

CAMP MEEKER RECREATION AND PARK DISTRICT

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

JUNE 30, 2021 AND 2020



TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 9
FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statements of Net Position	10 - 11
Statements of Activities	12
Statements of Cash Flows	13
Fund Financial Statements:	
Balance Sheets - Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheets to the Statement of Net Position	15
Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	17
Statements of Net Position - Enterprise Fund	18 - 19
Statements of Revenues, Expenditures, and Changes in Net Position - Enterprise Fund	20
Statements of Cash Flows - Enterprise Fund	21
Statements of Revenues, Expenditures and Changes in the Fund Balance - Budgets and Actual - Governmental	22 - 23
Statements of Revenues, Expenditures and Changes in the Fund Balance - Budgets to Actual - Enterprise Fund	24 - 25
NOTES TO FINANCIAL STATEMENTS	26 - 39
REQUIRED SUPPLEMENTARY INFORMATION	
Roster of Board Members	40

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 the Camp Meeker Recreation and Park District, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Camp Meeker Recreation and Park 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

Opinions

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 the Camp Meeker Recreation and Park District, as of June 30, 2021 and 2020, 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 the 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.

December 14, 2021

Santa Rosa, CA

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

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, 2021 and 2020. 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 \$4,396,419 (net position). Of this amount, \$1,258,274 (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, 2020 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 District's total net position increased by \$90,494 in 2021 and \$204,528 for 2020.
- As of the close of the current fiscal year, the District's governmental funds reported an ending fund balance of \$193,588, a net decrease of \$2,738 in comparison with the year ended June 30, 2020. For the fiscal year ended June 30, 2020, 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.
- The District's total long-term liabilities decreased by \$120,089 and \$136,079 during the fiscal years ended June 30, 2021 and 2020, 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.
- Capital plan has been completed and expenditures for replacements will begin in the 2021-2022 fiscal year.
- Water had a rate increase that was adopted in the June 30, 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, 2021 AND 2020

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 10-12 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, 2021 AND 2020

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 \$4,396,419 and \$4,305,925 at the close of June 30, 2021 and 2020, respectively.

A large portion of the district's net assets (70 and 69 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, 2021 AND 2020

NET POSITION

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
Current and other assets	\$ 224,103	\$ 1,159,230	\$ 1,383,333	\$ 1,169,320
Capital assets	545,474	3,584,671	4,130,145	4,215,952
Other non-current assets	-	3,505	3,505	262,431
Total assets	<u>\$ 769,577</u>	<u>\$ 4,747,406</u>	<u>\$ 5,516,983</u>	<u>\$ 5,647,703</u>
 Total liabilities	 <u>\$ 30,516</u>	 <u>\$ 1,090,048</u>	 <u>\$ 1,120,564</u>	 <u>\$ 1,341,778</u>
 Net investment in capital assets	 545,474	 2,551,671	 3,097,145	 2,967,785
Restricted for debt service	-	41,000	41,000	136,078
Unrestricted	<u>193,587</u>	<u>1,064,687</u>	<u>1,258,274</u>	<u>1,202,062</u>
Total net position	<u>\$ 739,061</u>	<u>\$ 3,657,358</u>	<u>\$ 4,396,419</u>	<u>\$ 4,305,925</u>

The balance of the unrestricted net position (\$1,258,274 for 2021 and \$1,202,062 for 2020) 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 \$90,494 for 2021 and \$204,528 for 2020. 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, 2021 AND 2020

CHANGES IN NET POSITION

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
Revenues:				
Program revenue		\$ 272,538	\$ 272,538	\$ 241,245
General revenue	\$ 90,124	169,470	259,594	273,621
Investment income	360	118	478	4,432
Total revenues	<u>90,484</u>	<u>442,126</u>	<u>532,610</u>	<u>519,298</u>
Expenses:				
Program expenses	104,505	337,611	442,116	401,570
Total expenses	<u>104,505</u>	<u>337,611</u>	<u>442,116</u>	<u>401,570</u>
Change in net position	(14,021)	104,515	90,494	117,728
Net position, beginning of the year	753,082	3,552,843	4,305,925	4,101,397
Prior period adjustment	-	-	-	86,800
Net position, beginning of the year, restated	<u>753,082</u>	<u>3,552,843</u>	<u>4,305,925</u>	<u>4,188,197</u>
Net position, end of the year	<u>\$ 739,061</u>	<u>\$ 3,657,358</u>	<u>\$ 4,396,419</u>	<u>\$ 4,305,925</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 \$193,588 and \$196,326, respectively, a net decrease of \$2,738 for 2021 and increase of \$36,299 for 2020 in comparison with the prior year.

CAMP MEEKER RECREATION AND PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

Governmental Funds, continued

The general fund is the chief operating fund of the District. At the end of June 30, 2021 and 2020, unreserved fund balance of the general fund was \$149,483 and \$165,326, 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 62 and 84 percent of total general fund expenditures which were \$93,222 and \$73,170, 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:

- Less rental income than anticipated
- Increase in water operations
- More service and supply expenses anticipated

Capital Assets

The District's investment in capital assets, as of June 30, 2021 and 2020, amounts to \$4,130,145 and \$4,215,952 (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 2021-2022 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, 2021 AND 2020

Debt Administration

At the end of the fiscal year the District had total long-term obligations of \$992,000 and \$1,112,089, respectively, in notes payable. During June 30, 2021 and 2020, the District's long-term debt decreased by \$(120,089) and \$(136,079), 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, 2021:

- Water rate increases are expected for the 2021-2022 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, 2021 and 2020

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
ASSETS				
Current assets				
Cash and cash equivalents	\$ 219,133	\$ 1,115,043	\$ 1,334,176	\$ 1,120,831
Accounts receivable	-	18,889	18,889	24,514
Intergovernmental receivable	4,970	8,298	13,268	17,087
Due from general fund	-	17,000	17,000	6,888
Total current assets	<u>224,103</u>	<u>1,159,230</u>	<u>1,383,333</u>	<u>1,169,320</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	-	3,482,464	3,482,464	3,556,988
Building and improvements	306,701	-	306,701	317,984
Total capital assets	<u>545,474</u>	<u>3,584,671</u>	<u>4,130,145</u>	<u>4,215,952</u>
Other assets				
Restricted cash in Treasury	-	3,505	3,505	262,431
Total assets	<u>\$ 769,577</u>	<u>\$ 4,747,406</u>	<u>\$ 5,516,983</u>	<u>\$ 5,647,703</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARKS DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2021 and 2020

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 5,321	\$ 3,930	\$ 9,251	\$ 13,392
Deferred revenue	4,570	-	4,570	(2,380)
Rental deposits	3,625	-	3,625	1,790
Water fees paid in advance	-	(2,364)	(2,364)	17,209
Interest payable	-	55,482	55,482	57,382
Due to enterprise fund	17,000	-	17,000	6,218
Current portion of notes payable	-	41,000	41,000	136,078
Total current liabilities	<u>30,516</u>	<u>98,048</u>	<u>128,564</u>	<u>229,689</u>
Long Term Liabilities				
Notes payable	-	992,000	992,000	1,112,089
Total liabilities	<u>\$ 30,516</u>	<u>\$ 1,090,048</u>	<u>\$ 1,120,564</u>	<u>\$ 1,341,778</u>
NET POSITION				
Net investment in capital assets,				
net of related debt	545,474	2,551,671	\$ 3,097,145	\$ 2,967,785
Restricted for debt service	-	41,000	41,000	136,078
Unrestricted	193,587	1,064,687	1,258,274	1,202,062
Total net position	<u>\$ 739,061</u>	<u>\$ 3,657,358</u>	<u>\$ 4,396,419</u>	<u>\$ 4,305,925</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, 2021 and 2020

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
Program expenses				
Services and supplies	\$ 93,222	\$ 206,579	\$ 299,801	\$ 257,864
Interest expense	-	56,508	56,508	57,899
Depreciation	11,283	74,524	85,807	85,807
Total program expenses	<u>104,505</u>	<u>337,611</u>	<u>442,116</u>	<u>401,570</u>
Program revenues				
Charges for Water Operations	-	272,538	272,538	241,245
Net program loss	(104,505)	(65,073)	(169,578)	(160,325)
General revenues				
Property taxes revenue	88,024	130,631	218,655	218,303
Rental income	2,100	-	2,100	12,016
Investment Income	360	118	478	4,432
Intergovernmental revenue	-	5,870	5,870	16,842
Other income	-	32,969	32,969	26,460
Total non-operating revenues	<u>90,484</u>	<u>169,588</u>	<u>260,072</u>	<u>278,053</u>
Change in net position	(14,021)	104,515	90,494	117,728
Net position, beginning of the year	753,082	3,552,843	4,305,925	4,101,397
Prior period adjustment	-	-	-	86,800
Net position, beginning of the year, restated	<u>753,082</u>	<u>3,552,843</u>	<u>4,305,925</u>	<u>4,188,197</u>
Net position, end of the year	<u>\$ 739,061</u>	<u>\$ 3,657,358</u>	<u>\$ 4,396,419</u>	<u>\$ 4,305,925</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and other funds	\$ 528,953	\$ 586,604
Cash paid to suppliers	(359,845)	(402,305)
Interest received	478	4,432
Net cash provided (used) by operations	<u>169,586</u>	<u>188,731</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Principal payment of note payable	<u>(215,167)</u>	<u>(132,857)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investment in Treasury	<u>258,926</u>	<u>(52,619)</u>
NET CHANGE IN CASH	213,345	3,255
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,120,831</u>	<u>1,117,576</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,334,176</u>	<u>\$ 1,120,831</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 90,494	\$ 204,528
Adjustments to reconcile change in net assets to cash from operations:		
Depreciation and amortization	85,807	85,807
(Increase) decrease in:		
Receivables	(668)	(21,563)
Increase (decrease) in:		
Accounts payable	6,641	(74,849)
Other payable	1,835	(3,000)
Interest payable	(1,900)	(1,805)
Deferred revenue	<u>(12,623)</u>	<u>(387)</u>
Total cash provided (used) by operations	<u>\$ 169,586</u>	<u>\$ 188,731</u>

The accompanying notes are an integral part of these financial statements

CAMP MEEKER RECREATION AND PARK DISTRICT
BALANCE SHEETS
GOVERNMENTAL FUNDS
JUNE 30, 2021 and 2020

	General Fund	
	2021	2020
ASSETS		
Cash and cash equivalents	\$ 219,133	\$ 194,129
Intergovernmental receivable	4,971	9,029
Total assets	\$ 224,104	\$ 203,158
 LIABILITIES and FUND BALANCE		
Liabilities		
Accounts payable	\$ 5,321	\$ 1,204
Deferred revenue	4,570	(2,380)
Due to enterprise fund	17,000	6,218
Rental deposits	3,625	1,790
Total liabilities	30,516	6,832
 Fund balance		
Assigned for capital improvements	44,105	31,000
Unreserved	149,483	165,326
Total fund balance	193,588	196,326
Total liabilities and fund balances	\$ 224,104	\$ 203,158

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, 2021 and 2020

	2021	2020
Fund balances - total government funds	\$ 193,588	\$ 196,326
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.	545,473	556,756
Net position of governmental activities	\$ 739,061	\$ 753,082

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, 2021 and 2020

	General Fund	
	2021	2020
Revenues:		
Property taxes	\$ 88,024	\$ 91,857
Real estate rental	2,100	12,016
Grant revenue	-	5,000
Investment income	360	596
Total revenues	90,484	109,469
 Expenditures:		
Services and supplies	93,222	73,170
Total expenditures	93,222	73,170
 Net change in fund balances	(2,738)	36,299
 Fund balance, beginning of year	196,326	160,027
Interfund adjustments	-	-
Fund balance, beginning of year restated	196,326	160,027
 Fund balance, end of year	\$ 193,588	\$ 196,326

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, 2021 and 2020

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

	2021	2020
Net change in fund balance - governmental funds	\$ (2,738)	\$ 36,299
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)	(11,283)
Change in net position of governmental activities	\$ (14,021)	\$ 25,016

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, 2021 and 2020

	Water Operations	
	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,115,043	\$ 926,702
Accounts receivable	18,889	24,514
Property tax receivable	8,298	8,059
Due from general fund	17,000	6,888
Total current assets	1,159,230	966,163
Capital assets, net of accumulated depreciation		
Construction in process	19,249	19,249
Land	82,958	82,958
Water system and pipeline	3,482,464	3,556,988
Total capital assets	3,584,671	3,659,195
Other assets		
Restricted cash in Treasury	3,505	262,431
Total assets	\$ 4,747,406	\$ 4,887,789

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, 2021 and 2020

	Water Operations	
	2021	2020
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 3,930	\$ 12,188
Water fees paid in advance	(2,364)	17,209
Interest payable	55,482	57,382
Current portion of notes payable	41,000	136,078
Total current liabilities	98,048	222,857
 Long Term Liabilities		
Notes payable	992,000	1,112,089
Total liabilities	\$ 1,090,048	\$ 1,334,946
 NET POSITION		
Net investment in capital assets, net of related debt	2,551,671	\$ 2,411,028
Restricted for debt service	41,000	136,078
Unrestricted	1,064,687	1,005,737
Total net position	\$ 3,657,358	\$ 3,552,843

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, 2021 and 2020

	Water Operations	
	2021	2020
Program expenses		
Services and supplies	\$ 206,579	\$ 184,694
Interest expense	56,508	57,899
Depreciation	74,524	74,524
Total program expenses	337,611	317,117
Program revenues		
Charges for Water Operations	272,538	241,245
Net program loss	(65,073)	(75,872)
General revenues		
Property taxes revenue	130,631	126,446
Investment Income	118	3,937
Intergovernmental revenue	5,870	11,842
Other income	32,969	26,359
Total non-operating revenues	169,588	168,584
Change in net position	104,515	92,712
Net position, beginning of the year	3,552,843	3,373,331
Prior period adjustment	-	86,800
Net position, end of the year	\$ 3,657,358	\$ 3,552,843

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, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers and other funds	\$ 417,591	\$ 498,925
Cash paid to suppliers	(273,127)	(319,102)
Interest received	118	3,937
Net cash provided (used) by operations	144,582	183,760
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:		
Purchase of property, plant and equipment	-	-
Principal payment of note payable	(215,167)	(132,857)
Net cash used by capital financing activities	(215,167)	(132,857)
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investment in Treasury	258,926	(52,619)
NET CHANGE IN CASH	188,341	(1,716)
CASH AND CASH EQUIVALENTS, beginning of year	926,702	928,418
CASH AND CASH EQUIVALENTS, end of year	\$ 1,115,043	\$ 926,702
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 104,515	\$ 179,512
Adjustments to reconcile change in net assets to cash from operations:		
Depreciation and amortization	74,524	74,524
(Increase) decrease in:		
Receivables	(4,726)	7,806
Increase (decrease) in:		
Accounts payable	(8,258)	(78,641)
Interest payable	(1,900)	(1,805)
Deferred revenue	(19,573)	2,364
Total cash provided (used) by operations	\$ 144,582	\$ 183,760

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, 2021 and 2020

	2021			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Property taxes	\$ 86,700	\$ 87,196	\$ 88,024	\$ 828
Investment earnings	25	38	360	322
Rental income	6,900	9,400	2,100	(7,300)
Miscellaneous revenue	30,000	8,600	-	(8,600)
Total revenues	<u>123,625</u>	<u>105,234</u>	<u>90,484</u>	<u>(14,750)</u>
Expenditures				
Current:				
Services and supplies	79,520	108,680	93,222	15,458
Capital expenditures	<u>44,105</u>	<u>25,004</u>	-	<u>25,004</u>
Total expenditures	<u>123,625</u>	<u>133,684</u>	<u>93,222</u>	<u>40,462</u>
Net change in fund balance	-	(28,450)	(2,738)	25,712
Fund balance, beginning of year	<u>196,326</u>	<u>196,326</u>	<u>196,326</u>	-
Fund balance, end of year	<u>\$ 196,326</u>	<u>\$ 167,876</u>	<u>\$ 193,588</u>	<u>\$ 25,712</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, 2021 and 2020

	2020			Variance
	Budgeted Amounts		Actual	Positive
	Original	Final		(Negative)
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	-	-	101	(17,399)
Total revenues	<u>17,500</u>	<u>17,500</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	<u>(550)</u>	<u>(550)</u>	<u>36,299</u>	<u>36,849</u>
Fund balance, beginning of year	<u>196,326</u>	<u>196,326</u>	<u>160,027</u>	<u>-</u>
Fund balance, end of year	<u>\$ 195,776</u>	<u>\$ 195,776</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
BUDGET TO ACTUAL
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2021 and 2020

	2021			Variance Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Charges for Water Operations	\$ 225,000	\$ 225,000	\$ 272,538	\$ 47,538
Property taxes revenue	126,340	122,000	130,631	8,631
Investment Income	5,025	3,375	118	(3,257)
Miscellaneous revenue	37,944	(32,000)	32,969	64,969
Total revenues	<u>394,309</u>	<u>318,375</u>	<u>436,256</u>	<u>117,881</u>
Expenditures				
Current:				
Services and supplies	193,625	191,778	206,579	(14,801)
Capital expenditures	84,000	84,000	74,524	9,476
Debt service:				
Principal	132,611	120,576	-	120,576
Interest	57,644	64,706	56,508	8,198
Total expenditures	<u>467,880</u>	<u>461,060</u>	<u>337,611</u>	<u>123,449</u>
Net change in fund balance	(73,571)	(142,685)	98,645	241,330
Fund balance, beginning of year	3,552,843	3,552,843	3,552,843	-
Prior period adjustment	-	-	-	-
Fund balance, end of year	<u>\$ 3,479,272</u>	<u>\$ 3,410,158</u>	<u>\$ 3,651,488</u>	<u>\$ 241,330</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, 2021 and 2020

	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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

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, 2021 AND 2020

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, 2021 and 2020; 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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

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, 2021 AND 2020

NOTE 3 DETAILED NOTES, continued

At June 30, cash and restricted cash consist of:

	2021	2020
Cash held with County Treasury	\$ 3,505	262,431
Cash held with financial institutions	1,334,176	1,120,831
Total cash	\$ 1,337,681	\$ 1,383,262

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, 2021 AND 2020

NOTE 4 OTHER INFORMATION, continued

Capital Assets

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

	2021		
	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	(241,523)	(11,283)	(252,806)
Water system and pipeline	(1,863,633)	(74,524)	(1,938,157)
Equipment	(17,091)	-	(17,091)
Total accumulated depreciation	<u>(2,122,247)</u>	<u>(85,807)</u>	<u>(2,208,054)</u>
Total capital assets, being depreciated, net	<u>3,874,972</u>	<u>(85,807)</u>	<u>3,789,165</u>
Capital assets, net	<u>\$ 4,215,952</u>	<u>\$ (85,807)</u>	<u>\$ 4,130,145</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, 2021 AND 2020

NOTE 4 OTHER INFORMATION, continued

	2020		
	Beginning Balance	Additions	Ending Balance
Capital assets, not being depreciated:			
Land	\$ 321,731		\$ 321,731
Construction in process	19,249		19,249
Total capital assets, not being depreciated	340,980	-	340,980
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	5,997,219	-	5,997,219
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	(2,036,440)	(85,807)	(2,122,247)
Total capital assets, being depreciated, net	3,960,779	(85,807)	3,874,972
Capital assets, net	\$ 4,301,759	\$ (85,807)	\$ 4,215,952

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

Total depreciation	\$ 85,807
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CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 4 OTHER INFORMATION, continued

Changes in long-term liabilities

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

2021					
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	<u>\$1,075,633</u>	<u>\$ -</u>	<u>\$ 36,456</u>	<u>\$1,112,089</u>	<u>\$ 41,000</u>
 2020					
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	<u>\$1,381,023</u>	<u>\$ -</u>	<u>\$ (172,535)</u>	<u>\$1,075,633</u>	<u>\$ 136,078</u>

Note Payables

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

2021			
Commencement Date	Maturity Date	Interest Rate	6/30/2021 Balance
May 1999	October 2038	4.750%	<u>1,033,000</u>
Total			<u>\$ 1,033,000</u>
 2020			
Commencement Date	Maturity Date	Interest Rate	6/30/2020 Balance
December 1995	September 2021	3.0315%	\$ 42,670
May 1999	October 2038	4.750%	<u>1,248,997</u>
Total			<u>\$ 1,291,667</u>

CAMP MEEKER RECREATION AND PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 5 SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 14, 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, 2021

Directors:

Anthony Tominia, President	December 2025
Gary Helfrich, Vice President	December 2025
John A. McDaniel, Secretary/Treasurer	December 2023
Valery Larson	December 2025
Lynn Watson	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 or by Zoom teleconference. Access information provided monthly at the District's website: www.campmeeker.org and/or Facebook page.