

**CAMERON PARK COMMUNITY  
SERVICES DISTRICT**

**CAMERON PARK, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Cameron Park Community Services District  
Cameron Park, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cameron Park Community Services District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Cameron Park Community Services 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 and the State Controller's Minimum Audit Requirements for California Special Districts. 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 our 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, we consider internal control relevant to Cameron Park Community Services District'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 Cameron Park Community Services District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6) and the required supplementary information (page 29-32), as listed in the table of contents, 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.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary data (pages 33-34) is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*R. J. Ricciardi, Inc.*

R. J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California  
April 27, 2022

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2021

Cameron Park Community Services District's (the "District") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's basic financial statements.

## **OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic 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 fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the government-wide statements.

The fund financial statements are composed of:

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

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

The Statement of Net Position and Statement of Activities report information about the District as a whole and about 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 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 as well as changes to that net position. Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's 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 of the District's buildings and other facilities.

## **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

### **Fund Financial Statement**

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices for District use to keep track of 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 particular purposes or to show that certain revenues have been properly used.

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
 For the Year Ended June 30, 2021

**Governmental Funds**

The District's basic services are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called 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 fund information, which helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements that explains the relationship (or differences) between them.

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

The following table summarizes the District's net position as of June 30, 2021:

Table 1  
Governmental Activities Net Position

	Governmental Activities	
	2021	2020
Current and other assets	\$ 8,513,424	\$ 8,561,014
Capital assets, net of accumulated depreciation	18,768,224	18,542,865
Total assets	<u>27,281,648</u>	<u>27,103,879</u>
Deferred outflows of resources	<u>647,073</u>	<u>704,254</u>
Current liabilities	1,209,945	1,060,293
Long-term debt outstanding	<u>10,749,504</u>	<u>10,690,849</u>
Total liabilities	<u>11,959,449</u>	<u>11,751,142</u>
Deferred inflows of resources	<u>475,098</u>	<u>534,247</u>
Net position:		
Invested in capital assets, net of related debt	12,519,309	11,738,816
Restricted	3,959,926	2,410,217
Unrestricted	<u>(985,061)</u>	<u>1,373,711</u>
Total net position	<u>\$ 15,494,174</u>	<u>\$ 15,522,744</u>

The District's net position was \$15,494,174 for the fiscal year ended June 30, 2021.

The following table summarizes the District's change in net position for the year ended June 30, 2021:

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2021

Table 2  
Changes in Net Position

	Governmental Activities	
	2021	2020
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 1,213,552	\$ 614,720
Operating contributions and grants	1,191,899	1,122,400
Subtotal program revenues	2,405,451	1,737,120
General revenues:		
Property taxes	5,376,199	5,153,687
Franchise fees	206,526	188,602
Interest income	26,823	131,106
Total revenues	8,014,999	7,210,515
<b>Program Expenses</b>		
General government	1,664,820	1,351,685
Recreation	352,220	400,416
Public safety - fire protection	3,828,901	4,323,935
Parks	1,205,213	361,673
Maintenance	785,040	590,867
Interest and fees	199,306	206,661
Total expenses	8,035,499	7,235,237
<b>Change in Net Position</b>	\$ (20,500)	\$ (24,722)

**Government Activities**

For the 2021 fiscal year, the total District revenues were \$8,014,999 and the total District expenses were \$8,035,499. The difference of \$(20,500) is the change in net position bringing the total net position to \$15,494,174 on June 30, 2021. The main sources of revenue for the District are charges for services, operating grants, and property taxes. District taxpayers ultimately financed \$5,376,199 for these activities through local taxes and assessments.

**Capital Assets**

At June 30, 2021, the District had \$18,768,224 in a broad range of capital assets, including land, buildings and furniture and equipment.

Table 3  
Capital Assets at Year End

	2021	2020
Land	\$ 8,093,000	\$ 8,093,000
Construction in progress	724,803	130,257
Land and park improvements	710,830	644,821
Buildings and structures	15,953,096	15,890,072
Furniture and equipment	4,270,256	4,198,949
Accumulated depreciation	(10,983,761)	(10,414,234)
Net capital assets	\$ 18,768,224	\$ 18,542,865

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2021

**Debt Administration**

The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 4 to the basic financial statements. As of June 30, 2021, the District's debt comprised:

Net pension liability	\$ 2,330,687
Refunding bond	6,171,000
Fire Truck lease	77,915
Compensated absences	33,353
Other post-employment benefits	<u>2,136,549</u>
Total	<u>\$ 10,749,504</u>

**Economic Outlook and Major Initiatives**

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various communities served by the District.

The economic condition of the District as it appears on the balance sheet reflects financial stability and the potential for organizational growth. The District will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

**Contacting the District's Financial Management**

This 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 the General Manager, Cameron Park Community Services District, 2502 Country Club Drive, Cameron Park, California, 95682.



Cameron Park Community Services District

STATEMENT OF NET POSITION

June 30, 2021

ASSETS

Cash and investments	\$ 8,408,922
Accounts receivable	104,502
Non-depreciable capital assets	8,817,803
Depreciable capital assets, net	9,950,421
Total assets	27,281,648

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - pension	647,073
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LIABILITIES

Accounts payable	1,177,021
Accrued expenses	32,924
Long-term liabilities:	
Due within one year:	
Refunding bonds	442,000
Fire Truck lease	77,915
Due after one year:	
Refunding bonds	5,729,000
Compensated absences	33,353
Other post-employment benefits	2,136,549
Net pension liability	2,330,687
Total due after one year	10,229,589
Total liabilities	11,959,449

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - pension	475,098
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NET POSITION

Invested in capital assets, net of related debt	12,519,309
Restricted	3,959,926
Unrestricted	(985,061)
Total net position	\$ 15,494,174

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

Cameron Park Community Services District

STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position Total Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Governmental activities:					
General government	\$ 1,664,820	\$ -	\$ 1,191,899	\$ -	\$ (472,921)
Recreation	352,220	553,962	-	-	201,742
Public safety	3,828,901	659,590	-	-	(3,169,311)
Parks	1,205,213	-	-	-	(1,205,213)
Facility	785,040	-	-	-	(785,040)
Interest and fees	199,306	-	-	-	(199,306)
Total governmental activities	<u>\$ 8,035,499</u>	<u>\$ 1,213,552</u>	<u>\$ 1,191,899</u>	<u>\$ -</u>	<u>(5,630,048)</u>
General revenues:					
Taxes					5,376,199
Franchise fees					206,526
Use of money and property					<u>26,823</u>
Total general revenues					<u>5,609,548</u>
Change in net position					<u>(20,500)</u>
Net position beginning of period					15,522,744
Prior Period adjustment					<u>(8,070)</u>
Net position beginning of period restated					<u>15,514,674</u>
Net position ending of period					<u>\$ 15,494,174</u>

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

Cameron Park Community Services District  
 GOVERNMENTAL FUNDS  
BALANCE SHEET  
 June 30, 2021

	General	Fire Development	Parks Impact AB 1600	Fire Equipment Replacement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>ASSETS</u>							
Cash and investments	\$ 4,224,942	\$ 912,468	\$ 1,104,755	\$ 734,316	\$ 549,359	\$ 883,082	\$ 8,408,922
Accounts receivable	102,012	-	-	2,240	-	250	104,502
Due from other funds	<u>105,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,077</u>
Total assets	<u>\$ 4,432,031</u>	<u>\$ 912,468</u>	<u>\$ 1,104,755</u>	<u>\$ 736,556</u>	<u>\$ 549,359</u>	<u>\$ 883,332</u>	<u>\$ 8,618,501</u>
<u>LIABILITIES</u>							
Accounts payable	\$ 935,400	\$ -	\$ -	\$ 193,473	\$ -	\$ 48,150	\$ 1,177,023
Accrued expenses	28,211	-	-	-	-	4,713	32,924
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,077</u>	<u>105,077</u>
Total liabilities	<u>963,611</u>	<u>-</u>	<u>-</u>	<u>193,473</u>	<u>-</u>	<u>157,940</u>	<u>1,315,024</u>
<u>FUND BALANCES</u>							
Committed - stabilization reserve	65,000	-	-	-	-	-	65,000
Committed - economic uncertainties	400,000	-	-	-	-	-	400,000
Restricted	-	912,468	1,104,755	543,083	549,359	850,261	3,959,926
Unassigned	<u>3,003,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(124,869)</u>	<u>2,878,551</u>
Total fund balances	<u>3,468,420</u>	<u>912,468</u>	<u>1,104,755</u>	<u>543,083</u>	<u>549,359</u>	<u>725,392</u>	<u>7,303,477</u>
Total liabilities and fund balances	<u>\$ 4,432,031</u>	<u>\$ 912,468</u>	<u>\$ 1,104,755</u>	<u>\$ 736,556</u>	<u>\$ 549,359</u>	<u>\$ 883,332</u>	<u>\$ 8,618,501</u>

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

Cameron Park Community Services District  
 Reconciliation of the  
GOVERNMENTAL FUNDS - BALANCE SHEET  
 with the Governmental Activities  
STATEMENT OF NET POSITION  
 For the year ended June 30, 2021

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 7,303,477
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Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital Assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds	18,768,226
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LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Fire truck lease	(77,915)
Other bonds	(6,171,000)
Other post-employment benefits	(2,136,549)
Non-current portion of compensated absences	(33,353)
Deferred inflows- pension	(475,098)
Deferred outflows- pension	647,073
Net pension liability	<u>(2,330,687)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 15,494,174</u>
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The accompanying notes are an integral part of these financial statements.

Cameron Park Community Services District  
 GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
 For the year ended June 30, 2021

	General	Fire Development	Parks Impact AB 1600	Fire Equipment Replacement	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 4,419,680	\$ -	\$ -	\$ -	\$ 613,901	\$ 342,618	\$ 5,376,199
Franchise fees	206,526	-	-	-	-	-	206,526
Intergovernmental	1,127,797	-	-	-	-	64,102	1,191,899
Charges for services	408,931	42,764	227,306	324,931	-	30,593	1,034,525
Donations	145,031	-	-	-	-	-	145,031
Other income	2,802	-	-	18,989	-	12,205	33,996
Interest	4,266	4,800	4,332	3,049	2,189	8,187	26,823
Total revenues	<u>6,315,033</u>	<u>47,564</u>	<u>231,638</u>	<u>346,969</u>	<u>616,090</u>	<u>457,705</u>	<u>8,014,999</u>
Expenditures:							
General government	596,949	-	-	657,877	-	409,994	1,664,820
Recreation	349,261	-	-	-	-	-	349,261
Public safety	3,646,225	427	-	-	-	-	3,646,652
Parks	514,346	-	2,271	-	-	-	516,617
Facility	982,919	-	-	-	-	289,462	1,272,381
Debt service:							
Principal	-	-	-	151,134	404,000	-	555,134
Interest	-	-	-	8,116	191,190	-	199,306
Total expenditures	<u>6,089,700</u>	<u>427</u>	<u>2,271</u>	<u>817,127</u>	<u>595,190</u>	<u>699,456</u>	<u>8,204,171</u>
Excess (deficit) of revenues over (under) expenditures	<u>225,333</u>	<u>47,137</u>	<u>229,367</u>	<u>(470,158)</u>	<u>20,900</u>	<u>(241,751)</u>	<u>(189,172)</u>
Other financing sources (uses):							
Transfer in	22,146	-	-	128,000	-	22,058	172,204
Transfer out	(9,020)	(128,000)	(13,038)	-	-	(22,146)	(172,204)
Total other financing sources (uses):	<u>13,126</u>	<u>(128,000)</u>	<u>(13,038)</u>	<u>128,000</u>	<u>-</u>	<u>(88)</u>	<u>-</u>
Net change in fund balance	<u>238,459</u>	<u>(80,863)</u>	<u>216,329</u>	<u>(342,158)</u>	<u>20,900</u>	<u>(241,839)</u>	<u>(189,172)</u>
Fund balances, beginning of period	3,229,961	993,331	888,426	885,241	528,459	975,301	7,500,719
Prior Period adjustment	-	-	-	-	-	(8,070)	(8,070)
Fund balances, beginning of period restated	<u>3,229,961</u>	<u>993,331</u>	<u>888,426</u>	<u>885,241</u>	<u>528,459</u>	<u>967,231</u>	<u>7,492,649</u>
Fund balances, end of period	<u>\$ 3,468,420</u>	<u>\$ 912,468</u>	<u>\$ 1,104,755</u>	<u>\$ 543,083</u>	<u>\$ 549,359</u>	<u>\$ 725,392</u>	<u>\$ 7,303,477</u>

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

Cameron Park Community Services District  
RECONCILIATION OF THE NET CHANGE IN FUND BALANCES -  
TOTAL GOVERNMENTAL FUNDS  
with the  
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES  
For the year ended June 30, 2021

Total net change in fund balances - governmental funds	\$ (189,172)
 <b>CAPITAL ASSETS TRANSACTIONS</b>	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
The capital outlay expenditures are therefore added back to the fund balance	794,886
Depreciation expense is deducted from the fund balance	(569,527)
 <b>LONG-TERM DEBT PROCEEDS AND PAYMENT</b>	
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.	
Repayment of debt principal is added back to the fund balance	555,134
Governmental funds record pension expense as it is paid. However, in the Statement of Activities those costs are reversed as deferred outflows/(inflows) and an increase/(decrease) in net pension liability.	(258,902)
 <b>ACCRUAL OF NON-CURRENT ITEMS</b>	
The amounts below included in the Statement of Activities do not provide (or require) the use of current financial resources and therefore are not reported as revenue or expenditures in the governmental funds (net change):	
Other post-employment benefits	(349,960)
Compensated absences	(2,959)
	(2,959)
Changes in net position of governmental activities	\$ (20,500)

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

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Cameron Park Community Services District (the “District”) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

A. Reporting Entity

The District was duly organized and formed on June 26, 1961, pursuant to the Community Services District Law of the State of California (Division 2 of Title 6 of the Government Code, Section 61000, et seq.). The District was primarily formed to provide fire protection and park and recreation services but has the authority to provide many other services, including police protection, garbage collection and disposal, water, sewer, electric, street lighting, and mosquito abatement. The District is governed by a five-member elected Board of Directors.

The District has defined its reporting entity in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity.

The District levies assessments and provides services to eighteen Lighting and Landscaping Districts which are operated under the Lighting and Landscaping Act of 1972. All parcels within each Lighting and Landscaping District are assessed at varying rates depending upon the increased property values created by the installation of nearby public improvements.

B. Basis of Presentation - Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities or component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated from the general government activity to the recreation and park activity based on relative percentages or prior year actual operating expenditures. Program revenues include 1) charges to customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when reimbursable costs are incurred under the accrual basis of accounting.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation - Fund Financial Statements

The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for each governmental fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

The emphasis of fund financial statements is on major governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds in a single column, regardless of their fund type. Major funds are those that have assets, liabilities, revenue or expenditures equal to ten percent of their fund-type total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

The District reports the following major governmental fund types:

General Fund – this is the District's primary operating fund. It is used to account for all activities, except those required to be accounted for in another fund.

Fire Development Special Revenue Fund - this fund was established to account for the purchase of capital equipment to support public safety services.

Park Impact AB1600 Fund - this fund was established to account for the park impact fee and related activities and associated costs.

Fire Equipment Replacement Fund - this fund was established to account for the activities and transactions related to fire replacement equipment.

Debt Service Fund - this fund was established to account for the payment of debt principal and interest charges.



Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation - Fund Financial Statements (concluded)

Other Governmental Funds are comprised of several non-major funds that include funds for separate smaller landscaping districts, funds reserved for specific capital acquisitions, fire prevention and safety and other miscellaneous fund balances.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted and amended as required for the General Fund, the CC & R Special Revenue Fund, and the Impact Fee Special Revenue Fund and for active Lighting and Landscaping Special Revenue Funds. For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the activity level. The legal appropriation basis is at the level called "Department" (e.g., Parks) or an entire fund (e.g., CC & R Special Revenue Fund).

General fund expenditures were under appropriations in the amount of \$607,450.

E. Cash and Investments

The District pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash and investment account is available to meet current operating requirements.

F. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables, as appropriate, and are referred to as either due from/due to other funds.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefitting fund and reduces its cost as a reimbursement. All other interfund transactions are treated as transfers.

G. Capital Assets

Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets, owned by the District, are stated at historical cost or estimated historical cost, if actual historical cost is not available.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

- Structures and improvements: 5 to 30 years
- Equipment: 3 to 20 years

It is the policy of the District to capitalize all land, structures and improvements, and equipment, except assets costing less than \$5,000.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences

An employee accumulates vacation time in accordance with the employee's respective "Memorandum of Understanding." The amount of vacation and sick time vested and accrued depends on years of service and date of hire. Vacation vested may be accumulated not to exceed 240 hours and is paid in full upon termination or retirement.

Sick leave time may be accumulated without limit from year to year. Upon non-disciplinary separation from the District, after one year of consecutive District employment, the District will apply 100% of represented employees sick leave as retirement service credits. Upon retirement at age 55 or over after at least 5 years of consecutive District employment, or upon industrial disability retirement, the District will apply 100% of represented employees sick leave as retirement service credits. In the event of death of the employee, the District will pay to the employee's designated beneficiary 100% of accumulated sick leave up to 960 hours.

I. Property

All property taxes are collected and allocated by the County of El Dorado (the County) to the various taxing entities. Property taxes are determined annually as of January 1 and attach as an enforceable lien on real property as of July 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The District participates in the County "Teeter-Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the District based on assessments, not on collections, according to the following schedule: 55 percent in December, 40 percent in April, and 5 percent at the end of the fiscal year. Property tax is recognized when it is available and measurable. The District considers property tax as available if it is received within 60 days after fiscal year end.

J. Net Position

GASB Statement No. 34 added the concept of Net Position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

Net position is the excess of all the District's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position, which is determined only at the Government-wide level, and are described below:

*Invested in capital, net of related debt* describes the portion of net position that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter. These include amounts for debt service requirements.

*Unrestricted* describes the portion of net position that is not restricted to use.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Fund Equity

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

*Nonspendable* fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

*Restricted* fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

*Committed* fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

*Assigned* fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

*Unassigned* fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

L. Use of Estimates

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures/expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

M. 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.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

M. Deferred Outflows and Inflows of Resources (concluded)

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.

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.

N. 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 District's California Public Employees' 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.

NOTE 2 - CASH AND INVESTMENTS

The District participates in the El Dorado County Treasury. El Dorado County (the County) pools its funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.

Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134.

Cash balances from all funds are combined and invested to the extent possible pursuant to the District Board Approved Investment Policy and Guidelines and State Government Code.

<u>Deposits and Investments</u>	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Investment Risk</u>
Cash in bank	\$ 3,833,045	\$ 3,833,045	AA
Cash in County Treasury	<u>4,575,877</u>	<u>4,575,877</u>	N/A
Total cash and investments	<u>\$ 8,408,922</u>	<u>\$ 8,408,922</u>	

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 2 - CASH AND INVESTMENTS (concluded)

A. 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 custodial credit risk for deposits and 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.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

B. Authorized Investments

California statutes authorize the District to invest idle or surplus funds in a variety of credit instruments as provided for in California Government Code Section 53600, Chapter 4: Financial Affairs. The Government Code allows investments in the following instruments:

- Securities of the United States Government, or its agencies
- Small Business Administration loans
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies
- Negotiable Certificates of Deposit
- Banker's Acceptances
- Commercial paper and medium-term corporate notes
- Local Agency Investment Fund (State Pool and County Pool) Demand Deposits
- Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits - Reverse Repurchase Agreements
- County Cash Pool

C. Fair Value Reporting - Investments

The District categorizes the fair value measurements of its investments within the fair value hierarchy established by GAAP. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. These levels are determined by the District's investment manager based on a review of the investment class, structure and what kind of securities are held in the portfolio. The District's holdings are classified in Level 1 of the fair value hierarchy. The District's holdings in El Dorado County Investment Pool were an uncategorized input and not defined as a Level 1-3 input.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 3 - CAPITAL ASSETS

An analysis of capital assets as of June 30, 2021, is as follows:

	Balance at 07/01/20	Increase	Decrease	Balance at 6/30/21
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 8,093,000	\$ -	\$ -	\$ 8,093,000
Construction in progress	<u>130,257</u>	<u>607,260</u>	<u>12,714</u>	<u>724,803</u>
Total capital assets, not being depreciated	<u>8,223,257</u>	<u>607,260</u>	<u>12,714</u>	<u>8,817,803</u>
Capital assets, being depreciated:				
Land improvements	644,821	66,009	-	710,830
Buildings and structures	15,890,072	63,024	-	15,953,096
Furniture and equipment	<u>4,198,949</u>	<u>71,307</u>	-	<u>4,270,256</u>
Total capital assets, being depreciated	<u>20,733,842</u>	<u>200,340</u>	-	<u>20,934,182</u>
Less accumulated depreciation for:				
Land improvements	257,430	35,533	-	292,963
Buildings and structures	6,412,913	372,705	-	6,785,618
Furniture and equipment	<u>3,743,891</u>	<u>161,289</u>	-	<u>3,905,180</u>
Total accumulated depreciation	<u>10,414,234</u>	<u>569,527</u>	-	<u>10,983,761</u>
Total capital assets being depr. - net	<u>10,319,608</u>	<u>(369,187)</u>	-	<u>9,950,421</u>
Capital assets - net	<u>\$ 18,542,865</u>	<u>\$ 238,073</u>	<u>\$ 12,714</u>	<u>\$ 18,768,224</u>
<u>Depreciation allocation:</u>				
Parks				\$ 79,734
Facility				307,545
Public safety				<u>182,249</u>
Total				<u>\$ 569,527</u>

NOTE 4 - LONG-TERM DEBT

The following is a summary of changes in long-term debt as of June 30, 2021:

	Balance at 07/01/20	Increase	Decrease	Balance at 6/30/21	Current
Refunding bond	\$ 6,575,000	\$ -	\$ 404,000	\$ 6,171,000	\$ 442,000
Fire Truck Lease	153,963	-	76,048	77,915	77,915
F-250 Fire Truck Utility Lease	75,086	-	75,086	-	-
Other post-employment benefits	1,786,589	349,960	-	2,136,549	-
Compensated absences	<u>30,394</u>	<u>20,902</u>	<u>17,943</u>	<u>33,353</u>	-
Total	<u>\$ 8,621,032</u>	<u>\$ 370,862</u>	<u>\$ 573,077</u>	<u>\$ 8,418,817</u>	<u>\$ 519,915</u>

General Obligation Bonds, Series A

On August 24, 2005, the District issued \$8,685,000 in general obligation bonds. The bonds were issued at a premium of \$274,347. The bonds were issued for the purpose of constructing a new community center. The general obligation bonds are payable solely from *ad valorem* property taxes. The bonds were fully refunded with proceeds from Umpqua Bank at an interest rate of 3% through August 1, 2030.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 4 - LONG-TERM DEBT (concluded)

Principal payments on the bonds are due August 1 and interest is due on August 1 and February 1 of every year. Debt service requirements are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 442,000	\$ 178,500	\$ 620,500
2023	469,000	164,835	633,835
2024	510,000	150,150	660,150
2025	546,000	134,310	680,310
2026	585,000	117,345	702,345
2027	629,000	99,135	728,135
2028	673,000	79,605	752,605
2029	724,000	58,650	782,650
2030	770,000	36,240	806,240
2031	<u>823,000</u>	<u>12,345</u>	<u>835,345</u>
Total	<u>\$ 6,171,000</u>	<u>\$ 1,031,115</u>	<u>\$ 7,202,115</u>

Fire Truck Lease

On January 1, 2016, the District entered into a lease purchase agreement for a Fire truck in the amount of \$505,531. Principal payments on the lease are due January 1 and interest is due on January 1 of each year. Lease service requirements are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 77,915	\$ 158	\$ 78,073
Total	<u>\$ 77,915</u>	<u>\$ 158</u>	<u>\$ 78,073</u>

NOTE 5 - DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District's following cost-sharing multiple employers defined benefit pension plans (Plans):

- District Miscellaneous

The Plans are 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 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.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

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

	District Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	2% @ 55	2% @ 62
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 – 55	52 - 67
Retirement age	2.0% to 2.7%	1.0% to 2.5%
Monthly benefits, as a % of eligible compensations	7%	6.25%
Required employee contribution rates	8.892%	6.842%
Required employer contribution rates		

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 Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for each Plan were as follows:

	All Plans
Contributions – employer	\$ 208,378

As of June 30, 2021, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 967,032
Safety	1,363,655
Total Net Pension Liability	<u>\$ 2,330,687</u>

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2020, and the total pension liability for each 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 update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2020 and 2021 was as follows:



Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

<u>District's Plans</u>	<u>All Plans</u>
Proportion - June 30, 2020	.020%
Proportion - June 30, 2021	.021%
Change – Increase (Decrease)	.001%

For the year ended June 30, 2021, the District recognized pension expense of \$467,277. At June 30, 2021, 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
Changes in assumptions	\$ -	\$ 11,440
Differences between expected and actual experience	155,579	-
Differences between projected and actual investment earnings	58,365	-
Differences between employer's contributions and proportionate share of contributions	23,265	441,857
Change in employer's proportion	201,487	21,801
Pension contributions subsequent to measurement date	208,378	-
Total	\$ 647,074	\$ 475,098

The \$208,378 amount 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, 2022.

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 Ended June 30</u>			
2022		\$	22,746
2023			(54,499)
2024			(20,905)
2025			6,338
Thereafter			-

Actuarial Assumptions - The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	All Plans
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% (1)
Mortality	Derived using CalPERS Membership Data for all Funds (2)

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

- (1) Net of pension plan investment expenses, including inflation.
- (2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on CalPERS website

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. 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 called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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 (PERF) cash flows. Using historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits of 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.

<u>Asset Class</u>	<u>New Strategic Allocation</u>
Global Equity	50%
Global Fixed Income	28%
Real Assets	13%
Private Equity	8%
Inflation Sensitive	0%
Liquidity	<u>1%</u>
Total	<u>100%</u>

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

The following presents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, 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 or 1-percentage point higher than the current rate:

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 5 - DEFINED BENEFIT PENSION PLAN (concluded)

	All Plans
1% Decrease	6.15%
Net Pension Liability	\$4,073,324
Current Discount Rate	7.15%
Net Pension Liability	\$2,330,687
1% Increase	8.15%
Net Pension Liability	\$897,728

Pension Plan Fiduciary Net Position

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

NOTE 6 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan (the “Plan”) created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time and permanent part-time employees, permits them to defer a portion of their salary until future years. Under this plan, participants are not taxed on the deferred portion of the compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District’s property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT

*Plan Description.* The District’s defined benefit post-employment healthcare plan, Cameron Park Community Services District Other Post-Employment Benefit Program, provides medical benefits to eligible retired District employees and their beneficiaries. The contribution requirements of plan members and the District are established and may be amended by the District’s governing board. Depending on the number of years of service and the circumstances surrounding retirement, employees may be eligible to receive health care insurance cost reimbursement of between 50%-100%.

*Funding Policy.* There is no statutory requirement for the District to prefund its OPEB obligation. The District currently pays for retiree healthcare benefits on a pay-as-you-go basis. There are no employee contributions.

Employees Covered by Benefit Terms

At June 30, 2021 (the census date), the benefit terms covered the following employees:

Inactive employees or beneficiaries currently receiving benefit payments:	11
Active employees or beneficiaries currently receiving benefit payments:	14
Inactive employees entitled to but not yet receiving benefit payment:	0
Active plan members:	25

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (continued)

Actuarial Assumptions

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 Alternative Measurement Method valuation dated June 30, 2021 to determine the June 30, 2021 net OPEB liability, based on the following assumptions:

- Inflation: 2.625%
- Salary increases: Aggregate salary increases 2.875%. Individual salary increases based on CalPERS.
- Investment rate of return: 7.25%
- Mortality rates were based on CalPERS tables.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Changes in the Total OPEB Liability

Balance as of June 30, 2020	\$ 1,786,589
Changes for the year:	
Service cost	80,851
Interest	426,540
Benefit payments, including refunds of employee contributions	(157,431)
Administrative expenses	-
Net changes	349,960
Balances as of June 30, 2021	\$ 2,136,549

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) follows:

Plan's Net OPEB Liability/(Asset)		
1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
\$ 2,312,642	\$ 2,136,549	\$ 1,977,210

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

The alternative measurement method does not factor in the healthcare cost trend rate.

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

For the year ended June 30, 2021, the District recognized an OPEB expense of \$349,960. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT (concluded)

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ -	\$ -
Differences between actual and expected experience	-	-
Changes in assumptions	-	-
Net differences between projected and actual earnings on OPEB plan investments	-	-
Total	\$ -	\$ -

\$0 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of net OPEB liability in the year ended June 30, 2022.

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

<u>Fiscal Year Ended</u>		\$
6/30/22		-
6/30/23		-
6/30/24		-
Thereafter		-

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Special District Risk Management Authority (SDRMA), an intergovernmental risk-sharing, joint powers authority (risk-sharing pool) established to provide an independently managed, self-insurance program for members. The purpose of SDRMA is to spread the adverse effect of losses among the members and to purchase excess insurance as a group, thereby reducing its expense.

The District contributes its pro-rata share of anticipated losses to a pool administered by SDRMA. Should actual losses among participants be greater than the anticipated losses, the District will be assessed its pro-rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the District will be refunded its pro-rata share of the excess. Settled claims have not exceeded commercial excess liability coverage in any of the past three fiscal years.

NOTE 9 - CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the appreciable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began to spread among various countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S., including California, have declared a state of emergency and issued shelter-in-place orders in response to the outbreak.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2021

NOTE 9 - CONTINGENT LIABILITIES (concluded)

The immediate impact to the District's operations include limited available resources to perform day-to-day operations. It is anticipated that the impacts from this pandemic will continue for some time. As of the report date, the financial impact of the coronavirus outbreak cannot be measured.

NOTE 10 - STEWARDSHIP AND COMPLIANCE

At June 30, 2021, only two non-major funds had negative fund equity as follows: Promotional Grant and Per Capita Grant.

The fund's negative fund equity balances are expected to return to a positive status in fiscal year 2022.

NOTE 11- TRANSFERS

Interfund transfers for the year ended June 30, 2021 consisted of the following amounts:

	Transfers In	Transfers Out
General Fund	\$ 22,146	\$ 9,020
Fire Development	-	128,000
CC&R	-	17,146
Parks Impact AB 1600	-	13,038
Fire and Emergency Service Capital Asset Reserve	128,000	-
Maintenance	9,020	-
Scholarship Fund	-	5,000
Per Capita Grant	13,038	-
Total	\$ 172,204	\$ 172,204

The composition of inter-fund balances was as follows:

	Due from Asset	Due to Liability
General Fund	\$ 105,077	\$ -
Promotional grant	-	36
Per Capita grant	-	105,041
Total	\$ 105,077	\$ 105,077

The above balances generally resulted from a time lag between the dates that inter-fund goods and services are provided, or reimbursable expenditures occur, transactions are recorded in the accounting system, and payment between funds are made.

NOTE 12- PRIOR PERIOD ADJUSTMENT

El Dorado County Auditor's office made adjustments in May 2021 to correct outstanding receivable amounts from 2004. Fund 2 CC& R fund balance decreased \$21,829 and the Maintenance fund balance increased \$13,759 which resulted in a net overall decrease of \$8,070.

REQUIRED SUPPLEMENTARY INFORMATION

Cameron Park Community Services District  
GENERAL FUND  
SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
Budget and Actual  
For the year ended June 30, 2021  
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues:				
Property taxes	\$ 4,327,328	\$ 4,327,061	\$ 4,419,680	\$ 92,619
Franchise fees	200,000	200,000	206,526	6,526
Intergovernmental	1,150,000	1,150,000	1,127,797	(22,203)
Charges for services	834,979	834,979	408,931	(426,048)
Donations and grants	101,120	101,120	145,031	43,911
Other income	12,000	12,000	2,802	(9,198)
Interest	25,000	25,000	4,266	(20,734)
Total revenues	<u>6,650,427</u>	<u>6,650,160</u>	<u>6,315,033</u>	<u>(335,127)</u>
Expenditures:				
General government	1,011,454	1,011,454	596,949	414,505
Recreation	501,655	501,655	349,261	152,394
Public safety	4,257,847	4,257,847	3,646,225	611,622
Facility	378,238	378,238	982,919	(604,681)
Parks	547,956	547,956	514,346	33,610
Total expenditures	<u>6,697,150</u>	<u>6,697,150</u>	<u>6,089,700</u>	<u>607,450</u>
Excess (deficit) of revenues over (under) expenditures	<u>(46,723)</u>	<u>(46,990)</u>	<u>225,333</u>	<u>272,323</u>
Other financing sources (uses):				
Transfer in	50,033	50,033	22,146	(27,887)
Transfer out	-	-	(9,020)	(9,020)
Total other financing sources (uses):	<u>50,033</u>	<u>50,033</u>	<u>13,126</u>	<u>(36,907)</u>
Net change in fund balance	<u>\$ 3,310</u>	<u>\$ 3,043</u>	238,459	<u>\$ 235,416</u>
Fund balances, beginning of period			<u>3,229,961</u>	
Fund balances, end of period			<u>\$ 3,468,420</u>	



Cameron Park Community Services District  
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY - ALL PLANS

June 30, 2021

Measurement Date, June 30	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.02142%	0.02020%	0.01938%	0.01962%	0.03895%	0.03225%
Proportion share of the net pension liability	\$ 2,330,687	\$ 2,069,818	\$ 1,867,820	\$ 1,945,624	\$ 1,650,266	\$ 976,452
Covered - employee payroll	\$ 734,282	\$ 684,507	\$ 692,037	\$ 539,852	\$ 539,852	\$ 450,150
Proportionate share of the net pension liability as percentage of covered-employee payroll	317.41%	302.38%	269.90%	360.40%	305.69%	216.92%
Plan fiduciary net position as a percentage of the total pension liability	81.33%	81.77%	85.27%	84.18%	85.39%	91.01%

\* Fiscal year 2015 was the 1st year of implementation.

Cameron Park Community Services District  
SCHEDULE OF CONTRIBUTIONS - ALL PLANS  
 June 30, 2021

<u>Fiscal Year Ending June 30</u>	<u>All Plans</u>						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 208,378	\$ 216,326	\$ 186,826	\$ 142,135	\$ 123,075	\$ 81,896	\$ 82,050
Contributions in relation to the actuarially determined contributions	<u>(208,378)</u>	<u>(216,326)</u>	<u>(186,826)</u>	<u>(142,135)</u>	<u>(123,075)</u>	<u>(81,896)</u>	<u>(82,050)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered - employee payroll	 \$ 734,282	 \$ 684,507	 \$ 692,037	 \$ 601,799	 \$ 539,852	 \$ 450,150	 \$ 450,150
 Contributions as a percentage of covered- employee payroll	 28.38%	 31.60%	 27.00%	 23.62%	 22.80%	 18.19%	 18.23%

Cameron Park Community Services District  
**REQUIRED SUPPLEMENTARY INFORMATION**  
SCHEDULE OF CHANGE IN THE  
NET OPEB LIABILITY AND RELATED RATIOS  
For the period ended June 30, 2021

<b>Total OPEB Liability</b>	2021	2020	2019
Service cost	\$ 80,851	\$ 44,823	\$ 42,833
Interest	426,540	(333,232)	(481,697)
Benefit payments, included refunds of employee contributions	<u>(157,431)</u>	<u>(147,850)</u>	<u>(149,117)</u>
<b>Net change in OPEB liability</b>	349,960	(436,259)	(587,981)
<b>Total OPEB liability - beginning of year</b>	<u>1,786,589</u>	<u>2,222,848</u>	<u>2,810,829</u>
<b>Total OPEB liability - end of year</b>	<u>\$ 2,136,549</u>	<u>\$ 1,786,589</u>	<u>\$ 2,222,848</u>
<b>Plan Fiduciary Net Position</b>			
Net investment income	\$ -	\$ -	\$ -
Contributions			
Employer	-	-	-
Benefit payments, included refunds of employee contributions	-	-	-
Administrative expense	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in plan fiduciary net position</b>	-	-	-
<b>Plan fiduciary net position - beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan fiduciary net position - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>District's net OPEB liability - end of year</b>	<u>\$ 2,136,549</u>	<u>\$ 1,786,589</u>	<u>\$ 2,222,848</u>
<b>Covered-employee payroll</b>	\$ 734,282	\$ 684,507	\$ 692,037
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	290.97%	261.00%	321.20%

Notes to Schedule:

The schedules present information to illustrate the changes in the District's net OPEB liability over a ten-year period when the information is available. The District adopted GASB 75 for the fiscal year ending June 30, 2018.

Cameron Park Community Services District  
NON-MAJOR GOVERNMENTAL FUNDS  
BALANCE SHEET  
June 30, 2021

	CC& R 2	Quimby Act 3	Fire Training 5	Maintenance 30-50	Community Center 70	Scholarship Fund 71	Per Capita Grant 80	Promotional Grant 81	Total Governmental Funds
<u>ASSETS</u>									
Cash and investments	\$ 183,514	\$ 10,414	\$ 33,417	\$ 648,658	\$ 1	\$ 7,078	\$ -	\$ -	\$ 883,082
Accounts receivable	250	-	-	-	-	-	-	-	250
Total assets	<u>\$ 183,764</u>	<u>\$ 10,414</u>	<u>\$ 33,417</u>	<u>\$ 648,658</u>	<u>\$ 1</u>	<u>\$ 7,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 883,332</u>
<u>LIABILITIES</u>									
Accounts payable	\$ 9,993	\$ -	\$ 203	\$ 18,162	\$ -	\$ -	19,792	\$ -	\$ 48,150
Due to other funds	-	-	-	-	-	-	105,041	36	105,077
Accrued expenses	2,113	-	-	2,600	-	-	-	-	4,713
Total liabilities	<u>12,106</u>	<u>-</u>	<u>203</u>	<u>20,762</u>	<u>-</u>	<u>-</u>	<u>124,833</u>	<u>36</u>	<u>157,940</u>
<u>FUND BALANCES</u>									
Restricted	171,658	10,414	33,214	627,896	1	7,078	-	-	850,261
Unassigned	-	-	-	-	-	-	(124,833)	(36)	(124,869)
Total fund balances	<u>171,658</u>	<u>10,414</u>	<u>33,214</u>	<u>627,896</u>	<u>1</u>	<u>7,078</u>	<u>(124,833)</u>	<u>(36)</u>	<u>725,392</u>
Total liabilities and fund balances	<u>\$ 183,764</u>	<u>\$ 10,414</u>	<u>\$ 33,417</u>	<u>\$ 648,658</u>	<u>\$ 1</u>	<u>\$ 7,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 883,332</u>

Cameron Park Community Services District  
NON-MAJOR GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended June 30, 2021

	CC& R 2	Quimby Act 3	Fire Training 5	Maintenance 30-50	Community Center 70	Scholarship Fund 71	Per Capita Grant 80	Promotional Grant 81	Total Governmental Funds
Revenues:									
Property taxes	\$ 78,944	\$ -	\$ -	\$ 263,674	\$ -	\$ -	\$ -	\$ -	\$ 342,618
Intergovernmental	-	64,102	-	-	-	-	-	-	64,102
Charges for services	26,605	-	-	3,988	-	-	-	-	30,593
Other income	3,057	-	-	-	-	-	9,148	-	12,205
Interest	988	243	58	6,403	-	-	495	-	8,187
Total revenues	<u>109,594</u>	<u>64,345</u>	<u>58</u>	<u>274,065</u>	<u>-</u>	<u>-</u>	<u>9,643</u>	<u>-</u>	<u>457,705</u>
Expenditures:									
General government	100,504	64,102	21,496	-	-	-	223,892	-	409,994
Facility	-	-	-	289,462	-	-	-	-	289,462
Total expenditures	<u>100,504</u>	<u>64,102</u>	<u>21,496</u>	<u>289,462</u>	<u>-</u>	<u>-</u>	<u>223,892</u>	<u>-</u>	<u>699,456</u>
Excess (deficit) of revenues over (under) expenditures	<u>9,090</u>	<u>243</u>	<u>(21,438)</u>	<u>(15,397)</u>	<u>-</u>	<u>-</u>	<u>(214,249)</u>	<u>-</u>	<u>(241,751)</u>
Other financing sources (uses):									
Transfer in	-	-	-	9,020	-	-	13,038	-	22,058
Transfer out	(17,146)	-	-	-	-	(5,000)	-	-	(22,146)
Total other financing sources (uses):	<u>(17,146)</u>	<u>-</u>	<u>-</u>	<u>9,020</u>	<u>-</u>	<u>(5,000)</u>	<u>13,038</u>	<u>-</u>	<u>(88)</u>
Net change in fund balance	<u>(8,056)</u>	<u>243</u>	<u>(21,438)</u>	<u>(6,377)</u>	<u>-</u>	<u>(5,000)</u>	<u>(201,211)</u>	<u>-</u>	<u>(241,839)</u>
Fund balances, beginning of period	201,543	10,171	54,652	620,514	1	12,078	76,378	(36)	975,301
Prior period adjustment	(21,829)	-	-	13,759	-	-	-	-	(8,070)
Fund balances, beginning of period restated	<u>179,714</u>	<u>10,171</u>	<u>54,652</u>	<u>634,273</u>	<u>1</u>	<u>12,078</u>	<u>76,378</u>	<u>(36)</u>	<u>967,231</u>
Fund balances, end of period	<u>\$ 171,658</u>	<u>\$ 10,414</u>	<u>\$ 33,214</u>	<u>\$ 627,896</u>	<u>\$ 1</u>	<u>\$ 7,078</u>	<u>\$ (124,833)</u>	<u>\$ (36)</u>	<u>\$ 725,392</u>