

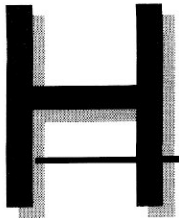
TUOLUMNE PARK AND RECREATION DISTRICT

FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

JUNE 30, 2016

## TABLE OF CONTENTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT	3
MANAGEMENT DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
GOVERNMENT – WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	10
STATEMENT OF ACTIVITIES	11
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT – WIDE STATEMENT OF NET POSITION	13
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – ALL GOVERNMENTAL FUND TYPES	14
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND TYPES TO THE STATEMENT OF ACTIVITIES	15
NOTES TO THE FINANCIAL STATEMENTS	16
SUPPLEMENTARY INFORMATION	
BUDGETARY COMPARISON SCHEDULE	27
ROSTER OF BOARD MEMBERS	28



## Robert A. Hawks, Jr., CPA

• think *BOLDLY* • plan *CAREFULLY* • execute *PRECISELY* •

### INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Governing Board  
Tuolumne Park and Recreation District  
Tuolumne, California

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tuolumne Park and Recreation District as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

#### 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.

#### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

#### Accountant's Conclusion

Based on our review, except for the issues noted in the Known Departure From Accounting Principles Generally Accepted in the United States of America paragraph and the Other Matters paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

#### Known Departure From Accounting Principles Generally Accepted in the United States of America

As explained in Note 1 to the financial statements, management has not recorded financial data related to a component unit. Accounting principles generally accepted in the United States of America require that component unit assets, liabilities, and financial activity be included in the financial statements of the primary government. The amount by which this departure would affect the liabilities and expenditures of the governmental activities has not been determined.

#### Other Matters

Because of the inadequacy of accounting records pertaining to fixed assets and accumulated depreciation, we were unable to review the amounts at which these items are recorded in the accompanying Statement of Net Position as of June 30, 2016, or the amount of depreciation expense recorded in the Statement of Activities for the year then ended. Our review of current year fixed asset transactions was not impaired.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 9 and the budgetary comparison information on page 27 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. The information is the representation of management. I have not audited or reviewed such required supplementary information, and, accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on it.



Certified Public Accountant

October 26, 2016

# *Tuolumne Park and Recreation District*

18603 Pine Street  
Tuolumne California 95379  
(209) 928-1214 (209) 928-1205

Board of Directors  
Stephen Artzer - Chairman  
Darrin Evans, Vice Chairman  
Michelle Hightower, Secretary  
Donnie Wright, Treasurer  
David Keller, Member

---

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### Fiscal Year Ended June 30, 2016

This annual report consists of three parts – management’s discussion and analysis (this section), the basic financial statements, and required supplementary information.

This discussion and analysis of the financial performance of the Tuolumne Park and Recreation District (“TPRD”) provides an overview of the District’s financial activities for the fiscal year ended June 30, 2016. It is management’s view of the District’s financial condition. It should be read in conjunction with the Independent Auditor’s Report, the basic financial statements and the accompanying notes to those financial statements.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund-level financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the District-wide statements.

These two kinds of statements report the District’s net position and changes in position. Net position is the difference between assets plus deferred outflows and liabilities plus deferred inflows, which is one way to measure the District’s financial health. Generally, over time, increases or decreases in the District’s net position is one indicator of whether its financial health is improving or deteriorating.

The financial statements also include notes that explain some of the information in the statements. These notes are considered to be an integral part of the financial statements and should be considered with them when looking at the District’s financial picture.

The financial statements would be followed by a section of required supplementary information but the District has no required supplementary information.

In the Government-wide financial statements the District’s activities are shown as Governmental activities. The District has no funds that are classified as Business-type or fiduciary activities. The fund financial statements provide more detailed information about the District’s most significant funds—not the District as a whole. The District only has funds that would be categorized as governmental fund types.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District completed the current year with its funds reporting a *combined* fund balance of approximately \$212,346, an increase of \$18,107 or 9.32% over last year's ending fund balance. The combined fund balance increased primarily as the result of higher revenues augmented by a slight decrease spending.

Table 1 – Ending Fund Balances

Governmental Fund Type	Ending Balance	
	06/30/15	06/30/16
Park and Public Recreation	\$ 194,239	\$ 212,346

There was no significant acquisition expenditures during the year ended June 30, 2016. The annual tax levy collections, maintenance contract revenue, service charges and interest earnings during the year were sufficient to cover administrative and program costs during the year.

### **Net Position**

The Statement of Net Position is shown in Table 2 and net positions represent the portion of total assets actually owned free and clear by the District. The District's primary assets are land and improvements. The District has a positive Net Position for the year ending June 30, 2016 of \$927,226. This figure represents the amount the District would collect if all operations were ceased, all assets liquidated at carrying value, and all receivables were collected.

### **Changes in Net Position**

The District owns and maintains public parks and other facilities. Expenditures primarily consist of facilities maintenance, program costs, and administration. Revenues are generated by an annual tax levy, a maintenance contract with Tuolumne County, service charges and interest on investments.

Table 2 – Statement of Net Position

	<u>June 30, 2016</u>
<b>Assets</b>	
Unrestricted cash	222,254
Investment in Capital Assets	709,278
Receivables and Prepaids	14,150
Total Assets	<u>945,682</u>
<b>Liabilities</b>	
Accounts Payable and Other Current Liabilities	<u>18,456</u>
<b>Net Position</b>	
Invested in Capital Assets	709,278
Unrestricted Amount	<u>217,948</u>
<b>Total Liabilities and Net Position</b>	<u>945,682</u>

Table 3 – Change in Net Position

	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>Change</u>
<b>ASSETS</b>			
Unrestricted Cash	215,225	222,254	7,029
Accounts Receivable	1,658	1,721	63
Property Tax Receivable	-	-	-
Prepaid Expenses	<u>545</u>	<u>1,164</u>	<u>619</u>
Total Current Assets	217,428	225,139	7,711
 Total Capital Assets (Net)	 717,866	 709,278	 (8,588)
 Other Receivable (Net)	 <u>11,360</u>	 <u>11,265</u>	 <u>(95)</u>
 Total Assets	 <u><u>946,654</u></u>	 <u><u>945,682</u></u>	 <u><u>(972)</u></u>
<b>LIABILITIES AND NET POSITION</b>			
 Accounts Payable and Current Liabilities	 26,450	 18,456	 (7,994)
<b>NET POSITION</b>			
Investment in Capital Assets	717,866	709,278	(8,588)
Unrestricted	<u>202,338</u>	<u>217,948</u>	<u>15,610</u>
Total Net Position	<u>920,204</u>	<u>927,226</u>	<u>7,022</u>
Total Liabilities and Net Position	<u><u>946,654</u></u>	<u><u>945,682</u></u>	<u><u>(972)</u></u>

Table 3 shows the Agency's net position increased by \$7,022 over the year, indicating revenues were in excess of expenses during the year. This is also illustrated in Table 4. This is also evidenced in Table 3 by the decrease in Total Assets compared to the decrease in Liabilities.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Table 4 – Statement of Activities

	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>Change</u>
Program Expenses:			
Salaries and Employee Benefits	183,257	182,769	(874)
Activities and Events	22,561	27,933	5,372
Administration	24,972	26,371	1,399
Facility Maintenance and Operations	36,614	23,985	(12,629)
Depreciation	<u>8,588</u>	<u>8,588</u>	<u>-</u>
Total Program Expenses	275,992	269,646	(6,732)
Program Revenues			
Charges for Service			
Total Charges for Service	<u>24,230</u>	<u>36,493</u>	<u>12,263</u>
Net Governmental Activities - Revenue (Expense)	(251,762)	(233,153)	18,995
General Revenues			
Property Taxes	137,954	146,153	8,199
Maintenance Income	80,000	90,000	10,000
Reimbursements	1,363	1,317	(46)
Miscellaneous	1,509	1,211	(684)
Interest Earnings	<u>1,626</u>	<u>1,494</u>	<u>(132)</u>
Total General Revenues	<u>222,452</u>	<u>240,175</u>	<u>17,337</u>
Change in Net Position	(29,310)	7,022	36,332

Table 4 shows an increase of \$36,332 in Change in Net Position between fiscal years ended June 30, 2015 and 2016.



### BUDGET PERFORMANCE EVALUATION

Revenues in 2016 were up. Increasing funds from tax appropriations and Hall rental income added to our cash resources. Revenues gained from District events like Concerts in the Park and Spring-fest exceeded expectations, however they were balanced by the expenses they incurred. Allowed expenses in the area of maintenance on County Properties fell far short of the mark.

### CAPITAL ASSET AND DEBT ADMINISTRATION

The District had no expenditures to acquire capital assets during the fiscal year ending June 30, 2016. The District has no long-term debt.

### FACTORS BEARING ON THE DISTRICT'S FINANCIAL FUTURE

The housing market and the economy in the Tuolumne County have experienced a significant downturn over the last few years. The District has compensated by searching out partners in the business community to help fill in funding gaps. The District has also rented out a small space in its offices to the Tuolumne County Sheriff's Department for the Community Service Unit. As the economy begins to gain ground the District Intends to continue to grow in its service to the community.

At the time these financial statements were prepared and audited, the District was not aware of any other circumstances that could significantly affect its financial health in the future.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Manager, Tuolumne Park and Recreation District, PO Box 730, 18603 Pine Street Tuolumne, California 95379 or (209) 928-1214.

TUOLUMNE PARK AND RECREATION DISTRICT  
GOVERNMENT - WIDE  
STATEMENT OF NET POSITION  
JUNE 30, 2016

ASSETS

Current Assets:			
Unrestricted Cash	\$	222,254	
Accounts Receivable		1,721	
Property Tax Receivable		-	
Prepaid Expenses		<u>1,164</u>	
Total Current Assets	\$		225,139
Capital Assets			
Non-Depreciable		470,341	
Depreciable, Net		<u>238,937</u>	
Total Capital Assets			709,278
Other Assets			
Other Receivable, Net			<u>11,265</u>
Total Assets	\$		<u>945,682</u>

LIABILITIES AND NET POSITION

Current Liabilities:			
Accounts Payable	\$	1,480	
Accrued Liabilities		4,568	
Accrued Compensated Absences		7,653	
Deferred Revenue		1,130	
Deposits		<u>3,625</u>	
Total Current Liabilities and Total Liabilities	\$		18,456
NET POSITION			
Investment in Capital Assets		709,278	
Unrestricted		<u>217,948</u>	
Total Net Position			<u>927,226</u>
Total Liabilities and Net Position	\$		<u>945,682</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
 GOVERNMENT - WIDE  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2016

Governmental Activities - Park and Public Recreation

Program Expenses:		
Salaries and Employee Benefits	\$ 182,769	
Activities and Events	27,933	
Administration	26,371	
Facility Maintenance and Operations	23,985	
Depreciation	<u>8,588</u>	
Total Program Expenses		\$ 269,646
Program Revenues		
Charges for Service - Facilities Rental and Events		<u>36,493</u>
Net Governmental Activities - Revenue (Expense)		(233,153)
General Revenues		
Property Taxes		146,153
Maintenance Income		90,000
Reimbursements		1,317
Miscellaneous		1,211
Interest Earnings		<u>1,494</u>
Total General Revenues		<u>240,175</u>
Change in Net Position		7,022
Net Position July 1, 2015		<u>920,204</u>
Net Position June 30, 2016		<u>\$ 927,226</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016

	GENERAL FUND
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents - unrestricted	\$ 222,254
Property Tax Receivable	-
Prepaid Expenses	<u>1,164</u>
Total Current Assets	<u>\$ 223,418</u>
 <b>LIABILITIES AND FUND BALANCE</b>	
Current Liabilities:	
Accounts Payable	\$ 1,480
Accrued Liabilities	4,837
Deferred Revenue	1,130
Deposits	<u>3,625</u>
Total Current Liabilities	<u>11,072</u>
 Fund Balances:	
Unreserved and Undesignated	<u>212,346</u>
Total Liabilities and Fund Balance	<u>\$ 223,418</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
 JUNE 30, 2016

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	212,346
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Long Term Receivables are not a current resource, therefore are not reported in governmental funds.</p>		12,986
<p>Capital assets used in governmental activities are not current financial resources, therefore are not reported in governmental funds.</p>		709,278
<p>Accrued liabilities includes Retirement Payable that does not require use of current resources and are therefore not a liability reported in governmental funds.</p>		269
<p>Accrued compensated absences do not require use of current resources and are therefore not a liability reported in governmental funds.</p>		<u>(7,653)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>927,226</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

	GENERAL FUND
<b>REVENUES</b>	
Property Taxes	\$ 146,153
Facility Rental and Services	36,493
Maintenance Income	90,000
Other Revenues	<u>2,442</u>
Total Operating Revenue	<u>275,088</u>
<b>EXPENDITURES</b>	
Activities and Events	27,933
Director Stipends	4,275
Insurance	5,137
Bank Fees	100
Professional Services	4,440
Office Expense	
Wages	130,661
Payroll Taxes	11,225
Retirement Expense	3,683
Medical Reimbursements	28,644
Workers Compensation Insurance	5,314
Payroll Service Fees	658
Office Supplies and Other	2,743
Dues and Subscriptions	546
Repairs and Maintenance	18,565
Telephone and Utilities	<u>14,550</u>
Total Operating Expenditures	<u>258,474</u>
<b>NON-OPERATING REVENUES</b>	
Interest Income	1,494
Change in Net Position	18,108
Fund Balance, July 1, 2015	<u>194,238</u>
Fund Balance, June 30, 2016	<u>\$ 212,346</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016

NET CHANGE IN TOTAL FUND BALANCES - GOVERNMENTAL FUND	\$	18,108
Amounts reported for governmental activities in the statement of net position are different because:		
Depreciation Expense is not a current expenditure of resources and therefore is not reported in the governmental activities		(8,588)
Revenues (expenses) in the statement of activities that do not provide current financial resources are not reported as revenues (expenditures) in the funds.		236
Accrued compensated absences expense is reported in the government-wide statement of activities and changes in net position but does not require the use of current financial resources. Therefore, accrued absences expense is not reported as expenditures in governmental funds.		<u>(2,734)</u>
CHANGE IN NET POSITION - GOVERNMENTAL - WIDE ACTIVITES	\$	<u>7,022</u>

See accompanying notes and independent accountant's review report.

TUOLUMNE PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE1- ORGANIZATION AND DESCRIPTION OF DISTRICT

Reporting Entity

At the outset, The Tuolumne Park, Recreation and Parkway District, was established on December 1, 1955 as a County Recreation District by the Board of Supervisors of the County of Tuolumne Resolution #23, and currently operates pursuant to Section 61100 of the Government Code. It was then reorganized under the Public Resource Code Section 5780 et. Seq. April 28, 1958. One of the original objectives of the District was to purchase the Basin Creek Fish Hatchery which has since become a part of the River Ranch Campground. In August of 1977 the name was changed to the current one, Tuolumne Park and Recreation district (the "District").

The community of Tuolumne is fortunate to have many recreational assets. In the midst of the town is a beautiful park with a bandstand where summer concerts are held. On display in Depot Park, you will find a turn of the century locomotive that once ran a narrow railway deep into the woods for the Westside Flume and Lumber Company. To the south stands The Veterans Memorial Hall and Playground. Across Main Street you will find a Swimming Pool, Youth Center, Library, Horseshoe Pits, Multi-Use Field and Little League Ball Park. Farther away from the center of town is Reid Park. At the edge of town is the Community Garden, as well as the Westside Narrow Gauge Walking Trail, with the River Ranch Campgrounds located just 6 miles out, situated along the North Fork of the Tuolumne River. The District provides a wide variety of services to residents and visitors of the Tuolumne area including monitoring facility usage, maintaining park and recreational facilities, operation of events, recreational trips and organization of community events.

Governed by the elected Board of Directors, the purpose of the District is to promote and facilitate recreational development in the local community and surrounding areas, with a vision of "building community through, people, parks and recreational activity". The mission of TPRD is to "create recreational opportunities for growth and enhancement by developing diverse services and programs that promote citizen development and strong sense of community while striving to increase the social, cultural, and physical well-being of its residence and visitors" (as adopted by the Board of directors April 11, 2012).