

DAVIS CEMETERY DISTRICT

**Financial Statements with
Independent Auditor's Report Thereon**

**For the Fiscal Years Ended
June 30, 2018, 2017 and 2016**

DAVIS CEMETERY DISTRICT
For the Fiscal Years Ended June 30, 2018, 2017 and 2016

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GOVERNMENT-WIDE FINANCIAL STATEMENTS



Craig R. Fechter, CPA, MST

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Davis Cemetery District
Davis, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Davis Cemetery District (the District), as of and for the years ended June 30, 2018, 2017 and 2016, 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 an opinion 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.

Board of Trustees
Davis Cemetery District
Davis, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the District, as of June 30, 2018, 2017 and 2016, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 27-29, and the pension information on page 31 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Fechter & Company,
Certified Public Accountants



Sacramento, California
February 27, 2020

FUND FINANCIAL STATEMENTS

**DAVIS CEMETERY DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2018, 2017 and 2016**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
ASSETS			
Current Assets:			
Cash and investments	\$ 902,563	\$ 735,431	\$ 571,741
Restricted cash and investments	1,204,144	1,089,641	1,026,996
Taxes receivable	11,847	6,659	693
Inventory	8,199	8,617	8,617
Total current assets	<u>2,126,753</u>	<u>1,840,348</u>	<u>1,608,047</u>
Capital assets, net of accumulated depreciation	<u>704,812</u>	<u>744,025</u>	<u>717,155</u>
Total Assets	<u><u>\$ 2,831,565</u></u>	<u><u>\$ 2,584,373</u></u>	<u><u>\$ 2,325,202</u></u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>\$ 58,060</u>	<u>\$ 60,282</u>	<u>\$ 35,596</u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable	\$ 2,585	\$ 34,383	\$ 11,890
Accrued payroll	5,057	5,711	4,454
Unearned revenue	312,555	235,547	221,821
Compensated absence payable within one year	4,145	2,095	2,869
Total current liabilities	<u>324,342</u>	<u>277,736</u>	<u>241,034</u>
Net pension liability	<u>91,819</u>	<u>72,187</u>	<u>43,352</u>
TOTAL LIABILITIES	<u><u>\$ 416,161</u></u>	<u><u>\$ 349,923</u></u>	<u><u>\$ 284,386</u></u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>\$ 9,358</u>	<u>\$ 6,665</u>	<u>\$ 34,385</u>
NET POSITION			
Invested in capital assets, net	704,812	744,025	717,155
Restricted for:			
Nonexpendable - Endowment principal	428,587	414,489	411,755
Expendable - Endowment	800,728	732,288	671,824
Unrestricted	<u>529,979</u>	<u>397,265</u>	<u>241,293</u>
TOTAL NET POSITION	<u><u>\$ 2,464,106</u></u>	<u><u>\$ 2,288,067</u></u>	<u><u>\$ 2,042,027</u></u>

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

**DAVIS CEMETERY DISTRICT
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED
JUNE 30, 2018, 2017, and 2016**

	2018	2017	2016
PROGRAM EXPENSES:			
Cemetery operations	\$ 619,631	\$ 530,605	\$ 450,027
PROGRAM REVENUES:			
Charges for services	149,000	135,730	121,050
Net Program Expenses	(470,631)	(394,875)	(328,977)
GENERAL REVENUES:			
Taxes	269,140	256,380	240,072
Unrestricted interest and investment earnings	24,815	9,367	15,725
Other income	285,900	317,925	193,863
Total General Revenues	579,855	583,672	449,660
CONTRIBUTIONS TO ENDOWMENT:			
Endowment deposits	66,815	57,270	33,375
Change in Net Position	176,039	246,067	154,058
Beginning net position	2,288,067	2,042,000	1,887,969
Ending net position	\$ 2,464,106	\$ 2,288,067	\$ 2,042,027

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

**DAVIS CEMETERY DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General Fund	Endowment Fund	Total
ASSETS			
Cash and investments	\$ 473,976	\$ 428,587	\$ 902,563
Restricted cash and investments	400,491	803,653	1,204,144
Taxes receivable	11,847	-	11,847
Inventory	8,199	-	8,199
TOTAL ASSETS	\$ 894,513	\$ 1,232,240	\$ 2,126,753
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ 2,585	\$ -	\$ 2,585
Accrued payroll	5,057	-	5,057
Unearned revenue	309,630	2,925	312,555
TOTAL LIABILITIES	\$ 317,272	\$ 2,925	\$ 320,197
FUND BALANCES			
Nonspendable			
Inventory	8,199	-	8,199
Endowment principal	-	428,587	428,587
Unassigned	569,042	800,728	1,369,770
TOTAL FUND BALANCES	\$ 577,241	\$ 1,229,315	\$ 1,806,556

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position-Governmental Activities

Total fund balances - governmental funds 1,806,556

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

 Capital assets at historical cost, net 704,812

 Deferred outflows of resources reported in the Statement of Net Position 58,060
 Deferred inflows of resources (9,358)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

 Accrued compensated absences (4,145)
 Net pension liability (91,819)

Net position of governmental activities \$ 2,464,106

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

**DAVIS CEMETERY DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General Fund	Endowment Fund	Total
ASSETS			
Cash and investments	\$ 320,943	\$ 414,489	\$ 735,432
Restricted cash and investments	354,428	735,213	1,089,641
Taxes receivable	6,659	-	6,659
Inventory	8,617	-	8,617
	TOTAL ASSETS	\$ 1,149,702	\$ 1,840,349
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ 34,383	\$ -	\$ 34,383
Accrued payroll	5,711	-	5,711
Unearned revenue	232,622	2,925	235,547
	TOTAL LIABILITIES	\$ 2,925	\$ 275,641
FUND BALANCES			
Nonspendable			
Inventory	8,617	-	8,617
Endowment principal	-	414,489	414,489
Unassigned	409,314	732,288	1,141,602
	TOTAL FUND BALANCES	\$ 1,146,777	\$ 1,564,708

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position-Governmental Activities

Total fund balances - governmental funds 1,564,708

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

Capital assets at historical cost, net 744,025

Deferred outflows of resources reported in the Statement of Net Position 60,282
Deferred inflows of resources (6,665)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

Accrued compensated absences (2,095)
Net pension liability (72,187)

Net position of governmental activities **\$ 2,288,068**

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

**DAVIS CEMETERY DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016**

	General Fund	Endowment Fund	Total
ASSETS			
Cash and investments	\$ 159,986	\$ 411,755	\$ 571,741
Restricted cash and investments	352,247	674,749	1,026,996
Taxes receivable	693	-	693
Inventory	8,617	-	8,617
TOTAL ASSETS	\$ 521,543	\$ 1,086,504	\$ 1,608,047
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ 11,890	\$ -	\$ 11,890
Accrued payroll	4,454	-	4,454
Unearned revenue	218,896	2,925	221,821
TOTAL LIABILITIES	\$ 235,240	\$ 2,925	\$ 238,165
FUND BALANCES			
Nonspendable			
Inventory	8,617	-	8,617
Endowment principal	-	411,755	411,755
Unassigned	277,686	671,824	949,510
TOTAL FUND BALANCES	\$ 286,303	\$ 1,083,579	\$ 1,369,882

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position-Governmental Activities

Total fund balances - governmental funds 1,369,882

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

 Capital assets at historical cost, net 717,155

 Deferred outflows of resources reported in the Statement of Net Position 35,596
 Deferred inflows of resources (34,385)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:

 Accrued compensated absences (2,869)
 Net pension liability (43,352)

Net position of governmental activities \$ 2,042,027

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

DAVIS CEMETERY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Permanent Endowment Fund	Total
REVENUES:			
Taxes	\$ 269,140	\$ -	\$ 269,140
Revenue from use of money and property	9,092	15,723	24,815
Charges for services	149,000	-	149,000
Other income	285,900	-	285,900
Endowment deposits	-	66,815	66,815
	<u>713,132</u>	<u>82,538</u>	<u>795,670</u>
EXPENDITURES:			
Current:			
Salaries and employee benefits	430,578	-	430,578
Services and supplies	111,824	-	111,824
Capital outlay	11,420	-	11,420
	<u>553,822</u>	<u>-</u>	<u>553,822</u>
Change in Fund Balances	159,310	82,538	241,848
Beginning Fund Balances	417,931	1,146,777	1,564,708
Ending Fund Balances	<u>\$ 577,241</u>	<u>\$ 1,229,315</u>	<u>\$ 1,806,556</u>

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to Government-Wide Statements of Activities

Net Change in Fund Balances - Total Governmental Funds \$ 241,848

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation

Capital outlay expenditures are therefore added back to fund balances	11,420
Depreciation expense not reported in governmental funds	(50,632)

The amounts below included in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenue or expenditures in governmental funds (net change):

Compensated absences expense	(4,145)
Change in net pension liability	(22,452)
	<u>(26,597)</u>
Change in net position of governmental activities	<u>\$ 176,039</u>

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

DAVIS CEMETERY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Permanent Endowment Fund	Total
REVENUES:			
Taxes	\$ 256,380	\$ -	\$ 256,380
Revenue from use of money and property	3,439	5,928	9,367
Charges for services	135,730	-	135,730
Other income	317,925	-	317,925
Endowment deposits	-	57,270	57,270
	<u>713,474</u>	<u>63,198</u>	<u>776,672</u>
EXPENDITURES:			
Current:			
Salaries and employee benefits	364,286	-	364,286
Services and supplies	114,407	-	114,407
Capital outlay	103,153	-	103,153
	<u>581,846</u>	<u>-</u>	<u>581,846</u>
Change in Fund Balances	131,628	63,198	194,826
Beginning Fund Balances	286,303	1,083,579	1,369,882
Ending Fund Balances	<u>\$ 417,931</u>	<u>\$ 1,146,777</u>	<u>\$ 1,564,708</u>
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Government-Wide Statements of Activities			
Net Change in Fund Balances - Total Governmental Funds			\$ 194,826
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense			
Capital outlay expenditures are therefore added back to fund balances			103,153
Depreciation expense not reported in governmental funds			(76,373)
The amounts below included in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenue or expenditures in governmental funds (net change):			
Change in compensated absences			774
Change in net pension liability			23,687
Change in net position of governmental activities			<u>\$ 246,067</u>

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

DAVIS CEMETERY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Permanent Endowment Fund	Total
REVENUES:			
Taxes	\$ 240,072	\$ -	\$ 240,072
Revenue from use of money and property	5,511	10,214	15,725
Charges for services	121,050	-	121,050
Other income	193,583	280	193,863
Endowment deposits	-	33,375	33,375
	560,216	43,869	604,085
EXPENDITURES:			
Current:			
Salaries and employee benefits	334,158	-	334,158
Services and supplies	115,470	-	115,470
Capital outlay	109,537	-	109,537
	559,165	-	559,165
Change in Fund Balances	1,051	43,869	44,920
Beginning Fund Balances	287,802	1,037,160	1,324,962
Prior period adjustment	(2,550)	2,550	-
Ending Fund Balances	\$ 286,303	\$ 1,083,579	\$ 1,369,882
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Government-Wide Statements of Activities			
Net Change in Fund Balances - Total Governmental Funds			\$ 44,920
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay expenditures are therefore added back to fund balances			109,537
Depreciation expense not reported in governmental funds			(33,138)
The amounts below included in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenue or expenditures in governmental funds (net change):			
Change in compensated absences			10,378
Change in net pension liability			22,361
Change in net position of governmental activities			\$ 154,058

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Davis Cemetery District (The District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Description of the Reporting Entity

The District was organized on August 7, 1922, under the provisions of General Law statutes of 1921, Chapter 652, p. 1103. Sections 8890 through 9309 of the *Health and Safety Code* of the State of California govern the District.

The District is located in the County of Yolo surrounded by the City of Davis.

A local Board of Trustees consisting of five members governs the District. As provided in the California *Health and Safety Code*, Section 9021, trustee appointments are approved by the Yolo County Board of Supervisors for four-year terms.

The District's specific powers and responsibilities, as set-forth in Section 7, Part 4, Division 8, of the *Health and Safety Code* are summarized as follows:

- Maintain a cemetery limited in use to the burial of residents and taxpayers of the District.
- Establish rates charged for burials within the cemetery.
- Require deposits into an endowment fund that are sufficient to generate income that can be used to maintain the cemetery.
- Contract with the County for the burial of indigents.
- Purchase and erect markers for indigent persons buried in the cemetery.
- Maintain an up-to-date plot/lot map.
- Maintain other required information on all persons buried in the cemetery.

Endowment Fund

Section 9065 of the *Health and Safety Code* requires cemetery Districts to establish an endowment care fund. The endowment fund accounts for the receipt of endowment deposits for each burial right sold, and accumulates interest at the quarterly rate established by the Yolo County Treasury.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Accounting

Government-Wide Statements

The Statement of Net Position and Statement of Activities display information about the primary government (District). These statements include the financial activities of the overall District.

The Statement of Activities presents a comparison between direct expenses and program revenues for the District's governmental activity. Direct expenses are those that are specifically associated with the District. Program revenues include charges for services. Revenues that are not classified as program revenues, including all taxes and investment income, are presented instead as general revenues. Endowment deposits are presented as contributions to endowments.

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 at the time liabilities are incurred, regardless of when the related cash flows take place.

When both restricted and unrestricted net assets are available, restricted resources are used only after the unrestricted resources are depleted.

Fund Financial Statements

The fund statements provide information about the District's funds.

The 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 to finance expenditures of the current period. The District considers property taxes as available when deposited into the District's trust account held by Yolo County. A 60-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) value in exchange, include property taxes, grants, entitlements, and donations. On a modified accrual basis, revenues from property taxes are recognized when the underlying transactions take place and have met the availability criteria. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Basis of Presentation and Accounting - continued

The District reports the following major governmental funds:

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

Endowment Fund – this is a permanent fund used to account for restricted endowment receipts and the related interest earnings used for the perpetual care of the facility. The principal amounts must remain intact, but earnings of the trust fund may be expended for the endowment care of the burial plots. None of the earnings were expended during the years ending June 30, 2018, 2017, or 2016.

C. Risk Management

The District is exposed to various risks of loss related to theft, damage, and/or destruction of assets, errors and omissions, and general liability. The District maintains insurance coverage for its fixed assets, errors and omissions, general liability and automobile.

D. Cash in County Treasury

The District maintains all of its cash and investments with the Yolo County Treasurer in a cash and investment pool. On a quarterly basis, the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the categorization of investments and other deposit and investment risk disclosures can be found in the County's Comprehensive Annual Financial Report (CAFR). The County of Yolo's financial statements may be obtained by contacting the County of Yolo's Auditor-Controller's office at 625 Court Street, Room 103, Woodland, California 95776. The Yolo County Treasury Oversight Committee oversees the Treasurer's investments and policies.

The District has no deposit or investment policy that addressed a specific type of risk. Investments held in the County's investment pool are available on demand and are stated at amortized cost plus accrued interest, which approximates fair value.

E. Inventories

Inventories are maintained to meet the operating and maintenance requirements of the District and are valued at cost, which approximates fair value, using the weighted average method.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

F. Capital Assets

Capital assets have been acquired for general operational purposes. Assets purchased are recorded as expenditures in the General Fund and capitalized at cost or estimated cost where no historical records are available in the government-wide financial statements. Donated capital assets are recorded at fair value at the time of the donation. The District defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are depreciated using the straight-line method over their estimated useful lives of 3 to 10 years for equipment and 10 to 50 years for structures and improvements in the government-wide statements.

G. Property Tax Revenue

Yolo County, through the Auditor-Controller's Office and the Treasurer-Tax Collector, is responsible for assessing, collecting, and distributing property taxes in accordance with enabling legislation. The County apportions property taxes according to the alternative method of distribution known as the Teeter Plan. Under the Teeter Plan, the current year's secured property tax levy is distributed to participating agencies within the County without consideration of delinquency factors. The District recognizes property taxes as revenue when the County distributes them.

H. Compensated Absences

District employees accumulate unpaid vested benefits for compensatory time-off and vacation, which is reported as a liability of the District. The accumulated benefits will be liquidated in future years as employees elect to use them. In the normal course of business, all payments of these accumulated benefits will be funded from appropriations of the year in which they are to be paid; therefore, the total liability is recorded as long-term. In accordance with GASB Statement No. 16, these amounts are not expected to be liquidated from expendable available financial resources.

I. Net Position/Fund Balances

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets

This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to capital assets, if any, reduce the balance in this category.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

I. Net Position/Fund Balances - continued

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation. Restricted net assets are presented in two types: expendable and nonexpendable. Nonexpendable amounts represent amounts that are required to be retained in perpetuity. Expendable amounts represent amounts that can be spent.

Unrestricted Net Position

This category represents net position of the District not restricted for any project or any other purpose.

The District's fund balances are classified into five different components. The components are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the District's Board of Trustees. The Board of Trustees is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through a Board resolution.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's policy the Board of Trustees may assign amounts for specific purposes. Such restraint can only be changed or removed by a vote of the Board.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

In order to preserve maximum flexibility, when any expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is presumed that restricted funds are spent first.

Similarly, when expenditures are incurred for purposes for which amounts in any unrestricted fund balance could be used, it is presumed that the committed amounts are spent first, then the assigned, then the unassigned amounts.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

I. Net Position/Fund Balances - continued

Unrestricted Net Position - continued

The Board of Trustees, upon the recommendation of the Davis Cemetery District superintendent, may authorize a different order of spending. The various committed and assigned are established by actions of the board and management and can be increased or eliminated by similar actions.

J. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows related to pensions related to the implementation of GASB 68 and the payment of pension contributions after the measurement date. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows related to pensions as a result of the implementation of GASB 68 and certain pension related items.

K. Use of Estimates

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

L. Pensions

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

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 2: CASH AND INVESTMENTS

The District holds restricted and unrestricted cash and investments with the Treasurer of the County of Yolo in a cash and investment pool. The County of Yolo Treasurer pools its funds with other governmental agencies in the County and invests them as prescribed by the California Government Code and the County of Yolo's Investment Policy. The District's deposits in the County pool may be accessed at any time. The District is allocated interest income on monies deposited with the County based on its proportional share of the pooled investments. All investments are carried at fair value.

The Treasurer's investment and policies are overseen by the Yolo County Treasury Oversight Committee. The balance in the account as of June 30, 2018 was as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Unrestricted:			
Cash in Treasury	\$ 902,063	\$ 734,931	\$ 571,241
Imprest Cash	500	500	500
Total Unrestricted	<u>\$ 902,563</u>	<u>\$ 735,431</u>	<u>\$ 571,741</u>
Restricted:			
Pre-Need	239,117	222,271	220,959
Capital Asset Replacement	161,373	129,578	128,723
Endowment Principal	803,655	737,792	677,316
Total Restricted	<u>\$ 1,204,145</u>	<u>\$ 1,089,641</u>	<u>\$ 1,026,998</u>
Total cash and investments:	<u>\$ 2,106,708</u>	<u>\$ 1,825,072</u>	<u>\$ 1,598,739</u>

Restricted cash and investments are funds held to provide future care for the cemetery grounds into perpetuity. Upon cemetery capacity, the funds are used for care and upkeep of the grounds.

Investments

The District is authorized under California Government Code to make direct investments; however, the District has not adopted an investment policy and thus does not maintain policies for exposure to interest rate risk, credit risk, and concentration of credit risk. Investment policies and related credit, custodial credit, concentration of credit, interest rate, and foreign currency risks applicable to the District are those of the County and are disclosed in the County's basic financial statements. For a copy of the County's financial statements contact the County of Yolo Auditor-Controller's office located at 625 Court Street, Room 102, Woodland, California 95695.

DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016

NOTE 3: CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2018, is as follows:

	<u>June 30, 2017</u>	<u>Additions</u>	<u>Deletions & Adjustments</u>	<u>June 30, 2018</u>
Land	\$ 100,634	\$ -	\$ -	\$ 100,634
Buildings	557,047	-	-	557,047
Real property and improvements	627,785	-	-	627,785
Equipment and Software	197,722	11,419	-	209,141
Total depreciated capital assets	<u>1,382,554</u>	<u>11,419</u>	<u>-</u>	<u>1,393,973</u>
Less accumulated depreciation	<u>(739,163)</u>	<u>(50,632)</u>	<u>-</u>	<u>(789,795)</u>
Capital assets, net	<u>\$ 744,025</u>	<u>\$ (39,213)</u>	<u>\$ -</u>	<u>\$ 704,812</u>

For fiscal year 2018, depreciation expense of \$50,632 was charged to Cemetery Operations.

A summary of changes in capital assets for the year ended June 30, 2017, is as follows:

	<u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions & Adjustments</u>	<u>June 30, 2017</u>
Land	\$ 100,634	\$ -	\$ -	\$ 100,634
Construction in Progress	99,082	64,807	(163,889)	-
Total non-depreciable assets	<u>199,716</u>	<u>64,807</u>	<u>(163,889)</u>	<u>100,634</u>
Buildings	381,308	11,850	163,889	557,047
Real property and improvements	622,503	5,282	-	627,785
Equipment and Software	205,454	21,304	(29,036)	197,722
Total depreciated capital assets	<u>1,209,265</u>	<u>38,436</u>	<u>134,853</u>	<u>1,382,554</u>
Less accumulated depreciation	<u>(691,826)</u>	<u>(76,373)</u>	<u>29,036</u>	<u>(739,163)</u>
Capital assets, net	<u>\$ 717,155</u>	<u>\$ 26,869</u>	<u>\$ -</u>	<u>\$ 744,025</u>

For fiscal year 2017, depreciation expense of \$76,373 was charged to Cemetery Operations.

DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016

NOTE 3: CAPITAL ASSETS - continued

A summary of changes in capital assets for the year ended June 30, 2016, is as follows:

	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions & Adjustments</u>	<u>June 30, 2016</u>
Land	\$ 100,634	\$ -	\$ -	\$ 100,634
Construction in Progress	-	99,082	-	99,082
Total non-depreciable assets	<u>100,634</u>	<u>99,082</u>	<u>-</u>	<u>199,716</u>
Buildings	381,308	-	-	381,308
Real property and improvements	622,503	-	-	622,503
Equipment and Software	195,455	9,999	-	205,454
Total depreciated capital assets	<u>1,199,266</u>	<u>9,999</u>	<u>-</u>	<u>1,209,265</u>
Less accumulated depreciation	<u>(658,688)</u>	<u>(33,138)</u>	<u>-</u>	<u>(691,826)</u>
Capital assets, net	<u>\$ 641,212</u>	<u>\$ 75,943</u>	<u>\$ -</u>	<u>\$ 717,155</u>

For fiscal year 2016, depreciation expense of \$33,138 was charged to Cemetery Operations.

NOTE 4: UNEARNED REVENUE

In fiscal year 2008, the District began collecting pre-payments for burial services under its Pre-Need Program. Under this program, customers pay for burial fees in advance, allowing customers to mitigate rising burial costs. The unearned income includes labor, the vault (if applicable), and marker moving. Any burial plot sales in a pre-need purchase are recognized upon date of sale. The District recognizes revenue from the prepaid burial services when all services related to each burial has been performed. The District's unearned revenue account balances were reported as \$312,555, \$235,547, and \$221,821 for the years ended June 30, 2018, 2017, and 2016, respectively.

NOTE 5: LONG-TERM DEBT

A schedule of long-term debt for the fiscal years ended June 30, 2018, 2017, and 2016 is as follows:

Fiscal Year 2018	<u>July 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2018</u>	<u>Due within One Year</u>
Compensated absences	<u>\$ 2,095</u>	<u>\$ 2,095</u>	<u></u>	<u>\$ 4,145</u>	<u>\$ 4,145</u>
Fiscal Year 2017	<u>July 1, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2017</u>	<u>Due within One Year</u>
Compensated absences	<u>\$ 2,869</u>	<u></u>	<u>\$ 774</u>	<u>\$ 2,095</u>	<u>\$ 2,095</u>
Fiscal Year 2016	<u>July 1, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2016</u>	<u>Due within One Year</u>
Compensated absences	<u>\$ 13,247</u>	<u></u>	<u>\$ 10,378</u>	<u>\$ 2,869</u>	<u>\$ 2,869</u>

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN

Plan Description

District employees are eligible to participate in the District’s plan, a cost-sharing multiple-employer public employee defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). CalPERS acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the plan are established by State statute and may be amended by district resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment with the retirement formula of 2 percent @ 60 for existing “classic” members and 2 percent @ 62 for “new” members. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan’s provisions and benefits in effect at June 30, 2018, are summarized as follows:

	<u>Classic</u>	<u>PEPRA</u>
Hire Date	Prior to <u>January 1, 2013</u>	Prior to <u>January 1, 2013</u>
Formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-63	52-67
Monthly benefit, as a % of annual salary	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	11.499%	6.25%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS’ annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employees under the Classic and PEPRA Tiers are required to contribute 7.0 percent and 6.25 percent of their annual pay, respectively. For the fiscal year ended

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN – continued

Contributions - continued

June 30, 2018, the District contributed 5.0 percent of the employees required contribution. The District's contractually required contribution rate for the years ended June 30, 2016, 2017 and 2018, for the Classic and PEPRA Tiers were as follows:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
PEPRA	7.16%	7.16%	6.56%
Classc	6.53%	6.53%	7.20%

For the year ended June 30, 2016, 2017 and 2018, the District recognized pension expense of \$(9,852), \$61,630 and \$18,952. At June 30, 2016, 2017 and 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>2016</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 12,291	\$ -
Net differences between projected and actual earnings on plan investments	21,684	25,926
Changes in assumptions		8,459
Net differences in employer experience	894	-
Totals	<u>\$ 34,869</u>	<u>\$ 34,385</u>
	<u>2017</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 16,458	\$ -
Changes in employer proportions	2,563	1,117
Net differences between projected and actual earnings on plan investments	40,686	-
Changes in assumptions		5,438
Net differences in employer experience	575	110
Totals	<u>\$ 60,282</u>	<u>\$ 6,665</u>

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN - continued

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 20,393	\$ -
Changes in employer proportions	10,117	5,078
Net differences between projected and actual earnings on plan investments	5,048	
Changes in assumptions	22,322	1,702
Net differences in employer experience	180	2,578
Totals	\$ 58,060	\$ 9,358

The amounts reported as deferred outflows of resources related to pension contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2019	\$ 5,111
2020	16,165
2021	10,030
2022	(2,997)
2023	-
Totals	\$ 28,309

**DAVIS CEMETERY DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN - continued

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2015-2017
Measurement Date	June 30, 2016-2018
Actuarial Cost Method	Entry-Age Normal Cost Method Actuarial
Assumptions:	
Discount Rate	7.5%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.3-14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	Rates are from CalPERS 2016 Experience Study 20 years of mortality improvements using the Society of Actuaries Scale BB

- (1) Depending on age, service, and type of employment
- (2) Net of pension plan investment and administrative expenses, including inflation

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.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. 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. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN - continued

Actuarial Assumptions - continued

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. These geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Years 1 – 10</u>	<u>Real Return Years 11+</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92)%
Total	<u>100.0%</u>		

Discount Rate

The discount rate used to measure the total pension liability was 7.5% percent for each plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the district's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 7.5% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2016		
	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
District's proportionate share of the net pension liability	\$ 82,131	\$ 43,352	\$ 2,350

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 6: PENSION PLAN - continued

	2017		
	1% Decrease	Current Discount Rate 7.50%	1% Increase 8.50%
District's proportionate share of the net pension liability	\$ 134,407	\$ 72,187	\$ 20,765
	2018		
	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
District's proportionate share of the net pension liability	\$ 165,400	\$ 91,819	\$ 30,877

Pension Plan Fiduciary Net Position

Detailed information about each pension plans' fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 7: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters.

The District participates in the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA), a joint power agency (risk-sharing pool) made up of other governmental entities within the County. The District is covered for general liability and automobile liability, workers' compensation, property damage, and fidelity through YCPARMIA. Through YCPARMIA membership in the California Joint Powers Insurance Authority (CALJPIA), the District is provided with an excess coverage fund for catastrophic liability losses. Loss contingency reserves established by YCPARMIA are funded by contributions from member agencies.

The annual contribution YCPARMIA charges to each agency is based upon its pro-rata share of excess insurance premiums, charges for the pooled risk (losses) recognizing the deductible selected, claims adjusting and legal costs, and administrative and other costs to operate the YCPARMIA. Settled claims from these risks did not exceed coverage for the past two years. The District's deductible and maximum coverage are as follows:

**DAVIS CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 7: RISK MANAGEMENT - continued

<u>2018 Coverage</u>	<u>Deductible</u>	<u>District</u>	<u>CJRMA</u>	<u>CSAC</u>	<u>Lloyd's London</u>
General and auto liability	\$ 5,000	\$ 500,000	\$ 40,000,000	\$ -	\$ -
Workers' compensation	1,000	500,000	-	Layered	-
Property insurance	1,000	25,000	-	959,357,100	-
Boiler and machinery coverage*	1,000	25,000	-	959,357,100	-
Cyber liability	-	-	-	-	1,000,000

* Included in Property Insurance

NOTE 8: SUBSEQUENT EVENTS

Management has evaluated activity through January 9, 2020, the date that the financial statements were available for issue. No events have occurred which would require disclosure in or adjustment to the financial statements as of June 30, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

**DAVIS CEMETERY DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED
JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES:				\$ -
Taxes	259,290	259,290	269,140	9,850
Revenue from use of money and property	-	-	24,815	24,815
Charges for services	150,000	150,000	149,000	(1,000)
Other income	237,000	237,000	285,900	48,900
Endowment deposits	-	-	66,815	66,815
			-	-
Total Revenues	646,290	646,290	795,670	149,380
EXPENDITURES:				
Current:				
Cemetery operations:				
Salaries and employee benefits	478,400	478,400	430,578	47,822
Services and supplies	122,950	122,950	111,824	11,126
Capital outlay	32,000	32,000	11,420	20,580
Total Expenditures	633,350	633,350	553,822	79,528
Change in Net Position	\$ 12,940	\$ 12,940	241,848	228,908

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

**DAVIS CEMETERY DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED
JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES:				\$ -
Taxes	251,500	251,500	256,380	4,880
Revenue from use of money and property			9,367	9,367
Charges for services	133,000	133,000	135,730	2,730
Other income	175,500	175,500	317,925	142,425
Endowment deposits			57,270	57,270
			-	-
Total Revenues	560,000	560,000	776,672	216,672
EXPENDITURES:				
Current:				
Cemetery operations:				
Salaries and employee benefits	360,900	360,900	364,286	(3,386)
Services and supplies	125,000	125,000	114,407	10,593
Capital outlay	25,000	25,000	103,153	(78,153)
Total Expenditures	510,900	510,900	581,846	(70,946)
Change in Net Position	\$ 49,100	\$ 49,100	194,826	145,726

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

**DAVIS CEMETERY DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED
JUNE 30, 2016**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				\$ -
Taxes	227,800	240,713	240,072	(641)
Revenue from use of money and property			15,725	15,725
Charges for services	125,000	126,935	121,050	(5,885)
Other income	152,200	192,352	193,863	1,511
Endowment deposits			33,375	33,375
			-	-
Total Revenues	505,000	560,000	604,085	44,085
EXPENDITURES:				
Current:				
Cemetery operations:				
Salaries and employee benefits	330,000	327,000	334,158	(7,158)
Services and supplies	105,000	117,000	115,470	1,530
Capital outlay	15,000	166,000	109,537	56,463
			-	-
Total Expenditures	450,000	610,000	559,165	50,835
Change in Net Position	\$ 55,000	\$ (50,000)	44,920	94,920

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

**DAVIS CEMETERY DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The District operates under the general laws of the State of California and annually adopts a budget to be effective July 1 of the ensuing fiscal year. Formal budgetary integration is employed as a management control device during the year for all governmental fund types. The level of control (level at which expenditures may not exceed budget) is the fund. Unused appropriations for the entire above annually budgeted funds lapse at the end of the fiscal year.

Budgets are adopted on a modified accrual basis. Budget information is presented for all funds budgeted. The District makes adjustments to its original budget during the year. This enables the effectiveness of individual departments in meeting budget objectives to be evaluated and the adequacy of the budget itself to be judged. The only exceptions to this are the appropriations of unanticipated revenues and the revision of appropriations to reflect major economic up or down turns materially affecting estimated revenues. Expenditures in excess of budgeted amounts are approved individually by the Board. Annual appropriated budgets are adopted for the General Fund. It is this final revised budget that is presented in these financial statements.

**DAVIS CEMETERY DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS
FOR THE YEARS ENDED JUNE 30, 2018, 2017 AND 2016**

	FY 2014	FY 2015	FY 2016	FY 2017
District's proportion of the net pension liability	0.00086%	0.001580%	0.00083%	0.00093%
District's proportionate share of the net pension liability	\$ 53,416	\$ 43,352	\$ 72,187	\$ 91,819
District's covered employee payroll	226,770	243,032	254,086	193,245
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	26.30%	17.84%	28.41%	47.51%
Plan Fiduciary net position as a percentage of the total pension liability	79.82%	88.35%	75.39%	77.69%

* Amounts presented above were determined as of 6/30.
Additional years will be presented as they become available.

CALPERS - Schedule of District Contributions

Last 10 Fiscal Years*:

	FY 2014	FY 2016	FY 2017	FY 2018
Actuarially determined contribution	\$ 13,985	\$ 12,991	\$ 16,458	\$ 20,393
Total action contribution	(13,985)	(12,991)	(16,458)	(20,393)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 226,770	\$ 243,032	\$ 254,086	\$ 193,245
Contributions as a percentage of covered employee payroll	6.17%	5.35%	6.48%	10.55%