

Minutes of the Calaveras Resource Conservation District (RCD)

Regular Board Meeting

June 3, 2021

423 Saint Charles St, San Andreas, CA

Call to Order: The meeting was called to order by S. Beckman-President @ 6:00 pm

Board Members & Staff Present: S. Beckman-President; B. Dubois; K. Hafley; K. Lambert; G. Long-Executive Director; Dana Simpson-Staff Accountant; Mary Cole-Admin , Jill Micheau – Grant Manager

Board Members & Staff Absent: M. Robie;

Others Present:

Public Comment: None.

Partners: None.

Consent Agenda Items:

1. Approval of 4/26/21 and 5/6/21 Minutes. Board Action – **K. Lambert made motion to approve, B. Dubois second. On a 3-1-1 vote, minutes were approved.** K. Hafley abstained.
2. Approval of May 2021 Finance Reports – **K. Lambert made motion to approve, B. Dubois second. On a 3-1-1 vote, financials were approved.**

Old Business:

1. Update on Cal Fire Murphys to Forest Meadows Fuel Break Grant: G. Long reported that work has started with Tanner Logging. G. Long has been there and spoke with some neighbors. Everything is going well.
2. Update on current grant applications– The Sierra Nevada Conservancy grant was not awarded this round. The CalFire grant has not been heard back on. Administrative earnings from Regional Conservation Partnership Program (RCPP) is coming in for approximately \$3,500.

New Business:

1. Annual work plan – S. Beckman, B Dubois and G. Long were present for the Special Meeting on May 20, 2021, plus an email input from M. Robie. S. Beckman reviewed the proposed work plan that was developed at that meeting. Some additional ideas were presented for S. Beckman to incorporate into the Final Work Plan. **K. Hafley made motion to approve the proposed work plan as amended, K. Lambert second. On a 4-0-1 vote, annual work plan was approved.**
2. Review draft budget – D. Simpson reviewed the proposed budget. The final budget will be presented at the next board meeting for approval.
3. Approve Accounting Policy and Procedures Manual – D. Simpson reviewed the supplied manual. **K. Hafley made motion to approve the proposed accounting policy & procedure manual, K. Lambert second. On a 4-0-1 vote, financials were approved.**

Reports:

5. Committee Reports – None.
6. Other Items for Consideration – None.

7. Board Member announcements – S. Beckman read a letter he received from Tyler Robertson stating he has resigned from the board as of June 1 as he relocating.

S. Beckman suggested maybe asking the Board of Supervisors if we could change to a five-person board. The item will be added to the July meeting for consideration.

He contacted Scott Oneta to discuss the rental agreement for UCCE, and did some reassessing of each tenants’ use of utilities. He noted that the one tenant pays \$.65/sq ft. and that if UCCE also paid the same rate their rent would be \$1,000/mo. He would like to pursue getting this new rate implemented.

8. Staff announcements – D. Simpson asked if the board would consider changing their meeting to a different Thursday as meeting the deadline for financials by the current first Thursday meeting is quite problematic. It was said to be agendized at the next meeting.

G. Long received an email from CA Fire Safe Council that they are trying to hire a staff person from a grant they received.

Adjournment of meeting. Meeting adjourned @ 7:15 pm.

Next meeting **will return to in-person** and scheduled for **Thursday, July 1, 2021.**

Attest:

President, Sid Beckman _____

Date _____

Secretary, Brady Dubois _____

Date _____

Calaveras County Resource Conservation District

Profit & Loss

06/28/21

July 1, 2020 through June 28, 2021

Accrual Basis

	<u>Jul 1, '20 - Jun 28, 21</u>
Ordinary Income/Expense	
Income	
Direct Public Grants	
Nonprofit Organization Grants	787.50
Total Direct Public Grants	787.50
Investments	
Interest-Savings, Short-term CD	18.17
Total Investments	18.17
Other Types of Income	
Miscellaneous Revenue	2,659.57
Total Other Types of Income	2,659.57
Program Income	
Program Service Fees	3,582.48
Program Revenue	197,122.35
Total Program Income	200,704.83
Rental Income	9,610.07
Total Income	213,780.14
Gross Profit	213,780.14
Expense	
Insurance Expense	
Insurance - Liability, D and O	-139.81
Worker's Compensation Insurance	936.21
Total Insurance Expense	796.40
Professional Fees	
Auditor	2,978.00
Total Professional Fees	2,978.00
Contract Services	
Grant Administration	0.00
Accounting Fees	450.00
Outside Contract Services	141,564.00
Total Contract Services	142,014.00
Facilities and Equipment	
Property Taxes	150.00
Facility Maintenance	2,347.96
Utilities	4,925.49
Total Facilities and Equipment	7,423.45
Operations	
Payroll Processing	341.00
Website	179.40
Books, Subscriptions, Reference	36.60
Computer Software	1,093.86
Office Equipment	463.30
Postage, Mailing Service	266.80
Printing and Copying	410.64
Supplies	171.78
Total Operations	2,963.38

Calaveras County Resource Conservation District

Profit & Loss

July 1, 2020 through June 28, 2021

	<u>Jul 1, '20 - Jun 28, 21</u>
Other Types of Expenses	
Staff Development	50.00
Memberships and Dues	434.86
Other Costs	<u>315.00</u>
Total Other Types of Expenses	799.86
Payroll Expenses	<u>42,746.78</u>
Total Expense	<u>199,721.87</u>
Net Ordinary Income	<u>14,058.27</u>
Net Income	<u><u>14,058.27</u></u>

Calaveras County Resource Conservation District

Balance Sheet

As of June 28, 2021

	<u>Jun 28, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking	207,817.80
Total Checking/Savings	207,817.80
Accounts Receivable	
Accounts Receivable	206.24
Total Accounts Receivable	206.24
Total Current Assets	208,024.04
TOTAL ASSETS	208,024.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,500.00
Total Accounts Payable	2,500.00
Other Current Liabilities	
Unearned or Deferred Revenue	189,843.50
Payroll Liabilities	2,675.16
Total Other Current Liabilities	192,518.66
Total Current Liabilities	195,018.66
Total Liabilities	195,018.66
Equity	
Retained Earnings	-1,052.89
Net Income	14,058.27
Total Equity	13,005.38
TOTAL LIABILITIES & EQUITY	208,024.04

Calaveras County Resource Conservation District

Check Detail

June 2021

Type	Num	Date	Name	Item	Account	Paid Amount
Liability Check		06/04/2021	QuickBooks Payrol...		Checking	
			QuickBooks Payroll ...		Direct Deposit Liabili...	-281.11
TOTAL						-281.11
Liability Check		06/24/2021	QuickBooks Payrol...		Checking	
			QuickBooks Payroll ...		Direct Deposit Liabili...	-224.34
TOTAL						-224.34
Liability Check		06/29/2021	QuickBooks Payrol...		Checking	
			QuickBooks Payroll ...		Direct Deposit Liabili...	-1,657.36
TOTAL						-1,657.36
Bill Pmt -Check	406	06/07/2021	Angels Heating & A...		Checking	
TOTAL						0.00
Bill Pmt -Check	407	06/07/2021	Calaveras Public U...		Checking	
Bill		06/01/2021			Utilities	-69.94
TOTAL						-69.94
Bill Pmt -Check	408	06/07/2021	PG&E- V		Checking	
Bill		06/07/2021			Utilities	-30.05
TOTAL						-30.05
Bill Pmt -Check	409	06/07/2021	San Andreas Sanit...		Checking	
Bill		06/01/2021			Utilities	-101.11
TOTAL						-101.11
Bill Pmt -Check	410	06/23/2021	Calaveras Public P...		Checking	
Bill		06/23/2021			Utilities	-109.40
TOTAL						-109.40
Bill Pmt -Check	411	06/23/2021	Angels Sewer & Dr...		Checking	
Bill		06/23/2021			Facility Maintenance	-240.00
TOTAL						-240.00
Bill Pmt -Check	412	06/28/2021	Eddy Struffenegger		Checking	
Bill		05/20/2021	Cal Fire:Murphys Fo...		Outside Contract Se...	-14,774.44
TOTAL						-14,774.44

Calaveras County Resource Conservation District
Deposit Detail
 June 2021

Type	Num	Date	Name	Account	Amount
Deposit		06/07/2021		Checking	4,751.32
Payment	1486	05/20/2021	Mother Lode Bonsai ...	Undeposited Funds	-150.00
Payment	16826	06/03/2021	Common Ground	Undeposited Funds	-600.00
Payment	11344...	06/07/2021	UCCE	Undeposited Funds	-328.84
Payment	26955...	06/07/2021	CA RCD	Undeposited Funds	-90.00
Payment	11393...	06/07/2021	Amador RCD - Cust...	Undeposited Funds	-3,582.48
TOTAL					-4,751.32
Deposit		06/28/2021		Checking	199,017.52
Payment	68-36...	06/28/2021	Cal Fire:Murphys Fo...	Undeposited Funds	-9,174.02
Payment	68-38...	06/28/2021	Cal Fire:Murphys Fo...	Undeposited Funds	-189,843.50
TOTAL					-199,017.52

	2017	2018	2019	2020	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	YTD 2021	Total All Dates
Income:												
CPUD	\$1,420.50	\$348.60										\$1,769.10
Common Ground	\$0.00	\$3,600.00	\$4,737.50	\$5,100.00	\$425.00	\$675.00	\$550.00	\$550.00	\$525.00	\$600.00	\$3,325.00	\$16,762.50
UCCE	\$0.00	\$1,261.34	\$3,724.18	\$3,540.50	\$305.24	\$364.92	\$363.85	\$337.46	\$328.84	\$231.25	\$1,931.55	\$10,457.57
Motherlode Bonsai Club	\$0.00	\$0.00	\$0.00	\$240.00	\$75.00				\$150.00		\$225.00	\$465.00
Total Income	\$1,420.50	\$5,209.94	\$8,461.68	\$8,880.50	\$805.24	\$1,039.92	\$913.85	\$887.46	\$1,003.84	\$831.25	\$5,481.55	\$29,454.17
Expenses:												
CPUD	\$177.38	\$672.06	\$709.63	\$988.51	\$69.94	\$69.94	\$69.94	\$69.94	\$69.94	\$69.94	\$419.64	\$2,967.22
San Andreas Sanitary	\$282.59	\$1,009.61	\$1,280.41	\$1,391.33	\$101.11	\$101.11	\$101.11	\$101.11	\$101.11	\$101.11	\$606.66	\$4,570.60
CPPA	\$44.80	\$1,353.60	\$2,009.80	\$1,618.80	\$89.00	\$119.60	\$109.40	\$119.60	\$106.00	\$109.40	\$653.00	\$5,680.00
PGE	\$44.87	\$422.44	\$1,400.71	\$1,057.48	\$261.27	\$229.13	\$201.64	\$179.12	\$53.30	\$30.05	\$954.51	\$3,880.01
Insurance											\$0.00	\$0.00
Sewer Repairs	\$0.00	\$8,500.00	\$0.00	\$0.00							\$0.00	\$8,500.00
A/C Repairs	\$0.00	\$142.16	\$0.00	\$2,039.02							\$0.00	\$2,181.18
General Maintenance	\$0.00	\$27.57	\$406.89	\$295.47						\$240.00	\$240.00	\$969.93
Total Expenses	\$549.64	\$12,127.44	\$5,807.44	\$7,390.61	\$521.32	\$519.78	\$482.09	\$469.77	\$330.35	\$550.50	\$2,873.81	\$28,748.94
Profit/Loss	\$870.86	(\$6,917.50)	\$2,654.24	\$1,489.89	\$283.92	\$520.14	\$431.76	\$417.69	\$673.49	\$280.75	\$2,607.74	\$705.23

CCRCD 2021 - 2022 Proposed Budget				
	2021-2022 Budgeted Annual Revenue	Operating Budget	Cal Fire	Admin
Rental Income	\$ 10,450.00			\$ 10,450.00
CalFire	\$ 646,311.60		\$ 587,556.00	\$ 58,755.60
Total Revenue	\$ 656,761.60	\$ -	\$ 587,556.00	\$ 69,205.60
Direct Costs:				
Project Administrator	\$ 10,524.00		\$ 10,524.00	
Project Manager	\$ 45,468.00		\$ 45,468.00	
Mastication	\$ 531,432.00		\$ 531,432.00	
CEQA	\$ -			
Supplies	\$ -			
Travel	\$ 132.00		\$ 132.00	
Indirect Costs:				
Accountant	\$ 12,000.00	\$ 12,000.00		
Admin	\$ 2,000.00	\$ 2,000.00		
Liability Insurance	\$ 3,110.45	\$ 3,110.45		
Worker's Comp Insurance	\$ 1,075.00	\$ 1,132.00		
Professional Fees (Audit)	\$ 10,000.00	\$ 10,000.00		
Property Taxes (Solid Waste Fee)	\$ 150.00	\$ 150.00		
Building Maint and Repairs	\$ 10,000.00	\$ 10,000.00		
Utilities	\$ 5,500.00	\$ 5,500.00		
Payroll Processing Fees	\$ 500.00	\$ 500.00		
Website	\$ 500.00	\$ 500.00		
Software	\$ 500.00	\$ 500.00		
Office Equipment	\$ 500.00	\$ 500.00		
Postage	\$ 100.00	\$ 100.00		
Office Supplies	\$ 500.00	\$ 500.00		
Dues, Fees, and Memberships	\$ 1,500.00	\$ 1,500.00		
Misc Expenses	\$ 1,000.00	\$ 1,000.00		
Reserves	\$ 15,000.00	\$ 15,000.00		
Total Expenses	\$ 651,491.45	\$ 63,992.45		\$ -
Projected Gain/Loss	\$ 5,270.15			\$ 69,205.60

Indirect Cost

10%

DRAFT COPY

Calaveras County Resource Conservation
District

Annual Financial Report

For the fiscal year ended
June 30, 2020

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT

Annual Financial Report

For the Fiscal Year Ended June 30, 2020

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor’s Report..... 1-2
Management’s Discussion and Analysis..... 3-7

Basic Financial Statements:

Government-wide Financial Statements:
 Statement of Net Position 9
 Statement of Activities..... 10
Fund Financial Statements:
 Balance Sheet – Governmental Funds 11
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Governmental Funds to the Government-wide
 Statement of Net Position 12
 Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Governmental Funds 13
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
 Balances – Governmental Funds to the Government-wide
 Statement of Activities..... 14
Notes to the Financial Statements 15-20

Required Supplementary Information:

Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Budget and Actual – General Fund 22
Notes to Required Supplementary Information 23

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Calaveras County Resource Conservation District
San Andreas, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Calaveras County Resource Conservation District ("District"), as of and for the year ended June 30, 2020, 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 District'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 District'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Calaveras County Resource Conservation District, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 3–7 and 22–23 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.

Dublin, California
July XX, 2021

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Management's Discussion and Analysis
June 30, 2020

As management of the Calaveras County Resource Conservation District ("District"), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020.

Financial Highlights

- Total assets reported a balance of \$304,723
- Total liabilities reported a balance of \$3,564
- The assets of the Calaveras County Conservation District exceeded its liabilities at the close of the most recent fiscal year by \$301,159 (net position).
- Total program revenues (operating grants) reported a balance of \$134,747
- Total general revenues reported a balance of \$15,088 or 10.06 percent of total revenues
- Total expenses reported a balance of \$171,213

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Calaveras County Resource Conservation District's basic financial statements. The Calaveras County Resource Conservation District's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support 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 Calaveras County Resource Conservation District's finances, in a manner similar to a private-sector business.

The statement of net position presents financial information on all of the Calaveras County Resource Conservation District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Overtime, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Calaveras County Resource Conservation District is improving or deteriorating.

The statement of activities presents information showing how the Calaveras County Resource Conservation District's net position changed during the most recent fiscal year. All changes in net position 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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Calaveras County Resource Conservation District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Calaveras County Resource Conservation District include conservation.

The government-wide financial statements can be found on pages 9-10 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 Calaveras County Resource Conservation District, like other state and local governments, uses fund accounting to ensure and

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Management's Discussion and Analysis
June 30, 2020

demonstrate compliance with finance-related legal requirements. All of the funds of the Calaveras County Resource Conservation District reports one category: *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 and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

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 Calaveras County Resource Conservation District maintains one governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund.

The Calaveras County Resource Conservation District adopts an annual appropriated budget for its general fund. 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 11-14 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-20 of this report.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Management's Discussion and Analysis
June 30, 2020

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the Calaveras County Resource Conservation District, assets exceeded liabilities by \$301,159, at the close of the most recent fiscal year.

CALAVERAS COUNTY CONSERVATION DISTRICT'S Net Position

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Assets				
Current and other assets	\$ 5,393	\$ 22,199	\$ (16,806)	-75.71%
Capital assets	299,330	307,021	(7,691)	-2.51%
Total assets	<u>304,723</u>	<u>329,221</u>	<u>(24,498)</u>	<u>-7.44%</u>
Liabilities				
Current liabilities	3,564	6,684	(3,120)	-46.68%
Total liabilities	<u>3,564</u>	<u>6,684</u>	<u>(3,120)</u>	<u>-46.68%</u>
Net Position:				
Net investment in capital assets	299,330	307,021	(7,691)	-2.51%
Unrestricted	1,829	15,515	(13,686)	-88.21%
Total net position	<u>\$ 301,159</u>	<u>\$322,537</u>	<u>\$ (21,378)</u>	<u>-6.63%</u>

Changes in current and other assets were due to the following:

- Cash decreased by 4,872
- Prepaid items decreased by 2,894
- Accounts receivable decreased by 9,085

Changes in liabilities were due to the following:

- Accounts payable decreased by \$3,120

Changes in net position were due to the following:

- Expenses exceeded revenues by \$21,378

The Calaveras County Conservation District's overall net position decreased \$21,378 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Management's Discussion and Analysis
June 30, 2020

CALAVERAS COUNTY CONSERVATION DISTRICT'S Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ -	\$ -	\$ -	
Operating grants and contributions	134,747	46,604	88,143	189.13%
Capital grants and contributions	-	-	-	
General revenues:				
Grants and contributions not restricted to specific programs	6,168	-	6,168	
Investment earnings	8,920	7,938	982	12.37%
Total revenues	<u>149,835</u>	<u>54,542</u>	<u>95,293</u>	<u>174.71%</u>
Expenses:				
Conservation	<u>171,213</u>	<u>52,401</u>	<u>118,812</u>	<u>226.74%</u>
Total expenses	<u>171,213</u>	<u>52,401</u>	<u>118,812</u>	<u>226.74%</u>
Increase (decrease) in net position	(21,378)	2,141	(23,519)	(11)
Net position - beginning	<u>322,537</u>	<u>320,396</u>	<u>2,141</u>	<u>0.67%</u>
Net position - ending	<u>\$301,159</u>	<u>\$322,537</u>	<u>\$(21,378)</u>	<u>-6.63%</u>

Increase to program revenues was due to the following:

- Operating grants increased by \$88,143

Increase to general revenues was due to the following:

- Grant and contributions not restricted increased by \$6,168
- Investment earnings increased by \$982

Increase in expenses were due to the following:

- Conservation expenses increased by \$118,812 due to new operating projects started in year ended June 30, 2020

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, there was no amendments to the original budget. Total budgeted revenues accounted for \$111,717. Total budgeted expenditures accounts for \$120,193. Total budgeted expenditures were expected to exceed budgeted expenditures by 8,476.

Capital Assets and Debt Administration

Capital Assets. The Calaveras County Conservation District's investment in capital assets as of June 30, 2021, amounts to \$299,330 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and improvements. The total decrease in capital assets for the current fiscal year was 7,691 or 2.51%.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Management's Discussion and Analysis
June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Land	93,947	\$ 93,947	\$ -	0.00%
Buildings	219,210	219,210	-	0.00%
Improvements	7,675	7,675	-	0.00%
Accumulated depreciation	(21,502)	(13,811)	(7,691)	55.69%
Total	<u>\$ 299,330</u>	<u>\$ 307,021</u>	<u>\$ (7,691)</u>	<u>-2.51%</u>

Major capital assets events during the current fiscal year included the following:

- Deprecation expense of \$7,691

Additional information on the Calaveras County Conservation District's capital assets can be found in Note 3 of this report.

Long-term Debt. At the end of the current fiscal year, the Calaveras County Resource Conservation District had total debt outstanding of \$0.

Economic Factors and Next Year's Budgets and Rates

The Board of Directors adopted the District's next year budget. The approval of the budget provides funding for the District's operating and capital costs for the 2020-2021 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Calaveras County Conservation District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gordan Long, Executive Director, 425 Hwy 49 San Andreas, CA 95249.

FINANCIAL STATEMENTS

DRAFT COPY

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT

Statement of Net Position

June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 5,393
Capital assets, not being depreciated	93,947
Capital assets, net of accumulated depreciation	205,383
Total assets	<u>304,723</u>
LIABILITIES	
Accounts payable	<u>3,564</u>
Total liabilities	<u>3,564</u>
NET POSITION	
Net investment in capital assets	299,330
Unrestricted net position	1,829
TOTAL NET POSITION	<u>\$ 301,159</u>

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

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Statement of Activities
For the Year Ended June 30, 2020

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
			<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>
Functions/Programs:				
Primary government:				
Governmental activities:				
Conservation	\$ 171,213	\$ -	134,747	\$ (36,466)
Total governmental activities	<u>\$ 171,213</u>	<u>\$ -</u>	<u>\$ 134,747</u>	<u>\$ (36,466)</u>
General Revenues				
General revenues:				
Grants and contributions not restricted to specific programs				6,168
Investment earnings				8,920
Total general revenues				<u>15,088</u>
Change in net position				(21,378)
Net position - beginning				322,537
Net position - ending				<u><u>\$ 301,159</u></u>

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

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2020**

	<u>General</u>
ASSETS	
Cash and cash equivalents	\$ 5,393
Total assets	<u>5,393</u>
LIABILITIES	
Accounts payable	3,564
Total liabilities	<u>3,564</u>
FUND BALANCES	
Unassigned	1,829
Total fund balances	<u>1,829</u>
Total liabilities and fund balances	<u>\$ 5,393</u>

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

CALAVERAS RESOURCE CONSERVATION DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2020

Fund Balances - Governmental Funds

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 1,829
--	----------

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets	<u>299,330</u>
---	----------------

Net Position of Governmental Activities	<u><u>\$ 301,159</u></u>
--	--------------------------

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General
REVENUES	
Intergovernmental	\$ 140,915
Investment earnings	8,920
Total revenues	149,835
EXPENDITURES	
Current:	
Conservation	163,522
Total expenditures	163,522
Net change in fund balances	(13,687)
Fund balances - beginning	322,537
Fund balances - ending	\$ 308,850

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

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (13,687)
--	-------------

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

Depreciation expense	<u>(7,691)</u>
----------------------	----------------

Change in net position of governmental activities	<u><u>\$ (21,378)</u></u>
---	---------------------------

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to the Financial Statements
June 30, 2020

Note 1—Summary of Significant Accounting Policies

The Calaveras County Resource Conservation District (the District) is located in San Andreas, California. The District was formed June 7, 2016 to provide advise and assist individual landowners and public agencies for the protection, restoration, or development of land, water, and related natural resources of the area. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice in California Special Districts. The District accounts for its financial transactions in accordance with the policies and procedures of the State Controller’s Office Division of Local Government Fiscal Affairs Minimum Audit Requirements and Reporting Guidelines for California Special Districts.

The financial statements of the District have been prepared in conformity with the accounting principles generally accepted in the United States of America (“GAAP”), as specified by the Governmental Accounting Standards Board (“GASB”). The more significant of the District’s accounting policies are described below.

Financial Statement Presentation

The District’s financial report is prepared in accordance with GAAP which prescribes that the following sections be presented:

- Management’s Discussion and Analysis - GAAP requires the financial statements be accompanied by a narrative introduction and analytical overview of the government’s financial activities in the form of management’s discussion and analysis (“MD&A”).

- Government-Wide and Fund Financial Statements

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government’s activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Primary Government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the Primary Government is reported separately from certain legally separate component units for which the Primary Government is financially accountable.

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the Primary Government (governmental activities). Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense - the cost of “using up” capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to the Financial Statements
June 30, 2020

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

Separate financial statements are provided for governmental funds Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

- Required Supplementary Information (“RSI”) - Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GAAP reporting model, governments provide budgetary comparison information in their annual reports including the original budget, final budget and actual results.
- Financial Reporting Entity- The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a Primary Government’s reporting entity for the basic financial statements is financial accountability wherein the entity is both fiscally dependent on the Primary Government and provides either a benefit or creates a burden on the Primary Government. The District does not have any component units.

A. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accompanying financial statements are prepared in accordance with GAAP as applicable to governmental units. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of 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 in the fiscal year when all eligibility requirements imposed by the provider have been satisfied. Fiduciary funds financial statements are reported on the accrual basis of accounting and do not measure operations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general government and culture and recreation) which are otherwise being supported by general government revenues, (property taxes, certain intergovernmental revenues, permits, and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (Conservation).

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures as well as expenditures related to compensated absences and claims, and judgments are recorded only when payment is due.

In the fund financial statements, financial transactions and accounts of the District are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity,

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to the Financial Statements
June 30, 2020

with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

1. **Governmental Funds** - Governmental Funds are those through which most governmental functions typically are financed. The District reports the General Fund as a major governmental fund.

General Fund--The General Fund is the primary operating fund of the District. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from intergovernmental revenues and investment earnings.

B. Cash and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

C. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns in the government-wide financial statements for the District. Capital assets are defined by the Districts as land, buildings, infrastructure, and equipment with an initial individual cost of more than \$1,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Primary Government, are depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Buildings	30
Plant, equipment, and system	20-30
Motor vehicles	5
Equipment	3-5
Infrastructure	30

D. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Fund Balance

In the governmental fund financial statements, fund balance may be composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The governmental fund types classify fund balances as follows:

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT

Notes to the Financial Statements

June 30, 2020

- **Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form (e.g., inventory) or (b) legally or contractually required to be maintained intact (e.g., long-term amount of loans/note receivable)
- **Restricted Fund Balance** – This classification includes amounts that are restricted to specific purposes by external parties, constitutional provisions, or imposed by creditors (e.g., bond covenants).
- **Committed Fund Balance** – This portion of fund balance can only be used for specific purposes determined by a formal action of the District’s highest level of decision-making authority. Any changes or removal of specific purpose requires majority action by the governing body.
- **Assigned Fund Balance** – The portion of fund balance that the District intends to use for specific purposes as expressed by the governing body itself, the budget document, or delegated official, the District Manager.
- **Unassigned Fund Balance** – The portion of the fund balance available for any purpose. Includes all spendable amounts not classified as nonspendable, restricted, committed, or assigned. The General Fund is the only fund that would report a positive amount in the unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District’s policy is to apply restricted fund balances first, then unrestricted fund balances as needed.

F. Net Position

Net position is the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets less accumulated depreciation less any outstanding debt and deferred inflows and outflows related to the acquisition, construction, or improvement of those assets.

Note 2—Cash Deposits with Financial Institutions

Classification

The District's cash deposits consist of the following at June 30, 2020:

Government-wide Statement of Net Position	Total
Cash	<u>\$ 5,393</u>
Total cash	<u>\$ 5,393</u>

Custodial Credit Risk – Deposits – In the case of deposits, this is the risk that, in the event of a bank’s failure, the District’s deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2020, the District’s bank balance was \$5,393 of none of the amount was exposed to custodial credit risk because it was insured with the FDIC.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to the Financial Statements
June 30, 2020

Note 3—Capital Assets

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2020:

	Balance July 1, 2019	Increase	Decrease	Balance June 30, 2020
Government Activities				
Capital assets not subject to depreciation				
Land	\$ 93,947	\$ -	\$ -	\$ 93,947
Total capital assets not subject to depreciation	<u>93,947</u>	<u>-</u>	<u>-</u>	<u>93,947</u>
Capital assets subject to depreciation:				
Buildings, improvements, and infrastructure	226,885	-	-	226,885
Total capital assets being depreciated	<u>226,885</u>	<u>-</u>	<u>-</u>	<u>226,885</u>
Less accumulated depreciation for:				
Buildings, improvements, and infrastructure	(13,811)	(7,691)	-	(21,502)
Total accumulated depreciation	<u>(13,811)</u>	<u>(7,691)</u>	<u>-</u>	<u>(21,502)</u>
Total capital assets being depreciated, net	<u>213,074</u>	<u>(7,691)</u>	<u>-</u>	<u>205,383</u>
Capital assets, net	<u>\$ 307,021</u>	<u>\$ (7,691)</u>	<u>\$ -</u>	<u>\$ 299,330</u>

Depreciation expense was charged to functions/programs/funds as follows:

Conservation	7,691
Total governmental activities	<u>\$ 7,691</u>

Note 4—Subsequent Events

Advanced Grant Award - The District was awarded a reimbursement-type grant from Dept of Forestry and Fire Protection (CAL FIRE) in the amount not to exceed \$2,161,776. The project performance period is from the May 26, 2020 through March 15, 2024. The District received an advanced payment of \$107,140 on July 20, 2020. The grant award was provided to create a shaded fuel break across four noncontiguous units totaling 732 acres. The entire project is on private land, impacting 95 private parcels, with approximately 50 habitable structures.

Payroll - The District converted key personnel from contractors to employees to comply with new California labor and employment laws on July 1, 2020.

Note 5—Litigation

At June 30, 2020, there were no matters of litigation involving the District or which would materially affect the District's financial position should any court decisions on pending matters not be favorable to such entities.

Note 6—Risk Management

The Calaveras County Resource Conservation District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District uses Special District Risk Management Authority to account for and finance risks for general liability and property damage. Insurance policies are purchased for the following exposures with the deductible, or the amount of risk retention indicated in parenthesis: public officials and employment practices liability (\$0/\$0 deductible), boiler and machinery (\$1,000 deductible), employee faithful performance (\$1,000 deductible), and the District retains risks up to \$2,500,000). There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to the Financial Statements
June 30, 2020

Note 6—Stewardship, Compliance, and Accountability

Violations of legal or contractual provisions

Excess of expenditures over appropriations in individual funds is as follows:

<u>Major Fund</u>	<u>Function</u>	<u>Excess Expenditures</u>
General Fund	Conservation	\$ 43,329

Financial Audits--The District failed to contract a certified public accountant to perform the annual financial audit for multiple years. The District will contract a certified public accountant to perform the annual financial audit starting year ended June 30, 2020.

DRAFT COPY

REQUIRED SUPPLEMENTARY INFORMATION

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
General Fund
Statement of Revenues Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2020

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 103,117	\$ 103,117	\$ 140,915	\$ 37,798
Investment earnings	8,600	8,600	8,920	320
Total revenues	<u>111,717</u>	<u>111,717</u>	<u>149,835</u>	<u>38,118</u>
EXPENDITURES				
Current:				
Conservation	120,193	120,193	163,522	(43,329)
Total expenditures	<u>120,193</u>	<u>120,193</u>	<u>163,522</u>	<u>(43,329)</u>
Net change in fund balances	(8,476)	(8,476)	(13,687)	(5,211)
Fund balances - beginning	<u>322,537</u>	<u>322,537</u>	<u>322,537</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 314,061</u></u>	<u><u>\$ 314,061</u></u>	<u><u>\$ 308,850</u></u>	<u><u>\$ (5,211)</u></u>

See Notes to Required Supplementary Information.

CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT
Notes to Required Supplementary Information
Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget to Actual
June 30, 2020

Budgetary Basis of Accounting

The budget for the general fund is prepared on generally accepted accounting principles basis. Revenues are budgeted in the year receipt is expected; expenditures are budgeted in the year that the applicable warrant requisitions are expected to be issued. The budget and actual financial statements are reported on the above basis.

Annual budget requests are submitted by the District's staff to the District Board of Directors for preliminary review and approval. After public hearing, a final budget is approved by the District Board of Directors, with a resolution adopting said budget. Copies of the approved budget are sent to all required agencies.

DRAFT COPY

This Page Intentionally Left Blank