

CAMP MEEKER RECREATION AND PARK DISTRICT

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

JUNE 30, 2020 AND 2019



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Camp Meeker Recreation and Park District
Camp Meeker, California

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of Camp Meeker Recreation and Park District (a special purpose government) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Goranson and Associates, Inc.

717 College Avenue, First Floor, Santa Rosa, CA 95404 Phone: 707/542-1256 Fax 707/978-3090

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of Camp Meeker Recreation and Park District as of June 30, 2020 and 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-9 and 22-25 and Roster of Board Members on page 40 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.

Goranson and Associates, Inc.

February 16, 2021

Santa Rosa, CA

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

As management of the Camp Meeker Recreation and Parks District (District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended June 30, 2020 and 2019. We encourage readers to consider the information presented here in conjunction with the District's financial statements (pages 10-25) and the accompanying notes to the basic financial statements (pages 26-39).

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$4,305,925 (net position). Of this amount, \$1,202,062 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The assets of the District exceeded its liabilities at the close of the fiscal year June 30, 2019 by \$4,101,397 (net position). Of this amount, \$1,047,806 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The District's total net position increased by \$204,528 in 2020 and \$84,878 for 2019.
- As of the close of the current fiscal year, the District's governmental funds reported an ending fund balance of \$196,326, a net increase of \$36,299 in comparison with the year ended June 30, 2019. For the fiscal year ended June 30, 2019, the District's governmental funds reported an ending fund balance of \$160,027, a net increase of \$142,188 in comparison with the year ended June 30, 2018.
- The District's total long-term liabilities decreased by \$136,079 and \$132,855 during the fiscal years ended June 30, 2020 and 2019, respectively.
- During the previous years' recession, tax revenue for the R&P (government fund) decreased by 2/3. The tax revenue has been increasing as housing prices rise. It is uncertain how the continuing Sonoma County fire and COVID events will impact future tax revenues. Facilities rental income has been non-existent since March 2020 as rental facility has closed in accordance with County/State COVID requirements.
- Change years to 2018-2019 and 2019-2020. Capital plan has been completed and expenditures for replacements will begin in the 2020-2021 fiscal year.
- Water (enterprise fund) receipts are lower than anticipated in 2020 and 2019; however, a rate increase a rate increase was adopted in the 2020 budget and went into effect in February 2020. The collections; however, have been hampered by COVID related changes to collection of water accounts for public safety reasons. Rate increases continue to be reviewed annually.

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets present information on all of the District's assets and liabilities, with the difference between two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 10-13 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds are governmental funds.

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

CAMP MEEKER RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

Governmental funds, continued. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District uses governmental funds to account for its activities. The district adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14-25 of this report.

Notes to the basic financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 26-39 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$4,305,925 and \$4,101,397 at the close of June 30, 2020 and 2019, respectively.

A large portion of the district's net assets (69 and 71 percent) reflects its investment in capital assets (e.g. buildings and improvements and equipment). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CAMP MEEKER RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

NET POSITION

	Governmental Activities	Business-Type Activities	Total 2020	Total 2019
Current and other assets	\$ 203,157	\$ 966,163	\$ 1,169,320	\$ 1,168,390
Capital assets	556,757	3,659,195	4,215,952	4,301,759
Other non-current assets	-	262,431	262,431	209,812
Total assets	<u>\$ 759,914</u>	<u>\$ 4,887,789</u>	<u>\$ 5,647,703</u>	<u>\$ 5,679,961</u>
 Total liabilities	 <u>\$ 6,832</u>	 <u>\$ 1,334,946</u>	 <u>\$ 1,341,778</u>	 <u>\$ 1,578,564</u>
 Net investment in capital assets	 556,757	 2,411,028	 2,967,785	 2,920,735
Restricted for debt service	-	136,078	136,078	132,856
Unrestricted	<u>196,325</u>	<u>1,005,737</u>	<u>1,202,062</u>	<u>1,047,806</u>
Total net position	<u>\$ 753,082</u>	<u>\$ 3,552,843</u>	<u>\$ 4,305,925</u>	<u>\$ 4,101,397</u>

The balance of the unrestricted net position (\$1,202,062 for 2020 and \$1,047,806 for 2019) may be used to meet the District's ongoing obligations to citizens and vendors.

At the end of the current fiscal year, the District is able to report positive balances in all categories of net assets. The same held true for the prior fiscal year.

Governmental activities - Governmental activities increased the District's net position by \$204,528 for 2020 and \$84,878 for 2019. This increase is a result of a net gain in the governmental and business activities.

CAMP MEEKER RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

CHANGES IN NET POSITION

	Governmental Activities	Business-Type Activities	Total 2020	Total 2019
Revenues:				
Program revenue		\$ 241,245	\$ 241,245	\$ 216,956
General revenue	\$ 108,974	164,647	273,621	262,493
Investment income	495	3,937	4,432	15,048
Total revenues	<u>109,469</u>	<u>409,829</u>	<u>519,298</u>	<u>494,497</u>
Expenses:				
Program expenses	84,453	317,117	401,570	409,619
Total expenses	<u>84,453</u>	<u>317,117</u>	<u>401,570</u>	<u>409,619</u>
Change in net position	25,016	92,712	117,728	84,878
Net position, beginning of the year	728,066	3,373,331	4,101,397	4,016,519
Prior period adjustment	-	86,800	86,800	-
Net position, beginning of the year, restated	<u>728,066</u>	<u>3,460,131</u>	<u>4,188,197</u>	<u>4,016,519</u>
Net position, end of the year	<u>\$ 753,082</u>	<u>\$ 3,552,843</u>	<u>\$ 4,305,925</u>	<u>\$ 4,101,397</u>

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported ending fund balances of \$196,326 and \$160,027, respectively, a net increase of \$36,299 for 2020 and \$142,188 for 2019 in comparison with the prior year.

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

Governmental Funds, continued

The general fund is the chief operating fund of the District. At the end of June 30, 2020 and 2019, unreserved fund balance of the general fund was \$165,326 and \$127,093, respectively. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 84 and 79 percent of total general fund expenditures which were \$73,170 and \$169,769, respectively.

Enterprise Funds

The focus of the District's enterprise funds is to provide information on near-term inflows, outflows, and balances of spendable resources of the water operations. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund Budgetary Highlights

Material differences between the original budget and the final amended budget can be briefly summarized as follows:

- More property tax revenue than anticipated
- Less rental income than anticipated
- More interfund transfers than anticipated
- Increase in water operations
- Less service and supply expenses anticipated

Capital Assets

The District's investment in capital assets, as of June 30, 2020 and 2019, amounts to \$4,215,952 and \$4,301,759 (net of accumulated depreciation), respectively. This investment in capital assets includes equipment, buildings and improvements.

The Board has contracted with its engineering firm, Brelje and Race, and a detailed Capital Improvement Plan (CIP) was completed and approved in October 2018. The Board plans a comprehensive review of the water system financial requirements and anticipates an increase in rates in the 2020-2021 fiscal year.

Additional information on the District's capital assets can be found in Note 1 on page 28 and Note 4 on pages 36-37 of this report.

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 AND 2019

Debt Administration

At the end of the fiscal year the District had total long-term obligations of \$1,112,089 and \$1,248,168, respectively, in notes payable. During June 30, 2020 and 2019, the District's long-term debt decreased by \$(136,079) and \$(132,855), respectively.

The status of the funds held at the County of Sonoma was reviewed throughout the first quarter of the 2021 fiscal year and, as a result, the Board took action to pay off the DWR E58237 loan and utilize funds remaining at the County of Sonoma for capital replacement of telemetry equipment. Accordingly, there will be a reallocation of the monies collected as direct charges to capital replacement and USDA debt resolution.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the District's budget for the fiscal year ending June 30, 2020:

- Water rate increases are expected for the 2020-2021 fiscal year
- Various Capital, equipment replacement costs and necessary large repair costs

Request for Information

The financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Camp Meeker Recreation and Park District, Post Office Box 461, Camp Meeker, California 95419.

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2020 and 2019

	Governmental Activities	Business-Type Activities	Total 2020	Total 2019
ASSETS				
Current assets				
Cash and cash equivalents	\$ 194,129	\$ 926,702	\$ 1,120,831	\$ 1,117,576
Accounts receivable	-	24,514	24,514	6,404
Intergovernmental receivable	9,028	8,059	17,087	20,522
Due from general fund	-	6,888	6,888	23,888
Total current assets	<u>203,157</u>	<u>966,163</u>	<u>1,169,320</u>	<u>1,168,390</u>
Capital assets, net of accumulated depreciation				
Construction in process	-	19,249	19,249	19,249
Land	238,773	82,958	321,731	321,731
Water system and pipeline	-	3,556,988	3,556,988	3,631,512
Building and improvements	317,984	-	317,984	329,267
Total capital assets	<u>556,757</u>	<u>3,659,195</u>	<u>4,215,952</u>	<u>4,301,759</u>
Other assets				
Restricted cash in Treasury	-	262,431	262,431	209,812
Total assets	<u>\$ 759,914</u>	<u>\$ 4,887,789</u>	<u>\$ 5,647,703</u>	<u>\$ 5,679,961</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARKS DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2020 AND 2019

	Governmental Activities	Business-Type Activities	Total 2020	Total 2019
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 1,204	\$ 12,188	\$ 13,392	\$ 94,459
Deferred revenue	(2,380)	-	(2,380)	371
Rental deposits	1,790	-	1,790	4,790
Water fees paid in advance	-	17,209	17,209	14,845
Interest payable	-	57,382	57,382	59,187
Due to enterprise fund	6,218	-	6,218	23,888
Current portion of notes payable	-	136,078	136,078	132,856
Total current liabilities	<u>6,832</u>	<u>222,857</u>	<u>229,689</u>	<u>330,396</u>
Long Term Liabilities				
Notes payable	-	1,112,089	1,112,089	1,248,168
Total liabilities	<u>\$ 6,832</u>	<u>\$ 1,334,946</u>	<u>\$ 1,341,778</u>	<u>\$ 1,578,564</u>
NET POSITION				
Net investment in capital assets, net of related debt	556,757	2,411,028	\$ 2,967,785	\$ 2,920,735
Restricted for debt service	-	136,078	136,078	132,856
Unrestricted	196,325	1,005,737	1,202,062	1,047,806
Total net position	<u>\$ 753,082</u>	<u>\$ 3,552,843</u>	<u>\$ 4,305,925</u>	<u>\$ 4,101,397</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	Governmental Activities	Business-Type Activities	Total 2020	Total 2019
Program expenses				
Services and supplies	\$ 73,170	\$ 184,694	\$ 257,864	\$ 266,449
Interest expense	-	57,899	57,899	58,111
Depreciation	11,283	74,524	85,807	85,059
Total program expenses	<u>84,453</u>	<u>317,117</u>	<u>401,570</u>	<u>409,619</u>
Program revenues				
Charges for Water Operations	-	241,245	241,245	216,956
Net program loss	(84,453)	(75,872)	(160,325)	(192,663)
General revenues				
Property taxes revenue	91,857	126,446	218,303	223,537
Rental income	12,016	-	12,016	13,612
Investment Income	495	3,937	4,432	15,048
Intergovernmental revenue	5,000	11,842	16,842	-
Other income	101	26,359	26,460	25,344
Total non-operating revenues	<u>109,469</u>	<u>168,584</u>	<u>278,053</u>	<u>277,541</u>
Change in net position	25,016	92,712	117,728	84,878
Net position, beginning of the year	728,066	3,373,331	4,101,397	4,016,519
Prior period adjustment	-	86,800	86,800	-
Net position, beginning of the year, restated	<u>728,066</u>	<u>3,460,131</u>	<u>4,188,197</u>	<u>4,016,519</u>
Net position, end of the year	<u>\$ 753,082</u>	<u>\$ 3,552,843</u>	<u>\$ 4,305,925</u>	<u>\$ 4,101,397</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and other funds	\$ 586,604	\$ 472,888
Cash paid to suppliers	(402,305)	(325,685)
Interest received	4,432	15,048
Net cash provided (used) by operations	188,731	162,251
CASH FLOWS FROM CAPITAL INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(4,331)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Principal payment of note payable	(132,857)	(123,534)
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investment in Treasury	(52,619)	(23,294)
NET CHANGE IN CASH	3,255	11,092
CASH AND CASH EQUIVALENTS, beginning of year	1,117,576	1,106,484
CASH AND CASH EQUIVALENTS, end of year	\$ 1,120,831	\$ 1,117,576
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 204,528	\$ 84,878
Adjustments to reconcile change in net assets to cash from operations:		
Depreciation and amortization	85,807	85,059
(Increase) decrease in:		
Receivables	(21,563)	(29,970)
Increase (decrease) in:		
Accounts payable	(74,849)	30,720
Other payable	(3,000)	1,150
Interest payable	(1,805)	(9,107)
Deferred revenue	(387)	(479)
Total cash provided (used) by operations	\$ 188,731	\$ 162,251

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
BALANCE SHEETS
GOVERNMENTAL FUNDS
JUNE 30, 2020 AND 2019

	General Fund	
	2020	2019
ASSETS		
Cash and cash equivalents	\$ 194,129	\$ 189,158
Intergovernmental receivable	9,029	3,548
Total assets	\$ 203,158	\$ 192,706
 LIABILITIES and FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,204	\$ 3,630
Deferred revenue	(2,380)	371
Due to enterprise fund	6,218	23,888
Rental deposits	1,790	4,790
Total liabilities	6,832	32,679
 Fund balance		
Assigned for capital improvements	31,000	32,934
Unreserved	165,326	127,093
Total fund balance	196,326	160,027
Total liabilities and fund balances	\$ 203,158	\$ 192,706

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS
TO THE STATEMENTS OF NET POSITION
JUNE 30, 2020 and 2019

	2020	2019
Fund balances - total government funds	\$ 196,326	\$ 160,027
Amount reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	556,756	568,039
Net position of governmental activities	\$ 753,082	\$ 728,066

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	General Fund	
	2020	2019
Revenues:		
Property taxes	\$ 91,857	\$ 86,642
Real estate rental	12,016	13,612
Grant revenue	5,000	-
Investment income	495	14,458
Total revenues	109,469	114,712
 Expenditures:		
Services and supplies	73,170	169,769
Total expenditures	73,170	169,769
 Net change in fund balances	36,299	(55,057)
 Fund balance, beginning of year	160,027	17,839
Interfund adjustments	-	197,245
Fund balance, beginning of year restated	160,027	215,084
 Fund balance, end of year	\$ 196,326	\$ 160,027

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
RECONCILIATION OF STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

**Amount reported for governmental activities in the statement of activities
is different because:**

	2020	2019
Net change in fund balance - governmental funds	\$ 36,299	\$ (55,057)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Current year depreciation	(11,283)	(9,550)
Change in net position of governmental activities	\$ 25,016	\$ (64,607)

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARKS DISTRICT
STATEMENTS OF NET POSITION-ENTERPRISE FUND
JUNE 30, 2020 and 2019

	Water Operations	
	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	\$ 926,702	\$ 928,418
Accounts receivable	24,514	6,404
Property tax receivable	8,059	16,975
Due from general fund	6,888	23,888
Total current assets	966,163	975,685
Capital assets, net of accumulated depreciation		
Construction in process	19,249	19,249
Land	82,958	82,958
Water system and pipeline	3,556,988	3,631,512
Total capital assets	3,659,195	3,733,719
Other assets		
Restricted cash in Treasury	262,431	209,812
Total assets	\$ 4,887,789	\$ 4,919,216

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARKS DISTRICT
STATEMENTS OF NET POSITION-ENTERPRISE FUND
JUNE 30, 2020 and 2019

	Water Operations	
	2020	2019
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 12,188	\$ 90,829
Water fees paid in advance	17,209	14,845
Interest payable	57,382	59,187
Current portion of notes payable	136,078	132,856
Total current liabilities	222,857	297,717
 Long Term Liabilities		
Notes payable	1,112,089	1,248,168
Total liabilities	\$ 1,334,946	\$ 1,545,885
 NET POSITION		
Net investment in capital assets, net of related debt	2,411,028	\$ 2,352,695
Restricted for debt service	136,078	132,856
Unrestricted	1,005,737	887,780
Total net position	\$ 3,552,843	\$ 3,373,331

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARKS DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	Water Operations	
	2020	2019
Program expenses		
Services and supplies	\$ 184,694	\$ 96,680
Interest expense	57,899	58,111
Depreciation	74,524	75,509
Total program expenses	317,117	230,300
Program revenues		
Charges for Water Operations	241,245	216,956
Net program loss	(75,872)	(13,344)
General revenues		
Property taxes revenue	126,446	136,895
Investment Income	3,937	590
Intergovernmental revenue	11,842	-
Other income	26,359	25,344
Total non-operating revenues	168,584	162,829
Change in net position	92,712	149,485
Net position, beginning of the year	3,373,331	3,421,091
Prior period adjustment	86,800	-
Interfund transfer	-	(197,245)
Net position, end of the year	\$ 3,552,843	\$ 3,373,331

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF CASH FLOWS-ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and other funds	\$ 498,925	\$ 346,058
Cash paid to suppliers	(319,102)	(129,361)
Interest received	3,937	590
Net cash provided (used) by operations	<u>183,760</u>	<u>217,287</u>
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:		
Purchase of property, plant and equipment	-	(4,331)
Principal payment of note payable	(132,857)	(123,534)
Net cash used by capital financing activities	<u>(132,857)</u>	<u>(127,865)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investment in Treasury	(52,619)	(23,294)
NET CHANGE IN CASH	(1,716)	(131,117)
CASH AND CASH EQUIVALENTS, beginning of year	<u>928,418</u>	<u>1,059,535</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 926,702</u>	<u>\$ 928,418</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 179,512	\$ 149,485
Adjustments to reconcile change in net assets to cash from operations:		
Depreciation and amortization	74,524	75,509
(Increase) decrease in:		
Receivables	7,806	(8,659)
Increase (decrease) in:		
Accounts payable	(78,641)	10,059
Interest payable	(1,805)	(9,107)
Deferred revenue	2,364	-
Total cash provided (used) by operations	<u>\$ 183,760</u>	<u>\$ 217,287</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
 STATEMENTS OF REVENUE, EXPENDITURE AND CHANGES IN FUND BALANCE
 GOVERNMENTAL ACTIVITIES
 BUDGET TO ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2020			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Property taxes	\$ 86,925	\$ 86,925	\$ 91,857	\$ 4,932
Investment earnings	19	19	495	476
Rental income	13,848	13,848	12,016	(1,832)
Grant revenue	5,500	5,500	5,000	(500)
Miscellaneous revenue	17,500	17,500	101	(17,399)
Total revenues	<u>123,792</u>	<u>123,792</u>	<u>109,469</u>	<u>(14,323)</u>
Expenditures				
Current:				
Services and supplies	93,342	93,342	73,170	20,172
Capital expenditures	<u>31,000</u>	<u>31,000</u>	-	<u>31,000</u>
Total expenditures	<u>124,342</u>	<u>124,342</u>	<u>73,170</u>	<u>51,172</u>
Net change in fund balance	(550)	(550)	36,299	36,849
Fund balance, beginning of year	<u>160,027</u>	<u>160,027</u>	<u>160,027</u>	<u>-</u>
Fund balance, end of year	<u>\$ 159,477</u>	<u>\$ 159,477</u>	<u>\$ 196,326</u>	<u>\$ 36,849</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
 STATEMENTS OF REVENUE, EXPENDITURE AND CHANGES IN FUND BALANCE
 GOVERNMENTAL ACTIVITIES
 BUDGET TO ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2019			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Property taxes	\$ 72,400	\$ 76,650	\$ 86,642	\$ 9,992
Investment earnings	15	25	14,458	14,433
Rental income	8,927	9,727	13,612	3,885
Grant revenue	1,000	-	-	-
Miscellaneous revenue	5,000	-	-	-
Total revenues	<u>87,342</u>	<u>86,402</u>	<u>114,712</u>	<u>28,310</u>
Expenditures				
Current:				
Services and supplies	65,587	78,867	169,769	(90,902)
Capital expenditures	<u>22,265</u>	<u>14,916</u>	-	<u>14,916</u>
Total expenditures	<u>87,852</u>	<u>93,783</u>	<u>169,769</u>	<u>(75,986)</u>
Net change in fund balance	<u>(510)</u>	<u>(7,381)</u>	<u>(55,057)</u>	<u>(47,676)</u>
Fund balance, beginning of year	17,839	17,839	17,839	-
Interfund transfer	<u>-</u>	<u>-</u>	<u>197,245</u>	<u>(197,245)</u>
Fund balance, end of year	<u>\$ 17,329</u>	<u>\$ 10,458</u>	<u>\$ 160,027</u>	<u>\$ (244,921)</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF REVENUE, EXPENDITURE AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2020			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Charges for Water Operations	\$ 195,000	\$ 195,000	\$ 241,245	\$ 46,245
Property taxes revenue	122,000	126,340	126,446	106
Investment Income	600	1,737	3,937	2,200
Miscellaneous revenue	(13,794)	(36,700)	26,359	63,059
Total revenues	<u>303,806</u>	<u>286,377</u>	<u>397,987</u>	<u>111,610</u>
Expenditures				
Current:				
Services and supplies	184,775	185,375	184,694	681
Capital expenditures	18,500	20,000	74,524	(54,524)
Debt service:				
Principal	123,535	120,576	-	120,576
Interest	67,219	64,706	57,899	6,807
Total expenditures	<u>394,029</u>	<u>390,657</u>	<u>317,117</u>	<u>73,540</u>
Net change in fund balance	(90,223)	(104,280)	80,870	185,150
Fund balance, beginning of year	3,373,331	3,373,331	3,373,331	-
Prior period adjustment	-	-	<u>86,800</u>	<u>(86,800)</u>
Fund balance, end of year	<u>\$ 3,283,108</u>	<u>\$ 3,269,051</u>	<u>\$ 3,541,001</u>	<u>\$ 98,350</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
STATEMENTS OF REVENUE, EXPENDITURE AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2020 and 2019

	2019			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Charges for Water Operations	\$ 200,000	\$ 195,000	\$ 216,956	\$ 21,956
Property taxes revenue	122,000	125,640	136,895	11,255
Investment Income	1,487	2,000	590	(1,410)
Miscellaneous revenue	-	(1,361)	25,344	26,705
Total revenues	<u>323,487</u>	<u>321,279</u>	<u>379,785</u>	<u>58,506</u>
Expenditures				
Current:				
Services and supplies	168,425	199,100	96,680	102,420
Capital expenditures	22,675	15,040	75,509	(60,469)
Debt service:				
Principal	117,576	122,222	-	122,222
Interest	73,090	68,294	58,111	10,183
Total expenditures	<u>381,766</u>	<u>404,656</u>	<u>230,300</u>	<u>174,356</u>
Net change in fund balance	(58,279)	(83,377)	149,485	232,862
Fund balance, beginning of year	3,421,091	3,421,091	3,421,091	-
Interfund transfer	-	-	(197,245)	197,245
Fund balance, end of year	<u>\$ 3,362,812</u>	<u>\$ 3,337,714</u>	<u>\$ 3,373,331</u>	<u>\$ 430,107</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Camp Meeker Recreation and Park District (District) was formed by resolution of the Board of Supervisors of the County of Sonoma in September 1935 as a special district under and pursuant to provisions of the Public Resources Code, Div. 5, Chapter 4, Section 5780 (et sec) of the State of California. The District serves taxpayers and residents in a specific unincorporated area of the County of Sonoma, the boundaries of which are set by resolution of the Board of Supervisors. The District was further authorized as a "county water district" in April 1994 and was further awarded sewer powers in August 1999. The District's governmental powers are exercised through an elected Board of Directors.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Taxes, interest, and charges for services are accrued when receipt occurs within three hundred sixty-five days of the end of the accounting period, so as to be both measurable and available. Licenses, permits, fines, forfeitures, and other revenues are recorded as revenues when received in cash, because they are generally not measurable until actually received. Property taxes are accrued when their receipt occurs within sixty days of the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims judgments are recorded only when payment is due.

Amounts recorded as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided and 2) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

The District hold funds in an Insured Cash Sweep account and other funds that are all federally insured, except for a petty cash fund at local financial institutions. The District also holds an account with the County Treasury as required by their lender.

Receivables

Direct Charges Receivable – Direct charges collected are apportioned to the District to supplement property taxes collected for the water system debt. Not all of the assessments are collected as of June 30, 2020 and 2019; therefore, the remainder of the uncollected assessments is considered direct charges receivable.

Property Taxes – The County of Sonoma is responsible for assessing, collecting and distributing property taxes in accordance with state law. Liens on real property are established January 1 for the ensuing fiscal year. The property tax is levied as of July on all taxable property located in the County of Sonoma. Secured property taxes are due in two installments, on November 1 and February 1, and are delinquent after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

Since the passage of California's Proposition 13, beginning with the fiscal year 1978/1979, general property taxes are based either on a flat 1% rate applied to the 1975/1976 full value, or on one percent of the sales price of the property on sales transactions and construction after the 1975/1976 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of two percent per year.

Special Taxes are a type of direct charge applied to each parcel of property within the District for a specific dollar amount and for a specific purpose.

On June 30, 1993, the board of Supervisors adopted the "Teeter" Method of property tax allocation. This method allocates property taxes based on the total property tax billed. At Year-end, the county advances cash to each taxing jurisdiction equal to its current year delinquent property taxes based on the total property tax billed. In exchange, the county receives the penalties and interest on delinquent taxes when collected. The penalties and interest are used to pay the interest cost of borrowing the cash used for the advances.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Water fee receivables – The District reports receivables for all outstanding water charges. All are expected to be paid in full and therefore, there is no allowance for bad debt.

Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost of purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Buildings and improvements and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	50
Water system and pipeline	75
Equipment	5 - 15

Net Position

Net position are classified into three components – invested in capital assets, unrestricted and restricted for debt fund. These classifications are defined as follows:

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, net accumulated depreciation and net of related debt if any.
- Unrestricted net position – This component of net position consists of net position that do not meet the definition of 'restricted" or "invested in capital assets, net of related debt".
- Restricted for debt fund- This component of net position consists of restricted funds that can only be spent for specific debt related purposes stipulated by external funder.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance

The Governmental Accounting Standards Board (GASB) released Statement 54- "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54) on March 11, 2009 which is effective for the District's fiscal years ending June 30, 2018 and 2017. This Statement is intended to improve the usefulness of the amounts reported in fund balance by providing more structured classifications. Under GASB 54, fund balance is reported under the following two classifications:

Assigned Fund Balance – consists of amounts intended for a specific purpose by a District official that has been delegated authority to assign amounts. This fund balance classification reflects funds assigned for capital projects.

Unassigned Fund Balance – consists of any remaining fund balance that has not been reported in any other classification.

For the purpose of fund balance classification, the District's policy is to have expenditures spent from the restricted fund balances first, followed in order by committed fund balance (if any), assigned fund balance (if any), and last unassigned fund balance.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements 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 revenue and expense during the reporting period. Actual results could differ from those estimates; the financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates include the collectability of property taxes in determining the allowance for uncollectible taxes, depreciation lives and methods, and compensated absences. These estimates may be adjusted as more current information becomes available and any adjustment could be significant.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budgetary revenue estimates represent original estimates modified for any authorized adjustments, which were contingent upon new or additional revenue resources. Budgetary expenditure amounts represent original appropriations adjusted by budget transfers and authorized appropriation adjustments made during the year. All budgets are adopted on a non-GAAP basis.

NOTE 3 DETAILED NOTES

Cash and Investments

The District maintains cash balances at Wells Fargo bank, a local financial institution. Wells Fargo serves as a depository for public funds and certain eligible securities as collateral.

1. Investment Policy: The District shall invest its moneys (other than its monthly operating fund) in savings accounts, certificates of deposit and federally insured banks and savings and loan institutions, or through the Sonoma County pooled investment fund and any other lawfully permitted investment through that fund, with the following qualifications:

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 DETAILED NOTES

1. Investment Policy, continued:

Treasurer. The responsibility for conducting the District's investment program and day to day investment functions resides with the District Treasurer.

- a. Authorized Depositories. Deposits shall only be made in qualified public depositories as authorized under State statute. In selecting financial institutions for the deposit or investment of District funds, the Treasurer shall consider the credit rating of the institutions.
- b. Maximum Term. The maximum Term of any deposit account shall be five (5) years.
- c. Maximum Investment in Single Institution. The maximum invested in any single bank or savings and loan institution shall be no more than the available insurance covering such deposits or Two Hundred Fifty Thousand Dollars (\$250,000.00), *whichever is lesser*. The amount so deposited shall not cause the total invested in any one (1) institution, including accrued interest, to exceed the available deposit insurance.
- d. Pooled Investment Fund. Investments made through the Sonoma County Pooled Investment Fund are not required to be insured.
- e. Brokered Certificates of Deposit. The District may invest funds in brokered certificates of deposit, provided that:
 - I. The funds are invested through a Federally licensed securities brokerage firm;
 - II. The brokerage firm maintains at least Five Hundred Thousand Dollars (\$500,000.00) protection through the Securities Investor Protection Corporation ("SIPC") on all District funds while in the control of the brokerage;
- f. Brokered Certificates of Deposit, continued.
 - III. Funds invested in each certificate of deposit be only in the name of the District; and
 - IV. The amount invested in each certificate of deposit does not exceed the maximum insured limit through the Federal Deposit Insurance Corporation ("FDIC").
- g. Waiver of Collateralization. To provide security to District funds in those situations where the District accounts with an FDIC insured bank or savings and loan exceed the FDIC insurance limit (e.g. due to interest re-deposited), the District is authorized to enter into a Waiver of Collateralization or Security Agreement with the lending institution, provided that:
 - I. The financial institution has committed to provide and maintain approved collateral for all deposits in excess of Two Hundred Fifty Thousand Dollars (\$250,000) in accordance with Government Code Section 53652; and
 - II. The financial institution remains fully insured under the FDIC for up to Two Hundred Fifty Thousand Dollars (\$250,000.00) of deposits by the District.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 DETAILED NOTES, continued

- h. Other Investments. The District may, from time to time, make such *other* investments as are authorized by the California Government Code (as amended or replaced); provided that prior to making any investments not previously authorized and set forth in this investment policy, that the Board of Directors shall review the type of investment and adopt an amendment to this investment policy authorizing same.

2. Investment Transaction. Every investment transaction must be reviewed and authorized by the Board of Directors and documented by the Treasurer of the District.

3. Monthly Report. The Treasurer shall submit a monthly report to the Board of Directors in accordance with the requirements of Government Code Section 53646. All such reports shall include a comparison with the report last generated and include, in addition, the following elements:

- a. Type of Investment;
- b. Institution;
- c. Date of Maturity;
- d. Amount of Deposit;
- e. Rate of Interest; and
- f. Statement relating to the Report of the Investment Policy.

4. Withdrawals and Transfers.

- a. Investments. Any withdrawal, renewal or transfer of funds held as investments pursuant to this investment policy shall require approval of the Board of Directors and, except with respect to a roll-over or renewal, the signature of two (2) persons authorized by the Board of Directors.
- b. Operating Account. All withdrawals, transfers and checks drawn on the District checking accounts shall require the signatures of two (2) persons authorized by the Board of Directors of the District.

5. Temporary, Non-Insured Investments. The District shall be allowed to deposit funds in excess of the Two Hundred Fifty Thousand Dollars (\$250,000) insurance limit set forth in this investment policy into the district's operating, checking account for a period up to four (4) months each, pending the utilization of the proceeds received from the County of Sonoma on the annual Water Direct Charges collected from the County Tax Rolls. Due to the large size of these annual payments, and due to the fact there is often a need for the prompt expenditure of all or large parts of such payments, it is impractical for short-term periods to place such funds in insured savings deposit accounts.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 DETAILED NOTES, continued

6. Signatory Authorization. Once annually, following the adoption of the District's annual budget (or additionally upon the creation of a new investment), the Board of Directors shall, by resolution, authorize specific persons among the Board to be the signatories on all investment accounts of the District. Such persons shall not consist of the persons handling the day-to-day financial operations of the District. All District checks or warrants shall be signed by two authorized persons. The resolution shall further provide that, until a further resolution is adopted, only the named signatories shall be permitted to authorize deposits, withdrawals and transfers of District monies.

- a. Within thirty (30) days of the adoption of the authorizing resolution or creation of a new investment, a copy of the resolution establishing the signatories shall be delivered to each financial institution in which the District has any investment with a request that the institution acknowledge receipt of such resolution.
- b. In order to carry out the provisions of this Section 6, the District Secretary shall prepare a cover letter to the financial institution, to be signed by the Chairman of the Board, enclosing a copy of the current Board resolution authorizing only certain signatories on the account or investment. The letter shall request that the financial institution respond in writing and provide the following information directly to the Chairman at his/her home mailing address:

6. Signatory Authorization, continued.

- I. Written verification of the financial institution's receipt of a copy of the current Board resolution authorizing certain signatories on the type of account invested with the financial institution; and
 - II. A photocopy of the record of the financial institution which shows the actual signatures of the persons authorized to make withdrawals and transfers on the accounts or investments of the District with that institution.
- c. Upon receipt of the financial institution's written reply, the Chairman of the board shall present such reply at the next Board meeting to verify all signatures on the accounts or investments. The originals of the replies of the financial institutions shall be maintained in a separate file with the District.

7. Bonding. All employees of the District who have been authorized to co-sign payments, transfers, deposits and/or withdrawals of District funds shall be bonded in an amount determined by the Board of Directors by an insurance company rated A or better in Best's Guide. The bonding of Directors under the insurance policy with SDRMA is deemed to be a sufficient performance bond as required by Public Resources Code 5784.9(e).

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 3 DETAILED NOTES, continued

8. Internal Controls. By this Policy, the District has adopted in writing such internal controls as the Board reasonably believes is reasonably required to prevent loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District.

- a. The Board of Directors shall on an annual basis establish a process for independent review of these controls by an external auditor in conjunction with the regular audits of the District's accounts and records pursuant to Public Resources Code Section 5788.25(a) and Government Code Section 26909.

9. Conflicts of Interest. Officers, staff and Board members involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the District's investment program or which could impair their ability to make impartial investment decisions.

- a. Employees, officers and Board members shall disclose to the District Secretary any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial or investment positions that could be related to the performance of the District. These disclosure requirements shall include complying with the disclosure and disqualification requirements as established by the Fair Political Practices Commission and Conflict of Interest Codes of the District.

10. Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Governments Code and the Treasury Pool's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions:

- a. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by depository regulated under state law. The market value of the pledge securities in the collateral pool must be equal at least 110% of the total amount deposited by the public agencies.
- b. The California Government Code limits the total of all securities lending transactions to twenty percent of the fair value of the investment portfolio.

CAMP MEEKER RECREATION AND PARK DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020 AND 2019

NOTE 3 DETAILED NOTES, continued

At June 30, cash and restricted cash consist of:

	2020	2019
Cash held with County Treasury	\$ 262,431	209,812
Cash held with financial institutions	1,120,831	1,117,576
Total cash	\$ 1,383,262	\$ 1,327,388

NOTE 4 OTHER INFORMATION

Risk Management

The District is covered for commercial and general liability and errors and omissions, as well as automobile and excess liability insurance. The District purchases its insurance coverage through the Special Districts Risk Management Association (SDRMA). Workers' Compensation Insurance is also purchased through the SDRMA.

Prior Period Adjustment

The District has a prior period adjustment for June 30, 2020 related to restatement for notes payable.

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 4 OTHER INFORMATION, continued

Capital Assets

Capital asset activity for the year ending June 30 is as follows:

	2020		
	Beginning Balance	Additions	Ending Balance
	<u> </u>	<u> </u>	<u> </u>
Capital assets, not being depreciated:			
Land	\$ 321,731		\$ 321,731
Construction in process	19,249		19,249
Total capital assets, not being depreciated	<u>340,980</u>		<u>340,980</u>
Capital assets, being depreciated:			
Buildings and improvements	\$ 559,507		\$ 559,507
Water system and pipeline	5,420,621		5,420,621
Equipment	17,091	-	17,091
Total capital assets, being depreciated	<u>5,997,219</u>	<u>-</u>	<u>5,997,219</u>
Less accumulated depreciation for:			
Buildings and improvements	(230,240)	(11,283)	(241,523)
Water system and pipeline	(1,789,109)	(74,524)	(1,863,633)
Equipment	(17,091)	-	(17,091)
Total accumulated depreciation	<u>(2,036,440)</u>	<u>(85,807)</u>	<u>(2,122,247)</u>
Total capital assets, being depreciated, net	<u>3,960,779</u>	<u>(85,807)</u>	<u>3,874,972</u>
Capital assets, net	<u>\$ 4,301,759</u>	<u>\$ (85,807)</u>	<u>\$ 4,215,952</u>

Depreciation expense is charged to functions/programs of the Camp Meeker Recreation and Park District government as follows:

Total depreciation	<u>\$ 85,807</u>
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CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 4 OTHER INFORMATION, continued

	2019		
	Beginning Balance	Additions	Ending Balance
	<u> </u>	<u> </u>	<u> </u>
Capital assets, not being depreciated:			
Land	\$ 321,731		\$ 321,731
Construction in process	19,249		19,249
Total capital assets, not being depreciated	<u>340,980</u>	<u>-</u>	<u>340,980</u>
 Capital assets, being depreciated:			
Buildings and improvements	\$ 594,297	\$ (34,790)	\$ 559,507
Water system and pipeline	5,382,550	38,071	5,420,621
Equipment	17,091	-	17,091
Total capital assets, being depreciated	<u>5,993,938</u>	<u>3,281</u>	<u>5,997,219</u>
 Less accumulated depreciation for:			
Buildings and improvements	(220,568)	(9,672)	(230,240)
Water system and pipeline	(1,714,772)	(74,337)	(1,789,109)
Equipment	(17,091)	-	(17,091)
Total accumulated depreciation	<u>(1,952,431)</u>	<u>(84,009)</u>	<u>(2,036,440)</u>
Total capital assets, being depreciated, net	<u>4,041,507</u>	<u>(80,728)</u>	<u>3,960,779</u>
 Capital assets, net	<u>\$ 4,382,487</u>	<u>\$ (80,728)</u>	<u>\$ 4,301,759</u>

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 4 OTHER INFORMATION, continued

Changes in long-term liabilities

Long term liability activity for the year ended June 30 is as follows:

	2020				
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Notes payable	<u>\$1,075,633</u>	<u>\$ -</u>	<u>\$ 36,456</u>	<u>\$1,112,089</u>	<u>\$ 136,078</u>
	2019				
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Notes payable	<u>\$1,381,023</u>	<u>\$ -</u>	<u>\$ (172,535)</u>	<u>\$1,075,633</u>	<u>\$ 132,856</u>

Note Payables

The District has two note payables at June 30. Please find the details below:

2020			
<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/2020 Balance</u>
December 1995	September 2021	3.0315%	\$ 142,670
May 1999	October 2038	4.750%	<u>1,105,497</u>
	Total		<u>\$ 1,248,167</u>
2019			
<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/2019 Balance</u>
December 1995	September 2021	3.0315%	\$ 232,027
May 1999	October 2038	4.750%	<u>1,148,997</u>
	Total		<u>\$ 1,381,024</u>

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 5 SUBSEQUENT EVENTS

The District has evaluated subsequent events through February 16, 2021, the date the financial statements were available to be issued. In January 2020, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic resulting in federal, state and local governments and private entities mandating various restrictions. This could have a material effect on the District's operations, financial position, and cash flows.

REQUIRED SUPPLEMENTARY INFORMATION

CAMP MEEKER RECREATION AND PARK DISTRICT
ROSTER OF BOARD MEMBERS
JUNE 30, 2020

Gary Helfrich, President	December 2021
Valery Larson, Vice President	December 2021
Anthony Tominia, Secretary/Treasurer	December 2021
Lynn Watson	December 2023
John McDaniel	December 2023

Regular Meetings: The regular meetings of the Board of Directors is held at 7:00 PM on the third Tuesday of each month at Camp Meeker Recreation and Park District, 5240 Bohemian Highway, Camp Meeker, California 95419.