

**WESTERN GATEWAY  
RECREATION AND PARK DISTRICT  
FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**WESTERN GATEWAY  
RECREATION AND PARK DISTRICT**

**Table of Contents**

Independent Auditor’s Report.....	1
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	3
Statement of Activities.....	4
Fund Financial Statements	
Governmental Funds:	
Balance Sheet.....	5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	6
Statement of Revenues, Expenditures and Changes in Fund Balances.....	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes In Fund Balances to the Statement of Activities.....	8
Notes to the Financial Statements.....	9
Required Supplementary Information:	
Budgetary Comparison Schedule:	
General Fund.....	17
Special Revenue Fund.....	18
Note to the Required Supplementary Information.....	19

# LARRY BAIN, CPA

An Accounting Corporation

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To the Board of Directors  
Western Gateway Recreation and Park District  
Penn Valley, California

## **Opinion**

We have audited the accompanying financial statements of the governmental activities and fund information of Western Gateway Recreation and Park District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Western Gateway Recreation and Park District as of June 30, 2023, and the changes in financial position of those activities and funds for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Western Gateway Recreation and Park District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Gateway Recreation and Park District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Western Gateway Recreation and Park District 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Western Gateway Recreation and Park District 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Other Matters**

#### *Required Supplementary Information*

The Western Gateway Recreation and Park District has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The required supplementary information other than MD&A, as listed in the table of contents as the budgetary comparison schedules on pages 17 and 18 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.

**Larry Bain, CPA**  
**An Accounting Corporation**

October 1, 2024

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**STATEMENT OF NET POSITION**

**JUNE 30, 2022**

	Governmental Activities
<b>Assets</b>	
Current assets	
Cash and investments	\$ 131,379
Deposits with vendors	30
Receivables	140
Restricted cash and investments	59,733
Total current assets	191,282
Non-current assets	
Capital assets:	
Land	578,864
Site improvements	523,222
Buildings and improvements	366,862
Equipment	663,183
Less: accumulated depreciation	(1,273,227)
Total non-current assets	858,904
Total assets	1,050,186
<b>Liabilities</b>	
Current liabilities:	
Claims payable	5,418
Accrued payroll	1,050
Deposits with others	1,209
Due to others	1,260
Current portion of solar loan	14,037
Total current liabilities	22,974
Noncurrent liabilities:	
Solar loan	44,997
Total liabilities	67,971
<b>Net Position</b>	
Net investment in capital assets	799,870
Restricted for developer deposits	59,733
Unrestricted	122,612
Total net position	\$ 982,215

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

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Expenses	Charges for Services	Operating Grants and Contributions	Total
Governmental Activities:				
Recreation services	\$ 184,580	\$ 130,437	\$ 7,194	\$ (46,949)
Interest expense	3,329			(3,329)
Total Governmental Activities	\$ 187,909	\$ 130,437	\$ 7,194	(50,278)
General Revenues:				
Rents				57,299
Investment income				1,554
Total general revenues				58,853
Change in net position				8,575
Net position' - beginning				973,640
Net position - ending				\$ 982,215

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

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022**

	General Fund	Special Revenue Fund Landscape and Special Revenue Fund Mitigation Fund	Totals Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 131,379	\$ -	\$ 131,379
Deposits with vendors	30		30
Receivables	140		140
Restricted cash and investments		59,733	59,733
<b>Total assets</b>	<b>\$ 131,549</b>	<b>\$ 59,733</b>	<b>\$ 191,282</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Claims payable	\$ 5,418	\$ -	\$ 5,418
Accrued payroll	1,050		1,050
Deposits with others	1,209		1,209
Due to others	1,260		1,260
<b>Total liabilities</b>	<b>8,937</b>		<b>8,937</b>
<b>Fund Balances</b>			
Fund balances			
Restricted developer deposits		59,733	59,733
Unassigned	122,612		122,612
<b>Total fund balances</b>	<b>122,612</b>	<b>59,733</b>	<b>182,345</b>
<b>Total liabilities and fund balances</b>	<b>\$ 131,549</b>	<b>\$ 59,733</b>	<b>\$ 191,282</b>

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

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2022**

Fund balances of governmental funds	\$	182,345
Amounts reported for governmental activities in the statement of net position are different because:		
Net investment in capital assets, are not current financial resources and are not included in the governmental funds.		858,904
Loans payable are not due and payable in the current period and therefore are not reported in the funds.		<u>(59,034)</u>
Net position of governmental activities	\$	<u>982,215</u>

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

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General Fund	Special Revenue Fund Mitigation Fund	Total Governmental Funds
<b>Revenues</b>			
Property assessments	\$ 108,282	\$ -	\$ 108,282
Developer impact fees		21,195	21,195
Special assessments			-
Use of money and property	59,286	527	59,813
Other revenues	7,194		7,194
	174,762	21,722	196,484
<b>Expenditures</b>			
Current:			
Recreation services	134,151		134,151
Debt service	16,387		16,387
Capital outlay			-
	150,538		150,538
Net change in fund balances	24,224	21,722	45,946
Fund balance, beginning of fiscal year	98,388	38,011	136,399
Fund balance, end of fiscal year	\$ 122,612	\$ 59,733	\$ 182,345

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

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Net change in fund balances - total governmental funds	\$ 45,946
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balances because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:	
Cost of assets capitalized	-
Depreciation expense	(50,429)
Debt principal expense reported in the governmental funds are recorded as a reduction to debt in the statement of net position	<u>13,058</u>
Change in net position of governmental activities	<u><u>\$ 8,575</u></u>

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

# WESTERN GATEWAY RECREATION AND PARK DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

The Western Gateway Recreation & Park District (District) was formed under Section 57200 of the California Public Resources Code. The District operates under a five-member Board of Directors and provides general administrative, maintenance, and capital improvements to recreation and park facilities in Penn Valley, California.

The accounting policies of the District conform to U.S. generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The District has defined its reporting entity in accordance with generally accepted accounting principles, which provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability. A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit, or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board. Based upon the aforementioned oversight criteria the District has no component units.

B. Basis of Accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of fund balance. The District considers property taxes available if they are collected within sixty-days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

# WESTERN GATEWAY RECREATION AND PARK DISTRICT

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

### C. Non-Current Governmental Assets/Liabilities

GASB Statement 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide statement of net position.

### D. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The District's resources are accounted for in these individual funds based on the purposes for which they are to be spent and the means by which spending activity is controlled. For financial reporting, these funds have been grouped into the fund types discussed below.

#### Governmental Fund Types

Governmental funds are used to account for the District's expendable financial resources and related liabilities (except those accounted for in proprietary and similar trust funds). The measurement focus is based upon determination of changes in financial position. The following are the District's governmental funds:

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

Special Revenue Funds – This fund is used to account for mitigation fees allowed by California Law AB1600 for the purpose of offsetting increased capital costs due to development. A resolution by the Nevada County Board of Supervisors allows the collection of these fees and requires that they be spent only for capital additions due to development and additionally requires that these funds be spent and/or designated within five years of collection or they are refundable with interest to the payers. The District's policy is to fully expend these funds within the required time frame and, accordingly, no liability has been recognized.

### E. 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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### F. Restricted Resources

Restricted assets are financial resources generated for a specific purpose such as construction of improvements and financing of debt obligations. These amounts are restricted, as their use is limited by applicable bond covenants or other external requirements.

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, and then unrestricted resources as needed.

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

G. Capital Assets

The District's property, plant and equipment, and infrastructure with useful lives of more than one year are stated at estimated or historical cost and reported in the government-wide financial statements. The District generally capitalizes assets with costs in excess of \$500. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method over the estimated life of the asset. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations .

H. Property Assessment

The voters in the District approved a property assessment and the District by resolution 86-3 placed the \$7.94 per parcel assessment on the tax roll beginning in the 1986-1987 tax year. The voters approved increasing the per parcel assessment by \$5 to \$12.94 starting with the 1997-1998 tax roll. The special assessment is to be used for the operation and maintenance of the recreation and park facilities of Western Gateway Recreation and Park District.

I. Interfund Transactions

Operating transfers are transactions to allocate resources from one fund to another fund not contingent on the incurrence of specific expenditures in the receiving fund. Interfund transfers are generally recorded as operating transfers in and operating transfers out in the same accounting period. Transfers between governmental funds are netted as part of the reconciliation to the government-wide presentation.

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2022**

Note 2: Cash and Investments

Cash and investments at June 30, 2022, consisted of the following:

Checking account	\$	7,056
Imprest cash		190
Cash and investment in the County Treasurer		183,866
Total cash and investments	\$	191,112

A. Investments Authorized by the California Government Code and the Entity's Investment Policy

The table below identifies the **investment types** that are authorized for the Western Gateway Recreation and Park District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address **interest rate risk, credit risk and concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District investment policy.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Investment in One Issuer
Investment pools authorized under CA			
Statutes governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Accounts	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-Purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

Note 2: Cash and Investments (Continued)

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of and investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investment maturity:

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
Nevada County*	\$ 183,866	\$ 183,866	\$ -
Totals	\$ 183,866	\$ 183,866	\$ -

\*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District’s deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2022, the District’s deposits balance was \$4,943 and the carrying amount was \$7,056. The difference between the bank balance and the carrying amount was due to normal outstanding checks and/or deposits in transit. Of the bank balance, all was covered by the Federal Depository Insurance and none was covered by collateral held in the pledging bank’s trust department in the District’s name.

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

Note 2: Cash and Investments (Continued)

E. Investment in Government Pool

The District maintains certain cash and investments with the Nevada County Treasurer in an investment pool. The District's funds are managed in accordance with the investment policy of the County Treasury. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the categorization of investments and investment risk can be found in the County's financial statements. The Nevada County's financial statements may be obtained at the County auditor controllers office in Nevada City.

Note 3: Property, Plant and Equipment

Activity for general fixed assets capitalized by the District is summarized below:

	Balance July 1, 2021	Additions	Retirement/ Adjustments	Balance June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 578,864	\$ -	\$ -	\$ 578,864
Capital assets, being depreciated:				
Site improvements	523,222			523,222
Structures and improvements	366,862			366,862
Furniture and equipment	663,183			663,183
Total capital assets, being depreciated	1,553,267	-	-	1,553,267
Less accumulated depreciation	(1,222,798)	(50,429)		(1,273,227)
Total capital assets, being depreciated, net	330,469	(50,429)	-	280,040
Governmental activities, capital assets, net	\$ 909,333	\$ (50,429)	\$ -	\$ 858,904

Note 4: Long-Term Obligations

The following is the long term obligation of Western Gateway Recreation and Park District at June 30, 2022:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Solar loan	\$ 72,092	\$ -	\$ (13,058)	\$ 59,034	\$ 14,037
Totals	\$ 72,092	\$ -	\$ (13,058)	\$ 59,034	\$ 14,037

Principal and interest payments to maturity are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	\$ 14,037	\$ 3,820	\$ 17,857
2024	15,089	2,767	17,857
2025	16,220	1,636	17,857
2026	13,688	439	14,127
Total	\$ 59,034	\$ 8,662	\$ 67,696

## WESTERN GATEWAY RECREATION AND PARK DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

#### Note 5: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District together with other districts in the State carry California Association For Park And Recreation Insurance (CAPRI), a public entity risk pool currently operating as a common risk management and insurance program for member districts. The District pays an annual premium to CAPRI for its general insurance coverage. Furthermore the District carries workers compensation coverage with other districts in the State through the CAPRI. Membership in the California Association of Recreation and Park Districts is required when applying for CAPRI.

The Agreement for Formation provides that CAPRI will be self-sustaining through member premiums. CAPRI reinsures through commercial companies for excess claims for general and automobile liability and all risk property insurance, including boiler and machinery coverage, is subject to a \$2,000 deductible occurrence payable by the District. Financial statements for CAPRI are available at the District's office for fiscal year ending June 30, 2022.

#### Note 6: Net Position/Fund Balances

##### **Net Position**

The government-wide activities fund financial statements utilize a net position presentation. Net position are categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law though constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position the District, not restricted for any project or other purpose.

##### **Fund Balances – Governmental Funds**

The District adopted a policy for GASB Statement No. 54, Fund Balance Reporting, in the current fiscal year. GASB 54 establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. While the classifications of fund balance in the District's various governmental funds were revised, the implementation of this standard had no effect on total fund balance.

#### Note 7: Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the District's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

Note 8: Stewardship, Compliance and Accountability

A. Budgetary Control

The general fund principal and interest expenditures exceeded the budget by \$16,387.

Note 9: Commitments and Contingencies

**Grants**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the district expects such amounts, if any, to be immaterial.

Note 10: Subsequent Events

Events subsequent to June 30, 2022 have been evaluated through October 1, 2024, the date at which the District's audited financial statements were available to be issued. No events requiring disclosure have occurred through this date.

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues				
Property assessments	\$ 102,885	\$ 102,885	\$ 108,282	\$ 5,397
Intergovernmental			-	-
Use of money and property	44,250	44,250	59,286	15,036
Other revenues	6,000	6,000	7,194	1,194
Total revenues	<u>153,135</u>	<u>153,135</u>	<u>174,762</u>	<u>21,627</u>
Expenditures				
Salaries and benefits	75,000	75,000	71,350	3,650
Services and supplies	82,500	82,500	62,801	19,699
Debt service				
Principal			13,058	(13,058)
Interest			3,329	(3,329)
Capital outlay				-
Total expenditures	<u>157,500</u>	<u>157,500</u>	<u>150,538</u>	<u>6,962</u>
Net change in fund balance	<u>\$ (4,365)</u>	<u>\$ (4,365)</u>	<u>24,224</u>	<u>\$ 28,589</u>
Fund balance, beginning of fiscal year			<u>98,388</u>	
Fund balance, end of fiscal year			<u>\$ 122,612</u>	

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Revenues				
Developer impact fees	\$ -	\$ -	\$ 21,195	\$ 21,195
Use of money and property			527	527
Total revenues			21,722	21,722
Expenditures				
Services and supplies				-
Total expenditures				-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	21,722	<u>\$ 21,722</u>
Fund balance, beginning of fiscal year			<u>38,011</u>	
Fund balance, end of fiscal year			<u>\$ 59,733</u>	

**WESTERN GATEWAY RECREATION AND PARK DISTRICT**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

Note 1: Budgets and Budgetary Accounting

As required by State law the District prepares and legally adopts a final operating budget. Public hearings were conducted on the proposed and final budget to review all appropriations and the source of financing.

Budgets for the general and special revenue funds are adopted on the modified accrual basis of accounting. The budgets for the general and special revenue funds are the only legally adopted budgets.

At the object level, actual expenditures cannot exceed budgeted appropriations. Management can transfer budgeted amounts between expenditure accounts within an object without the approval of the Board of Directors. Significant amendments and appropriation transfers between objects or funds must be approved by the Board of Directors. Appropriations lapse at fiscal year-end.

The budgetary data presented in the final budgeted amount in the accompanying financial statements includes all revisions approved by the Board of Directors.