CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
CONCORD, CALIFORNIA

BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2026

PREPARED BY:
FINANCE DEPARTMENT

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CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

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CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2026

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CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
APPOINTED OFFICIALS AND MANAGEMENT TEAM
AS OF JUNE 30, 2026

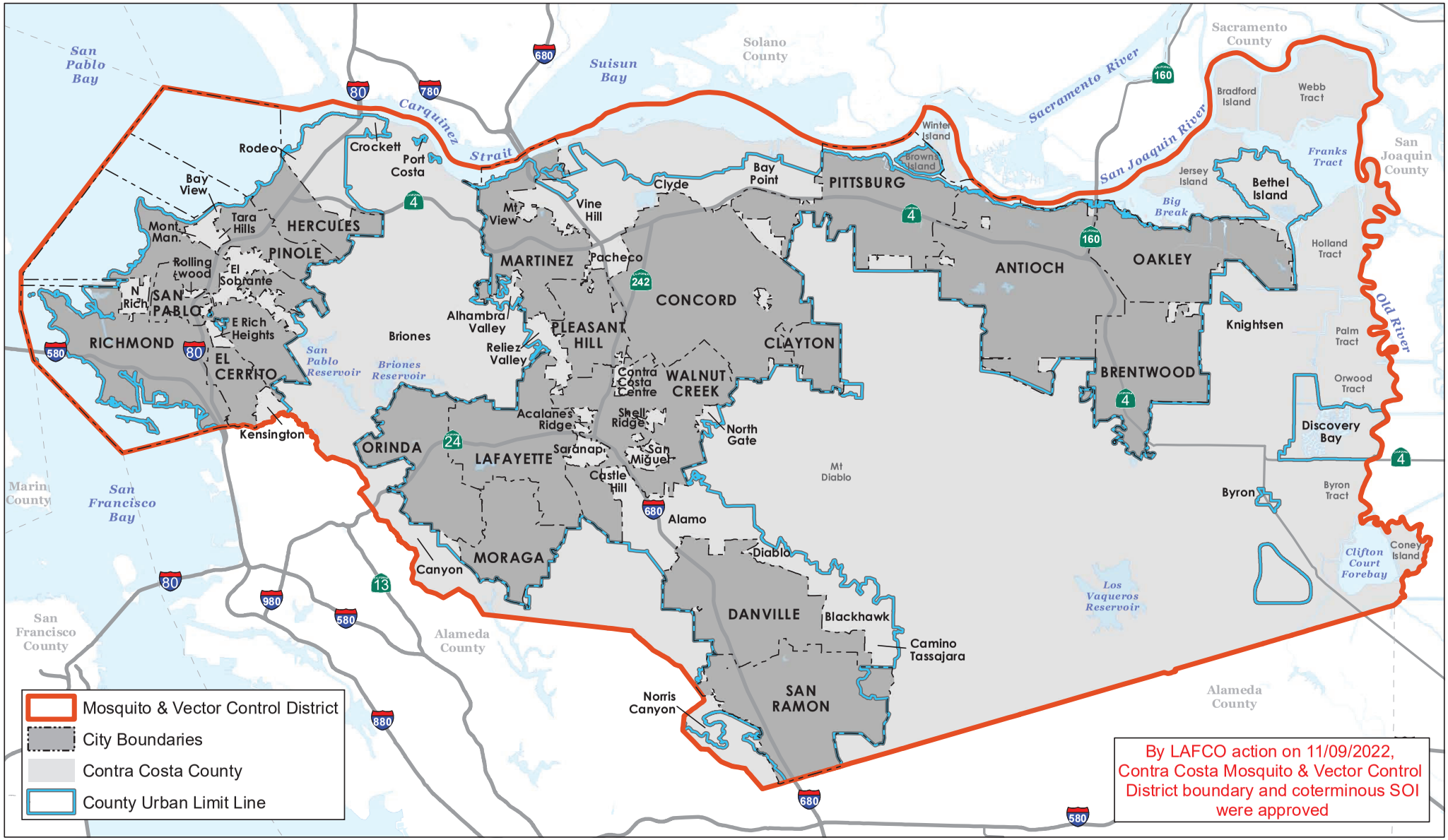
BOARD OF TRUSTEES

Kevin Marker-President
Jennifer Hogan-Vice President
Daniel Pellegrini-Secretary
Richard Ainsley
Perry Carlston
Chris Cowen
Jim Dolgonas
Chris Dupin
James Frankenfield
G. Mark Graham
Eric Hinzel
Peggie Howell
Michael Krieg
Vinoy Mereddy
Mariati Messinger
Peter Pay
Alfredo Perez
James Pinckney
Vivian Ramirez Rodriguez
Derrick Seaver
Darryl Young

MANAGEMENT TEAM

Paula Macedo, General Manager
Natalie Martini, Financial Administrator

Mosquito & Vector Control District and Coterminous SOI



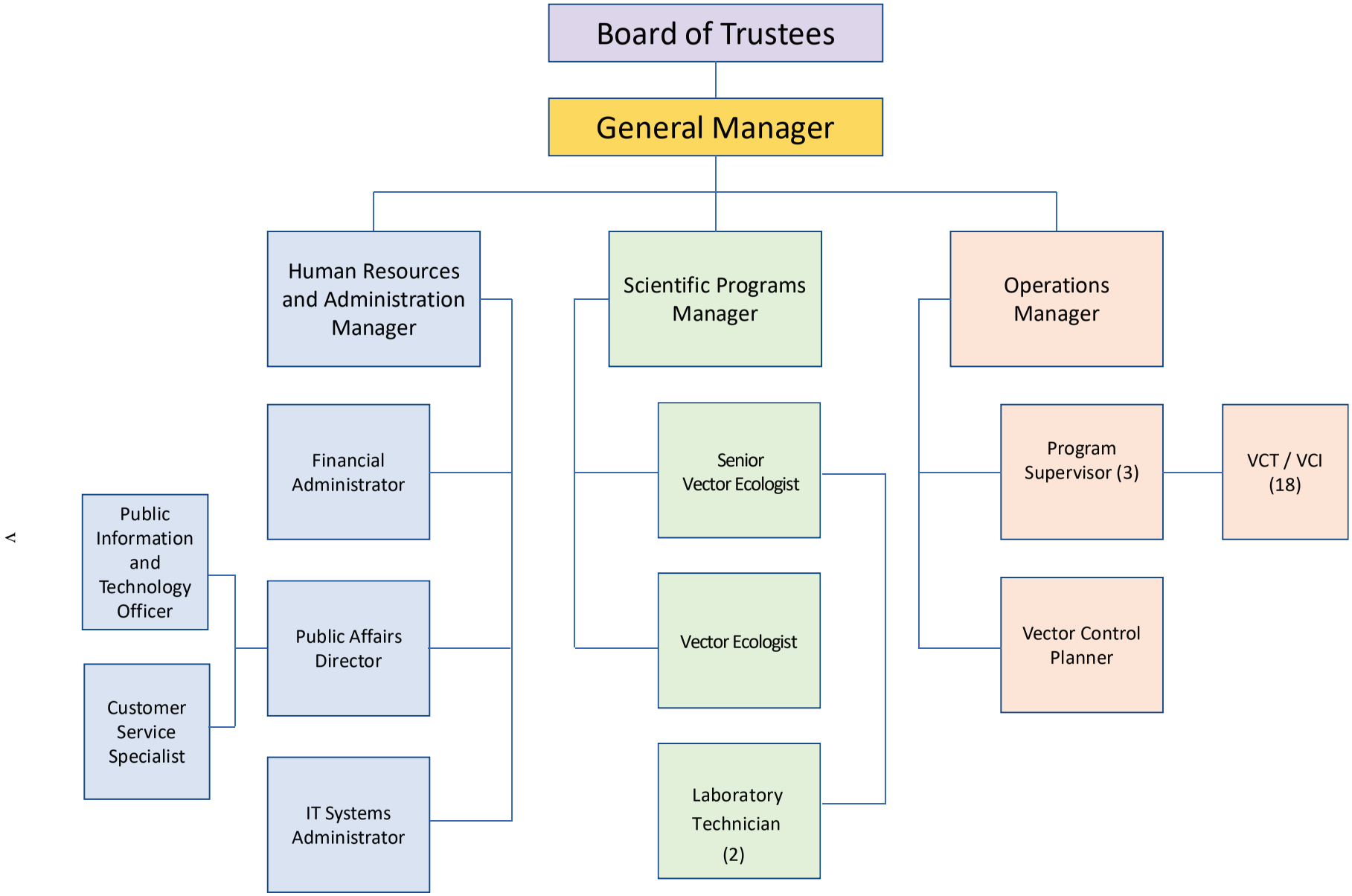
By LAFCO action on 11/09/2022, Contra Costa Mosquito & Vector Control District boundary and coterminous SOI were approved

Map created 10/18/2022
by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553
37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.

Miles
0 5 10 20

Map data provided courtesy of Contra Costa County LAFCO


Board of Trustees
General Manager
Human Resources and Administration Manager
Scientific Programs Manager
Operations Manager
Financial Administrator
Public Information and Technology Officer
Public Affairs Director
Customer Service Specialist
IT Systems Administrator
Senior Vector Ecologist
Vector Ecologist
Laboratory Technician (2)
Program Supervisor (3)
VCT / VCI (18)
Vector Control Planner

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Contra Costa Mosquito and
Vector Control District
Concord, California

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Contra Costa Mosquito And Vector Control District (District), California, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of the District as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Standards for California Special Districts. 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.

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 generally accepted auditing standards and the State Controller's Minimum Audit Standards for California Special Districts, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and the State Controller's Minimum Audit Standards for California Special Districts, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section listed in the Table of Contents, 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.

Maze & Associates

Pleasant Hill, California
October 19, 2026

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Contra Costa Mosquito and Vector Control District
MANAGEMENT'S DISCUSSION AND ANALYSIS
for the Fiscal Year Ended June 30, 2026

This section of the Contra Costa Mosquito and Vector Control District's (the "District") annual financial report presents management's narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2026. This analysis has been prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*, which is effective for the District beginning with the fiscal year ended June 30, 2026. The purpose of this Management's Discussion and Analysis (MD&A) is to provide an objective and easily readable analysis of the District's financial activities based on currently known facts, decisions, and conditions. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the accompanying notes.

Overview of the Financial Statements

This overview serves as an introduction to the District's basic financial statements and explains the relationship among the statements and the types of information they provide. The District's financial reporting focuses on the government as a whole while also presenting information about its governmental fund. The basic financial statements consist of government-wide financial statements, fund financial statements, and notes to the financial statements.

The government-wide financial statements are designed to provide a broad overview of the District's finances using the economic resources measurement focus and full accrual basis of accounting. The Statement of Net Position reports all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating. The Statement of Activities presents information showing how the District's net position changed during the fiscal year. Changes in net position are recognized when the underlying economic events occur, regardless of when the related cash flows occur.

Fund financial statements provide more detailed information about the District's governmental fund. The District operates as a single governmental fund, the General Fund, which uses the modified accrual basis of accounting. Under this basis, revenues are generally recognized when they are measurable and available, and expenditures are generally recognized when the related liability is incurred, subject to applicable exceptions.

Financial Summary

In accordance with GASB Statement No. 103, the following sections provide a comparison of the District's current-year financial position and results of operations with the prior fiscal year, with emphasis on significant changes occurring during fiscal year 2026. The analysis focuses on the magnitude and underlying causes of significant changes and includes relevant facts, decisions, and conditions that may assist users in understanding the District's financial results.

The financial summary presents condensed information derived from the government-wide financial statements for fiscal years 2026 and 2025. Significant changes in assets, liabilities, deferred outflows and inflows of resources, net position, revenues, and expenses are discussed in the sections that follow.

Table 1 - Governmental Net Position

ASSETS	FY 2024-2025	FY 2025-2026	*Change ($)*	*Change (%)*
Current Assets:				
Cash and investments	$ 28,385,687	$ 22,140,297	*$ (6,245,390)*	*-22%*
Restricted cash and investments	0	2,444,495	*2,444,495*	*N/A*
Deposit with VCJPA	1,371,836	1,418,492	*46,656*	*3%*
Interest receivable	131,340	122,047	*(9,293)*	*-7%*
Prepaid retirement expense	509,607	355,817	*(153,790)*	*-30%*
Other assets	0	25,029	*25,029*	*N/A*
Total current assets	30,398,470	26,506,177	*(3,892,293)*	
Non Current Assets:				
Net OPEB asset	780,742	1,361,225	*580,483*	*74%*
Capital assets, nondepreciable	778,640	8,755,178	*7,976,538*	*1024%*
Capital assets, depreciable, net of accum. deprec.	556,342	508,045	*(48,297)*	*-9%*
Total non current assets	2,115,724	10,624,448	*8,508,724*	
Total assets	32,514,194	37,130,625	*4,616,431*	
DEFERRED OUTFLOW OF RESOURCES				
Pension related	2,354,598	1,135,616	*(1,218,982)*	*-52%*
OPEB related	666,535	460,279	*(206,256)*	*-31%*
Total Deferred Outflows of Resources	3,021,133	1,595,895	*(1,425,238)*	
LIABILITIES				
Current liabilities:				
Accounts payable	46,255	1,360,373	*1,314,118*	*2841%*
Retention payable	0	343,177	*343,177*	*N/A*
Interest payable	41,664	76,086	*34,422*	*83%*
Long Term Debt - current portion	660,068	691,720	*31,652*	*5%*
Total current liabilities	747,987	2,471,356	*1,723,369*	
Non current liabilities:				
Compensated absences	463,213	472,217	*9,004*	*2%*
Long Term Debt	7,389,932	6,698,212	*(691,720)*	*-9%*
Collective net pension liability	2,864,831	982,569	*(1,882,262)*	*-66%*
Total non current liabilities	10,717,976	8,152,998	*(2,564,978)*	
Total Liabilities	11,465,963	10,624,354	*(841,609)*	
DEFERRED INFLOWS OF RESOURCES				
Pension related	92,064	788,470	*696,406*	*756%*
OPEB related	1,331,894	1,450,281	*118,387*	*9%*
Total Deferred Inflows of Resources	1,423,958	2,238,751	*814,793*	
NET POSITION				
Net investment in capital assets	(6,715,018)	2,531,444	*9,246,462*	*-138%*
Restricted for:				
OPEB	780,742	1,361,225	*580,483*	*74%*
Capital Projects	0	2,101,318	*2,101,318*	*N/A*
Unrestricted	28,579,682	19,869,428	*(8,710,254)*	*-30%*
Total Net Position	**$ 22,645,406**	**$ 25,863,415**	***$ 3,218,009***	

Table 2 - Changes in Net Position

	FY 2024-2025	FY 2025-2026	Change ($)	Change (%)
EXPENSES				
District Operations	8,540,712	8,092,038	(448,674)	-5%
Interest and fiscal charges	0	359,577	359,577	N/A
Total Expenses	8,540,712	8,451,615	(89,097)	-1%
Program Revenues - Charges for Services	61,507	157,769	96,262	157%
GENERAL REVENUES				
Property taxes	8,050,513	8,293,303	242,790	3%
Benefit assessments	2,093,231	2,102,359	9,128	0%
Interest	928,410	1,083,352	154,942	17%
Miscellaneous	20,146	32,841	12,695	63%
Total General Revenues	11,092,300	11,511,855	419,555	
Change in Net Position	2,551,588	3,218,009	666,421	26%
Net position - Beginning	20,032,311	22,645,406	2,613,095	13%
Net Position - Ending	**$ 22,583,899**	**$ 25,863,415**	**$ 3,279,516**	**15%**

The District's financial position at June 30, 2026 reflects the continued delivery of mosquito and vector control services throughout Contra Costa County, while maintaining financial resources to support ongoing operations, capital improvements, and long-term obligations.

Key financial highlights for fiscal year 2025-26 include:

- Total net position was $25,863,415 at June 30, 2026, compared with $22,645,406 at June 30, 2025, representing an increase of $3,218,009.
- The District’s governmental activities generated total revenues of $11,669,624and incurred total expenses of $8,451,665 during fiscal year 2025-26, resulting in an increase in net position of $3,218,009.
- The District continued to maintain adequate cash and investment resources to support ongoing operations, capital commitments, and other financial obligations.

The District’s substantial increase in capital assets/construction-in-progress and related restricted cash/investments is associated with the District's headquarters remodel and construction activity during fiscal year 2025-26.

Detailed Analyses

The District’s financial position remained strong at June 30, 2026, with total assets increasing by approximately $4.6 million from the prior fiscal year. The most significant factor affecting the District’s financial position was the continued construction and capital improvement activity associated with the renovation of the District’s headquarters. These activities resulted in a substantial increase in capital assets, nondepreciable, primarily representing construction in progress, while a portion of the District’s cash and investment resources was utilized to fund the project.

Total assets increased from $32.5 million at June 30, 2025 to $37.1 million at June 30, 2026, an increase of approximately $4.6 million, or 14%. The increase was primarily attributable to approximately $8.0 million of additional nondepreciable capital assets, reflecting construction and other capital costs associated with the headquarters renovation. At the same time, cash and investments decreased by approximately $6.2 million as available financial resources were used to fund construction expenditures and other capital commitments.

Restricted cash and investments totaled approximately $2.4 million at June 30, 2026, compared with none reported in the prior year. The restricted balance primarily relates to resources associated with the District's ongoing capital improvement project and represents amounts that are not available for general operating purposes. The recognition of restricted resources provides greater visibility into the portion of the District's financial resources committed to the capital improvement headquarters renovation and related construction activity.

Total liabilities decreased approximately $842,000, from $11.5 million at June 30, 2025 to $10.6 million at June 30, 2026. The decrease was primarily attributable to a significant reduction in the District's collective net pension liability, which declined approximately $1.9 million, or 66%. Long-term debt also decreased approximately $692,000, reflecting scheduled principal payments during the year.

Current liabilities increased significantly at year-end, primarily as a result of accounts payable and retainage associated with the headquarters construction project. Accounts payable increased from approximately $46,000 to $1.4 million, while retainage payable totaled approximately $343,000 at June 30, 2026. These balances largely reflect construction-related amounts incurred but unpaid at fiscal year-end and therefore should be considered in conjunction with the District's capital improvement activities and restricted resources.

The District's long-term debt decreased approximately 9% during fiscal year 2025-26, consistent with scheduled debt service payments. Compensated absences increased modestly by approximately $9,000, or 2%.

Deferred inflows of resources increased approximately $815,000 during the fiscal year. Pension-related deferred inflows increased approximately $696,000, while OPEB-related deferred inflows increased approximately $118,000. These changes reflect the timing and recognition of actuarial experience, investment performance, contributions, and other factors recognized through the pension and OPEB accounting requirements.

Overall, the District ended fiscal year 2025-26 with total net position of $25.9 million, an increase of approximately $3.2 million, or 14%, from the prior year. The increase in net position reflects the District's positive operating results combined with changes in capital assets, pension and OPEB-related balances, and other long-term financial activity.

The District's net position increased approximately $3.2 million during fiscal year 2025-26, compared with an increase of approximately $2.6 million in fiscal year 2024-25. This represents an improvement of approximately $605,000 in the annual change in net position.

Total revenues increased approximately $420,000, from $11.1 million in fiscal year 2024-25 to $11.5 million in fiscal year 2025-26 and property tax revenue increased approximately $243,000, or 3%, to approximately $8.3 million. Property taxes remain a significant recurring source of revenue for the District and support the District's ongoing mosquito and vector control programs and administrative activities.

Benefit assessment revenue remained relatively stable, increasing approximately $9,000 to $2.1 million. The relatively small year-over-year change reflects the consistency of this recurring revenue source.

Interest revenue increased approximately $155,000, or 17%, to approximately $1.1 million. The increase reflects the District's investment balances and investment earnings during the fiscal year. Interest income continues to provide an important supplemental source of revenue to support District operations and financial objectives.

Miscellaneous revenue increased approximately $13,000, or 63%, although the overall dollar amount remained relatively small compared with the District's principal revenue sources. Accordingly, the increase had a limited effect on the District's overall financial results.

Total expenses decreased approximately $185,000, from approximately $8.5 million in fiscal year 2024-25 to approximately $8.3 million in fiscal year 2025-26. District operations expenses decreased approximately $545,000, or 6%. The decrease in operating expenses reflects the timing of expenditures and changes in the District's operating activities during the year, specifically referring to fluctuations in personnel, contractual services, supplies, equipment, and other operating costs.

The District's results of operations should also be considered in conjunction with its capital improvement program. Construction expenditures that meet the applicable capitalization criteria are recorded as capital assets rather than current-period operating expenses. Accordingly, the significant capital improvement headquarters renovation activity during fiscal year 2025-26 increased the District's capital assets without producing a corresponding increase in operating expenses for the full amount of construction costs incurred.

Net Investment in Capital Assets

The District's net position classified as net investment in capital assets increased substantially during fiscal year 2025-26, changing from a negative balance of approximately $6.7 million to a positive balance of approximately $2.5 million. This change is primarily attributable to the substantial increase in capital assets associated with the headquarters renovation, combined with the reduction in outstanding long-term debt. The change demonstrates the significant effect of the District's capital improvement program on its overall financial position.

The negative net investment in capital assets balance in the prior year reflected the relationship between the District's capital assets and outstanding debt at that time. As construction progressed and capital assets increased, while scheduled debt payments reduced outstanding obligations, the District's net investment in capital assets improved significantly during fiscal year 2025-26.

Restricted and Unrestricted Net Position

At June 30, 2026, the District reported approximately $2.1 million of net position restricted for capital projects and approximately $1.4 million restricted for OPEB. These restricted balances represent resources that are not available for unrestricted general operating purposes.

The capital projects restriction is associated with resources committed to the District's ongoing capital improvement project for headquarters renovation. The OPEB restriction reflects resources associated with the District's other postemployment benefit program.

Unrestricted net position decreased approximately $9.5 million, or 32%, from approximately $29.4 million to $19.9 million. The decrease in unrestricted net position is primarily associated with the District's use of accumulated financial resources for the headquarters capital improvement project and the reallocation of funds to designed reserves.

The decrease in unrestricted net position should be considered in the context of the District's overall financial position. Although unrestricted resources declined during the year, the District's total net position increased, and the District continued to maintain financial resources to support ongoing operations and long-term obligations.

Significant Capital Assets and Long-Term Financing Activity

The District continued its capital improvement headquarters renovation project throughout fiscal year 2025-26. Construction activity represented the most significant change in the District's capital asset position during the year.

Nondepreciable capital assets increased from approximately $778,640 at June 30, 2025 to approximately $8.8 million at June 30, 2026. This increase primarily represents construction in progress related to the headquarters renovation. Approximately $7.4 million of construction costs were incurred and capitalized during fiscal year 2025-26.

The increase in capital assets was accompanied by a corresponding use of the District's cash and investment resources. This reflects the District's planned use of accumulated financial resources to fund a major capital improvement project while continuing to maintain sufficient resources for ongoing mosquito and vector control operations.

The headquarters project also affected the District's year-end liabilities through construction-related accounts payable and retainage payable. At June 30, 2026, the District reported approximately $343,000 in retainage payable associated with the project. The recognition of these amounts reflects contractual obligations related to work completed but not yet fully payable as of year-end.

The capital improvement project is expected to provide the District with an improved facility to support administrative, operational, laboratory, and other District functions. Capital expenditures will continue to be monitored in relation to available resources, project commitments, and the District's overall financial position.

As of June 30, 2026, the District had remaining contractual commitments associated with the capital improvement headquarters renovation that are expected to require additional capital expenditures in fiscal year 2026-27.

For more information regarding the District's Capital Assets, see Note 4 in the Notes to Basic Financial Statements.

The District's long-term debt decreased approximately $660,000 on a net basis during fiscal year 2025-26, primarily as a result of scheduled principal payments on outstanding long-term debt. The District had no significant new debt, lease, public-private partnership, public-public partnership, or subscription-based information technology arrangements during the fiscal year.

For more information regarding the District's long-term debit, see Note 5 in the Basic Financial Statements.

Currently Known Facts, Decisions, or Condition

As of June 30, 2026, the District had incurred substantial costs related to its headquarters renovation and capital improvement project. The project remains in progress, with additional construction expenditures and related retainage expected to be incurred during fiscal year 2026-27. These costs are expected to be recorded as construction in progress and ultimately capitalized as part of the District's capital assets once completed during fiscal year 2026-27.

The District's financial condition at June 30, 2026 reflects the combined effects of continued operating activities, consistent recurring revenue sources, investment earnings, significant capital investment, scheduled debt repayment, and changes in pension and OPEB obligations.

The increase in total net position of approximately $3.2 million demonstrates an overall improvement in the District's government-wide financial position during fiscal year 2025-26. At the same time, the District experienced a substantial shift in the composition of its resources. Cash and unrestricted financial resources declined as accumulated resources were used to fund the capital improvement project of headquarters renovation, while capital assets and restricted resources increased.

Management considers the District's financial position at June 30, 2026 to provide a foundation for continued delivery of mosquito and vector control services, completion of the headquarters capital improvement project, fulfillment of debt and other long-term obligations, and ongoing financial operations. Future financial results will continue to be affected by property tax and benefit assessment collections, investment earnings, operating expenditures, capital project requirements, pension and OPEB actuarial changes, and other economic and operational factors.

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments (Note 3)	$22,140,297
Restricted cash and investments (Note 3)	2,444,495
Deposit with VCJPA (Notes 3 and 9)	1,418,492
Interest receivable	122,047
Prepaid retirement expense	355,817
Other assets	25,029
Total current assets	26,506,177
Non current assets:	
Net OPEB asset (Note 8)	1,361,225
Capital assets, nondepreciable (Note 4)	8,755,178
Capital assets, depreciable, net of accumulated depreciation (Note 4)	508,045
Total non current assets	10,624,448
Total Assets	37,130,625
DEFERRED OUTFLOWS OF RESOURCES	
Pension related (Note 7)	1,135,616
OPEB related (Note 8)	460,279
Total Deferred Outflows of Resources	1,595,895
LIABILITIES	
Current liabilities:	
Accounts payable	1,360,373
Retention payable	343,177
Interest payable	76,086
Long term debt - due within one year (Note 5)	691,720
Total current liabilities	2,471,356
Non current liabilities:	
Compensated absences (Note 2E)	472,217
Long term debt - due in more than one year (Note 5)	6,698,212
Collective net pension liability - due in more than one year (Note 7)	982,569
Total non current liabilities	8,152,998
Total Liabilities	10,624,354
DEFERRED INFLOWS OF RESOURCES	
Pension related (Note 7)	788,470
OPEB related (Note 8)	1,450,281
Total Deferred Inflows of Resources	2,238,751
NET POSITION (Note 6)	
Net investment in capital assets	2,531,444
Restricted for:	
OPEB costs	1,361,225
Capital Projects	2,101,318
Unrestricted	19,869,428
Total Net Position	$25,863,415

See accompanying notes to financial statements

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Change in Net Position Governmental Activities
Governmental Activities:			
District operations	$8,092,038	$157,769	($7,934,269)
Interest and fiscal charges	359,577		(359,577)
Total Governmental Activities	$8,451,615	$157,769	(8,293,846)
General revenues:			
Property taxes (Note 2D)			8,293,303
Benefit assessments			2,102,359
Interest			1,083,352
Miscellaneous			32,841
Total General Revenues			11,511,855
Change in Net Position			3,218,009
Net Position - Beginning			22,645,406
Net Position - Ending			$25,863,415

See accompanying notes to financial statements

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
GOVERNMENTAL FUND - GENERAL FUND
BALANCE SHEET
JUNE 30, 2026

ASSETS	
Cash and investments (Note 3)	$22,140,297
Restricted cash and investments (Note 3)	2,444,495
Deposit with VCJPA (Notes 3 and 9)	1,418,492
Interest receivable	122,047
Prepaid retirement expense	355,817
Other assets	25,029
Total Assets	$26,506,177
LIABILITIES	
Accounts payable	$1,360,373
Retentions payable	343,177
Total Liabilities	1,703,550
FUND BALANCES (Note 6)	
Nonspendable:	
Deposit with VCJPA	1,418,492
Prepaid retirement expense	355,817
Restricted:	
Capital Project	2,101,318
Committed for:	
Emergency Reconstruction Response	500,000
Operations	5,277,366
Vehicle and Equipment Replacement	250,000
IT Equipment Replacement	250,000
Capital Improvement	7,500,000
Public Health Emergency	2,500,000
Unassigned	4,649,634
Total Fund Balances	24,802,627
Total Liabilities and Fund Balances	$26,506,177

See accompanying notes to financial statements

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Reconciliation of the
GOVERNMENTAL FUND - BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2026

Total fund balances reported on the governmental funds balance sheet	$24,802,627
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	9,263,223
DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES	
Deferred outflows of resources - pension related	1,135,616
Deferred inflows of resources - pension related	(788,470)
Deferred outflows of resources - OPEB related	460,279
Deferred inflows of resources - OPEB related	(1,450,281)
LONG TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Non-current portion of compensated absences	(472,217)
Long term debt	(7,389,932)
Interest payable	(76,086)
Collective net pension liability	(982,569)
Net OPEB Asset	1,361,225
NET POSITION OF GOVERNMENTAL ACTIVITIES	$25,863,415

See accompanying notes to financial statements

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
GOVERNMENTAL FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2026

REVENUES	
Property taxes (Note 2D)	$8,293,303
Benefit assessment	2,102,359
Contract billing	157,769
Interest income	1,083,352
Miscellaneous income	32,841
Total Revenues	11,669,624
EXPENDITURES	
District Operations - Current:	
Salaries	4,785,215
Fringe benefits	1,812,824
OPEB contributions	136,198
Operation	113,663
Control	357,085
Equipment maintenance	78,701
Building maintenance	18,697
Professional special services	241,661
Administrative	54,122
Insurance	338,345
Professional memberships	48,783
Lab services	56,674
Utilities	91,509
Information and technology	116,944
Public affairs	124,664
Training Board and staff	74,183
Taxes and assessments	4,768
Rents and leases	385,746
Debt service:	
Principal	660,068
Interest	283,491
Capital outlay	7,394,207
Total Expenditures	17,177,548
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,507,924)
BEGINNING FUND BALANCE	30,310,551
ENDING FUND BALANCE	$24,802,627

See accompanying notes to financial statements

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Reconciliation of the
NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	($5,507,924)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
Purchase of capital assets	85,087
Additions to construction in progress	7,976,538
Depreciation expense is deducted from fund balance	(133,384)
NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Compensated absences	(9,004)
Principal payment on lease obligation	660,068
Interest on lease obligation	(76,086)
Pension expense, net of deferred inflows and outflows	(33,126)
Salary and benefit expenses related to OPEB	255,840
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$3,218,009

See accompanying notes to financial statements

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NOTE 1 - GENERAL

The Contra Costa Mosquito Abatement District was formed in 1926 and began operations on April 15, 1927. The original district, comprised of approximately 61 square miles, then annexed and merged with other districts to become the county-wide Contra Costa Mosquito Abatement District, effective July 1, 1986. Effective July 1, 1993, Contra Costa County's Vector Control program was merged into Contra Costa Mosquito Abatement District, forming the Contra Costa Mosquito and Vector Control District (the District).

The District evaluated whether any other entity should be included in these basic financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for general purpose financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Based upon the above criteria, the District determined that it had no component units as of June 30, 2026, or during the fiscal year then ended.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant policies.

A. Basis of Presentation

The District's basic financial statements are prepared in conformity with United States generally accepted accounting principles. The Government 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 of America.

These Statements require that the financial statements described below be presented.

Government-wide Financial Statements: The District's financial statements reflect only its own activities; it has no component units (other government units overseen by the District). The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Direct expenses are those that are clearly identifiable with the District's functions. Program revenues include charges for services. Other items not properly included among program revenues are reported instead as general revenues.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

Fund Financial Statements: Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures as appropriate. The District's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds, each of which is displayed in a separate column. The District has only one fund, the General Fund, which is always reported as a major fund.

Governmental Funds:

General Fund – The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

B. Basis of Accounting

The government-wide, financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds 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." The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property, certain charges for services, and interest revenue.

Non-exchange transactions, in which the District gives or receives value without directly, receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. Total depreciation expense for the year was $133,384 which is entirely allocated to the District Operations function. The District has assigned the useful lives listed below to capital assets:

Buildings	30 years
Landscaping	10 years
Vehicles, trailers and boats	8 years
Field and operations equipment	8 - 10 years
Office and administrative equipment	3 - 20 years
Office furniture	10 years
Solar panels	25 years
Solar inverter	10 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets with a value of $5,000 or more and with a useful life of one year or more are capitalized.

D. Property Taxes

Property Tax Levy, Collection and Maximum Rates – The State of California (State) Constitution Article XIII (A) provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value when an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value as define by Article XIII (A) and may be adjusted by no more than two percent per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a one percent tax levy to the counties, cities, school districts and other districts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Property Taxes (Continued)

The County of Contra Costa is responsible for assessing, collecting and apportioning property taxes for the District. Taxes are levied for each fiscal year on taxable real and personal property situated in the District. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. State code requires tax rates to be set no later than the first workday in September unless the County of Contra Costa Board of Supervisors elects to extend the deadline to October 3rd. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction and the preceding assessment date. The additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due in the lien date (January 1st), and become delinquent if unpaid by August 31st.

E. Budgets and Budgetary Accounting

The District follows the procedures established by the State of California for special districts in establishing the budgetary data reflected in the financial statements. During the year, the General Fund was the only fund for which a budget was required. The budget was prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP).

F. Accumulated Compensated Absences

The District recognizes a liability for compensated absences (vacation, compensatory time, sick pay and administrative leave) when leave balances for those absences are attributable to services rendered, accumulate across fiscal years, and are more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Previous accounting standards required the recognition of a liability for absences paid or reimbursed at the end of an employee's active service life upon termination of employment or vesting. This criterion was superseded with the implementation of GASB 101.

As of June 30, 2026, the District's compensated absences balance is as follows:

Balance on June 30, 2025	$463,213
Net change	9,004
Balance on June 30, 2026	$472,217

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Use of Estimates

The Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

I. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to 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 District's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by Public Agency Retirement Services (PARS). For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Lease and Subscription-Based Information Technology Arrangements (SBITA) Accounting

A lease or SBITA is defined as a contract that conveys control of the right to use another entity's nonfinancial assets (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, equipment and software. The District's policy is to evaluate leases and SBITAs annually. Any material lease or SBITA, defined as having a net present value greater than one percent (1.0%) of the five-year average of annual total assets, shall be reported in accordance with GASB Statement No. 87 (GASB 87) and GASB Statement No. 96 (GASB 96) as appropriate. As of June 30, 2026, the District did not have any leases or SBITAs meeting this threshold.

L. New Accounting Principles from the Governmental Accounting Standards Board (GASB)

GASB Statement No. 103 -In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement is effective for reporting periods beginning after June 15, 2025, or the fiscal year 2025-26. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 104 - In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provides users of government financial statements with essential information concerning two types of capital assets: (1) capital assets associated with leases and other intangible assets and (2) capital assets held for sale. This Statement is effective for reporting periods beginning after June 15, 2025, or the fiscal year 2025-26. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 105 - In December 2025, GASB issued Statement No. 105, *Subsequent Events.* The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement is effective for reporting periods beginning after June 15, 2026, or the fiscal year 2026-27. The District has not yet determined the effect of this Statement on its financial statements.

NOTE 3 - CASH AND INVESTMENTS

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the District's name and places the District ahead of general creditors of the institution. The District has funds held by the VCJPA which are uncollateralized and uninsured.

The District's investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year. The District's cash and investments consist of the following at June 30, 2026:

Cash in banks	$6,172,972
Carrying value of investments:	
Local Agency Investment Fund	12,502,539
California CLASS	3,464,786
Sub-total cash and investments	22,140,297
Restricted cash and investments	2,444,495
Deposit with Joint Powers Authority	1,418,492
Total District cash and investments	$26,003,284

NOTE 3 - CASH AND INVESTMENTS (Continued)

B. Investments Authorized by the California Government Code and the District's Investment Policy

The District's Investment Policy and the California Government Code allow the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the District's Investment Policy where the District's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Investment Fund	Upon Demand	N/A	None	100%
California Asset Management Program	Upon Demand	N/A	None	100%
Interest Bearing Checking Account	N/A	N/A	None	100%
Money Market Funds	N/A	Highest Ranking/Rating by at least 2 NSRSROs	20%	10%
Collateralized Certificates of Deposit	5 years	A-1	20%	$250,000
U.S. Treasury Bills and Notes	5 years	N/A	None	100%
U.S. Government and Agency Securities	5 years	N/A	None	100%
Commercial Paper	365 days	A-1	5%	5%
Repurchase Agreements	365 days	N/A	10%	10%
Medium Term Notes	5 years	A	20%	10%
Negotiable Certificates of Deposit	5 years	A-1	20%	10%

NOTE 3 - CASH AND INVESTMENTS (Continued)

C. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity is of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District generally manages its interest rate risk by holding investments to maturity.

All of the District's investments mature in less than twelve months.

The District is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2026, these investments matured in an average of 269 days.

The District is a participant in the Prime Fund of the California Cooperative Liquid Assets Securities System (California CLASS), a joint powers authority and public agency established by its members under the provisions of Section 6509.7 of the California Government Code. Members and participants are limited to California public agencies and certain nonprofit corporations whose membership is confined to public agencies or public officials. California CLASS is governed by a Board of Trustees of eligible participants of the program. The District reports its investment in California CLASS at the fair value amount provided by California CLASS, which is the same as the value of the pool shares. The balance in the Prime Fund is available for withdrawal on demand, and is based on the accounting records maintained by California CLASS. Included in California CLASS' investment portfolio are: United States Treasury Notes, Bills, Bonds or Certificates of Indebtedness; registered state warrants or treasury notes or bonds; California local agency bonds, notes, warrants or other indebtedness; federal agency or United States government sponsored enterprise obligations; bankers acceptances; commercial paper; negotiable certificates of deposit; repurchase agreements; medium-term notes; money market mutual funds; notes, bonds or other obligation secured by a first priority security interest in securities authorized under Government Code Section 53651; and mortgage passthrough securities, collateralized mortgage obligations, and other asset – backed securities. California CLASS' Prime Fund has a target portfolio duration of less than 60-120 days. At June 30, 2026, these investments matured in an average of 44 days.

D. Custodial 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. None of the District's investments are subject to credit ratings.

NOTE 3 - CASH AND INVESTMENTS (Continued)

E. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer or maturity. As of June 30, 2026, the District did not have more that 5% in a single issuer.

F. Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. This hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The California Local Agency Investment Fund and California CLASS are exempt from the fair value hierarchy and is valued based on the fair value factor provided by the Treasurer of the State of California, which is calculated as the fair value divided by the amortized cost of the investment pool.

NOTE 4 - CAPITAL ASSETS

Capital assets at June 30 comprise the following:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026	NBV June 30, 2026
Governmental activities					
Capital assets not being depreciated:					
Land	$778,640			$778,640	$778,640
Construction in progress		$7,976,538		7,976,538	7,976,538
Total capital assets not being depreciated	778,640	7,976,538		8,755,178	$8,755,178
Capital assets being depreciated:					
Building	3,901,628			3,901,628	
Landscaping	26,226			26,226	
Vehicles, trailers and boats	1,622,774	85,087	($33,242)	1,674,619	$377,613
Field and operations equipment	149,487			149,487	15,537
Office and admin equipment	70,238			70,238	
Office furniture	23,863		(11,210)	12,653	
Solar panels	410,340			410,340	114,895
Solar inverter	65,000			65,000	
Total capital assets being depreciated	6,269,556	85,087	(44,452)	6,310,191	$508,045
Less accumulated depreciation for:					
Building	(3,901,628)			(3,901,628)	
Landscaping	(26,226)			(26,226)	
Vehicles, trailers and boats	(1,215,347)	(114,901)	33,242	(1,297,006)	
Field and operations equipment	(131,879)	(2,071)		(133,950)	
Office and admin equipment	(70,238)			(70,238)	
Office furniture	(23,863)		11,210	(12,653)	
Solar panels	(279,033)	(16,412)		(295,445)	
Solar inverter	(65,000)			(65,000)	
Total accumulated depreciation	(5,713,214)	(133,384)	44,452	(5,802,146)	
Total depreciable assets	556,342	($48,297)		508,045	
Total capital assets	$1,334,982			$9,263,223	

NOTE 5 – LONG-TERM DEBT

On April 3, 2025, the District entered into an $8,050,000 lease agreement with Municipal Finance Corporation to finance improvements to the District's administrative facility. The lease bears interest at 4.187% and requires semiannual payments due April 1 and October 1 each year through April 1, 2035. As of June 30, 2026, the remaining balance on the loan is $7,389,932.

The District's long-term debt activity for the year ended June 30, 2026, are as follows:

Governmental Activities:

	Original Issue Amount	Balance June 30, 2025	Retirements	Balance June 30, 2026	Amount due within one year
Direct-Borrowing:					
Building Finance Purchased Lease					
4.187%, due 4/1/2035	$8,050,000	$8,050,000	($660,068)	$7,389,932	$691,720
Total long-term debt		$8,050,000	($660,068)	$7,389,932	$691,720

NOTE 5 – LONG-TERM DEBT (Continued)

Annual debt service requirements are shown below for all long-term debt:

For the Year Ending June 30	Principal	Interest	Total
2027	$691,720	$302,251	$993,971
2028	720,986	272,985	993,971
2029	751,489	242,482	993,971
2030	783,283	210,688	993,971
2031	816,423	177,548	993,971
2032-2035	3,626,031	349,853	3,975,884
Totals	$7,389,932	$1,555,807	$8,945,739

NOTE 6 - FUND BALANCES AND NET POSITION

A. Net Position

Net Position is the excess of all the District's assets and deferred outflows over all its liabilities and deferred inflows, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the District-wide level, and are described below:

Net investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

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

Unrestricted describes the portion of Net Position which is not restricted to use.

NOTE 6 - FUND BALANCES AND NET POSITION (Continued)

B. Fund Balance

The District's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the District to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the Board of Trustees which may be altered only by the same type of formal action of the Board of Trustees. Encumbrances and nonspendable amounts subject to Board commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board of Trustees or its designee and may be changed at the discretion of the Board of Trustees or its designee.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance. The District strives to maintain 50% of operating expenditures in reserves, which is reflected in the large unassigned fund balance.

NOTE 7 - PENSION PLAN

A. General Information about the Pension Plan

Plan Description – The District participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer-defined benefit pension plan. CCCERA is governed by the Board of Retirement (Board) under the County Employee's Retirement Law of 1937, as amended on July 1, 1945. It provides benefits upon retirement, death or disability of members, and covers substantially all of the employees of the County of Contra Costa and sixteen other member agencies.

Plan Membership – On December 31, 2025, pension plan membership (for all employers) consisted of the following:

Retired members or beneficiaries currently receiving benefits	11,184
Inactive vested members entitled to, but not yet receiving benefits	4,237
Active members	11,245
Total	26,666

Benefits Provided – Benefits are based on years of credited service, equal to one year of full-time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age. For members hired on or after January 1, 2013, members may elect service retirement at age of 52 with 5 years of service credit, or age 70 regardless of service.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Service retirements are based on age, length of service and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

The Plan's provisions and benefits in effect on June 30, 2026, are summarized as follows:

	Miscellaneous Plan	
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 55	2.5% at 67
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	0% to 100%	No limit
Required employee contribution rates	7.89%-16.36%	11.18% - 11.29%
Required employer contribution rates	19.19%	18.08%

NOTE 7 - PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CCCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2026, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous Plan
Contributions - employer	$488,915

B. Pension Liabilities (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2026, the District reported net pension liabilities (asset) for its proportionate share of the net pension liability (asset) of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Plan	$982,569
Total Net Pension Liability	$982,569

NOTE 7 - PENSION PLAN (Continued)

B. Pension Liabilities (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The District's net pension liability (asset) for the Plan is measured as the proportionate share of the net pension liability (asset). The net pension liability (asset) of the Plan is measured as of December 31, 2025, and the total pension liability for each Plan used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2024 rolled forward to December 31, 2025, using standard update procedures. The District's proportion of the net pension liability (asset) was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability (asset) for the Plan as of June 30, were as follows:

Reporting Date for Employer under GASB 68 as of June 30	Proportion of the Net Pension Liability (Asset)	Proportionate share of Net Pension Liability (Asset)	Covered payroll	Proportionate share of the Net Pension Liability (Asset) as a percentage of its covered payroll	Plan Fiduciary Net Pension as a percentage of the Total Pension Liability (Asset)
2017	0.367%	$5,140,418	$3,081,368	166.82%	80.32%
2018	0.372%	3,017,908	3,190,169	94.60%	88.49%
2019	0.332%	4,737,389	3,235,876	146.40%	82.28%
2020	0.325%	2,807,582	3,339,694	84.07%	89.91%
2021	0.291%	1,341,891	3,491,144	38.44%	95.33%
2022	0.265%	(643,711)	3,399,814	-18.93%	102.22%
2023	0.233%	3,952,156	3,426,833	115.33%	86.55%
2024	0.235%	3,745,387	3,697,810	101.29%	88.06%
2025	0.222%	2,864,831	3,926,044	72.97%	91.01%
2026	0.185%	982,569	4,027,793	24.39%	96.87%

NOTE 7 - PENSION PLAN (Continued)

B. Pension Liabilities (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2026, the District recognized pension expense of $33,126. On June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$488,915	
Differences between expected and actual experience	332,722	
Changes of assumptions		$48,964
Change in proportion and differences between employer contributions and proportionate share of contributions	313,979	36,780
Net excess of projected over actual earnings on pension plan investments		702,726
Total	$1,135,616	$788,470

The $488,915 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2027	$662,990
2028	(255,720)
2029	(292,203)
2030	(256,836)
Total	($141,769)

NOTE 7 - PENSION PLAN (Continued)

B. Pension Liabilities (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions – The total pension liabilities in the December 31, 2024 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous Plan
Valuation Date	December 31, 2024
Measurement Date	December 31. 2025
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level percent of payroll
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation Rate	2.50%
Administrative Expenses	1.16% of payroll
Payroll Growth	2.50% (1)
Projected Salary Increase	3.55% - 14.00% (2)
Cost of Living Adjustments	2.75%
Investment Rate of Return	6.75% (3)
Mortality Rates	Pub-2016 General Healthy Retiree Amount-Weighted Above-Median Mortality Table

(1) Plus "across the board" real salary increases of 0.5% per year

(2) Includes inflation at 2.50% plus “across-the-board” salary increase of 0.50% plus merit and promotion increases that vary by service.

(3) Net of pension plan investment expenses, including inflation.

Discount Rate – The discount rate used to measure the total pension liability was 6.75% for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as December 31, 2025.

NOTE 7 - PENSION PLAN (Continued)

B. Pension Liabilities (Asset), Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large-Cap Equity	9.00%	5.59%
U.S. Small-Cap Equity	2.00%	6.45%
Internationally Developed Equity	5.00%	6.23%
Global Equity	10.00%	6.35%
Emerging Markets Equity	2.00%	7.89%
Short-Term Govt/Credit	14.00%	1.84%
US Treasury	3.50%	1.80%
Cash	3.00%	0.98%
Private Equity	15.00%	9.31%
Private Credit	13.00%	6.47%
Real Estate - Debt	3.00%	5.00%
Real Estate - Value-add	3.00%	7.90%
Real Estate - Opportunistic	4.00%	9.70%
Infrastructure	3.00%	7.20%
Hedge Funds	6.50%	3.50%
Multi-Sector Credit	4.00%	4.50%
Total	100%	

Sensitivity of the Proportionate Share of the Net pension liability (asset) to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability (asset) for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous Plan
1% Decrease	5.75%
Net Pension Liability (Asset)	$5,187,586
Current Discount Rate	6.75%
Net Pension Liability (Asset)	$982,569
1% Increase	7.75%
Net Pension Liability (Asset)	($2,462,619)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS

A. Plan Description and Funding Policy

The District provides postretirement health care benefits to all employees who retire on or after attaining age 55; for those hired prior to July 1, 2007, the employee must have a minimum of 5 years of public service to be eligible and for those hired on or after July 1, 2017, the employee must have a minimum of 10 years of public service. All eligible retirees can continue medical coverage with the plan provided for active employees. The District covers up to the lowest cost Health Maintenance Organization's plan available to retirees. The cost of the benefits provided by the Plan was being paid by the District on a pay-as-you-go basis until June 2011, when the District joined the Public Agencies Post-Retirement Health Care Plan, an agent multiple-employer defined benefit healthcare plan trust administered by the Public Agency Retirement Services (PARS) for the purpose of pre-funding other post-employment benefit obligations. This trust is not considered a component unit by the District and has been excluded from these financial statements. PARS issues a financial report that includes financial statement and required supplementary information. That report may be obtained from PARS, 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660.

There is no statutory requirement for the District to pre-fund its OPEB obligation. The District established a trust fund which is currently fully funded. For the fiscal year ended June 30, 2026, the District's plan paid $136,198 in retiree healthcare plan benefits. No additional contributions were made to the trust.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2026:

Active employees	33
Inactive employees or beneficiaries currently receiving benefit payments	18
Inactive employees entitled to but not yet receiving benefit payments	-
Total	51

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

B. Net OPEB Liability/(Asset)

Actuarial Methods and Assumptions – The District's net OPEB liability/(asset) was measured as of June 30, 2026, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation dated June 30, 2025, that was rolled forward using standard update procedures to determine the District's total OPEB liability as of June 30, 2026, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2025
Measurement Date	June 30, 2026
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation Rate	2.50%
Payroll Growth	3.00%
Investment Rate of Return	6.25%
Pre-Retirement Mortality Rate	CCCERA 2025
Post-Retirement Mortality Rate	MacLeod Watts 2022
Healthcare Cost Trend Rate	6.00% in 2026
	3.90% by 2075

Investment Policy – The District's policy regarding the allocation of the plan's invested assets is established and may be amended by District management. The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth in the investment guidelines. The investment objective the District has selected is Medium to High risk tolerance. The following is the District's adopted asset allocation policy as of June 30, 2026:

Asset Class	Target Allocation	Long-Term espected real rate of retun
US Large Cap Equity	34.20%	7.20%
US Small Cap Equity	1.80%	7.90%
International Developed Equity	13.50%	6.90%
Emerging Markets Equity	4.50%	7.40%
REITs	3.00%	7.00%
Listed Infrastructure	3.00%	7.40%
Core Bonds	35.00%	5.00%
High Yield	3.00%	6.10%
Cash	2.00%	2.90%
Total	100.00%	

Investment Rate of Return – For the year ended June 30, 2026, the annual money-weighted rate of return on investments, net of investment expense, was 6.25% as required by GASB 75. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

B. Net OPEB Liability/(Asset) (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25% as of June 30, 2026. 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 future benefit payments of current plan members. 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.

C. Changes in Net OPEB liability/(asset)

The changes in the net OPEB liability/(asset) follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability/(Asset) (a) - (b)**
Balance at June 30, 2025 (Measurement Date June 30, 2025)	$4,168,637	$4,949,379	($780,742)
Changes recognized for the measurement period:			
Service cost	125,719	-	125,719
Interest	262,448	-	262,448
Contributions from the employer	-	265,706	(265,706)
Net investment income	-	702,944	(702,944)
Benefit payments	(190,375)	(190,375)	-
Net changes	197,792	778,275	(580,483)
Balance at June 30, 2026 (Measurement Date June 30, 2026)	$4,366,429	$5,727,654	($1,361,225)

D. Sensitivity of the Net OPEB liability/(asset) to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability/(asset) of the District, as well as what the District's net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1% (5.25%)	Discount Rate (6.25%)	Discount Rate +1% (7.25%)
($807,477)	($1,361,225)	($1,821,870)

NOTE 8 - OTHER POST EMPLOYMENT BENEFITS (Continued)

D. Sensitivity of the Net OPEB liability/(asset) to Changes in the Discount Rate and Healthcare Cost Trend Rates (Continued)

The following presents the net OPEB liability/(asset) of the District, as well as what the District's net OPEB liability/(asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
	Healthcare Cost	
1% Decrease	Trend Rates	1% Increase
($1,881,728)	($1,361,225)	($722,841)

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2026, the District recognized OPEB expense of $9,866. At June 30, 2026, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$52,464	$781,616
Changes of assumptions	407,815	130,535
Net differences between projected and actual earnings on plan investments	-	538,130
Total	$460,279	$1,450,281

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

Year Ended June 30	Annual Amortization
2027	($198,116)
2028	(253,247)
2029	(258,560)
2030	(194,322)
2031	(82,730)
Thereafter	(3,027)
Total	($990,002)

NOTE 9 - RISK MANAGEMENT

The District participates with other public entities in a joint venture under a joint powers agreement which established the Vector Control Joint Powers Agency (VCJPA) which is a worker's compensation and general liability risk pool. The relationship between the District and VCJPA is such that VCJPA is not a component unit of the District for financial reporting purposes. The District reports all of its risk management activities in its VCJPA Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Should there be a need for a retrospective adjustment due to adverse claim activity, the District may be assessed additional premiums.

The VCJPA is a consortium of thirty-four (34) mosquito abatement or vector control districts in the State of 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 four times per year, consisting of one member from each of the four regions as well as two trustees of the Mosquito and Vector Control Association of California (MVCAC). A risk management group employed by the VCJPA handles the day-to-day business.

The following is a summary of the insurance policies in force carried by the Authority as of June 30, 2026:

Type of Coverage	Limits	Deductibles
General Liability, Automobile Liability and Errors & Omissions	$30,500,000	$0
Employment Practices (per occurrence)	4,000,000	25,000
Workers' Compensation (per loss)	500,000	0
Excess Workers' Compensation	Statutory	500,000
Property Damage (per loss)	25,000	500
Boiler and Machinery (per occurrence)	100,000,000	25,000 - 350,000
All-Risk Property (per occurrence)	400,000,000	25,000
Auto Physical Damage (per accident)	75,000	1,000
Business Travel Accident (per accident / aggregate limit)	150,000 / 750,000	0
Group Fidelity	1,000,000	2,500
Deadly Weapon Response (each event / aggregate limit)	500,000 / 2,500,000	10,000

As defined by Government Accounting Standards Board (GASB) Statement 10, the Vector Control Joint Powers Agency is "a claims servicing or account pool." VCJPA manages separate accounts for each pool member from whom losses and expenses of that member are paid, up to the retention limit. VCJPA purchases commercial excess insurance. The annual assessment of each member includes allocation for loss payments, expenses and excess insurance premiums.

Annually, VCJPA evaluates the assets of each pool member in comparison with expected future liabilities. The "financial risk position" of each member is determined by subtracting case reserves, claims incurred but not reported amounts and claim development from members' deposit balances. If a negative risk position is found, a supplemental amount is added to the member's annual assessment.

In accordance with GASB 10, the District has recorded its deposit with VCJPA as an asset at June 30, 2026. The District had no claims losses outstanding at June 30, 2026. Settled claims for the District have not exceeded coverage in any of the past three years.

NOTE 9 - RISK MANAGEMENT (Continued)

The District has reserves of $1,418,492 on deposit with VCJPA for member contingencies to cover the District's self-insured retentions (SIR) for two claims in each type of coverage. The VCJPA has also purchased insurance to cover catastrophic losses.

Financial statements may be obtained from Vector Control Joint Powers Agency, 1831 K Street, Sacramento, California 95814.

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REQUIRED SUPPLEMENTARY INFORMATION

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Cost-Sharing Multiple Employer Defined Benefit Retirement Plan
As of fiscal year ended June 30, 2026
Last 10 Years
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date	**12/31/25**	**12/31/24**	**12/31/23**
Total Pension Liability			
Service Cost	$575,728	$655,204	$652,489
Interest on the Total Pension Liability	1,614,598	1,863,449	1,863,019
Expensed portion of current-period changes in proportion and difference between employer's contributions and proportionate share of contributions	(10,302)	55,281	105,255
Expensed portion of current-period benefit changes	-	-	-
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	40,314	28,247	101,418
Expensed portion of current-period changes of assumptions or other inputs	-	(24,016)	-
Member contributions	(290,929)	(327,748)	(312,503)
Projected earnings on plan investments	(1,447,204)	(1,618,691)	(1,588,973)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(273,941)	(89,810)	(91,086)
Administrative expense	28,032	31,350	30,374
Other	2,427	2,861	2,215
Recognition of beginning of year deferred outflows of resources as pension expense	952,193	1,175,698	1,172,111
Recognition of beginning of year deferred inflows of resources as pension expense	(427,316)	(511,745)	(739,103)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	219,806	148,655	47,681
Net change in total pension liability	$983,406	$1,388,735	$1,242,897
Reconciliation of Net Pension Liability			
Beginning Net Pension Liability	$2,864,831	$3,745,387	$3,952,156
Pension expense	983,406	1,388,735	1,242,897
Employer contributions	(919,029)	(1,174,972)	(1,334,902)
New net deferred inflows	(951,842)	(344,643)	(18,510)
Change in allocation of prior deferred inflows/outflows	(213,334)	(127,789)	25,517
New net deferred outflows to change in proportion	(36,780)	190,721	358,918
Recognition of prior deferred inflows/outflows	(524,877)	(663,953)	(433,008)
Recognition of prior deferred flows due to change in proportion	(219,806)	(148,655)	(47,681)
Net pension liability - ending	$982,569	$2,864,831	$3,745,387
Plan fiduciary net position as a percentage of the total pension liability	96.87%	91.01%	88.06%
Covered payroll	$4,027,793	$3,926,044	$3,697,810
Net pension liability as percentage of covered payroll	24.39%	72.97%	101.29%

Notes to Schedule:

Changes in assumptions - In fiscal 2017, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
$615,707	$661,660	$701,973	$758,916	$766,137	$795,771	$749,158
1,760,730	1,923,456	2,069,063	2,208,901	2,151,528	2,293,954	2,187,895
68,479	(19,187)	(12,539)	21,425	(58,408)	28,662	12,992
-	-	-	-	-	-	-
52,959	3,955	(6,609)	86,763	38,339	(24,401)	(16,141)
-	130,767	(11,611)	-	(67,596)	-	-
(286,738)	(307,546)	(333,949)	(355,696)	(346,257)	(361,657)	(328,155)
(1,794,221)	(1,840,771)	(1,888,543)	(1,851,911)	(1,945,725)	(1,933,538)	(1,800,784)
956,873	(367,739)	(138,650)	(390,842)	518,738	(348,352)	(4,910)
27,050	29,534	31,630	33,444	31,224	34,289	31,366
8,722	3,265	3,341	3,639	12,145	4,562	(32,994)
561,211	507,366	568,024	853,379	338,970	380,016	374,631
(759,518)	(760,671)	(714,020)	(434,363)	(486,551)	(232,595)	(208,249)
(43,593)	(32,898)	(915)	(76,553)	(68,744)	(94,336)	(107,328)
$1,167,661	($68,809)	$267,195	$857,102	$883,800	$542,375	$857,481
($643,711)	$1,341,891	$2,807,582	$4,737,389	$3,017,908	$5,140,418	$5,665,700
1,167,661	(68,809)	267,195	857,102	883,800	542,375	857,481
(1,225,282)	(1,228,794)	(1,265,878)	(1,236,556)	(1,248,984)	(1,242,766)	(1,277,784)
4,009,670	(1,002,124)	(617,825)	(1,258,832)	1,970,504	(1,480,763)	(77,263)
166,350	94,692	47,415	(24,261)	106,352	9,119	(15,044)
235,568	(66,770)	(43,509)	75,203	(208,516)	102,610	46,382
198,307	253,305	145,996	(419,016)	147,581	(147,421)	(166,382)
43,593	32,898	915	76,553	68,744	94,336	107,328
$3,952,156	($643,711)	$1,341,891	$2,807,582	$4,737,389	$3,017,908	$5,140,418
56.55%	102.22%	95.33%	89.91%	82.28%	88.49%	80.32%
$3,426,833	$3,399,814	$3,491,144	$3,329,694	$3,235,876	$3,190,169	$3,081,368
115.33%	-18.93%	38.44%	84.07%	146.40%	94.60%	166.82%

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Cost-Sharing Multiple Employer Defined Benefit Retirement Plan
As of fiscal year ended June 30, 2026
SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended June 30:	**2026**	**2025**	**2024**	**2023**	**2022**
Actuarially determined contribution	$ 919,029	$ 1,174,972	$ 1,334,902	$ 1,225,282	$ 1,228,794
Contributions in relation to the actuarially determined contributions	919,029	1,174,972	1,334,902	1,225,282	1,228,794
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 4,027,793	$ 3,926,044	$ 3,697,810	$ 3,426,833	$ 3,399,814
Contributions as a percentage of covered payroll	22.82%	29.93%	36.10%	35.76%	36.14%
Notes to Schedule					
Valuation date:	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Asset valuation method	Market value of assets
Inflation	2.50%
Salary increases	3.55% to 14:00% for fiscal years ended June 30, 2021 to 2026, 4.00% to 15:00% for fiscal year ended June 30, 2019; 4%-13.25% for previous fiscal years
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	50 years Classic, 52 years PEPRA
Mortality	Pub-2016 General Healthy Retire Amount-Weighted Above-Median Mortality

2021	2020	2019	2018	2017
$ 1,265,878	$ 1,236,556	$ 1,248,984	$ 1,242,766	$ 1,277,784
1,265,878	1,236,556	1,248,984	1,242,766	1,277,784
$ -	$ -	$ -	$ -	$ -
$ 3,491,144	$ 3,329,694	$ 3,235,876	$ 3,190,169	$ 3,081,368
36.26%	37.14%	38.60%	38.96%	41.47%
12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Agent Multiple-Employer Other Post-Employment Defined Benefits Plan
Schedule of Changes in the
Net OPEB Liability/(Asset) and Related Ratios
Last Ten Fiscal Years *

Measurement Date	**06/30/26**	**06/30/25**	**06/30/24**	**06/30/23**	**6/30/22**	**6/30/21**	**6/30/20**	**6/30/19**	**6/30/18**
Total OPEB Liability									
Service Cost	$125,719	$138,389	$147,091	$142,682	$138,526	$83,491	$81,059	$83,420	$105,325
Interest	262,448	288,922	270,631	259,637	247,382	192,276	183,308	168,947	176,075
Changes of benefit terms	-	-	-	(5,059)	-	-	-	-	-
Differences between expected and actual experience	-	(670,908)	-	(674,442)	-	269,550	-	63,772	-
Changes of assumptions	-	138,464	(223,112)	373,282	-	729,199	-	(404,174)	-
Benefit payments	(190,375)	(204,509)	(189,684)	(199,892)	(144,099)	(120,563)	(112,481)	(76,193)	(43,870)
Net change in total OPEB liability	197,792	(309,642)	4,926	(103,792)	241,809	1,153,953	151,886	(164,228)	237,530
Total OPEB liability - beginning	4,168,637	4,478,279	4,473,353	4,577,145	4,335,336	3,181,383	3,029,497	3,193,725	2,956,195
Total OPEB liability - ending (a)	$4,366,429	$4,168,637	$4,478,279	$4,473,353	$4,577,145	$4,335,336	$3,181,383	$3,029,497	$3,193,725
Plan fiduciary net position									
Contributions - employer	$265,706	$419,509	$404,684	$414,892	$359,099	$325,563	$288,481	$192,639	$176,000
Net investment income	702,944	442,385	496,282	274,024	(485,300)	661,752	78,790	161,494	145,741
Administrative expense	-	-	(21,556)	-	-	-	(13,459)	(11,448)	(11,009)
Benefit payments	(190,375)	(204,509)	(189,684)	(199,892)	(144,099)	(120,563)	(112,481)	(76,193)	(43,870)
Net change in plan fiduciary net position	778,275	657,385	689,726	489,024	(270,300)	866,752	241,331	266,492	266,862
Plan fiduciary net position - beginning	4,949,379	4,291,994	3,602,268	3,113,244	3,383,544	2,516,792	2,275,461	2,008,969	1,742,107
Plan fiduciary net position - ending (b)	$5,727,654	$4,949,379	$4,291,994	$3,602,268	$3,113,244	$3,383,544	$2,516,792	$2,275,461	$2,008,969
Net OPEB liability/(asset) - ending (a)-(b)	($1,361,225)	($780,742)	$186,285	$871,085	$1,463,901	$951,792	$664,591	$754,036	$1,184,756
Plan fiduciary net position as a percentage of the total OPEB liability	131.17%	118.73%	95.84%	80.53%	68.02%	78.05%	79.11%	75.11%	62.90%
Covered payroll	$3,453,520	$4,078,058	$3,895,446	$3,462,896	$3,607,562	$3,525,372	$3,442,363	$3,235,876	$3,190,169
Net OPEB liability/(asset) as a percentage of covered payroll	-39.42%	-19.14%	4.78%	25.15%	40.58%	27.00%	19.31%	23.30%	37.14%

* Fiscal year 2018 was the first year of implementation.

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Agent Multiple-Employer Other Post-Employment Defined Benefits Plan
Schedule of Contributions
Last Ten Fiscal Years*

Fiscal Year Ended June 30,	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019****	**2018**
Actuarially determined contribution	$75,331	$210,351	$204,225	$200,349	$194,513	$219,797	$149,327	$144,978	$168,407
Contributions in relation to the actuarially determined contribution	265,706	419,509	404,684	414,892	359,099	325,563	288,481	192,639	176,000
Contribution deficiency (excess)	($190,375)	($209,158)	($200,459)	($214,543)	($164,586)	($105,766)	($139,154)	($47,661)	($7,593)
Covered payroll	$3,453,520	$4,078,058	$3,895,446	$3,462,896	$3,607,562	$3,525,372	$3,442,363	$3,235,876	$3,190,169
Contributions as a percentage of covered payroll	7.69%	10.29%	10.4%	11.98%	9.95%	9.23%	8.38%	5.95%	5.52%
Notes to Schedule									
Methods and assumptions used to determine contribution rates:									
Valuation Date	June 30, 2025	June 30, 2025	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2021	July 1, 2018	July 1, 2018	July 1, 2016
Actuarial Assumptions:									
Discount Rate	6.25%	6.25%	6.40%	5.98%	5.62%	5.62%	6.00%	6.00%	6.00%
Payroll Growth	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

* Fiscal year 2018 was the first year of implementation.
** Contribution includes implied subsidy

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2026

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	$8,052,267	$8,293,303	$241,036
Benefit assessment	2,094,472	2,102,359	7,887
Contract billing	54,122	157,769	103,647
Interest income	705,231	1,083,352	378,121
Miscellaneous income	20,000	32,841	12,841
Total Revenues	10,926,092	11,669,624	743,532
EXPENDITURES			
District Operations - Current:			
Salaries	5,538,563	4,785,215	753,348
Fringe benefits	1,735,905	1,812,824	(76,919)
OPEB contributions	354,725	136,198	218,527
Operations	125,000	113,663	11,337
Control	386,500	357,085	29,415
Equipment maintenance	85,000	78,701	6,299
Building maintenance	13,000	18,697	(5,697)
Professional special services	510,475	241,661	268,814
Administrative	46,300	54,122	(7,822)
Insurance	383,590	338,345	45,245
Professional memberships	36,500	48,783	(12,283)
Lab Services	73,000	56,674	16,326
Utilities	100,000	91,509	8,491
Information & Technology	182,600	116,944	65,656
Public Affairs	139,200	124,664	14,536
Training Board and Staff	97,500	74,183	23,317
Taxes and assessments	5,000	4,768	232
Rents and leases	416,500	385,746	30,754
Debt service:			
Principal	660,068	660,068	
Interest	325,375	283,491	41,884
Capital Outlay	7,478,438	7,394,207	84,231
Total Expenditures	18,693,239	17,177,548	1,515,691
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,767,147)	(5,507,924)	2,259,223
BEGINNING FUND BALANCE		30,310,551	
ENDING FUND BALANCE		$24,802,627	

CONTRA COSTA MOSQUITO AND VECTOR CONTROL DISTRICT
Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 2026
(amounts expressed in thousands)

Note A—Actual Budget Results *Pursuant to the requirements of GASB Statement No. 103, the following notes provide explanations of significant variations between the original and final budgets and actual results. For purposes of this schedule, the District considers variances of 10 percent or more to be significant.*	**General Fund over (under)**
BUDGETARY REVENUES	
Differences—original budget to final budget: There were no significant differences between the District's original and final budgets for the fiscal year.	
Differences— final budget to actual:	
The increase in contract billing revenue was primarily attributable to the introduction of new rice fields within Contra Costa County during the fiscal year, which resulted in additional mosquito-control services and related billings.	$103
Interest income exceeded budgeted amounts primarily due to the District earning investment income on funds associated with the loan assumed during the prior fiscal year. The timing of project expenditures allowed a portion of the loan proceeds to remain invested during the fiscal year, generating additional interest income that was not anticipated in the original budget.	$378
Miscellaneous income increased primarily due to proceeds from the sale of miscellaneous equipment and office furniture as the District prepared for its building capital improvement project. The sale of these surplus assets resulted in additional income that was not anticipated in the original budget.	$12
BUDGETARY EXPENDITURES	
Differences— original budget to final budget: There were no significant differences between the District's original and final budgets for the fiscal year.	
Differences— final budget to actual:	
Salary expenditures were lower than budgeted primarily because the original budget assumed greater employee participation in the District’s newly established Technician classification, which required drone certification. The budget included nine Inspectors and nine Technicians at Step 7, based on the expectation that several employees would transition to the new Technician classification and associated compensation levels. Several employees did not take the additional certification needed to move into the Technician position, resulting in salary costs below the amounts included in the adopted budget.	($753)
OPEB contributions were below the budgeted amount primarily due to the District’s OPEB plan being overfunded. The favorable funding position reduced the amount of contributions required during the fiscal year compared with the amount anticipated in the adopted budget.	($218)
Building maintenance expenditures were higher than budgeted due to unanticipated repairs and maintenance at the District’s temporary locations during the District’s headquarters capital improvement project.	$6
Professional special services were significantly lower than budgeted primarily due to certain services that were originally included in the operating budget but were subsequently reclassified as capital improvement project (CIP) costs. These expenditures were therefore recorded as part of District’s headquarters capital improvement project rather than as current-year professional special services expenses.	($268)
Administrative expenses increased primarily due to higher-than-budgeted employment advertising and cell phone expenses.	$8

General Liability and Workers' Compensation insurance premiums are initially billed based on estimated receivables and payroll amounts. Following the end of the fiscal year, the insurance carrier reconciles the estimated amounts to actual receivables and payroll. Any resulting overpayment is refunded by the carrier and recorded as a reduction to the original insurance expenditure accounts. The refunds resulted in insurance expenditures being lower than budgeted for the fiscal year.	($45)
Professional membership expenditures exceeded budget primarily due to higher-than-anticipated membership dues and participation in professional organizations during the fiscal year. The additional memberships and related dues supported employee professional development, industry participation, and access to resources relevant to the District's operations.	$12
Laboratory supplies expenditures were lower than budgeted due to a milder-than-average mosquito season, which allowed the laboratory to utilize existing supplies and reduced the need for additional purchases.	($16)
Information and technology expenditures were lower than budgeted due to several planned expenditures being deferred or canceled during the fiscal year. Savings resulted from replacing planned computer workstation purchases with laptops, canceling the fax service, and deferring equipment purchases due to the capital improvement project. In addition, the District did not proceed with planned operational software customization.	($65)
Public Affairs expenditures were lower than budgeted because certain design services were completed in-house, reducing the need for outside design services. In addition, anticipated purchases of branded apparel were deferred to the subsequent fiscal year in connection with the District's upcoming 100th anniversary.	($14)
Training expenditures for Board and staff were lower than budgeted primarily due to fewer staff attending conferences and the increased availability of virtual training options. The use of virtual training reduced costs associated with registration, travel, and other conference-related expenses, resulting in savings compared with the adopted budget.	($23)
Debt service interest expenditures were lower than budgeted due to the timing of the April debt service payment, which crossed two fiscal years. As a result, a portion of the related interest expense was recognized in the subsequent fiscal year.	($41)