

**ALAMO-LAFAYETTE  
CEMETERY DISTRICT**

**Financial Statements  
& Required Supplementary Information  
With Independent Auditors' Report**

**For the Fiscal Years Ended  
June 30, 2022 and 2021**

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*For the Fiscal Years Ended June 30, 2022 and 2021*  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Alamo-Lafayette Cemetery District

### Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the Alamo-Lafayette Cemetery District (District) as of and for the fiscal years ended June 30, 2022 and 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.

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, 2022 and 2021, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a separate report dated November 16, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



November 16, 2022

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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Management's Discussion and Analysis (MD&A) offers readers of Alamo-Lafayette Cemetery District's financial statements a narrative overview of the District's financial activities for the years ended June 30, 2022 and 2021. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- District's net position increased by approximately 14.5% compared to the prior fiscal year.
- The District had an operating gain of \$122,264.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to the District's financial statements. The District's basic financial statements reflect the combined results of the Operating and Capital Programs and include three components: (1) Statement of Net Position; (2) Statements of Revenues, Expenses, and Changes in Net Position; and (3) Notes to the Financial Statements.

The financial statements accompanying this MD&A present the net position and results of operations during the fiscal years ending June 30, 2022 and 2021. These financial statements have been prepared using the accrual basis of accounting, which is similar to the accounting basis used by for-profit entities. Each financial statement is identified and defined in this section, and analyzed in subsequent sections of this MD&A.

**REQUIRED FINANCIAL STATEMENTS**

**Statement of Net Position**

The Statement of Net Position presents information on the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Assets exceed liabilities, resulting in a net position of \$967,538 as of June 30, 2022.

**Statements of Revenues, Expenses, and Changes in Net Position**

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the District's net position changed during the fiscal year. All of the year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the results of the District's operations for the year and can be used to determine if the District has successfully recovered all of its costs through user fees and other charges. Operating revenues and expenses are related to the District's core activities (sale of internment rights and burial services). General revenues and expenses are not directly related to the core activities of the District (e.g. interest income, interest expense, property taxes,). For the fiscal year ended June 30, 2022 net position increased by \$122,264.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**REQUIRED FINANCIAL STATEMENTS (continued)**

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by grantor requirements.

**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION**

**Analysis of Net Position**

**Table A-1: Condensed Statement of Net Position**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
<b>ASSETS</b>			
Current assets	\$ 176,106	\$ 71,266	\$ 104,840
Restricted assets	643,354	621,616	21,738
Capital assets, net	<u>178,835</u>	<u>183,713</u>	<u>(4,878)</u>
Total assets	<u>998,295</u>	<u>876,595</u>	<u>121,700</u>
<b>LIABILITIES</b>			
Current liabilities	8,278	12,481	(4,203)
Non-current liabilities	<u>22,479</u>	<u>18,840</u>	<u>3,639</u>
Total liabilities	<u>30,757</u>	<u>31,321</u>	<u>(564)</u>
<b>NET POSITION</b>			
Investment in capital assets	178,835	183,713	(4,878)
Restricted	658,379	635,854	22,525
Unrestricted	<u>130,324</u>	<u>25,707</u>	<u>104,617</u>
Total net position	<u>\$ 967,538</u>	<u>\$ 845,274</u>	<u>\$ 122,264</u>

At the end of fiscal year 2022, the District shows a balance in its unrestricted net position of \$130,324. The restricted assets increased because of an increased balance in the endowment fund. The Endowment Care Fund is restricted as it is not available for current use. Unrestricted assets increased which was due to the operating surplus in the General Fund.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)**

**Analysis of Revenues and Expenses**

**Table A-2: Condensed Statements of Activities**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
<b>Program revenue</b>	\$ 196,023	\$ 185,694	\$ 10,329
<b>Expenses</b>	<u>554,352</u>	<u>548,303</u>	<u>6,049</u>
Net program expense	(358,329)	(362,609)	4,280
<b>General revenues</b>	<u>480,593</u>	<u>393,821</u>	<u>86,772</u>
Change in net position	122,264	31,212	91,052
<b>Net position</b>			
Beginning of year	845,274	814,062	31,212
End of year	<u>\$ 967,538</u>	<u>\$ 845,274</u>	<u>\$ 122,264</u>

While the Statement of Net Position shows the change in financial position, the Statements of Revenues, Expenses and Changes in Net Position provides answers to the nature and source of these changes. The main factors in the change in net position is increased revenue from service fees, charges, and property taxes which surpassed its expenses.

**Table A-3: Total Revenues**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
<b>Program revenues:</b>			
Charges for services	\$ 175,923	\$ 164,894	\$ 11,029
Endowment care fees	<u>20,100</u>	<u>20,800</u>	<u>(700)</u>
Total program revenues	<u>196,023</u>	<u>185,694</u>	<u>10,329</u>
<b>General revenues:</b>			
Property taxes	406,347	386,667	19,680
Investment earnings	2,455	3,589	(1,134)
Other revenues	<u>71,791</u>	<u>3,565</u>	<u>68,226</u>
Total general revenues	<u>480,593</u>	<u>393,821</u>	<u>86,772</u>
<b>Total revenues</b>	<u>\$ 676,616</u>	<u>\$ 579,515</u>	<u>\$ 97,101</u>

Total revenue from all sources increased by 16.8%, or \$97,101, from the prior year due to increases in property tax assessments and COVID relief monies received from the state.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)**

**Analysis of Revenues and Expenses**

**Table A-4: Total Expenses**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
<b>Expenses:</b>			
Salaries and employee benefits	\$ 359,429	\$ 359,722	\$ (293)
Utilities	15,590	25,733	(10,143)
Services and supplies	174,455	152,768	21,687
Depreciation	<u>4,878</u>	<u>10,080</u>	<u>(5,202)</u>
Total expenses	<u>\$ 554,352</u>	<u>\$ 548,303</u>	<u>\$ 6,049</u>

Total expenses for the District's operations increased by 1.1%, or \$6,049, from the prior year due to increases in services/supplies costs offset by lower utility usage.

**CAPITAL ASSETS**

Net capital assets decreased by \$4,878 from the prior year due to current year depreciation.

**Table A-5: Capital Assets at Year-End, Net of Depreciation**

	<u>Balance June 30, 2022</u>	<u>Balance June 30, 2021</u>
<b>Capital assets:</b>		
Depreciable assets	\$ 493,754	\$ 493,754
Accumulated depreciation	<u>(314,919)</u>	<u>(310,041)</u>
Total capital assets, net	<u>\$ 178,835</u>	<u>\$ 183,713</u>

**ANALYSIS OF INDIVIDUAL DISTRICT FUNDS**

**General Operating Fund**

Total budgeted revenues for the fiscal year show expenditures outpacing revenues by \$18,600. The actual results for the year show revenues exceeding expenditures by \$108,256. Stronger than anticipated revenues offset lower general fund expenditures and lead to an ending fund balance of \$152,803.

**Endowment Care Fund**

The Endowment Care Fund increased by \$22,525 over the prior year. The principal portion of this fund is restricted and cannot be used for general operations. Thus, this fund will increase annually. The District can use the investment income portion of the fund but has elected to allow the fund to grow with the investment income included.



**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**FACTORS AFFECTING CURRENT FINANCIAL POSITION**

The District anticipates that the General Fund revenues and expenses for the fiscal year will be roughly the same as the prior year.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our Board of Trustees, citizens, customers, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives and the stewardship of the facilities it owns and operates. If you have questions about this report or need additional information, please contact the Alamo-Lafayette Cemetery District, PO Box 1955, Lafayette, CA 94549.

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**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Statement of Net Position*  
*June 30, 2022 and 2021*

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	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 170,549	\$ 67,851
Due from County of Contra Costa:		
Property taxes	4,352	2,907
Interest	1,205	508
Investments	643,354	621,616
Capital assets, net of accumulated depreciation	<u>178,835</u>	<u>183,713</u>
 Total assets	 <u><u>998,295</u></u>	 <u><u>876,595</u></u>
<b>LIABILITIES</b>		
Accounts payable	8,278	12,481
Non-current liabilities:		
Compensated absences	<u>22,479</u>	<u>18,840</u>
 Total liabilities	 <u><u>30,757</u></u>	 <u><u>31,321</u></u>
<b>NET POSITION</b>		
Net investment in capital assets	178,835	183,713
Restricted for:		
Nonexpendable	658,379	635,854
Unrestricted (deficit)	<u>130,324</u>	<u>25,707</u>
Net position	<u><u>\$ 967,538</u></u>	<u><u>\$ 845,274</u></u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Statement of Activities*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>EXPENSES</b>		
Salaries and employee benefits	\$ 359,429	\$ 359,722
Utilities	15,590	25,733
Services and supplies	174,455	152,768
Depreciation	4,878	10,080
Total expenses	<u>554,352</u>	<u>548,303</u>
<b>PROGRAM REVENUES</b>		
Charges for current services	<u>196,023</u>	<u>185,694</u>
Net program revenues (expenses)	<u>(358,329)</u>	<u>(362,609)</u>
<b>GENERAL REVENUES</b>		
Property taxes	406,347	386,667
Investment income	2,455	3,589
Other revenues	<u>71,791</u>	<u>3,565</u>
Total general revenues	<u>480,593</u>	<u>393,821</u>
Change in net position	122,264	31,212
Net position - Beginning of year	<u>845,274</u>	<u>814,062</u>
Net position - End of year	<u><u>\$ 967,538</u></u>	<u><u>\$ 845,274</u></u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT***Balance Sheet – Governmental Funds**June 30, 2022*

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	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 156,729	\$ 13,820	\$ 170,549
Investments	-	643,354	643,354
Due from County of Contra Costa			
Property taxes	4,352	-	4,352
Interest	-	1,205	1,205
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 161,081</u>	<u>\$ 658,379</u>	<u>\$ 819,460</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	<u>\$ 8,278</u>	<u>\$ -</u>	<u>\$ 8,278</u>
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>8,278</u>	<u>-</u>	<u>8,278</u>
<b>Fund balance</b>			
Nonspendable	-	658,379	658,379
Unassigned	<u>152,803</u>	<u>-</u>	<u>152,803</u>
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>152,803</u>	<u>658,379</u>	<u>811,182</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 161,081</u>	<u>\$ 658,379</u>	<u>\$ 819,460</u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**

*Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position*

*June 30, 2022*

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**Total fund balances - governmental funds** \$ 811,182

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

Capital assets net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.

Cost of capital assets:	493,754	
Accumulated depreciation	<u>(314,919)</u>	
Capital assets, net of depreciation		178,835

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

Compensated absences	<u>(22,479)</u>
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**Total net position - governmental activities** \$ 967,538

**ALAMO-LAFAYETTE CEMETERY DISTRICT***Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds**For the Fiscal Year Ended June 30, 2022*

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	<b>General Fund</b>	<b>Permanent Fund Endowment Care Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Property taxes	\$ 406,347	\$ -	\$ 406,347
Charges for current services	175,923	20,100	196,023
Other revenues	71,791	-	71,791
Investment income	-	2,455	2,455
	<hr/>	<hr/>	<hr/>
Total revenues	654,061	22,555	676,616
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current:			
Salaries and employee benefits	355,790	-	355,790
Utilities	15,590	-	15,590
Services and supplies	174,425	30	174,455
	<hr/>	<hr/>	<hr/>
Total expenditures	545,805	30	545,835
	<hr/>	<hr/>	<hr/>
Net change in fund balances	108,256	22,525	130,781
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE</b>			
Balances, July 1, 2021	44,547	635,854	680,401
	<hr/>	<hr/>	<hr/>
Balances, June 30, 2022	\$ 152,803	\$ 658,379	\$ 811,182
	<hr/>	<hr/>	<hr/>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2022*

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**Net change in fund balances - total governmental funds** \$ 130,781

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

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.

Compensated absences (3,639)

Governmental funds report capital outlay as expenditures, however, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	-	
Depreciation expense	<u>(4,878)</u>	
Net:		<u>(4,878)</u>

**Change in net position - governmental activities** \$ 122,264



**ALAMO-LAFAYETTE CEMETERY DISTRICT***Balance Sheet – Governmental Funds**June 30, 2021*

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	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 54,121	\$ 13,730	\$ 67,851
Investments	-	621,616	621,616
Due from County of Contra Costa			
Property taxes	2,907	-	2,907
Interest	-	508	508
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 57,028</u>	<u>\$ 635,854</u>	<u>\$ 692,882</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	<u>\$ 12,481</u>	<u>\$ -</u>	<u>\$ 12,481</u>
	<hr/>	<hr/>	<hr/>
Total liabilities	12,481	-	12,481
	<hr/>	<hr/>	<hr/>
<b>Fund balance</b>			
Nonspendable	-	635,854	635,854
Unassigned	44,547	-	44,547
	<hr/>	<hr/>	<hr/>
Total fund balances	44,547	635,854	680,401
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 57,028</u>	<u>\$ 635,854</u>	<u>\$ 692,882</u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**

*Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position*

*June 30, 2021*

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**Total fund balances - governmental funds** \$ 680,401

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

Capital assets net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.

Cost of capital assets:	493,754	
Accumulated depreciation	<u>(310,041)</u>	
Capital assets, net of depreciation		183,713

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

Compensated absences	<u>(18,840)</u>
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**Total net position - governmental activities** \$ 845,274

**ALAMO-LAFAYETTE CEMETERY DISTRICT***Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds**For the Fiscal Year Ended June 30, 2021*

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	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Property taxes	\$ 386,667	\$ -	\$ 386,667
Charges for current services	164,894	20,800	185,694
Other revenues	3,565	-	3,565
Investment income	-	3,589	3,589
	<hr/>	<hr/>	<hr/>
Total revenues	<u>555,126</u>	<u>24,389</u>	<u>579,515</u>
<b>EXPENDITURES</b>			
Current:			
Salaries and employee benefits	355,569	-	355,569
Utilities	25,733	-	25,733
Services and supplies	152,713	55	152,768
	<hr/>	<hr/>	<hr/>
Total expenditures	<u>534,015</u>	<u>55</u>	<u>534,070</u>
Net change in fund balances	21,111	24,334	45,445
<b>FUND BALANCE</b>			
Balances, July 1, 2020	<u>23,436</u>	<u>611,520</u>	<u>634,956</u>
Balances, June 30, 2021	<u>\$ 44,547</u>	<u>\$ 635,854</u>	<u>\$ 680,401</u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2021*

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**Net change in fund balances - total governmental funds** \$ 45,445

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

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.

Compensated absences (4,153)

Governmental funds report capital outlay as expenditures, however, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	-	
Depreciation expense	<u>(10,080)</u>	
Net:		<u>(10,080)</u>

**Change in net position - governmental activities** \$ 31,212

# ALAMO-LAFAYETTE CEMETERY DISTRICT

## *Notes to Financial Statements*

*For the Fiscal Years Ended June 30, 2022 and 2021*

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### **NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### **Description of Organization**

The Alamo-Lafayette Cemetery District (the District) is a public cemetery district operating under the provisions of the Health and Safety Code Sections 8890 et seq. The District was established in 1928 to provide maintenance and preservation of an existing cemetery, which had been established in 1878. The District is governed by a Board of Trustees (Board) that acts as the authoritative body of the entity. The Board is comprised of three members appointed by the County Supervisors. Each member serves a term of four years; there are no term limits for reappointment.

#### **Reporting Entity**

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice within California Special Districts. The District accounts for its financial transactions in accordance with the policies and procedures of the State Controller's Office Division of Local Government Fiscal Affairs Minimum Audit Requirements and Reporting Guidelines for California Special Districts.

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues, and expenditures, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

Accounting principles generally accepted in the United States of America require that these financial statements present the accounts of the District and any of its component units. Component units are legally separate entities of which the District is considered to be financially accountable or otherwise has a relationship, which is such that the exclusion of the entity would cause the financial statements to be misleading. Blended component units are considered, in substance, part of the District's operations, so the accounts of these entities are to be combined with the data of the District. Component units, which do not meet these requirements, are reported in the financial statements as discrete units to emphasize their separate legal status. However, the District has determined that it is not financially accountable for, nor has any other relationship with, any other organization, which would require its inclusion in these financial statements.

#### **Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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.

# ALAMO-LAFAYETTE CEMETERY DISTRICT

## Notes to Financial Statements

For the Fiscal Years Ended June 30, 2022 and 2021

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### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Government-Wide and Fund Financial Statements (continued)**

Taxes and other items not properly included among program revenues are reported instead as general revenues. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, payments for services, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 120 days after yearend, except for contracts for services which are recognized at the time the contract is signed. Property taxes and investment income are susceptible to accrual. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Permanent funds account for assets for which the principal may not be spent.

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

**General Fund:** This fund is used to account for all financial resources of the District except those required to be accounted for in another fund. Included are transactions for services, rents, property taxes, and interest. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the rules of the Health and Safety Code and by approval of the Board of Trustees.

**Endowment Care Fund:** This fund is used to account for financial resources to be used for future maintenance of the Cemetery at such time when all lots have been sold and there is no longer revenue generated from such sales. The resources are derived from an endowment care fee assessed on each sale of a burial right and earnings on these resources. The principal must be preserved intact. Endowment Fund is in accordance with Section 9065(e) of the California Health and Safety Code.

# ALAMO-LAFAYETTE CEMETERY DISTRICT

## Notes to Financial Statements

For the Fiscal Years Ended June 30, 2022 and 2021

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### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

#### Budgetary Data

Health and Safety Code Section 9070(a) states that on or before August 30 of each year, the board of trustees shall adopt a final budget, which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with § 1031.1) of, and Article 1 (commencing with § 1121) of Subchapter 4 of Division 2 of Title 2 of the California Code of Regulations. The board of trustees may divide the annual budget into categories, including, but not limited to maintenance and operation, employee compensation, interest and redemption for indebtedness, as well as reserves (for endowment income fund, capital outlay, pre-need, contingencies, and unallocated general reserve).

The District follows these procedures in establishing budgetary data reflected in the Required Supplementary Information – Budgetary Comparison Schedule. The annual budget is a complete financial plan for the ensuing budget year and consists of an operating budget and a capital budget. The General Fund is the only Fund for which an annual budget is legally adopted on a basis consistent with generally accepted accounting principles (GAAP). The Board then considers the proposed budget at its regular meeting, which is open to the public.

#### Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes mandate the District maintain substantially all of its cash in the Contra Costa County Treasury. The County's investment pool operates in accordance with appropriate state laws and regulations. The fair value of the District's position in the pool is not the same as the value of the pooled shares. The method used to determine the value of participants' equity withdrawn is based on the book value, amortized cost plus accrued interest, multiplied by the District's percentage at the date of such withdrawal. The County Treasurer's investments, including U.S. Treasury and Agency securities, are carried at fair value based on current market prices. Bond anticipation notes are carried at fair value. Commercial paper is carried at amortized cost. Investments in bankers' acceptances and nonparticipating guaranteed investment contracts are carried at cost. Participating guaranteed investment contracts are carried at fair value based on net realizable value.

# ALAMO-LAFAYETTE CEMETERY DISTRICT

## Notes to Financial Statements

For the Fiscal Years Ended June 30, 2022 and 2021

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### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

The District has adopted GASB Statement No. 72, Fair Value Measurement and Application; investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Mutual funds are carried at fair value based on the funds' share price. Local agency obligations are carried at fair value based on the value of each participating dollar.

#### Receivables and Allowance for Doubtful Accounts

Contracts for services include both preneed and at-need receivables to be collected. The accounts are evaluated on an annual basis to determine those that may not be collectable using the specific identification method. The allowance for accounts receivable is based on those accounts that have been identified as uncollectable that must be approved by the District's Board of Directors to be written-off. At June 30, 2022 and 2021, there was no allowance for accounts receivable.

#### Inventory

Inventory of preneed supplies and fuel is valued at the lower of cost or market using the first-in/first-out method. The costs of government fund-type inventories are recorded as expenditures when consumed rather than when purchased.

#### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$500 and an estimated useful life of five years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the estimated useful lives. Estimated service lives for the District's classes of assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	30-50 years
Machinery, Vehicles, and Equipment	10-15 years

#### Interfund Balances and Transfers

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



## ALAMO-LAFAYETTE CEMETERY DISTRICT

### Notes to Financial Statements

For the Fiscal Years Ended June 30, 2022 and 2021

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#### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents the consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

##### Property Taxes

Property taxes attach as an enforceable lien on property as of January 1, each year. Secured property taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The County of Contra Costa Assessor's Office assesses all real and personal property within the County each year.

Property tax in California is levied in accordance with Article 13A of the State Constitution at one (1%) of countywide assessed valuations. The County of Contra Costa Treasurer's Office remits an undisclosed portion of the one (1%) current and delinquent property tax collections to the District throughout the year.

##### Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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

# ALAMO-LAFAYETTE CEMETERY DISTRICT

## Notes to Financial Statements

For the Fiscal Years Ended June 30, 2022 and 2021

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### NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

- **Nonspendable:** Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.
- **Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.
- **Committed:** The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.
- **Assigned:** Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.
- **Unassigned:** Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose.

When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

#### Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Compensated absences expected to be paid with expendable available resources are accrued and recorded as liabilities and expenditures of the general fund. Amounts not expected to be liquidated with expendable available financial resources are reported in the government-wide financial statements.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 2 – CASH AND INVESTMENTS**

Cash and investments at June 30, 2022, are reported at fair value and consisted of the following:

	<b>Balance June 30, 2022</b>
External Investment Pool - Cash in Contra Costa County Treasury State of California Local Agency Investment Fund (LAIF)	\$ 170,549
	<u>643,354</u>
Total cash and investments	<u>\$ 813,903</u>

Cash and investments at June 30, 2021, are reported at fair value and consisted of the following:

	<b>Balance June 30, 2021</b>
External Investment Pool - Cash in Contra Costa County Treasury State of California Local Agency Investment Fund (LAIF)	\$ 67,851
	<u>621,616</u>
Total cash and investments	<u>\$ 689,467</u>

California statutes authorize governments to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. For the year ended June 30, 2022 and 2021, the District’s permissible investments included the following instruments:

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>
U.S. Treasury Obligations	5 years
U.S. Agency Securities	5 years
Insured or Collateralized Certificates of Deposit	5 years
State of California Local Agency Investment Fund	N/A
Local Government Investment Pools	N/A
Money Market Funds	N/A
Passbook Savings and Money Market Accounts	N/A

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**Pooled Funds**

The District maintains balances of cash in the County Treasury in its General Fund and Endowment Fund at June 30, 2022 and 2021. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited to participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2022 and 2021, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

**Pooled Investments**

The District maintains deposits in the State's Local Agency Investment Fund (LAIF). Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

The LAIF, although not registered with the SEC, is a special fund of the California State Treasury through which local governments may pool investments and is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The District balance approximated fair value and was managed by the State Treasurer. The Board consists of five members as designated by State Statute.

The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**Custodial Credit Risk – Deposits and Investments**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of a failure of the counter party (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Neither the California Government Code nor the County's investment policy contains legal or policy requirements that would limit the District's exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

**Concentration of Credit Risk**

The District's investment policy places limits on the amounts the District may invest in any one issuer or type of investment and as of June 30, 2022 and 2021, and the District was in compliance with its investment policy.

**Investment Valuation**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using either Level 1 or Level 3 inputs.

The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable consisted of the following at June 30, 2022:

	<u>General Fund</u>	<u>Endowment Care Fund</u>
Property taxes	\$ 4,352	\$ -
Interest	-	1,205
Total	<u>\$ 4,352</u>	<u>\$ 1,205</u>

Accounts receivable consisted of the following at June 30, 2021:

	<u>General Fund</u>	<u>Endowment Care Fund</u>
Property taxes	\$ 2,907	\$ -
Interest	-	508
Total	<u>\$ 2,907</u>	<u>\$ 508</u>

**NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities consisted of the following at June 30, 2022:

	<u>Balance June 30, 2022</u>
Accounts payable and accrued liabilities	\$ 4,222
Salaries and benefits payable	4,056
	<u>\$ 8,278</u>

Accounts payable and accrued liabilities consisted of the following at June 30, 2021:

	<u>Balance June 30, 2021</u>
Accounts payable and accrued liabilities	\$ 10,315
Salaries and benefits payable	2,166
	<u>\$ 12,481</u>

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 5 – CAPITAL ASSETS AND DEPRECIATION**

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

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
<b>Capital assets being depreciated:</b>				
Building & Improvements	\$ 377,076	-	-	\$ 377,076
Equipment & Machinery	116,678	-	-	116,678
Total capital assets being depreciated	<u>493,754</u>	<u>-</u>	<u>-</u>	<u>493,754</u>
<b>Accumulated depreciation for:</b>				
Building & Improvements	(214,896)	(1,802)	-	(216,698)
Equipment & Machinery	(95,145)	(3,076)	-	(98,221)
Total accumulated depreciation	<u>(310,041)</u>	<u>(4,878)</u>	<u>-</u>	<u>(314,919)</u>
Total capital assets being depreciated, net	<u>183,713</u>	<u>(4,878)</u>	<u>-</u>	<u>178,835</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 183,713</u>	<u>\$ (4,878)</u>	<u>\$ -</u>	<u>\$ 178,835</u>

Depreciation expense amounted to \$4,878 for the fiscal year ended June 30, 2022.

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
<b>Capital assets being depreciated:</b>				
Building & Improvements	\$ 377,076	-	-	\$ 377,076
Equipment & Machinery	116,678	-	-	116,678
Total capital assets being depreciated	<u>493,754</u>	<u>-</u>	<u>-</u>	<u>493,754</u>
<b>Accumulated depreciation for:</b>				
Building & Improvements	(213,094)	(1,802)	-	(214,896)
Equipment & Machinery	(86,867)	(8,278)	-	(95,145)
Total accumulated depreciation	<u>(299,961)</u>	<u>(10,080)</u>	<u>-</u>	<u>(310,041)</u>
Total capital assets being depreciated, net	<u>193,793</u>	<u>(10,080)</u>	<u>-</u>	<u>183,713</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 193,793</u>	<u>\$ (10,080)</u>	<u>\$ -</u>	<u>\$ 183,713</u>

Depreciation expense amounted to \$10,080 for the fiscal year ended June 30, 2021.

**NOTE 6 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2022 and 2021, the District participated in the Special District Risk Management Authority (SDRMA) risk management programs for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

This entity has budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these financial statements. Audited financial statements are available from SDRMA.

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 7 – NON-CURRENT LIABILITIES**

A schedule of changes in non-current liabilities for the fiscal year ended June 30, 2022 is shown below:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 18,840	\$ 3,639	\$ -	\$ 22,479	\$ -

A schedule of changes in non-current liabilities for the fiscal year ended June 30, 2021 is shown below:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 14,687	\$ 4,153	\$ -	\$ 18,840	\$ -

**NOTE 8 – COMMITMENTS, CONTINGENCIES AND OTHER UNCERTAINTIES**

The District is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties. After consultation with legal counsel, management believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Investment securities are exposed to various risks such as interest rate, market and credit. The financial markets in recent months have shown heightened volatility and the markets are significantly down. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term could materially affect investment balances and the amounts reported in the financial statements. Additionally, many mutual funds invest in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies.



**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 9 – FUND BALANCE**

At June 30, 2022, fund balances of the District's governmental funds were classified as follows:

	<b>General Fund</b>	<b>Permanent Fund Endowment Care Fund</b>	<b>Total</b>
Nonspendable:			
Endowment principle	\$ -	\$ 658,379	\$ 658,379
Total Nonspendable	-	658,379	658,379
Unassigned:			
Unassigned balances	152,803	-	152,803
Total Unassigned	152,803	-	152,803
 Total	 \$ 152,803	 \$ 658,379	 \$ 811,182

At June 30, 2021, fund balances of the District's governmental funds were classified as follows:

	<b>General Fund</b>	<b>Permanent Fund Endowment Care Fund</b>	<b>Total</b>
Nonspendable:			
Endowment principle	\$ -	\$ 635,854	\$ 635,854
Total Nonspendable	-	635,854	635,854
Unassigned:			
Unassigned balances	44,547	-	44,547
Total Unassigned	44,547	-	44,547
 Total	 \$ 44,547	 \$ 635,854	 \$ 680,401

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to Financial Statements*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTE 10 – PROPERTY TAXES**

Property taxes allocated to the District for the year ended June 30, 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Current:		
Secured	\$ 395,844	\$ 375,074
Unsecured	9,708	9,954
Tax relief subventions	2,114	2,126
Prior:		
Secured	(1,047)	(376)
Supplemental	(435)	(301)
Unsecured	124	152
RDV apportionment	<u>39</u>	<u>38</u>
Total	<u>\$ 406,347</u>	<u>\$ 386,667</u>

**NOTE 11 – SUBSEQUENT EVENTS**

Events subsequent to June 30, 2022 and 2021 have been evaluated through November 16, 2022, the date at which the District's audited financial statements were available to be issued. No events requiring disclosures other than the one described above have occurred through this date.

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***Required Supplementary Information***

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**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Budgetary Comparison Schedule – General Fund*  
*For the Fiscal Year Ended June 30, 2022*

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 336,000	\$ 336,000	\$ 406,347	\$ 70,347
Charges for current services	143,940	143,940	175,923	31,983
Other revenues	-	-	71,791	-
	<u>479,940</u>	<u>479,940</u>	<u>654,061</u>	<u>102,330</u>
<b>EXPENDITURES</b>				
Current:				
Salaries and employee benefits	351,600	351,600	355,790	(4,190)
Utilities	19,920	19,920	15,590	4,330
Services and supplies	127,020	127,020	174,425	(47,405)
	<u>498,540</u>	<u>498,540</u>	<u>545,805</u>	<u>(47,265)</u>
Total expenditures	<u>498,540</u>	<u>498,540</u>	<u>545,805</u>	<u>(47,265)</u>
Net change in fund balances	(18,600)	(18,600)	108,256	55,065
<b>FUND BALANCE</b>				
Balances, July 1, 2021	<u>44,547</u>	<u>44,547</u>	<u>44,547</u>	
Balances, June 30, 2022	<u>\$ 25,947</u>	<u>\$ 25,947</u>	<u>\$ 152,803</u>	

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Budgetary Comparison Schedule – General Fund*  
*For the Fiscal Year Ended June 30, 2021*

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 336,000	\$ 336,000	\$ 386,667	\$ 50,667
Charges for current services	203,710	213,264	164,894	(48,370)
Other revenues	-	-	3,565	3,565
	<u>539,710</u>	<u>549,264</u>	<u>555,126</u>	<u>5,862</u>
<b>EXPENDITURES</b>				
Current:				
Salaries and employee benefits	387,480	387,480	355,569	31,911
Utilities	26,520	26,520	25,733	787
Services and supplies	145,320	145,320	152,713	(7,393)
	<u>559,320</u>	<u>559,320</u>	<u>534,015</u>	<u>25,305</u>
Net change in fund balances	(19,610)	(10,056)	21,111	31,167
<b>FUND BALANCE</b>				
Balances, July 1, 2020	<u>23,436</u>	<u>23,436</u>	<u>23,436</u>	
Balances, June 30, 2021	<u>\$ 3,826</u>	<u>\$ 13,380</u>	<u>\$ 44,547</u>	

**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**NOTES TO SCHEDULE**

**Budgetary Comparison Schedule**

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

**Excess of Expenditures Over Appropriations**

At June 30, 2022, the District incurred the following excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule:

<u>Appropriations Category</u>	<u>Amount</u>
Salaries and employee benefits	\$ 4,190
Services and supplies	47,405

At June 30, 2021, the District incurred the following excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule:

<u>Appropriations Category</u>	<u>Amount</u>
Services and supplies	\$ 7,393

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***Other Independent Auditors' Report***

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Alamo-Lafayette Cemetery District  
Lafayette, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Alamo-Lafayette Cemetery District as of and for fiscal years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise Alamo-Lafayette Cemetery District's basic financial statements, and have issued our report thereon dated November 16, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Alamo-Lafayette Cemetery District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alamo-Lafayette Cemetery District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alamo-Lafayette Cemetery District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Alamo-Lafayette Cemetery District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Kevin Ruffalo CPA". The signature is written in a cursive style with a large initial "K" and "R".

November 16, 2022

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## ***Findings and Recommendations***

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**ALAMO-LAFAYETTE CEMETERY DISTRICT**  
*Schedule of Audit Findings and Recommendations*  
*For the Fiscal Years Ended June 30, 2022 and 2021*

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**FINANCIAL STATEMENT FINDINGS**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

***There were no financial statement findings in 2020-21 or 2021-22.***