



**SPECIAL FINANCE COMMITTEE MEETING
OF THE BOARD OF TRUSTEES
LOCATION: TELECONFERENCE – SEE BELOW
December 11, 2025, 5:30 PM
AGENDA**

The Finance Committee is not a decision-making body and can only make recommendations to the Board. The full Board makes all decisions at the monthly meeting of the Board of Trustees.

IMPORTANT NOTICE REGARDING MEETINGS:

- The District's Board Room is open to the public at this time.
- The meeting will be conducted via teleconference using Zoom.
- All public members seeking to observe and/or address the local legislative body may participate in the meeting telephonically or electronically as described below.

HOW TO OBSERVE THE MEETING:

Telephone: Listen to the meeting via Zoom at **(408) 636-0968** or **(669) 900-6833**.

Enter the **Meeting ID# 650-344-8592** followed by the pound (#) key. If the line is busy, more phone numbers can be found on Zoom's website at <https://zoom.us/u/abb4GNs5xM>.

Computer: Watch the live streaming of the meeting from a computer by navigating to <https://zoom.us/j/6503448592> using a computer with internet access that meets Zoom's system requirements (see <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>)

Mobile: Log in through the Zoom mobile app on a smartphone and enter **Meeting ID# 650-344-8592**.

ACCESSIBILITY INFORMATION:

Board Meetings are accessible to people with disabilities and others who need assistance. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to observe and/or participate in this meeting and access meeting-related materials should contact Brian Weber, District Manager, at least 48 hours before the meeting, at (650) 344-8592 or bweber@smcmvcd.org. Advanced notification will enable the District to resolve such requests swiftly to ensure accessibility.

PUBLIC RECORDS:

Public records that relate to any item on the open session agenda for a meeting are available for public inspection. Those records distributed after the agenda posting deadline for the meeting are available for public inspection, and at the same time, they are distributed to all or a majority of the members of the Board. The Board has designated the



District’s website at <https://www.smcmvcd.org/board-meetings> as the place to make those public records available for inspection. The documents may also be obtained by calling the District Manager.

1. CALL TO ORDER

2. ROLL CALL

Ron Collins (Chair), City of San Carlos _____

Muhammad Baluom, City of Millbrae _____

Robert Riechel, City of San Bruno _____

Michael Yoshida, City of South San Francisco _____

Mason Brutschy, Town of Atherton _____

Kati Martin, City of Half Moon Bay _____

3. PUBLIC COMMENTS AND ANNOUNCEMENTS

This time is reserved for members of the public to address the Finance Committee of the Board relative to matters of the Committee not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person (or six minutes where a translator is used).

4. REGULAR AGENDA

A. Presentation of the San Mateo County Mosquito and Vector Control District’s Annual Comprehensive Financial Report for Year Ended June 30, 2025

Report by: Sophia Kuo, The Pun Group, and Richard Arrow, Finance Director

ACTION: Approve final draft of the Annual Comprehensive Financial Report.



Annual Comprehensive Financial Report For the Fiscal Year Ended June 30th, 2025



DRAFT 12.08.2025

FINAL DRAFT 12.08.2025

**San Mateo County
Mosquito and Vector Control
District**

Burlingame, California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

FINAL DRAFT 12.08.2025

**San Mateo County Mosquito and Vector Control District
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025**

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**San Mateo County Mosquito and Vector Control District
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025**

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

State law requires special districts to annually publish a complete set of financial statements presented in conformity with accounting principles generally accepted (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial statements of the San Mateo County Mosquito and Vector Control District (District) for the fiscal year ended June 30, 2025.

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

The Pun Group, Certified Public Accountants, have audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the District's financial statements for the fiscal year ended June 30, 2025, are free of material misstatements. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2025, were fairly presented, in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

District Description

The District is an independent special district formed by the residents of San Mateo County in 1916 to control mosquitoes and protect the health and comfort of local residents. The District currently encompasses all 455 square miles of San Mateo County. It covers most of the Peninsula south of San Francisco, bordered east by San Francisco Bay and west by the Pacific Ocean. The area enjoys a mild Mediterranean climate, ranging in temperature from an average low of 42 degrees F in winter to an average high of 80 degrees F in summer. The average annual rainfall is 23 inches, most of which is received between November and May. Approximately 765,000 people live within the District's boundaries. Services provided by the District include mosquito control, yellowjacket and wasp nest removal, municipal rat control, surveillance for vector-borne diseases, and advice to property owners on vector issues. In FY 24-25, the District had an annual budget of approximately \$8.0 million. It is supported by a Special Mosquito Control parcel tax and ad valorem taxes in the original District and a benefit assessment in the North and West County Assessment area (Figure 1).

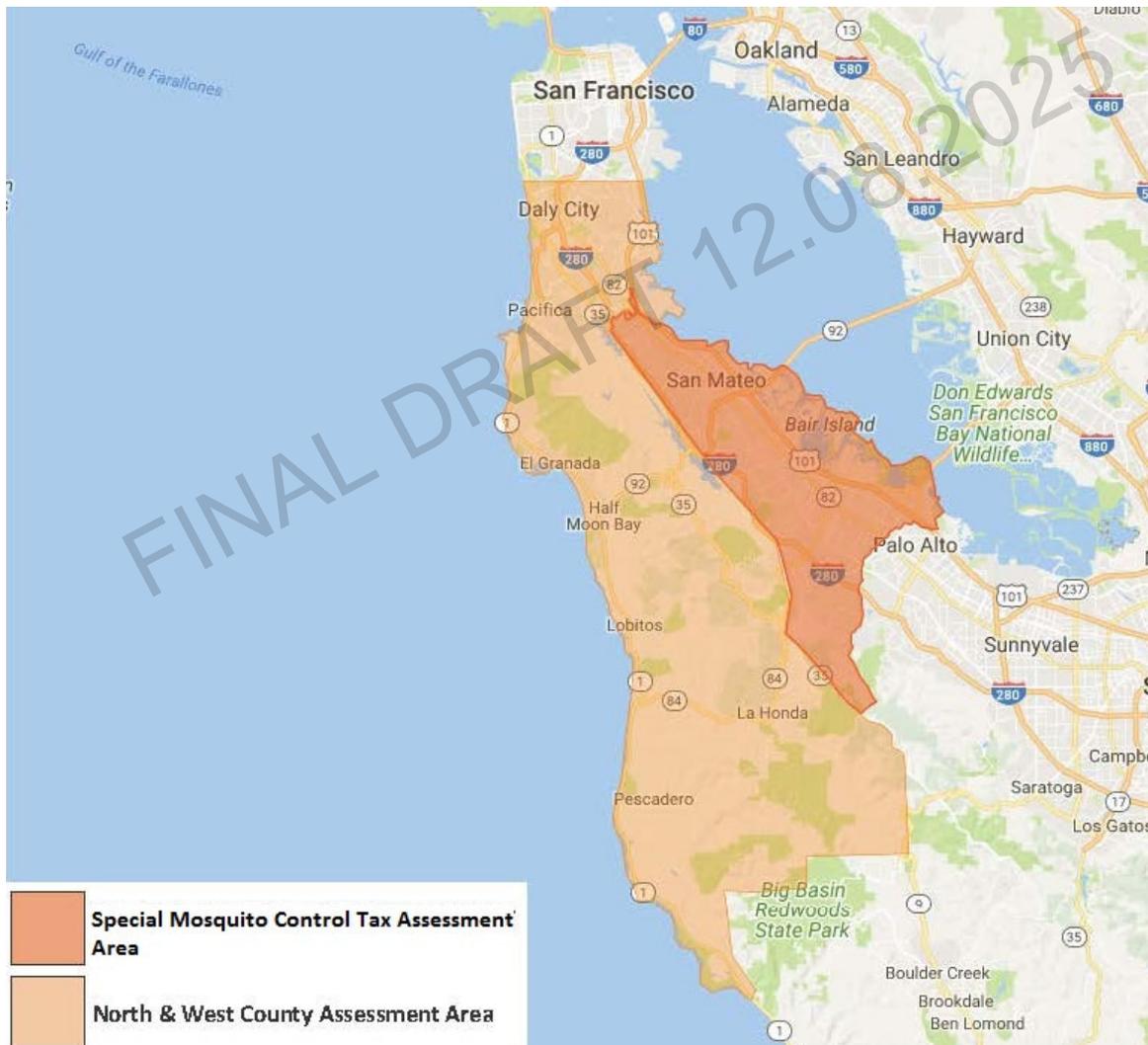


Figure 1: Map of the San Mateo County Mosquito and Vector Control District Assessment Areas.

The District is governed by a 21-member Board of Trustees, consisting of one representative from each city in the County and one representing the County at large. The Board of Trustees meets ten times a year and oversees the District's finances, setting policy and supervising the District Manager.

Staff positions include 23 permanent and between 8 and 10 seasonal staff. The permanent staff consists of a District Manager, Field Operations Director, Finance Director, Laboratory Director, Information Technology Director, Communications Director, a Field Operations Supervisor, ten field staff, a Facilities Manager, and a support staff consisting of two finance staff and three laboratory positions.

History

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

Program Description

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

Funding

The District is supported primarily by property taxes. These revenues are from three sources: a portion of ad valorem taxes from properties in the original district, a Special Mosquito Control tax passed by voters in 1974, and a benefit assessment passed by voters in 2003. The ad valorem tax and Special Mosquito Control tax apply only to properties within the boundaries of the original district (outlined in dark orange on the map in Figure 1).

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

In fiscal year 2024-25, there was a 20.39% change from the prior year in the amount of Benefit Assessment levied: \$25.27 and \$24.80 per Single Family Equivalent (SFE) in Zone A or B, respectively. This Benefit Assessment Area is subject to annual adjustments tied to the Consumer Price Index (CPI) for the San Francisco Bay Area, with a maximum yearly adjustment of up to 3% plus any CPI adjustments for prior years that were not levied. The District has used the remaining banked CPI in FY 24-25. In fiscal year 2024-25, the District budgeted \$8.0 million in revenue from all sources where appropriate. It is Board policy for the District to pass balanced budgets annually.

Long Term Financial Planning

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

Budgetary Control

The Board of Trustees adopts the District Budget consisting of the General Fund and Capital Improvement on an annual basis. Fund. The level of budgetary control consists of the main categories of Salaries and Wages, Employee Benefits, Training, Administration, Insurance, Computer, Facilities, Utilities, Operations, Laboratory, Public Outreach, Debt Service, and Capital Improvements. Any changes to these major categories must be approved by the Board of Trustees at any given meeting. Changes to subcategories within these accounts are delegated to the District Manager for approval.

Figure 2: Financial projection of Revenues, Expenditures, and Fund Balances for fiscal year 2018-19 through 29-30.

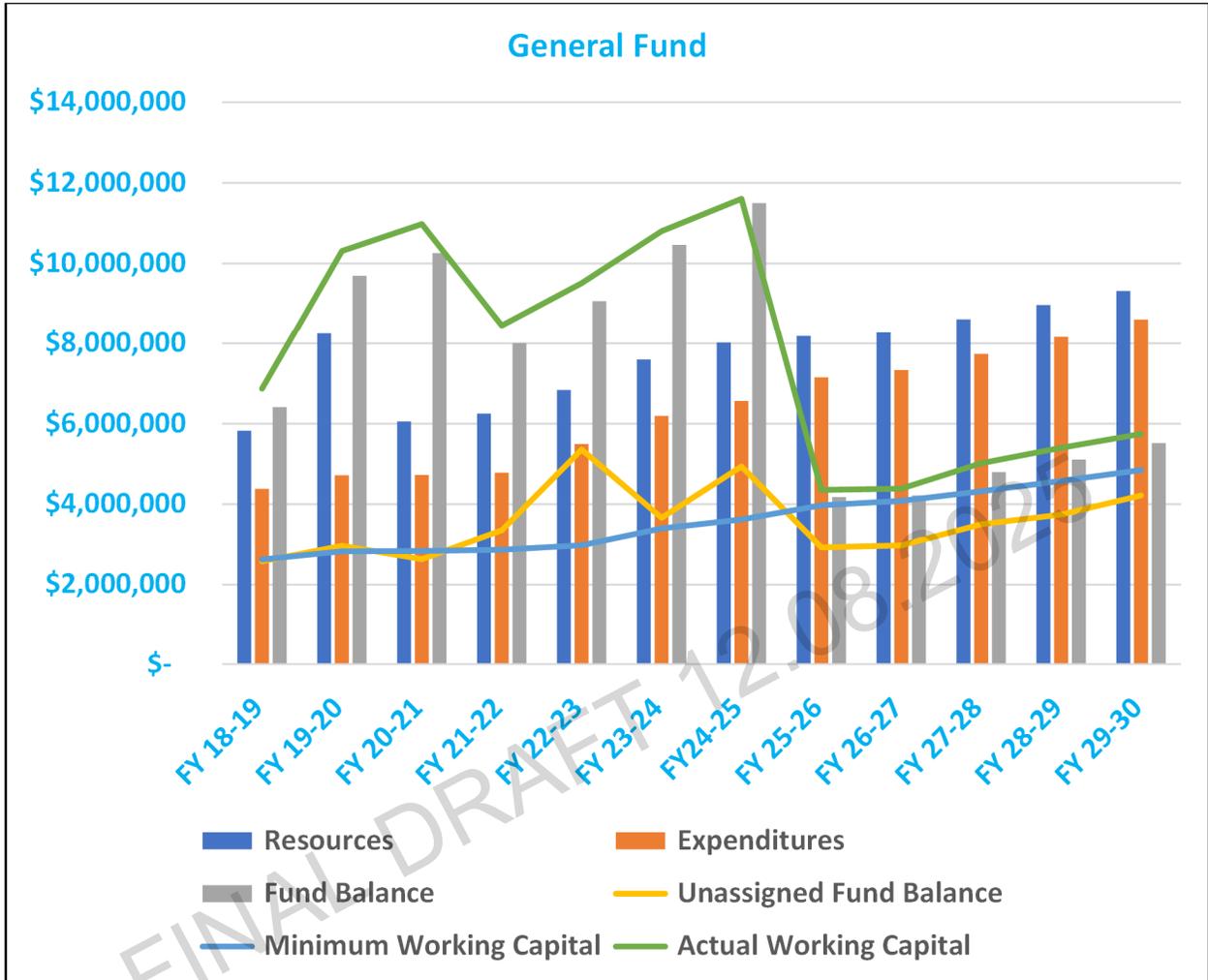
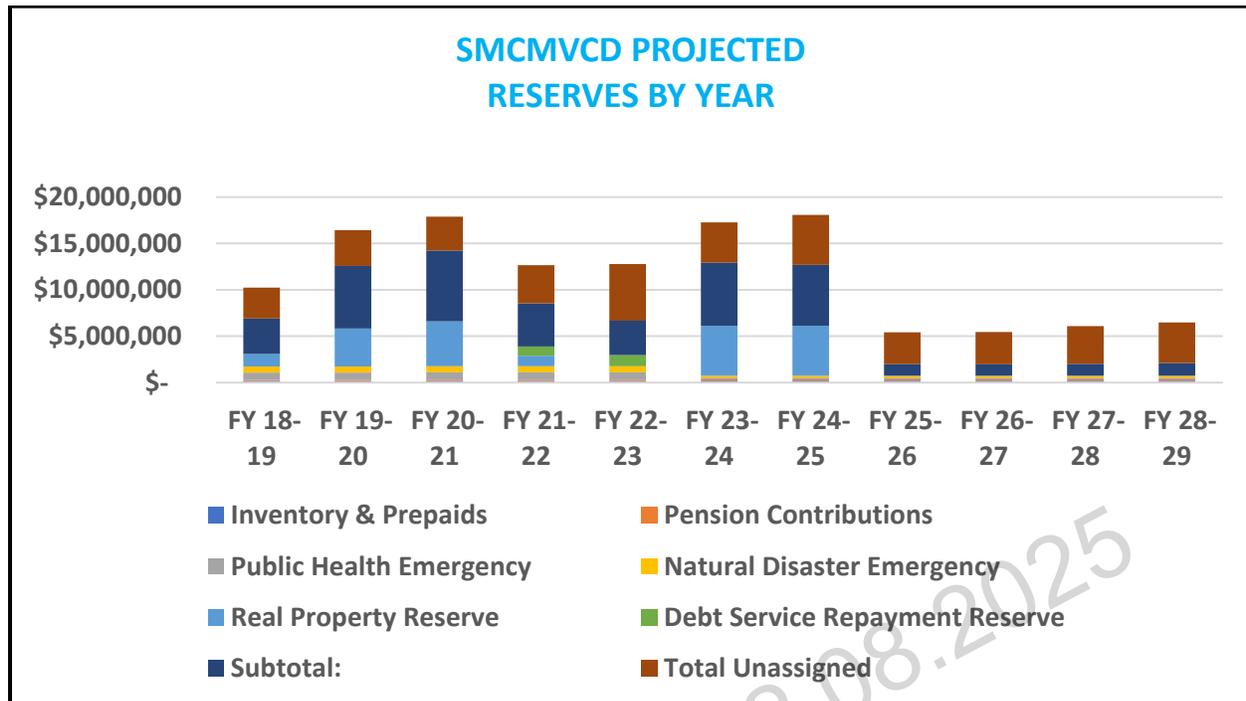


Figure 3: Projections of components of fund balance from FY 18-19 through FY 28-29.



Financial Policies

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

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

Developments in FY 2024-25

The District has initiated a long-term real property construction and rehabilitation project for its newly acquired facility at 1415 N. Carolan Ave., Burlingame. As of now, it is too early to provide a precise estimate of the project’s final costs. However, initial projections suggest expenses may range from \$9.0 to \$ 11.0 million. The District will determine the most advantageous financing strategy once more accurate estimates are obtained through bid proposals from construction contractors.

Additionally, the District has established a second depository for District funds. Currently, the primary depository remains the County of San Mateo County Treasury. In addition to this, the District has recently set up an alternative depository with California CLASS, a joint powers authority authorized to accept public funds in compliance with all relevant California and local government regulations. An initial deposit of \$200,000, including subsequent deposits, has already been transferred, with balances at the end of June 30, 2025, nearing \$ 5.7 million.

Strategic Plan

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

Vision Statement

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

Mission Statement

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

Strategic Objectives

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

Awards and Acknowledgments

In 2024, the District renewed its District of Distinction Accreditation and its District Transparency Certificate of Excellence. The District earned these honors for the first time in 2016 and has continuously maintained certification. The District Transparency Certificate of Excellence and the District of Distinction Accreditation are programs administered by the Special District Leadership Foundation (SDLF) and supported by the California Special Districts Association. The SDLF is an independent, non-profit organization that promotes good governance and best practices among California's special districts through certification, accreditation, and other recognition programs.

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

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

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

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

Finally, this will be the eighth Annual Comprehensive Financial Report submitted to the Governmental Financial Officers Association. The District received the Excellence in Financial Reporting award for fiscal years ending June 30, 2018, through June 30, 2024.

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

Respectfully submitted,

Richard S. Arrow

Richard S. Arrow, CPA
Finance Director

Brian Weber

Brian Weber
District Manager

Date: **Need Date**, 2025



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

Protecting public health since 1916

1351 Rollins Road
Burlingame, CA 94010

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

www.smcmvcd.org

San Mateo County Mosquito and Vector Control District	
Board of Trustees	
City/Town Represented	Trustee Name
Atherton	Mason Brutschy
Belmont	Charles J. Cotten (Chuck)
Brisbane	Michael A. Goldman
Burlingame	Irena Gilligan (Rena)
Colma	Laura Walsh
Daly City	Glenn R. Sylvester
East Palo Alto	Donna Rutherford
Foster City	Paul E. Norton
Half Moon Bay	Kathleen Martin
Hillsborough	Dr. D. Scott Smith
Menlo Park	Catherine Carlton
Millbrae	Muhammad Baluom
Pacifica	Peter DeJarnatt
Portola Valley	Raymond Williams
Redwood City	Kathryn Lion Wuelfing
San Bruno	Robert Riechel
San Carlos	Ron Collins
San Mateo	Tolifili Fa
San Mateo County- At Large	Angelle Desiree LaBeaud
South San Francisco	Michael Yoshida
Woodside	Paul Fregulia



SAN MATEO COUNTY
MOSQUITO & VECTOR
CONTROL DISTRICT

Protecting public health since 1916

1351 Rollins Road
Burlingame, CA 94010

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

www.smcmvcd.org

San Mateo County Mosquito & Vector Control District Executive Staff as of June 30, 2025

District Manager
Finance Director
Laboratory Director
Communications Director
Information & Technology Director
Operations Director

Brian Weber
Richard S. Arrow, CPA
Angie Nakano
Rachel Curtis-Robles
Matthew Nienhuis
Casey Stevenson

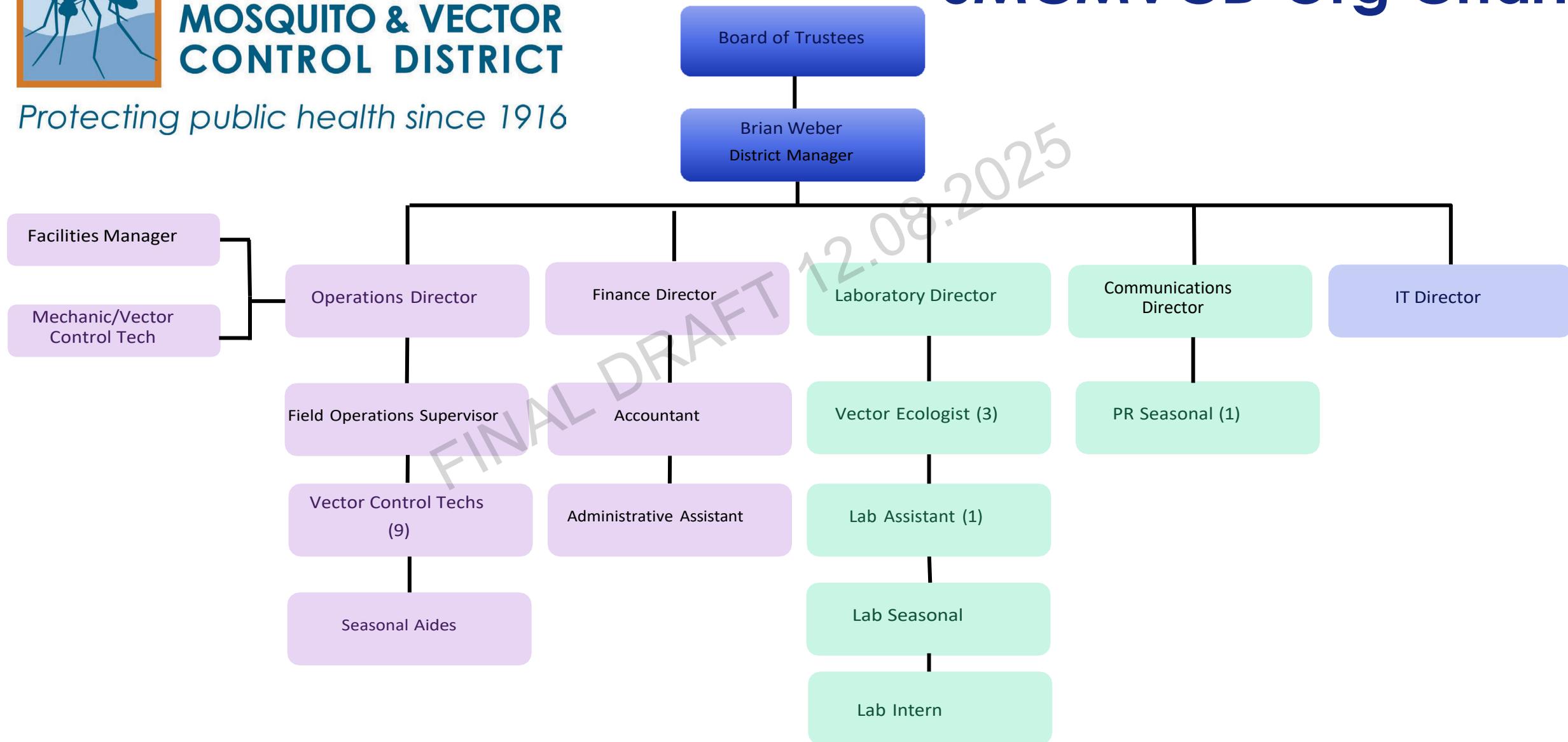
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SAN MATEO COUNTY MOSQUITO & VECTOR CONTROL DISTRICT

Protecting public health since 1916

SMCMVCD Org Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

FINAL DRAFT 12.08.2025

FINANCIAL SECTION

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the San Mateo County Mosquito and Vector Control District (the "District") as of and for the year ended June 30, 2025, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund information of the District, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 opinions.

Emphasis of a Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, the District adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*, during the year ended June 30, 2025. The adoption of this standard resulted in the restatement of the District's net position as of June 30, 2024. Our opinion is not modified with respect to this matter.

Emphasis of Matter – Correction of an Error

As discussed in Note 14 to the financial statements, the District discovered an error in previously issued financial statements related to the beginning of balances of structures and improvements and the related accumulated depreciation. Accordingly, the District has restated its beginning net position as of July 1, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 opinions. 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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, the Budgetary Comparison Schedule – General Fund, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of Contributions – Pensions, the Schedule of the Changes in the Net OPEB Liability and Related Ratios, and the Schedule of Contributions – OPEB as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Capital Projects Fund budgetary comparison schedule is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Capital Projects Fund budgetary schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of 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 solely 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 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 District's internal control over financial reporting and compliance.

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San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

The following Management's Discussion and Analysis (MD&A) introduces the financial statements of the San Mateo County Mosquito & Vector Control District (District) for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- The District's net position of \$19,247,196 was an increase of 4.2%, or \$782,116 from the prior year.
- General Fund - Total revenue from all sources increased by 8.2%, or \$620,096 from the prior year. This was primarily due to an increase in property taxes due to growth in property values (\$144,775), Special Benefit Assessment revenue (\$427,211) authorized by an increase of the rates approved by the District Board of Trustees, and Investment earnings (\$15,797) from the County of San Mateo County Treasury Pool and a secondary investment pool from California CLASS.
- Total expenditures increased (all funds) \$1,049,759 or (16.6%) from the prior fiscal year primarily due to salary and benefits increasing by \$342,973 (5.4%). These increases resulted from collective bargaining agreements, a significant increase in employee retirement expenditures due to updated required contributions promulgated by the San Mateo County Retirement Association, and general inflationary pressures experienced by the District. Additionally a significant increase to Capital Outlay of \$704,973 occurred due to a construction project approved by our Board of Trustees for the rehabilitation of real estate facilities previously purchased.
- The outstanding long- term debt of the district (\$3,300,746) includes real estate financing as well as lease agreements.
- District obligations for Other Post Employee Benefits (OPEB) are fully funded by an OPEB Trust established in 2015 (see note 7 of the financial statements).
- In fiscal year 2018-19, the District began accounting for Capital Expenditures in a separate Capital Projects Fund. These expenditures were previously accounted for in the General Fund in fiscal year 2017-18. The District's Long Term Capital Improvement Plan outlines how the District will budget to maintain its equipment and infrastructure.
- In fiscal year 2018-19, the Board established a Pension Rate Stabilization Reserve Fund to pay for potential unfunded liabilities that may arise in the future and cause increases in the District's Required Employer Contribution Rate. Such increases have arisen in the past due to changes in economic market conditions or actuarial assumptions used by the county pension fund.

Using This Financial Report

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

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Government-wide Financial Statements

The following condensed statement of net position summarizes the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2025 and June 30, 2024:

Condensed Statement of Net Position				
	June 30, 2025	June 30, 2024*	Change	% Change
Assets				
Current Assets	\$ 12,208,930	\$ 11,376,213	\$ 832,717	7.3%
Non Current Assets	1,012,852	877,642	135,210	15.4%
Capital Assets, Net	10,915,753	10,481,112	434,641	4.1%
Total Assets:	\$ 24,137,535	\$ 22,734,967	\$ 1,402,568	6.2%
Deferred Outflows of Resources	\$ 2,676,705	\$ 1,496,672	\$ 1,180,033	78.8%
Liabilities:				
Current Liabilities	\$ 775,926	\$ 722,449	\$ 53,477	7.4%
Non Current Liabilities	6,558,864	4,789,252	1,769,612	36.9%
Total Liabilities:	\$ 7,334,790	\$ 5,511,701	\$ 1,823,089	33.1%
Deferred Inflows of Resources	\$ 232,254	\$ 254,858	\$ (22,604)	-8.9%
Net Position:				
Net Investment In Capital Assets	\$ 7,615,007	\$ 7,025,217	\$ 589,790	8.4%
Restricted	1,147,244	981,943	165,301	16.8%
Unrestricted	10,484,945	10,457,920	27,025	0.3%
Total Net Position	\$ 19,247,196	\$ 18,465,080	\$ 782,116	4.2%

* 2024 was restated due to GASB 101 implementation and error correction. (see Note 14 for details).

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better or worse off as a result of this year's financial activities?" The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account, regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes to it. Think of the District's net position, the difference between assets and liabilities, as one way to measure the District's financial health, or financial position over time. Increases or decreases in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. Other non-financial factors need to be considered as well, such as changes in the District's property tax base, to assess the *District's overall health*. The District's revenues increased for fiscal year 2024-25, and its net position improved.

Governmental Fund Financial Statements

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

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

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Because the focus of governmental fund statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The *Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position* (page 30) and the *Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities* (page 32) facilitate this comparison between the government-wide financial statements and the fund financial statements.

Notes to the Basic Financial Statements

The notes provide additional information essential to fully understanding the data provided in the government-wide and fund financial statements.

Analysis - Government-Wide Financial Statements

As noted earlier, net position may serve, over time, as a useful indicator of a government's long term financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,247,196 as of June 30, 2025. As a result, the District's Total Net Position improved by \$782,116 in FY 24-25.

At the end of fiscal year 2025, the District showed a positive balance in its unrestricted net position of \$10,484,945, an increase of \$27,025 from the prior year. This decrease is relatively insignificant and represents a change of 0.3% resulting from the normal flow of revenues, expenses and changes to approved reserve levels.

The Condensed Statement of Activities below shows how the District's net position changed during the fiscal year. The increase in Net Position resulted from higher revenues and lower expenses than those in the previous fiscal year. The restatement of beginning fund balance was a result of the application of a new change in accounting principal relative to GASB 101 (Compensated Absences) and the correction of an error relative to capital assets in the prior fiscal year.

Condensed Statements Of Activities				
	June 30, 2025	June 30, 2024*	Change	% Change
Program Revenues	\$ 2,833,555	\$ 2,488,989	\$ 344,566	13.8%
Expenses	\$ (7,452,538)	\$ (6,141,642)	\$ (1,310,896)	21.3%
Net Program Expense	\$ (4,618,983)	\$ (3,652,653)	\$ (966,330)	26.5%
General Revenues	\$ 5,401,099	\$ 5,156,785	\$ 244,314	4.7%
Change in Net Position	\$ 782,116	\$ 1,504,132	\$ (722,016)	-48.0%
Net Position - Beginning of Year	\$ 18,465,080	\$ 16,933,782	\$ 1,531,298	9.0%
Restatement - Error Correction	-	198,731	(198,731)	-100.0%
Restatement - GASB 101 Implementation	-	(171,565)	171,565	-100.0%
Net Position - End of Year	\$ 19,247,196	\$ 18,465,080	\$ 782,116	4.2%

* 2024 was restated due to GASB 101 implementation and error correction. (see Note 14 for details).

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Total revenues from all sources increased by 7.7%, or \$588,880 from the prior year. The table below shows the sources of Program and General Revenues received in 2024-25. The District's ad valorem property tax increased by 4.1% or \$144,775, while there were negligible changes to the special control tax. As noted, the Special Benefit Assessment increased by \$427,211 (23.5%) due to approved increased by the District's Board of Trustees.

Tax revenue for the year increased primarily due to increased property tax revenue, which grew due to a 2% rate increase of all classes of property and an average increase of 6.7% in the taxable property values driven by increased local real estate market values.

Sources of Program and General Revenue				
Program Revenue:	June 30, 2025	June 30, 2024	Change	% Change
Service Abatement Revenue	\$ 96,147	\$ 178,946	\$ (82,799)	-46.3%
<u>Operating Grants and Contributions</u>				
Special Benefit Assessment	2,248,040	1,820,829	427,211	23.5%
Special Mosquito Control Tax	489,368	489,214	154	0.0%
Total Program Revenues	\$ 2,833,555	\$ 2,488,989	\$ 344,566	13.8%
General Revenue:				
Property Taxes	\$ 3,718,435	\$ 3,573,660	\$ 144,775	4.1%
Other Tax Revenue	945,776	921,949	23,827	2.6%
Investment Earnings	586,200	621,023	(34,823)	-5.6%
Other Revenues	150,688	40,153	110,535	275.3%
Total General Revenues	\$ 5,401,099	\$ 5,156,785	\$ (5,156,785)	275.3%
Total Revenues	\$ 8,234,654	\$ 7,645,774	\$ 588,880	7.7%

Total expenses increased 21.3% (\$1,310,897) in the current year. This includes operational expenses, depreciation and amortization of capital assets, and interest expense for vehicle leases. Included in Operations are all salaries, benefits, services, and supplies that are contained in the tables included herein. Operations expenses increased by 23.5% due to increased salary, benefits, and other operational, and capital outlay costs. Depreciation and amortization expense decreased by \$23,887 due to updated depreciation and amortization schedules. Debt service expenses increased primarily due to the lease financing District vehicles completed this year.

Total Expenses:	June 30, 2025	June 30, 2024	Change	% Change
Operations	\$ 7,033,166	\$ 5,692,606	\$ 1,340,560	23.5%
Depreciation and Amortization Expense	316,604	340,491	(23,887)	-7.0%
Debt Service	102,768	108,545	(5,777)	-5.3%
Total Expenses:	\$ 7,452,538	\$ 6,141,642	\$ 1,310,896	21.3%

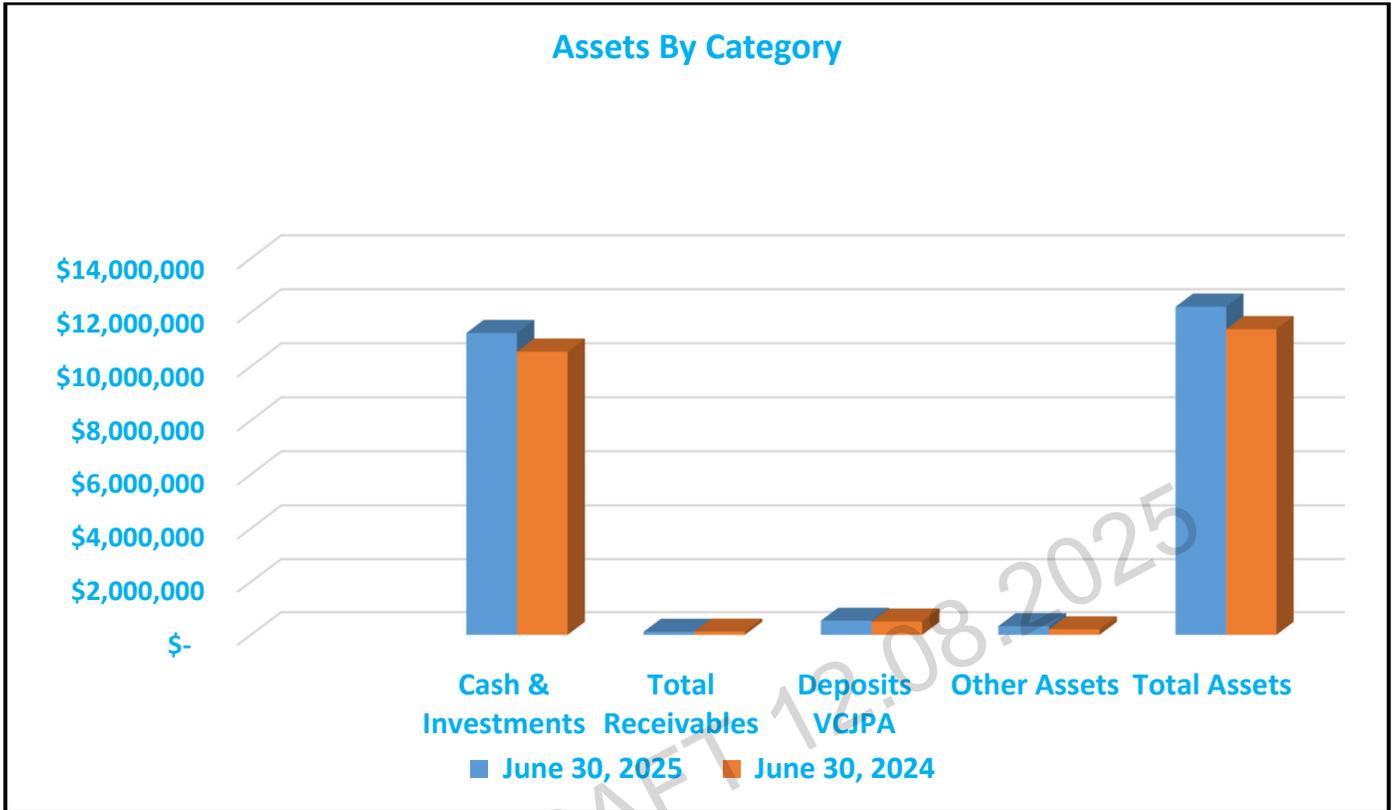
**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Analysis - Government Fund Financial Statements

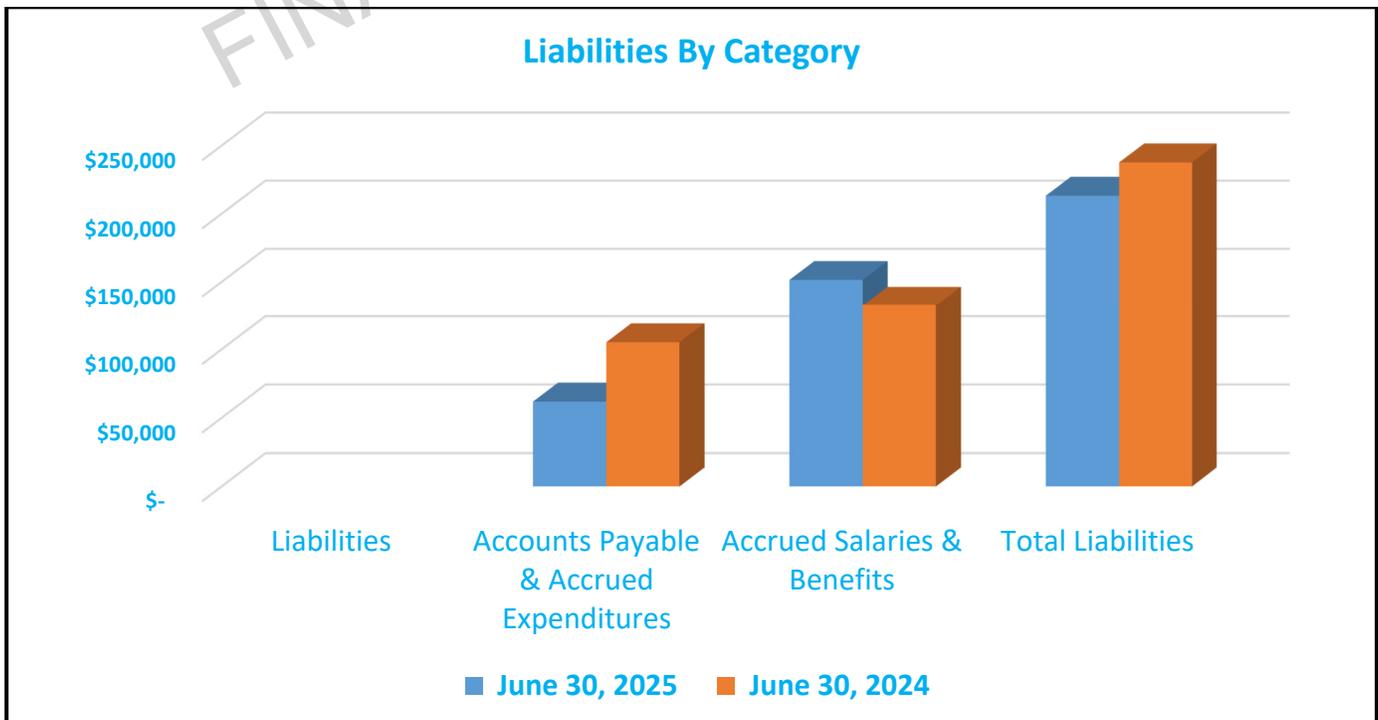
The following Balance Sheet and accompanying charts compare the District assets, liabilities, and fund balance as of June 30, 2025, to those of the previous fiscal year. Cash and Investments make up the majority of the District's assets. In FY 24-25, the District's cash and investments were 13.9% higher than in the previous fiscal year. Current liabilities were lower by 12.4%. These are represented by accounts payable, salaries and benefits payable and other accrued expenditures.

Balance Sheet (General Fund)				
	June 30, 2025	June 30, 2024	Change	% Change
Assets				
Cash and Investments	\$ 11,097,155	\$ 9,745,822	\$ 1,351,333	13.9%
Restricted Cash and Investments	134,392	124,363	10,029	8.1%
Accrued Interest Receivable	55,139	55,076	63	0.1%
Accounts Receivable	14,637	24,132	(9,495)	-39.3%
Other Receivables	42,659	37,049	5,610	15.1%
Materials and Supplies Inventory	151,953	170,595	(18,642)	-10.9%
Deposits VCJPA	534,205	500,948	33,257	6.6%
Prepaid Items	38,793	39,750	(957)	-2.4%
Total Assets	<u>\$ 12,068,933</u>	<u>\$ 10,697,735</u>	<u>\$ 1,371,198</u>	<u>12.8%</u>
Liabilities				
Accounts Payable and and Accrued Expense	\$ 56,751	\$ 105,143	\$ (48,392)	-46.0%
Accrued Salaries and Benefits	151,446	132,500	18,946	14.3%
Total Liabilities	<u>\$ 208,197</u>	<u>\$ 237,643</u>	<u>\$ (29,446)</u>	<u>-12.4%</u>
Fund Balance				
Reserves:				
Nonspendable	\$ 190,746	\$ 210,345	\$ (19,599)	-9.3%
Restricted	134,392	124,363	10,029	8.1%
Committed	200,000	400,000	(200,000)	-50.0%
Assigned	6,084,670	5,384,670	700,000	13.0%
Unassigned	5,250,928	4,340,714	910,214	21.0%
Total Fund Balance	<u>\$ 11,860,736</u>	<u>\$ 10,460,092</u>	<u>\$ 1,400,644</u>	<u>13.4%</u>
Total Liabilities and Fund Balance	<u>\$ 12,068,933</u>	<u>\$ 10,697,735</u>	<u>\$ 1,371,198</u>	<u>12.8%</u>

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**



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

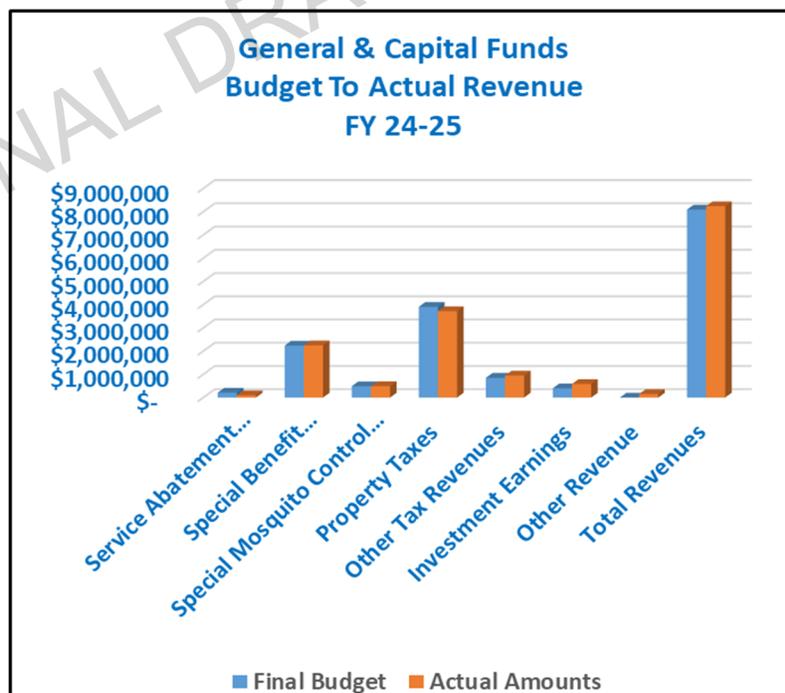


**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

The charts and graphs depicted below show the comparison of budgeted to actual revenue and expenditures for fiscal year ended June 30, 2025. During the current fiscal year, the annual revenue variance between the final budget and actual revenues was \$146,065 or 102% of revenue budgeted. The principal cause of these variances where program revenues did not come in as anticipated due to contract work not being completed as anticipated. Other revenues and investment earnings came in over what was anticipated in the approved budget.

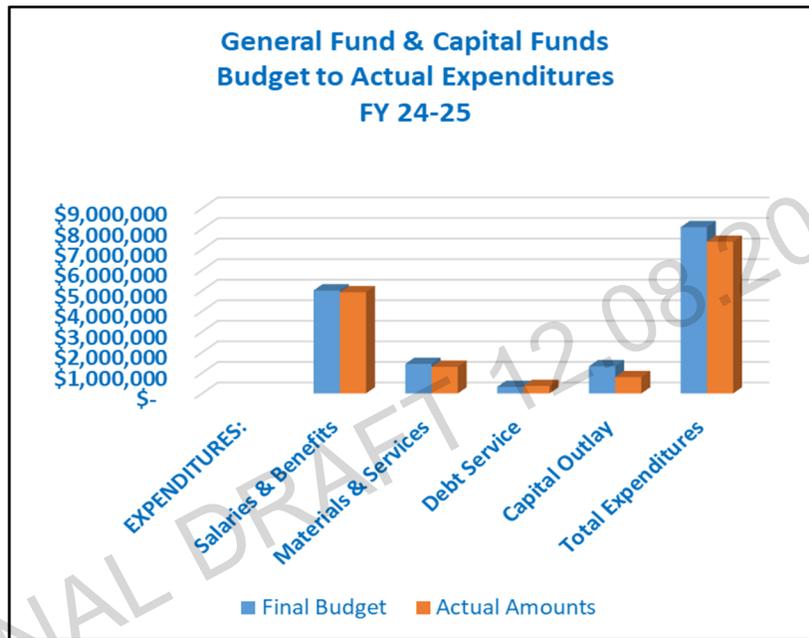
Actual expenditures compared to budget for the General Fund and Capital Improvement Funds resulted in savings of \$711,032, of which \$184,248 was attributable to salaries and benefits, materials and services, and debt service. Capital outlay expenditures yielded \$526,784 due to the expenditure budget not being fully utilized during FY 24-25. These funds will be re-budgeted in FY 25-26 relative to the construction project for District facilities.

GENERAL & CAPITAL IMPROVEMENT FUNDS: REVENUES	Final Budget	Actual Amounts	Variance w/ Final Budget
Service Abatement Revenue	\$ 211,519	\$ 96,147	\$ (115,372)
Special Benefit Assessment	2,237,210	2,248,040	10,830
Special Mosquito Control Tax	486,324	489,368	3,044
Property Taxes	3,904,536	3,718,435	(186,101)
Other Tax Revenues	850,000	945,776	95,776
Investment Earnings	399,000	586,200	187,200
Other Revenue	-	150,688	150,688
Total Revenues	\$ 8,088,589	\$ 8,234,654	\$ 146,065



**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

GENERAL & CAPITAL IMPROVEMENT FUNDS:	Final Budget	Actual Amounts	Variance w/ Final Budget
EXPENDITURES:			
Salaries & Benefits	\$ 5,011,414	\$ 4,921,751	\$ 89,663
Materials & Services	1,439,492	1,297,489	142,003
Debt Service	318,095	365,513	(47,418)
Capital Outlay	1,319,588	792,804	526,784
Total Expenditures	\$ 8,088,589	\$ 7,377,557	\$ 711,032



District Reserves

As of June 30, 2025, the District reported a total fund balance of \$11,995,667. \$5,250,928 constitutes the District's *unassigned fund balance*, which is necessary to provide working capital from the beginning of the next fiscal year in July until the receipt of property tax funds in December. This represents approximately 60% of the FY 2024-25 budgeted operational expenditures.

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

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

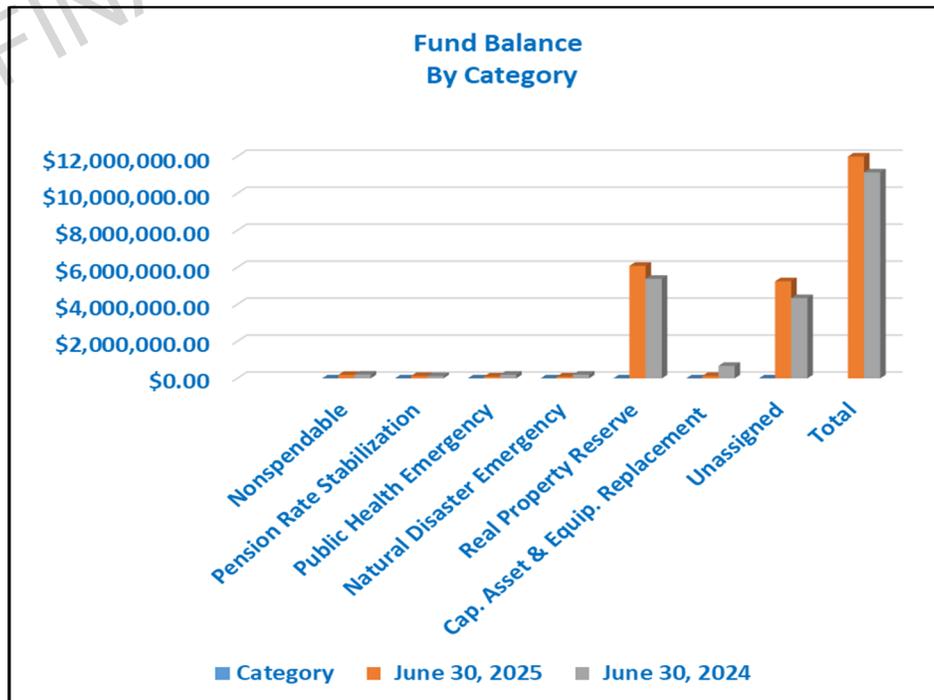
**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

The following table shows the Board-approved reserve balances in FY 2025 as compared to FY 2024:

Reserves	Category	June 30, 2025	June 30, 2024
Nonspendable	Nonspendable	\$ 190,746	\$ 210,345
Pension Rate Stabilization	Restricted	\$ 134,392	\$ 124,363
Public Health Emergency	Committed	\$ 100,000	\$ 200,000
Natural Disaster Emergency	Assigned	\$ 100,000	\$ 200,000
Real Property Reserve	Assigned	\$ 6,084,670	\$ 5,384,670
Cap. Asset & Equip. Replacement	Assigned	\$ 134,931	\$ 678,478
Unassigned	Unassigned	\$ 5,250,928	\$ 4,340,714
Total		\$ 11,995,667	\$ 11,138,570

Significant changes in designated reserve levels for FY 2024-25 were as follows:

- Non-spendable reserves decreased slightly due to the amount of pesticide inventory on June 30, 2025, and decreased to prepaid expenditures.
- Disaster Emergency Reserve and the Public Health Emergency Reserve was decreased collectively by \$200,000 resulting from the re-determination of current needs.
- The Real Property Reserve was increased \$700,000 in anticipation of increased construction costs.
- The Capital Asset and Equipment Replacement reserve was reduced by significant expenditures in relation to the project expenses to the District property being refurbished.
- Unassigned is the mathematical difference between all other categories and total fund balance.



**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Comparison of Actual Revenues and Expenditures Current and Prior Year – General Fund

As indicated on the chart below, actual revenues and expenditures comparisons between FYE 6/30/2025 and FY 6/30/2024 were relatively stable with additional explanation as follows:

- Service Abatement Revenue decreased by \$82,799 or 46.3% due reduced contractual services by our customers also the District’s airboat providing service revenue was unavailable due to mechanical repairs.
- Special Benefit Assessment revenue increased by \$427,211 or 23.5% due to Board action of applying an authorized cost of living adjustment.
- Property Tax Revenue increased by \$144,755 or 4.1%, resulting from a statutory 2% rate increase on all classes of property, as well as increases to taxable property values, driven by increased local real estate market values.
- Other Tax Revenue increased by \$23,827 or 2.6% due to the receipt of excess Education Revenue Augmentation Funds and redevelopment “pass through” funds from the County of San Mateo as a result of the County’s property tax allocation process.
- Other Revenue increased by \$110,535 or 275.3%, primarily due to \$107,596 in lease proceeds from new lease agreements the District entered into with Enterprise.
- A decrease in investment earnings of \$34,823(5.6%) was due to applying the prior year's “mark to market” calculations as required by the Government Accounting Standards Board.
- There was a Salary and Wage Expense increase of \$151,208 or 4.7% due to collective bargaining agreements applicable to FY 24-25 and normal step increases afforded employees.
- Employee Benefits increased by \$191,765 or 14.4% due to an increase of pension rates required by the San Mateo County Employees Association and higher health insurance premiums.
- Capital Improvement expenditures increased by \$687,604 or 653.6% due to increased costs relative to the District’s capital renovation project at our facilities at 1415 N. Carolan, Burlingame, CA.

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS				
	FY Ending 2025	FY Ending 2024	Variance	% Change
Beginning Fund Balance	\$ 11,138,570	\$ 9,820,594	\$ 1,317,976	13.4%
Revenues:				
Service Abatement Revenue	\$ 96,147	\$ 178,946	\$ (82,799)	-46.3%
Special Benefit Assessment	2,248,040	1,820,829	427,211	23.5%
Special Mosquito Control Tax	489,368	489,214	154	0.0%
Property Taxes	3,718,435	3,573,660	144,775	4.1%
Other Tax Revenue	945,776	921,949	23,827	2.6%
Investment Earnings	586,200	621,023	(34,823)	-5.6%
Other Revenue	150,688	40,153	110,535	275.3%
Total Revenue	\$ 8,234,654	\$ 7,645,774	\$ 588,880	7.7%
Expenditures				
Salaries and Benefits	\$ 4,921,751	\$ 4,578,778	\$ 342,973	7.5%
Materials and Services	1,297,489	1,295,676	1,813	0.1%
Debt Service	365,513	348,144	17,369	5.0%
Capital Outlay	792,804	105,200	687,604	653.6%
Total Expenditures	\$ 7,377,557	\$ 6,327,798	1,049,759	16.6%
Net Change in Fund Balance	\$ 857,097	\$ 1,317,976	\$ (460,879)	-35.0%
Ending Fund Balance	\$ 11,995,667	\$ 11,138,570	\$ 857,097	7.7%

The table below shows a comparison of actual revenue, expenditures, and fund balances between FYE 2025 and FYE 2024:

Comparison of Actual Revenues, Expenditures, and Fund Balance				
CAPITAL IMPROVEMENT FUND	FY 24-25	FY 23-24	Variance	% Change
Beginning Fund Balance:	\$ 678,478	\$ 754,020	\$ (75,542)	-10.0%
Revenues:	19,404	50,620	(31,216)	-61.7%
Expenditures:	732,671	135,250	597,421	441.7%
Transfers & Other:	169,720	9,088	160,632	1767.5%
Ending Fund Balance:	\$ 134,931	\$ 678,478	\$ (543,547)	-80.1%

As noted, ending fund balance did not materially change between fiscal years ending on June 30. The principal differences resulting from the expenditure increase between the years resulted from acquiring the District's newly purchased facilities. This was funded by a combination of available reserves within the general fund and the acquisition of lease financing provided by CN Financing, as described in the debt table below.

**San Mateo County Mosquito and Vector Control District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025**

Capital Asset Administration

Changes in Capital Assets at the end of fiscal year 2024-25 are as follows:

Capital Assets:	June 30, 2025	June 30, 2024*	Change	% Change
Non -Depreciable Assets	\$ 4,689,011	\$ 4,050,563	\$ 638,448	15.8%
Depreciable and Amortizable Assets	10,458,471	10,533,293	(74,822)	-0.7%
Accumulated Depreciation and Amortization	<u>(4,231,729)</u>	<u>(4,102,744)</u>	<u>(128,985)</u>	<u>3.1%</u>
Total Capital Assets, Net	\$ 10,915,753	\$ 10,481,112	\$ 434,641	4.1%

* 2024 was restated due to error correction. (see Note 14 for details).

At the end of fiscal year 2024-25, the District's investment in capital assets amounted to \$10,915,753 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, furniture, equipment, and vehicles.

See note 4 of the District's financial statements for further information on the District's capital assets.

Debt Administration

The District's Long-Term Debt consists of vehicle leases and the financing of District real property completed this year. See further details in note 6 of the District's financial statements. Additionally, the District's Other Post Employment Benefit obligations are completely funded on June 30, 2025, by an OPEB trust.

Debt Administration	June 30, 2025	June 30, 2024	Change	% Change
Leases	\$ 115,451	\$ 51,241	\$ 64,210	125.3%
CN Financing	<u>3,185,295</u>	<u>3,404,654</u>	<u>(219,359)</u>	<u>-6.4%</u>
Total Long Term Debt:	\$ 3,300,746	\$ 3,455,895	\$ (155,149)	-4.5%

Conditions Affecting Current Financial Position

Management is unaware of any conditions that could significantly impact the District's current or long-term financial position or any other factors that would significantly impact the District's ability to fulfill its mission.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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San Mateo County Mosquito and Vector Control District
Statement of Net Position
June 30, 2025

ASSETS	
Current assets:	
Cash and investments	\$ 11,233,985
Restricted cash and investments	134,392
Accrued interest receivable	58,306
Accounts receivable	14,637
Accounts receivable-other	42,659
Materials and supplies inventory	151,953
Deposits with Vector Control Joint Powers Agency (VCJPA)	534,205
Prepaid items	38,793
Total current assets	<u>12,208,930</u>
Noncurrent assets:	
Net OPEB asset	1,012,852
Capital assets - not being depreciated	4,689,011
Capital assets - being depreciated/amortized, net	6,226,742
Total capital assets	<u>10,915,753</u>
Total noncurrent assets	<u>11,928,605</u>
Total assets	<u>24,137,535</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - OPEB	44,797
Deferred outflows of resources - pensions	2,631,908
Total deferred outflows of resources	<u>2,676,705</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	61,817
Accrued salaries and benefits	151,446
Long-term liabilities - due in one year:	
Compensated absences	298,184
Long-term debt	264,479
Total current liabilities	<u>775,926</u>
Noncurrent liabilities:	
Long-term liabilities - due in more than one year:	
Compensated absences	398,405
Long-term debt	3,036,267
Net pension liability	3,124,192
Total noncurrent liabilities	<u>6,558,864</u>
Total liabilities	<u>7,334,790</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - OPEB	227,904
Deferred inflows of resources - pensions	4,350
Total deferred inflows of resources	<u>232,254</u>
NET POSITION	
Net investment in capital assets	7,615,007
Restricted for pension contributions	134,392
Restricted for OPEB Asset	1,012,852
Unrestricted	10,484,945
Total net position	<u>\$ 19,247,196</u>

See accompanying Notes to the Basic Financial Statements

San Mateo County Mosquito and Vector Control District
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Program Revenues				Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	Total	
Governmental Activities:					
Mosquito and vector control	\$ 7,452,538	\$ 96,147	\$ 2,737,408	\$ 2,833,555	\$ (4,618,983)
Total Governmental Activities	<u>7,452,538</u>	<u>96,147</u>	<u>2,737,408</u>	<u>2,833,555</u>	<u>(4,618,983)</u>
Total Primary Government	<u>\$ 7,452,538</u>	<u>\$ 96,147</u>	<u>\$ 2,737,408</u>	<u>\$ 2,833,555</u>	<u>\$ (4,618,983)</u>
General Revenues:					
Taxes					4,664,211
Investment earnings					586,200
Other revenues					150,688
Total General Revenues					<u>5,401,099</u>
Change in Net Position					782,116
Net Position - Beginning of year, as previously reported					18,437,914
Error correction (Note 14)					198,731
Change in accounting principle (GASB 101) (Note 14)					(171,565)
Net Position - Beginning of year, as restated					<u>18,465,080</u>
Net Position - End of year					<u>\$ 19,247,196</u>

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

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

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San Mateo County Mosquito and Vector Control District
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Capital Projects Fund	Total
ASSETS			
Cash and investments	\$ 11,097,155	\$ 136,830	\$ 11,233,985
Restricted cash and investments	134,392	-	134,392
Accrued interest receivable	55,139	3,167	58,306
Accounts receivable	14,637	-	14,637
Accounts receivable-other	42,659	-	42,659
Materials and supplies inventory	151,953	-	151,953
Deposits with Vector Control Joint Powers Agency (VCJPA)	534,205	-	534,205
Prepaid items	38,793	-	38,793
Total assets	\$ 12,068,933	\$ 139,997	\$ 12,208,930
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenditures	\$ 56,751	\$ 5,066	\$ 61,817
Accrued salaries and benefits	151,446	-	151,446
Total liabilities	208,197	5,066	213,263
Fund balances:			
Nonspendable	190,746	-	190,746
Restricted	134,392	-	134,392
Committed	200,000	-	200,000
Assigned	6,084,670	134,931	6,219,601
Unassigned	5,250,928	-	5,250,928
Total fund balances	11,860,736	134,931	11,995,667
Total liabilities and fund balances	\$ 12,068,933	\$ 139,997	\$ 12,208,930

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San Mateo County Mosquito and Vector Control District
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2025

Total Fund Balances - Total Governmental Funds	\$	11,995,667
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred outflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources.		2,676,705
Deferred inflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources.		(232,254)
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.		10,915,753
Net OPEB asset used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as OPEB assets.		1,012,852
Long-term liabilities applicable to the District are not due and payable in the current period and therefore are not reported in the governmental funds.		
Long-term debt - due within one year		(264,479)
Compensated absences - due within one year		(298,184)
Long-term debt - due in more than one year		(3,036,267)
Compensated absences - due in more than one year		(398,405)
Net pension liability		(3,124,192)
Net position of governmental activities	\$	19,247,196

San Mateo County Mosquito and Vector Control District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Capital Projects Fund	Total
REVENUES:			
Service abatement revenue	\$ 96,147	\$ -	\$ 96,147
Special benefit assessment	2,248,040	-	2,248,040
Special mosquito control tax	489,368	-	489,368
Property taxes	3,718,435	-	3,718,435
Other tax revenues	945,776	-	945,776
Investment earnings	566,796	19,404	586,200
Other revenues	150,688	-	150,688
Total revenues	<u>8,215,250</u>	<u>19,404</u>	<u>8,234,654</u>
EXPENDITURES			
Mosquito and vector control			
Salaries and wages	3,398,499	-	3,398,499
Employee benefits	1,523,252	-	1,523,252
Materials and services	1,297,489	-	1,297,489
Capital outlay	107,552	685,252	792,804
Debt service:			
Principal	219,359	43,386	262,745
Interest and fiscal charges	98,735	4,033	102,768
Total expenditures	<u>6,644,886</u>	<u>732,671</u>	<u>7,377,557</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,570,364</u>	<u>(713,267)</u>	<u>857,097</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	-	169,720	169,720
Transfer out	(169,720)	-	(169,720)
Total other financing sources (uses)	<u>(169,720)</u>	<u>169,720</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,400,644	(543,547)	857,097
FUND BALANCES:			
Beginning of year	10,460,092	678,478	11,138,570
End of year	<u>\$ 11,860,736</u>	<u>\$ 134,931</u>	<u>\$ 11,995,667</u>

San Mateo County Mosquito and Vector Control District
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds: \$ 857,097

Governmental activities in the Statement of Activities were reported differently because:

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

Capital outlay	650,163
Gain on disposal of capital asset	9,524
Depreciation/amortization	(316,604)

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position.

Issuance of lease liability	(107,596)
Repayments of debt and lease principal	262,745

Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds. (591,206)

OPEB expense is recorded as incurred in the Government-Wide Statement of Activities, however OPEB expense is not recognized in the governmental funds. (27,835)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	45,828
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Change in net position of governmental activities \$ 782,116

NOTES TO BASIC FINANCIAL STATEMENTS

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San Mateo County Mosquito and Vector Control District
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For the Year Ended June 30, 2025

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San Mateo County Mosquito and Vector Control District
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San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

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

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

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

B. Basis of Accounting and Measurement Focus

The District’s financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Governmental Accounting Standards Board (“GASB”) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the primary government. The effect of inter-fund activity has been removed from these statements and eliminations have been made to minimize the double counting of internal activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

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

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

The District reports the following major funds:

Governmental Funds:

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

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

C. Investments

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

D. Materials and Supplies Inventory

Inventories consist of expendable supplies and the consumption method is used to account for inventory for the governmental activities.

E. Prepaid Items

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

F. Capital Assets

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

Assets	Years
Structures and improvements	7-50 years
Furniture and equipment	5-20 years
Vehicles	5-15 years

In fiscal year ended June 30, 2025, the District had a \$5,000 threshold to recognize right-to-use assets, including lease assets or subscription-based information technology arrangement (“SBITA”) assets (“subscription assets”) in the government-wide financial statements.

Right-of-Use Lease Assets

Lease assets are recorded at the amount of the initial measurement of the lease liabilities and adjusted by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service. Lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the District has determined is reasonably certain of being exercised. In this case, the lease asset is amortized over the useful life of the underlying asset.

G. Deferred Outflows and Inflows of Resources

The statement of net position and the balance sheet – governmental funds report separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent a consumption of net assets that applies to future periods.

Deferred Inflows of Resources represent an acquisition of net assets that applies to future periods.

H. Compensated Absences

The District’s policy is to permit full time employees to accumulate earned vacation time and sick leave. Earned vacation time shall be earned by each employee subject to the accrual limitations defined by District policies. Such unused compensation is calculated at the employees’ then prevalent hourly rate at the time of retirement or termination. Whereas vacation time is compensated at 100% of accumulated hours. Accumulated unused sick leave is compensated only at retirement based on the years of employment. The liability for compensated absences is recognized as leave is earned, based on the employee’s pay rate in effect at the financial statement date, including any applicable salary-related costs. The liability includes only leave attributable to services already rendered and that is more likely than not to be paid. Under GASB 101, *Compensated Absences*, a liability must be recognized for leave that is attributable to services already rendered, accumulates and carries forward to future periods, and is more likely than not to be used or paid. This represents a shift from previous guidance, particularly in how likelihood and eligibility are assessed.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Long-Term Debt

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities.

The governmental fund financial statements do not present long-term debt and other financed obligations. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances costs are reported as debt service expenditures. Principal payments and reductions in the obligation are reported as debt service expenditures. As such, long-term debt and other financed obligations are shown as reconciling items in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.

J. Lease Liabilities

The District recognizes lease liabilities with an initial, individual value of \$5,000 or more with a lease term greater than one year in the government-wide and proprietary fund financial statements. Variable payments based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease liability. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses incremental borrowing rate provided by the financial institution or the current rate at the time a new lease is executed.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.
- Lease payments included in the measurement of the lease payable is composed of fixed payments to the lessor.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

K. Pension Plan

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Pension Plan (Continued)

San Mateo County Employees’ Retirement Association (SamCERA)

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

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

L. Other Postemployment Benefits (“OPEB”)

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

Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Measurement Period	June 30, 2024 to June 30, 2025

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

M. Property Taxes

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

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Property Taxes (Continued)

The property tax calendar is as follows:

Lien Date	March 1
Levy Date	July 1
Due Dates	November 1 and March 1
Collection Dates	December 10 and April 10

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

N. Special Benefit Assessment Revenue

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

O. Net position

Net position is categorized as follows:

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

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

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

P. Fund Balance

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

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

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Fund Balance (Continued)

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

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

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

The Board of Trustees establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed. The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted. The purpose of the District’s fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

Q. Use of Estimates

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

R. New Accounting Pronouncements

In 2025, the District adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements.

- **GASB Statement No. 101** – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement resulted in restatement of beginning net position on July 1, 2024 presented in Note 14.
- **GASB Statement No. 102** – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints which may limit a government's ability to acquire resources or control spending. The District has evaluated its exposure to financial risk stemming from concentrations and constraints. Application of this statement did not have an effect on the District for the fiscal year ended June 30, 2025.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments

Cash and investments as of June 30, 2025, consisted of the following:

Description	Balance
Cash on hand	\$ 400
Deposits held with San Mateo County Pooled Investment Fund (SMC California CLASS	5,532,187
Restricted cash held in County Treasury (Capital Project Fund)	5,701,398
	134,392
Total cash and investments	\$ 11,368,377
Unrestricted cash and investments	\$ 11,233,985
Restricted cash and investments	134,392
Total cash and investments	\$ 11,368,377

A. Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as SMCPIF). As of June 30, 2025 none of the District's deposits or investments were exposed to disclosable custodial credit risk.

B. Investments

Investments as of June 30, 2025, consisted of the following:

Description	Credit Rating	Fair Value	Maturity 12 Months or Less
San Mateo County Pooled Investment Fund (SMCPIF)	Aa1/P-1	\$ 5,532,187	\$ 5,532,187
California CLASS	AAAm	5,701,398	5,701,398
Total investments		\$ 11,233,585	\$ 11,233,585

C. Authorized Deposits and Investments

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

D. San Mateo County Treasury – Pooled Investment Fund

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

The San Mateo County Treasurer has indicated to the District that as of June 30, 2025, the value of the County's portfolio approximated \$8.498 billion and the portfolio holds no derivative products. The District's investment with the County Treasurer's Office as of June 30, 2025 was \$5,532,187. SMCPIF's fair value factor of 1.01103 as of June 30, 2025 was used to calculate the fair value of the investments in the SMCPIF. SMCPIF does not fall under the fair value hierarchy (i.e. uncategorized) as there is no active market for the investments.

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

E. California CLASS

California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenience method for investing in high-liquid, short to medium term securities. Deposits and withdrawals to and from California CLASS are transferred on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, California CLASS is valued based on inputs not categorized as level 1, level 2 or level 3.

As of June 30, 2025, The District had \$5,701,398 invested in the California CLASS.

F. Restricted Cash and Investments

Restricted cash and investments of \$134,392 at June 30, 2025 consist of amounts held in the San Mateo County Treasury in the District's capital projects fund and are restricted for specific program purposes in accordance with Board approved requirements and other legal restrictions.

G. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2025, the District's investment in the SMCPIF and California CLASS were rated by Moody as Aa1/P- 1 and AAAM, respectively, as noted in the table above.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

H. Interest Rate Risk

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

I. Concentration of Credit Risk

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

Note 3 – Interfund Transfers

At June 30, 2025, the City has the following transfers. The transfer from the General Fund to the Capital Projects Fund was made to fund the on-going capital projects:

Transfers Out	Transfers In
General Fund	Capital Projects Fund
	\$ 169,720

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Capital Assets

Changes in capital assets for the year were as follows:

	Balance July 1, 2024 (restated)	Additions	Deletions	Reclassification	Balance June 30, 2025
Capital assets, not being depreciated/amortized:					
Land	\$ 3,854,525	\$ -	\$ -	\$ -	\$ 3,854,525
Construction-in-progress	196,038	638,448	-	-	834,486
Total capital assets, not being depreciated//amortized	4,050,563	638,448	-	-	4,689,011
Capital assets, being depreciated:					
Structures and improvements	8,641,060	11,715	-	-	8,652,775
Furniture and equipment	714,204	-	-	-	714,204
Vehicles	682,209	-	(111,052)	14,992	586,149
Software	270,486	-	-	-	270,486
Total capital assets, being depreciated	10,307,959	11,715	(111,052)	14,992	10,223,614
Less accumulated depreciation for:					
Structures and improvements	(2,452,758)	(228,530)	-	-	(2,681,288)
Furniture and equipment	(544,665)	(33,982)	-	-	(578,647)
Vehicles	(675,064)	(5,572)	111,052	(14,992)	(584,576)
Software	(270,486)	-	-	-	(270,486)
Total accumulated depreciation	(3,942,973)	(268,084)	111,052	(14,992)	(4,114,997)
Total capital assets, being depreciated, net	6,364,986	(256,369)	-	-	6,108,617
Intangible capital assets, being amortized:					
Right-to-use lease assets - vehicles	225,334	107,552	(83,037)	(14,992)	234,857
Total intangible capital assets, net	225,334	107,552	(83,037)	(14,992)	234,857
Less accumulated amortization for:					
Right-to-use lease assets - vehicles	(159,771)	(48,520)	76,567	14,992	(116,732)
Total accumulated amortization	(159,771)	(48,520)	76,567	14,992	(116,732)
Total intangible capital assets, being amortized, net	65,563	59,032	(6,470)	-	118,125
Total governmental activities capital assets, net	\$ 10,481,112	\$ 441,111	\$ (6,470)	\$ -	\$ 10,915,753

Depreciation and amortization expense the amounts of \$268,084 and \$48,520, respectively were charged to Mosquito and vector control activities.

Note 5 – Compensated Absences

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

The changes to the compensated absences balance for the year ended June 30, 2025 were as follows:

Balance June 30, 2024 (as restarted)	Net Change	Balance June 30, 2025	Current Portion	Long-term Portion
\$ 650,761	\$ 45,828	\$ 696,589	\$ 298,184	\$ 398,405

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 6 – Long-Term Liabilities

The District’s long-term debt activities for the year ended June 30, 2025 were as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Current Portion	Long-term Portion
Leases	\$ 51,241	\$ 107,596	\$ (43,386)	\$ 115,451	\$ 38,758	\$ 76,693
CN Financing	3,404,654	-	(219,359)	3,185,295	225,721	2,959,574
Total long-term debt	\$ 3,455,895	\$ 107,596	\$ (262,745)	\$ 3,300,746	\$ 264,479	\$ 3,036,267

Description of the District’s Long-Term Debt:

A. Leases

The District has recorded various lease agreements regarding the District’s vehicle fleet. Principal and interest are payable monthly with varying annual interest rates of 0.560% - 3.651% for a term of 60 months. The remaining principal and interest amounts will be payable as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 38,758	\$ 3,298	\$ 42,056
2027	30,239	2,247	32,486
2028	22,395	1,304	23,699
2029	21,751	517	22,268
2030	2,308	8	2,316
Total	\$ 115,451	\$ 7,374	\$ 122,825

B. CN Financing

On July 1, 2021, the District, through the Municipal Finance Corporation, secured a financing agreement from CN Financing in the amount of \$3,825,000 at an interest rate of 2.9%. The proceeds of the loan were used to finance the acquisition of property located at 1415 N. Carolan Avenue in the City of Burlingame, California. Annual principal and interest payments of \$318,094 are due July 29, 2022, through July 29, 2036.

The remaining principal and interest amounts will be payable as follows:

Year Ending June 30,	Principal	Interest	Payments
2026	\$ 225,721	\$ 92,373	\$ 318,094
2027	232,266	85,828	318,094
2028	239,002	79,092	318,094
2029	245,933	72,161	318,094
2030	253,065	65,029	318,094
2031-2035	1,379,760	210,710	1,590,470
2036-2037	609,548	26,641	636,189
Total	\$ 3,185,295	\$ 631,834	\$ 3,817,129

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Other Post-Employment Benefits

A. Plan Description

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

B. Employees Covered

As of the June 30, 2024 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	21
Inactive employees or beneficiaries currently receiving benefit payments	8
Total	29

C. Contributions

The contribution requirements of plan members and the District are established and may be amended by the District’s governing board. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2025, the District’s estimated implied subsidy was \$0.

D. Net OPEB Asset

The District’s net OPEB asset was measured as of June 30, 2025 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation dated June 30, 2024. The total OPEB liability was determined based on the following actuarial methods and assumptions:

Actuarial Methods and Assumptions Used to Determine Total OPEB Liability

Actuarial Assumptions:	
Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Discount Rates	5.45%
General Inflation	2.5% per annum
Salary Increases	3.0% per year
Investment Rate of Return	5.45%
Retirement Age	50-70
Mortality Improvement	MacLeod Watts Scale 2022 applied generationally from 2010
Healthcare Trend Rate	4.7% in 2025 decreasing to 3.9% by 2075

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Other Post-Employment Benefits (Continued)

D. Net OPEB Asset (Continued)

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

PARS Portfolio	Moderately Conservative	Expected Returns	
		Years 1-5	Years 1-30
Domestic Equity	23.0%	7.0%	7.5%
Int'l. Developed Equity	4.0%	8.2%	7.1%
Emerging Markets	2.0%	8.6%	7.4%
REITs	1.0%	8.4%	7.0%
Short-Term Bonds	14.0%	5.0%	3.7%
Core Fixed Income	49.3%	6.2%	4.7%
High Yield	1.8%	8.3%	6.8%
Cash	4.9%	3.8%	2.7%
Total	100%		

At the time the valuation was prepared, the District was invested in the Moderately Conservative Portfolio, which had an expected return of 5.3%. Based on the District's OPEB trust balance, the District assumed 60 basis points in non-imbedded fees for a net expected return of 4.7%. The District approved 4.7% for valuation purposes.

E. Discount Rate

The discount rate used to measure the total OPEB liability was 5.45 percent. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

F. Changes of Assumptions

In 2025, key actuarial assumptions were updated, including an increase in the discount rate from 4.70% to 5.45%, updated healthcare cost trend rates, and revised demographic, participation, and spouse coverage assumptions to reflect recent experience. These changes decreased the net OPEB liability by \$58,267.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Other Post-Employment Benefits (Continued)

G. Changes in the Net OPEB Asset

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

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024	\$ 1,485,522	\$ 2,363,164	\$ (877,642)
Changes recognized for the measurement period:			
Service cost	75,481	-	75,481
Interest cost	72,413	-	72,413
Difference between expected and actual experience	(31,837)	-	(31,837)
Assumption changes	(58,267)	-	(58,267)
Contribution - employer	-	3,225	(3,225)
Net investment income	-	190,068	(190,068)
Correction to accrued FY 23/34 benefit reimbursement	-	(293)	293
Benefit payments	(40,622)	(40,622)	-
Net Changes during July 1, 2024 to June 30, 2025	17,168	152,378	(135,210)
Balance at June 30, 2025 (Measurement Date)	<u>\$ 1,502,690</u>	<u>\$ 2,515,542</u>	<u>\$ (1,012,852)</u>

H. Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

	Discount Rate - 1% (4.45%)	Current Discount Rate (5.45%)	Discount Rate + 1% (6.45%)
Net OPEB Liability (Asset)	\$ (851,062)	\$ (1,012,852)	\$ (1,278,412)

I. Sensitivity of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rates

	Healthcare Trend Rate -1 Percent	Current Healthcare Trend Rate	Healthcare Trend 1% Increase
Net OPEB Liability (Asset)	\$ (1,311,677)	\$ (1,012,852)	\$ (796,514)

J. OPEB Plan Fiduciary Net Position

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Other Post-Employment Benefits (Continued)

K. Recognition of Deferred Outflows and Deferred Inflows of Resources

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

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Straight-line recognition over 10.25 years, the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive members are counted, with the latter two groups having 0 remaining service years.

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

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$31,060. For the fiscal year ended June 30, 2025, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 44,797	\$ (81,830)
Differences between expected and actual experience	-	(127,290)
Net difference between projected and actual earnings on plan investments	-	(18,784)
Total	\$ 44,797	\$ (227,904)

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

Fiscal Year Ending June 30	Deferred Outflows /(Inflows) of Resources
2026	\$ 31,592
2027	(54,274)
2028	(56,901)
2029	(40,144)
2030	(12,426)
Thereafter	(50,954)
	\$ (183,107)

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability

A. Plan Description

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

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

B. Benefits Provided

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

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

C. Contributions and Funding

The 1937 Act established the basic obligations for employers and members to make contributions to the pension trust fund. The employer and member contribution rates are based on recommendations made by an independent actuary and adopted by the Board of Retirement. The participating employers are required by statutes to contribute the amounts necessary to fund the estimated benefits accruing to SamCERA members not otherwise funded by member contributions or expected investment earnings. Contribution rates are actuarially determined using the entry age normal method and consist of an amount for normal cost, the estimated amount necessary to finance benefits earned by members during the year, and an amount required to amortize the unfunded net pension liability. For the fiscal year ended June 30, 2025, the District's contribution was \$820,802. The District's employer contribution rates for classic members were 31.12% and for PEPRA members were 25.45% of covered payroll, including 9.69% normal cost plus 15.76% contribution to the UAAL.

The District's contributions to the Plan for the measurement period ended June 30, 2024 was \$695,362.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

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

The June 30, 2024, the measurement date, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Assumptions:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Actuarial Cost Method	Individual Entry Age
Amortization Method:	
Level percent or level dollar	Level percent
Closed, open, or layered periods	Layered
Amortization Period for Each Layer	15-years
Asset Valuation Method:	
Recognition method	Fair Market Value
Local CPI Inflation	2.75%
National CPI-U Inflation	2.50%
Investment Rate of Return	6.42% (with included administrative expense load of 0.17%)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.42 percent, which is gross of administrative and other investment expenses. A long-term investment return excluding administrative and other investment expenses would have been 6.50 percent. Management has determined that using the higher discount rate has resulted in a slightly lower total pension liability and net pension liability and the difference was deemed immaterial to the financial statements. The long-term expected rate of return on pension plan investments was determined in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. Real returns by asset class as shown in the following table reflect the average arithmetic real return assumptions of the Plan’s investment consultants as of June 30, 2024.

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

E. Discount Rate (Continued)

Investment Type	Target Allocation	Long-Term Expected Real Rate of Return
Growth		
Public Equity	41.00%	6.90%
Private Equity	7.00%	9.00%
Opportunistic Credit	11.00%	6.60%
Diversifying		
Core Fixed Income	12.50%	4.90%
Absolute Return	6.00%	5.40%
Inflation Hedge		
Real Estate	9.00%	6.80%
Private Real Assets	5.00%	7.40%
Public Real Assets	3.00%	7.40%
Liquidity		
Cash Flow Match	4.50%	4.70%
Cash and Cash Overlay	1.00%	4.10%
Total	<u>100%</u>	

F. District Proportionate Share of the Net Pension Liability

	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability
Balance at June 30, 2023	\$ 9,160,113	\$ 7,992,712	\$ 1,167,401
Balance at June 30, 2024 (Measurement Date)	29,251,894	26,127,702	3,124,192
Change	<u>\$ 20,091,781</u>	<u>\$ 18,134,990</u>	<u>\$ 1,956,791</u>

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

	District Percentage
Balance at June 30, 2023 (Measurement Date)	0.1331%
Balance at June 30, 2024 (Measurement Date)	0.4031%
Change in Plan Net Pension Liability Percentage	<u>0.2700%</u>

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.42%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.42%) or 1 percentage-point higher (7.42%) than the current rate:

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

Description	Plan's Net Pension Liability		
	Discount Rate -1% 5.42%	Current Discount Rate 6.42%	Discount Rate +1% 7.42%
Total pension liability	\$ 8,295,557,498	\$ 7,256,733,874	\$ 6,411,396,627
Fiduciary net position	6,481,692,267	6,481,692,267	6,481,692,267
Net pension liability	<u>1,813,865,231</u>	<u>775,041,607</u>	<u>(70,295,640)</u>
Net pension liability - District share 0.4031%	<u>\$ 2,414,255</u>	<u>\$ 3,124,192</u>	<u>\$ (93,563)</u>

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Defined Benefit Pension Plan and the Net Pension Liability (Continued)

H. Pension Expense

For the measurement period ending June 30, 2024, the District incurred pension expense of \$1,427,357 as follows:

	Plan's Pension Expense	District's Pension Expense @ 0.4031%
Pension expense:		
Service cost	\$ 138,093,629	\$ 556,655
Interest on the total pension liability	440,491,643	1,775,622
Administrative expenses and other on-investment expenses	9,396,844	37,879
Member contributions	(82,330,650)	(331,875)
Expected investment return, net of expense	(383,501,211)	(1,545,893)
Recognition of Deferred Outflows/inflows:		
Recognition of economic/demographic gains (losses)	87,485,634	352,655
Recognition of assumptions changes or inputs	89,753,092	361,795
Recognition of net investment gains(losses)	15,514,976	62,541
Amortization of employer specific deferred outflows/inflows	N/A	157,978
Total pension expense	\$ 314,903,957	\$ 1,427,357

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

As of June 30, 2024, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions to pension plan made after the measurement date	\$ 820,802	\$ -
Changes in proportion and differences between employer contributions and proportionate share of contributions	758,869	(4,350)
Changes of assumptions	318,524	-
Net differences between projected and actual earnings	103,654	-
Differences between expected and actual economic experience	630,059	-
Total Deferred Outflows/(Inflows) of Resources	\$ 2,631,908	\$ (4,350)

The District will recognize \$820,802 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

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

Fiscal Year Ending June 30	Deferred Outflows /(Inflows) of Resources
2026	\$ 537,681
2027	1,135,563
2028	260,211
2029	(126,699)
	\$ 1,806,756

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 9 – Net Investment in Capital Assets

Net investment in capital assets as of June 30, 2025 consisted of the following:

Description	Balance
Capital assets - not being depreciated/amortized	\$ 4,689,011
Capital assets - being depreciated and amortized, net	6,226,742
Long-term debt - current portion	(264,479)
Long-term debt - noncurrent portion	(3,036,267)
Total net investment in capital assets	\$ 7,615,007

Note 10 – Fund Balance

A detailed schedule of fund balances and their funding composition at June 30, 2025 is as follows:

	General Fund	Capital Project Fund	Total
Nonspendable:			
Materials and supplies inventory	\$ 151,953	\$ -	\$ 151,953
Prepaid items	38,793	-	38,793
Subtotal	190,746	-	190,746
Restricted:			
Restricted for pension contributions	134,392	-	134,392
Subtotal	134,392	-	134,392
Committed:			
Public health emergency	200,000	-	200,000
Subtotal	200,000	-	200,000
Assigned:			
Natural disaster emergency	200,000	-	200,000
Real Property Reserve	5,884,670	-	5,884,670
Reserve for specified capital outlay - equipment replacement	-	134,931	134,931
Subtotal	6,084,670	134,931	6,219,601
Unassigned	5,250,928	-	5,250,928
Total	\$ 11,860,736	\$ 134,931	\$ 11,995,667

Note 11 – Deferred Compensation Savings Plan

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

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 11 – Deferred Compensation Savings Plan (Continued)

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

As of June 30, 2025, the amount held by the Trustee for the District employees is \$2,572,104.

Note 12 – Risk Management

Self-Insurance and Joint Powers Agency

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

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

The District is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the VCJPA. The District has the right to receive dividends or the obligation to pay assessments based on a formula, which, among other expenses, charges the District's account for liability losses and workers' compensation losses under their individual self-insured retention (SIR). The VCJPA participates in an excess pool, which provides general liability coverage above \$1,000,000 for each occurrence up to \$29,500,000.

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

The District's share of the VCJPA's Members Trust Fund and Property Contingency Fund balance as of June 30, 2025, totaled \$534,205. The balance includes interest earnings and may be withdrawn upon leaving the plan with a sixty-day notice. At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the districts in accordance with its governing documents.

Note 13 – Contingency

Litigation

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

San Mateo County Mosquito and Vector Control District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Restatement of Beginning Net Position

Error Correction

Governmental activities were restated to correct the beginning balance of capital assets. Structures and improvements had previously been reported at \$8,352,828 with accumulated depreciation of \$(2,363,257) as of June 30, 2024.

Following a review of the District’s capital asset records, the beginning balances were restated to \$8,641,060 and accumulated depreciation of \$(2,452,758) as of July 1, 2024. The net increase to beginning capital assets, net of accumulated depreciation, was \$198,731.

Implementation of GASB Statement No. 101, Compensated Absences

Effective for the fiscal year ended June 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement establishes accounting and financial reporting standards for compensated absences, including vacation, sick leave, and other paid time off. The implementation of GASB 101 resulted in a change in accounting principle, and prior year amounts have been restated accordingly.

Under GASB 101, a liability must be recognized for leave that is attributable to services already rendered, accumulates and carries forward to future periods, and is more likely than not to be used or paid. This represents a shift from previous guidance, particularly in how likelihood and eligibility are assessed.

The effect of the restatement is as shown below:

	Governmental Activities
Beginning net position, as previously reported	\$ 18,437,914
Error Correction:	
Capital asset beginning balance restatement	198,731
Change in accounting principal:	
GASB 101 - compensated absences	(171,565)
Beginning net position, as restated	\$ 18,465,080

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**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

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San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Service abatement revenue	\$ 211,519	\$ 211,519	\$ 96,147	\$ (115,372)
Special benefit assessment	2,237,210	2,237,210	2,248,040	10,830
Special mosquito control tax	486,324	486,324	489,368	3,044
Property taxes	3,904,536	3,904,536	3,718,435	(186,101)
Other tax revenues	850,000	850,000	945,776	95,776
Investment earnings	399,000	399,000	566,796	167,796
Other revenues	-	-	150,688	150,688
Total revenues	8,088,589	8,088,589	8,215,250	126,661
EXPENDITURES:				
Mosquito and vector control				
Salaries and wages	3,474,347	3,474,347	3,398,499	75,848
Employee benefits	1,537,067	1,537,067	1,523,252	13,815
Materials and services	1,331,940	1,331,940	1,297,489	34,451
Capital outlay	107,552	107,552	107,552	-
Debt service:				
Principal	219,360	219,360	219,359	1
Interest	98,735	98,735	98,735	-
Total expenditures	6,769,001	6,769,001	6,644,886	124,115
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,319,588	1,319,588	1,570,364	250,776
OTHER FINANCING (USES):				
Transfers out	-	-	(169,720)	(169,720)
Total other financing (uses)	-	-	(169,720)	(169,720)
NET CHANGE IN FUND BALANCE	\$ 1,319,588	\$ 1,319,588	1,400,644	\$ 81,056
FUND BALANCE:				
Beginning of year			10,460,092	
End of year			<u>\$ 11,860,736</u>	

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Proportionate Share of Net Pension Liability
For the Year Ended June 30, 2025

Measurement period	Last Ten Fiscal Years				
	2014-15	2015-16	2016-17	2017-18	2018-19
Proportion of the net pension liability	0.3100%	0.3200%	0.3500%	0.2600%	0.2400%
Proportion share of the net pension liability	\$ 1,525,087	\$ 2,280,813	\$ 2,020,874	\$ 1,269,703	\$ 1,478,655
Covered payroll	\$ 1,409,518	\$ 1,736,147	\$ 1,899,298	\$ 1,939,368	\$ 1,900,138
Proportionate Share of the net pension liability as percentage of covered payroll	108.20%	131.37%	106.40%	65.47%	77.82%
Plan fiduciary net position as a percentage of the total pension liability	87.53%	83.25%	87.49%	89.96%	88.46%

Notes to Schedule:

Changes of assumptions:

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

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

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

In 2022, assumed investment return was lowered to 6.25% from 6.5% the previous year.

In 2023 and 2024, there were no changes of assumptions.

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**San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Proportionate Share of Net Pension Liability (Continued)
For the Year Ended June 30, 2025**

Measurement period	Last Ten Fiscal Years				
	2019-20	2020-21	2021-22	2022-23	2023-24
Proportion of the net pension liability	0.1372%	0.1206%	0.1209%	0.1331%	0.4031%
Proportion share of the net pension liability	\$ 1,206,995	\$ 129,840	\$ 891,498	\$ 1,167,401	\$ 3,124,192
Covered payroll	\$ 2,255,787	\$ 2,249,212	\$ 2,275,742	\$ 2,633,599	\$ 2,851,869
Proportionate Share of the net pension liability as percentage of covered payroll	53.51%	5.77%	39.17%	44.33%	109.55%
Plan fiduciary net position as a percentage of the total pension liability	84.46%	98.23%	88.46%	87.26%	87.26%

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San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions - Pension
For the Year Ended June 30, 2025

Fiscal Year	Last Ten Fiscal Years				
	2015-16	2016-17	2017-18	2018-19	2019-20
Contractually required contribution (actuarially)	\$ 541,053	\$ 572,799	\$ 467,435	\$ 466,391	\$ 282,989
Contribution in relation to the actuarially determined contributions	(2,051,482)	(822,799)	(467,435)	(466,391)	(282,989)
Contribution deficiency (excess)	<u>\$ (1,510,429)</u>	<u>\$ (250,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,736,147	\$ 1,899,298	\$ 1,939,368	\$ 1,900,138	\$ 2,255,787
Contributions as a percentage of covered payroll	118.16%	43.32%	24.10%	24.55%	12.55%
Valuation date:	6/30/2014	6/30/2015	6/30/2016	6/30/2018	6/30/2019

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2024
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll
Amortization period	The Unfunded Actuarial Accrued Liability (UAAL) is amortized as a level percentage of the projected salaries of present and future members of SamCERA over a 15-year period beginning July 1, 2025. This is commonly referred to as a "closed amortization method." Actuarial gains and losses for periods after the June 30, 2024 valuation are amortized over their own closed 15-year periods from the respective dates the new contribution layers are effective.
Asset Valuation Method	The actuarial value of assets recognizes asset gains and losses over 10 consecutive six-month periods. Gains and losses from a given period offset prior period losses and gains before determining if a gain or loss for the given period remains to be recognized over 10 six-month periods.
Inflation	2.75%
Payroll Growth	Various from 0.5% to 6.5% based on the years of service
Investment Rate of Return	6.42%

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Plan Contributions - Pension (Continued)
For the Year Ended June 30, 2025

Fiscal Year	Last Ten Fiscal Years				
	2020-21	2021-22	2022-23	2023-24	2024-25
Contractually required contribution (actuarially)	\$ 281,349	\$ 283,877	\$ 317,002	\$ 695,362	\$ 820,802
Contribution in relation to the actuarially determined contributions	(281,349)	(283,877)	(317,002)	(695,362)	(820,802)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,249,212	\$ 2,275,742	\$ 2,633,599	\$ 2,851,869	\$ 2,970,522
Contributions as a percentage of covered payroll	12.51%	12.47%	12.04%	24.38%	27.63%
Valuation date:	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024

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San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

Measurement period	Last Ten Fiscal Years*				
	2018	2019	2020	2021	2022
Total OPEB liability					
Service Cost	\$ 69,518	\$ 71,778	\$ 69,266	\$ 69,445	\$ 68,783
Interest on the total OPEB liability experience	59,296	65,233	55,890	59,368	63,977
Changes of assumptions	-	(180,473)	-	(27,924)	-
Benefit payments, including refunds of employee contributions	-	39,426	(21,357)	58,731	-
	(28,143)	(23,844)	(36,560)	(32,282)	(49,054)
Net change in total OPEB liability	100,671	(27,880)	67,239	127,338	83,706
Total OPEB liability - beginning	994,032	1,094,703	1,066,823	1,134,062	1,261,400
Total OPEB liability - ending (a)	<u>\$ 1,094,703</u>	<u>\$ 1,066,823</u>	<u>\$ 1,134,062</u>	<u>\$ 1,261,400</u>	<u>\$ 1,345,106</u>
OPEB fiduciary net position					
Contributions - employer	\$ 2,789	\$ 5,821	\$ 7,855	\$ -	\$ -
Net investment income	127,876	136,431	86,222	303,935	(307,401)
Benefit payments, including refunds of employee contributions	(27,339)	(23,844)	(36,560)	(32,282)	(49,054)
Administrative expense	(11,471)	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	91,855	118,408	57,517	271,653	(356,455)
Plan fiduciary net position - beginning	1,968,917	2,060,772	2,179,180	2,236,697	2,512,995
Prior period adjustment	-	-	-	4,645	-
Plan fiduciary net position - ending (b)	<u>\$ 2,060,772</u>	<u>\$ 2,179,180</u>	<u>\$ 2,236,697</u>	<u>\$ 2,512,995</u>	<u>\$ 2,156,540</u>
Plan net OPEB liability (asset) - ending (a) - (b)	<u>\$ (966,069)</u>	<u>\$ (1,112,357)</u>	<u>\$ (1,102,635)</u>	<u>\$ (1,251,595)</u>	<u>\$ (811,434)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	188.25%	204.27%	197.23%	199.22%	160.32%
Covered payroll	<u>\$ 1,854,957</u>	<u>\$ 1,896,546</u>	<u>\$ 2,255,787</u>	<u>\$ 2,249,212</u>	<u>\$ 2,275,742</u>
Plan net OPEB liability as a percentage of covered payroll	<u>-52.08%</u>	<u>-58.65%</u>	<u>-48.88%</u>	<u>-55.65%</u>	<u>-35.66%</u>

Notes to Schedule:

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

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in the Net OPEB Liability and Related Ratios (Continued)
For the Year Ended June 30, 2025

Last Ten Fiscal Years*

Measurement period	2023	2024	2025
Total OPEB liability			
Service Cost	\$ 70,846	\$ 73,283	\$ 75,481
Interest on the total OPEB liability experience	68,205	67,534	72,413
Changes of assumptions	(26,700)	-	(31,837)
Benefit payments, including refunds of employee contributions	(26,929)	-	(58,267)
	<u>(48,028)</u>	<u>(37,795)</u>	<u>(40,622)</u>
Net change in total OPEB liability	37,394	103,022	17,168
Total OPEB liability - beginning	1,345,106	1,382,500	1,485,522
Total OPEB liability - ending (a)	<u>\$ 1,382,500</u>	<u>\$ 1,485,522</u>	<u>\$ 1,502,690</u>
OPEB fiduciary net position			
Contributions - employer	\$ 789	\$ 1,039	\$ 3,225
Net investment income	91,647	179,939	190,068
Benefit payments, including refunds of employee contributions	(48,028)	(37,795)	(40,622)
Administrative expense	-	-	-
Other	10,657	8,376	(293)
	<u>55,065</u>	<u>151,559</u>	<u>152,378</u>
Net change in plan fiduciary net position	55,065	151,559	152,378
Plan fiduciary net position - beginning	2,156,540	2,211,605	2,363,164
Prior period adjustment	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ 2,211,605</u>	<u>\$ 2,363,164</u>	<u>\$ 2,515,542</u>
Plan net OPEB liability (asset) - ending (a) - (b)	<u>\$ (829,105)</u>	<u>\$ (877,642)</u>	<u>\$ (1,012,852)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	<u>159.97%</u>	<u>159.08%</u>	<u>167.40%</u>
Covered payroll	<u>\$ 2,582,745</u>	<u>\$ 2,855,947</u>	<u>\$ 2,970,522</u>
Plan net OPEB liability as a percentage of covered payroll	<u>-32.10%</u>	<u>-30.73%</u>	<u>-34.10%</u>

Notes to Schedule:

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

San Mateo County Mosquito and Vector Control District
Required Supplementary Information (Unaudited) (Continued)
Schedule of OPEB Contributions
For the Year Ended June 30, 2025

	Last Ten Fiscal Years*				
	2018	2019	2020	2021	2022
Actuarially determined contribution (ADC)	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the ADC	(2,789)	(5,821)	(7,855)	-	-
Contribution deficiency (excess)	<u>\$ (2,789)</u>	<u>\$ (5,821)</u>	<u>\$ (7,855)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,854,957	\$ 1,896,546	\$ 2,255,787	\$ 2,249,212	\$ 2,275,742
Contributions as a percentage of covered payroll	0.15%	0.31%	0.35%	0.00%	0.00%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2024
Actuarial cost method	Entry Age Normal
Amortization method/period	Level Dollar, 15 year open period
Asset valuation method	Market value
Inflation	2.50%
Payroll Growth	3.00% annual increases
Investment Rate of Return	5.45%
Healthcare cost-trend rates	6% in Jan 2026 decreasing to 3.9% in 2075
Retirement Age	50 to 70
Mortality	Based on SamCERA 2023 Experience Study
Mortality Improvement	MW Scale 2022 generationally

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

**San Mateo County Mosquito and Vector Control District
 Required Supplementary Information (Unaudited) (Continued)
 Schedule of OPEB Contributions (Continued)
 For the Year Ended June 30, 2025**

Last Ten Fiscal Years

	<u>2023</u>	<u>2024</u>	<u>2025</u>
Actuarially determined contribution (ADC)	\$ -	\$ -	\$ 4,137
Contributions in relation to the ADC	(789)	(1,039)	(3,225)
Contribution deficiency (excess)	<u>\$ (789)</u>	<u>\$ (1,039)</u>	<u>\$ 912</u>
Covered payroll	\$ 2,582,745	\$ 2,855,947	\$ 2,970,522
Contributions as a percentage of covered payroll	0.03%	0.04%	0.11%

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SUPPLEMENTARY INFORMATION

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San Mateo County Mosquito and Vector Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 19,404	\$ 19,404
Total Revenues	<u>-</u>	<u>-</u>	<u>19,404</u>	<u>19,404</u>
EXPENDITURES:				
Capital outlay	1,272,169	1,272,169	685,252	586,917
Debt service:				
Principal	43,386	43,386	43,386	-
Interest and fiscal charges	4,033	4,033	4,033	-
Total Expenditures	<u>1,319,588</u>	<u>1,319,588</u>	<u>732,671</u>	<u>586,917</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,319,588)</u>	<u>(1,319,588)</u>	<u>(713,267)</u>	<u>606,321</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	169,720	169,720
Total other financing sources	<u>-</u>	<u>-</u>	<u>169,720</u>	<u>169,720</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,319,588)</u>	<u>\$ (1,319,588)</u>	<u>(543,547)</u>	<u>\$ 776,041</u>
FUND BALANCE:				
Beginning of year			<u>678,478</u>	
End of year			<u>\$ 134,931</u>	

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**STATISTICAL SECTION
(Unaudited)**

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San Mateo County Mosquito and Vector Control District
Statistical Section Overview
(Unaudited)

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends

This segment contains trend information to help the reader understand how the District's financial performance and has changed over time.

Revenue Capacity

This segment includes information to help the reader assess the District's most significant local revenue source, property tax.

Debt Capacity

This segment presents information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

This segment depicts demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

This segment displays service and capital asset data to help the reader understand how the information in the District's financial report relates to the services the County provides and the activities it performs.

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San Mateo County Mosquito and Vector Control District
Net Position by Component
Last 10 Fiscal Years

	Fiscal Year				
	2025	2024*	2023	2022	2021
Governmental Activities					
Net Investment in Capital Assets	\$ 7,615,007	\$ 7,025,217	\$ 6,854,060	\$ 6,634,958	\$ 2,966,949
Restricted For Pension Contributions/OPEB	1,147,244	981,943	114,879	110,183	125,133
Unrestricted	10,484,945	10,457,920	9,909,523	8,786,771	11,123,237
Total Governmental Activities Net Position	\$ 19,247,196	\$ 18,465,080	\$ 16,878,462	\$ 15,531,912	\$ 14,215,319
Primary Government					
Net Investment in Capital Assets	\$ 7,615,007	\$ 6,826,486	\$6,854,060	\$6,634,958	\$2,966,949
Restricted For Pension Contributions	1,147,244	981,943	114,879	110,183	125,133
Unrestricted	10,484,945	10,629,495	9,909,523	8,786,771	11,123,237
Total Primary Government Net Position	\$ 19,247,196	\$ 18,465,080	\$ 16,878,462	\$ 15,531,912	\$ 14,215,319

* FY 2024 net investment in capital assets was restated as a result of a prior-period adjustment, and unrestricted net position was restated due to the implementation of GASB Statement No. 101.

Source: District Financial Statements

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San Mateo County Mosquito and Vector Control District
Net Position by Component (Continued)
Last 10 Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental Activities					
Net Investment in Capital Assets	\$ 2,519,614	\$ 3,774,486	\$ 3,837,426	\$ 4,042,531	\$ 4,163,813
Restricted For Pension Contributions/OPEB	110,425	-	-	-	-
Unrestricted	10,675,431	7,940,144	6,856,683	6,337,747	5,990,999
Total Governmental Activities Net Position	\$ 13,305,470	\$ 11,714,630	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812
Primary Government					
Net Investment in Capital Assets	\$2,519,614	\$3,774,486	\$3,837,426	\$4,042,531	\$4,163,813
Restricted For Pension Contributions	110,425	-	-	-	-
Unrestricted	10,675,431	7,940,144	6,856,683	6,337,747	5,990,999
Total Primary Government Net Position	\$ 13,305,470	\$ 11,714,630	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812

Source: District Financial Statements

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San Mateo County Mosquito and Vector Control District
Changes in Net Position
Last 10 Fiscal Years

	Fiscal Year				
	2025	2024*	2023	2022	2021
Net Position, Beginning of Year	\$ 18,465,080	\$ 16,933,782	\$ 15,531,912	\$ 14,215,319	\$ 13,305,470
Net Position Restatement*	27,166	-	-	-	-
Restated Net Position	<u>18,492,246</u>	<u>16,933,782</u>	<u>15,531,912</u>	<u>14,215,319</u>	<u>13,305,470</u>
Charges for Services	96,147	178,946	196,867	276,456	242,504
Service Abatement & Benefit Assmt.	2,737,408	2,310,043	2,213,709	2,210,858	2,142,695
General Revenue					
Taxes	4,664,211	4,495,609	4,238,155	3,958,021	3,651,017
Investment Earnings	586,200	621,023	186,772	(272,008)	(22,605)
Other Revenues	150,688	40,153	18,787	59,092	41,630
Gain On Disposal of Assets	-	-	-	-	-
Total General Revenue	<u>5,401,099</u>	<u>5,156,785</u>	<u>4,443,714</u>	<u>3,745,105</u>	<u>3,670,042</u>
Total Revenue	<u>8,234,654</u>	<u>7,645,774</u>	<u>6,854,290</u>	<u>6,232,419</u>	<u>6,055,241</u>
Total Expenses	<u>7,452,538</u>	<u>6,141,642</u>	<u>5,452,420</u>	<u>4,915,826</u>	<u>5,145,392</u>
Change in Net Position	<u>782,116</u>	<u>1,504,132</u>	<u>1,401,870</u>	<u>1,316,593</u>	<u>909,849</u>
Net Position Restatement*	-	27,166	-	-	-
Net Position, End of Year	<u><u>\$ 19,274,362</u></u>	<u><u>\$ 18,465,080</u></u>	<u><u>\$ 16,933,782</u></u>	<u><u>\$ 15,531,912</u></u>	<u><u>\$ 14,215,319</u></u>

*2024 balances were restated due to GASB 101 implementation and error corrections.

Source: District Financial Statements

San Mateo County Mosquito and Vector Control District
Changes in Net Position (Continued)
Last 10 Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Net Position, Beginning of Year	\$ 11,714,830	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812	\$ 9,641,176
Net Position Restatement*	-	-	(242)	-	-
Restated Net Position	11,714,830	10,694,109	10,380,036	10,154,812	9,641,176
Charges for Services	241,271	233,273	273,725	267,332	216,996
Service Abatement & Benefit Assmt.	2,113,152	2,128,402	2,092,299	1,986,021	1,890,221
General Revenue					
Taxes	3,477,414	3,263,495	2,951,298	2,688,885	2,503,908
Investment Earnings	363,015	150,110	65,816	75,861	67,152
Other Revenues	63,315	48,562	87,331	15,105	57,100
Gain On Disposal of Assets	792,569	-	-	-	-
Total General Revenue	4,696,313	3,462,167	3,104,445	2,779,851	2,628,160
Total Revenue	7,050,736	5,823,842	5,470,469	5,033,204	4,735,377
Total Expenses	5,460,096	4,803,121	5,156,396	4,807,738	4,221,741
Change in Net Position	1,590,640	1,020,721	314,073	225,466	513,636
Net Position Restatement*	-	-	-	-	-
Net Position, End of Year	\$ 13,305,470	\$ 11,714,830	\$ 10,694,109	\$ 10,380,278	\$ 10,154,812

* Prior Period position restatement in FY 17-18 was due to implementation of GASB 75.

Source: District Financial Statements

San Mateo County Mosquito and Vector Control District
Fund Balances of Governmental Funds
Last 10 Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
General Fund					
Nonspendable	\$ 190,746	\$ 210,345	\$ 192,443	\$ 202,674	\$ 179,502
Restricted	134,392	124,363	114,879	110,183	125,133
Committed	200,000	400,000	800,000	800,000	800,000
Assigned	6,084,670	5,384,670	4,084,670	2,784,670	5,500,000
Unassigned	5,250,928	4,340,714	3,874,582	4,104,060	3,655,744
Total Fund Balance	\$ 11,860,736	\$ 10,460,092	\$ 9,066,574	\$ 8,001,587	\$ 10,260,379
Other Governmental Fund					
Assigned	\$ 134,931	\$ 678,478	\$ 754,020	\$ 749,944	\$ 1,022,269
Total Fund Balance	\$ 134,931	\$ 678,478	\$ 754,020	\$ 749,944	\$ 1,022,269
Total Governmental Fund					
Nonspendable	\$ 190,746	\$ 210,345	\$ 192,443	\$ 202,674	\$ 179,502
Restricted	134,392	124,363	114,879	110,183	125,133
Committed	200,000	400,000	800,000	800,000	800,000
Assigned	6,219,601	6,063,148	4,838,690	3,534,614	6,522,269
Unassigned	5,250,928	4,340,714	3,874,582	4,104,060	3,655,744
Total Fund Balance	\$ 11,995,667	\$ 11,138,570	\$ 9,820,594	\$ 8,751,531	\$ 11,282,648

* Capital Fund did not exist prior to FY 2018-19

Source: District Financial Statements

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San Mateo County Mosquito and Vector Control District
Fund Balances of Governmental Funds (Continued)
Last 10 Fiscal Years

	Fiscal Year				
	2020	2019	2018*	2017	2016
General Fund					
Nonspendable	\$ 169,061	\$ 179,073	\$ 106,290	\$ 554,323	\$ 101,399
Restricted	110,425	105,707	-	-	-
Committed	800,000	800,000	800,000	241,061	218,744
Assigned	4,750,000	2,745,567	1,650,000	2,610,000	3,032,028
Unassigned	3,864,573	3,325,759	3,308,140	1,535,947	1,287,876
Total Fund Balance	\$ 9,694,059	\$ 7,156,106	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047
Other Governmental Fund					
Assigned	\$ 913,273	\$ 745,567	\$ -	\$ -	\$ -
Total Fund Balance	\$ 913,273	\$ 745,567	\$ -	\$ -	\$ -
Total Governmental Fund					
Nonspendable	\$ 169,061	\$ 179,073	\$ 106,290	\$ 554,323	\$ 101,399
Restricted	110,425	105,707	-	-	-
Committed	800,000	800,000	800,000	241,061	218,744
Assigned	5,663,273	3,491,134	1,650,000	2,610,000	3,032,028
Unassigned	3,864,573	3,325,759	3,308,140	1,535,947	1,287,876
Total Fund Balance	\$ 10,607,332	\$ 7,901,673	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047

* Capital Fund did not exist prior to FY 2018-19

Source: District Financial Statements

FINAL DRAFT 12.02.2025

San Mateo County Mosquito and Vector Control District
Changes in Fund Balances of Governmental Funds
Last 10 Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Beginning Fund Balance	\$ 11,138,570	\$ 9,820,594	\$ 8,751,531	\$ 11,282,648	\$ 10,591,708
Revenues					
Service Abatement Revenue	\$ 96,147	\$ 178,946	\$ 196,867	\$ 276,456	\$ 242,504
Special Benefit Assessment	2,248,040	1,820,829	1,724,614	1,631,961	1,655,926
Special Benefit Control Tax	489,368	489,214	489,095	487,599	486,768
Property Taxes	3,718,435	3,573,660	3,409,441	3,103,640	2,956,827
Other Tax Revenue	945,776	921,949	828,713	854,380	694,190
Investment Earnings	586,200	621,023	186,772	(272,008)	(22,605)
Other Revenue	150,688	40,153	18,787	150,391	41,630
Proceeds From Sale of Property	-	-	-	-	-
Capital Lease Financing	-	-	-	-	102,743
Total Revenue	8,234,654	7,645,774	6,854,289	6,232,419	6,157,983
Other Financing Sources (Uses)	-	-	22,641	3,846,475	-
Expenditures					
Salaries & Benefits	4,921,751	4,578,778	3,896,720	3,452,317	3,477,118
Materials and Supplies	1,297,489	1,295,676	1,264,646	1,332,066	1,238,260
Capital Outlay	792,804	105,200	287,473	7,780,475	700,375
Debt Service					
Principal	262,745	239,599	234,161	23,001	45,772
Interest	102,768	108,545	124,867	22,152	5,518
Total Debt Service	365,513	348,144	359,028	45,153	51,290
Total Expenditures	7,377,557	6,327,798	5,807,867	12,610,011	5,467,043
Net Change in Fund Balance	\$ 857,097	\$ 1,317,976	\$ 1,069,063	\$ (2,531,117)	\$ 690,940
Ending Fund Balance	\$ 11,995,667	\$ 11,138,570	\$ 9,820,594	\$ 8,751,531	\$ 11,282,648
Ratio of Debt Service to Non Capital Expenditures:	5.55%	5.59%	6.50%	0.93%	1.08%

Source: District Financial Statements

San Mateo County Mosquito and Vector Control District
Changes in Fund Balances of Governmental Funds (Continued)
Last 10 Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016 *
Beginning Fund Balance	\$ 7,156,106	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047	\$ 7,502,276
Revenues					
Service Abatement Revenue	\$ 241,271	\$ 233,273	\$ 273,725	\$ 267,332	\$ 216,996
Special Benefit Assessment	1,627,009	1,624,577	1,579,436	1,499,338	1,428,542
Special Benefit Control Tax	486,144	485,759	491,930	486,683	461,679
Property Taxes	2,797,860	2,629,658	2,450,549	2,251,632	2,085,234
Other Tax Revenue	679,554	633,838	500,749	437,253	418,674
Investment Earnings	363,015	150,110	65,816	75,861	67,152
Other Revenue	63,313	66,629	108,264	15,105	57,100
Proceeds From Sale of Property	2,009,380	-	-	-	-
Capital Lease Financing	12,932	-	-	-	-
Total Revenue	8,280,478	5,823,844	5,470,469	5,033,204	4,735,377
Other Financing Sources (Uses)	-	-	-	-	(3,482,886)
Expenditures					
Salaries & Benefits	3,413,212	3,204,327	3,125,648	3,403,468	2,743,329
Materials and Supplies	1,299,132	1,165,632	1,379,234	1,264,641	1,290,897
Capital Outlay	101,733	127,925	23,064	25,133	61,613
Debt Service					
Principal	22,050	25,965	14,281	38,192	18,395
Interest	8,749	8,319	5,143	486	486
Total Debt Service	30,799	34,284	19,424	38,678	18,881
Total Expenditures	4,844,876	4,532,168	4,547,370	4,731,920	4,114,720
Net Change in Fund Balance	\$ 3,435,602	\$ 1,291,676	\$ 923,099	\$ 301,284	\$ (2,862,229)
Ending Fund Balance	\$ 10,591,708	\$ 7,156,106	\$ 5,864,430	\$ 4,941,331	\$ 4,640,047
Ratio of Debt Service to Non Capital Expenditures:	0.65%	0.78%	0.43%	0.82%	0.47%

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

Source: District Financial Statements

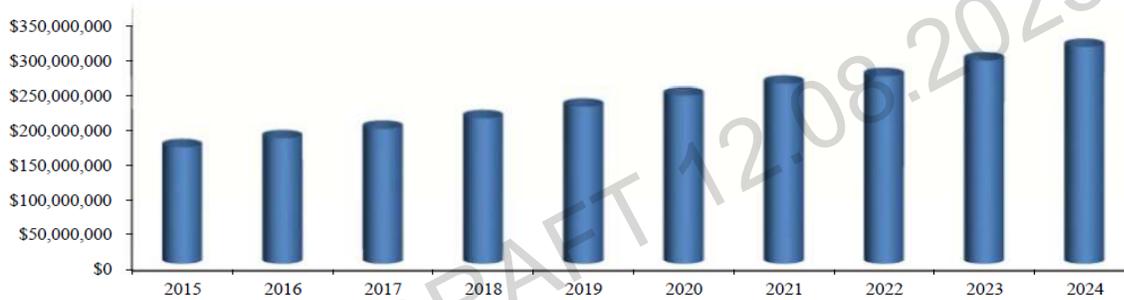
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San Mateo County Mosquito and Vector Control District
Assessed Value of Taxable Property
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Real Property ²	Personal Property	Less: Tax Exempt Real Property	Plus: Tax Exempt Homeowner	Total Taxable Assessed Value ¹	% of Change Total Taxable Assessed Value	Total Direct Tax Rate
2015	\$ 165,062,426	\$ 6,573,444	\$ 5,235,533	\$ 878,430	\$167,278,767	6%	1%
2016	177,738,379	6,972,721	5,501,611	870,020	180,079,509	6%	1%
2017	190,856,437	7,313,377	5,376,465	859,960	193,653,309	8%	1%
2018	205,112,738	8,339,059	5,492,569	850,200	208,809,428	8%	1%
2019	221,992,874	9,209,736	6,595,761	842,934	225,449,783	8%	1%
2020	238,245,297	9,777,421	7,568,631	835,055	241,289,142	8%	1%
2021	255,589,248	9,623,584	7,955,611	826,415	258,083,636	7%	1%
2022	267,655,100	9,425,418	8,974,402	821,011	268,927,127	7%	1%
2023	290,316,446	9,839,325	9,708,110	810,088	291,257,749	4%	1%
2024	309,458,899	10,896,115	10,328,618	802,169	310,808,565	7%	1%
10 year %	87.48%	65.76%	97.28%	-8.68%	85.81%		

Total Taxable Assessed Value



Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the last ten fiscal years of available data, 2015 through 2024.

Notes:

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

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

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

San Mateo County Mosquito and Vector Control District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year ³	Direct Rate ¹	Overlapping Rates ²			Total
	County General	Local Special Districts	Schools	Cities	
2015	1.0000	0.0008	0.1234	0.0037	1.1279
2016	1.0000	0.0011	0.1284	0.0032	1.1327
2017	1.0000	0.0010	0.1333	0.0029	1.1372
2018	1.0000	0.0010	0.1315	0.0027	1.1352
2019	1.0000	0.0014	0.1235	0.0025	1.1274
2020	1.0000	0.0013	0.1328	0.0023	1.1364
2021	1.0000	0.0013	0.1254	0.0044	1.1311
2022	1.0000	0.0012	0.1285	0.0037	1.1334
2023	1.0000	0.0010	0.1198	0.0034	1.1242
2024	1.0000	0.0010	0.1350	0.0038	1.1398

Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the last ten fiscal years of available data, 2015 through 2024.

Notes:

¹ On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, that limits the taxing power of California public agencies. Legislation enacted to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) which provides that notwithstanding any other law, local agencies may not levy property taxes except to pay debt service on indebtedness approved by voters prior to July 1, 1978. Proposition 13 allows each county to levy a maximum tax of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value pursuant to Statutes of 1978, Senate Bill 1656.

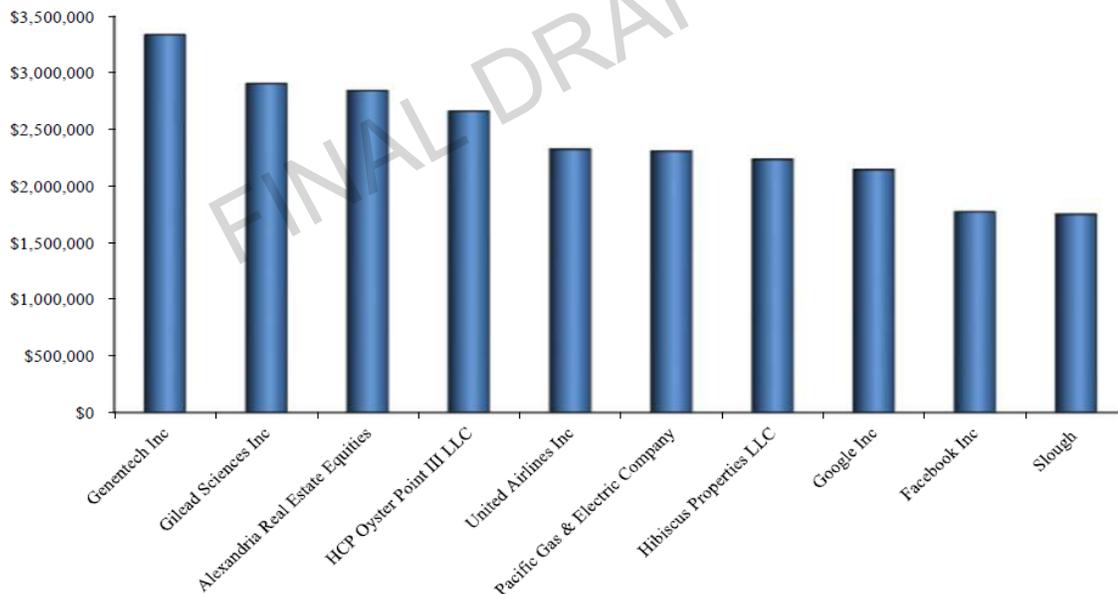
² These overlapping rates are in addition to the County rate, but only apply to taxpayers within the borders of the local special districts, schools, and cities that lie within the County.

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San Mateo County Mosquito and Vector Control District
Principal Property Assesses
As of January 1, 2024 and January 1, 2013
(In Thousands)

Assessee	Nature of Business	As of January 1, 2024			As of January 1, 2013		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value ²	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value ²
Genentech Inc	Biotechnology	\$ 3,334,988	1	1.07%	\$ 1,725,388	1	1.03%
Gilead Sciences Inc	Biopharmaceutical	2,899,409	2	0.93%	1,088,788	3	0.65%
Alexandria Real Estate Equities	Real Estate	2,835,599	3	0.91%	381,162	9	0.23%
HCP Oyster Point III LLC	Biotechnology	2,653,700	4	0.85%			
United Airlines Inc	Air Carrier	2,322,426	5	0.75%	157,117	2	0.94%
Pacific Gas & Electric Company	Natural Gas Company	2,306,098	6	0.74%			
Hibiscus Properties LLC	Real Estate	2,233,391	7	0.72%			
Google Inc	Technology	2,142,047	8	0.69%	641,566	5	0.38%
Facebook Inc	Technology	1,770,518	9	0.57%			
Slough	Lease	1,749,442	10	0.56%			
Oracle Corporation	Software				641,639	4	0.38%
Slough BTC LLC	Lease				585,299	6	0.35%
Slough SSF LLC DE	Lease				498,615	7	0.30%
BRE Properties Inc	Real Estate				415,695	8	0.25%
Wells Real Estate Investment Trust	Real Estate	19,672,550		6.75%	333,162	10	0.20%
Total		\$ 24,247,618		7.80%	\$ 7,882,431		4.71%

Principal Property Assesses as of January 1, 2024



Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the available data, 2013 through 2024.

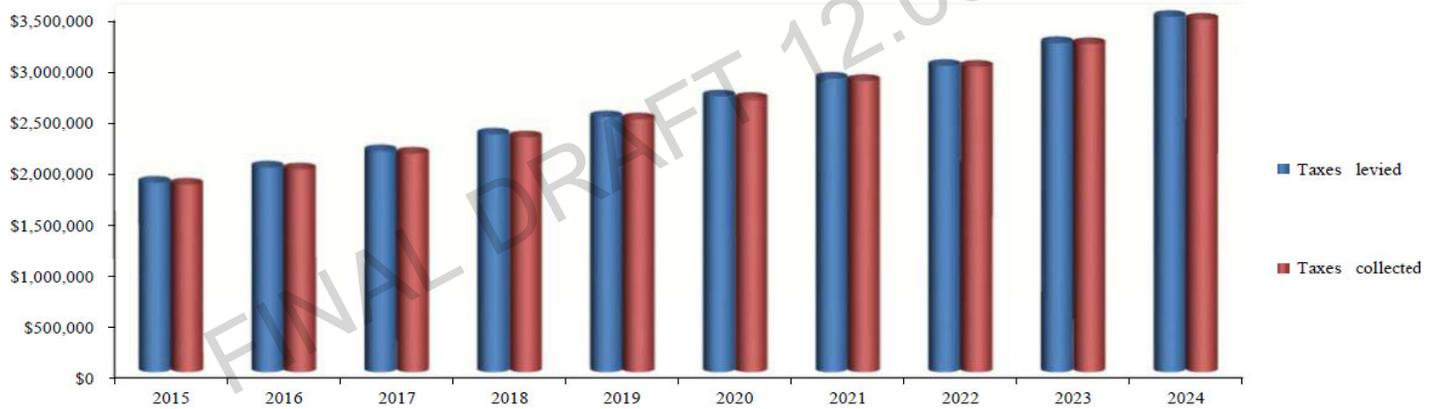
Notes:

- ¹ Taxable assessed value includes locally and state assessed real and personal properties.
- ² Total taxable assessed value as of January 1, 2023 was approximately \$290 billion.

San Mateo County Mosquito and Vector Control District
Property Tax Levies and Collections
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Total Tax Levy for the Fiscal Year					Collected within the Fiscal Year of the Levy			Total Collections to Date	
	General Levy ¹	Debt Service Levy ²				Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
	Countywide	Local Special Districts	Schools	Cities	Total					
2015	\$ 1,672,818	\$1,237	\$ 179,632	\$5,347	\$ 1,859,034	\$1,838,579	98.90%	\$ 2,058	\$ 1,840,637	99.01%
2016	1,800,795	1,716	201,131	5,051	2,008,693	1,985,831	98.86%	3,950	1,989,781	99.06%
2017	1,936,533	1,636	224,731	4,865	2,167,765	2,142,107	98.82%	2,130	2,144,237	98.91%
2018	2,088,094	1,897	239,323	4,880	2,334,194	2,302,415	98.64%	2,810	2,305,225	98.76%
2019	2,254,498	2,742	242,669	4,908	2,504,817	2,483,644	99.15%	1,277	2,484,921	99.21%
2020	2,412,891	2,825	279,525	4,816	2,700,057	2,665,985	98.74%	9,861	2,675,846	99.10%
2021	2,580,836	2,824	282,494	9,823	2,875,977	2,848,982	99.06%	4,813	2,853,795	99.23%
2022	2,689,271	2,755	301,732	8,577	3,002,335	2,983,060	99.36%	11,046	2,994,106	99.73%
2023	2,912,577	2,659	304,570	8,666	3,228,472	3,205,184	99.28%	13,040	3,205,184	99.28%
2024	3,108,286	2,659	366,534	10,266	3,487,685	3,460,918	99.23%	n/a	3,460,918	99.23%

Property Tax Levies and Collections



Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the last ten fiscal years of available data, 2015 through 2024.

Notes:

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

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

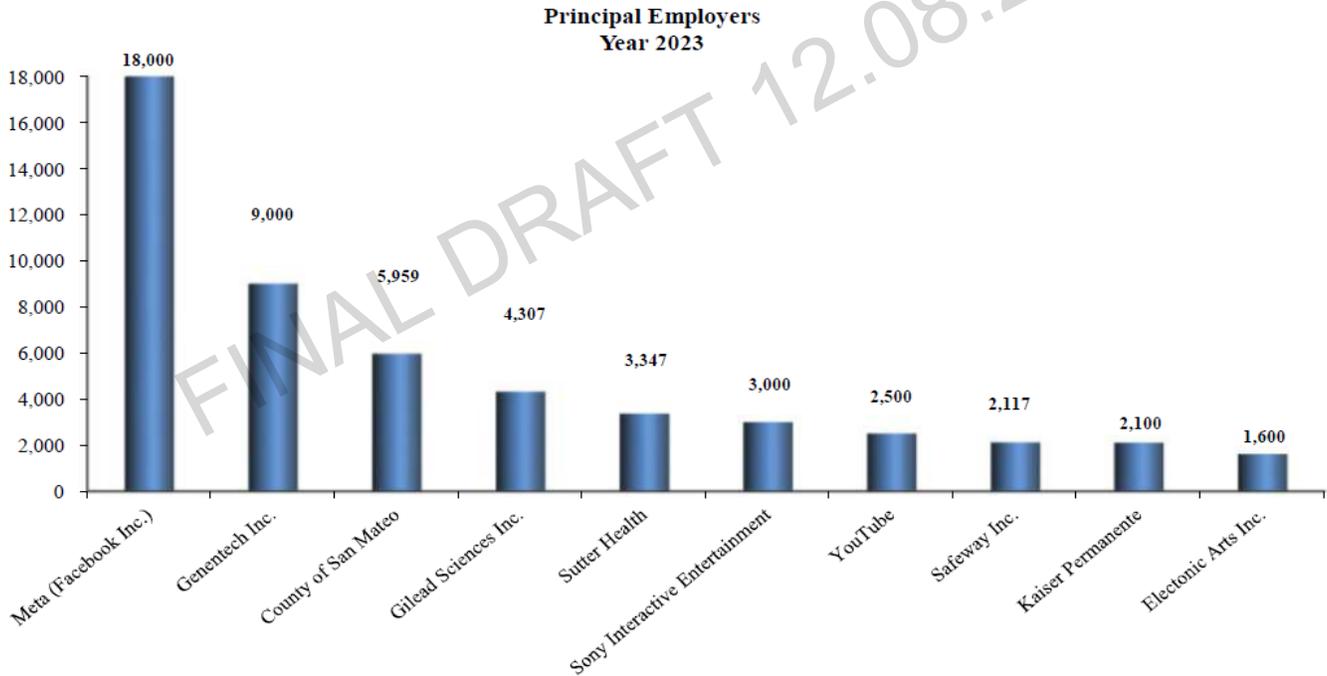
² Figures represent debt service levy for the local taxing agencies.

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

n/a - Information is unavailable.

**San Mateo County Mosquito and Vector Control District
Principal Employers
Year 2023 and Year 2016**

Employer	Business Type	Year 2023			Year 2016		
		Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Meta (Facebook Inc.)	Social Network	18000	1	4.28%	6,068	4	1.40%
Genentech Inc.	Biotechnology	9000	2	2.14%	10,000	2	2.30%
County of San Mateo	Government	5959	3	1.42%	5,500	5	1.26%
Gilead Sciences Inc.	Biotechnology	4307	4	1.02%	3,500	7	8.00%
Sutter Health	Health Care	3347	5	0.80%			
Sony Interactive Entertainment	Interactive Entertainment	3000	6	0.71%			
YouTube	Online Video-Streaming Platform	2500	7	0.59%			
Safeway Inc.	Retail Grocer	2117	8	0.50%	2,393	9	0.55%
Kaiser Permanente	Health Care	2100	9	0.50%			
Electronic Arts Inc.	Video Game Developer and	1600	10	0.38%	2,367	10	0.54%
United Airlines	Airline				10,500	1	2.41%
Oracle Corp.	Hardware and Software				6,750	3	1.55%
Visa USA/Visa International	Global Payments Technology				3,500	6	0.80%
Mills-Peninsula Health Services	Health Care				2,500	8	0.57%
Total		51,930		12.34%	53,078		12.18%



Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the available data, 2016 through 2023.

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San Mateo County Mosquito and Vector Control District
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Leases	Private Placement	Total Outstanding Debt Governmental Activities	Percentage of Personal Income ⁽¹⁾	Population ⁽¹⁾	Debt Per Capita
2016	\$ -	\$ -	\$ -	NA	767,928	\$ -
2017	19,194	-	19,194	NA	768,658	0.02
2018	103,701	-	103,701	NA	768,410	0.13
2019	77,736	-	77,736	NA	764,810	0.10
2020	68,618	-	68,618	NA	762,478	0.09
2021	125,588	-	125,588	NA	739,149	0.17
2022	82,013	3,825,000	3,907,013	NA	728,929	5.36
2023	77,663	3,617,831	3,695,494	NA	726,353	5.09
2024	51,241	3,404,654	3,455,895	NA	723,777	4.77
2025	115,451	3,185,295	3,300,746	NA	741,565	4.45

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San Mateo County Mosquito and Vector Control District
Direct and Overlapping Debt
As of June 30, 2025 (Dollars In Thousands)

2024-25 Assessed Valuation: \$ 325,623,432

	Debt Outstanding	% Applicable (1)	Estimated Share of Overlapping Debt
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
San Mateo County General Fund Obligations	\$ 530,971	100.000	\$ 530,971
San Mateo County Board of Education Certificates of Participation	5,330	100.000	5,330
City of Burlingame General Fund and Pension Obligation Bonds	39,810	100.000	39,810
City of Pacifica General Fund and Pension Obligation Bonds	21,125	100.000	21,125
City of San Mateo General Fund Obligations	55,355	100.000	55,355
City of South San Francisco General Fund Obligations	179,935	100.000	179,935
Other City General Fund and Pension Obligation Bonds	80,059	100.000	80,059
Midpeninsula Regional Open Space Park General Fund Obligations	74,066	32.279	23,908
Woodside Fire Protection District General Fund Obligations	11,280	100.000	11,280
Highland Recreation General Fund Obligations	1,731	100.000	1,731
South San Francisco Unified School District Certificates of Participation	2,340	100.000	2,340
Jefferson Union High School District Certificates of Participation	46,845	100.000	46,845
Belmont-Redwood Shores School District Certificates of Participation	4,494	100.000	4,494
Portola Valley School District Certificates of Participation	482	100.000	482
San Bruno Park School District General Fund Obligations	1,095	100.000	1,095
San Mateo County Flood and Sea LRR District General Fund Obligations	12,200	100.000	12,200
San Mateo County Mosquito & Vector Control District General Fund Obligations	3,301	100.000	3,301
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			1,020,261
Less: City Supported Obligations			1,168
Highlands Recreation Supported Obligations			1,350
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			1,017,743

	Debt Outstanding	% Applicable (1)	Estimated Share of Overlapping Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
San Mateo Community College District	\$ 655,172	100.000	\$ 655,172
Cabrillo Unified School District	153,605	100.000	153,605
La Honda-Pescadero Unified School District	12,263	100.000	12,263
South San Francisco Unified School District	283,312	100.000	283,312
Jefferson Union High School District	379,274	100.000	379,274
San Mateo Union High School District	668,248	100.000	668,248
Sequoia Union High School District	449,512	100.000	449,512
Belmont-Redwood Shores School and School Facilities Improvement Districts	177,520	100.000	177,520
Burlingame School District	183,068	100.000	183,068
Hillsborough School District	134,153	100.000	134,153
Jefferson School District	144,535	100.000	144,535
Las Lomas School District	110,835	100.000	110,835
Menlo Park City School District	173,018	100.000	173,018
Redwood City School District	241,985	100.000	241,985
San Carlos School District	140,271	100.000	140,271
San Mateo-Foster City School District	508,668	100.000	508,668
Other School Districts	435,793	100.000	435,793
Other Cities	122,425	100.000	122,425
Midpeninsula Open Space Park District	114,920	32.279	37,095
Montara Sanitary District	3,365	100.000	3,365
Community Facilities District	130,085	100.000	130,085
1915 Act Bonds	5,951	100.000	5,951
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			5,150,153

San Mateo County Mosquito and Vector Control District
Direct and Overlapping Debt (Continued)
As of June 30, 2025 (Dollars In Thousands)

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):	\$	86,519	100.000	\$	86,519
TOTAL DIRECT DEBT				\$	3,301
TOTAL GROSS OVERLAPPING DEBT				\$	6,253,632 (2)
TOTAL NET OVERLAPPING DEBT				\$	6,251,114
GROSS COMBINED TOTAL DEBT				\$	6,256,933 (2)
NET COMBINED TOTAL DEBT				\$	6,254,415

- (1) Percentage of overlapping agency’s assessed valuation located within the boundaries of the county.
(2) Excludes enterprise revenue, mortgage revenue, tax and revenue anticipation notes, and non-bonded capital lease obligations.

Ratios to 2024-25 Assessed Valuation:

Total Direct Debt	\$	(3,301)			0.001%
Total Overlapping Tax and Assessment Debt					1.58%
Gross Combined Total Debt					1.92%
Net Combined Total Debt					1.92%

Ratios to Redevelopment Successor Agencies Incremental Valuation:

Total Overlapping Tax Increment Debt	\$	(36,122,746)			0.24%
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AB:(\$400 - update)

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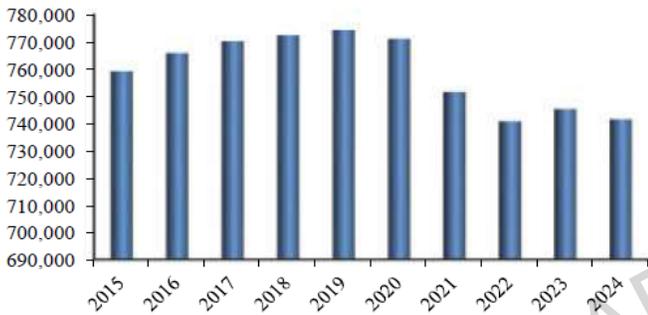
San Mateo County Mosquito and Vector Control District

Demographic and Economic Statistics

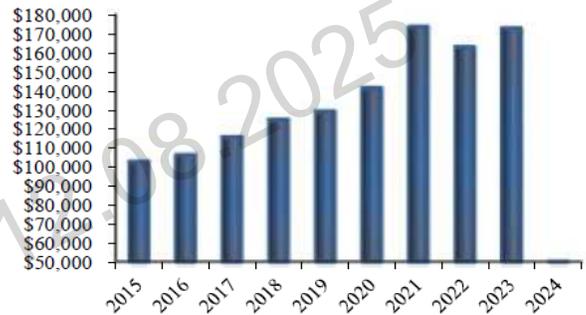
Last Ten Years

Year	Population ¹ (January 1st)	Total Personal Income ⁵ (in millions)	Per Capita Personal Income	Median Age ⁴	K-12 Public School Enrollment ²	Average Unemployment Rate ³
2015	759,155	\$ 78,525	\$ 102,639	39.8	95,187	3.3%
2016	765,895	81,488	106,115	39.5	95,502	3.3%
2017	770,256	89,149	115,556	39.9	95,620	2.9%
2018	772,372	96,226	124,705	39.9	95,155	2.5%
2019	774,231	99,157	129,043	39.9	94,234	2.2%
2020	771,061	107,775	141,348	39.8	93,554	10.8% ⁶
2021	751,596	128,260	173,524	40.8	90,315	5.0%
2022	740,821	118,716	162,863	41.4	86,422	2.1%
2023	737,644	125,534	172,828	41.5	84,836	3.1%
2024	741,565	n/a	n/a	n/a	84,180	3.5%

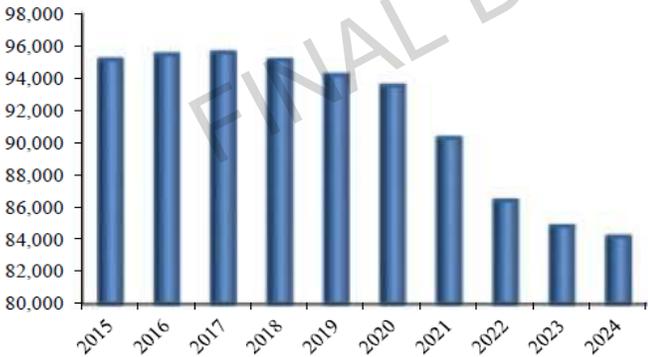
Population



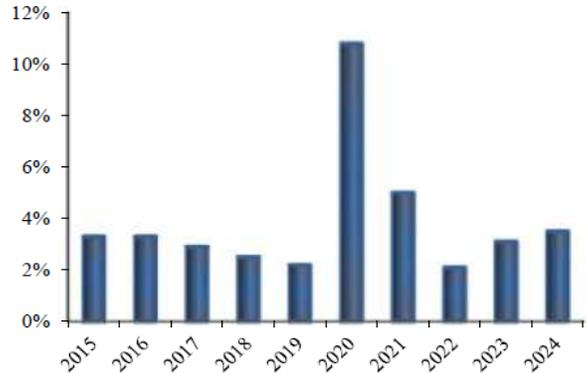
Per Capita Personal Income



K-12 Public School Enrollment



Average Unemployment Rate



Source: San Mateo County Annual Comprehensive Financial Report. Fiscal year 2025 assessed value information was not available at the time of preparation. Accordingly, this schedule presents the last ten fiscal years of available data, 2015 through 2024.

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

Note:

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

San Mateo County Mosquito and Vector Control District
Full and Part Time District Employees
Last 10 Fiscal Years

	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
District Manager	1	1	1	1	1	1	1	1	1	1
Assistant Manager	0	0	0	0	0	1	1	1	1	1
Finance Director	1	1	1	1	1	1	1	1	1	1
Information Services Director	1	1	1	1	1	1	0	0	0	0
Communications Director	1	1	1	1	1	1	1	1	1	1
Accountant	1	1	1	1	1	1	1	1	1	1
Office Administrator	1	1	1	1	1	1	1	1	1	1
Facilities Maintenance Coordinator	1	1	1	1	1	1	1	1	1	1
Laboratory Director	1	1	1	1	1	1	1	1	1	1
Vector Ecologist	3	3	3	3	3	3	3	4	3	3
Laboratory Technician	1	1	1	1	1	1	1	1	1	1
Field Operations Director	1	1	1	1	1	0	0	0	0	0
Field Operations Supervisor	0	0	0	0	0	1	1	1	1	1
Vector Control Technician	9	9	9	9	9	8	8	8	8	8
Vector Control Technician/Mechanic	1	1	1	1	1	1	1	1	1	1
Total	23	23	23	23	23	23	22	23	22	22

Source: District Annual Reports

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San Mateo County Mosquito and Vector Control District
Capital Assets
Last 10 Fiscal Years

	2025	2024*	2023	2022	2021
Land	\$ 3,854,525	\$ 3,854,525	\$ 3,854,525	\$ 3,854,525	\$ 91,167
Construction in Progress	834,486	196,038	134,305	-	348,315
Structures and Improvements	8,652,775	8,641,060	8,352,828	8,343,857	4,200,238
Furniture and Equipment	714,204	714,204	765,364	715,383	647,473
Vehicles	586,149	682,209	808,019	808,019	1,017,115
Vehicles - leased assets	234,857	225,334	161,188	161,188	-
Software	270,486	270,486	270,486	215,486	215,486
Total Capital Assets	\$ 15,147,482	\$ 14,583,856	\$ 14,346,715	\$ 14,098,458	\$ 6,519,794
Accumulated Depreciation and Amortization	\$ (4,231,729)	\$ (4,102,744)	\$ (3,797,161)	\$ (3,556,487)	\$ (3,427,257)
Total Net Capital Assets	\$ 10,915,753	\$ 10,481,112	\$ 10,549,554	\$ 10,541,971	\$ 3,092,537

* FY 23-24 structures and improvements and the related depreciation were restated as a result of a prior-period adjustment.

Source: District Financial Statements

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San Mateo County Mosquito and Vector Control District
Capital Assets (Continued)
Last 10 Fiscal Years

	2020	2019	2018	2017	2016
Land	\$ 91,167	\$ 710,889	\$ 710,889	\$ 710,889	\$ 710,889
Construction in Progress	-	-	-	25,133	181,960
Structures and Improvements	4,061,104	4,841,255	4,746,990	4,711,653	4,704,388
Furniture and Equipment	576,614	758,673	742,021	767,830	764,379
Vehicles	884,502	852,155	852,155	933,753	941,334
Vehicles - leased assets	-	-	-	-	-
Software	215,486	202,611	194,835	181,960	-
Total Capital Assets	\$ 5,828,873	\$ 7,365,583	\$ 7,246,890	\$ 7,331,218	\$ 7,302,950
Accumulated Depreciation and Amortization	\$ (3,240,641)	\$ (3,513,161)	\$ (3,305,763)	\$ (3,269,493)	\$ (3,081,751)
Total Net Capital Assets	\$ 2,588,232	\$ 3,852,422	\$ 3,941,127	\$ 4,061,725	\$ 4,221,199

Source: District Financial Statements

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San Mateo County Mosquito and Vector Control District
Performance Measures
Calendar Year (CY) 2015-2024

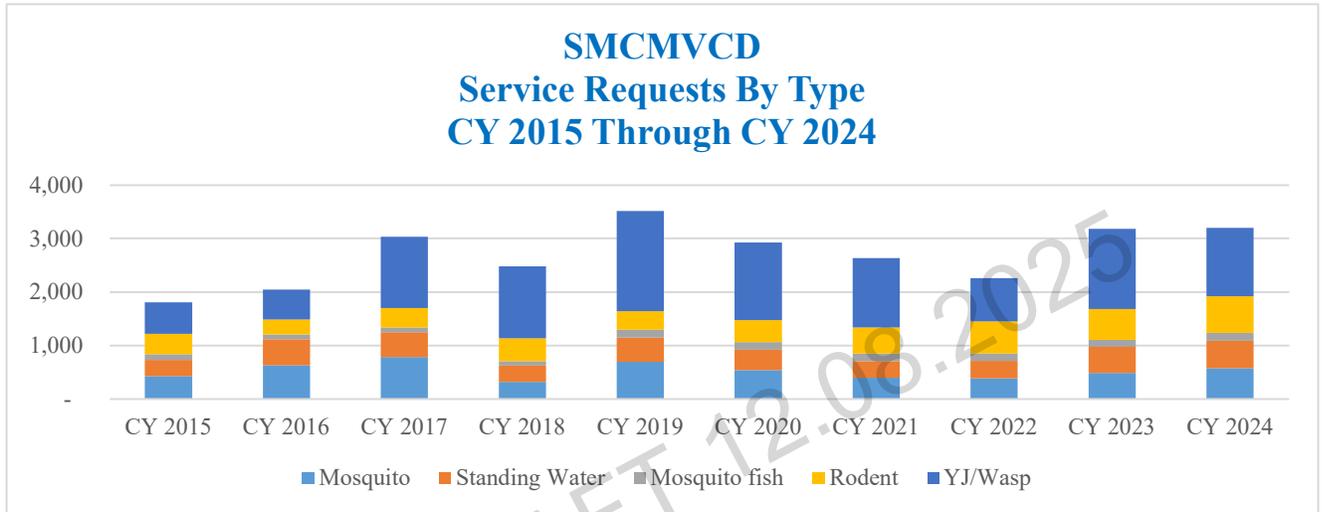
	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019
Surveillance for Mosquitoes					
Trapping Effort - # of CO2 trap nights	1,715	1,154	1,030	1,129	1,355
Trapping Effort - # of trap nights (non-CO2 traps)	12,207	6,444	15,526	19,516	17,450
Number of Autocidal Gravid Ovitrap trap nights	3,861	994	-	-	-
Number of BG-Gravid Autocidal trap nights	-	-	-	175	2,047
Number of BG-Sentinel trap nights	-	12	16	42	14
Number of Reiter-Cummings Gravid trap nights	-	-	-	-	171
Number of ovicup trap nights	7,002	4,322	14,720	19,299	15,218
Number of Catchmaster Oasis trap nights	-	-	-	-	-
Number of New Jersey Light Trap trap nights	1,344	1,116	790	-	-
Number of Larval Samples submitted and identified	871	782	590	456	1,079
Inspections and Treatments for Mosquitoes					
# of Sites Inspected for Mosquito Larvae	29,213	26,780	28,314	28,558	27,329
# of Sites Treated	12,692	13,214	8,629	7,639	8,509
% of sources positive for mosquito larvae	0	0	0	0	0
Surveillance for West Nile Virus					
Number of Human cases	-	-	-	-	-
Number of Dead birds tested	158	111	79	123	63
Number of Sentinel Chickens maintained per season	27	29	30	14	14
Sentinel Chicken samples tested	407	418	420	186	198
Number of mosquito pools tested	204	244	4	131	118
Surveillance for Rodent-borne Disease					
Number of Rodents tested (Hantavirus, Plague, Borellia)	18	70	43	54	19
Surveillance for Tick-borne Disease					
Number of tick collection Dates	31	22	32	59	47
Number of Ticks collected	3,164	2,450	3,051	7,589	5,748
Number of tick pools tested	652	1,029	973	1,063	1,264

San Mateo County Mosquito and Vector Control District
Performance Measures (Continued)
Calendar Year (CY) 2015-2024

	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Surveillance for Mosquitoes					
Trapping Effort - # of CO2 trap nights	1,604	1,552	1,491	1,514	1,993
Trapping Effort - # of trap nights (non-CO2 traps)	20,259	15,491	16,250	18,316	19,503
Number of Autocidal Gravid Ovitrap trap nights	-	-	-	-	-
Number of BG-Gravid Autocidal trap nights	1,299	774	297	305	653
Number of BG-Sentinel trap nights	10	-	10	16	30
Number of Reiter-Cummings Gravid trap nights	109	2	-	-	-
Number of ovicup trap nights	18,841	14,715	15,943	17,697	14,807
Number of Catchmaster Oasis trap nights	-	-	-	298	4,013
Number of New Jersey Light Trap trap nights	-	-	-	-	-
Number of Larval Samples submitted and identified	821	1,075	1,516	1,624	1,692
Inspections and Treatments for Mosquitoes					
# of Sites Inspected for Mosquito Larvae	32,212	30,108	38,984	37,004	38,745
# of Sites Treated	9,567	8,581	10,761	9,737	11,023
% of sources positive for mosquito larvae	0	0	0	0	0
Surveillance for West Nile Virus					
Number of Human cases	-	1	1	4	1
Number of Dead birds tested	85	78	64	84	160
Number of Sentinel Chickens maintained per season	14	14	14	14	14
Sentinel Chicken samples tested	171	168	182	93	135
Number of mosquito pools tested	267	127	158	497	546
Surveillance for Rodent-borne Disease					
Number of Rodents tested (Hantavirus, Plague, Borellia)	-	-	-	9	-
Surveillance for Tick-borne Disease					
Number of tick collection Dates	40	41	48	48	25
Number of Ticks collected	2,904	5,015	5,286	2,849	2,010
Number of tick pools tested	586	891	1,124	792	768

San Mateo County Mosquito and Vector Control District Service Requests

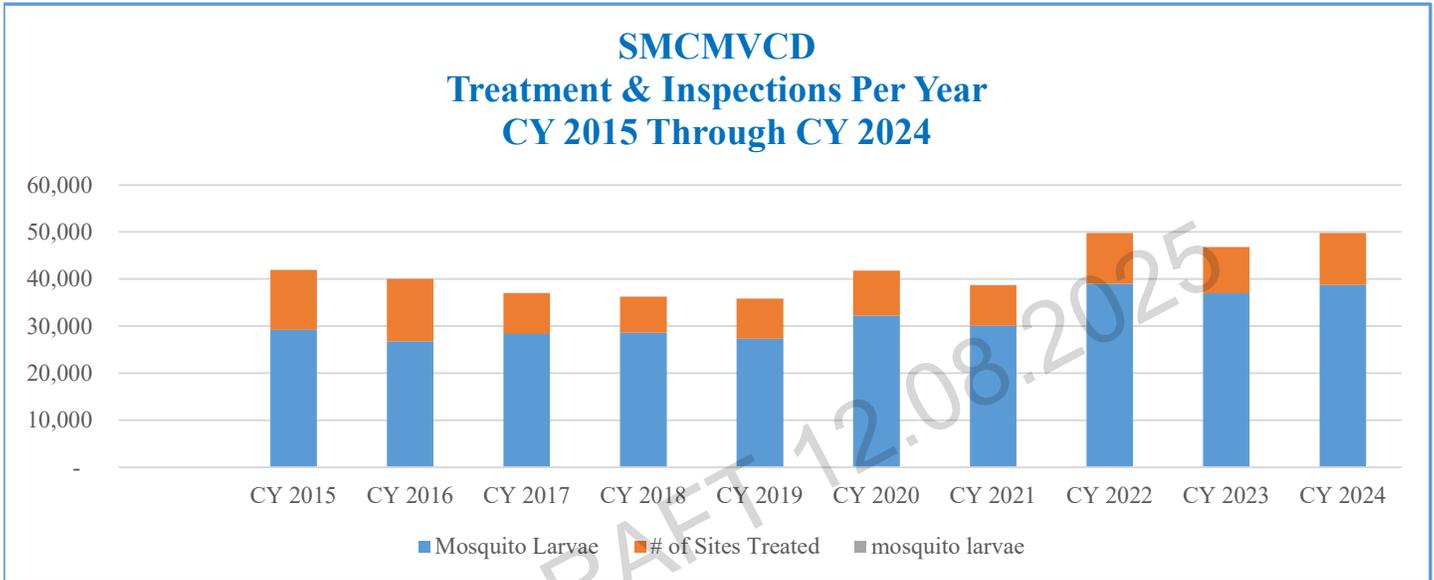
	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Mosquito	429	630	784	321	696	540	399	389	486	575
Standing Water	300	488	465	304	452	383	311	324	488	511
Mosquito fish	109	90	89	85	150	141	140	140	131	150
Rodent	383	281	364	428	344	408	488	600	576	682
YJ/Wasp	586	556	1,328	1,339	1,873	1,456	1,296	806	1,501	1,282
Grand Total	1,807	2,045	3,030	2,477	3,515	2,928	2,634	2,259	3,182	3,200



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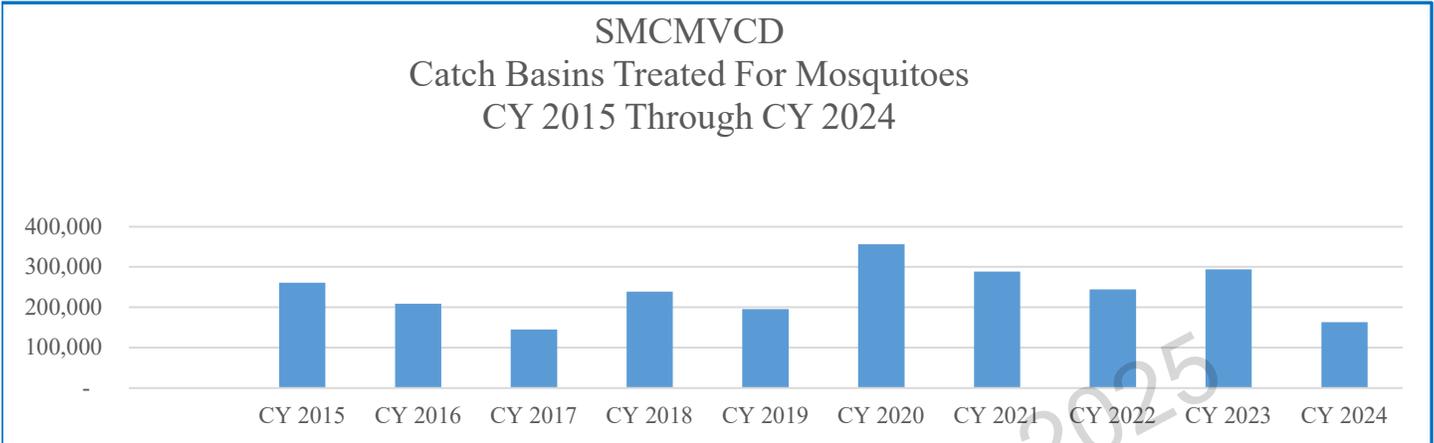
San Mateo County Mosquito and Vector Control District Treatment and Inspections by Year

	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
# of Sites Inspected for Mosquito Larvae	29,213	26,780	28,314	28,558	27,329	32,212	30,108	38,984	37,004	38,745
# of Sites Treated	12,692	13,214	8,629	7,639	8,509	9,567	8,581	10,761	9,737	11,023
% of sources positive for mosquito larvae	43%	49%	30%	27%	31%	30%	29%	28%	26%	28%



San Mateo County Mosquito and Vector Control District Catch Basins Treated for Mosquitoes

	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Treatments: # of Catch Basins Treated for Mosquitoes	260,248	208,895	144,905	238,541	195,132	356,000	288,176	243,904	293,944	162,901



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**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***

Independent Auditor's Report

To the Board of Trustees
of the San Mateo County Mosquito and Vector Control District
Burlingame, 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 the governmental activities and the general fund of the San Mateo County Mosquito and Vector Control District (the "District") as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **Need date, 2025**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 entity'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 or significant deficiencies may exist that were not identified.

To the Board of Trustees
of the San Mateo County Mosquito and Vector Control District
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from 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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Santa Ana, California
Need date, 2025

FINAL DRAFT 12.08.2025