

EASTERN PLUMAS RECREATION DISTRICT

Financial Statements
and
Independent Auditor's Report

For Fiscal Years Ended June 30, 2010-2014

EASTERN PLUMAS RECREATION DISTRICT

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June 30, 2014

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EASTERN PLUMAS RECREATION DISTRICT

Management's Discussion and Analysis June 30, 2014, 2013, 2012, 2011, and 2010

Our discussion and analysis of the Eastern Plumas Recreation District's financial performance provides an overview of the District's financial activities for the fiscal years ended June 30, 2014, 2013, 2012, 2011, and 2010.

Financial Highlights

As discussed in further detail in the discussion and analysis, the following represents the most significant financial highlights for the years ended June 30, 2014, 2013, 2012, 2011, and 2010:

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the District as a whole and present a long-term view of the District's finances. This long-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year.

The fund financial statements present a short-term view; they tell us how the District's resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the District's operation in more detail.

The District as a Whole

The following table shows, in a comparative, condensed format, the net position as of June 30, 2010 and 2009:

	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>Percent Change</u>
Assets	\$ 130,399	\$ 126,958	3%
Liabilities	<u>9,965</u>	<u>7,465</u>	<u>33%</u>
Net Position	<u>\$ 120,434</u>	<u>\$ 119,493</u>	<u>36%</u>

EASTERN PLUMAS RECREATION DISTRICT
Management's Discussion and Analysis
June 30, 2014, 2013, 2012, 2011, and 2010

The following table shows, in a comparative, condensed format, the net position as of June 30, 2011 and 2010:

	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>Percent Change</u>
Assets	\$ 147,243	\$ 130,399	13%
Liabilities	<u>7,465</u>	<u>9,965</u>	<u>-25%</u>
Net Position	<u>\$ 139,778</u>	<u>\$ 120,434</u>	<u>-12%</u>

The following table shows, in a comparative, condensed format, the net position as of June 30, 2012 and 2011:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Percent Change</u>
Assets	\$ 146,249	\$ 147,243	199%
Liabilities	<u>-</u>	<u>7,465</u>	<u>100%</u>
Net Position	<u>\$ 146,249</u>	<u>\$ 139,778</u>	<u>299%</u>

The following table shows, in a comparative, condensed format, the net position as of June 30, 2013 and 2012:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>Percent Change</u>
Assets	\$ 191,751	\$ 146,249	31%
Liabilities	<u>-</u>	<u>-</u>	<u>0%</u>
Net Position	<u>\$ 191,751</u>	<u>\$ 146,249</u>	<u>31%</u>

EASTERN PLUMAS RECREATION DISTRICT
Management's Discussion and Analysis
June 30, 2014, 2013, 2012, 2011, and 2010

The following table shows, in a comparative, condensed format, the net position as of June 30, 2014 and 2013:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>	<u>Percent Change</u>
Assets	\$ 206,709	\$ 191,751	8%
Liabilities	-	-	0%
Net Position	<u>\$ 206,709</u>	<u>\$ 191,751</u>	<u>8%</u>

The following table shows, in a comparative, condensed format, the changes in net position during the year ended June 30, 2010 and 2009:

	<u>Fiscal Year Ended</u>	
	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Revenues		
Donations	\$ 2,500	\$ 2,500
Prop 40	\$ 42,129	\$ -
Investment Earnings	523	1,177
Total Revenues	45,152	3,677
Expenses	<u>50,628</u>	<u>10,397</u>
Change in net position	<u>\$ (5,476)</u>	<u>\$ (6,720)</u>

EASTERN PLUMAS RECREATION DISTRICT

**Management's Discussion and Analysis
June 30, 2014, 2013, 2012, 2011, and 2010**

The following table shows, in a comparative, condensed format, the changes in net position during the year ended June 30, 2011 and 2010:

	Fiscal Year Ended	
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Revenues		
Investment Earnings	149	523
Donations	-	2,500
Prop 40	<u>48,911</u>	<u>42,129</u>
Total Revenues	49,060	45,152
Expenses	<u>56,849</u>	<u>2,082</u>
Change in net position	<u>\$ (7,789)</u>	<u>\$ 43,070</u>

The following table shows, in a comparative, condensed format, the changes in net position during the year ended June 30, 2012 and 2011:

	Fiscal Year Ended	
	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Revenues		
Investment Earnings	50	149
Rent	500	-
Prop 40	<u>25,000</u>	<u>48,911</u>
Total Revenues	25,550	49,060
Expenses	<u>40,122</u>	<u>56,849</u>
Change in net position	<u>\$ (14,572)</u>	<u>\$ (7,789)</u>

EASTERN PLUMAS RECREATION DISTRICT

**Management's Discussion and Analysis
June 30, 2014, 2013, 2012, 2011, and 2010**

The following table shows, in a comparative, condensed format, the changes in net position during the year ended June 30, 2013 and 2012:

	Fiscal Year Ended	
	June 30, 2013	June 30, 2012
Revenues		
Investment Earnings	30	50
Rent	-	500
Donations	95	-
Other Miscellaneous	<u>31,039</u>	<u>25,000</u>
Total Revenues	31,164	25,550
Expenses	<u>14,734</u>	<u>40,122</u>
Change in net position	<u>\$ 16,430</u>	<u>\$ (14,572)</u>

The following table shows, in a comparative, condensed format, the changes in net position during the year ended June 30, 2014 and 2013:

	Fiscal Year Ended	
	June 30, 2014	June 30, 2013
Revenues		
Investment Earnings	24	30
Donations	1,360	95
Other Miscellaneous	<u>29,387</u>	<u>31,039</u>
Total Revenues	30,771	31,164
Expenses	<u>13,178</u>	<u>14,734</u>
Change in net position	<u>\$ 17,593</u>	<u>\$ 16,430</u>

EASTERN PLUMAS RECREATION DISTRICT

Management's Discussion and Analysis June 30, 2014, 2013, 2012, 2011, and 2010

District Activities

The District continued operations and acquired various capital assets during the fiscal years 2010-2014. As of June 30, 2014, the District had no long term debt.

Fund Budgetary Highlights

As shown in the budgetary comparison schedules, the significant budgets to actual differences were a result of the following:

The major differences in 2010 are as follows:

1. Donation revenues were greater by \$1,500.
2. Investment earnings (interest) were less by \$777.
3. Miscellaneous expenses were greater by \$1,900.
4. Publications legal notice expenses were greater by \$2,900.

The major differences in 2011 are as follows:

1. Donation expenses were greater by \$2,000.
2. Investment earnings (interest) were less by \$451.
3. Miscellaneous expenses were less by \$1,900.
4. Professional services expenses were greater by \$9,298.

The major differences in 2012 are as follows:

1. Insurance expenses were greater by \$1,281.
2. Office expenses were greater by \$90.
3. Investment earnings were less by \$500.

The major differences in 2013 are as follows:

1. Insurance expenses were less by \$191.
2. Investment earnings were less by \$570.

The major differences in 2014 are as follows:

1. Donations were less by \$3,680.
2. Insurance expenses were less by \$2,476.
3. Miscellaneous expenses were greater by \$272.
4. Repair and maintenance were less by \$1,720.

EASTERN PLUMAS RECREATION DISTRICT
Management's Discussion and Analysis
June 30, 2014, 2013, 2012, 2011, and 2010

Contacting the District's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the District's management at, P.O. Box 391, Graeagle, CA 96103.



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Eastern Plumas Recreation District

Report on the Financial Statements

We have audited the accompanying financial statements of Eastern Plumas Recreation District (the District) as of and for the years ended June 30, 2014, 2013, 2012, 2011, and 2010, 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Eastern Plumas Recreation District, as of June 30, 2014, 2013, 2012, 2011, and 2010, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

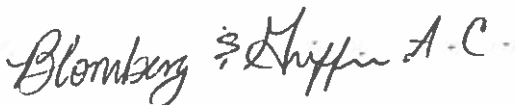
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 6 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2015 on our consideration of the Eastern Plumas Recreation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Eastern Plumas Recreation District's internal control over financial reporting and compliance.



Blomberg & Griffin A.C.
Stockton, CA
December 21, 2015

EASTERN PLUMAS RECREATION DISTRICT
Governmental Fund Balance Sheet/Statement of Net Position
For the Year Ended June 30, 2010

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 34,785	\$ -	\$ 34,785
Interest Receivable	13	-	13
Prepaid Expenses	-	540	540
Property and Equipment	-	(1) 95,984	95,984
Accumulated Depreciation	-	(1) (922)	(922)
	34,798	95,602	130,399
LIABILITIES			
Accounts Payable/Warrant Payable	2,500		2,500
Due to Graeagle CSD	7,465	-	7,465
	9,965	-	9,965
FUND BALANCE/NET POSITION			
Fund Balance:			
Reserved Ski Hill Donation	2,500	2,500	
Unassigned	22,333	22,333	
	24,833	24,833	
Total Fund Balance	24,833	24,833	
Total Liabilities and Fund Balance	\$ 34,798		
Net Position:			
Investment in Capital Assets - Net of Related Debt		95,602	95,602
Reserved- Ski Hill Donation		2,500	2,500
Unrestricted		22,333	22,333
		120,434	120,434
Total Net Position		\$ 120,434	\$ 120,434

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets in the District as a whole.

Costs of Capital Assets	\$ 95,984
Accumulated Depreciation	(922)
	\$ 95,062

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

EASTERN PLUMAS RECREATION DISTRICT
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended June 30, 2010

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/ Expenses:			
Community Services:			
Operations	\$ 50,628	(1) \$ 6,417	\$ 44,211
Total Expenditures/Expenses	<u>50,628</u>	<u>6,417</u>	<u>44,211</u>
Program Revenues:			
Prop 40	42,129	-	42,129
Donations - Plumas County	2,500	-	2,500
Total Program Revenues	<u>44,629</u>	<u>-</u>	<u>44,629</u>
Net Program Expense	<u>5,999</u>	<u>6,417</u>	<u>(418)</u>
General Revenues:			
Investment Earnings	523	-	523
Total General Revenues	<u>523</u>	<u>-</u>	<u>523</u>
Excess of Revenues over Expenditures	<u>(5,476)</u>	<u>6,417</u>	<u>941</u>
Change in Net Position	<u>(5,476)</u>	<u>6,417</u>	<u>941</u>
Fund Balance/Net Position:			
Beginning of Year	40,274		119,493
End of Year	<u>\$ 34,798</u>		<u>\$ 120,434</u>

- (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The amount by which capital outlays exceed depreciation in the current period is \$8,378. Depreciation of \$821. was charged to operations in the current period.

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

EASTERN PLUMAS RECREATION DISTRICT
Governmental Fund Balance Sheet/Statement of Net Position
For the Year Ended June 30, 2011

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 27,009	\$ -	\$ 27,009
Interest Receivable	-	-	-
Prepaid Insurance	-	993	993
Property and Equipment	-	(1) 120,984	120,984
Accumulated Depreciation	-	(1) (1,743)	(1,743)
	<u>27,009</u>	<u>120,234</u>	<u>147,243</u>
LIABILITIES			
Accounts Payable/Warrants Payable	25,100	-	25,100
Due to Graeagle CSD	7,465	-	7,465
	<u>32,565</u>	<u>-</u>	<u>32,565</u>
FUND BALANCE/NET POSITION			
Fund Balance:			
Reserved Ski Hill Donation	-	-	
Unassigned	(5,556)	(5,556)	
	<u>(5,556)</u>	<u>(5,556)</u>	
Total Fund Balance	<u>(5,556)</u>	<u>(5,556)</u>	
Total Liabilities and Fund Balance	<u>\$ 27,009</u>		
Net Position:			
Investment in Capital Assets - Net of Related Debt		120,234	120,234
Reserved		25,100	25,100
Unrestricted		(5,556)	(5,556)
Total Net Position		<u>\$ 139,778</u>	<u>\$ 139,778</u>

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets in the District as a whole.

Costs of Capital Assets	\$ 120,984
Accumulated Depreciation	(1,743)
	<u>\$ 119,241</u>

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

EASTERN PLUMAS RECREATION DISTRICT
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended June 30, 2011

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/ Expenses:			
Community Services:			
Operations	\$ 56,849	(1) \$ 27,133	\$ 29,715
Total Expenditures/Expenses	<u>56,849</u>	<u>27,133</u>	<u>29,715</u>
Program Revenues:			
Prop 40	48,911	-	48,911
Donations - Plumas County	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Revenues	<u>48,911</u>	<u>-</u>	<u>48,911</u>
Net Program Expense	<u>7,938</u>	<u>27,133</u>	<u>(19,196)</u>
General Revenues:			
Investment Earnings	<u>149</u>	<u>-</u>	<u>149</u>
Total General Revenues	<u>149</u>	<u>-</u>	<u>149</u>
Excess of Revenues over Expenditures	<u>(7,789)</u>	<u>27,133</u>	<u>19,345</u>
Change in Net Position	<u>(7,789)</u>	<u>27,133</u>	<u>19,345</u>
Fund Balance/Net Position:			
Beginning of Year	<u>34,798</u>		<u>120,434</u>
End of Year	<u>\$ 27,009</u>		<u>\$ 139,778</u>

(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The amount by which capital outlays exceed depreciation in the current period is \$24,179. Depreciation of \$821. was charged to operations in the current period.

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

EASTERN PLUMAS RECREATION DISTRICT
Governmental Fund Balance Sheet/Statement of Net Position
For the Year Ended June 30, 2012

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 12,437	\$ -	\$ 12,437
Prepaid Expenses	-	1,028	1,028
Property and Equipment	-	(1) 135,953	135,953
Accumulated Depreciation	-	(1) (3,169)	(3,169)
Total Assets	12,437	133,812	146,249
LIABILITIES			
Accounts Payable	-	-	-
Due to Graeagle CSD	-	-	-
Total Liabilities	-	-	-
FUND BALANCE/NET POSITION			
Fund Balance:			
Reserved- Ski Hill Donation	-	-	
Unassigned	12,437	12,437	
Total Fund Balance	12,437	12,437	
Total Liabilities and Fund Balance	\$ 12,437		
Net Position:			
Investment in Capital Assets - Net of Related Debt		132,784	132,784
Unrestricted		13,465	13,465
Total Net Position		\$ 146,249	\$ 146,249

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets in the District as a whole.

Costs of Capital Assets	\$ 135,953
Accumulated Depreciation	(3,169)
	\$ 132,784

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

EASTERN PLUMAS RECREATION DISTRICT
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended June 30, 2012

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/ Expenses:			
Community Services:			
Operations	\$ 40,122	(1) \$ 21,043	\$ 19,079
Total Expenditures/Expenses	<u>40,122</u>	<u>21,043</u>	<u>19,079</u>
Program Revenues:			
ST- AID PROP 40	25,000	-	25,000
Other	500	-	500
Donations - Plumas County	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Revenues	<u>25,500</u>	<u>-</u>	<u>25,500</u>
Net Program Expense (Revenues)	<u>14,622</u>	<u>21,043</u>	<u>(6,421)</u>
General Revenues:			
Investment Earnings	<u>50</u>	<u>-</u>	<u>50</u>
Total General Revenues	<u>50</u>	<u>-</u>	<u>50</u>
Excess of Revenues over Expenditures	<u>(14,572)</u>	<u>21,043</u>	<u>6,471</u>
Change in Net Position	<u>(14,572)</u>	<u>21,043</u>	<u>6,471</u>
Fund Balance/Net Position:			
Beginning of Year	<u>27,009</u>		<u>139,778</u>
End of Year	<u>\$ 12,437</u>		<u>\$ 146,249</u>

- (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The amount by which capital outlays exceed depreciation in the current period is \$13,543. Depreciation of \$1,426. was charged to operations in the current period.

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

EASTERN PLUMAS RECREATION DISTRICT
Governmental Fund Balance Sheet/Statement of Net Position
For the Year Ended June 30, 2013

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 28,867	\$ -	\$ 28,867
Prepaid Expenses	-	965	965
Property and Equipment	-	(1) 166,992	166,992
Accumulated Depreciation	-	(1) (5,072)	(5,072)
Total Assets	28,867	162,884	191,751
LIABILITIES			
Accounts Payable	-	-	-
Due to Graeagle CSD	-	-	-
Total Liabilities	-	-	-
FUND BALANCE/NET POSITION			
Fund Balance:			
Investment in Fixed Assets	-	-	
Unassigned	28,867	28,867	
Total Fund Balance	28,867	28,867	
Total Liabilities and Fund Balance	\$ 28,867		
Net Position:			
Investment in Capital Assets - Net of Related Debt		161,920	161,920
Unrestricted		29,832	29,832
Total Net Position		\$ 191,751	\$ 191,751

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets in the District as a whole.

Costs of Capital Assets	\$ 166,992
Accumulated Depreciation	(5,072)
	\$ 161,920

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

EASTERN PLUMAS RECREATION DISTRICT
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended June 30, 2013

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/ Expenses:			
Community Services:			
Operations	\$ 14,734	(1) \$ 29,072	\$ (14,338)
Total Expenditures/Expenses	<u>14,734</u>	<u>29,072</u>	<u>(14,338)</u>
Program Revenues:			
ST- AID PROP 40	31,039	-	31,039
Donations - Plumas County	<u>95</u>	<u>-</u>	<u>95</u>
Total Program Revenues	<u>31,134</u>	<u>-</u>	<u>31,134</u>
Net Program Expense/(Revenue)	<u>(16,400)</u>	<u>29,072</u>	<u>(45,472)</u>
General Revenues:			
Investment Earnings	<u>30</u>	<u>-</u>	<u>30</u>
Total General Revenues	<u>30</u>	<u>-</u>	<u>30</u>
Excess of Revenues over Expenditures	<u>16,430</u>	<u>29,072</u>	<u>45,502</u>
Change in Net Position	<u>16,430</u>	<u>29,072</u>	<u>45,502</u>
Fund Balance/Net Position:			
Beginning of Year	<u>12,437</u>		<u>146,249</u>
End of Year	<u>\$ 28,867</u>		<u>\$ 191,751</u>

- (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The amount by which capital outlays exceed depreciation in the current period is \$29,136. Depreciation of \$1,903. was charged to operations in the current period.

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

EASTERN PLUMAS RECREATION DISTRICT
Governmental Fund Balance Sheet/Statement of Net Position
For the Year Ended June 30, 2014

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 46,460	\$ -	\$ 46,460
Prepaid Expenses	-	1,158	1,158
Property and Equipment	-	(1) 166,992	166,992
Accumulated Depreciation	-	(1) (7,901)	(7,901)
Total Assets	46,460	160,249	206,709
LIABILITIES			
Accounts Payable	-	-	-
Due to Graeagle CSD	-	-	-
Total Liabilities	-	-	-
FUND BALANCE/NET POSITION			
Fund Balance:			
Investment in Fixed Assets	-	-	
Unassigned	46,460	46,460	
Total Fund Balance	46,460	46,460	
Total Liabilities and Fund Balance	\$ 46,460		
Net Position:			
Investment in Capital Assets - Net of Related Debt		159,091	159,091
Unrestricted		47,618	47,618
Total Net Position		\$ 206,709	\$ 206,709

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets in the District as a whole.

Costs of Capital Assets	\$ 166,992
Accumulated Depreciation	(7,901)
	\$ 159,091

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

EASTERN PLUMAS RECREATION DISTRICT
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balances/Statement of Activities
For the Year Ended June 30, 2014

	General Fund	Adjustments	Statement of Activities
Expenditures/ Expenses:			
Community Services:			
Operations	\$ 13,178	(1) \$ (2,636)	\$ 10,542
Total Expenditures/Expenses	13,178	(2,636)	10,542
Program Revenues:			
Program Revenue	29,387	-	29,387
Donations - Plumas County	1,360	-	-
Total Program Revenues	30,747	-	30,747
Net Program Expense/(Revenue)	(17,569)	(2,636)	(20,205)
General Revenues:			
Investment Earnings	24	-	24
Total General Revenues	24	-	24
Excess of Revenues over Expenditures	17,593	(2,636)	20,229
Change in Net Position	17,593	(2,636)	14,957
Fund Balance/Net Position:			
Beginning of Year	28,867		191,751
End of Year	\$ 46,460		\$ 206,709

- (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Depreciation of \$2,829 was charged to operations in the current period.

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

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule
For the Year Ended June 30, 2010

	<u>Original & Final Budgeted Amounts</u>	<u>Actual Amounts (3)</u>	<u>Variance With Final Budget Positive (Negative)</u>
Beginning Balance - July 1, 2009	\$ 40,274	\$ 40,274	\$ -
Resources (Inflows):			
Prop 40	-	42,129	42,129
Donations - Plumas County	1,000	2,500	1,500
Other	2,500	-	(2,500)
Revenue for Use of Money:			
Interest	<u>1,300</u>	<u>523</u>	<u>(777)</u>
Total Resources (Inflows)	<u>4,800</u>	<u>45,152</u>	<u>40,352</u>
Total Available	<u>45,074</u>	<u>85,426</u>	<u>(40,352)</u>
Charges to Appropriations (Outflows):			
Donations	1,000	-	1,000
Insurance	2,000	720	1,280
Miscellaneous	100	2,000	(1,900)
Office Expense	100	-	100
Publications-Legal Notice	100	3,000	(2,900)
Special Department Expense	10,000	44,908	(34,908)
Travel	500	-	500
Contingencies	<u>31,273</u>	<u>-</u>	<u>31,273</u>
Total Charges (Outflows)	<u>\$ 45,073</u>	<u>\$ 50,628</u>	<u>\$ (5,555)</u>
Ending Balance		34,798	
Less:			
Graeagle CDS Funds		(7,465)	
Reserved for Ski Hill Donation		<u>(2,500)</u>	
Unreserved Balance - June 30, 2010		<u>\$ 24,833</u>	

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

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule (Continued)

For the Year Ended June 30, 2010

(3) Budget to GAAP Reconciliation

Sources (Inflows):

Actual amounts (Budgetary Basis) "available for appropriation"
from the Budgetary Comparison Schedule \$ 85,426

Differences-Budget to GAAP

The fund balance at the beginning of the year is a budgetary
resource but is not a current-year revenue for financial
reporting purposes.

(40,274)

\$ 45,152

As shown on the Statement of Governmental Fund
Revenues, Expenditures, & Changes in Fund Balances:

Total Program Revenues \$ 44,629

Total General Revenues 523

\$ 45,152

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

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original & Final Budgeted Amounts	Actual Amounts (3)	Variance With Final Budget Positive (Negative)
Beginning Balance - July 1, 2010	\$ 34,798	\$ 34,798	\$ -
Resources (Inflows):			
Donations - Plumas County	-	-	-
Prop 40	-	48,911	48,911
Other	2,500	-	(2,500)
Revenue for Use of Money:			
Interest	600	149	(451)
Total Resources (Inflows)	<u>3,100</u>	<u>49,060</u>	<u>45,960</u>
Total Available	<u>37,898</u>	<u>83,858</u>	<u>(45,960)</u>
Charges to Appropriations (Outflows):			
Donations- Brightwater	-	2,000	(2,000)
Insurance	1,000	3,673	(2,673)
Miscellaneous	2,000	100	1,900
Office Expense	-	-	-
Professional Services	3,500	12,798	(9,298)
Publications-Legal Notice	-	-	-
Special Department Expense	25,000	38,278	(13,278)
Travel	-	-	-
Contingencies	3,885	-	3,885
Total Charges (Outflows)	<u>\$ 35,385</u>	<u>\$ 56,849</u>	<u>\$ (21,464)</u>
Ending Balance		27,009	
Less:			
Graeagle CDS Funds		(7,465)	
Reserved for Ski Hill Donation		<u>(25,100)</u>	
Unreserved Balance - June 30, 2011		<u>\$ (5,556)</u>	

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

EASTERN PLUMAS RECREATION DISTRICT
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2011

(3) Budget to GAAP Reconciliation

Sources (Inflows):

Actual amounts (Budgetary Basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 83,858
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Differences-Budget to GAAP

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(34,798)

\$ 49,060

As shown on the Statement of Governmental Fund
Revenues, Expenditures, & Changes in Fund Balances:

Total Program Revenues	\$ 48,911
Total General Revenues	<u>149</u>

\$ 49,060

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

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule
For the Year Ended June 30, 2012

	Original & Final Budgeted Amounts	Actual Amounts (3)	Variance With Final Budget Positive (Negative)
Beginning Balance - July 1, 2011	<u>\$ 27,009</u>	<u>\$ 27,009</u>	<u>\$ -</u>
Resources (Inflows):			
Donations - Plumas County	-	-	-
Other	2,500	500	(2,000)
ST-AID Prop 40	-	25,000	25,000
Revenue for Use of Money:			
Interest	<u>600</u>	<u>50</u>	<u>(550)</u>
Total Resources (Inflows)	<u>3,100</u>	<u>25,550</u>	<u>22,450</u>
Total Available	<u>30,109</u>	<u>52,559</u>	<u>(22,450)</u>
Charges to Appropriations (Outflows):			
Donations	-	-	-
Insurance	1,000	2,281	(1,281)
Miscellaneous	2,000	-	2,000
Office Expense	-	90	(90)
Publications-Legal Notice	3,500	2,207	1,293
Special Department Expense	25,000	35,455	(10,455)
Travel	-	89	(89)
Contingencies	<u>3,885</u>	<u>-</u>	<u>3,885</u>
Total Charges (Outflows)	<u>\$ 35,385</u>	<u>\$ 40,122</u>	<u>\$ (4,737)</u>
Ending Balance		12,437	
Less:			
Graeagle CDS Funds		-	
Reserved for Ski Hill Donation		<u>-</u>	
Unreserved Balance - June 30, 2012		<u>\$ 12,437</u>	

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

EASTERN PLUMAS RECREATION DISTRICT
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2012

(3) Budget to GAAP Reconciliation

Sources (Inflows):

Actual amounts (Budgetary Basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 52,559
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Differences-Budget to GAAP

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(27,009)

\$ 25,550

As shown on the Statement of Governmental Fund
Revenues, Expenditures, & Changes in Fund Balances:

Total Program Revenues	\$ 25,500
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Total General Revenues	<u>50</u>
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\$ 25,550

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule

For the Year Ended June 30, 2013

	<u>Original & Final Budgeted Amounts</u>	<u>Actual Amounts (3)</u>	<u>Variance With Final Budget Positive (Negative)</u>
Beginning Balance - July 1, 2012	<u>\$ 12,437</u>	<u>\$ 12,437</u>	<u>\$ -</u>
Resources (Inflows):			
Donations - Plumas County	-	-	-
Prop 40	-	31,029	31,029
Other	2,500	-	(2,500)
Revenue for Use of Money:			
Interest	<u>600</u>	<u>30</u>	<u>(570)</u>
Total Resources (Inflows)	<u>3,100</u>	<u>31,059</u>	<u>27,959</u>
Total Available	<u>15,537</u>	<u>43,496</u>	<u>(27,959)</u>
Charges to Appropriations (Outflows):			
Donations	-	-	-
Insurance	1,000	1,191	(191)
Miscellaneous	2,000	7,945	(5,945)
Office Expense	-	44	(44)
Publications-Legal Notice	3,500	-	3,500
Special Department Expense	25,000	5,449	19,551
Travel	-	-	-
Contingencies	<u>3,885</u>	<u>-</u>	<u>3,885</u>
Total Charges (Outflows)	<u>\$ 35,385</u>	<u>\$ 14,630</u>	<u>\$ 20,755</u>
Ending Balance		28,867	
Less:			
Graeagle CDS Funds		-	
Reserved for Ski Hill Donation		<u>-</u>	
Unreserved Balance - June 30, 2013		<u>\$ 28,867</u>	

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

EASTERN PLUMAS RECREATION DISTRICT
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2013

(3) Budget to GAAP Reconciliation
Sources (Inflows):

Actual amounts (Budgetary Basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 43,496
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Differences-Budget to GAAP

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(12,437)

\$ 31,059

As shown on the Statement of Governmental Fund
Revenues, Expenditures, & Changes in Fund Balances:

Total Program Revenues	\$ 31,029
Total General Revenues	<u>30</u>

\$ 31,059

EASTERN PLUMAS RECREATION DISTRICT

Budgetary Comparison Schedule

For the Year Ended June 30, 2014

	<u>Original & Final Budgeted Amounts</u>	<u>Actual Amounts (3)</u>	<u>Variance With Final Budget Positive (Negative)</u>
Beginning Balance - July 1, 2013	<u>\$ 28,867</u>	<u>\$ 28,867</u>	<u>\$ -</u>
Resources (Inflows):			
Donations - Plumas County	5,040	1,360	(3,680)
Other	48,976	29,386	(19,590)
Revenue for Use of Money:			
Interest	<u>19</u>	<u>24</u>	<u>5</u>
Total Resources (Inflows)	<u>54,035</u>	<u>30,770</u>	<u>(23,265)</u>
Total Available	<u>82,902</u>	<u>59,637</u>	<u>23,265</u>
Charges to Appropriations (Outflows):			
Donations	-	-	-
Insurance	7,295	4,819	2,476
Miscellaneous	7,176	7,448	(272)
Office Expense	574	78	496
Publications-Legal Notice/Professional Services	270	270	-
Special Department Expense	-	-	-
Retail Merchandise	2,007	-	2,007
Repair & Maintenance	2,283	563	1,720
Travel	-	-	-
Contingencies	-	-	-
Total Charges (Outflows)	<u>\$ 19,605</u>	<u>\$ 13,178</u>	<u>\$ 6,427</u>
Ending Balance		46,460	
Less:			
Graeagle CDS Funds		-	
Reserved for Ski Hill Donation		<u>-</u>	
Unreserved Balance - June 30, 2014		<u>\$ 46,460</u>	

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

EASTERN PLUMAS RECREATION DISTRICT
Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2014

(3) Budget to GAAP Reconciliation

Sources (Inflows):

Actual amounts (Budgetary Basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 59,637
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Differences-Budget to GAAP

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(28,867)

\$ 30,770

As shown on the Statement of Governmental Fund
Revenues, Expenditures, & Changes in Fund Balances:

Total Program Revenues	\$ 30,746
------------------------	-----------

Total General Revenues	<u>24</u>
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\$ 30,770

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Organization & Description of the District:

The District was organized on March 5, 2002 for the purpose of promoting recreation and providing facilities for recreational activities to residents and landowners within the boundaries of the District in the Eastern Plumas area. This District operates under authority of the State of California Recreation and Park District Law.

The Reporting Entity:

The District's government-wide financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of the Government Accounting Standards Boards (GASB) *Codification of Government Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separated (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District

Based on the above criteria, the Eastern Plumas Recreation District has no component units.

Basis of Presentation:

Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are finance through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are finance in whole or in part by fees charged to external parties for goods or services. The District does not have business-type or fiduciary funds as of June 30, 2014.

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures/expense. Funds are organized into three major categories; governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major funds if it is the primary operating fund of the District or meet the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The General Fund is the general operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. It is the District's only fund.

Measurement Focus and Basis of Accounting:

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

In the Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measurement Focus and Basis of Accounting (Continued):

In the Governmental Fund Balance Sheet and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances, the “current financial resources” measurements focus or the “economic resources” measurements focus is used as appropriate:

- a. The “current financial resources” measurement focus is used when accounting for all governmental funds. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or noncurrent) associated with the operation of these funds are reported.

Basis of Accounting

In the Statement of Net Position and Statements of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transaction are recognized when the exchange takes place.

In the Governmental Fund Balance Sheet and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means collectible within the current period or soon enough thereafter to pay current liabilities. The District defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

As the District is a single-program government, the government-wide and fund financial statements are combined with an adjustment column to reconcile the differences in the accounting methods. Explanations of the adjustments are noted on the face of the statements.

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Budgetary Data:

Budgets for the operating fund are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, 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 bases. The only material difference between them is the inclusion of the beginning budgetary fund balance.

An annual budget request is submitted by the District Clerk to the Board of Directors for preliminary review and approval. After a public hearing, a fiscal budget is approved by the District's Board of Directors, with a resolution adopting said budget. Copies of the approved budget are sent to all required agencies.

The General fund budget is prepared within the limit on spending as regulated by Proposition 4. Unencumbered appropriations for annually budgeted funds lapse at year-end.

Use of Estimates:

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingencies, assets and liabilities, and the reported revenue and expenditures. Actual results could differ from those estimates.

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Capital Assets:

Capital assets are purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other cost incurred for repairs and maintenance are expensed as incurred. Depreciation of capital assets is calculated on the straight-line basis over the estimated useful lives of the assets.

NOTE 2 CASH AND INVESTMENTS:

A. Deposits:

GASB 31 "Accounting and Financial Reporting for Certain Investments and for External Investment Pool's requires that investments be carried at fair value with unrealized changes being recorded in the statements of revenues, expenditures and changes in fund balance.

The District's cash is held in an agency capacity by the County of Plumas Treasurer. The County operates the pooled cash fund for all of its District's funds. The carrying amount, as of June 30, 2014, of cash held by the County of Plumas is \$40,460.

The approved investment in the pool is carried at cost, which approximates market value and may be liquidated as needed. The investment pool has not been assigned a risk category since the District is not issued any securities, but rather owns an undivided beneficial interest in the assets of this pool. The fund is not registered with the SEC. Financial statements for the investment pool can be obtained by writing the County of Plumas, Auditors-Controller's Office, 520 Main St., Room 205, Quincy, CA 95971

B. Custodial Credit Risk:

Financial instruments that potentially subject the District to concentration of credit risk consist of temporary cash investments held in an agency capacity at the County of Plumas Treasurer. The County of Plumas places its temporary cash investments with financial institutions to limit the credit exposure to any one financial institution.

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 3 CAPITAL ASSETS AND DEPRECIATION:

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Undeveloped Land	\$ 85,000	\$ -	\$ -	\$ 85,000
Capital Assets being Depreciated:				
Dell Laptop Computer	672	-	-	672
Transmitter	-	10,312	-	10,312
Accumulated Depreciation	<u>(101)</u>	<u>(821)</u>	<u>-</u>	<u>(922)</u>
Net Capital Assets	<u>\$ 85,571</u>	<u>\$ 9,491</u>	<u>\$ -</u>	<u>\$ 95,062</u>

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Undeveloped Land	\$ 85,000	\$ -	\$ -	\$ 85,000
Capital Assets being Depreciated:				
Property and Equipment	10,984	25,000	-	35,984
Accumulated Depreciation	<u>(922)</u>	<u>(821)</u>	<u>-</u>	<u>(1,743)</u>
Net Capital Assets	<u>\$ 95,062</u>	<u>\$ 24,179</u>	<u>\$ -</u>	<u>\$ 119,241</u>

Capital asset activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Undeveloped Land	\$ 85,000	\$ -	\$ -	\$ 85,000
Capital Assets being Depreciated:				
Property and Equipment	35,984.00	14,969.00	-	50,953.00
Accumulated Depreciation	<u>(1,743.00)</u>	<u>(1,426.00)</u>	<u>-</u>	<u>(3,169.00)</u>
Net Capital Assets	<u>\$ 119,241</u>	<u>\$ 13,543</u>	<u>\$ -</u>	<u>\$ 132,784</u>

EASTERN PLUMAS RECREATION DISTRICT

Notes to Financial Statements

June 30, 2014, 2013, 2012, 2011, and 2010

NOTE 3 CAPITAL ASSETS AND DEPRECIATION-CONTINUED:

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Undeveloped Land	\$ 85,000	\$ -	\$ -	\$ 85,000
Capital Assets being Depreciated:				
Property and Equipment	50,953	31,039	-	81,992
Accumulated Depreciation	<u>(3,169)</u>	<u>(1,903)</u>	<u>-</u>	<u>(5,072)</u>
Net Capital Assets	<u>\$ 132,784</u>	<u>\$ 29,136</u>	<u>\$ -</u>	<u>\$ 161,920</u>

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Undeveloped Land	\$ 85,000	\$ -	\$ -	\$ 85,000
Capital Assets being Depreciated:				
Property and Equipment	81,992	-	-	81,992
Accumulated Depreciation	<u>(5,072)</u>	<u>(2,829)</u>	<u>-</u>	<u>(7,901)</u>
Net Capital Assets	<u>\$ 161,920</u>	<u>\$ (2,829)</u>	<u>\$ -</u>	<u>\$ 159,091</u>

NOTE 4 INSURANCE COVERAGES

The District maintains the following insurance coverage's:

General Liability - Each Occurrence	1000000
General Liability - Aggregate	2000000
Management Liability- Each Occurrence	1000000
Management Liability- Aggregate	1000000

NOTE 5 SUBSEQUENT EVENTS:

Management has evaluated subsequent events through December 21, 2015, the date these financial statements were available for release.



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Eastern Plumas Recreation District

We have audited the financial statements of Eastern Plumas Recreation District (The District), as of and for the years ended June 30, 2014, 2013, 2012, 2011 and 2010, and have issued our report thereon dated December 21, 2015. We conducted our audit in accordance with auditing standards generally accepted standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We identified deficiencies in internal control over financial reporting that we consider to be not material weaknesses, as defined above.

Compliance and other matters

As part of obtaining reasonable assurance whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test disclosed some instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Our response for non-compliance will be on next page.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Blomberg & Griffin A.C.

Blomberg & Griffin A.C
Stockton, CA
December 21, 2015

EASTERN PLUMAS RECREATION DISTRICT

Independent Audit of Financial Statements Year Ended June 30, 2014 2013, 2012, 2011, & 2010

Independent Auditor's Findings and District's Response

Internal Control over Financial Reporting

Finding 2014-01: Fixed Assets:

The District should adopt a fixed asset policy to record, track and depreciate (if applicable) all fixed assets in excess of a board designated amount. All fixed assets should be labeled "Property of the Eastern Plumas Recreation District". The methods used in recording and tracking fixed assets purchased or otherwise acquired should be described in the District's policies and procedures manual. Fixed assets purchased should be recorded at their cost while fixed assets donated should be recorded at the fair value at date donated. (Also, Prior audit finding).

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Findings 2014-02: Board Minutes:

At the time of our audit, the copies of board meeting minutes obtained were not signed. We recommend, as a step to improve internal controls, two officers/board members signatures be obtained to document review and approval of minutes (Also, Prior audit finding).

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Finding 2014-03 District's Policy Manual:

We recommend, as an addition to existing District policies or as a separate document adding procedures to include annual filing requirements of the County Auditor/Controller's Office and filing requirements of the State Controller's Office. Procedures should state enough detail to meet the requirements in a timely manner. For example, the state controller's report is due on or before September 30 of each year if paper filed. Electronic filing due date is approximately two weeks later. The fine for late or incomplete filing is as much as \$5,000. Also, refer to finding 2014-05. (Prior audit finding).

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Finding 2014-04 District's Computer:

We recommend the District add to the policy manual procedures for use of and responsibility for the Dell Laptop Computer or report depreciation. Also, refer to finding 2014-01. (Also, Prior audit finding).

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

EASTERN PLUMAS RECREATION DISTRICT

Independent Audit of Financial Statements Year Ended June 30, 2014 2013, 2012, 2011, & 2010

Independent Auditor's Findings and District's Response

Finding: 2014-08 Disbursement Approval:

The District documentation of disbursements was incomplete. We recommend a listing of disbursements be included in the minutes including vendor, warrant number, reason for payment, payment amount, and budget account code. The payment listing then reviewed and approved by the board of district with approval signature indicated on listing.

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Finding: 2014-05 Plumas County Auditor/Controller Requirement:

The District was out of compliance with County Special District Accounting requirements. Management should contact the County Auditor/Controller to reestablish District's account. In addition, the District should establish Controls to verify operations continue to comply with County and State requirements.

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Finding: 2014-06 Transactions Not Recorded:

At the time of the audit, various transactions were not recorded in District's books. Transactions not recorded included grant receipts, grant expenditures, capital expenditures and various other transactions listed on District's bank statements.

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.

Finding: 2014-07 Receipts Recording:

District records for documentation of receipts were incomplete. Management should maintain a complete record of all receipts. The receipts register should include preprinted receipts, triplicate copies with final copy remaining in receipt book. Each receipt should be completed with an explanation of reason for receipts and be signed and dated.

District Response: The District recognizes the deficiency and is in the process of bringing the District into compliance.