022
 With Comparative Totals for June 30, 2021

	Part-Time Employees Retirement Trust Fund	
	2022	2021
Assets		
Cash and investments	\$ 75,286	\$ 83,837
Total assets	<u>75,286</u>	<u>83,837</u>
Net Position		
Retirement funds payable to recipients	75,286	83,837
Total net position	<u>\$ 75,286</u>	<u>\$ 83,837</u>

The accompanying notes are an integral part of this financial statement.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Fiscal Year Ended June 30, 2022
With Comparative Totals for Fiscal Year Ended June 30, 2021

	Part-Time Employees Retirement Trust Fund	
	2022	2021
Additions		
Contributions to retirement trust fund	\$ -	\$ 61,580
Investment earnings	35	40
Total revenues	<u>35</u>	<u>61,620</u>
Deductions		
Claims paid or payable to claimant	<u>8,586</u>	<u>38,137</u>
Total deductions	<u>8,586</u>	<u>38,137</u>
Change in net position	(8,551)	23,483
Net position - beginning of fiscal year	<u>83,837</u>	<u>60,354</u>
Net position - end of fiscal year	<u>\$ 75,286</u>	<u>\$ 83,837</u>

The accompanying notes are an integral part of this financial statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Reporting Entity

The Pleasant Valley Recreation & Park District (the District) is located in and around the City of Camarillo, approximately 10 miles inland from the Pacific Ocean. The District was formed in January 1962 under the State Public Resource Code of California. The District serves an area of approximately 45 square miles and has grown from one park to 28 parks since its inception 60 years ago. Within the District, a variety of recreational facilities exist including: indoor swimming pool, lighted ball fields, tennis courts, racquetball courts, a running track, children's play equipment, picnic shelters, barbecues and much more. General administration and management of the District is under the direction of a five-member Board of Directors and a General Manager.

The District's basic financial statements include the operations of which the District's Board of Directors exercises oversight responsibility. There are no component units included in this report which meet the criteria of the GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, No. 80, and No. 90.

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation

The District's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

The *basic financial statements* of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole. These statements include separate columns for the governmental activities of the primary government. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the District.

Government-wide financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transaction are recognized in accordance with the requirements of GASB Statement No. 33.

The types of transactions reported as program revenues for the District are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation (continued)

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column, however the District has no nonmajor funds. Fiduciary funds are reported by fund type.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With the measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases, (i.e., revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net position.

Fiduciary funds are reported using the economic resources measurement focus.

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified - accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current position. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction, upon which they are based, takes place. *Imposed nonexchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated and voluntary nonexchange transactions* are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered “available spendable resources,” since they do not represent net current position. Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net position, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the fiscal year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenditures/expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation (continued)

Governmental Funds (Continued)

GASB Statement No. 34 defines major funds and requires that the District's major funds are identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column in the Fund Statements as Other Governmental Funds, regardless of their fund-type.

Major funds are defined as funds that have either assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses at least ten percent of their fund-type total or at least five percent of the total for all funds. The General Fund is always a major fund. The District may also voluntarily select other funds it believes should be presented as major funds.

The District reports the following major governmental funds:

- **General Fund** is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Assessment District Fund** is used for the assessment revenues and expenditures from a special assessment for specific park and recreation facilities and operations.
- **Quimby Fees Fund** is used to track the Quimby fees collected by the District to expand, acquire, rehabilitate or develop community-servicing parks.

The District reports the following nonmajor governmental funds:

- **Park Impact Fees Fund** is used to track the Park Impact Fees collected by the District.
- **CDBG Fund** is used for the CDBG funded food service program.

The District reports the following fiduciary fund:

- **Part-Time Employees Retirement Trust Fund** holds funds in trust for part-time employees who are enrolled in the non-elective deferred compensation plan arrangement for the benefit of employees who are not covered by another retirement system maintained by the District (see Note 10).

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting.

C. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Investments and Investment Policy

The District has adopted an investment policy directing the General Manager to deposit funds in financial institutions. No more than 30% of the District's total investment portfolio will be invested in a single security type or with a single financial institution with the exceptions of U.S. Government Treasury securities, Ventura County Investment Pool and LAIF. Investments are to be made in the following areas:

U.S. Government Securities	Repurchase Agreements
Banker's Acceptances	Local Agency Investment Fund (LAIF)
Commercial Paper	Money Market Accounts
Negotiable Certificates of Deposit	Savings Deposits
Ventura County Investment Pool	

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Investments and Investment Policy (continued)

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income is comprised of investment earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Local Agency Investment Fund

LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer’s Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the District’s position in LAIF is the same as the value of its pooled shared. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the District’s deposits with the bank in accordance with the Code.

E. Property Taxes and Special Assessments

The County of Ventura Assessor's Office assesses all real and personal property within the County each year. The County of Ventura Tax Collector's Office bills and collects the District's share of property taxes and special assessments. The County of Ventura Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of county-wide assessed valuations.

Property taxes and special assessments receivable at fiscal year-end are related to property taxes collected by the County of Ventura which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	January 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

F. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

G. Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets are PV Fields assets, land, buildings, building improvements, equipment, furniture, and fixtures and vehicles. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated fair value at the date of donation. Capital outlay is recorded as expenditures of the governmental funds and as capital assets in the government-wide financial statements to the extent the District's capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Years	Description	Years
PV Fields — Buildings	39	Land improvements	15
PV Fields — Land grading	39	Assessment assets	15
PV Fields — Land improvements	39	Buildings, structures, and improvements	10 to 39
PV Fields — Lighting	39	Furniture, fixtures, and office equipment	5 to 7
PV Fields — Other assets	5	Machinery and heavy equipment	3 to 10
PV Fields — Playground equipment	15	Playground equipment	15
PV Fields — Turf and landscaping	10	Vehicles	5
FB Fields — Ball Fields	20	FB Fields — Land improvements	20
FB Fields — Lighting	20	FB Fields — Land Grading	20
FB Fields — Turf and Landscape	20		

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences

The District's policy is to permit full-time and part-time year-round employees to accumulate earned vacation time, sick leave, and compensating time. Earned vacation time shall be earned by each employee subject to the accrual limitations and policies as follows for union employees:

Years of Service	Annual Accrual Hours	Maximum Accrual Hours
Less than 5 years of service	80	240
Over 5 years but less than 11	120	360
Over 11 years but less than 12	128	384
Over 12 years but less than 13	136	408
Over 13 years but less than 14	144	432
Over 14 years but less than 16	152	456
16 years or more	160	480
Part-time year-round	40	80

For non-union employees, each employee is subject to the accrual limitations below for full-time and part-time year-round respectively:

Years of Service	Annual Accrual	Maximum Accrual
0-5 Years	80	160
6-8 Years	100	200
9-12 Years	120	240
13-15 Years	140	280
15+ Years	160	320

Years of Service	Annual Accrual	Maximum Accrual
0-5 Years	60	80
6-8 Years	75	100
9-12 Years	90	120
13-15 Years	105	140
15+ Years	120	160

Sick leave that is not used shall accumulate during subsequent years without limitation for full-time employees and will be capped at 80 hours for part-time year-round employees. Sick leave cannot be converted to vacation time, but in order to reward employees who do not utilize all of their sick leave, the District will compensate employees with 10 plus years of employment fifty percent (50%) of the unused sick leave up to 1,000 hours; employees with 5-10 years of service will be compensated at twenty-five percent (25%) of the unused sick leave up to 500 hours.

I. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Pleasant Valley Recreation and Park District's California Public Employee's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the District recognizes deferred outflows and inflows of resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Deferred Outflows and Inflows of Resources (continued)

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has three items which qualify for reporting in this category; refer to Notes 6, 7 and Note 11 for a detailed listing of the deferred outflows of resources the District has reported.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualify for reporting in this category; refer to Note 6 and Note 7 for a detailed listing of the deferred inflows of resources the District has reported.

K. Budgets

The budget is reported on the same basis as the fund types and on a basis consistent with accounting principles generally accepted in the United States of America. Additional appropriations or other changes during the fiscal year may be submitted by the department for Board review and approval.

L. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

M. Fund Balances

In the financial statements, governmental funds report fund balances as non-spendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- Non-spendable fund balance — amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance — amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance — amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- Assigned fund balance — amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- Unassigned fund balance — the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the fiscal year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Fund Balances (continued)

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

N. Comparative Data/Totals Only

Comparative total data for the prior fiscal year has been presented in certain accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain prior fiscal amounts have been reclassified to conform to the current fiscal year financial statements presentation.

O. Other Post-Employment Benefits (OPEB)

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

P. Amortization of Loss on Refunding

The loss on refunding is being amortized on the straight line method over the life of the bonds in the government-wide financial statements.

Q. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provisions of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Future Accounting Pronouncements (continued)

Statement No. 99 "Omnibus 2022"	The provisions of this statement are effective in April 2022 except for the provisions related to leases, PPPs, SBITAs, financial guarantees and derivative instruments. The provisions related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The provisions related to financial guarantees and derivative instruments are effective for fiscal years beginning after June 15, 2023.
Statement No. 100 "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62"	The provisions of this statement are effective for fiscal years beginning after June 15, 2023.
Statement No. 101 "Compensated Absences"	The provisions of this statement are effective for fiscal years beginning after December 15, 2023.

NOTE 2 - CASH AND INVESTMENTS

Cash at June 30, 2022, consists of the following:

Cash on hand	\$ 892
Deposits held with financial institutions	7,883,895
Investments	<u>5,559,398</u>
Total cash and investments	<u>\$ 13,444,185</u>

Cash and investments are presented on the accompanying basic financial statements, as follows below:

Cash and investments, statement of net position	\$ 13,368,899
Cash and investments, statement of fiduciary net position	<u>75,286</u>
Total cash and investments	<u>\$ 13,444,185</u>

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the Ventura County Investment Pool, these are measured under Level 2.

Authorized Deposits and Investments

Under provisions of the District's investment policy, and in accordance with Section 53601 of the California Government Code, the District may invest in certain types of investments as listed in Note 1(D) to the financial statements.

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 longer the maturity of an investment has the greater its fair value is sensitive to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the table on the following page that shows the distribution of the District's investments by maturity:

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (continued)

Interest Rate Risk (Continued)

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
State investment pool (LAIF)	\$ 2,501,644	\$ 2,501,644	\$ -	\$ -	\$ -
Ventura County Investment Pool	3,057,754	3,057,754			
	<u>\$ 5,559,398</u>	<u>\$ 5,559,398</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. LAIF and the Ventura County Investment Pool investment funds are unrated.

Investment Type	Carrying Amount	Minimum Legal Rating	Rating as of Fiscal Year End			
			AAA	A+	Baa	Not Rated
State investment pool (LAIF)	\$ 2,501,644	N/A	\$ -	\$ -	\$ -	\$ 2,501,644
Ventura County Investment Pool	3,057,754	N/A				3,057,754
	<u>\$ 5,559,398</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,559,398</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of the total District's investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the District's deposits with financial institutions in excess of the Federal Depository Insurance Corporation's limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF and the Ventura County Investment Pool).

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (continued)

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each entity may invest up to \$75,000,000 in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Investments with LAIF are secured by the full faith and credit of the State of California.

NOTE 3 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2022, was as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Non-depreciable capital assets				
Land	\$ 22,732,253	\$ -	\$ -	\$ 22,732,253
Construction in progress	2,167,683	2,455,283	(3,124,957)	1,498,009
Total non-depreciable capital assets	<u>\$ 24,899,936</u>	<u>\$ 2,455,283</u>	<u>\$ (3,124,957)</u>	<u>\$ 24,230,262</u>
Depreciable capital assets:				
PV Fields-Buildings	3,849,407			3,849,407
PV Fields-Land grading	807,164			807,164
PV Fields-Land improvements	4,390,266			4,390,266
PV Fields-Lighting	2,271,285			2,271,285
PV Fields-Other assets	49,626			49,626
PV Fields-Playground equipment	86,177			86,177
PV Fields-Turf and landscaping	2,553,936			2,553,936
Freedom ball fields	516,963			516,963
Freedom ball fields lighting	225,128			225,128
Freedom ball fields land grading	305,852			305,852
Freedom ball fields turf & landscaping	518,363			518,363
Freedom ball fields land improvements	452,855			452,855
Land improvements	8,037,129	2,025,009		10,062,138
Assessment assets	128,560			128,560
Buildings, structures, and improvements	9,311,788	1,046,543		10,358,331
Furniture, fixtures, and office equipment	427,710	15,231		442,941
Machinery and heavy equipment	490,259	8,189		498,448
Playground equipment	1,242,409			1,242,409
Vehicles	430,066	29,985		460,051
Total depreciable capital assets	<u>\$ 36,094,943</u>	<u>\$ 3,124,957</u>	<u>\$ -</u>	<u>\$ 39,219,900</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CAPITAL ASSETS (continued)

	Balance			Balance
	July 1, 2021	Additions	Deletions	June 30, 2022
Accumulated depreciation:				
PV Fields-Buildings	\$ 1,126,857	\$ 98,703	\$ -	\$ 1,225,560
PV Fields-Land grading	236,289	20,697		256,986
PV Fields-Land improvements	1,285,185	112,571		1,397,756
PV Fields-Lighting	664,884	58,238		723,122
PV Fields-Other assets	40,458	332		40,790
PV Fields-Playground equipment	65,589	5,745		71,334
PV Fields-Turf and landscaping	2,553,936			2,553,936
Freedom ball fields	219,708	25,848		245,556
Freedom ball fields lighting	95,676	11,256		106,932
Freedom ball fields land grading	129,990	15,293		145,283
Freedom ball fields turf & landscaping	220,303	25,918		246,221
Freedom ball fields land improvements	192,456	22,643		215,099
Land Improvements	7,567,864	218,801		7,786,665
Assessment assets	128,560			128,560
Buildings, structures, and improvements	6,282,192	308,655		6,590,847
Furniture, fixtures, and office equipment	358,915	13,641		372,556
Machinery and heavy equipment	441,833	12,345		454,178
Playground equipment	714,889	63,783		778,672
Vehicles	378,308	12,912		391,220
Total accumulated depreciation	<u>22,703,892</u>	<u>1,027,381</u>		<u>23,731,273</u>
Total depreciable capital assets, net	<u>\$ 13,391,051</u>	<u>\$ 2,097,576</u>	<u>\$ -</u>	<u>\$ 15,488,627</u>
Total capital assets, net	<u>\$ 38,290,987</u>	<u>\$ 4,552,859</u>	<u>\$ (3,124,957)</u>	<u>\$ 39,718,889</u>

Depreciation expense for the fiscal year ended June 30, 2022, was \$1,027,381.

NOTE 4 – PENSION RELATED DEBT – CALPERS’ SIDE-FUND

As of June 30, 2003, CalPERS implemented risk-pooling for the District's agent multiple-employer public employee defined benefit pension plan. As a result, the District's defined benefit pension plan with CalPERS converted from an agent multiple-employer plan to a cost sharing multiple-employer plan. This change in the type of the plan created the CalPERS’ Side-Fund, which CalPERS financed at a 7.75% interest rate. CalPERS actuarially calculated the amount needed to bring the District into the cost sharing multiple-employer plan on an equal basis with other governmental agencies who had less than 100 active and retired employees combined. The reason that CalPERS switched these governmental agencies into the cost sharing multiple-employer plan was to smooth the annual costs related to the pension benefit over a longer period of time, resulting in a lower cost of service to the governmental agencies.

A portion of the District's annual required contributions to CalPERS are actuarially determined and shared by all governmental agencies within the cost sharing risk pool. Also, the District is required to make annual payments to pay-down the CalPERS’ Side-Fund, as well. The responsibility for paying-down the District's CalPERS’ Side-Fund is specific to the District and is not shared by all governmental agencies within the cost sharing risk pool. Therefore, the Side Fund falls under the definition of pension related debt, as described in GASB Statement No. 27 and is recorded as a liability on the District's financial statements.

On August 31, 2012, the District refinanced the pension-related debt (CalPERS’ side-fund liability) of \$1,881,661 to lower the interest rate to 4.450% which resulted in an economic gain of \$692,862 from the interest expense savings on the pension-related debt. The cost of debt issuance was \$48,443. Principal and interest are payable semi-annually on August 31 and February 28 each fiscal year as follows on the next page:

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 4 – PENSION RELATED DEBT – CALPERS’ SIDE-FUND (continued)

Fiscal Year			
Ending June 30,	Principal	Interest	Total
2023	\$ 130,000	\$ 2,893	\$ 132,893
Total	<u>\$ 130,000</u>	<u>\$ 2,893</u>	<u>\$ 132,893</u>

NOTE 5 – CERTIFICATES OF PARTICIPATION – SERIES 2017

On April 11, 2017, the District issued \$13,010,000 of refunding Certificates-of-Participation, with interest rates ranging from 2% to 5%. The proceeds were used to refund the 2009 certificates of \$12,130,000. The District had an accounting loss on the bond funding of \$880,000 which is being amortized over the life of the 2009 issuance. The District realized an economic gain of \$644,446 on the refunding.

The certificates mature November 1, 2045, as follows:

Fiscal Year			
Ending June 30,	Principal	Interest	Total
2023	\$ 310,000	\$ 443,519	\$ 753,519
2024	325,000	428,519	753,519
2025	340,000	413,519	753,519
2026	350,000	403,418	753,418
2027	360,000	392,768	752,768
2028-2032	2,015,000	1,752,389	3,767,389
2033-2037	2,390,000	1,368,331	3,758,331
2038-2042	2,890,000	849,000	3,739,000
2043-2046	2,755,000	225,700	2,980,700
Total	<u>\$11,735,000</u>	<u>\$ 6,277,163</u>	<u>\$18,012,163</u>

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS

Plan Description

The District pays a portion of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. The District offers post-employment medical benefits to retired employees who satisfy the eligibility rules (5-years of service). Dependents are also eligible to receive benefits. Retirees may enroll in any plan available through the District's CalPERS medical program. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors. The District will reimburse the retiree for retiree and/or retiree’s dependent health insurance premiums (medical) up to a maximum of \$128 per month. At June 30, 2022, there were fifty-four eligible employees, with nine retirees currently receiving benefits.

Funding Policy

The District accounts for this benefit on a pay-as-you-go basis. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. For the fiscal year ended June 30, 2022, the District paid \$16,790 in contributions. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS (continued)

Employees Covered

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the District’s plan:

Active plan members	54
Inactive plan members of beneficiaries currently receiving benefits	9
	63

OPEB Liability

The District’s OPEB Liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB Liability was determined by an actuarial valuation as of June 30, 2021.

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

Inflation rate	2.50%
Salary increases	3.00%
Healthcare cost trend rate	5.20% for 2021- 2034, 5.00% for 2035 - 2049, 4.00% for 2050 - 2064, and 4.00% for 2065 and future years

Pre-retirement and post-retirement mortality rates used in this valuation are those used in the most recent CalPERS’ valuations.

Discount rate. GASB Statement No. 75 requires a discount rate that reflects the following:

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

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

Reporting Date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20 Year High Grade Rate Index	Discount Rate
June 30, 2021	June 30, 2021	N/A	1.92%	1.92%
June 30, 2021	June 30, 2020	N/A	3.50%	2.21%

Change in Assumptions: The discount rate used to calculate OPEB liability was changed from 2.21% to 1.92% from the measurement period ending June 30, 2020 to the measurement period ending June 30, 2021.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS (continued)

Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021 (Valuation Date June 30, 2019)	<u>\$ 1,116,798</u>
Changes recognized for the measurement period:	
Service cost	80,062
Interest cost	26,119
Difference between expected and actual experience	(93,737)
Changes of assumptions	(50,517)
Benefit payments	<u>(30,193)</u>
Net Changes	<u>(68,266)</u>
Balance at June 30, 2022 (Measurement Date June 30, 2021)	<u>\$ 1,048,532</u>

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

	1% Decrease (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB Liability	\$ 1,231,464	\$ 1,048,532	\$ 899,954

Sensitivity of the OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability, as well as what the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.20% Decreasing to 3.00%)	Trend Rate (5.20% Decreasing to 4.00%)	1% Increase (6.20% Decreasing to 5.00%)
Total OPEB Liability	\$ 855,524	\$ 1,048,532	\$ 1,307,713

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

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$93,918. As of the fiscal year ended June 30, 2022, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 16,790	\$ -
Difference between expected and actual experience	314	168,485
Change in assumptions	231,241	126,997
	<u>\$ 248,345</u>	<u>\$ 295,482</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to OPEB liability to be recognized in future periods in a systematic and rational manner. \$16,790 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended June 30, 2023.

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

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS PAYABLE OTHER THAN PENSIONS (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

<u>Fiscal year ending June 30,</u>	<u>Amount</u>
2023	\$ (12,263)
2024	(12,263)
2025	(12,263)
2026	(12,263)
2027	(5,473)
Thereafter	(9,402)
	<u>\$ (63,927)</u>

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	<u>Miscellaneous</u>		
	<u>Prior to</u>	<u>March 12, 2011</u>	<u>On or after January</u>
Hire Date	<u>March 12, 2011</u>	<u>through</u>	<u>1, 2013</u>
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-65	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.75%
Required employer contribution rates	11.59% + \$463,829	8.65% + \$1,271	7.59% + \$886

Contributions

Section 20814(c) of the California Public Employees' 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. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an

PLEASANT VALLEY RECREATION AND PARK DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 – PENSION PLAN (continued)

A. General Information about the Pension Plans (continued)

Contributions (continued)

additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the District were \$713,551 for the fiscal year ended June 30, 2022.

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

At June 30, 2022, the District reported a liability of \$3,846,728 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard roll-forward procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2022, the District's proportion was 0.20259% and at June 30, 2021 the District's proportion was 0.12785%, an increase of 0.07474%.

For the fiscal year ended June 30, 2022, the District recognized pension expense of \$1,980,308. 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. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 431,369	\$ -
Net difference between projected and actual earnings on retirement plan investments		3,357,991
Changes in proportion and differences between District contributions and proportionate share of contributions		177,174
Adjustment due to differences in proportion	367,139	226,385
District contributions subsequent to the measurement date	713,551	
	<u>\$ 1,512,059</u>	<u>\$ 3,761,550</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner. \$713,551 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023.

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

Fiscal Year Ending June 30,	Amount
2023	\$ (699,871)
2024	(672,303)
2025	(662,893)
2026	(927,975)
	<u>\$ (2,963,042)</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 – PENSION PLAN (continued)

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

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return (1)	7.00%
Mortality (2)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	2% until PPPA floor on purchasing power applies 2.50% thereafter

- (1) Net of pension plan investment and administrative expenses including inflation.
 (2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Scale MP 2016 published by the Society of Actuaries. For more details on this table please refer to the 2017 experience study report.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would be most likely resulted in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB Statement No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statements No. 67 and No. 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as they have changed their methodology.

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 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 (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 7 – PENSION PLAN (continued)

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

Discount Rate (continued)

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

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100%		

(a) An expected inflation of 2.00% was used for this period.

(b) An expected inflation of 2.92% was used for this period.

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

The following represents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15 percent) or 1 percentage point higher (8.15 percent) than the current rate:

	1% Decrease <u>6.15%</u>	Discount Rate <u>7.15%</u>	1% Increase <u>8.15%</u>
District's proportionate share of the net pension plan liability	\$6,784,224	\$ 3,846,728	\$ 1,418,343

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS’ financial reports.

C. Payable to Pension Plan

At June 30, 2022, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2022.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the fiscal year ended June 30, 2022:

	Balance July 1, 2021	Increases	Decreases	Prior-period Adjustment	Balance June 30, 2022	Due within One year
Compensated absences	\$ 464,807	\$ 126,148	\$ (96,597)	\$ -	\$ 494,358	\$ 49,436
Notes payable - pension related debt	380,000		(250,000)		130,000	130,000
2017 Certificates of participation	12,035,000		(300,000)		11,735,000	310,000
Certificates of participation premium	65,168		(2,854)		62,314	2,854
Other post employment benefits	1,116,798		(68,266)		1,048,532	
Net pension liability	6,650,966		(1,546,029)	(1,258,209)	3,846,728	
Total	<u>\$20,712,739</u>	<u>\$ 126,148</u>	<u>\$ (2,263,746)</u>	<u>\$ (1,258,209)</u>	<u>\$17,316,932</u>	<u>\$ 492,290</u>

NOTE 9 – DEFERRED COMPENSATION SAVINGS PLAN – FULL-TIME EMPLOYEES

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. Fair value of the plan assets held in trust by ICMA Retirement Corporation and MetLife at June 30, 2022 was \$1,259,629 and \$225,350 respectively.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statement of net position.

NOTE 10 – DEFERRED COMPENSATION SAVINGS PLAN – PART-TIME EMPLOYEES

Part-time employees are covered by a deferred compensation plan in accordance with Internal Revenue Code Section 457 (Plan). The Plan is a non-elective deferred compensation arrangement for the benefit of employees who are not covered by another retirement system maintained by the District. Under the Plan, an eligible Participant accrues a monthly benefit that is equal to one-twelfth (1/12) of an amount equal to 2% of the Participant's average annual compensation times years of service up to 30 years. Distributions from the Plan are made only when the Participant has separated from service and the Participant's accrued benefits are non-forfeitable.

With certain limitations, a Participant may elect the time and manner by which his or her deferred amounts will be distributed. The election must be made prior to the date any such amounts become payable to the Participant. If the Participant fails to make a timely election concerning distribution of the deferred amounts, the amounts shall be in a lump sum distribution as prescribed by the Plan. The manner and time of benefit payout must meet the distribution requirements of the Internal Revenue Code Section 401(a) and 457(d)(2).

The Plan provides that all amounts deferred under the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, or rights will remain (until made available to the participant) solely the property and rights of the District, subject only to claims of such District's general creditors. The rights of any Participant or beneficiary to payments pursuant to the Plan are non-assignable, and his or her interest in benefits under the Plan is not subject to attachment, garnishment or other legal process. Currently, one retired employee is receiving monthly benefit check from this Plan and three retired employees are receiving an annual benefit.

In 2011, the assets of the Plan were transferred to the Part-Time Employees Retirement Trust Fund, with the District remaining the trustee of the Plan, and held as a fiduciary fund of the District in the accompanying financial statements.

NOTE 11 – DEFERRED OUTFLOWS OF RESOURCES-REFUNDING OF DEBT

At June 30, 2022, deferred outflows of resources, reported in the statement of net position relating to the defeasance of the 2009 certificates of participation, consisted of the following:

	<u>Governmental Activities</u>
Deferred charge of refunding	<u>\$ 504,588</u>

NOTE 12 – RISK MANAGEMENT

The District is a member of the Park and Recreation District Employee Compensation with the California Association for Park and Recreation Insurance (CAPRI).

A. Description of CAPRI

CAPRI is comprised of 63 members and is organized under a Joint Exercise Powers Agreement pursuant to the California Government Code. The purpose of the CAPRI is to arrange and administer programs of insurance, risk management, and loss prevention for the pooling of self-insured losses and to purchase excess insurance coverage.

CAPRI is governed by a separate board of directors, which is comprised of seven directors elected from the member districts. The board controls the operations of CAPRI, including selection of management and approval of operating budgets.

B. Self-Insurance Programs of CAPRI

General and auto liability, public officials and employees' liability programs have total risk financing insurance limits of \$1,000,000 with various deductibles of \$2,000 to \$20,000 per occurrence. Excess insurance has been purchased by the District above the self-insurance limits. In addition to the above, the District also has the following insurance coverage:

- All-Risks property loss coverage including boiler and machinery coverage, is subject to a \$2,000 deductible per occurrence payable by the District.
- Flood and earthquake coverage with an annual aggregate limit of \$5,000,000 per occurrence for earthquakes and \$10,000,000 for flood for all member districts. The deductible for all loss or damage arising from the risks of flood is \$20,000 and/or earthquake is \$50,000 per occurrence or 5% of the value of the building, contents and/or structure, whichever is greater.
- Workers' compensation insurance up \$350,000 limits.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2020, 2019, and 2018. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2022, 2021, and 2020.

NOTE 13 – CONTINGENCIES

Litigation

In the ordinary course of operations, the District is subject to other claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters will not materially affect its financial condition.

NOTE 14 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$1,159,427 was made to the statement of activities which includes \$1,078,118 to correct the allocation to the District of the net pension liability and deferred inflows and outflows relating to pension and \$81,309 to remove a payable from Ventura County cash account in the past that was paid but not updated to the account reconciliation. The \$81,309 was also adjusted on the Balance Sheet for the Governmental Funds.

REQUIRED SUPPLEMENTARY INFORMATION

PLEASANT VALLEY RECREATION AND PARK DISTRICT

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For Fiscal Year Ended June 30, 2022

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Property taxes	\$ 7,301,920	\$ 7,301,920	\$ 7,599,058	\$ 297,138
Charges for services:				
Registration and other fees	390,163	410,183	562,273	152,090
Facility and other rental fees	353,116	377,616	539,924	162,308
Intergovernmental grants and contributions	72,000	72,000	72,178	178
Investment earnings	14,928	14,928	(11,486)	(26,414)
Other revenues	198,977	418,977	751,525	332,548
Total revenues	<u>8,331,104</u>	<u>8,595,624</u>	<u>9,513,472</u>	<u>917,848</u>
Expenditures				
Salaries and benefits	4,524,182	4,514,552	4,143,496	371,056
Materials and services	3,189,233	3,282,464	3,017,761	264,703
Capital outlay	693,880	737,300	792,236	(54,936)
Debt service:				
Principal	250,000	250,000	250,000	
Interest	237,978	237,978	237,977	1
Total expenditures	<u>8,895,273</u>	<u>9,022,294</u>	<u>8,441,470</u>	<u>580,824</u>
Net change in fund balance	<u>(564,169)</u>	<u>(426,670)</u>	<u>1,072,002</u>	<u>1,498,672</u>
Fund balances - beginning of fiscal year	7,435,723	7,435,723	7,435,723	
Prior-period adjustment			81,309	81,309
Fund balances - beginning of fiscal year, restated	<u>7,435,723</u>	<u>7,435,723</u>	<u>7,517,032</u>	<u>81,309</u>
Fund balance - end of fiscal year	<u>\$ 6,871,554</u>	<u>\$ 7,009,053</u>	<u>\$ 8,589,034</u>	<u>\$ 1,579,981</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SPECIAL REVENUE FUND - ASSESSMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For Fiscal Year Ended June 30, 2022

	Assessment District Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Charges for services:				
Special assessments	\$ 1,209,566	\$ 1,209,566	\$ 1,206,651	\$ (2,915)
Property taxes			24,216	24,216
Investment earnings	238	238	323	85
Total revenues	<u>1,209,804</u>	<u>1,209,804</u>	<u>1,231,190</u>	<u>21,386</u>
Expenditures				
Salaries and benefits	30,809	30,809	32,128	(1,319)
Materials and services	588,927	599,577	592,959	6,618
Debt service:				
Principal	300,000	300,000	300,000	
Interest	229,760	229,760	229,756	4
Total expenditures	<u>1,149,496</u>	<u>1,160,146</u>	<u>1,154,843</u>	<u>5,303</u>
Net change in fund balance	60,308	49,658	76,347	26,689
Fund balance - beginning of fiscal year	<u>986,079</u>	<u>986,079</u>	<u>986,079</u>	
Fund balance - end of fiscal year	<u>\$ 1,046,387</u>	<u>\$ 1,035,737</u>	<u>\$ 1,062,426</u>	<u>\$ 26,689</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SPECIAL REVENUE FUND - QUIMBY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For Fiscal Year Ended June 30, 2022

	Quimby Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Investment earnings	\$ 35,013	\$ 10,013	\$ 8,242	\$ (1,771)
Total revenues	<u>35,013</u>	<u>10,013</u>	<u>8,242</u>	<u>(1,771)</u>
Expenditures				
Materials and services			36	(36)
Capital outlay	1,400,000	3,150,913	1,663,047	1,487,866
Total expenditures	<u>1,400,000</u>	<u>3,150,913</u>	<u>1,663,083</u>	<u>1,487,830</u>
Excess of revenues over (under) expenditures	<u>(1,364,987)</u>	<u>(3,140,900)</u>	<u>(1,654,841)</u>	<u>1,486,059</u>
Net change in fund balance	(1,364,987)	(3,140,900)	(1,654,841)	1,486,059
Fund balance - beginning of fiscal year	<u>4,954,848</u>	<u>4,954,848</u>	<u>4,954,848</u>	
Fund balance - end of fiscal year	<u>\$ 3,589,861</u>	<u>\$ 1,813,948</u>	<u>\$ 3,300,007</u>	<u>\$ 1,486,059</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
Last 10 Years*
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Reporting Period	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability				
Service cost	\$ 80,062	\$ 37,974	\$ 31,909	\$ 32,780
Interest on the total OPEB liability	26,119	30,962	33,481	31,031
Actual and expected experience difference	(93,737)	380	(100,820)	
Changes in assumptions	(50,517)	216,690	71,218	(51,070)
Benefit payments	(30,193)	(31,425)	(13,465)	(13,532)
Net change in total OPEB liability	<u>\$ (68,266)</u>	<u>\$ 254,581</u>	<u>\$ 22,323</u>	<u>\$ (791)</u>
Total OPEB liability-beginning	1,116,798	862,217	839,894	840,685
Total OPEB liability-ending	<u>\$ 1,048,532</u>	<u>\$ 1,116,798</u>	<u>862,217</u>	<u>839,894</u>
Covered Payroll	\$ 2,346,838	\$ 2,386,027	\$ 2,356,224	\$ 2,474,831
Total OPEB Liability as a percentage of covered payroll	44.68%	46.81%	36.59%	33.94%
Measurement Period	<u>2018</u>			
Total OPEB liability				
Service cost	\$ 37,677			
Interest on the total OPEB liability	26,847			
Actual and expected experience difference	(15,167)			
Changes in assumptions	(107,163)			
Benefit payments	(11,571)			
Net change in total OPEB liability	<u>(69,377)</u>			
Total OPEB liability-beginning	910,062			
Total OPEB liability-ending	<u>\$ 840,685</u>			
Covered Payroll	\$ 2,491,745			
Total OPEB Liability as a percentage of covered payroll	33.74%			

Notes to Schedule:

The discount rate was changed to 1.92% and the healthcare cost trend rate was changed to 5.20% for the June 30, 2021 measurement date.

*-Fiscal year 2018 was the first year of implementation, therefore only five years are shown.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The District's contributions for the fiscal year ended June 30, 2022 was \$16,790. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2022, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2021 was \$30,193. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2021, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2020 was \$31,425. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2020, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2019 was \$13,465. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2019, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

The District's contributions for the fiscal year ended June 30, 2018 was \$13,532. The District did not have an actuary calculate the Actuarially Determined Contribution for the fiscal year ended June 30, 2018, therefore, the District does not need to comply with the GASB Statement No. 75's Required Supplementary Information requirements.

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2022

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net pension liability	0.07113%	0.04956%	0.05503%	0.05442%	0.04712%
Proportionate share of the net pension liability	\$ 3,846,728	\$ 5,392,757	\$ 5,638,791	\$ 5,244,080	\$ 4,673,053
Covered payroll	\$ 2,304,893	\$ 2,311,561	\$ 2,397,349	\$ 2,491,745	\$ 2,333,876
Proportionate share of the net pension liability as percentage of covered payroll	166.89%	233.30%	235.21%	210.46%	200.23%
Plan's total pension liability	\$ 46,174,942,264	\$ 43,702,930,887	\$ 41,426,453,489	\$ 38,944,855,364	\$ 37,161,348,332
Plan's fiduciary net position	\$ 40,766,653,876	\$ 32,822,501,335	\$ 31,179,414,067	\$ 29,308,589,559	\$ 27,244,095,376
Plan fiduciary net position as a percentage of the total pension liability	88.29%	75.10%	75.26%	75.26%	73.31%
	<u>2017</u>	<u>2016</u>	<u>2015</u>		
Proportion of the net pension liability	0.05434%	0.05172%	0.04365%		
Proportionate share of the net pension liability	\$ 4,701,684	\$ 3,550,158	\$ 2,715,962		
Covered payroll	\$ 2,100,839	\$ 2,058,236	\$ 2,127,640		
Proportionate share of the net pension liability as percentage of covered payroll	223.80%	172.49%	127.65%		
Plan's total pension liability	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631		
Plan's fiduciary net position	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515		
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%		

Notes to Schedule:

There were no assumption changes for the 2021-22 fiscal year.

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

PLEASANT VALLEY RECREATION AND PARK DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2022

The following table provides required supplementary information regarding the District's Pension Plan.

	2022	2021	2020	2019	2018
Contractually required contribution (actuarially determined)	\$ 713,551	\$ 656,136	\$ 553,145	\$ 365,356	\$ 367,229
Contribution in relation to the actuarially determined contributions	<u>(713,551)</u>	<u>(656,136)</u>	<u>(553,145)</u>	<u>(365,356)</u>	<u>(367,229)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,272,644	\$ 2,304,893	\$ 2,311,561	\$ 2,397,349	\$ 2,491,745
Contributions as a percentage of covered payroll	31.40%	28.47%	23.93%	15.24%	14.74%
	<u>2017</u>	<u>2016</u>	<u>2015</u>		
Contractually required contribution (actuarially determined)	\$ 364,537	\$ 347,493	\$ 273,584		
Contribution in relation to the actuarially determined contributions	<u>(364,537)</u>	<u>(347,493)</u>	<u>(273,584)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
Covered payroll	\$ 2,333,876	\$ 2,100,839	\$ 2,058,236		
Contributions as a percentage of covered payroll	15.62%	16.54%	13.29%		

Notes to Schedule

There were no assumption changes for the 2021-22 fiscal year.

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

SUPPLEMENTARY INFORMATION

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2022

	Special Revenue Funds		Total Nonmajor Special Revenue Funds
	Park Impact Fees Fund	CDBG Fund	
ASSETS			
Cash and investments	\$ 172,359	\$ -	\$ 172,359
Accounts receivable		10,441	10,441
Total assets	<u>\$ 172,359</u>	<u>\$ 10,441</u>	<u>\$ 182,800</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Due to other funds	\$ -	\$ 6,741	\$ 6,741
Total liabilities		<u>6,741</u>	<u>6,741</u>
Fund Balances			
Restricted:			
Specified park projects	172,359		172,359
CDBG food service		3,700	3,700
Total fund balances	<u>172,359</u>	<u>3,700</u>	<u>176,059</u>
Total liabilities and fund balances	<u>\$ 172,359</u>	<u>\$ 10,441</u>	<u>\$ 182,800</u>

PLEASANT VALLEY RECREATION AND PARK DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FISCAL YEAR ENDED JUNE 30, 2022

	Special Revenue Funds		Total Nonmajor Special Revenue Funds
	Park Impact Fees Fund	CDBG Fund	
Revenues			
Charges for services:			
Ordinance fees	\$ 172,347	\$ -	\$ 172,347
Intergovernmental grants and contributions		31,113	31,113
Investment earnings	12		12
Total revenues	<u>172,359</u>	<u>31,113</u>	<u>203,472</u>
Expenditures			
Salaries and benefits		26,339	26,339
Materials and services		1,074	1,074
Total expenditures		<u>27,413</u>	<u>27,413</u>
Excess of revenues over (under) expenditures	<u>172,359</u>	<u>3,700</u>	<u>176,059</u>
Net change in fund balances	172,359	3,700	176,059
Fund balances - beginning of fiscal year			
Fund balances - end of fiscal year	<u>\$ 172,359</u>	<u>\$ 3,700</u>	<u>\$ 176,059</u>