

**Calaveras County  
Resource Conservation  
District**

Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2021

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**

Annual Financial Report

For the Fiscal Year Ended June 30, 2021

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**david farnsworth cpa**  
ACCOUNTING • ADVISORY • ASSURANCE

## 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, 2021, 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, 2021, 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 21–22 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.

*David Farnsworth, CPA*

Dublin, California  
June 30, 2022

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Management's Discussion and Analysis**  
**June 30, 2021**

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, 2021.

**Financial Highlights**

- Total assets reported a balance of \$498,051
- Total liabilities reported a balance of \$178,565
- The assets of the Calaveras County Conservation District exceeded its liabilities at the close of the most recent fiscal year by \$319,486 (net position).
- Total program revenues (operating grants) reported a balance of \$308,489
- Total general revenues reported a balance of \$13,122 or 4.08 percent of total revenues
- Total expenses reported a balance of \$305,784

**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 intergovernmental revenues (governmental activities) from other government agencies and organizations. 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, 2021**

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 16-19 of this report.

**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 \$319,486, at the close of the most recent fiscal year.

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Management's Discussion and Analysis**  
**June 30, 2021**

**CALAVERAS COUNTY CONSERVATION DISTRICT'S Net Position**

	<u>2021</u>	<u>2020</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Assets				
Current and other assets	206,412	\$ 5,393	\$ 201,019	3727.41%
Capital assets	<u>291,639</u>	<u>299,330</u>	<u>(7,691)</u>	<u>-2.57%</u>
Total assets	<u>498,051</u>	<u>304,723</u>	<u>193,328</u>	<u>63.44%</u>
Liabilities				
Current liabilities	<u>178,565</u>	<u>1,064</u>	<u>177,501</u>	<u>16682.42%</u>
Total liabilities	<u>178,565</u>	<u>1,064</u>	<u>177,501</u>	<u>16682.42%</u>
Net Position:				
Net investment in capital assets	291,639	299,330	(7,691)	-2.57%
Unrestricted	<u>27,847</u>	<u>4,329</u>	<u>23,518</u>	<u>543.27%</u>
Total net position	<u>\$ 319,486</u>	<u>\$ 303,659</u>	<u>\$ 15,827</u>	<u>5.21%</u>

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

- Current and other assets increased by \$201,019
- Capital assets decreased by \$7,691

Changes in liabilities were due to the following:

- Current liabilities increased by \$177,501

Changes in net position were due to the following:

- Revenues exceeded expenses by \$15,827

The Calaveras County Conservation District's overall net position increased \$15,827 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, 2021**

**CALAVERAS COUNTY CONSERVATION DISTRICT'S Changes in Net Position**

	<u>2021</u>	<u>2020</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ -	\$ -	\$ -	
Operating grants and contributions	308,489	134,747	173,742	128.94%
Capital grants and contributions	-	-	-	
General revenues:				
Grants and contributions not restricted to specific programs	833	6,168	(5,335)	
Investment earnings	9,629	8,920	709	7.95%
Other revenues	2,660	-	2,660	
Total revenues	<u>321,611</u>	<u>149,835</u>	<u>169,116</u>	<u>112.87%</u>
Expenses:				
Conservation	305,784	171,213	134,571	78.60%
Total expenses	<u>305,784</u>	<u>171,213</u>	<u>134,571</u>	<u>78.60%</u>
Increase (decrease) in net position	15,827	(21,378)	34,545	-161.59%
Net position - beginning	<u>303,659</u>	<u>325,037</u>	<u>(21,378)</u>	<u>-6.58%</u>
Net position - ending	<u><u>\$319,486</u></u>	<u><u>\$303,659</u></u>	<u><u>\$ 13,167</u></u>	<u><u>4.34%</u></u>

Increase to program revenues was due to the following:

- Operating grants increased by \$173,742

Increase to general revenues was due to the following:

- Grant and contributions not restricted decreased by \$5,335
- Investment earnings increased by \$709
- Other revenues increased by \$2,660

Increase in expenses were due to the following:

- Conservation expenses increased by \$134,571 due to new operating projects

**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 \$654,813. Total budgeted expenditures accounts for \$653,323. Total budgeted revenues were expected to exceed budgeted expenditures by \$1,490.

**Capital Assets and Debt Administration**

**Capital Assets.** The Calaveras County Conservation District's investment in capital assets as of June 30, 2021, amounts to \$291,639 (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.



**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Management's Discussion and Analysis**  
**June 30, 2021**

	<u>2021</u>	<u>2020</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	(29,193)	(21,502)	(7,691)	35.77%
Total	<u>\$ 291,639</u>	<u>\$ 299,330</u>	<u>\$ (7,691)</u>	<u>-2.57%</u>

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

- Depreciation 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**

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 2021-2022 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**

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**

**Statement of Net Position**

**June 30, 2021**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Investments	\$ 206,161
Receivables	251
Capital assets, not being depreciated	93,947
Capital assets, net of accumulated depreciation	197,692
Total assets	<u>498,051</u>
<b>LIABILITIES</b>	
Accounts payable	92,685
Accrued liabilities	3,582
Unearned income	82,298
Total liabilities	<u>178,565</u>
<b>NET POSITION</b>	
Net investment in capital assets	299,330
Unrestricted net position	20,156
<b>TOTAL NET POSITION</b>	<u><u>\$ 319,486</u></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, 2021**

	<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	\$ 305,784	\$ -	\$ 308,489	\$ 2,705
Total governmental activities	<u>\$ 305,784</u>	<u>\$ -</u>	<u>\$ 308,489</u>	<u>\$ 2,705</u>
General Revenues				
Grants and contributions not restricted to specific programs				833
Investment earnings				9,629
Other revenue				2,660
Total general revenues				<u>13,122</u>
Change in net position				15,827
Net position - beginning				303,659
Net position - ending				<u><u>\$ 319,486</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, 2021**

	<u>General</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 206,161
Receivables	251
Total assets	<u>\$ 206,412</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 92,685
Accrued liabilities	3,582
Unearned income	82,298
Total liabilities	<u>178,565</u>
<b>FUND BALANCES</b>	
Unassigned	<u>27,847</u>
Total fund balances	<u>27,847</u>
Total liabilities and fund balances	<u>\$ 206,412</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, 2021**

**Fund Balances - Governmental Funds**

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

Total fund balances - governmental funds	\$ 27,847
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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>291,639</u>
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<b>Net Position of Governmental Activities</b>	<u><u>\$319,486</u></u>
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**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	<b>General</b>
<b>REVENUES</b>	
Intergovernmental	\$ 309,322
Investment earnings	9,629
Total revenues	318,951
 <b>EXPENDITURES</b>	
Current:	
Conservation	298,093
Total expenditures	298,093
Excess of revenues over expenditures	20,858
 <b>OTHER FINANCING SOURCES</b>	
Insurance recoveries	2,660
Total other financing sources	2,660
Net change in fund balances	23,518
Fund balances - beginning	4,329
Fund balances - ending	\$ 27,847

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, 2021**

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

Net change in fund balances - total governmental funds	\$ 23,518
<p>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 depreciation expense exceeded capital outlay in the current period.</p>	
Depreciation expense	<u>(7,691)</u>
Change in net position of governmental activities	<u>\$ 15,827</u>



**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
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**June 30, 2021**

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**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**Note 1—Summary of Significant Accounting Policies**

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**A. Description of the Financial Reporting Entity**

*Organization* – 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.

*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 report any component units.

**B. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The District’s basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as they are applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

*Government-Wide Financial Statements*

The Statement of Net Position and the Statement of Activities display information about the primary government (the “District”). These statements include the financial activities of the District overall. Eliminations have been made to minimize double counting of internal activities. These statements display the governmental activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and nonexchange transactions.

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 at the time liabilities are incurred, regardless of when the related cash flows take place. 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 providers have been met.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) charges paid by recipients of goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues, including all taxes.

*Governmental Fund Financial Statements*

The fund financial statements provide information about the District’s funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Currently, the District has only one fund – the General Fund.

Governmental fund financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

available. Revenues are considered to be available when they are collected 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 180 days of the end of the current fiscal period, except for property tax, which is within 60 days. 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.

The District reports the following major governmental fund:

General Fund –It is used to account for all financial resources.

**C. Cash and Investments**

Cash and cash equivalents include amounts in demand deposits. State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

**D. Capital Assets**

Capital assets are recorded in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at acquisition value at the date of donation. The District had no infrastructure assets at year end. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital Assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 years
Improvements	20 – 30 years
Machinery and equipment	5 – 10 years

**E. Net Position**

In the government-wide financial statements, net position is classified as follows:

Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of investment in capital assets or the restricted component of net position.

**F. Fund Balance**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes as follows:

Nonspendable - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted - amounts with constraints placed on their use that are either (a) externally imposed by creditors, granters, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

*Assigned* - amounts that are constrained by the District’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose.

*Unassigned* – amounts that represent the residual net resources in excess of the other classifications.

**G. Spending Policy**

Government-Wide Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the District’s practice is to apply the restricted component of net position first, then use the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes where only unrestricted fund balances are available, the District uses the unrestricted resources in the following order, except for instances wherein an ordinance specifies the fund balance: committed, assigned, and unassigned.

**H. Estimates**

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

**I. Revenues and Expenditures/Expenses**

1. *Program Revenues* – Amounts reported as *program revenues* include (1) grants and contributions that are restricted to meeting the operational requirements of grant awards
2. *General Revenues* – Amounts reported as *general revenues* include (1) grants and contributions not restricted to specific programs, (2) investment earnings, and (3) other revenue.

**Note 2—Cash Deposits with Financial Institutions**

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**Classification**

The District's cash deposits consist of the following at June 30, 2021:

Government-wide Statement of Net Position	<b>Total</b>
Cash	\$ 206,161
Total cash	\$ 206,161

**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, 2021, the District’s bank balance was \$206,161 of which none of the amount was exposed to custodial credit risk because it was fully insured with the FDIC.

**CALAVERAS COUNTY RESOURCE CONSERVATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2021**

**Note 3—Capital Assets**

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2021:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 2021</u>
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 and improvements	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 and improvements	(21,502)	(7,691)	-	(29,193)
Total accumulated depreciation	<u>(21,502)</u>	<u>(7,691)</u>	<u>-</u>	<u>(29,193)</u>
Total capital assets being depreciated, net	<u>205,383</u>	<u>(7,691)</u>	<u>-</u>	<u>197,692</u>
Capital assets, net	<u>\$ 299,330</u>	<u>\$ (7,691)</u>	<u>\$ -</u>	<u>\$ 291,639</u>

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

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

**Note 4—Litigation**

At June 30, 2021, 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 5—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, property damage, and workers' compensation. 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 (\$1,000/\$1,000 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. The annual contribution is \$2,981 for the property/liability program. The annual contribution is \$936 for the workers' compensation program (based on actual wages).

**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, 2021**

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 654,813	\$ 654,813	\$ 309,322	\$ (345,491)
Investment earnings	-	-	9,629	9,629
Total revenues	<u>654,813</u>	<u>654,813</u>	<u>318,951</u>	<u>(335,862)</u>
<b>EXPENDITURES</b>				
Current:				
Conservation	653,323	653,323	298,093	355,230
Total expenditures	<u>653,323</u>	<u>653,323</u>	<u>298,093</u>	<u>355,230</u>
Excess of revenues over expenditures	1,490	1,490	20,858	19,368
<b>OTHER FINANCING SOURCES</b>				
Insurance recoveries	-	-	2,660	2,660
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,660</u>	<u>2,660</u>
Net change in fund balances	1,490	1,490	23,518	22,028
Fund balances - beginning	<u>4,329</u>	<u>4,329</u>	<u>4,329</u>	<u>-</u>
Fund balances - ending	<u>\$ 7,309</u>	<u>\$ 7,309</u>	<u>\$ 27,847</u>	<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, 2021**

**Budgetary Basis of Accounting**

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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.