



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30th, 2021



**San Mateo County Mosquito and Vector Control District
 Annual Comprehensive Financial Report
 For the year ended June 30, 2021**

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**San Mateo County Mosquito and Vector Control District
Annual Comprehensive Financial Report
For the year ended June 30, 2021**

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TO THE MEMBERS OF THE BOARD OF TRUSTEES AND RESIDENTS OF SAN MATEO COUNTY:

State law requires special districts to annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial statements of the San Mateo County Mosquito and Vector Control District (District) for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse; and to compile sufficient and reliable information for the preparation of the District's financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits. Therefore, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than, absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Badawi & Associates, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District, for the fiscal year ended June 30, 2021, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements, for the fiscal year ended June 30, 2021, were fairly presented, in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

District Description

San Mateo County Mosquito and Vector Control District is an independent special district formed by the residents of San Mateo County in 1916 to control mosquitoes and protect the health and comfort of local residents. The District currently encompasses all 455 square miles of San Mateo County. It covers most of the Peninsula south of San Francisco, bordered on the east by San Francisco Bay and on the west by the Pacific Ocean. The area enjoys a mild, Mediterranean climate ranging in temperature from an average low of 42 degrees F in winter, to an average high of 80 degrees F in summer. Average annual rainfall is 23 inches, most of which is received between November and May. Approximately 760,000 people live within the District's boundaries. Services provided by the District include mosquito control, yellowjacket and wasp nest removal, municipal rat control, surveillance for vector-borne diseases, and advice to property owners on issues related to vectors. In FY 20-21, the District has an annual budget of approximately \$6.0 million. It is supported by a Special Mosquito Control parcel tax and portion of ad valorem taxes in the oldest portion of the District, and a benefit assessment in the North and West Assessment area (Figure 1).

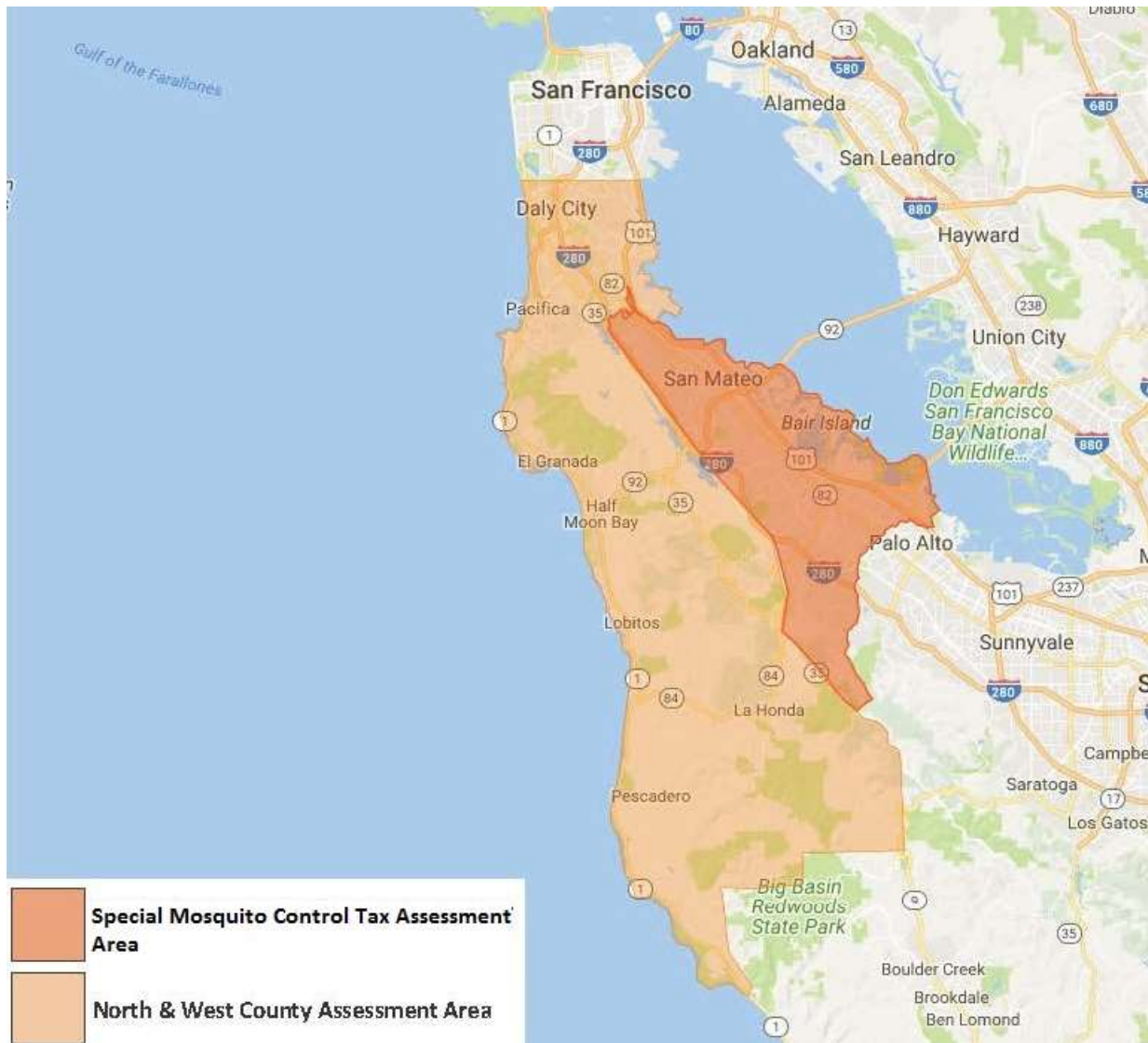


Figure 1: Map of the Assessment Areas of San Mateo County Mosquito and Vector Control District.

The District is governed by a 21-member Board of Trustees, consisting of one representative from each city in the county and one representing the county at large. The Board of Trustees meet 10 times a year and is responsible for overseeing the District's finances, setting policy, and supervising the District Manager.

Staff positions include 23 permanent and between 10 and 13 seasonal staff. The permanent staff includes a District Manager; a Field Operations Director; Finance Director; Laboratory; Information and Technology Director and a Public Health Education & Outreach Director; nine field staff; and support staff consisting of three finance staff, five laboratory positions.

History

San Mateo County Mosquito and Vector Control District was formed in 1916, following passage of enabling legislation, the Mosquito Abatement Act of California (California Health and Safety Code Section 2000-2093). It is one of the oldest vector control Districts in California. The original agency, Three Cities Mosquito Abatement District, was formed in 1916 to control mosquitoes in San Mateo, Burlingame, and Hillsborough using an integrated mosquito management program developed by entomologists from the University of California. In 1953, the Three Cities Mosquito Abatement District and the Pulgas Mosquito Abatement District merged to form the San Mateo County Mosquito Abatement District, which covered the area from Burlingame to the southern border of the county, on the eastern side of the Coast Ranges from approximately Hwy 280 to San Francisco Bay. In 2003, the District annexed the cities of Brisbane, Colma, Daly City, South San Francisco, most parcels in San Bruno, and communities west of I-280 such as Año Nuevo, Half Moon Bay, El Granada, and Pacifica, and other unincorporated areas in San Mateo County generally located west of Interstate 280 (the "North and West County Assessment Areas" Figure 1). In 2007, the County Department of Environmental Health asked the District to take over responsibility for all vector control services that had formerly come under the County's purview. The District changed its name to the San Mateo County Mosquito and Vector Control District.

Program Description

San Mateo County Mosquito and Vector Control District uses integrated vector management to protect the public from disease, discomfort, and injury caused by mosquitos and other vectors. Integrated vector management is the coordinated use of information about pest population, biology, and the host environment, combined with best available control methods to prevent disease and discomfort using the most economical means, while minimizing possible impacts to people, property, and the environment. The District's program uses a variety of techniques to protect public health, including surveillance of vector populations and disease risk, public outreach and education, and physical, biological, and chemical control measures to reduce vector populations.

Funding

The District is supported primarily by property taxes. These revenues are from three sources: a portion of ad valorem taxes from properties in the original district, a Special Mosquito Control tax passed by voters in 1974, and a benefit assessment passed by voters in 2003. The ad valorem taxes and Special Mosquito

Control tax apply only to properties within the boundaries of the original district (outlined in dark orange on the map in Figure 1).

The properties added to the District in 2003 (the area in tan on the map above, called the North and West Assessment Areas) pay the benefit assessment. Ad valorem taxes are 0.000018505 cents per \$1.00 of property taxes. The Special Mosquito Control Tax is a flat \$3.74 per parcel, and does not allow for cost of living adjustments. The North and West Assessment Area is divided into two zones. Zone B includes rural mountainous parts of the District; Zone A encompasses the remaining densely populated portion of the annexed area.

In fiscal year 2020-21, there was no change from the prior year in the amount of Benefit Assessment levied \$18.68 or \$18.33 per Single Family Equivalent (SFE) in Zone A or B, respectively. This Benefit Assessment is subject to an annual adjustment tied to the Consumer Price Index (CPI) for the San Francisco Bay Area with a maximum annual adjustment of up to 3% plus any CPI adjustments for prior years that have not been levied. The District currently has an additional 23.18% additional CPI in reserve that it may apply in future years. In Fiscal year 2020-21, the District budgeted \$6.2 million in revenue from all sources. It is Board policy for the District to annually pass balanced budgets.

Long Term Financial Planning

In 2018, the District Board of Trustees adopted a Financial Projection Model to be used as a basis for future decision-making (Figure 2). Based on historical information and projections of revenues and expenditures, the District is looking at a fairly stable financial outlook over the next 8 years. Annual fund balance varies insignificantly on a year to year basis. Average revenue and expenditure growth during the projection period is 2.9% per year. Resulting fund balance is stable but potentially increases approximately 6.8% over the 9-year projection period. With that being said, District management and the Board are committed to passing a balanced budget each fiscal year. The District plans for long term capital needs through a Long Term Capital Improvement Plan. The Financial Projection Model and Long Term Capital Improvement Plan are reviewed and updated annually. The graph below (Figure 2) shows Revenues, Expenditures, and Fund Balance projections as they exist at the beginning for fiscal year 2019-20. As illustrated, in FY 19-20 there is a one-time increase in revenue due to the sale of District property located in Redwood City, CA. This was incorporated into the budget for fiscal year 19-20. The graph below (Figure 3) shows the projection components of fund balance for the same period of time. In FY 21-22 there is a reduction to fund balances due to the use of the Real Property Acquisition Reserve in connection with the purchase of real property to be consummated in July 2021.

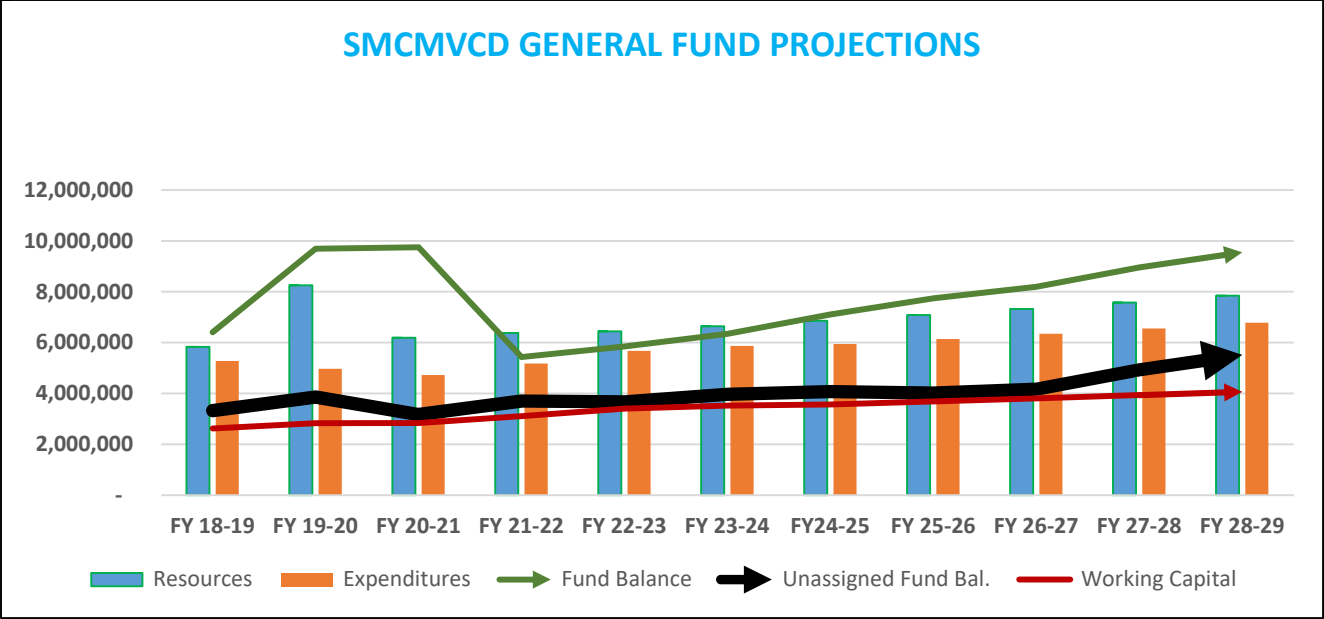


Figure 2: Financial projection of Revenues, Expenditures, and Fund Balances for fiscal year 2018-19 through 28-29.

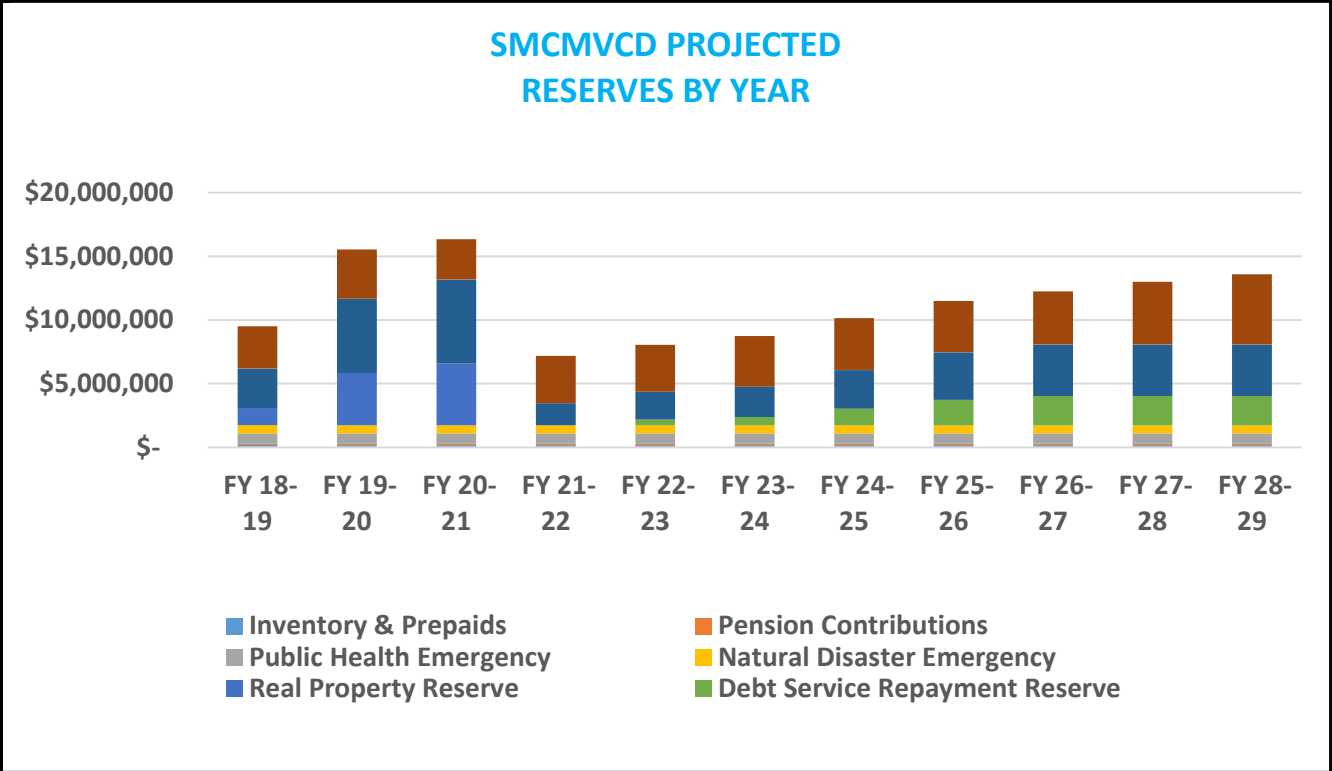


Figure 3: Projections of components of fund balance from FY 18-19 through FY 28-29

Financial Policies

The District has a broad range of Financial Policies that impact the financial aspects of District operations. They include the following:

Fixed Asset Control	Cash Disbursements
District Insurance Programs	Investment of District Funds
Fraud Prevention	Accounts Payable Management
Cash Management	Budget Preparation
District Reserves	Journal Entry Approval
Disposal of Surplus Property	

New for FY 2020-21

The following changes were made in 2020-21:

➤ Debt Service Repayment Reserve

The purpose of the Debt Service Repayment Reserve Fund is to accumulate funds and allow for the prepayment of balances of District issued debt in connection with the acquisition of real property. This reserve fund shall be reviewed and updated by the Board of Trustees on a regular basis.

Strategic Plan

In September 2018, the Board of Trustees approved an update to the Strategic Plan. The strategic plan defines the Board's Vision for the future and serves as the basis for decisions on budgeting and allocation of financial resources.

Vision Statement

We are an agency that protects public health through a science-based program of integrated vector management, which is responsive to the community, and prepared to adapt to new challenges.

Mission Statement

To safeguard the health and comfort of the citizens of San Mateo County through a science-based program of integrated vector management.

Strategic Objectives

1. Reduce or eliminate host-seeking vector populations and maintain consistency in control operations by evaluating vector populations before and after they are carried out.
2. Use scientific methods to evaluate the distribution of vectors and vector-borne diseases in nature and work toward preventing the occurrence of human cases among District residents.
3. Engage in research and development to optimize the District's ability to carry out its mission with available resources.
4. Maintain a highly motivated, productive staff that is aware of, and has access to, the latest materials, technologies, and techniques in vector control.
5. Ensure residents are aware of the District's Integrated Vector Management Program and cooperate with the recommendations to reduce populations of vectors and minimize the risk to human health posed by vectors.
6. Ensure that residents are aware of District services, utilize them as needed, and are satisfied with the service they receive.
7. Cultivate strong, mutually beneficial relationships with local, state, county, and federal agencies.
8. Conduct all aspects of District business in a transparent and accountable manner.
9. Adequately maintain District's physical assets and keep them up to date with the best technology available.
10. Anticipate and be prepared to respond to future scientific, operational, and financial challenges.
11. Ensure that the Board of Trustees operates in an ethical manner, makes sound decisions based on current and complete information, and has the capacity to lead the agency effectively.
12. Ensure that District finances are adequately managed to provide for long term financial stability and sustainability.

Awards and Acknowledgements

In 2019, the District renewed both its District of Distinction Accreditation and its District Transparency Certificate of Excellence. The District earned these honors for the first time in 2016 and has maintained certification continuously since that time. The District Transparency Certificate of Excellence and the District of Distinction Accreditation are programs administered by the Special District Leadership Foundation (SDLF) supported by the California Special Districts Association. The SDLF is an independent, non-profit organization formed to promote good governance and best practices among California's special districts through certification, accreditation, and other recognition programs.

The District of Distinction Accreditation is a way for districts to highlight their prudent fiscal practices along with other areas important to effectively operate and govern a special district, including:

- Operates in a fiscally responsible and transparent manner.
- Has current and relevant policies and procedures in place.
- Emphasizes continuing education of both Board and Staff.
- Provides sound policies in board governance and conduct.

The District Transparency Certificate of Excellence covers all general, website, and outreach best practices and requirements regarding transparency for special districts, and demonstrates that the District:

- Follows best practices and other requirements regarding district transparency.
- Demonstrates the District's effort to being open and accessible to constituents and stakeholders.
- Supports the District's commitment of creating greater awareness of district activities.


Finally, this will be the Fourth Annual Comprehensive Financial Report that will be submitted to the Governmental Financial Officers Association. The District received the award of excellence in Financial Reporting for fiscal years ended June 30, 2018, June 30, 2019 and June 30, 2020.

The preparation of this report would not have been possible without the efficient and dedicated service of the District staff. We would like to express our appreciation to all employees of the District who assisted and contributed in the preparation of this report. Credit must also be given to the Board of Trustees, particularly the Finance Committee, for their unfailing support in maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,

DocuSigned by:

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Richard S. Arrow, CPA
Finance Director

DocuSigned by:

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Brian Weber
District Manager

Date: December 11, 2021



Board of Trustees as of June 30,2021

Trustee Name	City/Town
Mason Brutschy	Atherton
Wade Leschyn	Belmont
Carolyn Parker	Brisbane
Joe Galligan	Burlingame
Laura Walsh	Colma
Vacant	County-at-Large
Glenn R. Sylvester	Daly City
Donna Rutherford	East Palo Alto
Catherine Mahanpour	Foster City
Kati Martin	Half Moon Bay
D. Scott Smith	Hillsborough
Catherine Carlton	Menlo Park
Muhammad Baluom	Millbrae
Peter DeJarnatt	Pacifica
Ray Williams	Portola Valley
Kat Lion	Redwood City
Robert Riechel	San Bruno
Ross Graves	San Carlos
Ed Degliantoni	San Mateo
Vacant	South San Francisco
Paul Fregulia	Woodside



**SAN MATEO COUNTY
MOSQUITO & VECTOR
CONTROL DISTRICT**

Protecting public health since 1916

1351 Rollins Road
Burlingame, CA 94010

phone (650) 344-8592
fax (650) 344-3843

www.smcmvcd.org

San Mateo County Mosquito & Vector Control District Executive Staff as of June 30, 2021

District Manager

Finance Director

Laboratory Director

Public Outreach Officer

Information & Technology Specialist

Field Operations Supervisor

Brian Weber

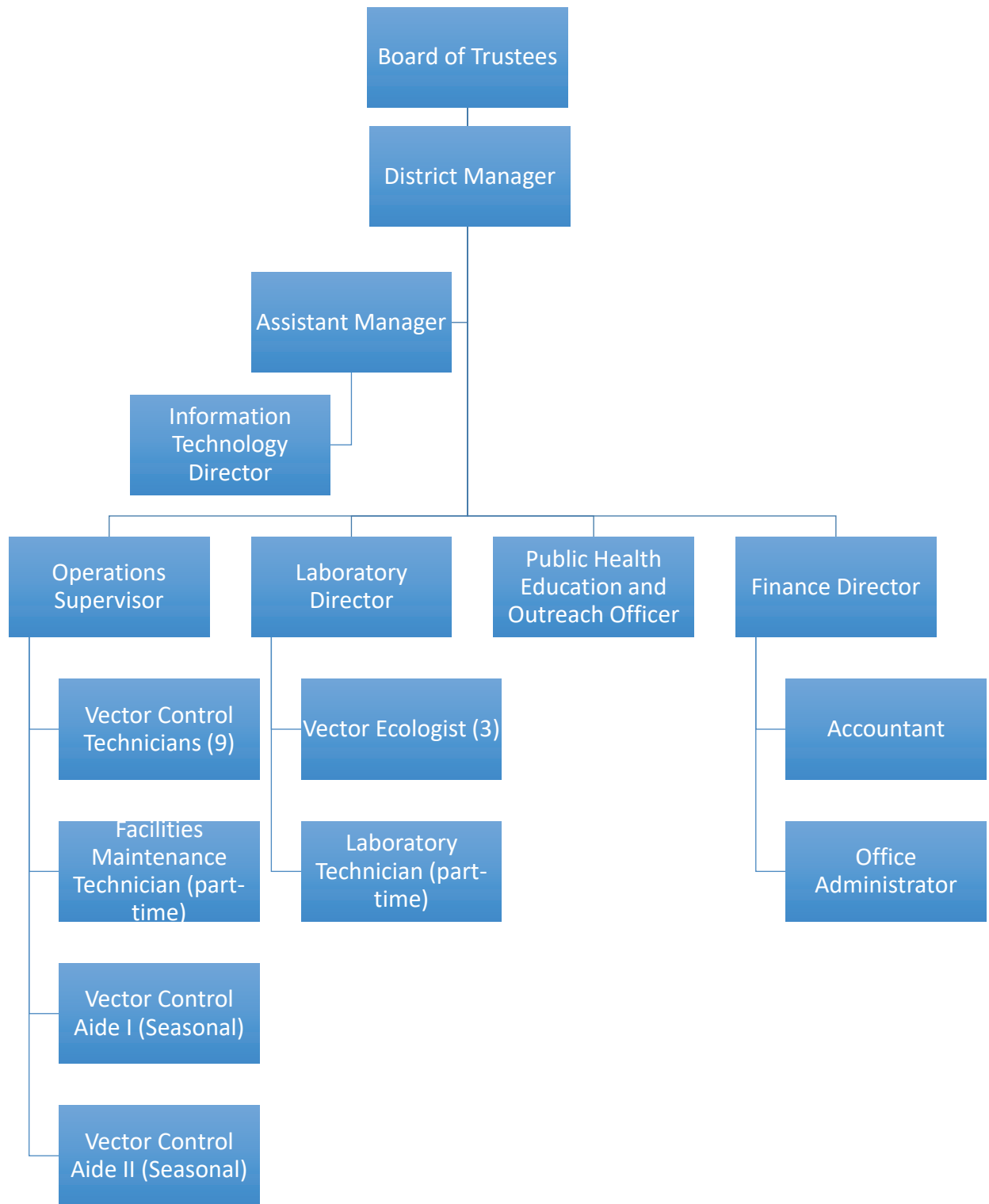
Richard Arrow, CPA

Angie Nikano

Rachel Curtis-Robles

David Kwan

Casey Stevenson





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Mateo County
Mosquito & Vector Control District
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
of the San Mateo County Mosquito and Vector Control District
Burlingame, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund information of the San Mateo County Mosquito and Vector Control District (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 information of the District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Trustees
of the San Mateo County Mosquito and Vector Control District
Burlingame, California

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Other Matters

Required Supplementary Information

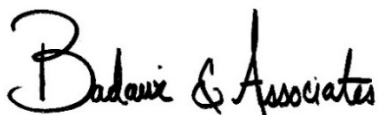
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, defined benefit pension plan schedules, and the defined benefit OPEB plan schedules on pages 3-13 and 57-60 be presented to supplement the 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 opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, Capital Projects Fund budgetary comparison schedule, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Capital Projects Fund budgetary comparison schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Capital Projects Fund budgetary comparison schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Badawi & Associates, CPAs
Berkeley, California
December 11, 2021

San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

The following Management's Discussion and Analysis (MD&A) provides an introduction to the financial statements of the San Mateo County Mosquito & Vector Control District (District) for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- The District's net position of \$14,215,319 was an increase of 6.8%, or \$ 909,849 from the prior year.
- Total revenues from all sources decreased by 14.1%, or \$ 955,496 from the prior year. This was primarily due to the loss of investment earnings due to required "mark to market" adjustments required by accounting principles promulgated by the Governmental Accounting Standards Board of investments held by the District's investment pool. Additionally, in FY 19-20 there was a one time gain on disposal of assets of District property sold last fiscal year.
- Actual revenues exceeded budgeted projections by \$ 51,265 (.9%), primarily due higher than expected Other Tax Revenue offset by a loss of Investment earnings due to year end "mark to market" calculations as stated above.
- Total expenditures increased \$622,167 or (11.4%) from the prior fiscal year primarily due from Capital Improvement expenditures associated with building and equipment acquisitions.
- Other than capital leases, the District had no outstanding long term debt.
- District obligations for Other Post Employee Benefits (OPEB) are fully funded by an OPEB Trust established in 2015 (see note 6 of the financial statements).
- In fiscal year 2018-19, the District began accounting for Capital Expenditures in a separate Capital Projects Fund. These expenditures were previously accounted for in the General Fund in fiscal year 2017-18. The District's Long Term Capital Improvement Plan outlines how the District will budget to maintain its equipment and infrastructure.
- In fiscal year 2018-19, the Board established a Pension Rate Stabilization Reserve Fund to pay for potential unfunded liabilities that may arise in the future and cause increases in the District's Required Employer Contribution Rate. Such increases have arisen in the past due to changes in economic market conditions or actuarial assumptions used by the county pension fund.

Using This Financial Report

This annual financial report consists of a series of financial statements. The Government-wide Financial Statements include the Statement of Net Position and the Statement of Activities. These statements provide information about the long term financial status, activities and performance of the District, using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Activities. This statement measures the success of the District's financial operations over the past year and can be used to determine the District's performance and credit worthiness.

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Condensed Statement of Net Position				
	June 30, 2021	June 30, 2020	Change	% Change
Assets				
Current Assets	\$ 11,455,173	\$ 10,764,715	\$ 690,458	6.4%
Non Current Assets	1,251,595	1,102,635	148,960	13.5%
Capital Assets, Net	3,092,537	2,588,232	504,305	19.5%
Total Assets:	<u>15,799,305</u>	<u>14,455,582</u>	<u>1,343,723</u>	<u>9.3%</u>
Deferred Outflows of Resources	<u>1,064,420</u>	<u>1,456,432</u>	<u>(392,012)</u>	<u>-26.9%</u>
Liabilities:				
Current Liabilities	264,230	257,906	6,324	2.5%
Non Current Liabilities	1,528,779	1,785,504	(256,725)	-14.4%
Total Liabilities:	<u>1,793,009</u>	<u>2,043,410</u>	<u>(250,401)</u>	<u>-12.3%</u>
Deferred Inflows of Resources	<u>855,397</u>	<u>563,134</u>	<u>292,263</u>	<u>51.9%</u>
Net Position:				
Net Investment In Capital Assets	<u>2,966,949</u>	<u>2,519,614</u>	<u>447,335</u>	<u>17.8%</u>
Restricted	<u>125,133</u>	<u>110,425</u>	<u>14,708</u>	<u>13.3%</u>
Unrestricted	<u>11,123,237</u>	<u>10,675,431</u>	<u>447,806</u>	<u>4.2%</u>
Total Net Position	<u>\$ 14,215,319</u>	<u>\$ 13,305,470</u>	<u>\$ 909,849</u>	<u>6.8%</u>

Government-wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better or worse off as a result of this year's financial activities?" The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets and liabilities 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 the cash is received or paid.

These two statements report the District's *net position* and changes to it. Think of the District's net position, the difference between assets and liabilities, as 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. Other non-financial factors need to be considered as well, such as changes in the District's property tax base, to assess the *overall health* of the District. For fiscal year 2019-20, The District's revenues increased and its net position improved.

Governmental Fund Financial Statements

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

Governmental fund financial statements are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Because the focus of governmental fund statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. The *Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position* (page 25) and the *Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities* (page 27) facilitate this comparison between the government-wide financial statements and the fund financial statements.

Notes to the Basic Financial Statements

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

Analysis - Government-Wide Financial Statements

As noted earlier, net position may serve, over time, as a useful indicator of a government's long term financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$14,215,319 as of June 30, 2021. As a result, the District's Total Net Position improved by \$ 909,849 in FY 20-21.

At the end of fiscal year 2021, the District showed a positive balance in its unrestricted net position of \$11,123,237. This represents economic resources that may be utilized in future years.

The Condensed Statement of Activities below shows how the District's net position changed during the fiscal year. The increase in Net Position was a result of higher revenues and lower expenses than those in the previous fiscal year.

Condensed Statements Activities				
	June 30, 2021	June 30, 2020	Change	% Change
Program Revenues	\$ 2,385,199	\$ 2,354,423	\$ 30,776	1.3%
Expenses	(5,145,392)	(5,460,096)	314,704	-5.8%
Net Program Expense	(2,760,193)	(3,105,673)	345,480	-11.1%
General Revenues	3,670,042	4,696,313	(1,026,271)	-21.9%
Change in Net Position	909,849	1,590,640	(680,791)	-42.8%
Net Position - Beginning of Period	13,305,470	11,714,830	1,590,640	13.6%
Net Position - End of Period	\$ 14,215,319	\$ 13,305,470	\$ 909,849	6.8%

San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Total revenues from all sources decreased by 14.1%, or \$ 955,496 from the prior year. The table below shows the sources of Program and General Revenues received in 2020-21. The District's ad valorem property tax increased by 5.7% or \$158,967, while there were negligible changes to the benefit assessment and special control tax. Also accounting for the change included in FY 19-20 there was a one time gain relative to the disposal of assets and investment earnings were significantly decreased due to the "mark to market conditions" as explained above.

Sources of Program and General Revenue				
Program Revenue:	June 30, 2021	June 30, 2020	Change	% Change
Service Abatement Revenue	\$ 242,504	\$ 241,270	\$ 1,234	0.5%
Operating Grants and Contributions				
Special Benefit Assessment	1,655,926	1,627,009	28,917	1.8%
Special Mosquito Control Tax	486,768	486,144	624	0.1%
Total Program Revenues	<u>2,385,198</u>	<u>2,354,423</u>	<u>30,775</u>	<u>1.3%</u>
General Revenue:				
Property Taxes	2,956,827	2,797,860	158,967	5.7%
Other Tax Revenue	694,190	679,554	14,636	2.2%
Investment Earnings	(22,605)	363,015	(385,620)	-106.2%
Other Revenues	41,630	63,315	(21,685)	-34.2%
Gain on Disposal Of Assets	-	792,569	(792,569)	NA
Total General Revenues	<u>3,670,042</u>	<u>4,696,313</u>	<u>(1,026,271)</u>	<u>-21.9%</u>
Total Revenues	\$ 6,055,240	\$ 7,050,736	\$ (995,496)	-14.1%

Total expenses decreased by 5.8% or (\$314,704) in the current year. This includes operational expenses, depreciation of capital assets, and interest expense for vehicle leases. Including in Operations are all salaries, benefits, services and supplies that are contained in tables included herein.

Total Expenses:	June 30, 2021	June 30, 2020	Change	% Change
Operations	\$ 4,952,958	\$ 5,319,655	\$ (366,697)	-6.9%
Depreciation Expense	186,616	131,692	54,924	41.7%
Interest Expense	5,818	8,749	(2,931)	-33.5%
Total	\$ 5,145,392	\$ 5,460,096	\$ (314,704)	-5.8%

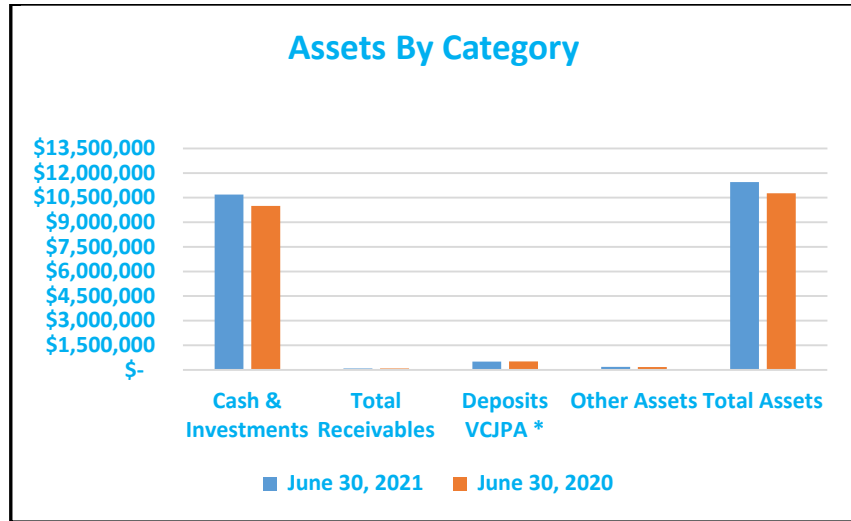
San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

Analysis - Government Fund Financial Statements

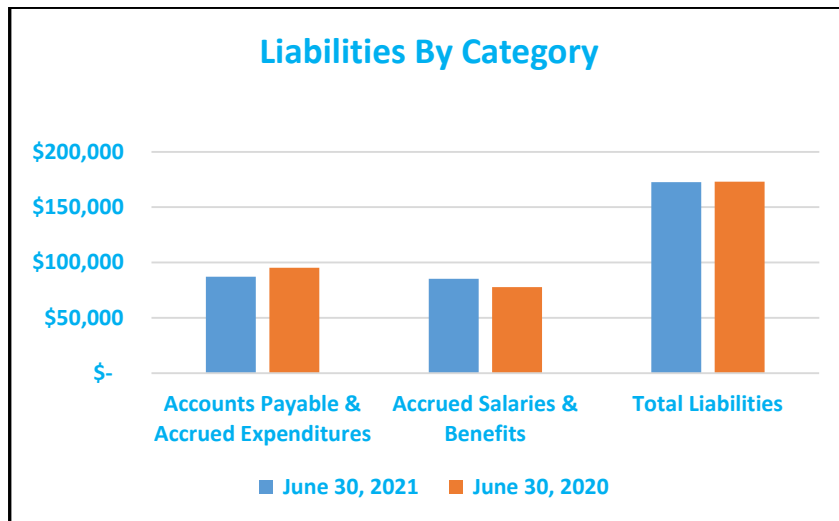
The following balance statement and accompanying charts compare the District assets, liabilities, and fund balance as of June 30, 2021 to those of the previous fiscal year. Cash and Investments make up the majority of the District's assets. In FY 20-21, the District's cash and investments were higher than in the previous fiscal year and its near-term liabilities were virtually unchanged.

Balance Sheet (Government Funds)				
	June 30, 2021	June 30, 2020	Change	% Change
Assets				
Cash and Investments	\$ 10,689,924	\$ 9,995,706	\$ 694,218	6.9%
Accrued Interest Receivable	27,183	39,472	(12,289)	-31.1%
Accounts Receivable	20,225	23,794	(3,569)	-15.0%
Other Receivables	32,282	24,060	8,222	34.2%
Materials and Supplies Inventory	155,369	143,930	11,439	7.9%
Deposits VCJPA	506,057	512,623	(6,566)	-1.3%
Prepaid Items	24,133	25,131	(998)	-4.0%
Total Assets	\$ 11,455,173	\$ 10,764,716	\$ 690,457	6.4%
Liabilities				
Accounts Payable and Accrued Expend.	\$ 87,219	\$ 95,256	\$ (8,037)	-8.4%
Accrued Salaries and Benefits	85,306	77,752	7,554	9.7%
Total Liabilities	\$ 172,525	\$ 173,008	\$ (483)	-0.3%
Fund Balance				
Reserves:				
Nonspendable	\$ 179,502	\$ 169,061	\$ 10,441	6.2%
Restricted	125,133	110,425	14,708	13.3%
Committed	800,000	800,000	-	0.0%
Assigned	6,522,269	5,647,649	874,620	15.5%
Unassigned	3,655,744	3,864,573	(208,829)	-5.4%
Total Fund Balance	11,282,648	\$ 10,591,708	\$ 690,940	6.5%
Total Liabilities and Fund Balance	\$ 11,455,173	\$ 10,764,716	\$ 690,457	6.4%

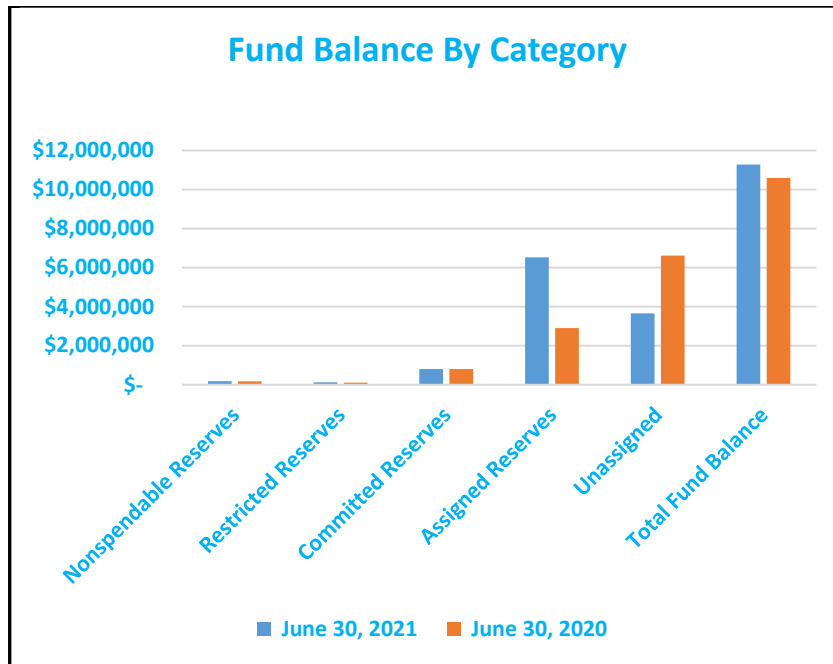
**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**



* Deposits with the VCJPA represent funds on deposit with the District’s self-insurance group, the Vector Control Joint Powers Agency (VCJPA). The District keeps a balance in two contingency accounts to cover two years worth of insurance premiums, deductibles, and retained limits for all categories of insurance. These funds may be used for insurance or other purposes as determined by the Board of Trustees.



**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**



CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS				
	FY Ending 2021	FY Ending 2020	Over/ Under	%
				Change
Beginning Fund Balance	\$ 10,591,708	\$ 7,156,106	\$ 3,435,602	
Revenues:				
Service Abatement Revenue	242,504	241,271	1,233	0.5%
Special Benefit Assessment	1,655,926	1,627,009	28,917	1.7%
Special Mosquito Control Tax	486,768	486,144	624	0.1%
Property Taxes	2,956,827	2,797,860	158,967	5.4%
Other Tax Revenue	694,190	679,554	14,636	2.1%
Investment Earnings	(22,605)	363,015	(385,620)	1705.9%
Other Revenue	41,630	63,313	(21,683)	-52.1%
Proceeds From Sale of Property	-	2,009,380	(2,009,380)	-
Capital Lease Financing	102,743	12,932	89,811	87.4%
Total Revenue	6,157,983	8,280,478	(2,122,495)	-34.5%
Expenditures				
Salaries and Benefits	3,477,118	3,413,212	63,906	1.8%
Materials and Services	1,238,260	1,299,132	(60,872)	-4.9%
Capital Improvements	700,375	101,733	598,642	85.5%
Debt Service	51,290	30,799	20,491	40.0%
Total Expenditures	5,467,043	4,844,876	622,167	11.4%
Net Change in Fund Balance	690,940	3,435,602	(2,744,662)	
Ending Fund Balance	\$ 11,282,648	\$ 10,591,708	\$ 690,940	

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

District Reserves

As of June 30, 2021, the District reported a total fund balance of \$ 11,282,648. An amount of \$3,655,744 constitutes the District's *unassigned fund balance*, which is necessary to provide working capital from the beginning of the next fiscal year in July, until the receipt of property tax funds in December. This represent 60% of the FY 2019-20 budgeted operational expenditures.

The Board of Trustees allocated a portion of the District's Fund Balance to various Reserve Funds. Generally Accepted Accounting Principles defines the categories of reserves as follows:

- Restricted – Reserves that are legally restricted as to their use. These include funds reserved for Pension Rate Stabilization to be used if there are unexpected increases of retirement expenditures.
- Non-spendable – Reserves that are not available for expenditure. This includes resources such as inventory or other prepaid expenditures.
- Committed – Reserves that are committed for specific purposes by action of the District's governing board. Expenditure of these funds requires formal action by the governing board.
- Assigned – Reserves that are assigned for a specific purposes by the governing board
- Unassigned. – All other fund balances that are not designated to the above categories. This includes amounts available for working capital.

The following table shows the Board-approved reserve balances in FY 2020-21 as compared to FY 2019-20:

Reserves	Category	June 30, 2021	June 30, 2020
Nonspendable	Nonspendable	\$ 179,502	\$ 169,061
Pension Rate Stabilization	Restricted	125,133	110,425
Public Health Emergency	Committed	800,000	800,000
Natural Disaster Emergency	Assigned	650,000	650,000
Real Property Reserve	Assigned	4,850,000	4,100,000
Cap. Asset & Equip. Replacement	Assigned	1,022,269	897,649
Unassigned	Unassigned	3,655,744	3,864,573
Total		\$ 11,282,648	\$ 10,591,708

Changes in Designated Reserve levels for FY 2020-21 were as follows:

- Non-spendable reserves increased principally by the amount of pesticide inventory at June 30, 2021 and by increases to prepaid expenditures.
- A Real Property Acquisition Reserve was created. A Real Estate Needs Assessment was completed in the spring of 2019. This assessment identified an urgent need for additional secured vehicle and equipment storage and office space. Based on the assessment, the Board concluded that it needed to acquire additional property in the near future. The Real Property Acquisition Reserve was created to accumulate funds for this purpose.
- Unassigned is the mathematical difference between all other categories and total fund balance.

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Comparison of Budgeted to Actual Revenues and Expenditures for FY 2020-21

The tables below compares Actual Revenues and Expenditures to those budgeted.

General Fund Revenues (Budget to Actual):

Major Drivers of Excess Revenue			
July 1 Through June 30, 2021	Budget	Actual	Variance
Other Tax Revenues	\$ 470,200	\$ 694,190	\$ 223,990
Investment Earnings	164,066	(21,516)	(185,582)

Revenues received during the current year were \$51,625 above the amount included in the amended budget for FY 2020-21. The District's three primary sources of recurring revenue (Property and Other taxes, Benefit Assessment, and Special Tax) were greater than the amount budgeted by \$247,751 principally from the receipt of excess Education Revenue Augmentation Funds and Redevelopment Passthrough payments received from the County of San Mateo. Investment earnings resulted in negative amounts resulting from the GASB required "mark to market" calculations at year end.

GENERAL FUND:	Final	Actual	Variance w/
	Budget	Amounts	Final Budget
Service Abatement Revenue	\$ 230,348	\$ 242,504	\$ 12,156
Special Benefit Assessment	1,622,508	1,655,926	33,418
Special Mosquito Control Tax	486,144	486,768	624
Property Taxes	2,967,108	2,956,827	(10,281)
Other Tax Revenues	470,200	694,190	223,990
Investment Earnings	164,066	(21,516)	(185,582)
Other Revenue	64,690	41,630	(23,060)
Total Revenues	<u>\$ 6,005,064</u>	<u>\$ 6,056,329</u>	<u>\$ 51,265</u>

San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

General Fund Expenditures (Budget to Actual):

GENERAL FUND:	Final	Actual	Variance w/
	Budget	Amounts	Final Budget
EXPENDITURES:			
Salaries & Benefits	\$ 3,653,653	\$ 3,477,118	\$ 176,535
Training	41,300	12,790	28,510
Administration & Insurance	700,758	579,479	121,279
Computer Hardware & Software	114,493	73,199	41,294
Facilities & Utilities	144,315	108,838	35,477
Fleet Maintenance	60,548	53,695	6,853
Operations	305,801	271,708	34,093
Laboratory	81,299	72,801	8,498
Public Outreach	77,522	74,757	2,765
Total Expenditures	\$ 5,179,689	\$ 4,724,385	\$ 455,304

Within the above major expenditure categories, significant savings resulted from the following:

- Salaries & Benefits \$ 176,535 Due to position vacancies and salary savings
- Training – Board and Staff \$ 28,510 due to travel restrictions resulting from Covid 19
- Administration \$ 121,279 due to savings in legal, consulting, and other services
- Technology Services \$ 41,294 due to reduced contract, licensing, and hardware exp.
- Operations \$ 34,093 due to decreased helicopter & pesticide expenditures

Capital Asset Administration

Changes in Capital Assets at the end of fiscal year 2020-21 are as follows:

Capital Assets:	June 30, 2021	June 30, 2020	Change	% Change
Non -Depreciable Assets	\$ 439,482	\$ 91,167	\$ 348,315	382.1%
Depreciable Assets	6,080,312	5,737,706	342,606	6.0%
Accumulated Depreciation	(3,427,257)	(3,240,641)	(186,616)	5.8%
Total Capital Assets, Net	\$ 3,092,537	\$ 2,588,232	\$ 504,305	19.5%

At the end of fiscal year 2020-21, the District's investment in capital assets amounted to \$ 3,092,537 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, furniture, equipment, and vehicles.

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

See note 3 of the District's financial statements for further information on the District's capital assets. Also, the below table shows a comparison of actual and budgeted capital expenditures for FY 2021.

CAPITAL FUND	Final Budget	Actual Amounts	Variance w/ Final Budget
Materials & Supplies	\$ -	\$ 446	\$ (446)
Capital Outlay	1,010,376	690,922	319,454
Debt Service			-
Principal	-	45,772	(45,772)
Interest	-	5,518	(5,518)
Total Expenditures	\$ 1,010,376	\$ 742,658	\$ 267,718

The major variance during the year resulted from the delay of purchasing and furnishing a District property acquired in August, 2021.

Debt Administration	June 30, 2021	June 30, 2020	Change	% Change
Capital Leases:	\$ 125,588	\$ 68,618	\$ 56,970	83.0%

Other than capital leases, the District has no outstanding long-term debt. See further detail in note 5 of the District's financial statements. Additionally, the District's Other Post Employment Benefit obligations are completely funded at June 30, 2021 by an OPEB trust.

Conditions Affecting Current Financial Position

Management is unaware of any conditions that could have a significant impact on the District's current or long term financial position or any other factors that would have a significant impact on the ability of the District in fulfilling its mission.

Requests for Information

The District's basic financial statements is designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the District Manager at the San Mateo County Mosquito and Vector Control District, 1351 Rollins Road, Burlingame, California 94010 or (650) 344-8592.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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San Mateo County Mosquito and Vector Control District

Statement of Net Position

June 30, 2021

ASSETS

Current assets:

Cash and investments	\$ 10,564,791
Restricted cash and investments	125,133
Accrued interest receivable	27,183
Accounts receivable	20,225
Accounts receivable-other	32,282
Materials and supplies inventory	155,369
Deposits with Vector Control Joint Powers Agency (VCJPA)	506,057
Prepaid items	24,133
Total current assets	<u>11,455,173</u>

Noncurrent assets:

Net OPEB asset	1,251,595
Capital assets - not being depreciated	439,482
Capital assets - being depreciated, net	<u>2,653,055</u>
Total capital assets	<u>3,092,537</u>
Total noncurrent assets	<u>4,344,132</u>
Total assets	<u>15,799,305</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - OPEB	81,693
Deferred outflows of resources - pension	<u>982,727</u>
Total deferred outflows of resources	<u>1,064,420</u>

LIABILITIES

Current liabilities

Accounts payable and accrued expenses	87,219
Accrued salaries and benefits	85,306
Long-term liabilities - due in one year:	
Compensated absences	54,701
Capital leases	<u>37,004</u>
Total current liabilities	<u>264,230</u>

Noncurrent liabilities

Long-term liabilities - due in more than one year:	
Compensated absences	233,200
Capital leases	88,584
Net pension liability	<u>1,206,995</u>
Total non-current liabilities	<u>1,528,779</u>
Total liabilities	<u>1,793,009</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - OPEB	326,120
Deferred inflows of resources - pension	<u>529,277</u>
Total deferred inflows of resources	<u>855,397</u>

NET POSITION

Net investment in capital assets	2,966,949
Restricted for pension contributions	125,133
Unrestricted	<u>11,123,237</u>
Net position	<u>\$ 14,215,319</u>

See accompanying Notes to Basic Financial Statements.

San Mateo County Mosquito and Vector Control District
Statement of Activities
For the year ended June 30, 2021

	Expenses	Program Revenues		Total	Net (Expense)
		Charges for Services	Operating Grants and Contributions		Revenue and Changes in Net Position
					Governmental Activities
Governmental activities					
Mosquito and vector control	\$ 5,145,392	\$ 242,504	\$ 2,142,695	\$ 2,385,199	\$ (2,760,193)
Total governmental activities	<u>\$ 5,145,392</u>	<u>\$ 242,504</u>	<u>\$ 2,142,695</u>	<u>\$ 2,385,199</u>	<u>(2,760,193)</u>
General Revenues:					
					3,651,017
					(22,605)
					41,630
					<u>3,670,042</u>
					909,849
					<u>13,305,470</u>
					<u>\$ 14,215,319</u>

FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

Capital Projects Fund accounts for financial resources that have been restricted, committed, or assigned for equipment acquisition.

San Mateo County Mosquito and Vector Control District
Balance Sheet - Governmental Funds
June 30, 2021

	General Fund	Capital Project Fund	Total
ASSETS			
Cash and investments	\$ 9,518,091	\$ 1,046,700	\$ 10,564,791
Restricted cash and investments	125,133	-	125,133
Accrued interest receivable	24,004	3,179	27,183
Accounts receivable	20,225	-	20,225
Accounts receivable-other	32,282	-	32,282
Materials and supplies inventory	155,369	-	155,369
Deposits with Vector Control Joint Powers Agency (VCJPA)	506,057	-	506,057
Prepaid items	24,133	-	24,133
Total assets	\$ 10,405,294	\$ 1,049,879	\$ 11,455,173
LIABILITIES			
Accounts payable and accrued expenditures	\$ 59,609	\$ 27,610	\$ 87,219
Accrued salaries and benefits	85,306	-	85,306
Total liabilities	144,915	27,610	172,525
FUND BALANCES			
Nonspendable	179,502	-	179,502
Restricted	125,133	-	125,133
Committed	800,000	-	800,000
Assigned	5,500,000	1,022,269	6,522,269
Unassigned	3,655,744	-	3,655,744
Total fund balances	10,260,379	1,022,269	11,282,648
Total liabilities and fund balances	\$ 10,405,294	\$ 1,049,879	\$ 11,455,173

San Mateo County Mosquito and Vector Control District
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

Fund Balances of Governmental Funds	\$ 11,282,648
Amounts reported for governmental activities in the Statement of Net Position are different	
Deferred outflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources.	1,064,420
Deferred inflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources.	(855,397)
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.	3,092,537
Long-term liabilities applicable to the District are not due and payable in the current period and therefore are not reported in the governmental funds.	
Capital lease payable - due within one year	(37,004)
Compensated absences - due within one year	(54,701)
Capital lease payable - due in more than one year	(88,584)
Compensated absences - due in more than one year	(233,200)
Net pension liability	(1,206,995)
Net OPEB Asset	1,251,595
Net Position of Governmental Activities	<u>\$ 14,215,319</u>

San Mateo County Mosquito and Vector Control District
Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2021

	General Fund	Capital Project Fund	Total
REVENUES:			
Service abatement revenue	\$ 242,504	\$ -	\$ 242,504
Special benefit assessment	1,655,926	-	1,655,926
Special mosquito control tax	486,768	-	486,768
Property taxes	2,956,827	-	2,956,827
Other tax revenues	694,190	-	694,190
Investment earnings	(21,516)	(1,089)	(22,605)
Other revenues	41,630	-	41,630
Total revenues	6,056,329	(1,089)	6,055,240
EXPENDITURES:			
Mosquito and vector control			
Salaries and wages	\$ 2,672,538	\$ -	\$ 2,672,538
Employee benefits	804,580	-	804,580
Materials and services	1,237,814	446	1,238,260
Capital outlay	9,453	690,922	700,375
Debt service:			
Principal	-	45,772	45,772
Interest and fiscal charges	-	5,518	5,518
Total expenditures	4,724,385	742,658	5,467,043
REVENUES OVER (UNDER) EXPENDITURES	1,331,944	(743,747)	588,197
OTHER FINANCING SOURCES			
Capital lease financing	-	102,743	102,743
Transfer in	-	750,000	750,000
Transfer out	(750,000)	-	(750,000)
Total other financing sources	(750,000)	852,743	102,743
Net change in fund balances	581,944	108,996	690,940
FUND BALANCES:			
Beginning of year, as restated	9,678,435	913,273	10,591,708
End of year	<u>\$ 10,260,379</u>	<u>\$ 1,022,269</u>	<u>\$ 11,282,648</u>

San Mateo County Mosquito and Vector Control 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 - Total Governmental Funds \$ 690,940

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

Governmental funds report capital outlay as expenditures. In the statement of activities, however, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	690,921
Depreciation expense	(186,616)

Capital lease financing provided current financial resources to Governmental Funds, but capital lease financing increased long-term liabilities in the Government-Wide Statement of Net Position	(102,743)
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Current year employer pension contributions are recorded as expenditures in the governmental funds, however these amounts are reported a deferred outflow of resources on the Government-Wide Statement of Net Position.	281,349
--	---------

Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(585,836)
--	-----------

OPEB expense (income) is recorded as incurred in the Government-Wide Statement of Activities, however OPEB expense is not recognized in the governmental funds.	40,832
---	--------

Repayments of debt principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.	45,772
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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 governmental funds.

Change in compensated absences	35,230
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Change in Net Position of Governmental Activities	\$ 909,849
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NOTES TO BASIC FINANCIAL STATEMENT

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San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Organization and Operations of the Reporting Entity*

The San Mateo Mosquito and Vector Control District (District) is a special district established in 1916 empowered to take all necessary and proper steps for the control of mosquitos and other vectors within the District.

In the fiscal year ended June 30, 2004, the District expanded their services to the cities of San Bruno, South San Francisco, Daly City, Colma, Brisbane, Pacifica and Half Moon Bay, which encompass the North and West County District (NWCD). The revenue related to servicing the NWCD is accounted for as a special assessment charge placed on the property parcels within that service area.

In the fiscal year ended June 30, 2008, the San Mateo County Board of Supervisors passed a resolution to transfer specific vector control operations and responsibilities to the San Mateo County Mosquito Abatement District. As a result, the District changed its name to the San Mateo County Mosquito and Vector Control District. The District is governed by a twenty-one member Board of Trustees that are appointed by each of the incorporated cities and the unincorporated San Mateo County areas within the District's service area.

B. *Basis of Accounting and Measurement Focus*

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

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 the activities of the primary government. The effect of inter-fund activity has been removed from these statements and eliminations have been made to minimize the double counting of internal activities.

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 function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

In accordance with U.S. GAAP the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

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 the liability is incurred, regardless of the timing of the 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 as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the “*current financial resources*” measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when 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 government considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal year and other revenues when collected within one year of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The primary revenue sources susceptible to accrual are property taxes, charges for services, and interest associated with the current fiscal period and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major funds:

Governmental Funds:

General Fund – is a government’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund when necessary.

Capital Project Fund – is used to account for financial resources that have been restricted, committed, or assigned for capital projects and equipment acquisition.

C. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

D. Investments

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

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Materials and Supplies Inventory

Inventories consist of expendable supplies and are valued at cost using a first-in first-out basis.

F. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepayments are amortized and recognized as expenditures in the period consumed using the consumption method.

G. Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets are equipment used at the District. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated acquisition cost at the date of donation. Capital outlay is recorded as expenditures of the General Fund and as assets in the government-wide financial statements to the extent the District’s capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Class	Useful Lives
Structures and improvements	7-50 years
Furniture and equipment	5-20 years
Vehicles	5-15 years

H. Compensated Absences

The District’s policy is to permit full time employees to accumulate earned vacation time and sick leave. Earned vacation time shall be earned by each employee subject to the accrual limitations defined by District policies. Such unused compensation is calculated at the employees’ then prevalent hourly rate at the time of retirement or termination. Whereas vacation time is compensated at 100% of accumulated hours. Sick leave is accrued and compensated only at retirement based on the years of employment up to a maximum of \$7,500.

I. Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

San Mateo County Employees’ Retirement Association (SamCERA)

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Pension Plan, Continued

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period, which is 5 years for SamCERA.

J. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s plan (OPEB Plan) and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	June 30, 2020 to June 30, 2021

K. Property Taxes

The San Mateo County Assessor’s Office assesses all real and personal property within the County each year. The San Mateo County Tax Collector’s Office bills and collects the District’s share of property taxes and assessments. The San Mateo County Auditor-Controller’s Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at no more than one percent (1%) of countywide assessed valuations.

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

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

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the alternate method of property tax distribution known as the Teeter Plan, by the District and San Mateo County. The Teeter Plan authorizes the County Auditor-Controller to allocate 100% of the secured property tax billed but not yet received or paid to the District. San Mateo County remits tax proceeds to the District in three installments during the fiscal year as follows: 50% remitted on December 15, 40% remitted on April 15 and 10% on June 30.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

L. *Special Assessment Revenue*

Special assessments determined by the District are included on property tax bills of San Mateo County. Special assessments are recorded as revenue when received, in the fiscal year of receipt, because of the adoption of the alternate method of property tax distribution known as the Teeter Plan, by the District and San Mateo County. San Mateo County remits the special assessments to the District on the same schedule as property taxes.

M. *Net position*

Net position is categorized as follows:

Net Investment in Capital Assets - this component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets.

Restricted - this component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - this component of net position consists of net amount of assets that are not included in the determination of restricted or net investment in capital assets.

N. *Fund Balance*

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

Nonspendable - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.

Committed - amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Trustees) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned - amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.

Unassigned - the residual classification for the District's general fund that includes amounts not contained in the other classifications.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. Fund Balance, Continued

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

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

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

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

O. New Accounting Pronouncements

In 2021, the District adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

In 2021, the City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 84 - *Fiduciary Activities* - The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this statement did not apply to the District for the current fiscal year.
- GASB Statement No. 90 - *Majority Equity Interests* - The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legal separate organization should be reported as an investment if a government's holding of the equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of this statement did not apply to the District for the current fiscal year.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

O. New Accounting Pronouncements, Continued

- GASB Statement No. 93 – *Interbank Offered Rates (except LIBOR removal and lease modifications)* – Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) –most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with GASB Statement No. 87, Leases, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable. The objective of GASB Statement No. 93 is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this statement did not apply to the District during current fiscal year.
- GASB STATEMENT NO. 97 - *Certain Component Unit Criteria, And Accounting And Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans – an Amendment Of GASB Statements No. 14 And No. 84, And A Supersession Of GASB Statement No. 32* - The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement did not apply to the District for the current fiscal year.
- GASB STATEMENT NO. 98 – *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The District has changed the report title as part of implementation of this standard.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2021, consisted of the following:

Description	Balance
Cash on hand	\$ 400
Deposits held with San Mateo County Pooled Investment Fund (SMCPIF)	10,564,391
Restricted cash and investment	125,133
Total cash and investments	<u>\$ 10,689,924</u>

Reporting Unit	Balance
Primary Government	\$ 10,689,924
Total cash and investments	<u>\$ 10,689,924</u>

A. Custodial Credit Risk

The 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 deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as SMCPIF). As of June 30, 2021, none of the District's deposits or investments were exposed to disclosable custodial credit risk.

B. Investments

Investments as of June 30, 2021, consisted of the following:

Investments	Credit Rating	Fair Value	Maturity 12 Months or Less
San Mateo County Pooled Investment Fund (SMCPIF)	Aa1/P-1	\$ 10,564,391	\$ 10,564,391
Total investments		<u>\$ 10,564,391</u>	<u>\$ 10,564,391</u>

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

C. Authorized Deposits and Investments

The District has adopted an investment policy which allows deposits into financial institutions and the San Mateo County Treasury's Pooled Investment Fund.

D. San Mateo County Treasury – Pooled Investment Fund

The San Mateo County Pooled Investment Fund (SMCPIF) is a pooled investment fund program governed by the San Mateo County Board of Supervisors and administered by the San Mateo County Treasurer. Investments in SMCPIF are highly liquid as deposits and withdrawals can be made at any time without penalty. SMCPIF does not impose a maximum investment limit. The San Mateo County bank deposits are either federally insured or collateralized in accordance with the California Government Code.

The San Mateo County Treasurer has indicated to the District that as of June 30, 2021, the value of the County's portfolio approximated \$6.532 billion and the portfolio holds no derivative products. The District's investment with the County Treasurer's Office as of June 30, 2021 was \$10,564,391. SMCPIF's fair value factor of 1.0037 as of June 30, 2021 was used to calculate the fair value of the investments in the SMCPIF.

Participants' equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. Income from pooled investments is allocated to individual funds or external participants based on each fund's or participant's average daily cash balance at quarter end in relation to the total pool investments. Pool detail may be obtained from the County of San Mateo Treasurer-Tax Collector Office – 555 County Center, 1st Floor – Redwood City, CA 94063 or the Treasurer and Tax Collector's office website at www.sanmateocountytreasurer.org.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2021, the District's investment in the SMCPIF was rated by Moody as Aa1/P-1 as noted in the table above.

F. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the table above.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

G. Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in the SMCPIF.

3. CAPITAL ASSETS

Changes in capital assets for the year were as follows:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Non-depreciable capital assets:				
Land	\$ 91,167	\$ -	\$ -	\$ 91,167
Construction-in-process	-	348,315	-	348,315
Total non-depreciable capital assets	91,167	348,315	-	439,482
Depreciable capital assets:				
Structures and improvements	4,061,104	139,134	-	4,200,238
Furniture and equipment	576,614	70,859	-	647,473
Vehicles	884,502	132,613	-	1,017,115
Software	215,486	-	-	215,486
Total depreciable capital assets	5,737,706	342,606	-	6,080,312
Accumulated depreciation:				
Structures and improvements	(1,794,574)	(104,060)	-	(1,898,634)
Furniture and equipment	(488,534)	(25,915)	-	(514,449)
Vehicles	(754,922)	(43,766)	-	(798,688)
Software	(202,611)	(12,875)	-	(215,486)
Total accumulated depreciation	(3,240,641)	(186,616)	-	(3,427,257)
Total depreciable capital assets, net	2,497,065	155,990	-	2,653,055
Total capital assets, net	\$ 2,588,232	\$ 504,305	\$ -	\$ 3,092,537

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

4. COMPENSATED ABSENCES

Compensated absences comprise unpaid vacation leave, sick leave and compensating time off which is accrued as earned. The District's liability for compensated absences is determined annually.

The changes to the compensated absences balance at June 30, 2021 were as follows:

<u>Balance June 30, 2020</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2021</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
<u>\$ 323,129</u>	<u>\$ 199,191</u>	<u>\$ (234,419)</u>	<u>\$ 287,901</u>	<u>\$ 54,701</u>	<u>\$ 233,200</u>

5. CAPITAL LEASES

Changes in capital lease amounts for the year ended June 30, 2021 were as follows:

<u>Balance June 30, 2020</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2021</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
<u>\$ 68,618</u>	<u>\$ 102,742</u>	<u>\$ (45,772)</u>	<u>\$ 125,588</u>	<u>\$ 37,004</u>	<u>\$ 88,584</u>

The District has recorded various capital leases in regards to the District's vehicle fleet. Principal and interest are payable monthly with varying interest rates. The remaining principal and interest amounts will be payable as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 37,004	\$ 8,184	\$ 45,188
2023	36,030	8,544	44,574
2024	23,064	5,040	28,104
2025	20,316	4,284	24,600
2026	9,174	2,010	11,184
Total	<u>\$ 125,588</u>	<u>\$ 28,062</u>	<u>\$ 153,650</u>
Current	<u>\$ 37,004</u>		
Long-term	<u>\$ 88,584</u>		

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

The District has established an Other Postemployment Benefit plan (OPEB Plan) and participates in an agent multiple-employer defined benefit retiree healthcare plan. The District reimburses a portion of the cost of health care for eligible retirees. Depending on the number of years of service and the circumstances surrounding retirement, employees may be eligible to receive health care insurance cost reimbursement between 25% to 100% and prescription drug coverage reimbursement of \$500 to \$1,000 per year. District employees retiring prior to 2016 were not permitted to retain their coverage in the District’s healthcare plans beyond the COBRA period. However, employees retiring in 2016 or later may continue their District medical coverage through FDAC until reaching age 65 or becoming eligible for coverage under Medicare. A surviving spouse is entitled to receive the same contribution the retiree would have received for four years following the retiree’s death.

B. Employees Covered

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

Active employees	21
Inactive employees or beneficiaries currently receiving benefits	6
	<u>27</u>

C. Contributions

The contribution requirements of plan members and the District are established and may be amended by the District’s governing board. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2021, the District’s estimated implied subsidy was \$0.

D. 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 dated June 30, 2020 to determine the June 30, 2021 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Assumption:

Discount Rate	4.90%
General Inflation	2.5% per annum
Salary Increases	3.0% per year
Investment Rate of Return	4.90%
Mortality Rate(1)	MacLeod Watts Scale 2020 applied generationally from 2010
Healthcare Trend Rate	4.80% for 2021, increasing to an ultimate rate of 4.90% in 2060 and later years

Notes:

(1) Pre-retirement mortality information was derived from SamCERA 2017 Experience

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. OTHER POST-EMPLOYMENT BENEFITS, Continued

D. Net OPEB Liability, Continued

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

OPEB Trust Fund		
Investment Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	30.00%	
Large Cap Core	15.50%	6.80%
Mid Cap Core	3.00%	7.10%
Small Cap Core	4.50%	7.90%
Real Estate	1.00%	6.60%
International	4.00%	7.30%
Emerging Markets	2.00%	7.30%
Fixed Income	65.00%	
Short Term Bond	14.00%	3.30%
Intermediate Term Bond	49.25%	3.90%
High Yield	1.75%	6.10%
Cash	5.00%	2.40%
TOTAL	<u>100.00%</u>	

At the time the valuation was prepared, the District was invested in the Moderate Portfolio, which had an expected return of 5.47.9%. Based on the District's OPEB trust balance, the District assumed 55 basis points in non-imbedded fees for a net expected return of 4.92%. The District approved 4.9% for valuation purposes.

E. Discount Rate

The discount rate used to measure the total OPEB liability was 4.9 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. OTHER POST-EMPLOYMENT BENEFITS, Continued

F. Changes in the OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020			
(Measurement date 06/30/2020)	\$ 1,134,062	\$ 2,236,697	\$ (1,102,635)
Prior Period Adjustment	-	4,645	(4,645)
Changes in the year:			
Service cost	69,445	-	69,445
Interest	59,368	-	59,368
Difference between expected and actual experience	(27,924)	-	(27,924)
Assumption changes	58,731	-	58,731
Net investment income	-	303,935	(303,935)
Benefit payments	(32,282)	(32,282)	-
Net changes	127,338	271,653	(144,315)
Balance at June 30, 2021			
(Measurement date 06/30/2021)	<u>\$ 1,261,400</u>	<u>\$ 2,512,995</u>	<u>\$ (1,251,595)</u>

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

	Current		
	1% Decrease (3.90%)	Discount Rate (4.90%)	1% Increase (5.90%)
Net OPEB Liability (Asset)	\$ (1,039,087)	\$ (1,251,595)	\$ (1,423,301)

H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

	Current		
	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ (1,463,947)	\$ (1,251,595)	\$ (973,186)

I. OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that may be obtained from the Public Agency Retirement Services, 4350 Von Karman Ave, Newport Beach, CA 92660.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. OTHER POST-EMPLOYMENT BENEFITS, Continued

J. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 Years
All other amounts	Straight-line recognition over 10.48 years, the expected average remaining service lifetime(EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive members are counted, with the latter two groups having 0 remaining service years.

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

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$40,832. For the fiscal year ended June 30, 2021, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 81,693	\$ 17,435
Difference Between Expected and Actual Experience	-	156,016
Net differences between projected and actual earnings on plan investments	-	152,669
Total	<u>\$ 81,693</u>	<u>\$ 326,120</u>

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

6. OTHER POST-EMPLOYMENT BENEFITS, Continued

K. OPEB Expense and Deferred Outflows/ (Inflows) of Resources Related to OPEB, Continued

The reported deferred outflows/inflows of resources balances related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/Inflows of Resources
2022	\$ (53,742)
2023	(50,208)
2024	(46,106)
2025	(50,509)
2026	(11,974)
Thereafter	(31,888)

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY

A. Plan Description

San Mateo County Employees' Retirement Association (SamCERA) is a cost-sharing multiple-employer, defined benefit pension plan that provides benefits for substantially all permanent employees of the County and the District. SamCERA was founded in 1944 under the authority granted by Article XVI of the Constitution of the State of California and the County Employees' Retirement Law of 1937 (the 1937 Act). SamCERA is not subject to the provisions of the Employee Retirement Income Security Act of 1974.

Management of SamCERA is vested in the Board of Retirement consisting of nine members; and its operation is governed by the 1937 Act and the by-laws, procedures, and policies adopted by the Board of Retirement. SamCERA issues a publicly available financial report that can be obtained by writing to the San Mateo County Employees' Retirement Association, 100 Marine Parkway, Suite 125, Redwood Shores, California 94065.

B. Benefits Provided

SamCERA provides service retirement, disability, and death benefits to plan members and beneficiaries based on defined benefit formulas using final average compensation, years of service, and age factors to calculate benefits payable. SamCERA has four plans that cover members classified as general, safety, or probation, and provides annual cost-of-living adjustments upon retirement to members of Plans One, Two, and Four. The benefits of Plan Three are reduced by a portion of Social Security benefits received by the member. The 1937 Act vests the County Board with the authority to initiate benefits, while Government Code Section 31592.2 empowers the Board of Retirement to provide certain ad hoc benefits when the Section 31592 reserve exceeds 1% of assets.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY, Continued

B. Benefits Provided, Continued

General members in Plans One, Two, and Four may retire at any age after 30 years of service. Safety members and Probation members may retire at any age after 20 years of service. A member who leaves County service may withdraw his or her contributions, plus any accumulated interest. Members with five years of service, permanent part-time employees with five years of full-time service, or non-contributory members (Plan Three) with 10 years of service, may elect a deferred retirement when terminating their employment with the County or District.

C. Contributions and Funding

The 1937 Act established the basic obligations for employers and members to make contributions to the pension trust fund. The employer and member contribution rates are based on recommendations made by an independent actuary and adopted by the Board of Retirement. The participating employers are required by statutes to contribute the amounts necessary to fund the estimated benefits accruing to SamCERA members not otherwise funded by member contributions or expected investment earnings. Contribution rates are actuarially determined using the entry age normal method and consist of an amount for normal cost, the estimated amount necessary to finance benefits earned by members during the year, and an amount required to amortize the unfunded net pension liability. For the fiscal year ended June 30, 2021, the District's contribution was \$281,349. The District's employer contribution rate was 12.58% of the covered payroll and the member contribution rate was 9.249%.

The District's contributions to the Plan for the year ended June 30, 2021 was \$281,349.

D. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The actuarial assumptions included 2.50% annual inflation rate, 6.67% annual investment rate of return, and 3.00% average annual projected salary increase attributed to inflation of 2.50%. The June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method:	
Level percent or level dollar	Level percent
closed, open, or layered periods	Layered
Amortization Period for Each Layer	15-years
Asset Valuation Method:	
Recognition method	Market Value of Asset
Inflation	2.50%
Investment Rate of Return	6.67% (with included administrative expense load of 0.17%)

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY, Continued

E. Discount Rate

The discount rate used to measure the total pension liability was 6.67 percent, which is gross of administrative and other investment expenses. A long-term investment return excluding administrative and other investment expenses would have been 6.50 percent. Management has determined that using the higher discount rate has resulted in a slightly lower total pension liability and net pension liability and the difference was deemed immaterial to the financial statements. The long-term expected rate of return on pension plan investments was determined in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The table below reflects 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. Real returns by asset class as shown in the following table reflect the average arithmetic real return assumptions of the Plan's investment consultants as of June 30, 2021.

Investment Type	Target Allocation	Long-Term Expected Real Rate of Return
Equity	40.00%	4.70%
Fixed Income	26.00%	0.60%
Alternatives	12.00%	5.00%
Risk Parity	4.00%	4.90%
Inflation Hedge	17.00%	4.60%
Liquidity	1.00%	-0.10%
	100.00%	

F. District Proportionate Share of the Net Pension Liability

Plan Type and Balance Description	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability
Balance as of June 30, 2019	\$ 12,814,119	\$ 11,335,464	\$ 1,478,655
Balance as of June 30, 2020	7,765,844	6,558,849	1,206,995
Change	\$ (5,048,275)	\$ (4,776,615)	\$ (271,660)

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY, Continued

F. District Proportionate Share of the Net Pension Liability, Continued

The District's proportionate share of the net pension liability changed between fiscal years as follows:

Calculation Dates	District Percentage
Balance as of June 30, 2019	0.2400%
Balance as of June 30, 2020	0.1372%
Change in Plan Net Pension Liability Percentage	-0.1028%

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.67%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.67%) or 1 percentage-point higher (7.67%) than the current rate:

Description	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 5.67%	Current Discount Rate 6.67%	Discount Rate + 1% 7.67%
Total pension liability	\$ 6,468,750,080	\$ 5,660,296,905	\$ 5,002,002,571
Fiduciary net position	4,780,502,313	4,780,502,313	4,780,502,313
Net pension liability	1,688,247,767	879,794,592	221,500,258
Net pension liability - District share 0.1372%	\$ 2,363,547	\$ 1,206,995	\$ 310,100

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY, Continued

H. Pension Expense

For the measurement period ending June 30, 2020, the District incurred pension expense of \$585,836 as follows:

	Plan's Pension Expense	District's Pension Expense 0.1372%
Pension expense:		
Service Cost	\$ 119,882,786	\$ 164,479
Interest on the total pension liability	356,056,094	488,509
Administrative expenses and other non-investment expenses	8,392,465	11,514
Member contributions	(70,630,765)	(96,905)
Expected investment return net of expenses	(315,523,613)	(432,898)
Recognition of Deferred Outflows/Inflows:		
Recognition of economic/demographic gains(losses)	44,003,230	60,372
Recognition of assumptions changes or inputs	82,735,716	113,513
Recognition of net investment gains(losses)	71,715,112	98,393
Amortization of employer specific deferred outflows/inflows	N/A	178,858
Total pension expense	<u>\$ 296,631,025</u>	<u>\$ 585,836</u>

I. Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of June 30, 2021, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions to pension plan made after the measurement date	\$ 281,349	\$ -
Changes in employers proportionate share	52,315	529,277
Changes of assumptions	192,633	-
Net differences between projected and actual earnings	278,841	-
Differences between expected and actual economic experience	177,589	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 982,727</u>	<u>\$ 529,277</u>

The District will recognize \$281,349 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2022.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

7. DEFINED BENEFIT PENSION PLAN AND THE NET PENSION LIABILITY, Continued

I. Deferred Outflows and Deferred Inflows of Resources Related to Pensions, Continued

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

Amortization Period Fiscal Year Ended June 30	Deferred Outflows (Inflows) of Resources
2022	\$ 50,367
2023	5,507
2024	79,786
2025	36,441
Total	<u>\$ 172,101</u>

8. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets as of June 30, 2021 consisted of the following:

Description	Balance
Capital assets – not being depreciated	\$ 439,482
Capital assets – being depreciated, net	2,653,055
Capital leases – current portion	(37,004)
Capital leases – noncurrent portion	(88,584)
Total net investment in capital assets	<u>\$ 2,966,949</u>

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

9. FUND BALANCE

A detailed schedule of fund balances and their funding composition at June 30, 2021 is as follows:

Description	General Fund	Capital Project Fund
Nonspendable:		
Materials and supplies inventory	\$ 155,369	\$ -
Prepaid Items	24,133	-
Total nonspendable	179,502	-
Restricted:		
Restricted for pension contributions	125,133	-
Total restricted	125,133	-
Committed:		
Public health emergency	800,000	-
Total Committed	800,000	-
Assigned:		
Natural disaster emergency	650,000	-
Real Property Reserve	4,850,000	-
Reserve for specified capital outlay - equipment replacement	-	1,022,269
Total assigned	5,500,000	1,022,269
Unassigned:		
Six month operating reserve	3,655,744	-
Total unassigned	3,655,744	-
Total fund balances	\$ 10,260,379	\$ 1,022,269

10. DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program. The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors.

In the year 2021, The District has evaluated the requirements of GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans and determined that plan didn't meet the criteria to be reported as a fiduciary activity, as required by the above mentioned GASB Statements. Moreover, the plan is classified as other employee benefits for financial reporting purposes.

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

11. RISK MANAGEMENT

Self-Insurance and Joint Powers Agency

The District participates with other districts in a joint venture under a joint powers agreement, which established the Vector Control Joint Powers Agency (VCJPA). The relationship between the District and the VCJPA is such that the VCJPA is not a component unit of the District for financial reporting purposes.

The VCJPA is a consortium of thirty-four districts located throughout California. It was established under the provisions of California Government Code Section 6500 et seq. The VCJPA is governed by a Board of Directors, which meets 4-5 times per year, consisting of one member from each of the four regions (Coastal, Sacramento Valley, San Joaquin Valley, and Southern California) and two members from the Trustee Advisory Council.

The District is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the VCJPA. The District has the right to receive dividends or the obligation to pay assessments based on a formula, which, among other expenses, charges the District's account for liability losses and workers' compensation losses under their individual self-insured retention (SIR). The VCJPA participates in an excess pool, which provides general liability coverage above \$1,000,000 for each occurrence up to \$14,000,000.

The VCJPA also participates in an excess pool, which provides workers' compensation coverage from \$5,000,000 to \$50,000,000.

The District's share of the VCJPA's Members Trust Fund and Property Contingency Fund balance as of June 30, 2021 totaled \$506,057. The balance includes interest earnings and may be withdrawn upon leaving the plan with a sixty-day notice. At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the districts in accordance with its governing documents.

12. CONTINGENCY

Litigation

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

13. PRIOR PERIOD ADJUSTMENT

The prior period adjustment is to adjust expenditures of the Capital Projects Fund which were wrongly paid by the General Fund. The adjustments were as follows:

Description	Fund Balance, as previously reported at June 30, 2020	Prior Period Adjustments	
		Cash and Investments	Fund balance, as restated at June 30, 2020
Fund Financial Statements:			
General Fund	\$ 9,694,059	\$ (15,624)	\$ 9,678,435
Capital Projects Fund	897,649	15,624	913,273
Total Governmental Funds	\$ 10,591,708	\$ -	\$ 10,591,708

San Mateo County Mosquito and Vector Control District
Notes to Basic Financial Statements
For the year ended June 30, 2021

14. SUBSEQUENT EVENT

On July 1, 2021, the District entered into a lease agreement with Municipal Finance Corporation in the amount of \$3,825,000 at an interest rate of 2.9%, for the purpose of enabling the District to finance the acquisition of property located at 1415 N. Carolan Avenue in the City of Burlingame, California. Principal and interest payments of \$318,094 are due July 29, 2022, through July 29, 2036.

REQUIRED SUPPLEMENTARY INFORMATION

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San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited)
For the year ended June 30, 2021

1. BUDGETS AND BUDGETARY ACCOUNTING

A. Budgetary Comparison Schedule - General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Service abatement revenue	\$ 230,348	\$ 230,348	\$ 242,504	\$ 12,156
Special benefit assessment	1,622,508	1,622,508	1,655,926	33,418
Special mosquito control tax	486,144	486,144	486,768	624
Property taxes	2,967,108	2,967,108	2,956,827	(10,281)
Other tax revenues	470,200	470,200	694,190	223,990
Investment earnings	164,066	164,066	(21,516)	(185,582)
Other revenues	64,690	64,690	41,630	(23,060)
Total revenues	6,005,064	6,005,064	6,056,329	51,265
EXPENDITURES:				
Mosquito and vector control				
Salaries and wages	2,796,825	2,796,825	2,672,538	124,287
Employee benefits	856,827	856,827	804,580	52,247
Materials and services	1,526,037	1,526,037	1,247,267	278,770
Total expenditures	5,179,689	5,179,689	4,724,385	455,304
REVENUES OVER (UNDER) EXPENDITURES	825,375	825,375	1,331,944	506,569
OTHER FINANCING SOURCES (USES)				
Transfer out	(750,000)	(750,000)	(750,000)	-
Total other financing sources (uses)	(750,000)	(750,000)	(750,000)	-
Net change in fund balances	\$ 75,375	\$ 75,375	581,944	\$ 506,569
FUND BALANCES:				
Beginning of year, as restated			9,678,435	
End of year			\$ 10,260,379	

**San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited)
For the year ended June 30, 2021**

2. DEFINED BENEFIT PENSION PLAN

A. Schedule of the District's Proportionate Share of the Net Pension Liability - Last 10 Years*

Fiscal Year	2021	2020	2019	2018	2017	2016	2015
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	0.1372%	0.2400%	0.2600%	0.3500%	0.3200%	0.3100%	0.3100%
Proportion share of the net pension liability	\$ 1,206,995	\$ 1,478,655	\$ 1,269,703	\$ 2,020,874	\$ 2,280,813	\$ 1,525,087	\$ 1,234,942
Covered payroll	\$ 2,255,787	\$ 1,900,138	\$ 1,939,368	\$ 1,899,298	\$ 1,736,147	\$ 1,409,518	\$ 1,266,066
Proportionate Share of the net pension liability as percentage of covered payroll	53.51%	77.82%	65.47%	106.40%	131.37%	108.20%	97.54%
Plan fiduciary net position as a percentage of the total pension liability	84.46%	88.46%	89.96%	87.49%	83.25%	87.53%	88.88%

Note to Schedule:

*-Fiscal year 2015 was the 1st year of implementation

Changes of assumptions:

In 2018, there were changes in assumptions primarily from adjusting the assumed investment return, price inflation, and general wage increase downward, modifying the mortality assumption, and adding a projection scale to reflect gradual year-to-year increase in mortality that is expected to occur in the future

In 2020, there were changes in assumptions resulted mainly from downward adjustments to the assumed investment rate, price inflation, and general wage increases.

In 2021, changes resulted mainly from changes in demographic assumptions based on results from the latest Triennial Experience Study

B. Schedule of Contributions - Last 10 Years*

Fiscal Year	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 281,349	\$ 282,989	\$ 466,391	\$ 467,435	\$ 572,799	\$ 541,053	\$ 522,893
Contribution in relation to the actuarially determined contributions	(281,349)	(282,989)	(466,391)	(467,435)	(822,799)	(2,051,482)	(522,893)
contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (250,000)	\$ (1,510,429)	\$ -
Covered payroll	\$ 2,249,212	\$ 2,255,787	\$ 1,900,138	\$ 1,939,368	\$ 1,899,298	\$ 1,736,147	\$ 1,409,518
Contributions as a percentage of covered payroll	12.51%	12.55%	24.55%	24.10%	43.32%	118.16%	37.10%

Note to Schedule:

Valuation date: 6/30/2020 6/30/2019 6/30/2018 6/30/2016 6/30/2015 6/30/2014 6/30/2013

In fiscal year 2015-2016, the San Mateo County Mosquito & Vector Control District (SMCM&VCD) contributed \$1,510,429 more than its Actuarially Determined Contribution. In fiscal year 2016-2017, SMCM&VCD contributed \$250,000 more than its Actuarially Determined Contribution.

* - Fiscal year 2015 was the 1st year of implementation

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll
Amortization Period	UAAL as of June 30, 2008, is amortized over a closed 15-year period ending June 30, 2023. Subsequent changes in the UAAL are amortized over separate closed 15-year layers which are determined annually
Asset Valuation Method	5-year smoothed recognition of asset gains and losses (determined as the difference of the actual fair value to the expected fair value), which cannot vary more than 20% from the fair value.
Inflation	2.50%
Payroll Growth	3.00% annual increases
Investment Rate of Return	6.75%

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited)
For the year ended June 30, 2021

3. OTHER POSTEMPLOYMENT BENEFIT PLAN

A. Schedule of Changes in the Net OPEB Liability and Related Ratios

<i>Measurement Period</i>	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 69,445	\$ 69,266	\$ 71,778	\$ 69,518
Interest on the total OPEB liability	59,368	55,890	65,233	59,296
Differences between expected and actual experience	(27,924)	-	(180,473)	-
Changes of assumptions	58,731	(21,357)	39,426	-
Benefit payments, including refunds of employee contributions	(32,282)	(36,560)	(23,844)	(28,143)
Net change in total OPEB liability	127,338	67,239	(27,880)	100,671
Total OPEB liability - beginning	1,134,062	1,066,823	1,094,703	994,032
Total OPEB liability - ending (a)	\$ 1,261,400	\$ 1,134,062	\$ 1,066,823	\$ 1,094,703
Plan Fiduciary Net Position				
Contributions - employer	\$ -	\$ 7,855	\$ 5,821	\$ 2,789
Net investment income	303,935	86,222	136,431	127,876
Benefit payments, including refunds of employee contributions	(32,282)	(36,560)	(23,844)	(27,339)
Administrative expense	-	-	-	(11,471)
Net change in plan fiduciary net position	271,653	57,517	118,408	91,855
Plan fiduciary net position - beginning	2,236,697	2,179,180	2,060,772	1,968,917
Prior Period Adjustment	4,645	-	-	-
Plan fiduciary net position - ending (b)	\$ 2,512,995	\$ 2,236,697	\$ 2,179,180	\$ 2,060,772
Net OPEB liability/(asset) - ending (a) - (b)	\$ (1,251,595)	\$ (1,102,635)	\$ (1,112,357)	\$ (966,069)
Plan fiduciary net position as a percentage of the total OPEB liability	199%	197%	204%	188%
Covered-employee payroll	2,249,212	2,255,787	1,896,546	1,854,957
Net OPEB liability as a percentage of covered-employee payroll	-55.65%	-48.88%	-58.65%	-52.08%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited)
For the year ended June 30, 2021

3. OTHER POSTEMPLOYMENT BENEFIT PLAN, Continued

B. Schedule of Contributions Last Ten Fiscal Years

Fiscal Year Ended June 30	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the ADC	-	(7,855)	(5,821)	(2,789)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (7,855)</u>	<u>\$ (5,821)</u>	<u>\$ (2,789)</u>
Covered-employee payroll	2,249,212	2,255,787	1,896,546	1,854,957
Contributions as a percentage of covered-employee payroll	0.00%	0.35%	0.31%	0.15%

Notes to Schedule:

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	Level Dollar; 30 year closed period
Asset Valuation Method	Market value
Inflation	2.75%
Payroll Growth	3.25% annual increases
Investment Rate of Return	5.00%
Healthcare cost-trend rates	4.80% in 2021 and between 5.70% to 4.90% from 2022 to 2060 & later
Retirement Age	50 to 70
Mortality	Based on SamCERA 2017 Experience Study
Mortality Improvement	MW Scale 2018 generationally

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes

SUPPLEMENTARY INFORMATION

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San Mateo County Mosquito and Vector Control District
Supplementary Information
For the Year Ended June 30, 2021

Budgetary Comparison Schedule - Capital Projects Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Investment earnings	\$ -	\$ -	\$ (1,089)	\$ (1,089)
Total revenues	-	-	(1,089)	(1,089)
EXPENDITURES:				
Materials and services	-	-	446	(446)
Capital outlay	260,376	1,010,376	690,922	319,454
Debt service:				
Principal	-	-	45,772	(45,772)
Interest	-	-	5,518	(5,518)
Total expenditures	260,376	1,010,376	742,658	267,718
REVENUES OVER (UNDER) EXPENDITURES	(260,376)	(1,010,376)	(743,747)	266,629
OTHER FINANCING SOURCES (USES)				
Capital lease financing	-	-	102,743	102,743
Transfer in	260,376	1,010,376	750,000	(260,376)
Total other financing sources (uses)	260,376	1,010,376	852,743	(157,633)
Net change in fund balances	\$ -	\$ -	108,996	\$ 108,996
FUND BALANCES:				
Beginning of year, as restated			913,273	
End of year			<u>\$ 1,022,269</u>	

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STATISTICAL SECTION (Unaudited)

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SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
NET POSITION BY COMPONENT
LAST 9 FISCAL YEARS *

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Governmental Activities									
Net Investment in Capital Assets	\$ 2,966,949	\$ 2,519,614	\$ 3,774,486	\$ 3,837,426	\$ 4,042,531	\$ 4,163,813	\$ 4,380,420	\$ 4,398,159	\$ 4,323,764
Restricted For Pension Contributions	125,133	110,425	-	-	-	-	-	-	-
Unrestricted	11,123,237	10,675,431	7,940,144	6,856,683	6,337,747	5,990,999	5,260,756	6,088,037	5,545,984
Total Governmental Activities Net Position	\$ 14,215,319	\$ 13,305,470	\$ 11,714,630	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812	\$ 9,641,176	\$ 10,486,196	\$ 9,869,748
Primary Government									
Net Investment in Capital Assets	\$ 2,966,949	\$ 2,519,614	\$ 3,774,486	\$ 3,837,426	\$ 4,042,531	\$ 4,163,813	\$ 4,380,420	\$ 4,398,159	\$ 4,323,764
Restricted For Pension Contributions	125,133	110,425	-	-	-	-	-	-	-
Unrestricted	11,123,237	10,675,431	7,940,144	6,856,683	6,337,747	5,990,999	5,260,756	6,088,037	5,545,984
Total Primary Government Net Position	\$ 14,215,319	\$ 13,305,470	\$ 11,714,630	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812	\$ 9,641,176	\$ 10,486,196	\$ 9,869,748

Source: District Financial Statements

* This is the fourth year that the District is compiling Annual Comprehensive Financial Report. Statistics prior to 2013 are not available. Each subsequent year, the history of years will increase until 10 year presentation is displayed.

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
CHANGES IN NET POSITION
LAST 9 FISCAL YEARS**

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Net Position, Beginning of Period	\$ 13,305,470	\$ 11,714,830	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812	\$ 9,641,176	\$ 10,486,196	\$ 9,869,748	\$ 9,136,002
Position Restatement	-	-	-	(242)	-	-	(1,638,095)	-	-
Restated Net Position	\$ 13,305,470	\$ 11,714,830	\$ 10,694,109	\$ 10,380,036	\$ 10,154,812	\$ 9,641,176	\$ 8,848,101	\$ 9,869,748	\$ 9,136,002
Charges for Services	\$ 242,504	\$ 241,271	\$ 233,273	\$ 273,725	\$ 267,332	\$ 216,996	\$ 237,847	\$ 255,941	\$ 239,095
Service Abatement & Benefit Assmt.	2,142,695	2,113,152	2,128,402	2,092,299	1,986,021	1,890,221	1,888,317	1,879,605	1,878,858
General Revenue									
Taxes	3,651,017	3,477,414	3,263,495	2,951,298	2,688,885	2,503,908	2,309,119	2,063,621	1,911,046
Investment Earnings	(22,605)	363,015	150,110	65,816	75,861	67,152	47,466	38,884	36,958
Other Revenues	41,630	63,315	48,562	87,331	15,105	57,100	282,243	369,836	233,595
Gain On Disposal of Assets	-	792,569	-	-	-	-	-	-	-
Total General Revenue	\$ 3,670,042	\$ 4,696,313	\$ 3,462,167	\$ 3,104,445	\$ 2,779,851	\$ 2,628,160	\$ 2,638,828	\$ 2,472,341	\$ 2,181,599
Total Revenue	\$ 6,055,241	\$ 7,050,736	\$ 5,823,842	\$ 5,470,469	\$ 5,033,204	\$ 4,735,377	\$ 4,764,992	\$ 4,607,887	\$ 4,299,552
Total Expenses	\$ 5,145,392	\$ 5,460,096	\$ 4,803,121	\$ 5,156,396	\$ 4,807,738	\$ 4,221,741	\$ 3,971,917	\$ 3,991,439	\$ 3,565,806
Change in Net Position	\$ 909,849	\$ 1,590,640	\$ 1,020,721	\$ 314,073	\$ 225,466	\$ 513,636	\$ 793,075	\$ 616,448	\$ 733,746
Net Position, End of Period	\$ 14,215,319	\$ 13,305,470	\$ 11,714,830	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812	\$ 9,641,176	\$ 10,486,196	\$ 9,869,748

Prior Period Adjustment (FY 14-15) GASB 68 & 71 requirement to record a liability related to net pension liability.

Source: District Financial Statements

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
 GENERAL FUND BALANCES - GOVERNMENTAL FUND
 LAST 9 FISCAL YEARS

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Nonspendable									
Restricted	\$ 179,502	\$ 169,061	\$ 179,073	\$ 106,290	\$ 554,323	\$ 101,399	\$ 83,194	\$ 121,694	\$ 96,514
Committed	125,133	110,425	105,707	-	-	-	-	-	-
Assigned	800,000	800,000	800,000	800,000	241,061	218,744	208,780	579,510	536,210
Unassigned	5,500,000	4,750,000	2,745,567	1,650,000	2,610,000	3,032,028	494,399	6,282,403	5,571,099
Total Fund Balance	3,655,744	3,864,573	3,325,759	3,308,140	1,535,947	1,287,876	6,715,903	6,983,607	6,203,823
	\$ 10,260,379	\$ 9,694,059	\$ 7,156,106	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047	\$ 7,502,276	\$ 6,983,607	\$ 6,203,823

Source: District Financial Statements

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
CHANGES IN GENERAL FUND BALANCES - GOVERNMENTAL FUNDS
LAST 9 FISCAL YEARS**

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016 *	FY 2015	FY 2014	FY 2013
Beginning Fund Balance	\$ 9,694,059	\$ 6,410,539	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047	\$ 7,502,276	\$ 6,983,607	\$ 6,203,823	\$ 5,226,316
Revenues									
Service Abatement Revenue	\$ 242,504	\$ 241,271	\$ 233,273	\$ 273,725	\$ 267,332	\$ 216,996	\$ 237,847	\$ 255,944	\$ 239,095
Special Benefit Assessment	1,655,926	1,627,009	1,624,577	1,579,436	1,499,338	1,428,542	1,427,237	1,419,272	1,419,107
Special Benefit Control Tax	486,768	486,144	485,759	491,930	486,683	461,679	461,080	460,330	459,751
Property Taxes	2,956,827	2,797,860	2,629,658	2,450,549	2,251,632	2,085,234	1,912,947	1,791,319	1,663,994
Other Tax Revenue	694,190	679,554	633,838	500,749	437,253	418,674	396,172	272,301	247,052
Investment Earnings	(21,516)	345,354	150,110	65,816	75,861	67,152	47,466	38,884	36,958
Other Revenue	41,630	63,313	66,629	108,264	15,105	57,100	282,243	369,836	233,595
Proceeds From Sale of Property	-	2,009,380	-	-	-	-	-	-	-
Total Revenue	\$ 6,056,329	\$ 8,249,885	\$ 5,823,844	\$ 5,470,469	\$ 5,033,204	\$ 4,735,377	\$ 4,764,992	\$ 4,607,886	\$ 4,299,552
Other Financing Sources (Uses)	(750,000)	(250,000)	-	-	-	(3,482,886)	108,100	-	-
Expenditures									
Salaries & Benefits	\$ 3,477,118	\$ 3,413,212	\$ 3,204,327	\$ 3,125,648	\$ 3,403,468	\$ 2,743,329	\$ 2,813,791	\$ 2,559,438	\$ 2,219,512
Materials and Supplies	1,237,814	1,299,132	1,165,632	1,379,234	1,264,641	1,290,897	1,143,437	1,127,858	922,160
Capital Outlay	9,453	4,021	127,925	23,064	25,133	61,613	316,009	140,806	180,373
Debt Service	-	-	-	14,281	38,192	18,395	80,735	-	-
Principal	-	-	8,319	5,143	486	486	451	-	-
Interest	-	-	34,284	19,424	38,678	18,881	81,186	-	-
Total Debt Service	\$ 4,724,385	\$ 4,716,365	\$ 4,532,168	\$ 4,547,370	\$ 4,731,920	\$ 4,114,720	\$ 4,354,423	\$ 3,828,102	\$ 3,322,045
Net Change in Fund Balance	\$ 581,944	\$ 3,283,520	\$ 1,291,676	\$ 923,099	\$ 301,284	\$ (2,862,229)	\$ 518,669	\$ 779,784	\$ 977,507
Ending Fund Balance	\$ 10,276,003	\$ 9,694,059	\$ 7,156,106	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047	\$ 7,502,276	\$ 6,983,607	\$ 6,203,823
Ratio of Debt Service to Non Capital Expenditures:	0.00%	0.00%	0.76%	0.43%	0.82%	0.46%	1.90%	0.00%	0.00%

* In FY 15-16 adjustment to financing sources were adjusted to adjust with GASB requirements related to pension liabilities.

Source: District Financial Statements

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
CAPITAL ASSETS
LAST 9 FISCAL YEARS

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Land	\$ 91,167	\$ 91,167	\$ 710,889	\$ 710,889	\$ 710,889	\$ 710,889	\$ 710,889	\$ 710,889	\$ 710,889
Construction in Process	348,315	-	-	-	25,133	181,960	159,600	-	83,419
Structures and Improvements	4,200,238	4,061,104	4,841,255	4,746,990	4,711,653	4,704,388	4,691,393	4,691,383	4,403,678
Furniture and Equipment	647,473	576,614	758,673	742,021	767,830	764,379	741,840	689,560	652,359
Vehicles	1,017,115	884,502	852,155	852,155	933,753	941,334	960,505	877,621	830,274
Software	215,486	215,486	202,611	194,835	181,960	-	-	-	-
Total Capital Assets	\$ 6,519,794	\$ 5,828,873	\$ 7,365,583	\$ 7,246,890	\$ 7,331,218	\$ 7,302,950	\$ 7,264,227	\$ 6,969,453	\$ 6,680,619
Accumulated Depreciation	\$ (3,427,257)	\$ (3,240,641)	\$ (3,513,161)	\$ (3,305,763)	\$ (3,269,493)	\$ (3,081,751)	\$ (2,808,026)	\$ (2,571,294)	\$ (2,356,855)
Total Net Capital Assets	\$ 3,092,537	\$ 2,588,232	\$ 3,852,422	\$ 3,941,127	\$ 4,061,725	\$ 4,221,199	\$ 4,456,201	\$ 4,398,159	\$ 4,323,764

Source: District Financial Statements

COUNTY OF SAN MATEO
Principal Employers Year 2019 and Year 2011

Employer	Business Type	2019			2011		
		Number of Employees	Rank	Percentage of County	Number of Employees	Rank	Percentage of County
Facebook Inc.	Social Network	15,407	1	3.91%	2,000	10	0.57%
Genentech Inc.	Biotechnology	10,023	2	2.54%	8,600	1	2.43%
Oracle Corp.	Hardware and Software	7,656	3	1.94%	7,000	2	1.98%
County of San Mateo	Government	5,640	4	1.43%	5,979	3	1.69%
Gilead Sciences Inc.	Biotechnology	4,000	5	1.02%			
YouTube	Online Video-Streaming Platform	2,384	6	0.61%			
Sony Interactive Entertainment	Interactive Entertainment	1,650	7	0.42%			
Robert Half International Inc.	Personnel Services	1,642	8	0.42%			
Electronic Arts, Inc.	Interactive Entertainment	1,478	9	0.38%	2,000	9	0.57%
SRI International	Nonprofit Research Institute	1,418	10	0.36%			
Kaiser Permanente	Health Care				3,855	4	1.09%
Visa Inc.	Global Payments Technology				3,100	5	0.88%
Mills Peninsula Health Services	Health Care				2,500	6	0.71%
San Mateo County Community College District	Public Education				2,115	7	0.60%
Safeway, Inc.	Retail Grocer				2,075	8	0.59%
Total		51,298		13.03%	39,224		11.11%

Source: San Francisco Business Times - 2020 Book of Lists;
California Employment Development Department
San Mateo County Annual Report

**COUNTY OF SAN MATEO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 8 YEARS**

Year	Population	Total Income (in millions)	Per-Capita		Median Age	K-12 Public School Enrollment	Average Unemp. Rate
			Personal Income	Income			
2013	750,489	\$ 65,656	\$ 87,501	39.3	93,931	5.7%	
2014	758,581	71,111	93,672	39.4	94,667	4.2%	
2015	759,155	78,607	102,516	39.8	95,187	3.3%	
2016	765,895	82,046	106,615	39.5	95,502	3.3%	
2017	770,256	87,486	113,410	39.9	95,620	2.9%	
2018	772,372	na	na	na	95,155	2.5%	
2019	774,485	na	na	na	94,234	2.2%	
2020	773,244	na	na	na	93,554	10.8% ⁶	

Sources:

- 1 Data include retroactive revisions by the State of California Department of Finance, Demographic Research Unit.
- 2 Data include retroactive revisions by the State of California Department of Education.
- 3 Data include retroactive revisions by the State of California EDD. Unemployment rates are non-seasonally adjusted for June.
- 4 U.S. Census Bureau, American Community Survey.
- 5 Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.
- 6 Unemployment rate increased in FY 2020 due to COVID-19 pandemic

Note:

All data are presented in calendar year except for public school enrollment and average unemployment rate.
n/a - Information is unavailable

COUNTY OF SAN MATEO
Property Tax Levies and Collections Last Ten Fiscal Years
Last 8 Fiscal Years
(In Thousands)

Fiscal Year	Total Tax Levy for the Fiscal Year										Total Collections to Date	
	General Levy 1					Debt Service Levy 2						Total
	Countywide	Districts	Schools	Cities	Total	Amount	Percentage of Levy	Amount	Percentage of Levy	Collection In Subsequent Years		
2013	\$ 1,496,295	\$ 1,235	\$ 137,591	\$ 5,442	\$ 1,640,563	\$ 1,615,533	98.47%	\$ 3,041	99.08%	\$ 1,618,574	99.08%	
2014	1,584,637	1,233	151,643	5,362	1,742,875	1,723,890	98.91%	2,289	99.36%	1,726,179	99.36%	
2015	1,672,818	1,237	179,632	5,347	1,859,034	1,838,579	98.90%	3,260	99.23%	1,841,839	99.23%	
2016	1,800,795	1,716	201,131	5,051	2,008,693	1,985,831	98.86%	5,165	99.04%	1,990,996	99.04%	
2017	1,936,533	1,636	224,731	4,865	2,167,765	2,142,107	98.82%	4,715	98.88%	2,146,822	98.88%	
2018	2,088,094	1,897	239,323	4,880	2,334,194	2,302,415	98.64%	6,315	98.61%	2,308,730	98.61%	
2019	2,254,498	2,742	242,669	4,908	2,504,817	2,483,644	99.15%	na	99.24%	2,483,644	99.24%	
2020	2,412,891	2,825	279,525	4,816	2,700,057	2,665,985	98.74%	na	98.74%	2,665,985	98.74%	

Source: Controller's Office - County of San Mateo, California

Notes:

Data includes retroactive revisions based on corrections to the categorization and inclusion of certain property tax and debt service revenues.

1 Figures show general tax dollars from secured, unsecured, homeowners, unitary and utility assessment rolls after tax shifts to schools.

2 Figures represent debt service levy for the local taxing agencies.

3 Total taxes levied for each fiscal year are based on the original property value assessment rolls provided by the County Assessor's Office.

n/a - Information is unavailable.

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
FULL AND PART TIME DISTRICT EMPLOYEES
LAST 7 FISCAL YEARS**

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
District Manager	1	1	1	1	1	1	1	1
Assistant Manager	0	1	1	1	1	1	1	1
Finance Director	1	1	1	1	1	1	1	1
Information Services Director	1	1	0	0	0	0	0	0
Public Health Education Officer	1	1	1	1	1	1	1	1
Accountant	1	1	1	1	1	1	1	1
Office Administrator	1	1	1	1	1	1	1	1
Facilities Maintenance Coordinator	1	1	1	1	1	1	1	1
Laboratory Director	1	1	1	1	1	1	1	1
Vector Ecologist	3	3	3	4	3	3	3	3
Laboratory Technician	1	1	1	1	1	1	1	1
Field Operations Director	1	0	0	0	0	0	0	0
Field Operations Supervisor	0	1	1	1	1	1	1	1
Vector Control Technician	9	8	8	8	8	8	8	8
Vector Control Technician/Mechanic	1	1	1	1	1	1	1	1
Total	23	23	22	23	22	22	22	22

Source: District Annual Reports

SAN MATEO COUNTY MOSQUITO & VECTOR CONTROL DISTRICT

Principal Property Assesseees

As of January 1, 2020 and January 1, 2011

<u>Assessee</u>	<u>As of January 1, 2020</u>			<u>As of January 1, 2011</u>		
	Taxable Assessed Value	Rank	% of Total Assessed Value	Taxable Assessed Value	Rank	% of Total Assessed Value
<u>Nature of Business</u>						
Genentech	\$ 2,823,488	1	1.17%	\$ 1,832,639	1	1.29%
United Air lines	2,417,040	2	1.01%	1,224,857	2	0.86%
Gilead Sciences Inc.	2,205,502	3	0.92%	411,778	7	0.29%
Pacific Gas & Electric Co.	1,528,216	4	0.64%			
Hibiscus Properties LLC	1,368,405	5	0.57%			
Google Inc	1,266,253	6	0.53%			
Facebook	1,126,727	7	0.47%			
ARE San Francisco	833,701	8	0.35%			
Slough BTC, LLC	671,416	9	0.28%	549,059	4	0.39%
HCP Oyster Point III LLC	569,748	10	0.24%			0.41%
Oracle Corporation				576,498	3	0.34%
Pacific Shores Investors				481,917	5	0.33%
Slough SSF LLC				467,742	6	0.22%
Wells Real Estate Investment Trust				312,533	8	0.19%
Britannia Pointe Grand LP				274,971	9	0.19%
Alexandria Real Estate Equities				274,164	10	
Total:	\$ 14,810,496		6.17%	\$ 6,406,158		4.50%

Source: Controller's Office - County of San Mateo

Notes

- 1 Taxable assessed value includes locally and state assessed real and personal property
- 2 Total taxable assessed value as of January 1, 2019 was about \$225 billion

SAN MATEO COUNTY MOSQUITO & VECTOR CONTROL DISTRICT
DIRECT AND OVERLAPPING DEBT AS OF JUNE 30, 2021 (dollars in thousands)

2020-21 Assessed Valuation: \$256,042,646

	Debt	%	Est. Share of
	<u>Outstanding</u>	<u>Applicable (1)</u>	<u>Overlapping</u>
			<u>Debt (2)</u>
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>	\$640,119	100.00%	\$ 640,119
San Mateo County General Fund Obligations	15,425	100.00%	15,425
San Mateo County Flood Control and Sea LRR District General Fund Obligations	6,840	100.00%	6,840
San Mateo County Board of Education Certificates of Participation	45,805	100.00%	45,805
City of Burlingame General Fund and Pension Obligation Bonds	11,810	100.00%	11,810
City of Daly City Pension Obligation Bonds	22,165	100.00%	22,165
City of Pacifica General Fund and Pension Obligation Bonds	64,220	100.00%	64,220
City of San Mateo General Fund Obligations	129,380	100.00%	129,380
City of South San Francisco General Fund Obligations	83,228	100.00%	83,228
Other City General Fund and Pension Obligation Bonds	106,001	32.62%	34,470
Midpeninsula Regional Open Space Park General Fund Obligations	9,600	100.00%	9,600
Menlo Park Fire Protection District Certificates of Participation	13,155	100.00%	13,155
Woodside Fire Protection District General Fund Obligations	2,294	100.00%	2,294
Highland Recreation General Fund Obligations	3,185	100.00%	3,185
South San Francisco Unified School District Certificates of Participation	47,490	100.00%	47,490
Jefferson Union High School District Certificates of Participation	1,280	100.00%	1,280
Portola Valley School District Certificates of Participation	2,485	100.00%	2,485
San Bruno Park School District General Fund Obligations	125,588	100.00%	125,588
San Mateo County Mosquito & Vector Control District			
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT	\$1,258,539		\$1,258,539
Less: City Supported Obligations			15,923
Highlands Recreation Supported Obligations			1,789
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$1,240,827

SAN MATEO COUNTY MOSQUITO & VECTOR CONTROL DISTRICT
DIRECT AND OVERLAPPING DEBT AS OF JUNE 30, 2021 (dollars in thousands)

2020-21 Assessed Valuation: \$256,042,646

	Debt	%	Est. Share of
	<u>Outstanding</u>	<u>Applicable (1)</u>	<u>Overlapping</u>
			<u>Debt (2)</u>
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
San Mateo Community College District	\$761,306	100.00%	\$ 761,306
Cabrillo Unified School District	118,106	100.00%	118,106
La Honda-Pescadero Unified School District	8,741	100.00%	8,741
South San Francisco Unified School District	163,486	100.00%	163,486
Jefferson Union High School District	265,555	100.00%	265,555
San Mateo Union High School District	680,211	100.00%	680,211
Sequoia Union High School District	494,220	100.00%	494,220
Belmont-Redwood Shores School and School Facilities Imp. Districts	114,986	100.00%	114,986
Burlingame School District	170,632	100.00%	170,632
Hillsborough School District	73,579	100.00%	73,579
Jefferson School District	121,720	100.00%	121,720
Menlo Park City School District	126,678	100.00%	126,678
Millbrae School District	49,460	100.00%	49,460
Redwood City School District	184,904	100.00%	184,904
San Carlos School District	109,661	100.00%	109,661
San Mateo-Foster City School District	414,613	100.00%	414,613
Other School Districts	378,064	100.00%	378,064
Other Cities	129,125	100.00%	129,125
Midpeninsula Open Space Park District	86,400	32.62%	28,096
Montara Sanitary District	7,051	100.00%	7,051
Community Facilities District	99,245	100.00%	99,245
1915 Act Bonds	8,525	100.00%	8,525
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$4,507,964
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	\$142,907	100.00%	\$ 142,907
TOTAL DIRECT DEBT (Capital Lease Obligations)	\$ 125,588	100.00%	\$ 125,588
TOTAL GROSS OVERLAPPING DEBT			\$5,909,410 (2)
TOTAL NET OVERLAPPING DEBT			\$5,891,698
GROSS COMBINED TOTAL DEBT			\$ 5,909,410 (2)
NET COMBINED TOTAL DEBT			\$ 5,891,698

(1) Percentage of overlapping agency's assessed valuation located within the boundaries of the county.

(2) Excludes enterprise revenue, mortgage revenue, tax and revenue anticipation notes.

SAN MATEO COUNTY MOSQUITO & VECTOR CONTROL DISTRICT
DIRECT AND OVERLAPPING DEBT AS OF JUNE 30, 2021 (dollars in thousands)

<u>Ratios to 2018-19 Assessed Valuation:</u>	
Total Direct Debt	0.00%
Total Overlapping Tax and Assessment Debt	1.76%
Gross Combined Total Debt	2.26%
<u>Ratios to Redevelopment Successor Agencies Incremental Valuation (\$28,513,790):</u>	
Total Overlapping Tax Increment Debt	0.50%

2020-21 Assessed Valuation: \$256,042,646

COUNTY OF SAN MATEO
Direct and Overlapping Property Tax Rates
 Last 8 Fiscal Years
 (rate per \$100 of assessed value)

<u>Fiscal Year</u>	<u>Direct Rate (1)</u>		<u>Overlapping Rates (2)</u>				<u>Total</u>
	<u>County General</u>	<u>Local Special Districts</u>	<u>Schools</u>	<u>Cities</u>	<u>Total</u>		
2013	1.0000	0.0009	0.1057	0.0042	1.1108		
2014	1.0000	0.0009	0.1100	0.0039	1.1148		
2015	1.0000	0.0008	0.1234	0.0037	1.1279		
2016	1.0000	0.0011	0.1284	0.0032	1.1327		
2017	1.0000	0.0010	0.1333	0.0029	1.1372		
2018	1.0000	0.0010	0.1315	0.0027	1.1352		
2019	1.0000	0.0014	0.1235	0.0025	1.1274		
2020	1.0000	0.0013	0.1328	0.0023	1.1364		

Source: Controller's Office - County of San Mateo, California

Although the District's services encompass a portion of San Mateo County, the amounts presented include the entire County's property taxes.

Notes:

¹ On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, that limits the tax power of California public agencies. Legislation enacted to implement Article XIII A (Statutes of 1978, Chapter 922, as amended) which provide that notwithstanding any other law, local agencies may not levy property taxes except to pay debt service on indebtedness approved by voters prior to July 1, 1978. Proposition 13 allows each county to levy a maximum tax of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value pursuant to Statutes of 1978, Senate Bill 1656.

² These overlapping rates are in addition to the County rate, but only apply to taxpayers within the borders of the local special districts, schools, and cities that lie within the County.

³ Data includes retroactive revisions based on corrections to the categorization and inclusion of certain property tax rates.

COUNTY OF SAN MATEO
Assessed Value of Taxable Property
Last 8 Fiscal Years
(In Thousands)

Fiscal Year	Real Property	Personal Property	Less:		Total Taxable Assessed Value	% of Change Total Taxable Assessed Value	Total Direct Tax Rate
			Tax Exempt Real Property	Tax Exempt Property			
2013	\$ 146,967,831	\$ 6,381,748	\$ 4,624,208	\$ 148,725,371	3%	1%	
2014	156,221,561	6,389,447	5,036,955	157,574,053	6%	1%	
2015	165,062,426	6,573,444	5,235,533	166,400,337	6%	1%	
2016	177,738,379	6,972,721	5,501,611	179,209,489	8%	1%	
2017	190,856,437	7,313,377	5,376,465	192,793,349	8%	1%	
2018	205,112,738	8,339,059	5,492,569	207,959,228	8%	1%	
2019	221,992,874	9,209,736	6,595,761	224,606,849	8%	1%	
2020	238,245,297	9,777,421	7,568,631	240,454,087	7%	1%	
8 year % of Change	62.11%	53.21%	63.67%	61.68%			

Source: Assessor's Office - County of San Mateo California

Notes:

1 Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property that is subject to taxes at the full cash value that appeared on the Assessors 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect:

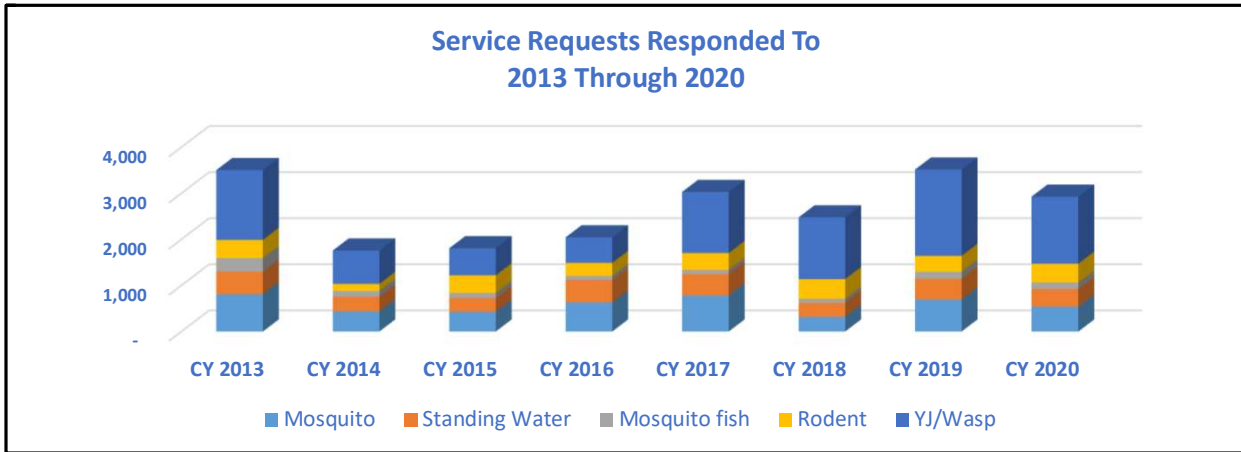
- a) annual inflation up to 2%,
- b) current market value at time of ownership change, and
- c) market value for new construction.

2 Estimated actual value of taxable property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
PERFORMANCE MEASURES CALENDAR YEAR (CY) 2013-2020**

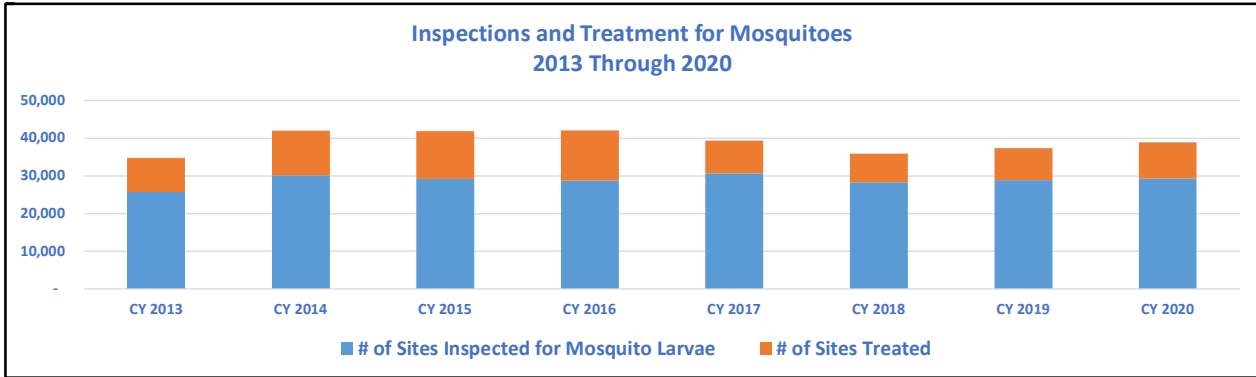
	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Surveillance for Mosquitoes								
Trapping Effort - # of CO2 trap nights	486	2,015	1,715	1,154	1,030	1,129	1,355	1,604
Trapping Effort - # of trap nights (non-CO2 traps)	1591	7,601	12,207	6,444	15,526	19,516	17,450	20,259
Number of Autocidal Gravid Ovitrap trap nights	0	3424	3861	994	0	0	0	0
Number of BG-Gravid Autocidal trap nights	0	0	0	0	0	175	2047	1299
Number of BG-Sentinel trap nights	0	60	0	12	16	42	14	10
Number of Reiter-Cummings Gravid trap nights	0	0	0	0	0	0	171	109
Number of ovicup trap nights	685	2,838	7,002	4,322	14,720	19,299	15,218	18,841
Number of New Jersey Light Trap trap nights	906	1,279	1,344	1,116	790	0	0	0
Number of Larval Samples submitted and identified	498	929	871	782	590	456	1,079	881
Inspections and Treatments for Mosquitoes								
# of Sites Inspected for Mosquito Larvae	25,713	30,093	29,213	28,789	30,702	28,233	28,852	29,317
# of Sites Treated	9,036	11,847	12,692	13,214	8,629	7,639	8,509	9,567
% of sources positive for mosquito larvae	35%	39%	43%	46%	28%	27%	29%	33%
Surveillance for West Nile Virus								
Number of Human cases	0	0	0	0	0	0	0	0
Number of Dead birds tested	62	147	158	111	79	123	63	85
Number of Sentinel Chickens maintained per season	10	19	27	29	30	14	14	14
Sentinel Chicken samples tested	480	385	407	418	420	186	198	171
Number of mosquito pools tested	175	435	204	244	4	131	118	267
Surveillance for Rodent-borne Disease								
Number of Rodents tested (Hantavirus, Plague)	32	15	18	70	43	54	19	0
Surveillance for Tick-borne Disease								
Number of tick collection Dates	19	32	31	22	32	59	47	40
Number of Ticks collected	1,166	2,448	3,164	2,450	3,051	7,589	5,748	2,904
Number of tick pools tested	140	533	652	1,029	973	1,063	1,264	586

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
SERVICE REQUESTS**



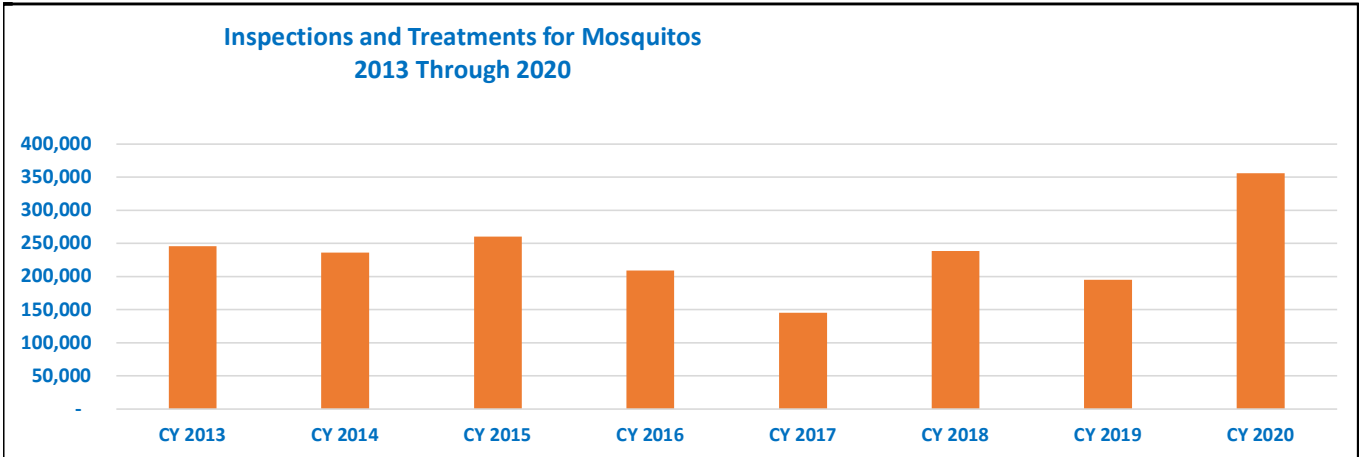
	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Mosquito	809	437	429	630	784	321	696	540
Standing Water	491	321	300	488	465	304	452	383
Mosquito fish	293	122	109	90	89	85	150	141
Rodent	396	153	383	281	364	428	344	408
YJ/Wasp	1,515	725	586	556	1,328	1,339	1,873	1,456
Grand Total	3,504	1,758	1,807	2,045	3,030	2,477	3,515	2,928

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
TREATMENT AND INSPECTIONS BY YEAR**



	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
# of Sites Inspected for Mosquito Larvae	25,713	30,093	29,213	28,789	30,702	28,233	28,852	29,317
# of Sites Treated	9,036	11,847	12,692	13,214	8,629	7,639	8,509	9,567
% of sources positive for mosquito larvae	35%	39%	43%	46%	28%	27%	29%	33%

**SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
CATCH BASINS TREATED FOR MOSQUITOS**



Treatments:	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
# of Catch Basins Treated for Mosquitoes	245,738	235,968	260,248	208,895	144,905	238,541	195,132	356,000