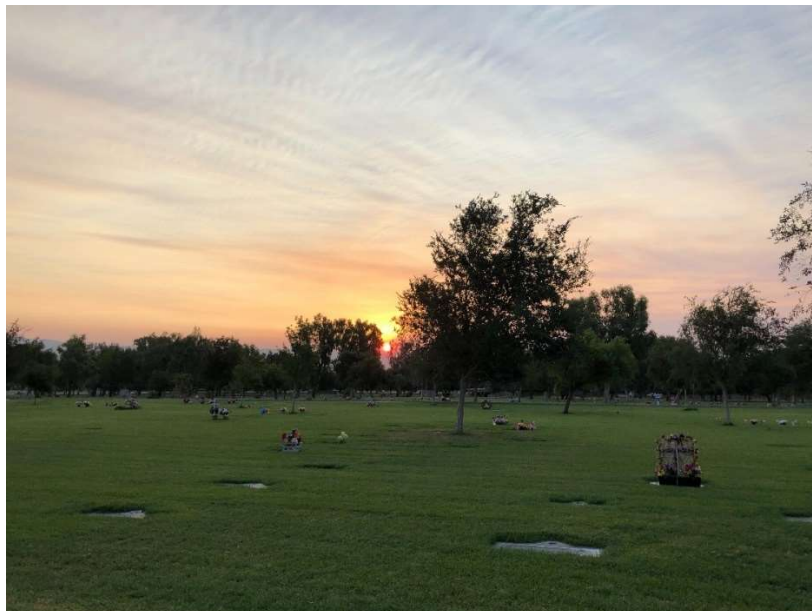


**COACHELLA VALLEY  
PUBLIC CEMETERY  
DISTRICT**

**FINANCIAL STATEMENTS**

**June 30, 2021**



**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Board of Trustees and Administration**  
**June 30, 2021**

**BOARD OF TRUSTEES\***

**MEMBER\***

Ernesto Rosales  
Judy Vossler  
Dr. Bruce Underwood  
John Rios  
Marcos Coronel

**OFFICE**

Chairman  
Vice-Chair  
Trustee  
Trustee  
Trustee

**PERSONNEL**

Josh Bonner—District Manager

\*Trustees and personnel positions are as of July 2021

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2021**

**TABLE OF CONTENTS**

**FINANCIAL SECTION**

Independent Auditor’s Report.....	1-2
Management’s Discussion and Analysis.....	3-6
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position .....	8
Statement of Activities.....	9
Fund Financial Statements:	
Balance Sheet—Governmental Funds .....	10
Reconciliation of the Balance Sheet—Governmental Funds to the Government-wide Statement of Net Position .....	11
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds .....	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds to the Government-wide Statement Of Activities.....	13
Notes to the Financial Statements .....	14-29
<b>Required Supplementary Information:</b>	
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – General Fund .....	31
Notes to Required Supplementary Information .....	32
District Pension Plan:	
Schedule of the District’s Proportionate Share of the Net Pension Liability.....	33
Schedule of the District’s Pension Contributions .....	34
Notes to Required Supplementary Information .....	35
District Other Postemployment Benefit Plan:	
Schedule of Changes in the District’s Net OPEB Liability and Related Ratios .....	36
Schedule of the District’s OPEB Contributions .....	37
Notes to Required Supplementary Information .....	38

This Page Intentionally Left Blank



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Coachella Valley Public Cemetery District  
Coachella, California

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

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Coachella Valley Public Cemetery District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information, schedule of the District's proportionate share of the net pension liability, schedule of the District's pension contributions, schedule of changes in the net OPEB liability and related ratios, and schedule of contributions (OPEB) on pages 3–6 and 31–38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*David Farnsworth, CPA*

Dublin, California  
March 29, 2022

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Management's Discussion Analysis**  
**June 30, 2021**

This section of the annual financial report of the Coachella Valley Public Cemetery District (District) presents our discussion and analysis of the District's financial performance during the year ended June 30, 2021. The Management's Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements, including the notes and the supplementary information that immediately follow this section.

**FINANCIAL HIGHLIGHTS**

The following summarizes the District's financial highlights for the year ended June 30, 2021.

- In total, government-wide net position was \$12,046,041
- General revenues accounted for \$1,417,618 or 36.65 % of total revenues
- Program revenues accounted for \$1,658,279 or 53.91% of total revenues
- Contributions to permanent funds accounted for \$290,425 or 9.44% of total revenues
- Total government-wide assets were \$18,054,148
- Total government-wide deferred outflows were \$554,339
- Total government-wide deferred inflows were \$84,234
- Total program expenses were \$2,439,105

**OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements including notes to the financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

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

The remaining statements are the governmental funds that focus on individual parts of the District, reporting the District operation in more detail than the government-wide statements.

The fund financial statements are composed of:

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

**Statement of Net Position and the Statement of Activities**

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

These two statements report the District's net position and changes in them. Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Overtime, increases or decreases in the District net position are one indicator of whether its financial health is improving or deteriorating.

To assess the overall health of the District you need to consider additional non-financial factors including the condition the District's capital assets including facilities.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Management's Discussion Analysis**  
**June 30, 2021**

**REPORTING DISTRICT'S MOST SIGNIFICANT FUNDS**

*Fund Financial Statements*

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

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

*Governmental Funds*

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

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

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The following table presents a summary of the District's statement of net position by category as of June 30, 2021.

<b>Condensed Statement of Net Position</b>				
	<b>2021</b>	<b>2020</b>	<b>\$ Change</b>	<b>% Change</b>
Assets				
Current and other assets	\$ 15,896,019	\$ 15,047,133	\$ 848,886	5.64%
Capital assets, net	2,158,129	2,208,804	(50,675)	-2.29%
Total assets	<u>18,054,148</u>	<u>17,255,937</u>	<u>798,211</u>	<u>4.63%</u>
Total deferred outflows of resources	<u>554,339</u>	<u>292,766</u>	<u>261,573</u>	<u>89.35%</u>
Liabilities				
Current liabilities	4,260,386	4,203,174	57,212	1.36%
Long-term liabilities	2,217,826	1,831,517	386,309	21.09%
Total liabilities	<u>6,478,212</u>	<u>6,034,691</u>	<u>443,521</u>	<u>7.35%</u>
Total deferred inflows of resources	<u>84,234</u>	<u>104,763</u>	<u>(20,529)</u>	<u>-19.60%</u>
Net position:				
Net investment in capital assets	2,158,129	2,208,804	(50,675)	-2.29%
Restricted	8,083,501	7,702,909	380,592	4.94%
Unrestricted	1,804,411	1,497,536	306,875	20.49%
Total net position	<u>\$ 12,046,041</u>	<u>\$ 11,409,249</u>	<u>\$ 636,792</u>	<u>5.58%</u>



**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Management's Discussion Analysis**  
**June 30, 2021**

Current and other assets increased in governmental activity by \$848,886 from the prior year. The increase in the change in net position caused the current and other assets to increase.

Current liabilities in governmental activities increased by \$57,212 from the previous year due to an increase in accounts payable and payroll liabilities. Long-term liabilities in governmental activities increased by \$386,309 due to an increase in net pension liability, net OPEB liability, and compensated absences.

By far, the largest portion of the District's net position, \$12,046,041, reflects restricted net position. Restricted net position reflects expendable and nonexpendable restricted net position to report the endowment principal and interest earned. The nonexpendable restricted net position cannot be spent and the expendable can be spent with Board approval for repairs and maintenance of cemetery grounds.

The second largest portion of the District's net position of \$2,158,129 reflects its investment in capital assets, net of accumulated depreciation. The District uses these capital assets to provide interment services to its citizens. Accordingly, these assets are not available for future spending. The last portion of District's net position reflects unrestricted net position of \$1,804,411 or 14.98%.

The District's overall net position increased \$636,792 from the prior year. The reasons for this overall increase is discussed in the following section.

**Condensed Statement of Activities**

	<u>2021</u>	<u>2020</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Revenues:</b>				
Program revenues				
Charges for services	\$ 1,658,279	\$ 1,072,014	\$ 586,265	55%
<b>General revenues:</b>				
Property taxes	937,514	908,589	28,925	3.18%
Investment earnings	170,197	553,856	(383,659)	-69.27%
Lease income	5,000	5,000	-	0.00%
Other revenues	14,482	8,907	5,575	62.59%
Contributions to permanent funds	290,425	180,095	110,330	61.26%
<b>Total revenues</b>	<u>3,075,897</u>	<u>2,728,461</u>	<u>347,436</u>	<u>12.73%</u>
<b>Expenses:</b>				
Interment services	2,439,105	1,922,679	516,426	26.86%
<b>Total expenses</b>	<u>2,439,105</u>	<u>1,922,679</u>	<u>516,426</u>	<u>26.86%</u>
Increase in net position	636,792	805,782	(168,990)	-20.97%
<b>Net position - beginning</b>	<u>11,409,249</u>	<u>10,603,467</u>	<u>805,782</u>	<u>7.60%</u>
<b>Net position - ending</b>	<u>\$ 12,046,041</u>	<u>\$ 11,409,249</u>	<u>\$ 636,792</u>	<u>5.58%</u>

During the current fiscal year, net position for governmental activities increase by \$636,792 from the prior year for an ending balance of \$12,046,041 from the prior fiscal year for an ending balance \$11,409,249. The District reported an increase in program revenues due to an increase in interments. Total general revenues decreased by \$349,159. The decrease in general revenues is due to a decrease in investment earnings. Contributions to permanent funds increased by \$110,330. Contributions to permanent funds are charged to customers when the customers pay or prepay interment services.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Management's Discussion Analysis**  
**June 30, 2021**

Expenses grew by 26.86% compared to the prior year. Total expenses consist of salaries and related benefits, services and supplies, and depreciation expense. Services and supplies consist of 57.92% of total expenses. Salaries and related benefits consist of 34.70% and depreciation expense consist of 7.38% of total expense. The increase in expenses is mainly due to the increase in interments throughout the fiscal year.

**General Fund Budgetary Highlights**

As finalized by the Board of Trustees, budgeted revenues totaled \$2,056,900, expenditures totaled \$2,056,900. Expenditures were budgeted to exceed revenues by \$0.

**Capital Assets and Debt Administration**

As of June 30, 2021, the District owned the following capital assets:

<b>Capital Assets</b>				
	<b>2021</b>	<b>2020</b>	<b>\$ Change</b>	<b>% Change</b>
Land	\$ 584,984	\$ 584,984	\$ -	0.00%
Buildings, improvements, and infrastructure	3,372,723	3,335,904	36,819	1.10%
Machinery and equipment	1,164,319	1,071,808	92,511	8.63%
Accumulated depreciation	<u>(2,963,897)</u>	<u>(2,783,892)</u>	<u>(180,005)</u>	<u>6.47%</u>
Total capital assets, net	<u>\$ 2,158,129</u>	<u>\$ 2,208,804</u>	<u>\$ (50,675)</u>	<u>-2.29%</u>

Major capital assets events during the current fiscal year included the following:

- Improve well turbine at a cost of \$36,819
- Purchased cemetery software, computers, security system among other capital assets at a cost of \$92,511

**Long Term Debt**

The District's long-term liabilities consist of net pension liability, net opeb liability, and compensated absences. The net pension liability reported an ending balance of \$769,953. Net opeb liability reported an ending balance of \$1,434,420. Compensated absences reported an ending balance of \$17,937.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

The financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, contact Josh Bonner, Coachella Valley Public Cemetery District, 82-925 Avenue 52, Coachella, CA 92236.

# FINANCIAL STATEMENTS

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**

**Statement of Net Position**

**June 30, 2021**

	<b>Governmental Activities</b>
	<hr/>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and investments	\$ 7,685,908
Receivables (net of allowance for uncollectible)	169,080
Prepaid items	42,554
<b>Noncurrent Assets</b>	
Restricted cash and investments	7,998,477
Capital Assets:	
Nondepreciable	584,984
Depreciable, net	1,573,145
Total Assets	<hr/> <hr/> 18,054,148
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	216,212
OPEB related	338,127
Total deferred outflows of resources	<hr/> <hr/> 554,339
 <b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Accounts payable	141,084
Accrued expenses	6,770
Unearned revenues	4,108,048
<b>Noncurrent liabilities:</b>	
Due within one year: compensated absences	4,484
Due in more than one year:	
Net pension liability	769,953
Net OPEB liability	1,434,420
Compensated absences	13,453
Total Liabilities	<hr/> <hr/> 6,478,212
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	84,234
Total deferred inflows of resources	<hr/> <hr/> 84,234
 <b>NET POSITION</b>	
Net investment in capital assets	2,158,129
Restricted for:	
Endowment:	
Expendable	1,082,501
Nonexpendable	7,001,000
Unrestricted	1,804,411
Total Net Position	<hr/> <hr/> \$ 12,046,041

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**

**Statement of Activities**

**For the Year Ended June 30, 2021**

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenues and Changes in Net Position</u>
			<u>Primary Government</u>
		<u>Charges for Services</u>	<u>Governmental Activities</u>
<b>Governmental Activities:</b>			
Interment services	\$ 2,439,105	\$ 1,658,279	\$ (780,826)
<b>Total governmental activities</b>	<u>\$ 2,439,105</u>	<u>\$ 1,658,279</u>	<u>(780,826)</u>
General revenues:			
Property taxes			937,514
Investment earnings			170,197
Lease income			5,000
Other revenues			14,482
Contributions to permanent funds			290,425
Total general revenues and contributions			<u>1,417,618</u>
Change in net position			636,792
Net position, beginning			<u>11,409,249</u>
Net position, ending			<u>\$ 12,046,041</u>

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**

**Balance Sheet  
Governmental Funds  
June 30, 2021**

	<b>Major Funds</b>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Permanent Fund</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2,409,276	\$ -	\$ 3,032,160	\$ 5,441,436
Investments	5,243,233	33,399	4,966,317	10,242,949
Receivables (net of allowance for uncollectible)	154,776	-	14,304	169,080
Prepaid items	42,554	-	-	42,554
Due from other funds	-	-	70,720	70,720
<b>Total assets</b>	<b>\$ 7,849,839</b>	<b>\$ 33,399</b>	<b>\$ 8,083,501</b>	<b>\$ 15,966,739</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 141,084	\$ -	\$ -	\$ 141,084
Accrued liabilities	6,770	-	-	6,770
Unearned revenues	4,108,048	-	-	4,108,048
Due to other funds	70,720	-	-	70,720
<b>Total liabilities</b>	<b>4,326,622</b>	<b>-</b>	<b>-</b>	<b>4,326,622</b>
<b>FUND BALANCES</b>				
Nonspendable:				-
Prepaid items	42,554	-	-	42,554
Endowment	-	-	7,001,000	7,001,000
Restricted:				
Maintenance and repairs of cemetery	-	-	1,082,501	1,082,501
Assigned for:				
Capital expenditures		33,399		33,399
Unassigned	3,480,663	-	-	3,480,663
<b>Total fund balances</b>	<b>3,523,217</b>	<b>33,399</b>	<b>8,083,501</b>	<b>11,640,117</b>
<b>Total liabilities and fund balances</b>	<b>\$ 7,849,839</b>	<b>\$ 33,399</b>	<b>\$ 8,083,501</b>	<b>\$ 15,966,739</b>

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

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

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

Total fund balances - governmental funds		\$ 11,640,117
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets at cost	5,122,022	
Accumulated depreciation	<u>(2,963,893)</u>	2,158,129
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	216,212	
Deferred outflows - OPEB related	338,127	
Deferred inflows - pension related	<u>(84,234)</u>	
Total deferred outflows and inflows related to postemployment benefits		470,105
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Compensated absences	(17,937)	
Net OPEB liability	(1,434,420)	
Net pension liability	<u>(769,953)</u>	<u>(2,222,310)</u>
Net position of governmental activities		<u><u>\$ 12,046,041</u></u>

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	<b>Major Funds</b>			<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Permanent Endowment Fund</b>	
<b>REVENUES</b>				
Property taxes	\$ 578,262	\$ -	\$ -	\$ 578,262
Intergovernmental	359,252	-	-	359,252
Charges for services	1,658,279	-	-	1,658,279
Investment earnings	63,992	5	106,200	170,197
Lease income	5,000	-	-	5,000
Miscellaneous	14,482	-	-	14,482
Contributions to endowment	-	-	290,425	290,425
Total revenues	<u>2,679,267</u>	<u>5</u>	<u>396,625</u>	<u>3,075,897</u>
<b>EXPENDITURES</b>				
Interment services:				
Salaries and employee benefits	741,214	-	-	741,214
Services and supplies	1,412,672	-	-	1,412,672
Capital outlay	129,330	-	-	129,330
Total expenditures	<u>2,283,216</u>	<u>-</u>	<u>-</u>	<u>2,283,216</u>
Excess of revenues over expenditures	<u>396,051</u>	<u>5</u>	<u>396,625</u>	<u>792,681</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	16,033	-	-	16,033
Transfers out	-	-	(16,033)	(16,033)
Total other financing sources (uses)	<u>16,033</u>	<u>-</u>	<u>(16,033)</u>	<u>-</u>
Net change in fund balances	412,084	5	380,592	792,681
<b>FUND BALANCES</b>				
Fund balances - beginning of year	3,111,133	33,394	7,702,909	10,847,436
Fund balances - end of year	<u>\$ 3,523,217</u>	<u>\$ 33,399</u>	<u>\$ 8,083,501</u>	<u>\$ 11,640,117</u>

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



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

Net change in fund balances - governmental funds		\$ 792,681
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.</p>		
		(50,674)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Changes in compensated absences	16,652	
Changes in pension liabilities and related deferred outflows and inflows of resources	(8,694)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(113,173)</u>	<u>(105,215)</u>
Change in net position of governmental activities		<u><u>\$ 636,792</u></u>

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**Note 1—Summary of Significant Accounting Policies**

---

The Coachella Valley Public Cemetery District (the District) is located in Coachella, California. The District was formed August 8, 1927, under the Health and Safety Code Sections 8890 et seq., to provide burial facilities for the residents of the area. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice in California Special Districts. The District accounts for its financial transactions in accordance with the policies and procedures of the State Controller's Office Division of Local Government Fiscal Affairs Minimum Audit Requirements and Reporting Guidelines for California Special Districts.

The financial statements of the District have been prepared in conformity with the accounting principles generally accepted in the United States of America ("GAAP"), as specified by the Governmental Accounting Standards Board ("GASB"). The more significant of the District's accounting policies are described below.

Financial Statement Presentation

The District's financial report is prepared in accordance with GAAP which prescribes that the following sections be presented:

- Management's Discussion and Analysis - GAAP requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of management's discussion and analysis ("MD&A"). The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.
- Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Primary Government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the Primary Government is reported separately from certain legally separate component units for which the Primary Government is financially accountable.

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the Primary Government (governmental activities). Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

function or segment. Taxes and other items are not included among program revenues as they are not levied for a particular program.

Separate financial statements are provided for governmental funds major individual governmental funds are reported as separate columns in the fund financial statements.

- Required Supplementary Information (“RSI”) - Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GAAP reporting model, governments provide budgetary comparison information in their annual reports including the original budget, final budget and actual results. In addition to budgetary information, the RSI section also presents trend information related to the District’s pension plan and OPEB plan.
  
- Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a Primary Government’s reporting entity for the basic financial statements is financial accountability wherein the entity is both fiscally dependent on the Primary Government and provides either a benefit or creates a burden on the Primary Government. The District does not have any component units.

**A. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accompanying financial statements are prepared in accordance with GAAP as applicable to governmental units. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year when all eligibility requirements imposed by the provider have been satisfied.

The government-wide Statement of Activities reflects both the gross and net cost per functional category which are otherwise being supported by general government revenues, (property taxes, certain intergovernmental revenues, permits, and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures as well as expenditures related to compensated absences and claims, and judgments are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as unavailable revenues. Licenses, permits, are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state, and other grants for the purpose of funding specific expenditures, are recognized when all eligibility

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

requirements have been satisfied. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

In the fund financial statements, financial transactions and accounts of the District are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

1. Governmental Funds - Governmental Funds are those through which most governmental functions typically are financed. The District reports the General Fund as a major governmental fund.

General Fund--The General Fund is the primary operating fund of the District. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income.

Capital Improvements Fund—The capital improvements fund accounts for the acquisition and construction of the District’s major capital expenditures.

Permanent Fund--The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support maintenance and repairs of the cemetery.

**B. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposits, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

**C. Receivables and Payables**

Contracts for services include both preneed and at-need receivables to be collected. The accounts are evaluated on an annual basis to determine those that may not be collectable using the specific identification method. The allowance for accounts receivable is based on those accounts that have been identified as uncollectable that must be approved by the District's Board of Trustees to be written-off. At June 30, 2021, the allowance for accounts receivable was \$38,261. Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “Due from/Due to”.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. The District does not calculate its allowance for uncollectible accounts, because management believes all of accounts receivable is collectible.

**D. Interfund Balances and Transfers**

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**E. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns in the government-wide financial statements for the District. Capital assets are defined by the Districts as land, buildings, infrastructure, and equipment with an initial individual cost of more than \$500 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Primary Government, are depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Buildings	50
Plant, equipment, and system	20-30
Motor vehicles	5
Equipment	3-10
Infrastructure	30

**F. Deferred Outflows and Inflows of Resources**

In addition to assets, the Balance Sheet and the Statement of Net Position may report a separate section for deferred outflows of resources, which represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows and inflows of resources related to pensions and other postemployment benefits, in the government-wide.

In addition to liabilities, the Balance Sheet and the Statement of Net Position may report a separate section for deferred inflows of resources representing an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the Districts reports deferred inflows of resources related to pensions.

**G. Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**H. Pensions**

The District contributes to a defined benefit pension plan, California Public Employees Retirement System (CalPERS), a cost-sharing, multi-employer defined benefit pension plan administered by the California Public Employees Retirement System, which is a statutorily funded plan.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**I. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Fund Balance**

In the governmental fund financial statements, fund balance may be composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The governmental fund types classify fund balances as follows:

- Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form (e.g., inventory) or (b) legally or contractually required to be maintained intact (e.g., long-term amount of loans/note receivable). The nonspendable balance reports for prepaid items and permanent endowment of the cemetery.
- Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes by external parties, constitutional provisions, or imposed by creditors (e.g., bond covenants). The restricted fund balance reports for interest earned on the permanent fund principal balance.
- Committed Fund Balance – This portion of fund balance can only be used for specific purposes determined by a formal action of the District’s highest level of decision-making authority. Any changes or removal of specific purpose requires majority action by the governing body.
- Assigned Fund Balance – The portion of fund balance that the District intends to use for specific purposes as expressed by the governing body itself, the budget document, or delegated official, the District Manager. Fund balances in the General Fund are assigned by resolution of the Board of Trustees.
- Unassigned Fund Balance – The portion of the fund balance available for any purpose. Includes all spendable amounts not classified as nonspendable, restricted, committed, or assigned. The General Fund is the only fund that would report a positive amount in the unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District’s policy is to apply restricted fund balances first, then unrestricted fund balances as needed.

**K. Net Position**

Net position is the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets less accumulated depreciation less any outstanding debt and deferred inflows and outflows related to the acquisition, construction, or improvement of those assets.

**L. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position.

**M. Property Tax**

Property taxes are assessed under various legislative provisions, contained in the Government Code and the Revenue and Taxation Code, by the County Assessor and State Board of Equalization. Taxes on real property are limited to one percent of assessed valuation, plus additional taxes for repayment of any existing voted indebtedness. The County of Riverside in accordance with statutory formulas collects and distributes the taxes

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

to the District. Tax increment revenues received by redevelopment agencies in the County of Riverside are passed-through directly to the District by the cities receiving the taxes.

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

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

**Note 2—Deposits and Investments**

---

**Policies**

It is the policy of the Coachella Valley Public Cemetery District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital, liquidity, and yield).

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

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

<b>Authorized Investment Type</b>	<b>Maximum Remaining Maturity</b>	<b>Maximum Percentage of Portfolio</b>	<b>Required Rating</b>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Banker’s Acceptances	5 years	None	None

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

Commercial Paper – Selected Agencies	270 Days	None	None
Commercial Paper – Other Agencies	270 Days	None	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium Term Corporate Notes	5 years	30%	A
Money Market Mutual Funds & Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage pass-Through Securities	5 years	20%	AA
Bank/Time Deposits	5 years	None	None
County pooled Investment Funds	5 years	None	None
Joint Powers Authority	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None

*Riverside County Investment Pool* – The District is a voluntary participant in the Riverside County Investment Pool (RCIP) that is regulated by California Government Code Section 53600 under the oversight of the treasurer of the County of Riverside. Deposits and withdrawals in the Riverside County Investment Pool are made in the basis of \$1 and not fair value. The balance available for withdrawal is based on the accounting records maintained by Riverside County Investment Pool which is recorded on an amortized cost basis. The pool is not registered with the SEC and is unrated. At June 30, 2021, these investments in RCIP have an average maturity of less than one year.

Government-wide Statement of Net Position

Governmental activities:

Petty cash	\$ 200
Cash with financial institutions	555,845
Cash with Riverside County Investment Pool	1,847,454
Cash with fiscal agents/brokers	<u>3,037,936</u>
Total carrying amount of deposits	<u>\$5,441,435</u>

**Investment Maturities (in Years)**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less than 1 year</u>	<u>1-5 years</u>	<u>More than 5 years</u>
U.S. Treasury obligations/ Govt. Bonds	\$ 223,845	\$ 164,278	\$ 227,777	\$ -
Treasury Money Market	3,541,988	\$ 1,054,609	-	-
Negotiable Certificates of Deposits	1,840,711	2,950,233	2,234,817	-
Government asset backed securities	76,210	101	6,548	88,075
Corporate Bonds	1,937,439	1,119,208	2,022,393	-
Mutual Bonds	2,622,756	2,542,691	-	-
Total Investments	<u>\$ 10,242,949</u>	<u>\$ 7,831,120</u>	<u>\$ 4,491,535</u>	<u>\$ 88,075</u>

*Credit Risk.* – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The investment policy requires that fixed income securities have an average maturity no more than 5 years.

*Custodial Credit Risk – Investments* – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of its investments that are in the possession of an outside party to a transaction, the District will not be able to recover the value of its investments that are in the possession of an outside party. The investment policy does not provide guidance about custodial credit risk.



**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

*Concentration of Credit Risk* – The concentration of credit risk is the risk of loss that may be caused by the District’s investment in a single issuer. The District’s investment policy does not allow no more than 5% of the total portfolio be deposited with or invested in securities issued by any single issuer with the exception of U.S. Treasury, Agency and Supranational Securities.

*Fair Value of Investments* – The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy has three levels and is based on the valuation inputs used to measure an asset’s fair value. Deposits and withdrawals in the RCIP are made in the basis of \$1 and not fair value. The value of the pool shares in the Riverside County Investment Pool, which may be withdrawn, is determined on an amortized cost basis that is different than the fair value of the District’s position in the pool. Accordingly, the District’s proportionate share of investments in those funds at June 30, 2021, is an uncategorized input not defined as Level 1, Level 2 or Level 3 input.

<u>Investment Type</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
U.S. Treasury obligations/ Govt. Bonds	\$ 223,845	\$ 223,845	\$ -
Treasury Money Market	3,541,988	3,541,988	-
Negotiable Certificates of Deposits	1,840,711	-	1,840,711
Government asset backed securities	76,210	-	76,210
Corporate Bonds	1,937,439	-	1,937,439
Mutual Bonds	2,622,756	2,622,756	-
Total investment at Fair Value	<u>\$ 10,242,949</u>	<u>\$ 6,388,589</u>	<u>\$ 3,854,360</u>

**Note 3—Interfund Obligations**

The composition of interfund balances as of June 30, 2021, is as follows:

*Due to/from other funds:*

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Permanent Fund	General Fund	<u>\$ 70,720</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) inter-fund goods and services are provided, or reimbursable expenditure occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**Note 4—Interfund Transfers**

The composition of interfund transfers for the year ended June 30, 2021 is as follows:

	<u>Transfers in:</u>
	<u>General Fund</u>
<b>Transfers out:</b>	
Permanent Fund	<u>\$ 16,033</u>
Total	<u>\$ 16,033</u>

During the year ended June 30, 2021, the District made the following one-time transfers:

1. A transfer of \$16,033 from the permanent fund to the general fund for maintenance, repair, replacement, or restoration of property or embellishments in the cemetery.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**Note 5—Capital Assets**

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2021:

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, 2020</b>	<b>Increase</b>	<b>Decrease</b>	<b>June 30, 2021</b>
Governmental Activities:				
Capital assets not subject to depreciation:				
Land	\$ 584,984	\$ -	\$ -	\$ 584,984
Total capital assets not subject to depreciation	<u>584,984</u>	<u>-</u>	<u>-</u>	<u>584,984</u>
Capital assets subject to depreciation:				
Buildings, improvements, and infrastructure	3,335,904	36,819	-	3,372,723
Machinery and equipment	1,071,808	92,511	-	1,164,319
Total capital assets being depreciated	<u>4,407,712</u>	<u>129,330</u>	<u>-</u>	<u>4,537,042</u>
Less accumulated depreciation for:				
Buildings, improvements, and infrastructure	(1,958,732)	(129,441)	-	(2,088,173)
Machinery and equipment	(825,160)	(50,564)	-	(875,724)
Total accumulated depreciation	<u>(2,783,892)</u>	<u>(180,005)</u>	<u>-</u>	<u>(2,963,897)</u>
Total capital assets being depreciated, net	<u>1,623,820</u>	<u>(50,675)</u>	<u>-</u>	<u>1,573,145</u>
Capital assets, net	<u>\$ 2,208,804</u>	<u>\$ (50,675)</u>	<u>\$ -</u>	<u>\$ 2,158,129</u>

Depreciation expense for the year ended June 30, 2021 was \$180,005.

**Note 6—Long-term Obligations**

	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>July 1, 2020</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2021</b>	<b>One Year</b>
Primary Government:					
Compensated absences payable	\$ 34,770	\$ 20,359	\$ (37,192)	\$ 17,937	\$ 4,484
Net pension liability	693,949	76,004	-	769,953	-
Net OPEB liability	1,106,275	328,145	-	1,434,420	-
Total	<u>\$ 1,834,994</u>	<u>\$ 424,508</u>	<u>\$ (37,192)</u>	<u>\$ 2,222,310</u>	<u>\$ 4,484</u>

**Note 7—Stewardship, Compliance, and Accountability**

For the year ended June 30, 2021, expenditures exceeded appropriations in the general fund by \$226,316.

**Note 8—Litigation**

At June 30, 2021, there were no matters of litigation involving the District or which would materially affect the District's financial position should any court decisions on pending matters not be favorable to such entities.

**Note 9—Pension Plan:**

**General Information about the Pension Plan**

**Plan Description.** The District contributes to the California Public Employees' Retirement System (CalPERS), a cost sharing multiple-employer public employee retirement system. CalPERS provides retirement and disability benefits, annual cost-of living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

and all other requirements are established by state statute and District resolution. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained from CalPERS, 400 Q Street, Sacramento, CA 95811.

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

The Plan's provisions and benefits in effect at June 30, 2021 are summarized as follows:

	<b>Prior to January 1, 2013</b>	<b>On or After January 1, 2013</b>
Formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a percent of annual salary	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.75%
Required employer contribution rates	11.031%	7.732%

**Contributions.** Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions to the Plan were \$109,670.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

As of June 30, 2021, the District reported net pension liability for its proportionate share of collective net pension liability in the amount of \$769,953.

The District's net pension liability for the Plan is measured as the proportionate share of the collective plan's net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard updated 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 participating employers, actuarially determined.

Proportionate share of the Net Pension Liability/(Asset) for the Miscellaneous Plan as of the reporting dates June 30, 2020 and June 30, 2021:

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

	<u>Miscellaneous</u>
Proportion - June 30, 2020	0.01733%
Proportion - June 30, 2021	<u>0.01825%</u>
Change - Increase/(Decrease)	<u>0.00085%</u>

For the year ended June 30, 2021, the District recognized pension expense of \$118,364. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 109,670	\$ 5,492
Differences between actual and expected experience	39,678	-
Changes in assumptions	22,873	-
Difference between projected and actual contributions	-	78,744
Net differences between projected and actual earnings on plan investment	43,991	-
Adjustments due to differences in proportion	-	-
Total	<u>\$ 216,212</u>	<u>\$ 84,236</u>

The \$109,670 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Pension Expense Amount</u>
2022	\$ (10,997)
2023	9,669
2024	12,665
2025	10,969
2026	-
Thereafter	-
Total	<u>\$ 22,306</u>

**Actuarial Assumptions**

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Costs
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increases (1)	2.75%
Investment Rate of Return (2)	7.15%
Mortality (3)	Derived using CalPERS' Membership Data for all Funds Contract COLA up to 2.5% until Purchasing Power

- (1) Annual increases vary by category, entry age, and duration of service  
(2) Net of pension plan investment expenses, includes inflation  
(3) The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

**Discount Rate.** The discount rate used to measure the total pension liability was 7.15 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plans, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees' Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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.

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	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.39%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

(a) An expected inflation of 2.0% used for this period.

(b) An expected inflation of 2.9% used for this period.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

The sensitivity of the district's net pension liability to changes in the discount rate is presented below. The district's net pension liability calculated using the discount rate of 7.15% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.15%) or 1.0% higher (8.15%) than the current rate.

<b>Discount Rate</b>	<b>1% Decrease (6.15%)</b>	<b>Current Rate (7.15%)</b>	<b>1% Increase (8.15%)</b>
Proportionate share of the net pension liability / (asset)	\$ 1,190,937	\$ 769,953	\$ 422,107

**Note 10—Other Postemployment Benefits Plan**

---

*Plan Description*—The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

*Benefits Provided*-- Employees may retire directly from the District under PERS (age 50 and 5 years of PERS service) and receive the full medical premium as a District-paid benefit. Survivor benefits are available. The District does not contribute dental, vision, or life insurance premiums to retirees.

*Employees Covered by Benefit Terms*—There are three retirees or beneficiaries receiving benefit payments as of July 1, 2020. There are seven active eligible employees as of July 1, 2020.

*Contributions*-- The District's required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in an irrevocable OPEB trust.

**Net OPEB Liability**

The District's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

*Actuarial Assumptions*—The total OPEB liability in the July 1, 2020 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.75 percent
Salary increases	3.00 percent
Discount rate	1.92 percent
Healthcare cost trend rate	5.20 percent for 2021 through 2049; 5.00 percent for 2050 through 2064; and 4.00 percent for 2065 and later years

Mortality rates for certificated participants were based on the CalSTRS member mortality rates in the most recent experience study (2015-2018). Mortality rates for non-certificated participants were based on CalPERS member mortality rates in the most recent experience study (1997-2015). The actuarial assumptions used in the July 1, 2020 valuation were based on a review of plan experience during the period July 1, 2018 to June 30, 2020.

*Discount Rate*-- GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources. OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The District does not have an irrevocable trust account for prefunding OPEB liabilities. The discount rate used to measure the total OPEB liability was based on the Fidelity GO AA 20-year municipal index.

**Changes in Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020	\$ 1,106,275	\$ -	\$ 1,106,275
Changes for the year:			
Service cost	63,377	-	63,377
Interest	32,019	-	32,019
Changes of benefit terms	-	-	-
Difference between expected and actual experience	202,059	-	
Changes in assumptions or other inputs	75,856	-	75,856
Contributions - employer	-	45,166	(45,166)
Net investment income	-	-	-
Benefit payments	(45,166)	(45,166)	-
Administrative expenses	-	-	-
Net changes	328,145	-	328,145
Balances at June 30, 2021	\$ 1,434,420	\$ -	\$ 1,434,420

**Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates**

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

	1% Decrease (1.45%)	Discount Rate (2.45%)	1% Increase (3.45%)
Net OPEB liability (asset)	\$ 1,701,964	\$ 1,434,420	\$ 1,222,701

**Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates**

The following presents the net OPEB liability of the District, as well as what the District's net 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 (4.80% current, 4.00% ultimate)	Trend Rate (5.80% current, 5.00% ultimate)	1% Increase (6.80% current, 6.00% ultimate)
Net OPEB liability (asset)	\$ 1,190,474	\$ 1,434,420	\$ 1,751,021

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**OPEB Plan Experience**

Reporting period	July 1, 2020 to June 30, 2021
Measurement period	July 1, 2020 to June 30, 2021

**Benefit Payments and Contributions**

	<u>Benefit Payments</u>
Benefits paid from the trust	\$ -
Benefits paid outside of trust	37,035
Implicit benefits paid	8,131
<b>Total benefit payments</b>	<u>\$ 45,166</u>
	<u>Contributions</u>
Contributions to the trust - employer	\$ -
Contributions - benefits paid outside of trust	37,035
Contributions - implicit benefits paid	8,131
<b>Total contributions</b>	<u>\$ 45,166</u>

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

**Annual OPEB Expense**

The annual OPEB expense is the sum of the change in Net OPEB liability, the change in deferred outflows, and the change in deferred inflows, reduced by the employer contributions.

Net OPEB liability at beginning of measurement period (a)	\$ 1,106,275
Net OPEB liability at end of measurement period (b)	1,434,420
Change in net OPEB liability (b) - (a)	328,145
Change in deferred outflows	(214,792)
Change in deferred inflows	-
Employer contributions	45,166
Net OPEB expense from June 30, 2020 to June 30, 2021	<u>\$ 158,519</u>

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

For the reporting year ending June 30, 2021, the District recognized deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 172,344	\$ -
Changes in assumptions or other inputs	165,783	-
Differences between projected and actual return investments	-	-
Total	<u>\$ 338,127</u>	<u>\$ -</u>



**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

Reporting Fiscal Year Ending June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
2022	\$ 63,123	\$ -	\$ 63,123
2023	63,123	-	63,123
2024	63,123	-	63,123
2025	63,123	-	63,123
2026	52,940	-	52,940
2027	32,695	-	32,695
Total	<u>\$ 338,127</u>	<u>\$ -</u>	<u>\$ 338,127</u>

**Note 11—Risk Management**

The District participates in the Special District Risk Management Authority (SDRMA) Workers Compensation Program, which provides workers' compensation coverage for its members. The District became a member of SDRMA under a joint powers agreement. The relationship between SDRMA and the District is such that SDRMA is not a component unit of the District for financial reporting purposes. A Board comprised of representatives of member agencies governs the SDRMA. The Board controls operations, including selection of management and approval of operating budgets, independent of any influence by the member agencies beyond their representation on the Board. Each member agency pays a contribution commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation; however, the District does not have any residual equity in SDRMA.

Contributions to SDRMA were approximately \$38,486 for the year ended June 30, 2021 for coverage up to \$5,000,000 for statutory workers' compensation limits and \$2,500,000 employer liability.

## REQUIRED SUPPLEMENTARY INFORMATION

**Coachella Valley Public Cemetery District**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Property taxes	\$ 557,400	\$ 557,400	\$ 578,262	\$ 20,862
Intergovernmental	385,000	385,000	359,252	(25,748)
Charges for services	1,100,000	1,100,000	1,658,279	558,279
Investment earnings	5,000	5,000	63,992	58,992
Lease income	-	-	5,000	5,000
Miscellaneous	9,500	9,500	9,482	(18)
Total revenues	<u>2,056,900</u>	<u>2,056,900</u>	<u>2,674,267</u>	<u>617,367</u>
<b>EXPENDITURES</b>				
Interment Services:				
Salaries and employee benefits	1,020,000	1,020,000	741,214	278,786
Services and supplies	806,900	806,900	1,412,672	(605,772)
Capital outlay	230,000	230,000	129,330	100,670
Total expenditures	<u>2,056,900</u>	<u>2,056,900</u>	<u>2,283,216</u>	<u>(226,316)</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>391,051</u>	<u>391,051</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	16,033	16,033
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>16,033</u>	<u>16,033</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,084</u>	<u>\$ 407,084</u>

The accompanying notes are an integral part of this statement.

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to Required Supplementary**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget to Actual**  
**June 30, 2021**

**Budgetary Basis of Accounting**

---

The budget for the general fund is prepared on generally accepted accounting principles basis. Revenues are budgeted in the year receipt is expected; expenditures are budgeted in the year that the applicable warrant requisitions are expected to be issued. The budget and actual financial statements are reported on the above basis.

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Required Supplementary Information**  
**Schedule of District's Proportionate Share of the Net Pension Liability**  
**Last Ten Years**  
**June 30, 2021**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.01825%	0.018970%	0.016280%	0.015460%	0.0154600%	0.0145400%	0.60600%
Proportionate share of the net pension liability	769,953	\$ 693,949	\$ 621,197	\$ 641,759	\$ 537,247	\$ 398,784	\$ 377,252
Covered payroll	441,430	\$ 395,141	\$ 309,048	\$ 335,260	\$ 345,540	\$ 348,984	\$ 319,800
Proportionate share of the net pension liability as a percentage of covered payroll	57.33%	56.94%	49.75%	52.24%	64.32%	87.51%	84.77%
Plan fiduciary net position as a percentage of the total pension liability	75.66%	79.66%	80.63%	75.26%	80.25%	82.39%	83.03%

See Notes to Requirement Supplementary Information

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Required Supplementary Information**  
**Schedule of District's Contributions**  
**Last Ten Years**  
**June 30, 2021**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily Determined Contribution	\$ 109,670	\$ 55,054	\$ 54,602	\$ 39,067	\$ 50,571	\$ 46,087	\$ 47,350
Contributions in Relation to the Statutorily Determined Contribution	<u>109,670</u>	<u>55,054</u>	<u>54,602</u>	<u>39,067</u>	<u>50,571</u>	<u>46,087</u>	<u>47,350</u>
Contribution Excess (Deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 441,430	\$ 395,141	\$ 309,048	\$ 335,260	\$ 345,540	\$ 348,984	\$ 319,800
Contributions as a percentage of District's covered payroll	24.84%	13.93%	17.67%	11.65%	14.64%	13.21%	14.81%

See Notes to Requirement Supplementary Information

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to Required Supplementary Information**  
**Pension Plan**  
**June 30, 2021**

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

Actuarial Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Market Value
Assumptions:	
Inflation	2.50%
Active member payroll growth	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Discount Rate	7.15%
Mortality rate table <sup>1</sup>	Derived using CalPERS' Membership Data for all funds contract COLA up to 2.5% until purchasing power
Post-retirement benefit increase	Protection allowance floor on purchasing power applies

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

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Required Supplementary Information**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**June 30, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	63,377	\$ 55,035	\$ 49,701	\$ 48,253
Interest	32,019	31,579	31,509	30,333
Differences between expected and actual experience	202,059	-	-	-
Assumption changes	75,856	95,659	58,114	-
Benefit payments	(45,166)	(59,267)	(52,498)	(39,745)
Net change in total pension liability	328,145	123,006	86,826	38,841
Total OPEB liability - Beginning	1,106,275	983,269	896,443	857,602
Total OPEB liability - ending	<u>\$ 1,434,420</u>	<u>\$ 1,106,275</u>	<u>\$ 983,269</u>	<u>\$ 896,443</u>
Fiduciary Net Position				
Contributions - Employer	45,166	\$ 59,267	\$ 52,498	\$ 39,745
Contributions - Members	-	-	-	-
Net Investment Income	-	-	-	-
Benefit payments	(45,166)	(59,267)	(52,498)	(39,745)
Administrative expenses	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Net change in plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	<u>\$ 1,434,420</u>	<u>\$ 1,106,275</u>	<u>\$ 983,269</u>	<u>\$ 896,443</u>
Plan fiduciary net position as a percentage of the total OPEB liability	-	0.00%	0.00%	0.00%
Covered-employee payroll	400,874	394,305	327,536	335,260
District's net OPEB liability as a percentage of covered-employee payroll	357.82%	280.56%	300.20%	267.39%

See Notes to Requirement Supplementary Information



**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Required Supplementary Information**  
**Schedule of Contributions**  
**Other Post-Employment Benefit Plan**  
**June 30, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Plan actuarially determined contribution	45,166	\$ 59,267	\$ 52,498	\$ 39,745
Plan contributions in relation to the actuarially determined contribution	<u>(45,166)</u>	<u>(59,267)</u>	<u>(52,498)</u>	<u>(39,745)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 400,874	 394,305	 327,536	 335,260
 District contributions as a percentage of covered payroll	 11.27%	 15.03%	 16.03%	 11.85%

See Notes to Requirement Supplementary Information

**COACHELLA VALLEY PUBLIC CEMETERY DISTRICT**  
**Notes to Required Supplementary Information**  
**Other Post-Employment Benefit Plan**  
**June 30, 2021**

1. The schedules are intended to show information for ten years. Due to a change in accounting principles starting for the year ended June 30, 2018, the last ten years are not reported. Additional years will be displayed as they become available.
2. There was a change with respect to actuarial assumption from the prior year to reflect revised expectations with respect to the inflation rate and discount rate in 2021. The discount rate decreased from 2.45% to 1.92%. The inflation rate decreased from 3.00% to 2.75%.
3. Methods and assumptions used to determine contribution rates for the most recent year include:
  - a. Valuation date: July 1, 2020
  - b. Inflation: 2.75%
  - c. Discount rate: 1.92%
  - d. 5.20% for 2021 through 2049; 5.00% for 2050 through 2064; and 4.00% for 2065 and later years
  - e. Mortality rates for certificated participants were based on the CalSTRS member mortality rates in the most recent experience study (2015-2018). Mortality rates for non-certificated participants were based on CalPERS member mortality rates in the most recent experience study (1997-2015).

This Page Intentionally Left Blank