



FINANCE/INVESTMENT COMMITTEE MEETING

OCTOBER 22, 2026 – 10:00 AM

**CAMARILLO HEALTH CARE DISTRICT
3615 E LAS POSAS ROAD, OAK ROOM
CAMARILLO, CA 93010**



AGENDA

Finance and Investment Committee Meeting

October 22, 2026, 10:00 a.m.

Camarillo Health Care District
3615 E Las Posas Road, Camarillo, CA 93010
Oak Room

Join Zoom Meeting

<https://us06web.zoom.us/j/81590403337>

Meeting ID: 815 9040 3337

One tap mobile

+16694449171,,81590403337# US

+17193594580,,81590403337# US

Board Members

Thomas Doria, MD, Director
Cris Loughridge, Director

Staff

Blair Barker, Chief Executive Officer
Brandie Collymore, Clerk to the Board
Natalie Vargas, HR Administrative Assistant

Participants

Samantha Prall, *Platinum Strategies, Inc.*
Paul J. Kaymark, CPA, *Nigro & Nigro PC*

1. Call to Order – The Meeting of the Finance and Investment Committee was called to order by _____, at _____.
2. Public Comment - Ca. Government Code Section 54954.3 - The Board reserves this time to hear from the public.
3. Review “Draft” of Financial Audit Report for 2025-2026 Fiscal Year presented by Nigro & Nigro.
4. Review financial reports for quarter ending September 30, 2026.
5. Quarterly Legal Review
6. Credit Card Expense Review
7. Other Business
8. Next quarterly Finance Committee Meeting will be held on January 28, 2027, at 10:00 a.m.
9. Having no further business, this meeting is adjourned at _____

ADA compliance statement; In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk to the Board of Directors, Brandie Collymore, at (805) 482-9382. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



SECTION 3

FINANCIAL AUDIT REPORT FISCAL YEAR 2025-2026

CAMARILLO HEALTHCARE DISTRICT
Presentation to the Board of Directors
For the Fiscal Year Ended
June 30, 2026

NIGRO
& NIGRO^{PC}



SCOPE OF WORK

Perform Audit Testwork of the Entity's Annual Financial Statements/Report

Report on the Entity's internal control over financial reporting and on compliance in accordance with Government Auditing Standards

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

1. Form and express an opinion about whether the Annual Financial Statements results, that have been prepared by management, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
2. Our responsibility is to plan and perform the audit to obtain **reasonable assurance (not absolute assurance)** about whether the Annual Financial Statements are free of material misstatements.
3. We are to consider the Entity's internal controls and segregations of duties over accounting procedures and financial reporting as we perform our audit testwork. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

AUDIT RESULTS

An Auditor's **Unmodified Opinion** has been issued on the Annual Financial Statements.

- The Annual Financial Statements are fairly presented in all material respects.
- The adopted significant accounting policies have been consistently applied.
- Estimates are considered reasonable for Depreciation, Pension & OPEB expenses.
- New GASB Pronouncements were adopted.
- Required disclosures are properly reflected in the Annual Financial Statements.

AU-C 265 – Communicating Internal Control Related Matters Identified in an Audit

No Material Issues Arose to be Reported to the Governing Board/Management

Any Minor Issues Were Discussed Orally and Corrected by Management

How Do We Make You Better?

Best Practice Solutions Were Conveyed to Management – That's the Audit ROI

Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Shannon Bishop, CPA | Peter Glenn, CPA, CFE | Paul J. Kaymark, CPA
Jessica Miller, CPA | Angelika Vartikyan, CPA | Jared Solmonsens, CPA | Oscar Gonzalez, CFE

MURRIETA OFFICE 25220 Hancock Avenue, Suite 400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
WALNUT CREEK OFFICE 2121 N. California Blvd. Suite 290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444
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Camarillo Health Care District
Dashboard – Audited Financial Statements
June 30, 2026 vs 2025

Revenues & Expenses	2026	2025	Variance
Operating Revenues:			
Program Fees	\$ 370,397	\$ 345,226	\$ 25,171
Operating Grants and Contracts	724,139	259,724	464,415
Distribution from VCCF	152,334	153,808	(1,474)
Contributions and Donations	6,004	5,595	409
Other Operating Revenues	13,376	22,048	(8,672)
Noncapital Subsidies:			
Property Taxes = 3.1%	3,840,994	3,726,113	114,881
Non-Operating Revenues:			
Investment Earnings	275,690	280,162	(4,472)
Sale of Capital Assets	3,550	-	3,550
Total Revenues	5,386,484	4,792,676	593,808
Expenses:			
Salaries & Wages	1,837,421	1,896,286	(58,865)
Employee Benefits	273,543	587,283	(313,740)
Materials & Services	1,408,920	1,038,965	369,955
Depreciation Expense	118,387	124,508	(6,121)
Total Expenses	3,638,271	3,647,042	(8,771)
Change in Revenues & Expenses	\$ 1,748,213	\$ 1,145,634	\$ 602,579
Capital Outlay:			
Capital Asset Additions	\$ (224,573)	\$ (57,175)	\$ (167,398)
Depreciation Expense	118,387	124,508	(6,121)
Change in Capital Expense	(106,186)	67,333	(173,519)
Cash & Investments	\$ 8,754,505	\$ 7,553,721	\$ 1,200,784
Quick Summary:			
Change in Revenues & Expenses	\$ 1,748,213		
Change in Capital Expense	(106,186)		
Change in A/R & Prepaid Items	(70,261)		
Change in Pension Liability	(295,034)		
Change in OPEB Liability	(66,295)		
Change in Cash & Investments	\$ 1,210,437	Approximately	\$ 9,653
Investment Earnings to Portfolio	3.38%		

Net Position:	2026	2025	Variance
Investment In Capital Assets	\$ 1,110,965	\$ 1,004,779	\$ 106,186
Restricted for Pension	520,177	107,866	412,311
Unrestricted	9,325,846	8,096,130	1,229,716
	<u>\$ 10,956,988</u>	<u>\$ 9,208,775</u>	<u>\$ 1,748,213</u>

Net Pension Liability:	2026	2025	Variance
Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Total Plans:			
Balance as of June 30, 2025	\$ 10,241,051	\$ 10,761,228	\$ (520,177)
Balance as of June 30, 2024	(9,587,814)	(9,695,680)	107,866
Change in Plan Net Pension Liability	<u>\$ 653,237</u>	<u>\$ 1,065,548</u>	<u>\$ (412,311)</u>
Cash Contribution FY 2024 \$1.5 M			

Net OPEB Liability:	2026	2025	Variance
Plan Type and Balance Descriptions	Plan Total OPEB Liability	Plan Fiduciary Net Position	Change in Plan Net OPEB Liability
Balance as of June 30, 2025	\$ 2,766,413	\$ 2,455,219	\$ 311,194
Balance as of June 30, 2024	(2,290,111)	(2,186,994)	(103,117)
Change in Plan Net OPEB Liability	<u>\$ 476,302</u>	<u>\$ 268,225</u>	<u>\$ 208,077</u>

CAMARILLO HEALTH CARE DISTRICT
Report to the Board of Directors
For the Fiscal Year Ended
June 30, 2026

NIGRO
& NIGRO^{PC}

CAMARILLO HEALTH CARE DISTRICT

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For the Fiscal Year Ended June 30, 2026

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Board of Directors
Camarillo Health Care District
Camarillo, California

We are pleased to present this report related to our audit of the financial statements of the Camarillo Health Care District (District) as of and for the year ended June 30, 2026. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

NIGRO & NIGRO, PC
Murrieta, California
October 22, 2026

Required Communications

CAMARILLO HEALTH CARE DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2026

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated May 1, 2026. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit	An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.
Accounting Policies and Practices	Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted. Adoption of, or Change in, Significant Accounting Policies or Their Application Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period. Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. Management's Judgments and Accounting Estimates Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.
Audit Adjustments	Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries .
Uncorrected Misstatements	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

CAMARILLO HEALTH CARE DISTRICT*Required Communications**For the Fiscal Year Ended June 30, 2026*

Area	Comments
Discussions With Management	We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	No significant difficulties were encountered in performing our audit.
Required Supplementary Information	We applied certain limited procedures to the: 1. Management's Discussion and Analysis 2. Required Pension Plan Disclosures 3. Required OPEB Plan Disclosures Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This information is intended solely for the information and use of Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

CAMARILLO HEALTH CARE DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2026

Our Audit Methodology

As part of our firm's standard audit methodology, once our Audit Team has uploaded management's trial balance into our audit software, we are required to report to the Governance Board and Management all adjustments made to the trial balance during the audit process. This includes any proposed audit adjustments identified by our auditors as well as any adjustments provided by management. Our policy is designed to ensure full transparency and to give the Governance Board and Management a clear understanding of the nature and extent of changes considered during the audit, thereby reinforcing the integrity and depth of the audit procedures performed.

Disclosure of Audit Adjustments and Reclassifications

As part of our external audit engagement, we operate under the presumption that the District's books and records are materially accurate and appropriately closed prior to the commencement of audit fieldwork. Nonetheless, audit adjustments and reclassifications are often proposed during the course of the audit to ensure the District's financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), and to enhance comparability with prior-year financial data. In the interest of transparency and governance, we have included, as an attachment to this letter, a summary of audit adjustments and reclassification journal entries identified during the audit.

The existence or absence of such adjustments does not inherently indicate deficiencies, but rather reflects the auditor's role in enhancing the fair presentation of the financial statements. Disclosure of these items provides the Governance Board and Management with insight into the scope and depth of the audit procedures performed.

To promote timely and accurate financial reporting, we recommend that management strengthen internal controls and oversight over the year-end financial close process. Enhancing these procedures can reduce the volume of post-closing audit adjustments and reclassifications, improve the quality of interim and year-end financial reporting, and support the District's efforts in maintaining compliance with financial reporting requirements and best practices in fiscal governance.

Management Override of Controls

Professional auditing standards require auditors to consider the risk that management may override established internal controls, regardless of the perceived effectiveness of those controls. During our audit, we identified management override of controls as a significant risk due to the inherent ability of management to initiate, authorize, record, or adjust transactions and financial records. Such override could occur through inappropriate journal entries, management bias in accounting estimates, or the circumvention of established approval and review processes, potentially resulting in material misstatement of the financial statements, whether due to error or fraud.

While our audit procedures did not identify any instances of inappropriate management override, the presence of this risk is inherent in all organizations and warrants continued attention. We recommend that the District continue to strengthen governance and oversight practices, including active involvement by the Governance Board, consistent monitoring of journal entries and significant estimates, segregation of duties where feasible, and periodic independent reviews of key financial processes. These measures help mitigate the risk of management override and support the integrity and reliability of the District's financial reporting.

Summary of Adjusting Journal Entries

CAMARILLO HEALTH CARE DISTRICT

Summary of Adjusting Journal Entries For the Fiscal Year Ended June 30, 2026

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
To record GASB 75			
19500.000	Deferred Outflows of Resources GASB 75	265,366.00	
29500.000	Deferred Inflows of Resources GASB 75	9,006.00	
19250.000	Overfunded GASB 75		208,077.00
60370.010	Benefits-OPEB-Admin		42,997.00
60370.050	Benefits-OPEB-Community Services		3,262.00
60370.060	Benefits-OPEB-Sr Nutrition		1,188.00
60370.080	Benefits-OPEB-Caregiver Center		6,016.00
60370.090	Benefits-OPEB-Transportation		10,758.00
60370.110	Benefits-OPEB-Care Management		2,074.00
Total		274,372.00	274,372.00
	Total Adjusting Journal Entries	274,372.00	274,372.00

CAMARILLO HEALTH CARE DISTRICT
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2026
(With Comparative Amounts as of June 30, 2025)

NIGRO & NIGRO^{PC}

CAMARILLO HEALTH CARE DISTRICT

For the Fiscal Year Ended June 30, 2026

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Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Camarillo Health Care District
Camarillo, California

Opinion

We have audited the accompanying financial statements of the Camarillo Health Care District (District), which comprise the balance sheet as of June 30, 2026, and related statements of revenues, expenses, and changes in net position, and cash flows for the year ended, and related notes to the 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 financial position of the District as of June 30, 2026, and the respective changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Change in Accounting Principle

As described in Notes 1 to the financial statements, as of July 1, 2025, the District adopted new accounting guidance, GASB Statement No. 103, Financial Reporting Model Improvements, Statement No. 104, Disclosure of Certain Capital Assets and Statement No. 105, Subsequent Events. Our opinion is not modified with respect to these matters.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Auditors' Responsibility

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in the District's total OPEB liability and related ratios, and schedule of OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior-Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2025, from which such partial information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated October 22, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Murrieta, California
October 22, 2026

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2026

Management's Discussion and Analysis (MD&A) offers readers of Camarillo Health Care District's financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2026. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

REQUIRED FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2026

FINANCIAL SUMMARY

- The District's financial position improved during fiscal year 2026, with net position increasing by \$1,748,213, or 18.98%, from \$9,208,775 to \$10,956,988. This increase was primarily attributable to growth in operating grant revenues and continued strength in property tax revenues.
- The District reported an operating loss of \$2,372,021, an improvement of \$488,620 from the prior year. The improvement was primarily due to increased operating revenues, particularly operating grants and contracts, while operating expenses remained relatively stable.
- Operating revenues increased by \$479,849, from \$786,401 in fiscal year 2025 to \$1,266,250 in fiscal year 2026. Noncapital subsidies increased by \$114,881 to \$3,840,994, reflecting continued strength in property tax revenues.
- Operating expenses remained relatively stable, decreasing by \$8,771, from \$3,647,042 to \$3,638,271. Lower employee benefit costs were partially offset by increased materials and services expenditures.
- The District's total assets and deferred outflows of resources increased by \$1,704,494 during the year, reflecting growth in cash and cash equivalents, the net pension asset, and capital assets. At June 30, 2026, the District reported cash and cash equivalents of \$8,754,505 and unrestricted net position of \$9,325,846, providing continued financial flexibility to support future operations and community health programs.

DETAILED ANALYSES

Condensed Balance Sheets

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Change</u>
Assets:			
Current assets	\$ 9,130,834	\$ 7,890,858	\$ 1,239,976
Non-current assets	520,177	107,866	412,311
Capital assets, net	1,110,965	1,004,779	106,186
Total assets	<u>10,761,976</u>	<u>9,003,503</u>	<u>1,758,473</u>
Deferred outflow of resources	<u>2,028,593</u>	<u>2,082,572</u>	<u>(53,979)</u>
Total assets and deferred outflows of resources	<u>\$ 12,790,569</u>	<u>\$ 11,086,075</u>	<u>\$ 1,704,494</u>
Liabilities:			
Current liabilities	\$ 166,387	\$ 186,453	\$ (20,066)
Non-current liabilities	363,396	175,975	187,421
Total liabilities	<u>529,783</u>	<u>362,428</u>	<u>167,355</u>
Deferred inflows of resources	<u>1,303,798</u>	<u>1,514,872</u>	<u>(211,074)</u>
Net position:			
Investment in capital assets	1,110,965	1,004,779	106,186
Restricted for pension expenses	520,177	107,866	412,311
Unrestricted	9,325,846	8,096,130	1,229,716
Total net position	<u>10,956,988</u>	<u>9,208,775</u>	<u>1,748,213</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 12,790,569</u>	<u>\$ 11,086,075</u>	<u>\$ 1,704,494</u>

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2026

DETAILED ANALYSES (continued)

Condensed Balance Sheets(continued)

Total assets increased by \$1,758,473, from \$9,003,503 to \$10,761,976. The increase was primarily attributable to higher cash and cash equivalents resulting from positive operating results and increased grant and property tax revenues. Current assets increased by \$1,239,976, while noncurrent assets increased by \$412,311 due primarily to the District's recognition of a larger net pension asset. Capital assets, net, increased by \$106,186 as a result of capital investments exceeding annual depreciation expense.

Deferred outflows of resources decreased by \$53,979, from \$2,082,572 to \$2,028,593, primarily due to changes in pension- and OPEB-related deferred amounts.

Total liabilities increased by \$167,355, from \$362,428 to \$529,783. The increase was primarily attributable to changes in long-term employee benefit obligations, including OPEB-related liabilities and compensated absences. Noncurrent liabilities increased by \$187,421, while current liabilities decreased by \$20,066.

Deferred inflows of resources decreased by \$211,074, from \$1,514,872 to \$1,303,798, primarily due to changes in deferred amounts associated with pension and OPEB activities.

Total net position increased by \$1,748,213, from \$9,208,775 to \$10,956,988. The increase was primarily attributable to revenues exceeding expenses during the year. Unrestricted net position increased by \$1,229,716, to \$9,325,846, providing additional financial flexibility for future operations and programs. Restricted net position increased by \$412,311 due to the District's net pension asset position at year-end. Investment in capital assets increased by \$106,186 during fiscal year 2025-26, from \$1,004,779 to \$1,110,965. Capital additions, including construction in progress and building improvements, exceeded current-year depreciation and asset retirements.

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

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Program fees	\$ 370,397	\$ 345,226	\$ 25,171
Operating grants and contracts	724,139	259,724	464,415
Distribution from Ventura County Community Foundation	152,334	153,808	(1,474)
Contributions and donations	6,004	5,595	409
Other operating revenues	13,376	22,048	(8,672)
Total program revenues	<u>1,266,250</u>	<u>786,401</u>	<u>479,849</u>
Noncapital subsidies:			
Property taxes	<u>3,840,994</u>	<u>3,726,113</u>	<u>114,881</u>
Total noncapital subsidies	<u>3,840,994</u>	<u>3,726,113</u>	<u>114,881</u>
Non-operating revenues:			
Investment earnings	275,690	280,162	(4,472)
Sale of capital assets	3,550	-	3,550
Total non-operating revenues	<u>279,240</u>	<u>280,162</u>	<u>(922)</u>
Total revenues	<u>\$ 5,386,484</u>	<u>\$ 4,792,676</u>	<u>\$ 593,808</u>

The District's operating loss improved by \$488,620, from \$2,860,641 in fiscal year 2025 to \$2,372,021 in fiscal year 2026. The improvement was primarily attributable to increased operating revenues, particularly operating grants and contracts, while operating expenses remained relatively stable.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2026

DETAILED ANALYSES (continued)

Condensed Statements of Revenues, Expenses, and Changes in Net Position (continued)

Operating revenues increased by \$479,849, from \$786,401 to \$1,266,250, reflecting increased grant and contract funding and continued program activity. Operating expenses decreased slightly by \$8,771, to \$3,638,271, as lower employee benefit costs partially offset increased materials and services expenditures.

Noncapital subsidies increased by \$114,881, from \$3,726,113 to \$3,840,994, primarily due to higher property tax revenues. Non-operating revenues totaled \$279,240 and consisted primarily of investment earnings and a gain on the sale of capital assets.

As a result, the District's change in net position increased by \$602,579, from \$1,145,634 in fiscal year 2025 to \$1,748,213 in fiscal year 2026. Total net position increased from \$9,208,775 to \$10,956,988, reflecting the District's continued financial stability and capacity to support future healthcare programs and services.

Total Revenues

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Program fees	\$ 370,397	\$ 345,226	\$ 25,171
Operating grants and contracts	724,139	259,724	464,415
Distribution from Ventura County Community Foundation	152,334	153,808	(1,474)
Contributions and donations	6,004	5,595	409
Other operating revenues	13,376	22,048	(8,672)
Total program revenues	<u>1,266,250</u>	<u>786,401</u>	<u>479,849</u>
Noncapital subsidies:			
Property taxes	3,840,994	3,726,113	114,881
Total noncapital subsidies	<u>3,840,994</u>	<u>3,726,113</u>	<u>114,881</u>
Non-operating revenues:			
Investment earnings	275,690	280,162	(4,472)
Sale of capital assets	3,550	-	3,550
Total non-operating revenues	<u>279,240</u>	<u>280,162</u>	<u>(922)</u>
Total revenues	<u>\$ 5,386,484</u>	<u>\$ 4,792,676</u>	<u>\$ 593,808</u>

Operating revenues increased by \$479,849, from \$786,401 in fiscal year 2025 to \$1,266,250 in fiscal year 2026, primarily due to increased grant and contract funding and continued growth in program activities. Operating expenses decreased slightly by \$8,771, from \$3,647,042 to \$3,638,271, as lower employee benefit costs were largely offset by increased materials and services expenditures. As a result, the District's operating loss improved by \$488,620, from \$2,860,641 to \$2,372,021.

Noncapital subsidies increased by \$114,881, from \$3,726,113 to \$3,840,994, primarily due to higher property tax revenues, which remain the District's largest source of funding. Non-operating revenues totaled \$279,240, consisting primarily of investment earnings and a gain on the sale of capital assets.

As a result of these factors, the District's change in net position increased by \$602,579, from \$1,145,634 in fiscal year 2025 to \$1,748,213 in fiscal year 2026. Total net position increased from \$9,208,775 to \$10,956,988, reflecting the District's continued financial stability and capacity to support future healthcare programs and services.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2026

DETAILED ANALYSES (continued)

Total Expenses

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Increase (Decrease)</u>
Operating expenses:			
Salaries and wages	\$ 1,837,421	\$ 1,896,286	\$ (58,865)
Employee benefits	273,543	587,283	(313,740)
Materials and services	1,408,920	1,038,965	369,955
Depreciation	118,387	124,508	(6,121)
Total expenses	<u>\$ 3,638,271</u>	<u>\$ 3,647,042</u>	<u>\$ (8,771)</u>

Total operating expenses decreased slightly by \$8,771, from \$3,647,042 in fiscal year 2025 to \$3,638,271 in fiscal year 2026. The decrease was primarily attributable to a \$313,740 reduction in employee benefits expense and lower depreciation expense of \$6,121. Employee benefits expense declined largely as a result of the District recognizing a net pension credit of \$105,321 during fiscal year 2026, compared to pension expense recognized in prior periods. These decreases were substantially offset by a \$369,955 increase in materials and services expenditures associated with the District's ongoing programs and operations. Salaries and wages decreased by \$58,865 compared to the prior year.

Despite increased spending on materials and services, overall operating expenses remained consistent with the prior year as reductions in employee-related costs offset much of the increase. The District continues to maintain cost controls while supporting healthcare services and community programs throughout the District.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM LIABILITY ACTIVITY

	<u>Balance June 30, 2026</u>	<u>Balance June 30, 2025</u>
Capital assets:		
Depreciable assets	\$ 4,004,171	\$ 3,894,768
Accumulated depreciation	<u>(2,893,206)</u>	<u>(2,889,989)</u>
Total capital assets, net	<u>\$ 1,110,965</u>	<u>\$ 1,004,779</u>

The District's net capital assets increased by \$106,186 during fiscal year 2025-26, reaching \$1,110,965 as of June 30, 2026. Capital additions included \$144,439 related to ongoing technology and vehicle replacement projects and \$80,134 of building improvements. These additions were partially offset by vehicle retirements and annual depreciation expense. Additional information regarding the District's capital assets is presented in Notes 3 of the financial statements.

The District's long-term obligations consist primarily of compensated absences and OPEB liabilities. During fiscal year 2026, the net OPEB liability increased to \$311,194, while the District's net pension asset increased to \$520,177. The District had no outstanding debt or other long-term financing obligations at June 30, 2026. Additional information is presented in Notes 4 through 6 to the financial statements.

CAMARILLO HEALTH CARE DISTRICT

Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2026

FACTORS AFFECTING CURRENT FINANCIAL POSITION

Management is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the District's financial position, results of operations, or cash flows beyond those disclosed in the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the CEO, Blair Barker at (805) 388-1952.

CAMARILLO HEALTH CARE DISTRICT

Balance Sheet

June 30, 2026 (With Comparative Amounts as of June 30, 2025)

<u>ASSETS</u>	<u>2026</u>	<u>2025</u>
Current assets:		
Cash and cash equivalents (Note 2)	\$ 8,749,743	\$ 7,548,497
Restricted – cash and cash equivalents (Note 2)	4,762	5,224
Accrued interest receivable	4,272	4,404
Accounts receivable	4,510	1,662
Property taxes receivable	109,878	140,815
Other receivables	106,350	55,112
Prepaid expenses	151,319	135,144
Total current assets	9,130,834	7,890,858
Non-current assets:		
Net pension asset (Note 6)	520,177	107,866
Capital assets – not being depreciated (Note 3)	144,439	-
Capital assets – being depreciated, net (Note 3)	966,526	1,004,779
Total non-current assets	1,631,142	1,112,645
Total assets	10,761,976	9,003,503
Deferred outflows of resources:		
Deferred amounts related to net OPEB liability (Note 5)	797,786	532,420
Deferred amounts related to net pension asset (Note 6)	1,230,807	1,550,152
Total deferred outflows of resources	2,028,593	2,082,572
Total assets and deferred outflows of resources	\$ 12,790,569	\$ 11,086,075
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 109,423	\$ 89,621
Unearned grant revenue	4,762	23,974
Compensated absences (Note 4)	52,202	72,858
Total current liabilities	166,387	186,453
Non current liabilities:		
Compensated absences (Note 4)	52,202	72,858
Net OPEB liability (Note 5)	311,194	103,117
Total non-current liabilities	363,396	175,975
Total liabilities	529,783	362,428
Deferred inflow of resources:		
Deferred amounts related to net OPEB liability (Note 5)	489,692	498,698
Deferred amounts related to net pension asset (Note 6)	814,106	1,016,174
Total deferred inflow of resources	1,303,798	1,514,872
Net position:		
Investment in capital assets	1,110,965	1,004,779
Restricted for pension expenses (Note 6)	520,177	107,866
Unrestricted	9,325,846	8,096,130
Total net position	10,956,988	9,208,775
Total liabilities, deferred inflows of resources and net position	\$ 12,790,569	\$ 11,086,075

The notes to financial statements are an integral part of this statement.

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CAMARILLO HEALTH CARE DISTRICT*Statement of Revenues, Expenses and Changes in Net Position**For the Fiscal Year Ended June 30, 2026 (With Comparative Amounts for the Fiscal Year Ended June 30, 2025)*

	2026	2025
Operating revenues:		
Program fees	\$ 370,397	\$ 345,226
Operating grants and contracts	724,139	259,724
Distribution from Ventura County Community Foundation	152,334	153,808
Contributions and donations	6,004	5,595
Other operating revenues	13,376	22,048
Total operating revenues	1,266,250	786,401
Operating expenses:		
Salaries and wages	1,837,421	1,896,286
Employee benefits	273,543	587,283
Materials and services	1,408,920	1,038,965
Depreciation	118,387	124,508
Total operating expenses	3,638,271	3,647,042
Operating loss	(2,372,021)	(2,860,641)
Noncapital subsidies:		
Property taxes	3,840,994	3,726,113
Total noncapital subsidies	3,840,994	3,726,113
Non-operating revenues:		
Investment earnings	275,690	280,162
Sale of capital assets	3,550	-
Total non-operating revenues	279,240	280,162
Change in net position	1,748,213	1,145,634
Net position:		
Beginning of year	9,208,775	8,063,141
End of year	<u>\$ 10,956,988</u>	<u>\$ 9,208,775</u>

CAMARILLO HEALTH CARE DISTRICT*Statement of Cash Flows**For the Fiscal Year Ended June 30, 2026 (With Comparative Amounts as of June 30, 2025)*

	2026	2025
Cash flows from operating activities:		
Cash received from customers and grants	\$ 1,186,948	\$ 834,541
Cash received from others	6,004	16,839
Cash paid to employees for salaries and wages	(1,869,215)	(1,840,790)
Cash payments for operating expenses	(2,049,683)	(1,628,513)
Net cash used in operating activities	(2,725,946)	(2,617,923)
Cash flows from non-capital related financing activities:		
Property taxes	3,871,931	3,728,217
Net cash provided by non-capital related financing activities	3,871,931	3,728,217
Cash flows from capital related financing activities:		
Proceeds from sale of capital assets	3,550	-
Acquisition of capital assets	(224,573)	(57,175)
Net cash used in capital related financing activities	(221,023)	(57,175)
Cash flows from investing activities:		
Investment earnings	275,822	279,995
Net cash provided by investing activities	275,822	279,995
Net increase in cash and cash equivalents	1,200,784	1,333,114
Cash and cash equivalents:		
Beginning of year	7,553,721	6,220,607
End of year	<u><u>\$ 8,754,505</u></u>	<u><u>\$ 7,553,721</u></u>
Reconciliation of cash and cash equivalents to the balance sheet:		
Cash and cash equivalents	\$ 8,749,743	\$ 7,548,497
Restricted – Cash and cash equivalents	4,762	5,224
Total cash and cash equivalents on the balance sheet:	<u><u>\$ 8,754,505</u></u>	<u><u>\$ 7,553,721</u></u>

CAMARILLO HEALTH CARE DISTRICT*Statement of Cash Flows (continued)**For the Fiscal Year Ended June 30, 2026 (With Comparative Amounts as of June 30, 2025)*

	2026	2025
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (2,372,021)	\$ (2,860,641)
Adjustments to reconcile operating loss to net cash used in operating		
Depreciation	118,387	124,508
(Increase) decrease in assets:		
Prepaid items	(16,175)	(29,421)
Accounts receivable	(54,086)	48,169
Net pension asset	(412,311)	(1,571,579)
(Increase) decrease in deferred outflows of resources:		
Deferred amounts related to net OPEB liability	(265,366)	95,642
Deferred amounts related to net pension liability	319,345	1,215,114
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	19,802	(17,493)
Unearned revenue	(19,212)	16,810
Net OPEB liability	208,077	(131,911)
Compensated absences	(41,312)	50,215
Increase (decrease) in deferred inflows of resources:		
Deferred amounts related to net OPEB liability	(9,006)	(126,042)
Deferred amounts related to net pension liability	(202,068)	568,706
Net cash used in operating activities	\$ (2,725,946)	\$ (2,617,923)

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

Camarillo Health Care District (District) is a political subdivision of the State of California classified as a public not-for-profit local government special district. The District encompasses the greater Camarillo area which includes Somis, the Las Posas Valley and a portion of the Santa Rosa Valley. The District's overall goal is to provide quality health and wellness related services to meet the needs of all District residents. The District has five publicly elected representatives serving in four-year alternating terms.

B. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

C. Assets, Liabilities, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

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

C. Assets, Liabilities, and Net Position (Continued)

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

3. Prepaid Items

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

4. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. The District policy has set the capitalization threshold for reporting capital assets at \$10,000. Depreciation is calculated using the straight-line method of depreciation over the estimated useful lives of the assets ranging from five to thirty-nine years.

5. Deferred Outflows/Inflows of Resources

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

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

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

C. Assets, Liabilities, and Net Position (Continued)

6. Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This analysis includes assessing relevant factors such as historical information about the use, payment or forfeiture of compensated absences, and the District's policies related to compensated absences. The measurement of compensated absences includes salary-related payment such as the employer portion of Social Security and Medicare taxes.

7. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at the CalPERS's website. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Measurement Period	July 1, 2024 to June 30, 2025

8. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Other Post-Employment Retiree Benefits Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Measurement Period	July 1, 2022 to June 30, 2025

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

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

C. Assets, Liabilities, and Net Position (Continued)

9. Net Position

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

- **Investment in capital assets** - This component of net position consists of capital assets net of accumulated depreciation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of investment in capital assets.

D. Reclassification

The District has reclassified certain prior year information to confirm with current year presentation.

E. Use of Estimates

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

F. Property Taxes

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

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

F. New Pronouncements – Governmental Accounting Standards Board (GASB)

During the fiscal year ended June 30, 2026, the District has implemented new GASB pronouncements as follows:

GASB Statement No. 103 – Financial Reporting Model Improvements

This GASB Statement revises financial statement presentation requirements, including enhancements to Management's Discussion and Analysis (MD&A), proprietary fund reporting, and disclosures for major component units. The District adopted the Statement as of July 1, 2025.

GASB Statement No. 104 – Disclosure of Certain Capital Assets

This GASB Statement establishes new disclosure requirements for certain types of capital assets, including assets held for sale. The District adopted the Statement as of July 1, 2025. Implementation of the Statement did not have a material effect on the District's financial statements or related disclosures.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

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

F. New Pronouncements – Governmental Accounting Standards Board (GASB) (Continued)

GASB Statement No. 105 – Subsequent Events

This GASB Statement clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. The District elected to early implement GASB Statement No. 105, Subsequent Events, effective July 1, 2025. Implementation of the Statement did not have a material effect on the District's financial statements or related disclosures.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents were classified in the accompanying financial statements as follows:

<u>Description</u>	<u>June 30, 2026</u>
Cash and cash equivalents	\$ 8,749,743
Restricted – Cash and cash equivalents	4,762
Total cash and cash equivalents	<u>\$ 8,754,505</u>

Cash and cash equivalents at June 30, 2026, consist of the following:

<u>Description</u>	<u>June 30, 2026</u>
Petty Cash	\$ 2,135
Demand deposits with financial institutions	1,977,626
Ventura County Pooled Investment Fund (VCPIF)	10,179
Local Agency Investment Fund (LAIF)	363,623
California CLASS	6,400,942
Total cash and cash equivalents	<u>\$ 8,754,505</u>

Demand Deposits

At June 30 2026, the carrying amount of the District's demand deposits were \$1,977,626, and the financial institution's balance was \$1,994,284. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Ventura County Pooled Investment Fund (VCPIF)

The District is a voluntary participant in the VCPIF and the District determines the amount and term of its investment. The County Treasurer makes investments in accordance with a Statement of Investment Policy reviewed and approved annually by the Board of Supervisors. The Treasury Investment Oversight Committee comprised of the County Treasurer, a representative of the Board of Supervisors, the County Investment Manager, a representative of the County Superintendent of Schools and other Treasury Department support staff meets semi-annually to review the activities of the Treasurer and provide a report to the Board of Supervisors. Further information about the VCPIF is available on the Ventura County Treasurer-Tax Collector's website: www.ventura.org/ttc/. The County's Treasurer has indicated to the District that as of June 30, 2026 the value of the County's portfolio was approximately \$4.98 billion. As of June 30, 2026, the District has investment in the VCPIF \$10,179.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests its funds to manage the State's cash flow and strengthen the financial security of local public agencies. PMIA's policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and has a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers funds in LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2026, the District held \$363,623 in LAIF.

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of power entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

California Cooperative Liquid Assets Securities System (California CLASS)(continued)

The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAM (S&P Global Ratings) and AAAsf/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2026, the District held \$6,400,942 in California CLASS.

Restricted Cash and Cash Equivalents

Restricted assets of \$4,762 and \$5,224 as of June 30, 2026 and 2025, respectively, are amounts received that are designated for program scholarship awards.

NOTE 3 – CAPITAL ASSETS

Changes in capital assets for the year were as follows:

Description	Balance July 1, 2025	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2026
Non-depreciable capital assets:				
Construction-in-progress	\$ -	\$ 144,439	\$ -	\$ 144,439
Depreciable capital assets:				
Buildings and building improvements	3,187,660	80,134	-	3,267,794
IS equipment	92,255	-	-	92,255
Equipment and furnishings	282,699	-	-	282,699
Transportation vehicles	332,154	-	(115,170)	216,984
Total depreciable capital assets	3,894,768	80,134	(115,170)	3,859,732
Accumulated depreciation:				
Buildings and building improvements	(2,394,391)	(88,432)	-	(2,482,823)
IS equipment	(92,255)	-	-	(92,255)
Equipment and furnishings	(204,953)	(12,621)	-	(217,574)
Transportation vehicles	(198,390)	(17,334)	115,170	(100,554)
Total accumulated depreciation	(2,889,989)	(118,387)	115,170	(2,893,206)
Total depreciable capital assets, net	1,004,779	(38,253)	-	966,526
Total capital assets, net	\$ 1,004,779	\$ 106,186	\$ -	\$ 1,110,965

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 4 – COMPENSATED ABSENCES

Summary changes to compensated absences balances for the year ended June 30, 2026, were as follows:

Balance July 1, 2025	Net Change	Balance June 30, 2026	Due Within One Year	Due in More Than One Year
\$ 145,716	\$ (41,312)	\$ 104,404	\$ 52,202	\$ 52,202

As of June 30, 2026, the total liability for compensated absences was \$104,404, of which \$52,202 is expected to be paid within one year and is reported as a current liability.

NOTE 5 – OTHER POSTEMPLOYMENT BENEFITS

A. General Information about the OPEB Plan

Summary

A summary of the District's OPEB plan deferred outflows/inflows and net pension liability account balances for the fiscal year ending June 30, 2026 is as follows:

Description	Amount
OPEB related deferred outflows of resources	\$ 797,786
Net other post-employment benefits obligation	311,194
OPEB related deferred inflows of resources	489,692

Plan description

The District's defined benefit OPEB plan (Plan) provides lifetime post-employment medical insurance to eligible retirees and their spouses through the California Public Employees Retirement System (CalPERS). The Plan is a single employer defined benefit OPEB plan administered by the CalPERS Board of Administration. The Plan does not issue a publicly available financial report.

Benefits provided

Employees may retire and receive District-paid contributions towards healthcare upon attainment of age 50 (52 for those hired on or after 2013) and completion of 5 years of service. Annually, the District establishes a maximum monthly premium that the District will contribute to the cost of current-year health insurance premiums. For the calendar year 2025 the maximum monthly contribution by the District was \$1,150 per retiree.

Contributions

The contribution requirements of the Plan established by the District's Board of Directors. The District has an OPEB trust account with the California Employer's Retiree Benefit Program (CERBT). The District did not make a contribution to the trust for the reporting period ended June 30, 2026.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 5 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

A. General Information about the OPEB Plan (Continued)

Employees covered by benefit terms

At June 30, 2025 (Measurement Date), the following employees were covered by the benefit terms:

Description	Amount
Inactive employees entitled to but not yet receiving benefit payments	8
Retirees	13
Active employees	26
Total	47

B. Total OPEB Liability

The District's total OPEB liability of \$311,194 for the District Plan as measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2025
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry age, normal, level percentage of payroll
Discount Rate	5.90%
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	5.50%
Mortality Rate	CalPERS Membership Data
Pre-Retirement Turnover	CalPERS Membership Data
Healthcare Trend Rate	5.50 % for 2025 thorough 2034; 4.50% for 2035 through 2074; 4.00% for 2075 and later years

District Plan

The discount rate is 5.90 percent based upon the expected return on assets.

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and in active employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 5 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

B. Total OPEB Liability (Continued)

District Plan (Continued)

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

The District has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are excepted to be sufficient. The discount rate used to measure the total OPEB liability is equal to the long-term expected rate of return.

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

Asset Class	Assumed Asset Allocation	Rate of Return
Global ex-U.S. Equity	49%	5.9%
U.S. Fixed	23%	0.9%
Real Estate	20%	3.3%
TIPS	5%	0.4%
Commodities	3%	0.4%

C. Changes in the Total OPEB Liability

	Increase (Decrease)		
	Total	Plan Fiduciary	Net OPEB
	OPEB Liability	Net Position	Liability
Balance at July 1, 2024	\$ 2,290,111	\$ 2,186,994	\$ 103,117
Changes for the year:			
Service cost	152,965	-	152,965
Interest	130,969	-	130,969
Changes in assumptions or other inputs	(128,607)	-	(128,607)
Employer contributions	-	125,334	(125,334)
Differences between expected and actual experience	446,309	-	446,309
Net investment income	-	268,910	(268,910)
Benefit payments	(125,334)	(125,334)	-
Administrative expenses	-	(685)	685
Net changes	476,302	268,225	208,077
Balance at June 30, 2025	\$ 2,766,413	\$ 2,455,219	\$ 311,194

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 5 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

C. Changes in the Total OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease 4.90%	Current Discount Rate 5.90%	1% Increase 6.90%
\$ 654,444	\$ 311,194	\$ 25,704

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

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

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ 9,908	\$ 311,194	\$ 679,078

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2026, the District recognized OPEB expense/(credit) of \$88,708. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Decsription	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 179,046	\$ (106,044)
Differences between expected and actual experience	368,009	(200,879)
Differences between projected and actual return investments	88,921	(182,769)
District contributions subsequent to the measurement date	161,810	-
Total	\$ 797,786	\$ (489,692)

CAMARILLO HEALTH CARE DISTRICT*Notes to Financial Statements**June 30, 2026*

NOTE 5 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

At June 30, 2026, the District reported \$161,810 of deferred outflows of resources for employer contributions made subsequent to the measurement date which will be used to reduce the net OPEB liability balance for the year ended June 30, 2027. Amortization of the \$146,284 of remaining deferred outflows/(inflows) of resources, net related to the net OPEB obligation is as follows:

Year Ended June 30	Amount
2027	\$ 26,438
2028	14,802
2029	13,480
2030	34,951
2031	47,819
Thereafter	8,794
Total	<u>\$ 146,284</u>

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 6 – PENSION PLAN

Summary

A summary of the District's pension plan deferred outflows/inflows and net pension asset account balances for the fiscal year ending June 30, 2026 is as follows:

Description	Amount
Pension related deferred outflows of resources	\$ 1,230,807
Net pension asset	520,177
Pension related deferred inflows of resources	814,106

A. General Information about the Pension Plans

The Plans Description Schedule

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to December 31, 2012	On or after January 1, 2013
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	Monthly for life	Monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required member contribution rates FY 2025	7.000%	7.750%
Required employer contribution rates FY 2025	10.710%	7.870%

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2024 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Members Covered by Benefit Terms

At June 30, 2025 (Measurement Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	3	24	27
Transferred and terminated members	29	41	70
Retired members and beneficiaries	35	4	39
Total plan members	67	69	136

NOTE 6 – PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for those hired on or after 2013) with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each Plan are applied as specified by the Public Employees’ Retirement Law.

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 both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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.

Contributions for the year ended June 30, 2026, were as follows:

Contribution Type	Miscellaneous Plans		
	Classic Tier 1	PEPRA Tier 2	Total
Contributions – Miscellaneous Plan	\$ 75,634	\$ 114,079	\$ 189,713

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

Proportionate Share of Net Pension Liability and Pension Expense

The District’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2025, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025, using standard update procedures. The District’s proportionate share of the net pension liability 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.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 6 – PENSION PLAN (Continued)

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

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2026:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Plan Net Pension Liability</u>
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2024 (Measurement Date)	\$ 9,587,814	\$ 9,695,680	\$ (107,866)
Balance as of June 30, 2025 (Measurement Date)	\$ 10,241,051	\$ 10,761,228	\$ (520,177)
Change in Plan Net Pension Liability	\$ 653,237	\$ 1,065,548	\$ (412,311)

The District's proportionate share percentage of the net pension liability for the June 30, 2025 measurement date was as follows:

<u>CalPERS – Total Plans</u>	<u>Percentage Share of Risk Pool</u>		<u>Change Increase/ (Decrease)</u>
	<u>Fiscal Year Ending June 30, 2026</u>	<u>Fiscal Year Ending June 30, 2025</u>	
Measurement Date	June 30, 2025	June 30, 2024	
Percentage of Risk Pool Net Pension Liability	-0.01304%	-0.00223%	-0.01081%

For the fiscal year ended June 30, 2026, the District recognized pension expense/(credit) of (\$105,321). At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 189,713	\$ -
Difference between actual and proportionate share of employer contributions	795,610	(170,674)
Adjustment due to differences in proportions	175,098	(581,102)
Differences between expected and actual experience	-	(62,330)
Differences between projected and actual earnings on pension plan investments	70,386	-
Changes in assumptions	-	-
Total Deferred Outflows/(Inflows) of Resources	\$ 1,230,807	\$ (814,106)

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 6 – PENSION PLAN (Continued)

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

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARS�) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARS� for the measurement period is 3.8 years.

An amount of \$189,713 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 in the year ending June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction to pension expense as follows:

Amortization Period Fiscal Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2027	\$ 75,452
2028	92,947
2029	31,720
2030	26,869
Total	\$ 226,988

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2025 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2024 total pension liability. The June 30, 2025, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 6 – PENSION PLAN (Continued)

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

Long-term Expected Rate of Return

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 pension plan investment expense and inflation) are developed for each major asset class.

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

The table below reflects long-term expected real rate of return by asset class.

Investment Type ¹	Asset Allocation ¹	Real Return ^{1,2}
Public Equity	37.0%	4.56%
Private Equity	17.0%	5.56%
Fixed Income	28.0%	2.53%
Real Assets	15.0%	3.03%
Private Debt	8.0%	4.93%
Strategic Leverage	-5.0%	1.40%
	<u>100.0%</u>	

¹ Figures are based on the 2024 Mid-Cycle Asset Liability Management study.

² An expected annual rate of price inflation of 2.30% used for this period.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the 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 plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 6 – PENSION PLAN (Continued)

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

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

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

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Plan's Net Pension Liability/(Asset)		
Discount Rate	Current	Discount Rate
- 1%	Discount Rate	+ 1%
5.90%	6.90%	7.90%
\$ 861,829	\$ (520,177)	\$ (1,657,554)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

C. Payable to the Pension Plans

At June 30, 2026, the District reported no payables for outstanding contributions to the CalPERS pension plan required for the year ended June 30, 2026.

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft, errors and omissions, cyber incidents, employee injuries, and damage to property and equipment. To mitigate these risks, the District maintains commercial insurance coverage and participates in public entity risk-sharing programs. There have been no significant reductions in insurance coverage from the prior year.

The District participates in a workers' compensation program administered by BETA Risk Management Authority (BETARMA), a California Joint Powers Authority established to pool self-insured risks among public entities and healthcare organizations. As of June 30, 2026, the program provided statutory workers' compensation coverage and employers' liability coverage of \$2,000,000 per accident and \$2,000,000 per employee for occupational disease claims.

The District also participates in liability coverage programs administered by BETA Risk Management Authority (BETARMA). Automobile liability coverage provides a combined single limit of \$5,000,000 per accident, healthcare entity comprehensive liability coverage provides limits of \$5,000,000 per claim and \$15,000,000 in the aggregate, and directors', officers', and trustees' liability coverage provides limits of \$3,000,000 per claim and \$3,000,000 in the aggregate.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 7 – RISK MANAGEMENT (continued)

In addition, the District maintains commercial property insurance coverage for buildings, business personal property, and business interruption exposures. The District also maintains cyber liability coverage that includes protection for cyber incident response, cyber crime, privacy liability, regulatory investigations, and business interruption resulting from covered cyber events

The District maintains crime insurance coverage, including employee theft and related dishonesty risks, with limits of \$500,000, subject to a \$5,000 deductible. The District's participation in these insurance programs is intended to limit exposure to significant uninsured losses while providing coverage for a broad range of operational, professional, and governance-related risks.

NOTE 8 – DISTRIBUTION FROM VENTURA COUNTY COMMUNITY FOUNDATION

In 2006, the District was named as a beneficiary recipient of a permanent endowment now managed by the Ventura County Community Foundation (VCCF). The District has a current beneficial interest of 100%. However, VCCF has variance power which allows it to modify the donor's stipulations under certain rare circumstances and as it monitors the changing needs of the community.

Each year, VCCF distributes a portion of the earnings based on its distribution policies, which are subject to change based on VCCF's investment management performance. The amounts in 2026 and 2025 were \$152,334 and \$153,808 respectively. The distribution amounts are to be used only for the Care-a-Van service in Camarillo. At June 30, 2026 and 2025, the market value of the fund held by VCCF on behalf of the District was \$3,441,128 and \$3,203,458, respectively.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

The District is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties.

CAMARILLO HEALTH CARE DISTRICT

Notes to Financial Statements

June 30, 2026

NOTE 10 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 22, 2026, the date which the financial statements were available to be issued.

Required Supplementary Information

CAMARILLO HEALTH CARE DISTRICT*Schedule of Proportionate Share of the Net Pension Liability
For the Fiscal Year Ended June 30, 2026***Last Ten Fiscal Years****California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2016	0.034650%	\$ 1,203,554	\$ 1,372,378	93.38%	80.46%
June 30, 2017	0.036760%	1,449,033	1,288,882	114.34%	78.80%
June 30, 2018	0.037770%	1,425,420	1,267,253	105.36%	80.16%
June 30, 2019	0.039870%	1,596,760	1,352,844	115.15%	78.60%
June 30, 2020	0.042040%	1,773,279	1,386,653	120.55%	77.71%
June 30, 2021	0.046580%	884,490	1,470,935	69.30%	89.53%
June 30, 2022	0.046400%	2,171,170	1,276,331	166.42%	75.60%
June 30, 2023	0.031429%	1,571,579	1,304,622	97.98%	83.20%
June 30, 2024	-0.002230%	(107,867)	1,604,055	-6.37%	101.13%
June 30, 2025	-0.013040%	(520,177)	1,692,824	-30.73%	105.08%

Notes to Schedule:**Benefit Changes:**

There were no changes in benefits.

Changes in Assumptions:**From fiscal year June 30, 2015 and June 30, 2016:**

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2021:

There were no significant changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

The discount rate was reduced from 7.15% to 6.90%.

From fiscal year June 30, 2022 to June 30, 2026:

There were no changes in assumptions.

CAMARILLO HEALTH CARE DISTRICT
Schedule of Pension Contributions
For the Fiscal Year Ended June 30, 2026

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2017	\$ 92,770	\$ 92,770	\$ -	\$ 1,288,882	7.20%
June 30, 2018	96,725	96,725	-	1,267,253	7.63%
June 30, 2019	105,158	105,158	-	1,352,844	7.77%
June 30, 2020	114,565	114,565	-	1,386,653	8.26%
June 30, 2021	108,266	108,266	-	1,470,935	7.36%
June 30, 2022	108,453	108,453	-	1,276,331	8.50%
June 30, 2023	129,252	129,252	-	1,304,622	9.91%
June 30, 2024	236,683	1,736,683	(1,500,000)	1,604,055	14.76%
June 30, 2025	181,164	181,164	-	1,692,824	10.70%
June 30, 2026	189,713	189,713	-	1,668,695	11.37%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2017	June 30, 2015	Entry Age	Market Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Market Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Market Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Market Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Market Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Market Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Market Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Market Value	2.30%	6.90%
June 30, 2025	June 30, 2023	Entry Age	Market Value	2.30%	6.90%
June 30, 2026	June 30, 2024	Entry Age	Market Value	2.30%	6.90%

Amortization Method
Salary Increases
Investment Rate of Return
Retirement Age
Mortality

Level percentage of payroll, closed
Depending on age, service, and type of employment
Net of pension plan investment expe
Miscellaneous – 2.7%@55 and 2.0%@62
Mortality assumptions are based on mortality rates resulting from the
most recent CalPERS Experience Study adopted by the CalPERS Board.

CAMARILLO HEALTH CARE DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios For the Fiscal Year Ended June 30, 2026

Fiscal Year Ended Measurement Date	Last Ten Fiscal Years*								
	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability:									
Service cost	\$ 152,965	\$ 166,026	\$ 128,703	\$ 82,980	\$ 83,460	\$ 108,302	\$ 105,148	\$ 112,245	\$ 242,042
Interest	130,969	121,931	130,260	118,871	148,797	137,381	117,886	117,178	161,216
Changes in assumptions	(128,607)	-	250,894	-	95,956	-	(183,831)	-	-
Differences between expected and actual experience	446,309	-	(171,684)	-	(703,743)	-	-	(430,717)	-
Changes of benefit terms	-	-	-	-	-	-	-	(218,274)	-
Benefit payments	(125,334)	(96,222)	(80,422)	(77,326)	(57,670)	(45,957)	(39,203)	(31,131)	(30,629)
Net change in total OPEB liability	476,302	191,735	257,751	124,525	(433,200)	199,726	-	(450,699)	372,629
Total OPEB liability - beginning	2,290,111	2,098,376	1,840,625	1,716,100	2,149,300	1,949,574	1,949,574	2,400,273	2,027,644
Total OPEB liability - ending	2,766,413	2,290,111	2,098,376	1,840,625	1,716,100	2,149,300	1,949,574	1,949,574	2,400,273
Plan fiduciary net position:									
Contributions - employer	125,334	96,222	80,422	77,326	57,670	45,957	39,203	531,131	-
Net investment income	268,910	216,423	118,976	(286,399)	460,948	58,003	95,050	39,820	66,832
Administrative expense	(685)	(643)	(538)	(542)	(635)	(1,396)	(1,303)	(870)	-
Benefit payments	(125,334)	(96,222)	(80,422)	(77,326)	(57,670)	(45,957)	(39,203)	(31,131)	(30,629)
Net change in plan fiduciary net position	268,225	215,780	118,438	(286,941)	460,313	56,607	93,747	538,950	36,203
Plan fiduciary net position - beginning	2,186,994	1,971,214	1,852,776	2,139,717	1,679,404	1,622,797	1,529,050	990,100	953,897
Plan fiduciary net position - ending	2,455,219	2,186,994	1,971,214	1,852,776	2,139,717	1,679,404	1,622,797	1,529,050	990,100
District's net OPEB liability	\$ 311,194	\$ 103,117	\$ 127,162	\$ (12,151)	\$ (423,617)	\$ 469,896	\$ 326,777	\$ 420,524	\$ 1,410,173
Plan fiduciary net position as a percentage of the total OPEB liability	88.75%	95.50%	93.94%	100.66%	124.68%	78.14%	83.24%	78.43%	41.25%
Covered-employee payroll	\$ 1,668,695	\$ 1,692,824	\$ 1,604,055	\$ 1,304,622	\$ 1,276,331	\$ 1,545,850	\$ 1,470,935	\$ 1,386,653	\$ 1,352,844
District's net OPEB liability as a percentage of covered-employee payroll	18.65%	6.09%	7.93%	-0.93%	-33.19%	30.40%	22.22%	30.33%	104.24%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017- June 30, 2025 – There were no changes of benefits terms

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

CAMARILLO HEALTH CARE DISTRICT

Schedule of OPEB Contributions

For the Fiscal Year Ended June 30, 2026

Fiscal Year Ended	Last Ten Fiscal Years*								
	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 161,518	\$ 186,968	\$ 181,522	\$ 80,422	\$ 77,326	\$ 133,822	\$ 129,924	\$ 192,617	\$ 31,131
Contributions in relation to the actuarially determined contributions	(125,334)	(96,222)	(80,422)	(80,422)	(77,326)	(45,957)	(39,203)	(531,131)	(31,131)
Contribution deficiency (excess)	\$ 36,184	\$ 90,746	\$ 101,100	\$ -	\$ -	\$ 87,865	\$ 90,721	\$ (338,514)	\$ -
Covered payroll	\$ 1,668,695	\$ 1,692,824	\$ 1,604,055	\$ 1,304,622	\$ 1,276,331	\$ 1,545,850	\$ 1,470,935	\$ 1,386,653	\$ 1,352,844

Notes to Schedule:

Valuation Date	June 30, 2025	June 30, 2024	June 30, 2023	N/A	N/A	N/A	N/A	N/A	N/A
Methods and Assumptions Used to Determine Contribution Rates:									
Actuarial cost method	Entry age normal	Entry Age	Entry Age	N/A	N/A	N/A	N/A	N/A	N/A
Amortization method	Closed period, level percent of pay	(1)	(1)	N/A	N/A	N/A	N/A	N/A	N/A
Amortization period	30-years	30-years	30-years	N/A	N/A	N/A	N/A	N/A	N/A
Asset valuation method	Market Value	Market Value	Market Value	N/A	N/A	N/A	N/A	N/A	N/A
Investment rate of return	5.90%	4.21%	4.21%	N/A	N/A	N/A	N/A	N/A	N/A
Inflation	2.50%	2.50%	2.50%	N/A	N/A	N/A	N/A	N/A	N/A
Payroll increases	3.00%	3.00%	3.00%	N/A	N/A	N/A	N/A	N/A	N/A
Mortality	(2)	(2)	(2)	N/A	N/A	N/A	N/A	N/A	N/A
Morbidity	Not Valued	Not Valued	Not Valued	N/A	N/A	N/A	N/A	N/A	N/A
Disability	Not Valued	Not Valued	Not Valued	N/A	N/A	N/A	N/A	N/A	N/A
Retirement	(3)	(3)	(3)	N/A	N/A	N/A	N/A	N/A	N/A
Healthcare trend rates	(6)	(5)	(4)	N/A	N/A	N/A	N/A	N/A	N/A

(1) Closed period, level percent of pay

(2) Based on the most recent experience study for CALPERS members.

(3) Based on the most recent experience study for CALPERS members.

(4) 5.20% for 2023 through 2034; 5.00% for 2035 through 2049; 4.50% for 2050 through 2064; and 4.00% for 2065 and later years

(5) 5.20% for 2024 through 2034; 5.00% for 2035 through 2049; 4.50% for 2050 through 2064; and 4.00% for 2065 and later years

(6) 5.50 % for 2025 through 2034; 4.50% for 2035 through 2074; 4.00% for 2075 and later years

* Fiscal year 2018 was the first year of implementation; therefore, only nine years are shown.

Other Independent Auditors' Report



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

Board of Directors
Camarillo Health Care District
Camarillo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, financial statements of Camarillo Health Care District (District), which comprise the balance sheet as of June 30, 2026, and the related statement of revenues, expenses and changes in net position and cash flows for the fiscal year ended, and related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 22, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Murrieta, California
October 22, 2026



SECTION 4

FINANCIAL REPORTS QUARTER ENDING SEPTEMBER 30, 2026

Camarillo Health Care District
Statement of Revenues and Expenses
For the Period Ending September 30, 2026
Unaudited

	YTD	Budget	YTD Budget	YTD Budget
	9/30/2026	FY 2027	Remaining	Spent
			25%	25%
Operating Revenues				
1 Property Taxes	\$ 18,793	\$ 3,955,590	\$ 3,936,797	0.5%
2 Community Education	6,911	20,005	12,994	34.5%
3 ADC Fees	73,037	295,000	221,963	24.8%
4 Transportation Fees	11,026	44,760	33,734	24.6%
Total Operating Revenues	109,767	4,315,355	4,205,588	2.54%
Non-Operating Revenues				
5 Donations - Sr Nutrition Home Delivered	6,119	30,500	24,381	20.1%
6 Grants	32,832	548,132	515,300	6.0%
7 Donations	520	-	(520)	0.0%
8 Scholarship Revenue	462	-	(462)	0.0%
9 Fischer Fund Distribution	-	152,000	152,000	0.0%
10 Other Revenue	11,266	21,540	10,274	52.3%
11 Interest Income	73,657	200,000	126,343	36.8%
Total Non-Operating Revenues	124,856	952,172	827,316	13.11%
Total Revenues	234,623	5,267,527	5,032,904	4.45%
Operating Expenses				
Salaries and Benefits				
12 Employee Salaries	369,876	2,145,051	1,775,175	17.2%
13 Payroll Taxes	31,455	164,096	132,642	19.2%
14 Employee Benefits	145,743	668,663	522,920	21.8%
15 Retiree Benefits (OPEB)	41,007	168,900	127,893	24.3%
16 PERS Retirement UAL	57,782	63,540	-	90.9%
Total Salaries and Benefits	645,863	3,210,250	2,558,628	20.12%
Services and Supplies				
17 IT Services	23,893	70,000	46,107	34.13%
18 Audit Fees	10,000	20,000	10,000	50.00%
19 Legal Fees	23,925	85,000	61,075	28.15%
20 Professional Services	39,760	198,737	158,977	20.01%
21 Educator Costs	984	1,600	617	61.47%
22 Professional Development	7,431	85,550	78,119	8.69%
23 Emerging Community Opportunities	19,234	150,000	130,766	12.82%
24 Healthy Attitude Magazine	32,331	100,000	67,669	32.33%
25 Subscriptions & Licenses	30,745	64,172	33,427	47.91%
26 Board Stipends	-	17,500	17,500	0.00%
27 Election Costs	-	46,000	46,000	0.00%
28 LAFCO Assessments	3,928	4,000	72	98.20%
29 Mileage	1,658	5,294	3,636	31.31%
30 Program Materials/Activities	84,612	369,525	284,913	22.90%
31 Repairs & Maintenance	22,633	83,100	60,467	27.24%
32 Equipment & Supplies	12,331	59,830	47,499	20.61%
33 Printing and Postage	9,778	49,250	39,472	19.85%
34 Advertising & Community Outreach	15,845	63,373	47,528	25.00%
35 Association Fees	20,155	80,000	59,845	25.19%
36 Insurance	122,601	132,900	10,299	92.25%
37 Utilities & Leases	31,931	80,350	48,419	39.74%
38 Capital Facilities	-	100,000	100,000	0.00%
Total Services and Supplies	513,775	1,866,181	1,352,406	27.53%
Total Expenses	1,159,639	5,076,431	3,916,792	22.84%
39 Revenue over Expenses	\$ (925,015)	\$ 191,097	\$ 1,116,112	

Camarillo Health Care District
Statement of Net Assets
For the Period Ending September 30, 2026
Unaudited

	Jun-26	Sep-26
Assets		
1 Petty Cash	\$ 2,135	\$ 1,135
2 Cash	3,218,767	1,810,328
3 Investments	4,332,819	6,332,596
4 Accounts Receivable	146,881	1,574
5 Grant Receivable	55,112	-
5 Prepays	135,144	-
6 Fixed Assets	1,004,779	1,113,955
7 Net Pension Asset	692,744	1,660,110
Total Assets	\$ 9,588,382	\$ 10,915,185
Liability		
8 Current Liabilities	259,311	156,880
9 Net Pension Liability	343,316	901,792
Total Liability	\$ 429,536	\$ 949,507
10 Fund Balance	9,158,846	9,965,679
Total Liabilities & Fund Balance	\$ 9,588,382	\$ 10,915,185

Preliminary - does not include all year end adjustments

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

CAMARILLO HEALTH CARE DISTRICT

Financial Statement Analysis

September 2026 – 25% of Fiscal Year

Unaudited

Line 1 Property Taxes: Property tax revenue is collected in two primary installments, typically in December and April. Due to this timing, revenue fluctuations throughout the fiscal year are expected, and variances in this line item often reflect the seasonal receipt schedule rather than changes in projected annual revenue.

Line 2 Community Education: Includes revenue generated from all community education programs and classes. Budget projections are based on historical participant enrollment trends and the anticipated volume and type of educational offerings scheduled during the fiscal year.

Line 3 ADC Fees: Includes revenue from Adult Day Care services. Budget projections are created by historical enrollment patterns, anticipated enrollment levels, daily maximum capacity ratios, client acuity (etiology), and average attendance per day, week, and month.

Line 4 Transportation Fees: Includes transportation service fees and adjustments for fare refunds or overpayments. Budget projections are based on established fare rates and anticipated usage levels calculated from historical trip volume, including trips within and outside District boundaries.

Line 5 Donations - Sr Nutrition Home Delivered: Includes voluntary donations received in support of the Senior Nutrition home-delivered meal program. Budget amounts are based on historical donation trends.

Line 6 Grants: Includes revenue from all awarded grants. Variances between YTD actuals and budget may occur due to timing of reimbursement requests, payment schedules, grant term periods, or the nature of funding (one-time, recurring, competitive renewal cycles, or mandatory cooling-off periods).

Line 7 Donations: Includes unrestricted and restricted donations received in support of District programming and services. This revenue is not budgeted for as it is a voluntary donation that is infrequent.

Line 8 Scholarship Revenue: Includes restricted scholarship funding designated to subsidize participation in select programs, such as Transportation and Adult Day Services. This revenue is not budgeted for as it is a voluntary donation that is infrequent.

Line 9 Fischer Fund Distribution: Represents annual distribution from the Fischer Fund, a bequest from former transportation client Russell Fischer. The fund is administered by the Ventura County Community Foundation (VCCF). The annual distribution amount is determined by VCCF in accordance with their investment and distribution policies and is typically disbursed in late October. The district does not determine the distribution amount or timing.

Line 10 Other Revenue: Includes miscellaneous revenue such as advertising in *Healthy Attitudes* magazine and facility rental income. Variances may occur depending on advertising demand, rental activity, and community usage trends.

Line 11 Interest Income: Includes interest earned on District bank accounts and investments.

Line 12 Employee Salaries: Includes salary expenditures for all District employees across departments. Budgeted amounts reflect approved staffing levels and compensation schedules. YTD is slightly under budget to one position budgeted for and not filled, as of yet.

Line 13 Payroll Taxes: Includes employer-paid payroll taxes for all District employees across departments. Costs fluctuate proportionally with salary expenditures. YTD is slightly under budget to one position budgeted for and not filled, as of yet.

Line 14 Employee Benefits: Includes employer contributions to CalPERS, Workers' Compensation and life insurance. Costs fluctuate proportionally with salary expenditures.

Line 15 Retiree Benefits (OPEB): Includes contributions to CalPERS for health on behalf of retirees.

Line 16 PERS Retirement UAL: Represents the District's annual required payment toward CalPERS Unfunded Accrued Liability (UAL). This payment addresses the difference between projected retirement obligations and available plan assets. The annual payment is typically made in July; therefore, the expense is budgeted at 100% for the fiscal year regardless of interim reporting period.

Line 17 IT Services: Includes contracted information technology services and support. Variances may occur depending on operational needs, system upgrades, cybersecurity requirements, and service enhancements. YTD is over budget due to services being on an as needed basis.

Line 18 Audit Fees: Includes independent auditing and accounting services. Variances may occur depending on audit scope, additional reporting requirements, or special projects. YTD is over budget due to audit interim work being complete.

Line 19 Legal Fees: Includes legal services for general counsel, governance, compliance, and other District needs. Actual expenses may vary based on service demand and complexity of legal matters.

Line 20 Professional Services: Includes contracted operational services such as accounting consultants, janitorial services, facility maintenance contractors, and other professional support across departments. YTD is over budget due to services being on an as needed basis.

Line 21 Educator Costs: Includes payments to contracted educators based on a 70/30 revenue-sharing agreement for eligible programs.

Line 22 Professional Development: Includes continuing education, certifications, and outreach-related professional development for Trustees and staff. YTD under budget based on timing of education and certifications based on the needs of the staff and Board.

Line 23 Emerging Community Opportunity: Represents a strategic contingency allocation reserved for unanticipated opportunities aligned with the district's mission and vision. This line item allows the district to respond proactively to emerging community needs or collaborative initiatives.

Line 24 Healthy Attitude Magazine: Includes all expenses related to publishing the Health Attitude magazine. YTD right in line with budget as one issue of the magazine has been distributed.

Line 25 Subscriptions & Licenses: Includes annual licenses, software fees, professional dues, and subscriptions. YTD is over budget due to most subscriptions being paid in July.

Line 26 Board Stipend: Includes stipends paid to Board members for attendance at authorized meetings.

Line 27 Election Costs: Includes costs associated with Board elections in applicable fiscal years. Expenses vary depending on election cycles.

Line 28 LAFCO Assessments: includes costs for local agency formation commissions (LAFCO). LAFCO costs are charged to cover the work required to review and regulate changes in local government boundaries and services. The fees pay for the process that makes sure changes are legal, fair, and in public interest.

Line 29 Mileage: Includes reimbursement to employees for authorized use of personal vehicles for District business.

Line 30 Program Materials/Activities: Includes supplies and materials necessary to deliver programs across departments. Variances may reflect changes in program volume or activity offerings.

Line 31 Repairs & Maintenance: Includes costs related to maintenance and repair of District facilities and vehicles, including transportation fleet upkeep (such as gas, oil, 90-day service and more). YTD right in line with budget.

Line 32 Equipment & Supplies: Includes minor equipment purchases and general departmental supplies.

Line 33 Printing and Postage: includes costs for printing mailing cost, and postage for all programs in the District.

Line 34 Advertising & Community Outreach: Includes printing and mailing costs, including outreach/advertising events, such as job announcements, health fairs, farmers market, ads in print and digital advertising.

Line 35 Association Fees: Includes monthly association dues managed by a property management company. Annual increases typically range between 2% and 8%. YTD is right in budget.

Line 36 Insurance: Includes costs of District insurance coverage such as crime, auto, directors & officers, liability, workers' compensation, cyber liability, and property insurance. YTD is over budget due to a majority of insurances paid in July for the fiscal year.

Line 37 Utilities & Leases: includes telephone, utility and storage rent costs for all departments.

Line 46 Capital Facilities: Represents items purchased but qualify under GASB rules as Capital.

Line 49 Net Income: Represents total revenues less total expenses for the fiscal period. YTD expenses are higher than revenue due to the first large property tax payment not being expected until December.

**Camarillo Health Care District
Investment & Reserves Report
30-Sep-26**

LAIF & CLASS	2026 - 2027	
	9/30/2026	Interest Earned
Vehicle Fleet Reserve	100,379	946
Technology Reserve	264,403	2,492
Project/Special Use Reserve	263,301	3,273
Capital Improvement Reserve	808,220	7,619
General Operating Reserve	2,569,938	24,226
Undesignated - General Operating	2,327,184	21,712
Total LAIF & CLASS	6,333,426	60,269
Five Star Bank		
General Operating Fund - Five Star	218,624	
Payroll - Five Star	0	
Money Market Fund - Five Star	1,811,701	65,149
Total Five Star Bank	2,030,326	65,149
Mechanics Bank		
Checking	0	0.00
Savings	29,003	0.31
Total Savings & CD's	29,003	0.31
Scholarships & Petty Cash Funds	5,224	
Ventura County Treasurer Pool	10,245	0
Total in interest earning accounts	8,408,223	125,418

Reserve Funds	Minimum	6/30/2026	Allocated	Interest	9/30/2026
	Target	Balance			Balance
Vehicle Fleet Reserve	500,000	99,433	-	946	100,379
Technology Reserve	300,000	261,911	-	2,492	264,403
Project/Special Use Reserve	250,000	260,028	-	3,273	263,301
Capital Improvement Reserve	750,000	800,601	-	7,619	808,220
Continuation of District Service	1,000,000	-	-	-	-
General Operating Reserve	2,538,216	2,545,712	-	24,226	2,569,938
Reserves & Contingencies	5,338,216	3,967,686	0	38,556	4,006,242

Per California Government Code Section 53600 et. Seq., specifically section 53646 and section 53607, the attached investment report details all investment related activity in the current period.

Camarillo Health Care District's (CHCD) investable funds are currently invested in California CLASS, LAIF, and the Ventura County Treasurer's Investment pool, and their individual investment transactions are not reportable under the Government code. That said, CHCD's investment policy has taken a prudent investment course, in compliance with the "Prudent Investor's Policy" designed to protect public funds.