

**CALWA RECREATION AND PARK DISTRICT  
FINANCIAL STATEMENTS  
WITH ACCOMPANYING INFORMATION  
AND  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED JUNE 30, 2015**

**CALWA RECREATION AND PARK DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2015**

Table of Contents

	<u>Page</u>
Board of Directors and Administration	1
Independent Auditor's Report	2 - 3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	4
Statement of Activities	5
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet and Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Assets	6
Statement of Revenues, Expenditures and Changes in Fund Balance	7
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balance of Governmental Funds to the Statement of Activities	8
Notes to Financial Statements	9-14
Required Supplementary Information:	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – Governmental Funds	15

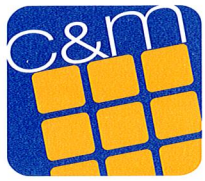
**CALWA RECREATION AND PARK DISTRICT  
BOARD OF DIRECTORS AND ADMINISTRATION  
JUNE 30, 2015**

**Board of Directors**

Mary L. Rosales	Chair
Raul Guerra	Vice Chair
Sandra Celedon	Secretary
Paul H. Garcia	Director
Felicia Salcido	Director

**Administration**

Luis O. Mendoza	District Administrator
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Independent Auditor's Report

To the Board of Directors  
Calwa Recreation and Park District  
Fresno, California

We have audited the accompanying financial statements of the governmental activities of Calwa Recreation and Park District (a special district), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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


## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Calwa Recreation and Park District, as of June 30, 2015 and the 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*

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.



January 20, 2017

**CALWA RECREATION AND PARK DISTRICT**  
**STATEMENT OF NET ASSETS**  
**June 30, 2015**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash (Note 3)	\$ 124,868
Receivables	616
Capital Assets (Note 4)	<u>379,356</u>
Total Assets	<u>504,840</u>
 <b>LIABILITIES</b>	
Accounts Payable	11,720
Accrued Payroll	<u>9,381</u>
Total Liabilities	<u>21,101</u>
 <b>NET ASSETS</b>	
Invested In Capital Assets	379,356
Unrestricted	<u>104,383</u>
Total Net Assets	<u><u>\$ 483,739</u></u>

The accompanying notes are an integral part of these financial statements.

**CALWA RECREATION AND PARK DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2015**

	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs						
Governmental activities:						
Community Services	\$ 337,668	\$ -	\$ -	\$ (292,438)	-	\$ (292,438)
Total Governmental Activities	337,668	-	-	(292,438)	-	(292,438)
General Revenues:						
Unrestricted						
Property Taxes				289,932	-	289,932
Interest				1,235	-	1,235
Total General Revenues				291,167	-	291,167
Change In Net Assets				(1,271)	-	(1,271)
Net Assets - Beginning				485,010	-	485,010
Net Assets - Ending				\$ 483,739	\$ -	\$ 483,739

The accompanying notes are an integral part of these financial statements.

**CALWA RECREATION AND PARK DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015**

	<u>General Fund</u>
<b>ASSETS</b>	
Cash	\$ 124,868
Receivables	<u>616</u>
Total Assets	<u>\$ 125,484</u>
 <b>LIABILITIES</b>	
Accounts Payable	\$ 11,720
Accrued Payroll	<u>9,381</u>
Total Liabilities	21,101
 <b>FUND BALANCE</b>	
Reserved	<u>104,383</u>
Total Liabilities and Fund Balance	<u>\$ 125,484</u>

**RECONCILIATION TO STATEMENT OF NET ASSETS:**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total fund balance reported above.	\$ 104,383
Capital assets (net of depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>379,356</u>
Total Net Assets - Governmental Activities	<u>\$ 483,739</u>

The accompanying notes are an integral part of these financial statements.



**CALWA RECREATION AND PARK DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	<u>General Fund</u>
<b>REVENUES</b>	
Property Taxes	\$ 289,932
Investment Income	1,235
Park Rent and Service Revenue	<u>45,230</u>
Total Revenues	<u>336,397</u>
 <b>EXPENDITURES</b>	
Payroll and Payroll Taxes	131,234
Directors Cost	7,662
Dues and Subscriptions	675
Insurance	26,427
Legal and Professional Fees	33,582
Miscellaneous	7,519
Office	10,663
Outside Services	5,598
Repairs and Maintenance	32,407
Supplies	7,991
Telephone	4,916
Transportation	588
Utilities	41,919
Capital Outlay	<u>18,724</u>
Total Expenditures	<u>329,905</u>
 Excess of Revenues Over Expenditures	 6,492
 Fund Balance at Beginning of Year	 <u>97,891</u>
 Fund Balance at End of Year	 <u><u>\$ 104,383</u></u>

The accompanying notes are an integral part of these financial statements.

**CALWA RECREATION AND PARK DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2015**

RECONCILIATION TO STATEMENT OF ACTIVITIES:

Net Changes in Fund Balance - Governmental Funds \$ 6,492

All capital outlays to purchase or build capital assets are reported in governmental activities as expenditures. However, for governmental activities those capital outlays other than non-capitalized items are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.

Capital Outlay	\$	18,724	
Deprciation Expense		<u>(26,487)</u>	<u>(7,763)</u>

Total Changes in Net Assets - Governmental Activities \$ (1,271)

The accompanying notes are an integral part of these financial statements.

**CALWA RECREATION AND PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

(1) Description of Entity

(a) Description of Operations

Calwa Recreation and Park District was formed March 17, 1955 as a special district in the State of California and is governed by a five-person board of directors. The District was established to provide community services for the Calwa, California area.

- (b) In accordance with the requirements of Statement No. 14, *The Financial Reporting Entity, of the Governmental Accounting Standards Board (GASB)*, the financial statements must present the District (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

(2) Summary of Significant Accounting Policies

(a) Basic Financial Statements

The financial statements of the Calwa Recreation and Park District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

Basic financial statements are presented at both the government-wide and fund financial level. Government-wide financial statements report information about the reporting unit as a whole. For the most, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. The District has no proprietary type funds, therefore only reports governmental type funds.

**CALWA RECREATION AND PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**  
**(Continued)**

- b. **Committed** – amounts that can be used only for specific purposes determined by a formal action of the District Board (Board). The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or motions approved by the Board.
- c. **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Board has the authority to assign amounts for specific purposes.
- d. **Unassigned** – all other spendable amounts.

(i) Budgets

The District adopts an annual budget. The general fund budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles ("GAAP").

(j) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Cash and Cash Equivalents

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. Cash funds deposited with the County of Fresno are in pooled money funds. The funds are pooled with other governmental entities in the county and invested in compliance with the State of California.

Investments Authorized by the California Government Code

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

**CALWA RECREATION AND PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**  
**(Continued)**

At June 30, 2015, the carrying amount of the District's cash deposits in noninterest bearing accounts was \$6,197 and the bank balance was \$6,197. The difference, if any, between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Investment in Investment Pools

The District is a voluntary participant in the Fresno County Investment Pool that is regulated by the California Government Code. These funds were not subject to the credit risk categorization and are carried at cost which approximates fair value. The value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the Pools for the entire Pool's portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the Pools, which are recorded on an amortized cost basis. The balance in the Fresno County pool at June 30, 2015 was \$118,671.

(4) Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Land	\$ 90,000	\$ -	\$ -	\$ 90,000
Building Improvements	960,394	10,076	-	970,470
Equipment	<u>134,313</u>	<u>8,648</u>	-	<u>142,961</u>
	1,184,707	18,724	-	1,203,431
Less Accumulated Depreciation	<u>797,588</u>	<u>-</u>	<u>26,487</u>	<u>824,075</u>
 Governmental Activities				
Capital Assets, Net	<u>\$ 387,119</u>	<u>\$ 18,724</u>	<u>\$ 26,487</u>	<u>\$ 379,356</u>

**CALWA RECREATION AND PARK DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-**  
**BUDGET AND ACTUAL-GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2015**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Property Taxes	\$ 262,718	\$ 289,932	\$ 27,214
Contributions	600	-	(600)
Investment Income	-	1,235	1,235
Miscellaneous	500	-	(500)
Park Rents and Charges	<u>63,502</u>	<u>45,230</u>	<u>(18,272)</u>
Total Revenues	<u>327,320</u>	<u>336,397</u>	<u>9,077</u>
<b>EXPENDITURES</b>			
Payroll and Benefits	163,448	131,234	32,214
Directors Cost	7,000	7,662	(662)
Dues and Subscriptions	-	675	(675)
Election Costs	50,000	-	50,000
Insurance	6,420	26,427	(20,007)
Legal and Professional Fees	27,644	33,582	(5,938)
Miscellaneous	6,096	7,519	(1,423)
Office	4,686	10,663	(5,977)
Outside Services	6,585	5,598	987
Repairs and Maintenance	26,018	32,407	(6,389)
Supplies	7,651	7,991	(340)
Telephone	3,909	4,916	(1,007)
Transportation	960	588	372
Utilities	47,267	41,919	5,348
Capital Outlay	<u>1,636</u>	<u>18,724</u>	<u>(17,088)</u>
Total Expenditures	<u>359,320</u>	<u>329,905</u>	<u>29,415</u>
Excess of Revenues Over (Under) Expenditures	(32,000)	6,492	38,492
Fund Balance At Beginning Of Year	<u>485,010</u>	<u>485,010</u>	<u>-</u>
Fund Balance At End Of Year	<u>\$ 453,010</u>	<u>\$ 491,502</u>	<u>\$ 38,492</u>