

**AUBURN AREA RECREATION AND PARK DISTRICT
MEETING OF THE BOARD OF DIRECTORS AGENDA**

6:00 PM

**THURSDAY, JUNE 28, 2018
CANYON VIEW COMMUNITY CENTER, BOARD ROOM
471 MAIDU DRIVE
AUBURN, CA**

Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet are available for public inspection in the District's Office at 471 Maidu Drive, Auburn, CA 95603 during normal business hours. In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the District Clerk at (530) 537-2187. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

1.0 CALL TO ORDER

(PLEDGE TO THE FLAG)

The Board of Directors of the Auburn Area Recreation and Park District welcomes you to its meetings. Regular meetings are scheduled at 6 p.m. the last Thursday of each month. The November and December Board meetings will be scheduled in consideration of recognized holidays. Your attendance and interest is encouraged and appreciated. Special accommodations may be made upon request to the District Administrator 72 hours in advance of the meeting.

Roll Call

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

2.0 INTRODUCTIONS, PRESENTATIONS AND ANNOUNCEMENTS

Presentation of a check to ARD in the amount of \$500.00 from Carryn Perry of the Foothill Quilters Guild.

3.0 AGENDA REVIEW, CHANGES, AND APPROVAL

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

4.0 PUBLIC COMMENT – This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Board of Directors. After you are recognized by the Board Chairperson, please come to the lectern and state your name, and address for the record (optional). There is a time limitation of three minutes.

5.0 CONSENT ITEMS – (roll call vote). All matters listed under the Consent Calendar are to be considered routine by the Board of Directors and will be enacted by one motion in the form listed. There will be no separate discussion of these items unless, before the Board votes on the motion to adopt, a member or members of the Board, staff or the public requests a specific item to be removed from the Consent Calendar for separate discussion and action.

_____ **5.1 Review and approval of Minutes of the Meeting of the Board of Directors from May 31, 2018**

Review and approval of Minutes of the Meeting of the Board of Directors from May 31, 2018.

_____ **5.2 Review of Cash Requirements for May, 2018 (Standing Finance Committee)**

This item was reviewed and approved by the Standing Finance Committee and forwarded to the Board of Directors for review and approval.

_____ **5.3 Review of Financials for May, 2018 (Standing Finance Committee)**

This item was reviewed and approved by the Standing Finance Committee and forwarded to the Board of Directors for review and approval.

Motion by _____ second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

6.0 ADMINISTRATOR'S AND DEPARTMENTAL REPORTS

Please see board reports, fee waiver log, vandalism reports, and project activity report under item 6.0.

7.0 NEW BUSINESS

_____ **7.1 Annual Audit for Fiscal Year 2018/2019 (Standing Finance Committee)**

Shall the Auburn Area Recreation and Park District (ARD) approve the annual audit conducted by Don Cole and Company?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

_____ 7.2 **Amendments for Facilities & Grounds Job Descriptions (Program, Personnel, Policy, Fee & Legal Review Committee)**

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors amend three Facilities & Grounds job descriptions?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

_____ 7.3 **Placer County Local Agency Formation Commission (LAFCO) - Appointments to Countywide Redevelopment Oversight Board**

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors vote for one candidate for the Countywide Redevelopment Oversight Board?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

_____ 7.4 **Placer County Local Agency Formation Commission (LAFCO) – Call for Nomination – Special District Representative**

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors make a nomination to the Placer County Local Agency Formation Commission (LAFCO) of a Special District Representative?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

8.0 UNFINISHED BUSINESS

- 8.1 Adoption and Approval of Resolution Number 2018-13, A Resolution of the Board of Directors of the Auburn Area Recreation & Park District, Approving Engineer’s Report, Confirming Diagram and Assessment and Ordering Levy of Assessment for Fiscal Year 2018-2019 for the Atwood Ranch III Landscaping and Lighting Assessment District (Acquisition & Development Committee)**

PUBLIC HEARING

OPEN PUBLIC HEARING

STAFF PRESENTATION

PUBLIC COMMENT

BOARD DISCUSSION/ACTION

CLOSE PUBLIC HEARING

Shall the Auburn Area Recreation and Park District (ARD) Board adopt Resolution Number 2018-13 that would approve the Engineer’s Report, confirm the diagram and assessment, and order the continuation of assessment for fiscal year 2018-2019 for Atwood Ranch III Landscaping and Lighting Assessment District as the final step in levying the continued assessments?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

- 8.2 Resolution Number 2018-14 Indemnifying Placer County for Collection of Atwood III Assessments (Acquisition & Development Committee)**

Shall the Auburn Area Recreation and Park District (ARD) adopt a resolution defending and indemnifying Placer County for collection of Atwood III assessments?

Motion by _____ Second by _____ to _____

Gray _____ Ainsleigh _____ Ferris _____ Holbrook _____ Lynch _____

Roll Call Vote

_____ 9.0 ITEMS FOR DISCUSSION AND INFORMATIONAL ITEMS

1. County Mitigation Fund, current balance \$487,738.

_____ 10.0 BRIEF ANNOUNCEMENTS AND REPORTS FROM BOARD MEMBERS

No action will be taken at this time on any item announced or reported by a Board Member. The Board or a member of the Board may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter so reported, or take action to direct staff to place a matter of business on a future agenda.

_____ 11.0 CORRESPONDENCE/COMMUNICATIONS AND INFORMATIONAL

None.

_____ 12.0 PUBLIC COMMENT This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Board of Directors. After you are recognized by the Board Chairperson, please come to the lectern and state your name, and address for the record (optional). There is a time limitation of three minutes.

_____ 13.0 CLOSED SESSION

- 13.1 Public Employee Performance Evaluation. (Gov. Code, 54954.5, subd. (e), 54957.)

Title: District Administrator

_____ 14.0 OPEN SESSION – REPORT/ACTION ON OR ABOUT CLOSED SESSION

ADJOURNMENT

AUBURN AREA RECREATION AND PARK DISTRICT
This agenda is hereby certified to have been posted as follows:

6-21-18
Date

1:00 pm.
Time

P. Larason
Clerk to the Board

SECTION: 5.0

ITEM: 5.1 REVIEW AND APPROVAL OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS FROM MAY 31, 2018

INFORMATION: SEE ATTACHED MINUTES

STAFF RECOMMENDATION: BOARD OF DIRECTORS REVIEW & APPROVE MINUTES

FISCAL IMPACT: NONE

**Auburn Area Recreation and Park District
Minutes of the Meeting of the Board of Directors
Thursday, May 31, 2018, 6:00 p.m., Canyon View Community Center
471 Maidu Drive, Auburn, CA**

Board Members

Present: Chairman Jim Gray
Director Gordon Ainsleigh
Director Scott Holbrook
Director Mike Lynch

Board Members

Absent: Director Jim Ferris

Staff Present:

Kahl Muscott, District Administrator
Joe Fecko, Administrative Services Manager
Brian Simpson, Facilities & Grounds Manager
Manouch Shirvanioun, Customer Service/Marketing Manager
Sheryl Petersen, Recreation Services Manager
Debbie Thomas, Youth Services Manager
Patricia Larson, Recording Secretary

1.0 CALL TO ORDER

The Meeting of the Board of Directors was called to order at 6:00 p.m. by Chairman Gray.

(PLEDGE TO THE FLAG)

2.0 INTRODUCTIONS, PRESENTATIONS AND ANNOUNCEMENTS

Announcement of Joe Fecko's retirement.

3.0 AGENDA REVIEW, CHANGES AND APPROVAL

A motion was made by Director Holbrook and seconded by Director Lynch to approve the agenda as written.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

4.0 PUBLIC COMMENT

Warren Tellefson of the Ashley Memorial Dog Park gave public comment inviting the board and staff to their 10-year anniversary party at Ashford Park on June 9, 2018.

5.0 CONSENT ITEMS

5.1 Review and Approval of Amended Minutes of the Board of Directors from March 29, 2018, Minutes of the Meeting of the Board of Directors from April 26, 2018, and Minutes of the Special Meeting of the Board of Directors from May 10, 2018

5.2 Review of Cash Requirements for April, 2018 (Standing Finance Committee)

5.3 Review of Financials for March, 2018 2018 (Standing Finance Committee)

5.4 Review of Financials for April, 2018 (Standing Finance Committee)

5.5 Claim Against ARD – Dented Automobile

A motion was made by Director Lynch and seconded by Director Holbrook to approve the agenda as written and move item 5.5 for discussion.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

Item 5.5 Claim Against ARD – Dented Automobile

A motion was made by Director Lynch and seconded by Director Gray to approve a claim against ARD for a scratched and dented vehicle.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

6.0 ADMINISTRATOR’S AND DEPARTMENTAL REPORTS

Board reports, fee waiver log, vandalism reports, and project activity report were provided to the Board under separate cover.

7.0 UNFINISHED BUSINESS

7.1 Resolution Number 2018-11: Atwood III Fiscal Year 2018-2019 Intention to Levy Assessments; Engineer’s Report; Notice of Hearing (Acquisition & Development Committee)

A motion was made by Director Lynch and seconded by Director Gray to adopt Resolution Number 2018-11, A Resolution of Intention to Continue Assessments for Fiscal Year 2018-19, Preliminarily Approving Engineer’s Report, and Providing for notice of Hearing for the Auburn Area Recreation and Park District, Atwood Ranch III Landscaping and Lighting Assessment District.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

8.0 NEW BUSINESS

8.1 Surplus and Disposal of Assets (Program, Personnel, Policy, Fee & Legal Review Committee)

A motion was made by Director Holbrook and seconded by Director Ainsleigh to approve the change in the Fixed Asset Capitalization Policy, item C. Surplus as presented.

Roll Call Vote

Director Gray - Yes
Director Ainsleigh - Yes
Director Ferris - Absent
Director Holbrook - Yes
Director Lynch – Yes

4 – 0 Motion carries.

8.2 Resolution Number 2018-12, A Resolution of the Governing Board of Directors of the Auburn Area Recreation and Park District to Remove Former Administrative Services Manager Joseph V. Fecko as a Signer from the First Foundation Bank Accounts and Add Current Administrative Services Manager Veona L. Galbraith as a Signer to the First Foundation Bank Accounts

A motion was made by Director Holbrook and seconded by Director Ainsleigh to Adopt Resolution Number 2018-12, A Resolution of the Governing Board of Directors of the Auburn Area Recreation and Park District to Remove Former Administrative Services Manager Joseph V. Fecko as a Signer from the First Foundation Bank Accounts and Add Current Administrative Services Manager Veona L. Galbraith as a Signer to the First Foundation Bank Accounts.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

8.3 Resolution Number 2118-10, A Resolution of the Governing Board of Directors of the Auburn Area Recreation and Park District Making Nomination of Scott R. Holbrook to the Position of Special District Member of the Countywide Redevelopment Agency Oversight Board for Placer County

A motion was made by Director Ainsleigh and seconded by Director Lynch to adopt Resolution Number 2018-10, A Resolution of the Governing Board of Directors of the Auburn Area Recreation and Park District Making Nomination of Scott R. Holbrook to the Position of Special District Member of the Countywide Redevelopment Agency Oversight Board for Placer County.

Roll Call Vote

Director Gray – Yes
Director Ainsleigh – Yes
Director Ferris – Absent
Director Holbrook – Yes
Director Lynch – Yes

4 – 0 Motion carries.

9.0 ITEMS FOR DISCUSSION AND INFORMATIONAL ITEMS

1. County Mitigation Fund, current balance \$487,738.

10.0 BRIEF ANNOUNCEMENTS AND REPORTS FROM BOARD MEMBERS

No action will be taken at this time on any item announced or reported by a Board Member. The Board or a member of the Board may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent Meeting concerning any matter so reported, or take action to direct staff to place a matter of business on a future agenda.

Party in the Park is June 15th.

11.0 CORRESPONDENCE/COMMUNICATIONS AND INFORMATIONAL

Correspondence was attached in the Board Agenda.

12.0 PUBLIC COMMENT

None.

13.0 CLOSED SESSION – Closed Session began at 6:51 p.m.

- 13.1 Public Employee Performance Evaluation. (Gov. Code, 54954.5, subd. (e), 54957.)

14.0 OPEN SESSION – Open Session began at 7:01 p.m. There was no reportable action.

ADJOURNMENT - As there was no further business, the meeting was adjourned at 7:01 p.m. by Chairman Gray.

Board Secretary

Date

SECTION: 5.0

**ITEM: 5.2 REVIEW OF CASH REQUIREMENTS FOR
MAY, 2018**

DESCRIPTION: ACCOUNTS PAYABLE

INFORMATION: SEE ATTACHED INFORMATION

**STAFF
RECOMMENDATION: THIS ITEM WAS REVIEWED BY THE STANDING
FINANCE COMMITTEE AND FORWARDED TO
THE BOARD OF DIRECTORS FOR REVIEW AND
APPROVAL**

FISCAL IMPACT: \$132,933.72

Auburn Rec & Park
 VENDOR CHECK REGISTER REPORT
 Payables Management

Ranges:	From:	To:	From:	To:
Check Number	First	Last	5/1/2018	5/31/2018
Vendor ID	First	Last	COMM 1ST	COMM 1ST
Vendor Name	First	Last		

Sorted By: Check Date

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
16767	F0004	Court-Ordered Debt Collections	5/4/2018	COMM 1ST	PMCHK00002475	\$135.73
16768	S0016	Sam's Club	5/4/2018	COMM 1ST	PMCHK00002475	\$689.18
16769	S1007	Stationary Engineers, Local 39	5/4/2018	COMM 1ST	PMCHK00002475	\$437.22
16770	1099-104	Thomas Seibel	5/11/2018	COMM 1ST	PMCHK00002476	\$195.00
16771	1099-193	Celena Polena	5/11/2018	COMM 1ST	PMCHK00002476	\$221.00
16772	1099-216	Gerald Harris	5/11/2018	COMM 1ST	PMCHK00002476	\$364.00
16773	1099-269	Deborah Lynn	5/11/2018	COMM 1ST	PMCHK00002476	\$292.50
16774	1099-271	Kelpro Security	5/11/2018	COMM 1ST	PMCHK00002476	\$1,053.00
16775	1099-291	Isaac Humber	5/11/2018	COMM 1ST	PMCHK00002476	\$156.00
16776	1099-313	Alison Lloyd	5/11/2018	COMM 1ST	PMCHK00002476	\$552.00
16777	1099-341	Twardis, Bryan	5/11/2018	COMM 1ST	PMCHK00002476	\$120.00
16778	1099-358	Natalia Roberti	5/11/2018	COMM 1ST	PMCHK00002476	\$384.00
16779	1099-359	Tai Batov	5/11/2018	COMM 1ST	PMCHK00002476	\$216.00
16780	1099-5	Daniel Crandall DBA:Current A	5/11/2018	COMM 1ST	PMCHK00002476	\$151.20
16781	A0001	Recology Auburn Placer	5/11/2018	COMM 1ST	PMCHK00002476	\$397.86
16782	A0014	AT&T	5/11/2018	COMM 1ST	PMCHK00002476	\$296.28
16783	A0051	Anderson's Sierra Pipe Co.	5/11/2018	COMM 1ST	PMCHK00002476	\$247.53
16784	A0139	Auburn Ford	5/11/2018	COMM 1ST	PMCHK00002476	\$1,494.60
16785	A0159	Auburn Crane	5/11/2018	COMM 1ST	PMCHK00002476	\$840.00
16786	A1010	Advantage Martketing and Print	5/11/2018	COMM 1ST	PMCHK00002476	\$357.69
16788	C0041	CPRS	5/11/2018	COMM 1ST	PMCHK00002476	\$170.00
16789	C0072	CIT Technology Fin. Serv., Inc	5/11/2018	COMM 1ST	PMCHK00002476	\$553.57
16790	C0075	Cintas Corporation	5/11/2018	COMM 1ST	PMCHK00002476	\$197.54
16791	C0113	Cooks Portable Toilets & Septi	5/11/2018	COMM 1ST	PMCHK00002476	\$326.08
16792	C0121	Cota Cole LLP	5/11/2018	COMM 1ST	PMCHK00002476	\$288.00
16793	D0010	Diamond Pacific	5/11/2018	COMM 1ST	PMCHK00002476	\$269.38
16794	D0025	Dawson Oil Company	5/11/2018	COMM 1ST	PMCHK00002476	\$2,823.72
16795	F0038	Fastenal Company	5/11/2018	COMM 1ST	PMCHK00002476	\$527.61
16796	G0009	General Wholesale Electric Sup	5/11/2018	COMM 1ST	PMCHK00002476	\$139.76
16797	G0021	Veona Galbraith	5/11/2018	COMM 1ST	PMCHK00002476	\$26.16
16798	I0010	Inland Business Systems	5/11/2018	COMM 1ST	PMCHK00002476	\$98.17
16799	J0010	JeffCo Plumbing, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$1,059.46
16800	J0070	Jeremy Burke	5/11/2018	COMM 1ST	PMCHK00002476	\$550.00
16801	K0011	Kaiser Foundation Health Plan,	5/11/2018	COMM 1ST	PMCHK00002476	\$16,108.53
16802	L0027	Pat Larson	5/11/2018	COMM 1ST	PMCHK00002476	\$31.61
16803	M0013	Meadow Vista True Value Hardwa	5/11/2018	COMM 1ST	PMCHK00002476	\$47.49
16804	M0019	Kahl Muscott	5/11/2018	COMM 1ST	PMCHK00002476	\$74.66
16805	M0028	Maki Heating & A/C, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$576.00
16806	M0098	Meadow Vista County Water Dist	5/11/2018	COMM 1ST	PMCHK00002476	\$578.38
16807	M0099	George Eric Menig DBA Menig We	5/11/2018	COMM 1ST	PMCHK00002476	\$5,375.00
16808	N0003	Norris Electric, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$190.00
16809	N0045	Near U CO2	5/11/2018	COMM 1ST	PMCHK00002476	\$228.42
16810	P0001	Placer Farm Supply	5/11/2018	COMM 1ST	PMCHK00002476	\$2,032.98
16811	P0023	PG&E	5/11/2018	COMM 1ST	PMCHK00002476	\$110.26
16812	P0084	Placer County Public Works & F	5/11/2018	COMM 1ST	PMCHK00002476	\$16,745.03
16813	R0073	Riebes Auto Parts	5/11/2018	COMM 1ST	PMCHK00002476	\$237.35
16814	S0009	Sierra Saw Sales And Service	5/11/2018	COMM 1ST	PMCHK00002476	\$226.98
16815	S0067	Superfast Copy	5/11/2018	COMM 1ST	PMCHK00002476	\$12.07
16816	S0086	Sac-Val Janitorial Supply, Inc	5/11/2018	COMM 1ST	PMCHK00002476	\$1,623.77
16817	S0094	Manouch Shirvanioun	5/11/2018	COMM 1ST	PMCHK00002476	\$43.60
16818	S0143	SMOA	5/11/2018	COMM 1ST	PMCHK00002476	\$187.00
16819	S0145	SCP Pool Distributors LLC	5/11/2018	COMM 1ST	PMCHK00002476	\$1,247.27
16820	S0161	SWANK Motion Pictures, Inc	5/11/2018	COMM 1ST	PMCHK00002476	\$1,633.00
16821	TEMPB	Ackerman School District	5/11/2018	COMM 1ST	PMCHK00002476	\$123.51
16822	TEMPG	Leslie Golden	5/11/2018	COMM 1ST	PMCHK00002476	\$40.00
16823	TEMLP	Tamara Lapointe	5/11/2018	COMM 1ST	PMCHK00002476	\$40.00

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
16824	TEMPV	Vintage Building & Tile	5/11/2018	COMM 1ST	PMCHK00002476	\$99.68
16825	TEMPW	Leslie Wall	5/11/2018	COMM 1ST	PMCHK00002476	\$25.00
16826	U0016	Uptown Signs & Graphics, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$633.85
16827	U0019	US Bank	5/11/2018	COMM 1ST	PMCHK00002476	\$4,993.27
16828	V0007	Verizon Wireless	5/11/2018	COMM 1ST	PMCHK00002476	\$630.10
16829	W0001	Walker's Office Supplies, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$1,203.57
16830	W0043	West Coast Fire Protection Sys	5/11/2018	COMM 1ST	PMCHK00002476	\$150.00
16831	W0044	Wave	5/11/2018	COMM 1ST	PMCHK00002476	\$1,907.21
16832	W0046	West Coast Sand & Gravel, Inc.	5/11/2018	COMM 1ST	PMCHK00002476	\$3,095.24
16833	U0019	US Bank	5/11/2018	COMM 1ST	PMCHK00002477	\$61.50
16834	F0004	Court-Ordered Debt Collections	5/18/2018	COMM 1ST	PMCHK00002478	\$113.04
16835	S1007	Stationary Engineers, Local 39	5/18/2018	COMM 1ST	PMCHK00002478	\$437.22
16836	TEMPB	Bowman School	5/18/2018	COMM 1ST	PMCHK00002478	\$46.70
16837	1099-218	Auburn Gymnastics Center	5/25/2018	COMM 1ST	PMCHK00002479	\$471.25
16838	1099-243	Phillip Dallas	5/25/2018	COMM 1ST	PMCHK00002479	\$357.50
16839	1099-254	Ralph Kendrick	5/25/2018	COMM 1ST	PMCHK00002479	\$462.00
16840	1099-277	Foothill Karate Do	5/25/2018	COMM 1ST	PMCHK00002479	\$747.50
16841	1099-313	Alison Lloyd	5/25/2018	COMM 1ST	PMCHK00002479	\$692.40
16842	1099-326	Gary Bowman	5/25/2018	COMM 1ST	PMCHK00002479	\$250.00
16843	1099-343	Faith Petersen	5/25/2018	COMM 1ST	PMCHK00002479	\$264.00
16844	1099-345	Preston, Marx	5/25/2018	COMM 1ST	PMCHK00002479	\$250.00
16845	A0013	AT&T	5/25/2018	COMM 1ST	PMCHK00002479	\$60.00
16846	A0027	Recology Auburn Placer	5/25/2018	COMM 1ST	PMCHK00002479	\$1,231.71
16847	A0091	Altara	5/25/2018	COMM 1ST	PMCHK00002479	\$1,077.34
16848	A0111	AllGood Driving School, Inc	5/25/2018	COMM 1ST	PMCHK00002479	\$60.00
16849	A0134	Advanced Intregrated Pest Mana	5/25/2018	COMM 1ST	PMCHK00002479	\$677.00
16850	A0165	Atlantis Diving & Salvage Co	5/25/2018	COMM 1ST	PMCHK00002479	\$640.00
16851	A1010	Advantage Marketing and Print	5/25/2018	COMM 1ST	PMCHK00002479	\$685.34
16852	A1012	AAUW- Auburn Branch	5/25/2018	COMM 1ST	PMCHK00002479	\$94.00
16853	B0064	Blue Moon Designs	5/25/2018	COMM 1ST	PMCHK00002479	\$529.28
16854	B0068	Bart Industries	5/25/2018	COMM 1ST	PMCHK00002479	\$35.36
16855	C0111	Cal.net	5/25/2018	COMM 1ST	PMCHK00002479	\$66.90
16856	C0113	Cooks Portable Toilets & Septi	5/25/2018	COMM 1ST	PMCHK00002479	\$900.00
16857	D0066	De Lage Landen Financial Servi	5/25/2018	COMM 1ST	PMCHK00002479	\$332.48
16858	D0095	Dowden, Pat	5/25/2018	COMM 1ST	PMCHK00002479	\$250.00
16859	F0025	Foresthill Union School Distri	5/25/2018	COMM 1ST	PMCHK00002479	\$2,812.50
16860	F0038	Fastenal Company	5/25/2018	COMM 1ST	PMCHK00002479	\$220.75
16861	G0022	Gold Country Printing	5/25/2018	COMM 1ST	PMCHK00002479	\$7,049.50
16862	G0045	Greater Sacreamnto Softball As	5/25/2018	COMM 1ST	PMCHK00002479	\$871.20
16863	G0077	Gold Country Water	5/25/2018	COMM 1ST	PMCHK00002479	\$300.70
16864	G0092	Green Valley Security, Inc.	5/25/2018	COMM 1ST	PMCHK00002479	\$1,080.00
16865	I0021	Image Net	5/25/2018	COMM 1ST	PMCHK00002479	\$958.33
16866	J0021	Jacobsen West	5/25/2018	COMM 1ST	PMCHK00002479	\$822.32
16867	K0010	Knorr Systems, Inc.	5/25/2018	COMM 1ST	PMCHK00002479	\$7,767.17
16868	L0033	Les Schwab	5/25/2018	COMM 1ST	PMCHK00002479	\$240.43
16869	M0011	Mallard Creek	5/25/2018	COMM 1ST	PMCHK00002479	\$199.96
16870	N0003	Norris Electric, Inc.	5/25/2018	COMM 1ST	PMCHK00002479	\$2,663.32
16871	O0021	Amy Oddo	5/25/2018	COMM 1ST	PMCHK00002479	\$177.32
16872	O0022	Ortiz Concrete	5/25/2018	COMM 1ST	PMCHK00002479	\$3,000.00
16873	P0005	Placer County Water Agency	5/25/2018	COMM 1ST	PMCHK00002479	\$84.98
16874	P0007	Pacific Gas & Electric Company	5/25/2018	COMM 1ST	PMCHK00002479	\$10,699.34
16875	P0029	Placer County Environmental He	5/25/2018	COMM 1ST	PMCHK00002479	\$182.00
16876	R0073	Riebes Auto Parts	5/25/2018	COMM 1ST	PMCHK00002479	\$215.48
16878	S0034	Thatcher Company	5/25/2018	COMM 1ST	PMCHK00002479	\$829.36
16879	S0052	Sierra Custom Awards & More	5/25/2018	COMM 1ST	PMCHK00002479	\$26.81
16880	S0083	Sundowner of California, Inc.	5/25/2018	COMM 1ST	PMCHK00002479	\$1,991.76
16881	S0086	Sac-Val Janitorial Supply, Inc	5/25/2018	COMM 1ST	PMCHK00002479	\$128.22
16882	S0145	SCP Pool Distributors LLC	5/25/2018	COMM 1ST	PMCHK00002479	\$119.91
16883	S0152	SiteOne Landscape Supply, LLC	5/25/2018	COMM 1ST	PMCHK00002479	\$158.29
16884	S0154	Mike Scheele	5/25/2018	COMM 1ST	PMCHK00002479	\$57.77
16885	S1000	State Of California/DOJ	5/25/2018	COMM 1ST	PMCHK00002479	\$224.00
16886	S1003	Sutter Medical Foundation	5/25/2018	COMM 1ST	PMCHK00002479	\$1,020.00
16887	TEMPB	Lauren Brown	5/25/2018	COMM 1ST	PMCHK00002479	\$45.00

Auburn Rec & Park
 VENDOR CHECK REGISTER REPORT
 Payables Management

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
16888	TEMPC	Kelly Cleverley	5/25/2018	COMM 1ST	PMCHK00002479	\$115.00
16889	TEMPF	George Foucek	5/25/2018	COMM 1ST	PMCHK00002479	\$35.00
16890	TEMPH	Ivy Hays	5/25/2018	COMM 1ST	PMCHK00002479	\$30.00
16891	TEMPM	Jasmine Mulder	5/25/2018	COMM 1ST	PMCHK00002479	\$35.00
16892	TEMPO	Amber Ordway	5/25/2018	COMM 1ST	PMCHK00002479	\$320.00
16893	TEMPS	Kelly Seado	5/25/2018	COMM 1ST	PMCHK00002479	\$30.00
16894	TEMPW	Jessica White	5/25/2018	COMM 1ST	PMCHK00002479	\$30.00
16895	V0019	Valley Rock Landscape Material	5/25/2018	COMM 1ST	PMCHK00002479	\$391.73
16896	W0001	Walker's Office Supplies, Inc.	5/25/2018	COMM 1ST	PMCHK00002479	\$1,326.98
Total Checks: 128						Total Amount of Checks: \$132,933.72

SECTION: 5.0

**ITEM: 5.3 REVIEW OF FINANCIALS FOR
MAY, 2018**

DESCRIPTION:

INFORMATION: SEE ATTACHED INFORMATION

**STAFF
RECOMMENDATION: REVIEW AND APPROVE FINANCIALS**

PROFIT & LOSS

18/19 Approved Budget

	Approved Budget FY 18-19	% Of Total	Mid-Yr Revision FY 18-19	% Of Total	2018 May ACTUALS	Last Yr April Actuals	2018 YTD ACTUALS	2018 YTD BUDGET	Last Yr YTD ACTUALS
Operating Revenues									
Program Revenue	1,114,565	20%	-	#DIV/0!	197,023	163,656	307,881	256,530	246,114
Facility Revenue	153,385	3%	-	#DIV/0!	21,982	14,605	78,208	75,955	71,441
Misc. Revenue	41,331	1%	-	#DIV/0!	5,046	4,667	9,599	7,088	7,781
Grants & Donations	33,755	1%	-	#DIV/0!	322	213	322	1,885	378
Interest Income	64,375	1%	-	#DIV/0!	8,496	11,491	15,742	12,650	11,542
Projects Revenue	331,800	6%	-	#DIV/0!	-	-	-	-	-
Tax Revenue	3,121,712	55%	-	#DIV/0!	3,329	1,149,122	1,199,141	1,190,863	1,149,122
In Kind/Alwood	22,381	0%	-	#DIV/0!	-	-	-	-	-
Trans from Cap Const/City Trust/Eq Res	743,500		-		-	-	-	-	-
Total Operating Revenue	5,626,804	100.00			236,198	1,343,754	1,610,893	1,544,971	1,486,378
Expenditures									
Program Expense	233,650	4%	-	#DIV/0!	15,395	13,254	40,128	23,360	31,750
Operating & Supplies	370,580	7%	-	#DIV/0!	36,964	36,930	51,636	58,316	46,090
Utilities Expense	190,660	3%	-	#DIV/0!	25,603	8,408	38,646	30,590	11,800
Professional Services	44,780	1%	-	#DIV/0!	1,365	1,003	5,802	4,750	4,000
Building & Grounds Maintenance	373,695	7%	-	#DIV/0!	31,600	31,890	37,778	36,475	83,150
Property Tax Admin.	89,900	2%	-	#DIV/0!	-	-	-	-	-
Wages	2,240,948	40%	-	#DIV/0!	165,791	154,017	230,411	244,950	196,752
Benefits & Payroll Costs	790,332	14%	-	#DIV/0!	52,333	56,271	110,948	119,614	115,340
Fixed Asset Expense	134,800	2%	-	#DIV/0!	7,529	-	8,202	7,700	5,000
Capital Improvement Projects	968,300	17%	-	#DIV/0!	338	13,964	86,935	81,000	13,950
Debt Services	2,000	0%	-	#DIV/0!	-	383	-	-	400
Special Dept Expenses (equip res.)	-	0%	-	#DIV/0!	-	-	-	-	-
Project Expenditures	-	0%	-	#DIV/0!	-	-	-	-	-
Misc Expense (CalPERS unfunded liab)	100,800	2%	-	#DIV/0!	-	-	100,800	100,800	45,800
Total Expenditures	5,540,445	100.00			336,918	316,120	711,286	707,555	554,032
Net Revenue Over Expenditures	\$ 86,359	1.53			\$ (100,720)	1,027,634	\$899,607	\$837,416	\$932,346
Annual Contingency Reserve (1-2%)	\$ 450,000								\$ 450,000
Annual Equip Replacement Reserve	\$ 868,886								\$ 868,886
Future Capital Construction Reserve	\$ 965,971								\$ 965,971
ADA Reserve	\$ 75,032								\$ 75,032
CalPERS unfunded liability reserve	\$ 137,400								\$ 137,400
TOTAL RESERVE BALANCES	\$ 2,497,289								\$ 2,497,289

Balance Sheet

5/31/2018

	Current YTD
ASSETS	
<u>Current Assets</u>	
Imprest Fund (Petty Cash)	\$580.00
First Foundation Bank	153,919.75
Placer County Treasure-General	4,637,926.40
Placer County Treasurer - City Trust	421,126.38
Accounts Receivable	18,330.83
A/R - 501C3 Group	5,000.00
PCOE Receivables	17,389.00
Prepaid Liability Expense	5,566.67
Prepaid Workers Comp Insurance	9,070.19
TOTAL ASSETS	\$5,268,909.22
LIABILITIES AND NET PROFIT	
<u>Current Liabilities</u>	
Prepaid Revenue	\$40.00
Gift Certificates	253.00
Compensated Absenses	153,606.93
Sales Tax Payable	340.20
Total Current Liabilities	\$154,240.13
<u>Net Position</u>	
General Fund Balance	\$4,114,265.08
Net Profit (Loss)	1,000,404.01
Total Net Postion	\$5,114,669.09
TOTAL LIABILITY AND NET POSITION	\$5,268,909.22

Auburn Recreation and Park District

Balance Sheet

As of 5/31/2018

ASSETS

Current Assets

Petty Cash	\$ 580.00
First Foundation Bank	153,919.75
Placer County Treasurer – General Fund	4,637,926.40
Placer County Treasurer – City Trust	421,126.38
Accounts Receivable	18,330.83
A/R – Friends 501C3	5,000.00
Prepaid Liability Expense	5,566.67
Prepaid Workers Comp Insurance	9,070.19
PCOE Youth Services Receivable	<u>17,389.00</u>

Total Current Assets \$ 5,268,909.22

Fixed Assets

Fixed Assets: Land	\$ 1,970,546.12
Fixed Assets: Structures	12,168,108.97
Fixed Assets: Equipment	922,382.87
Fixed Assets: Computer Equipment & Software	132,521.02
Fixed Assets: Vehicles	247,332.21
Fixed Assets: Office Furniture & Rec Equipment	79,149.60
Construction In Progress	496,492.82
Less: Accumulated Depreciation	<u>(9,543,246.30)</u>

Total Fixed Assets \$ 6,473,287.31

TOTAL ASSETS \$ 11,742,196.53

Auburn Recreation and Park District

Balance Sheet (Continued)

As of 5/31/2018

LIABILITIES AND NET POSITON

Current Liabilities

Prepaid Revenue	\$ 40.00
Gift Certificates	253.00
Compensated Absences	153,606.93
Sales Tax Payable	<u>340.20</u>

Total Current Liabilities \$ 154,240.13

Fund Balances

Investments in Fixed Assets	\$ 6,473,287.31
GFB: Youth Assistance Fund	5,403.09
GFB: General Fund Balance	1,042,369.06
GFB: Cell Tower Reserves	122,459.24
RFB: Reserved (City Mitigation)	421,126.38
RFB: Equip Replacement Reserve	868,885.72
RFB: Contingency Reserve	450,000.00
RFB: Future Capital Construction	965,971.25
DFB: Arboretum Grant Fund	13,275.73
DFB: Designated – Atwood Fund	(9,298.42)
DFB: Atwood – Equipment Repl Fund	15,603.66
DFB: Calpers – Unfunded Liability Fund	137,400.00
DFB: ADA Reserves	75,031.75
DFB: Shockley Maint Fund	6,037.62

Net Position 1,000,404.01

Total Assets	\$ 6,473,287.31
Total Unrestricted Funds GFB	1,170,231.39
Total Reserved Funds	2,705,983.35
Total Designated Funds	<u>238,050.34</u>

TOTAL LIABILITIES AND NET POSITION \$ 11,742,196.53

SECTION: 6.0

**BOARD REPORTS, FEE WAIVER LOG,
VANDALISM REPORTS & PROJECT
ACTIVITY REPORT**

INFORMATION:

SEE ATTACHMENTS

Kahl Muscott
District Administrator
Report to the Board of Directors
June, 2018

- The new security cameras are up and running at Regional Park. They are located in the breezeway area between the Lakeside Room and the gym and over by the maintenance shop and bathrooms.
- We lost a large oak tree at the Dry Creek end of Regional Park on Thursday. It took out a section of fence.
- Both the MV Park and Ashford Park ponds were treated this week for aquatic weeds. We are getting quotes for the Regional Park pond.
- MV Park is currently being watered with domestic (tap) water as the pump that irrigates with pond water is broken beyond repair (actually the motor is fine; the impeller is gone). Cost to put in a new wet-end: \$8,000.
- The City is poised to adopt some new ordinances that deal with issues at City Parks.
- I am meeting with Chief Ruffcorn in a couple of weeks to make sure there are no issues as it relates to ARD parks and some differences in what we have and they have (smoking will be the biggest thing).
- A large, dead oak tree just outside the first base line at James Field was removed.
- Despite some initial hiccups, the voting for the Regional Park playground is rolling right along. As of 6/5 we had 271 responses.
- Party in the Park went very well, thanks to Herculean efforts by Director Holbrook and ARD staff.
- We will be doing a trial run of allowing camping after the upcoming Ain't Necessarily Dead Festival. 45 camping permits will be issued, allowing camping in the area of the park near the lower bathrooms. Contracted security will be provided over night to help ensure safety and rule compliance.
- Several gates/doors were broken into at Recreation Park on 6/19, however nothing was stolen.
- We had several incidences of homeless blocking off sections of Rock Creek, causing low flow into the Regional Park pond. Staff worked with PCSO to get these dams removed.

Meetings and events attended or scheduled to attend

6/1: CARPD Conference
6/5: Webinar re: permanent ramps for the Bike Park
6/5: Rotary
6/7: Auburn Co-op
6/12: Rotary
6/15: Party in the Park
6/19: Rotary
6/20: Policy Committee
6/20: A&D Committee
6/20: Finance Committee
6/21: Chief Ruffcorn re: changes to APD park ordinances
6/28: State of the Community Dinner Committee
6/29: Dead Fest Committee

Veona Galbraith
Administrative Services Manager
Report to the Board of Directors
June, 2018

Staff said goodbye to our beloved Joe Fecko as he moved onto retirement. Summer Camps have infiltrated the Canyon View Community Center, laughter and the essence of youthful times fills the building. Staff completed the annual audit with Don Cole & Company, which will be presented to the Board of Directors tonight. Staff took possession of the New Toro Groundmaster Tri-Deck Mower as well as the new Kioti Tractor and Loader.

Next month:

- Staff will be submitting Quarter Reports
- Staff will be updating Fiscal Year Files
- Staff will Order Updated computers for Departments, per budget
- Donna-Renee, ARD's new Account Clerk will be trained on CalPERS registration procedures
- Veona, ARD's new Administrative Services Manager, will become familiar with our Liability Insurance and Workers' Compensation Policies

Brian Simpson
Facilities & Grounds Manager
Report to the Board of Directors
June, 2018

Hired two part time park workers/facilities attendants: Justin Nash and Sienna Fick.

Meadow Vista

New irrigation pump scheduled to be installed on 06/22. Old pump failed.

New Toro mower delivered 06/04.

Pond sprayed for weeds and algae on 06/5 and then again on 06/18.

Regional Park

Party in the park set up and take down 06/15

Surveillance cameras installed week of 06/04.

Ball fields lined during week for softball program.

Recreation Park

Sierra Pool Co2 and rotary switch replaced 06/13. Ongoing pool maintenance activities daily and as needed.

Two dead trees removed 06/15.

Field prep for Auburn Little League Tournament weekend of 06/15.

Took possession of new tractor on 06/18. Replaces old Kubota and adds additional horsepower to power the aerator attachment.

Ashford

Pond treated for weeds and algae on 06/18.

CVCC

Ongoing routine maintenance regarding brush removal and fire risk mitigation behind and adjacent to Community Center building. CCC is beginning to work on area behind and across the street from CVCC.

Atwood

Weed whacked most of upper fire break behind neighbor's homes. Small section remains at lower half and we expect to tackle in upcoming week.

Auburn Elementary

Removed old flooring and installed new laminate flooring in modular at Auburn Elementary

New HVAC wall unit install in modular. Old unit failed.

Mike Scheele

Landscape Architect/Project Manager

Report to the Board of Directors

June, 2018

- **Recreation Park Sierra Pool Bleacher Shade Structure Replacement:** Shade structure has been installed, bleachers put back underneath and all pool fencing fabric work has been completed. Additional gate/fence improvements are being performed by in-house staff.
- **Bike Park/Pump Track Project:** Proposal has been received from the Civil Engineer to prepare the full bike park construction documents (CD's plans, specs, cost estimate), provide survey staking and perform limited construction

administration/observation in the amount of \$13,500.00. Staff has directed the engineer to proceed with the CD's to a 50% stage (approximately \$3800 in cost) and then hold-off until the signed federal Finding of No Significant Impact (FONSI) has been received. This will allow the District to get a fresh cost estimate to help confirm budget and show/obtain progress on the project. US Bureau of Reclamation (USBR) still needs to sign the FONSI and they have been sent letters asking about the status of this by various bike park support organizations and members of the public. At the 90% CD stage a review by USBR needs to take place, all required permits need to be obtained with final plans completion, bidding and construction to follow.

- Regional Park South Play Structure Replacement: The ARD website voting page for the new play structure was completed and made live on June 1st. The link was also shared on Facebook social media and after a couple minor adjustments appears to be working well, allowing people to vote from their cell phones as well as at their desktops. Staff is also preparing construction documents for a concrete ramp to be installed from the adjacent parking lot to play structure for ADA compliance and planning on having the new play structure built first.
- Dry Creek Picnic Area Parking & Path ADA improvements at Regional Park: Staff has completed construction documents for this work and is having two contractors review the set and provide preliminary pricing in order to help confirm whether the project will be put out to formal or informal bid.
- Regional Park Irrigation Pump System Improvements: No New Action. All this work will now take place in the fall so that irrigation operations are not interrupted during the growing season. Staff was able to get three quotes from professional scuba contractors and has entered into contract with the low bidder to perform the pump inlet plugging work that needs to be done in order for the gate valve or any of the other work to take place. A new gate valve needs to be installed between the pond intake and the pump room before any work is done (new filter etc.). Staff is in process of obtaining one more quote for the gate valve work so that once the inlet is plugged by the diver in the fall, the gate valve work can start as soon as possible.
- Regional Park Asphalt Path Repair Project: No New Action. Bids were opened March 8th with Central Valley Engineering & Asphalt Inc. providing the low bid right at the Engineers estimate (50K). This work will be awarded now but scheduled for the summertime when conditions are optimum for asphalt paving. Performing this work when the ground is soft will likely result in damaging additional asphalt path areas and require different and more expensive paving methods. Work involves pathway repairs at approximately 23 locations throughout park with additional minor drainage improvements. UAIC has been kept notified of this schedule as they have expressed interest in having a monitor present for 2-3 locations of path repair.
- Riparian Management Plan/Streambed Alteration Agreement: No New Action. USFWS has finally gotten back to the District giving authorization to proceed and outlining the various forms and reports that will need to be filled out as the work is done and what fees will be required.
- Recreation Park Sierra Pool Re-plastering: No New Action. Pool re-plaster project pushed out to bid in July.
- O&D Plan: No new action. Staff working with USBR to get draft reviewed and begin process of enhancing the Plan with a 5-year projection or similar. USBR has said they will try to speed this up and get it done soon.
- 24 Acre Project: No new action. Two concept plans have been merged into one after public/A&D input and drawing close to final master plan (Foothill Assocs.). Dog

park and parking lot were enlarged, bocce courts added, preliminary cost estimate received.

- **Miscellaneous Items:** Coordinating a memorial bench at Sierra Pool, shrub removal/trimming plans at CVCC (completed), updates of monthly Board reports and A&D Project Activity Reports etc.

Manouch Shirvanioun
Marketing & Customer Service
Report to the Board of Directors
June, 2018

	5/24/18-6/18/18	5/17/17 -6/21/17
Activity Registrations	\$32,000	\$43,000
Day Care/Discovery payments	\$61,000	\$76,000
Facility payments/reservations	\$16,000	\$14,000

Summer Discovery Day Camp registration is keeping us very busy.

Reviewed and approved Fee Waiver requests
 Worked with Auburn Little League to schedule Tournament of Champions
 Chamber Weekly Ambassador Visits
 Biweekly Leadership Auburn executive committee meetings
 Leadership Auburn Graduation
 Canyon Keepers

Sheryl Petersen
Recreation Services Manager
Report to the Board of Directors
June, 2018

- Meetings attended: ASR (4), SCB, SF, UKE (2), AARC (2), PIP, VFCAL, SHF
- Printed up all event 4 ups for PIP
- Attended June Downtown CO-OP
- Met with Robalos leadership.
- Attended VFCAL meeting
- Attended Senior Center BB at Recreation Park
- Met with Journal and Jeremy pricing activity guide with glossy paper
- Worked Elections-AAUW
- Met Juli-website, etc
- Met with Dani Joy (teaching with ARD in the Fall)
- Met with Dean regarding Auburn 4th of July
- Met with Matt Anderson-Cups AARC
- Met with Confluence HS Outreach Coordinator
- Prep for Party in the Park; Worked PIP
- Attended 2 Robalos Swim Meets
- Met with Senior Center Director: Partnering/Printing/Activity Guide- SC Board voted to partner with us. Will contribute to the cost of the book

- Attended one Mermaid Swim meet
- Attended Rotary Demotion event
- Met with owner of Cross Fit on a Master class (balance)

AARC – All American Rib Cookoff, ACHF-Auburn Community Harvest Festival, ASR- Auburn Sunset Rotary, PIP-Party in the Park, SCB- Senior Center Board, SF String Fling, SHF-Auburn Senior Health Fair, UKE- Ukulele Festival, VFCAL-Valley Foothills Competitive Aquatics League,

Coming up this Month

July

4	Independence Day Public Swim (1-5pm)	Offices Closed Sierra Pool
11	Family Swim Night (6-8pm) Movie in the Park: Peter Rabbit	Sierra Pool Recreation Park
14	Ain't Necessarily Dead Concert	Regional Park
13-15	VFCAL Championships	Am River College, Davis
24	Mermaids Water Show (7pm)	Sierra Pool
26	ARD Board Meeting	CVCC

Debbie Thomas

Youth Services Manager

Report to the Board of Directors

June, 2018

- The tile floors at Skyridge Discovery Club were refinished and the carpet at Auburn Elementary's modular 1 was replaced with laminate flooring. Thank you to Brian and Victor and their crews for the great refresh.
- Day camp opened June 4. Our highest day for attendance was 155. There were 175 campers who actually paid for the day but 20 did not attend. Our average attendance is 136 per day, and this also does not include campers who paid for the days but did not attend.
- We have one staff opening due to a regular part-time staff giving notice after camp started.
- Our field trips and special events at camp for June are: Incredibles 2 movie, Railhead Park sports day, Funfinity, and Strikes Bowling. We also have bike days on Wednesdays and the Bookmobile on Tuesdays.
- Newcastle Discovery had to move out all furniture and supplies while the school remodels the two classrooms we use. Thanks again to Brian's crew for moving us.
- Registration for the 2018-19 Discovery Club year opens June 26.

FEE WAIVER LOG

DATE	NAME	ORGANIZATION	RENTAL FEES	CUSTODIAL AND PERMIT FEES	WAIVED FEES	CO-SPONSORED EVENT	MONTHLY TOTAL	YTD TOTAL
Apr-18	Jean Hixon	Western States Trail Foundation-Foothills Room	\$180.00	\$60.00	\$180.00			
Apr-18	Cheryl Essex	CA State Park and Bureau of Reclamation	\$200.00	\$0.00	\$200.00	Multi Agencies Meeting		
							\$380.00	\$380.00
May-18	Paula Nannizzi	Placer County HHS- Recovery Happens Picnic Sites at Recreation Park	\$250.00	\$90.00	\$165.00	No		
May-18	Sesi Catalano	Western States Trail Foundation-Foothills Room	\$157.50	\$0.00	\$157.50	No		
May-18	Laura Dierssen	Placer Hills Education Foundation Meadow Vista Picnic sites	\$225.00	\$120.00	\$112.50	No		
							\$435.00	\$815.00
Jun-18	Jean Hixon	Western States Trail Foundation-Sierra Room	\$202.50	\$0.00	\$202.50	No		
Jun-18	Herb Grounds	Feed The Hungry of Auburn-Picnic areas Recreation Park	\$100.00	\$60.00	\$50.00	No		
Jun-18	Chris Peikert	Freedom Church- Picnic 1 & 2 Regional Park	\$100.00	\$60.00	\$50.00	No		
							\$402.50	\$1,217.50

6/28/18

Vandalism Report

DATE	LOCATION	VANDALISM	LABOR COSTS	MATERIAL COSTS	
19-Jun-18	Recreation	Fence to Maintenance Compound Cut	\$289.00	\$189.00	
6/6/2018	Overlook	Graffiti	\$60	\$14.99	
11-Jun-18	Regional	Trash cans dumped near Gym	\$60	\$10.00	
		Total labor costs	\$409	Total material costs	\$213.99
		Total for year	\$1,229.00	Total for year	\$1,310.99

5/24/18

Vandalism Report

DATE	LOCATION	VANDALISM	LABOR COSTS	MATERIAL COSTS
7-May-18	Regional	Water fountains Vandalized	\$110.00	\$200.00
			Total labor costs	Total material costs
			\$110.00	\$200.00
			Total for year	Total for year
			\$820.00	\$1,097.00

4/19/18

Vandalism Report

DATE	LOCATION	VANDALISM	LABOR COSTS	MATERIAL COSTS
2-Apr-18	Regional	Graffiti Removal	\$80.00	\$35.00
3/28/2018	Overlook	Graffiti Removal	\$40	\$12.00

Total labor costs	\$120.00	Total	\$47.00
		material costs	
Total for year	\$710.00	Total for year	\$897.00

3/20/18

Vandalism Report

DATE	LOCATION	VANDALISM	LABOR COSTS	MATERIAL COSTS
5-Mar-18	Regional Recreation	Graffiti Removal-Restrooms	\$200.00	\$180.00
3/20/2018		Old Tires Dumped	\$20	\$0.00

Total labor costs	\$220.00	Total material costs	\$180.00
Total for year	\$590.00	Total for year	\$850.00

2/15/18

Vandalism Report

DATE	LOCATION	VANDALISM	LABOR COSTS	MATERIAL COSTS
5-Feb-18	Regional	Graffiti Removal	\$60.00	\$35.00
2/6/2018	Regional	Drinking Fountain	\$250	\$600.00
			Total labor costs	Total
			\$310.00	\$635.00
				material costs
			Total for year	Total for year
			\$370.00	\$670.00

1/18/18

Vandalism Report

DATE 15-Jan-18	LOCATION Regional	VANDALISM Graffiti Removal	LABOR COSTS \$60.00	MATERIAL COSTS \$35.00
--------------------------	-----------------------------	--------------------------------------	-------------------------------	----------------------------------

Total labor costs	\$60.00	Total	\$35.00
		material costs	
Total for year	\$60.00	Total for	\$35.00
		year	

2017/2018 PROJECT ACTIVITY REPORT		UPDATED 06/12/18	
PROJECT	EST. GOST	NOTES	EST. COMPLETED
RECREATION PARK			
Sierra Pool Re-Plastering	100,000.00	Both City and County Permits/Approvals have been obtained but not enough time to bid and perform the work prior to pool opening Feb. 1st. Will bid July 2018 and construct Sept-Dec 2018 instead.	DECEMBER 2018
Bleacher Shade Structure	150,000.00	Project, including the surrounding fence work and some additional safety modifications, is completed.	MAY 2018
RAILHEAD PARK			
Field "A" Turf Renovation Project	60,000.00	Project completed.	OCTOBER 2017
BELL ROAD SITE			
Planning/CEQA/Construction Documents	517,000.00	Project site has been removed from ARD consideration.	DECEMBER 2017
PLACER HILLS POOL			
ADA Path of Travel	10,000.00	Minor sidewalk repair to be done in-house in the off season	JUNE/JULY 2018
REGIONAL PARK			
Regional Park South Play Structure	140,000.00	Playground voting site is up and running and has had over 280 votes cast. Voting will be allowed to continue through June. County Mitigation Funds for the playground and ADA pathway have been obtained. Staff is also preparing construction documents for a concrete ramp to be installed from parking lot to play structure for ADA compliance and planning on having the new play structure built first.	JULY/AUGUST 2018

AC Pathway Repairs Project	50,000.00	Project bids were opened March 8th and recommendation of award to low bidder Central Valley Engineering & Asphalt is being sent to this committee and to the board. During bidding it was determined that significant savings could be realized and project "unknowns" reduced if the work was done in the summer when the ground was firm and dry. As such, the project will be awarded now but work will be scheduled for after July 16th park music festival. United Auburn Indian Community (UAIC) is requesting notification on this project and they have been made aware of the new construction schedule.	CONSTRUCT LATE JULY 2018
Dry Creek Picnic ADA parking and path improvements	15,000.00	Design and bid packages ready. Staff is obtaining preliminary pricing from an asphalt contractor to set/confirm the "Engineers Estimate" and clarify if we need to go to formal bid or not. AB52 consultation completed. UAIC determined no further inquiry needed on this project.	BID & INSTALL JUNE/JULY 2018
OVERLOOK PARK			
Planning and CEQA	90,000.00	Project to be pushed back due to review delays at USBR	TBD
CVCC			
Bike Park - Design, CEQA, NEPA etc.	100,000.00	Bike park engineer has been given the "go ahead" to start the official construction documents for the bike park and take them to a 50% level and provide a cost estimate. This will allow staff to get fresh budget understanding and show progress on the bike park for the advocates. District will hold the plans at this level until the signed FONSI is received. After a signed FONSI is received, the CD's need to be refined, review by USBOR needs to take place, all required permits need to be obtained with bidding and construction to follow. Recent modifications include a "Bikes Only" access/egress pathway being added to the design to help reduce potential bike traffic on the canal trail and per neighborhood request.	TBD
Bike Park - Construction	175,000.00		TBD
MEADOW VISTA PARK			
ADA Parking & Path of Travel	60,000.00	Project completed.	OCTOBER 2017
ADA Restroom Interior Renovation	60,000.00	Project has been completed and restrooms have been opened back up to the public.	MARCH/APRIL 2018
OPERATION AND DEV. PLAN			
CEQA/NEPA costs	25,000.00	USBR review delayed due to budget issues.	TBD
MULTI-PARK ITEMS			

Streambed Alteration Agreement (no labor)	44,000.00	USFWS has finally gotten back to the District giving authorization to proceed and outlining the various forms and reports that will need to be filled out as the work is done and what fees will be required.	TBD
Carry over projects from 2016 2017 list in YELLOW			
Fiscal Year Projects Total:	1,596,000.00		

Item 7.1 Cover Sheet for Annual Audit for Fiscal Year 2017/2018

Auburn Area Recreation and Park District Finance Committee meeting June, 2018, Board of Directors meeting, June 2018.

The Issue: Shall the Auburn Area Recreation and Park District (the District) approve the annual audit conducted by Don Cole and Company?

Background: Don Cole and Company conducted an audit of the Auburn Area Recreation and Park District FY 2017/2018 Financial statements in May of 2018. The result of the audit is an unqualified opinion, meaning that the auditors found no discrepancies or problems associated with the way the District conducts its business nor with the accounting methods and financial transactions.

The District purchased a variety of equipment during the year valued at approximately \$140,500. The major item was a heater for the Marsha Skinner Memorial Pool valued at \$52,000. A new Kubota V Series Cart was purchased for Recreation Park's Facility and Grounds staff, valued at approximately \$16,000. The '97 John Deere 310E Backhoe was reconditioned, valued at \$11,800. A used Komatsu Forklift was purchased, valued at approximately \$8,600. While these items were budgeted within the obsolescence list, all the assets except the pool heater were purchased with General Funds in order to preserve funds in the equipment reserve.

Additionally, the District expensed approximately \$106,500 in Capital Improvement projects during the Fiscal Year. The funding for Railhead A field was supplied by the Future Capital Construction Reserves and City Mitigation. The funding for the Beggs Field project came from the General Fund. The funding for the Recreation Patio project was largely provided by the Auburn Rotary Service Club. The major projects were as follows:

- | | |
|---------------------------------|----------|
| 1. Railhead A field renovation: | \$62,000 |
| 2. Beggs Field Renovation: | \$31,000 |
| 3. Recreation Patio Project: | \$ 9,000 |

The District's property tax revenue increased by 3.9% this year over last year 2016/2017. The District is showing a reduction in our overall Net Position of \$43,000. The deficit is due to the annual depreciation entry for the year of \$347,000 which is an estimated reduction to reflect the current value of the Districts assets. This is not a reflection of an operational loss.

The State of California, through GASB 68, mandates that all State agencies must recognize unfunded pension liabilities on their balance sheets. The Districts portion of unfunded pension liability totaled \$1,000,500 in 2017/2018 and was reduced by a special payment of \$33,500, making the net pension liability \$967,000. This assumes that every employee currently with the District works to full retirement age and accumulates 30 years of work history. While that is highly unlikely, GASB 68 requires such recognition of the liability. Because pension liability is long term, it does not fully affect the income statements of the District. CalPERS has adopted a “smoothing” method of amortizing the expense, so that the unfunded portion of the liability will be paid through increasing the percentage of payroll dollars paid into the system each year. So effectively, the District will pay an increased “premium” each year until the unfunded liability is extinguished. This will, of course, be expensed through the income statement. Additionally, because CalPERS uses an assumed rate of return on investment of 7% and the actual rate is less than the assumed rate, it creates a funding gap that must be made up by each government entity.

Staff, at the Boards direction, has created a reserve account to facilitate erasing the full amount of the District’s unfunded portion of the liability. As of March 31, 2018, the reserve account had been funded by approximately \$91,600.

Recommendation: The Standing Finance Committee forwarded the annual audit to the Board of Directors with a positive recommendation.

Attachment:

- 1) Letter Dated May 15, 2018 to J. Fecko
- 2) Final Audit from Don Cole and Company
- 3) Report on Internal Controls
- 4) Letter dated June 7, 2018 to the Board of Directors

May 15, 2018

Joe Fecko, Administrative Services Manager
Auburn Area Recreation and Parks District
123 Recreation Drive
Auburn, CA 95603

I am pleased to confirm our understanding of the services I am to provide Auburn Area Recreation and Park District (District) for the year ended March 31, 2018. I will audit the financial statements of the governmental activities, each major fund and the fund financial statements including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended March 31, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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. As part of my engagement, I will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedules
- 3) GASB required supplementary pension information

I have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. I will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

- 1) Combining statements

Audit Objective and Scope

The objective of my audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. My audit will be conducted in accordance with auditing standards generally accepted in the United States of America, and State Controller's Minimum Audit Requirements for California Special Districts and will include tests of the accounting records and other procedures I consider necessary to enable me to express such opinions. I will issue a written report upon completion of my audit of the District's financial statements. My report will be addressed to the Board of Directors of the District. I cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed an opinion, I may decline to express opinions or may withdraw from this engagement.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriations of assets that come to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as auditor does not extend to any later periods for which I am not engaged as auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. At the conclusion of my audit, I will require certain written representations from you about the financial statements and related matters.

Audit Procedures – Internal Control

My audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion.

Other Services

I will also prepare the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to me for the accuracy and completeness of that information. You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communication from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes my report thereon. Your responsibilities include acknowledging to me in the representation letter that (1) you are responsible for presentation of the supplementary information, in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to me any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services I provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Audit Administration, Fees, and Other

I understand that your employees will prepare all cash, accounts receivable, or other confirmations and schedules I request and will locate any documents selected by me for testing.

The audit documentation for this engagement is the property of Don Cole & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and

appropriate individuals will be made available upon request and in a timely manner to regulatory agencies. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Don Cole & Company personnel. Furthermore, upon request, I may provide copies of selected audit documentation to regulatory agencies. The regulatory agency may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

I expect to begin my audit on approximately May 15, 2018 and to issue my reports no later than July 1, 2018.

My fee for these services will be at my standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that I agree that my gross fee, including expenses, will not exceed \$8,160. My standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. My invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with my firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate my services for nonpayment, my engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my report. You will be obligated to compensate me for all time expended and to reimburse me for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

I appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let me know. If you agree with the terms of our engagement as described in this letter, please sign this letter below.

Very truly yours,

Don Cole & Company
Don Cole & Company

RESPONSE:

This letter correctly sets forth the understanding of the Auburn Area Recreation and Parks District.

Signed:

Title:

Date:

ADM. SERV. MGR

5/17/18

**DON COLE
& COMPANY**
CERTIFIED PUBLIC ACCOUNTANTS

2701 Del Paso Road, Suite 130-131
Sacramento, California 95835
Phone: (916) 925-5216
Fax: (916) 285-7194

**AUBURN AREA RECREATION
AND PARK DISTRICT
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORTS
FOR THE FISCAL YEAR ENDED
MARCH 31, 2018**

**AUBURN AREA RECREATION AND PARK DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2018
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Auburn Area Recreation and Park District
Auburn, California

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Auburn Area Recreation and Park District as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Auburn Area Recreation and Park 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Auburn Area Recreation and Park District as of March 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as compliance requirements, prescribed by the State Controller, governing special districts.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 7, 2018, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on page 28 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. I 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 I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

The audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.


Don Cole & Company
Sacramento, California

June 7, 2018

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT DISCUSSION & ANALYSIS
MARCH 31, 2018**

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

In conjunction with the financial statements that begin on page 8, our discussion and analysis of the District's financial activity provides an overview of the financial health of ARD.

This annual report consists of a variety of financial statements that not only provide an understanding of the current years activities but also provide insight on the long term financial health of the District.

1. Statement of Net Position or Balance Sheet

This statement is the result of compiling the Total Assets and Deferred Outflows of the District minus its Total Liabilities and Deferred Inflows. The three components of Net Position are:

1. investment in capital assets net of related debt
2. restricted net position
3. unrestricted net position

A continuing increase in assets generally reflects a healthy condition and is a good indicator that the District is in good financial shape. Decreasing assets generally reflect the opposite condition.

2. Statement of Activities or Income Statement

This statement ultimately reports the District's net revenue from all of its activities. These revenues minus the expenses related to generating the revenues result in either a surplus or a deficit. The District's activities are all Governmental in nature and are financed primarily through property tax levies.

These two government-wide statements reflect the changes in ARD's net assets and how they have changed from previous years. They represent the best way to measure ARD's health or financial condition. In assessing ARD's "health", one must also consider the impact of changes in the property tax base as well as the condition of the District's facilities.

3. Fund Financial Statements

Fund accounts are set up because governments receive resources from a variety of sources for a variety of purposes. Governments must be able to demonstrate that they are using resources for the purposes for which they were given. These fund financial statements provide more detailed information on the individual funds or fund types that ARD uses to manage and account for its activities. The District has the following funds:

1. General Fund
2. City Mitigation Fund
3. Youth Assistance Fund
4. Atwood Park Fund

Reporting the District's Most Significant Funds

Fund financial statements begin on page 10 and provide detailed information about the most significant funds – not the district as a whole. The District's Board of Directors establishes these funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes and other monies.

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

ARD has one major fund – Governmental. Most of the District's basic services are reported as governmental funds which focus on how money flows into and out of those funds and the balances remaining at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

Financial Analysis

Governmental Activities

	<u>2018</u>	<u>2017</u>
Assets		
Current assets	\$ 4,422,576	\$ 4,219,454
Capital assets (net)	<u>6,348,342</u>	<u>6,448,755</u>
Total assets	<u>\$ 10,770,918</u>	<u>\$ 10,668,209</u>
Deferred outflows of resources	<u>\$ 541,505</u>	<u>\$ 544,767</u>
Liabilities		
Current liabilities	\$ 308,311	\$ 283,267
Long term liabilities	<u>966,748</u>	<u>754,298</u>
Total liabilities	<u>\$ 1,275,059</u>	<u>\$ 1,037,565</u>
Deferred inflows of resources	<u>\$ 39,273</u>	<u>\$ 134,432</u>
Net position		
Invested in capital assets	\$ 6,348,342	\$ 6,448,755
Unrestricted	<u>3,649,749</u>	<u>3,592,224</u>
Total net position	<u>\$ 9,998,091</u>	<u>\$ 10,040,979</u>

Unrestricted Funds are composed of:

	<u>2018</u>	<u>2017</u>
City Mitigation funds	\$ 419,809	\$ 268,855
Equipment Reserve funds	868,886	758,530
Contingency Reserve funds	450,000	450,000
Future Capital Construction Reserves	915,971	705,971
Arboretum Reserve	13,276	13,276
Atwood III reserves	(2,182)	24,144
CalPERS	91,600	-
Shockley Maintenance Reserves	6,781	8,000
ADA Reserve	70,032	65,032
Unrestricted General Fund balance	<u>815,576</u>	<u>1,298,416</u>
Total Unrestricted Funds	<u>\$ 3,649,749</u>	<u>\$ 3,592,224</u>

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

The Net Position of the District as a whole decreased by \$42,888 from 4/1/17 to 3/31/18. The District's programs for governmental activities include general government. The District had no business-type activities in 2017/18. A comparison of each programs revenues and expenses for the current year and prior year is presented below.

Governmental Activities		
	<u>2018</u>	<u>2017</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,166,056	\$ 1,072,705
Grants & contributions	37,314	824,427
Total program revenues	<u>1,203,370</u>	<u>1,897,132</u>
General Revenues:		
Property taxes	3,117,857	2,999,467
Rents & concessions	141,135	191,229
Interest income	66,452	54,172
Other general revenues	193,556	61,377
Total general revenues	<u>3,519,000</u>	<u>3,306,245</u>
Total revenues	<u>4,722,370</u>	<u>5,203,377</u>
Program expenses:		
General government	4,765,258	4,035,177
Interest on L/T debt	-	-
Total Program expenses	<u>4,765,258</u>	<u>4,035,177</u>
Change in net position	<u>\$ (42,888)</u>	<u>\$ 1,168,200</u>

Reconciliation of Budget

The final budget approved by the Board of Directors on April 27, 2017 reflected a projected surplus of \$4,948, inclusive of a \$50,000 Board required contribution to the Equipment Reserve and a Board required contribution of \$5,000 to the ADA reserve and a Board required contribution of \$45,800 to the CalPERS unfunded Liability reserve as well as a proposed contribution to the Future Capital Construction Reserve Fund. In 2017/2018, the District's base property tax revenues increased by 3.9%. The Mid-Year Budget Revision reflected a \$19,139 forecasted surplus which included a transfer of \$40,000 from the general fund to the Future Capital Construction Reserve Fund.

The District reported an operational loss of \$42,888 (inclusive of mandatory contributions of \$100,800 to reserves) at fiscal year-end versus the projected mid-year forecast of \$19,139. Tax revenues, inclusive of RDA revenue (Redevelopment Pass Through) were forecasted to be \$3,091,765. Actual tax revenue came in at \$3,117,858.

Additionally, program revenues came in at \$111,787 higher and facility rentals came in at \$14,938 lower and operating expenses were \$16,529 higher than forecast.

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Capital Assets

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
Capital assets, not being depreciated	<u>\$ 2,380,107</u>	<u>\$ 2,292,667</u>
Depreciable capital assets	13,546,130	13,387,355
Less: accumulated depreciation	<u>(9,577,895)</u>	<u>(9,231,267)</u>
Net depreciable capital assets	<u>3,968,235</u>	<u>4,156,088</u>
Net capital assets	<u>\$ 6,348,342</u>	<u>\$ 6,448,755</u>

The Year in Review and Our Future Outlook

ARD completed a few projects associated with its Capital Improvement Program and Asset Replacement Plan. All projects and Assets purchased in fiscal year 2017/2018 were funded through Future Capital Construction Reserves, Equipment Replacement Reserves, ADA Reserves, City and County Mitigation funds and General Funds. Some of the notable projects and assets purchases included the following:

- The Railhead "A" (east) soccer field was renovated with all new Bermuda grass, resulting in a like-new playing surface
- Beggs Baseball Field was renovated by laser leveling the infield, rebuilding the pitches mound as well as the batter's box. The infield grass was replanted with Tifway Bermuda Grass and the Shade Structure was rebuilt, with the results of a new and better field to extend the life.
- Several hazardous trees were removed in 2017/2018, in continuation of ARD's tree inventory study plan compiled in 2016.
- A patio Area at Recreation Park was installed, complete with paver stone patio set with polymers sand and new picnic tables as well as umbrellas. New bark and landscaping was done adjacent to the paver patio. This project was a gift in labor from the Rotarians at work day, as well as a donation of the Tables and umbrellas themselves.
- Lincoln Aquatics installed a new Raypak X Therm 2,000,000 BTU Heater for Marsha-Skinner Memorial Pool.
- A used Komatsu Forklift FG25C-12, 5,000 lb. capacity, 48" forks, with pneumatic tires was purchased from Fraga Forklift Sales to eliminate the need for renting this equipment on an ongoing basis.
- A new Kubota V Series RTV-X900WL-T Cart was purchased with a trade in of the old 2005 John Deere Gator Cart for the maintenance staff at Recreation Park.
- Herschel Young park now has a newly designed welcome gate entrance into the City Park, manufactured by Harris Industrial Gases.

**AUBURN AREA RECREATION AND PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

- The Sierra Splash Pool was sanded, sealed and urethaned for maintenance prior to the 2017-2018 Public Swim Season.
- The 1997 John Deere 310E Backhoe was reconditioned by Pape' Machinery and should extend the life on the equipment extensively.

The District's overall property tax revenues declined substantially from fiscal year 07/08 through fiscal 2012/2013 and began to recover in FY 2013/2014. The following data illustrate the trends:

2007/2008:	\$2,711,000
2008/2009:	\$2,695,000
2009/2010:	\$2,628,000
2010/2011:	\$2,443,000
2011/2012:	\$2,354,000
2012/2013:	\$2,494,000 (Includes special payment of \$166,000 RDA refund)
2013/2014:	\$2,466,000
2014/2015:	\$2,604,000
2015/2016:	\$2,824,980
2016/2017:	\$2,999,467
2017/2018:	\$3,117,857

The District has been able to balance its budgets each year through attrition, cost cutting, control of benefit expenses and shrewd purchasing of supplies and services. This past year has seen a return to continuing modest increases in property tax revenues as well as increases in program revenues. While we are cautiously optimistic that the economy is continuing to improve, we will continue to budget conservatively to maintain a strong balance sheet and to keep the parks in peak condition.

Should any member of the public have questions regarding this report, District management may be contacted at the following address:

The audit for Fiscal 2017/2018 may also be viewed at the Districts website, www.auburnrec.com

Auburn Area Recreation and Park District
471 Maidu Drive
Auburn, CA 95603
(530) 885-8461

**AUBURN AREA RECREATION AND PARK DISTRICT
BASIC FINANCIAL STATEMENTS
MARCH 31, 2018**

**AUBURN AREA RECREATION AND PARK DISTRICT
GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF MARCH 31, 2018**

	<u>Governmental Activities</u>
ASSETS:	
Current assets:	
Cash and investments	\$ 4,375,053
Accounts receivable	28,879
Prepaid insurance	<u>18,644</u>
Total current assets	<u>4,422,576</u>
Noncurrent assets:	
Capital assets	15,926,237
Less: accumulated depreciation	<u>(9,577,895)</u>
Capital assets, net	<u>6,348,342</u>
Total noncurrent assets	<u>6,348,342</u>
Total assets	<u>\$ 10,770,918</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>\$ 541,505</u>
LIABILITIES:	
Current liabilities:	
Accounts payable	\$ 284
Accrued payroll	119,618
Compensated absences	153,607
Deposits	<u>34,802</u>
Total current liabilities	<u>308,311</u>
Noncurrent liabilities:	
Net pension liability	<u>966,748</u>
Total noncurrent liabilities	<u>966,748</u>
Total liabilities	<u>\$ 1,275,059</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>\$ 39,273</u>
NET POSITION:	
Invested in capital assets, net of related debt	\$ 6,348,342
Unrestricted	<u>3,649,749</u>
Total net position	<u>\$ 9,998,091</u>

See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

	Program Revenues				Net (Expense) Revenue and Change in Net Position
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>	<u>Governmental Activities</u>	
GOVERNMENTAL ACTIVITIES:					
Recreation	\$ 4,765,258	\$ 1,166,056	\$ 4,027	\$ 33,287	\$ (3,561,888)
Total governmental activities	<u>\$ 4,765,258</u>	<u>\$ 1,166,056</u>	<u>\$ 4,027</u>	<u>\$ 33,287</u>	<u>(3,561,888)</u>
GENERAL REVENUES:					
					3,117,857
					66,452
					141,135
					<u>193,556</u>
					<u>3,519,000</u>
					(42,888)
					<u>10,040,979</u>
					<u>\$ 9,998,091</u>

See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF MARCH 31, 2018**

	General Fund	Non-Major Funds	Total Governmental Funds
ASSETS:			
Cash and investments	\$ 3,945,263	\$ 429,790	\$ 4,375,053
Accounts receivable	28,879	-	28,879
Prepaid expenses	18,644	-	18,644
Due from other funds	2,183	-	2,183
TOTAL ASSETS	\$ 3,994,969	\$ 429,790	\$ 4,424,759
LIABILITIES:			
Accounts payable	\$ 284	\$ -	\$ 284
Accrued payroll	119,618	-	119,618
Compensated absences	153,607	-	153,607
Deposits	34,802	-	34,802
Due to other funds	-	2,183	2,183
TOTAL LIABILITIES	308,311	2,183	310,494
FUND BALANCES:			
Nonspendable	18,644	-	18,644
Committed	2,414,364	419,809	2,834,173
Unassigned	1,253,650	7,798	1,261,448
TOTAL FUND BALANCES	3,686,658	427,607	4,114,265
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,994,969	\$ 429,790	\$ 4,424,759

See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Total fund balances, governmental funds	\$ 4,114,265
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Total historical cost of capital assets	15,926,237
Less: accumulated depreciation	(9,577,895)
Governmental funds do not report long-term liabilities.	
Net pension liability	(966,748)
Amounts reported as deferred outflows/inflows of resources related to the District's pension plan will be allocated to future fiscal years.	
Deferred outflows	541,505
Deferred inflows	<u>(39,273)</u>
Total net position – governmental funds	<u>\$ 9,998,091</u>

See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Program revenues	\$ 1,166,056	\$ -	\$ 1,166,056
Rents and concessions	140,925	210	141,135
Grants and donations	18,230	19,084	37,314
Interest income	62,123	4,329	66,452
Mitigation fees	-	146,625	146,625
Tax revenue	3,095,678	22,179	3,117,857
Miscellaneous revenue	<u>46,931</u>	<u>-</u>	<u>46,931</u>
TOTAL REVENUES	<u>4,529,943</u>	<u>192,427</u>	<u>4,722,370</u>
EXPENDITURES:			
Program expenditures	258,968	-	258,968
Operations and supplies	346,884	19,575	366,459
Utilities	179,268	4,596	183,864
Legal fees	12,552	-	12,552
Professional services	23,483	6,069	29,552
Building and grounds maintenance	428,991	22,834	451,825
Property tax administration/LAFCO	51,092	-	51,092
Salaries	2,059,494	14,557	2,074,051
Benefits and payroll costs	732,333	-	732,333
Capital outlay	<u>359,596</u>	<u>24,000</u>	<u>383,596</u>
TOTAL EXPENDITURES	<u>4,452,661</u>	<u>91,631</u>	<u>4,544,292</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>77,282</u>	<u>100,796</u>	<u>178,078</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	24,000	24,000
Transfers out	<u>(24,000)</u>	<u>-</u>	<u>(24,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(24,000)</u>	<u>24,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	53,282	124,796	178,078
FUND BALANCE, beginning of year	<u>3,633,376</u>	<u>302,811</u>	<u>3,936,187</u>
FUND BALANCE, end of year	<u>\$ 3,686,658</u>	<u>\$ 427,607</u>	<u>\$ 4,114,265</u>

See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Total net change in fund balance, governmental funds \$ 178,078

Amounts reported for governmental activities in the statement of activities are different from amounts reported in government funds because:

Capital outlays are reported in government funds as expenditures. However, in the government-wide Statement of Activities and changes in net position, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.

Capital asset additions	383,596
Capital asset deletions	(79,028)

Depreciation expense on capital assets is reported in the government-wide Statement of Activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.	(404,981)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Net change in the deferred outflows and deferred inflows	91,897
Decrease (increase) in the net pension liability	<u>(212,450)</u>

Change in net position – governmental activities	<u>\$ (42,888)</u>
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See accompanying notes to basic financial statements

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The financial statements of the Auburn Area Recreation and Park District are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The Auburn Area Recreation and Park District was formed under Section 5780.15 of the California Public Resources Code. The District operates under a Board of Directors and provides the following services: maintaining recreation and park facilities, recreational services, and general administrative services.

BASIS OF PRESENTATION

A. Government-wide Financial Statements

The government-wide financial statements, comprised of the Statement of Net Position and the Statement of Activities, report aggregated information for the overall government for all the activities of the primary government.

Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange revenues are reported separately. The Statement of Net Position presents the overall government's financial position at year-end. The Statement of Activities presents direct expenses of a given function or identifiable activity offset by program revenues for the fiscal reporting period. The resulting net expense or revenue is then totaled and offset by general revenues producing the aggregate change in net position for the period. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity of the government, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other non-exchange revenues not properly included among program revenues are reported as general revenues.

B. Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds in the governmental activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenue or expenditures) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Financial Statements (continued)

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The District reports the General Fund as a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The District maintains three special revenue funds, which are reported as non-major funds:

1. City Mitigation Fund
2. Youth Assistance Fund
3. Atwood Park Fund

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

A. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

B. Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or as soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Taxes, intergovernmental revenue, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions. Non-exchange transactions are grouped into four classes, based on their principal characteristics. The accounting treatment for each type of transaction is as follows:

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

Imposed Non-exchange Revenue, result from assessments on non-governmental entities, other than assessments on exchange transactions. Examples include: ad valorem (property) taxes and fines, penalties, and property forfeitures. Assets from imposed nonexchange revenues are recognized in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Property taxes are recognized in the period for which the taxes are levied. All other imposed nonexchange revenues are recognized in the same period that the assets are recognized.

Government-mandated Non-exchange Transactions, frequently established eligibility requirements before a transaction can occur. Examples include federal awards and state financial assistance. Until the requirements are met, the recipient does not have a receivable and the recognition of revenue received in advance is deferred. The providers (usually federal, state, and county governments) often offer resources on a reimbursement ("expenditure-driven") basis at the time the recipient has incurred allowable costs under the applicable program.

Voluntary Non-exchange Transactions, result from legislative or contractual agreements other than exchanges, entered into willingly by two or more parties. Examples include certain grants, entitlements, and donations by non-governmental entities. Principal characteristics of these types of transactions are (1) they are not imposed on the provider or recipient, and (2) fulfillment of eligibility requirements is essential for a transaction to occur. Assets and revenues are recognized when all applicable eligibility requirements, including time requirements, are met. Resources received in advance are reported as deferred revenue.

Derived Tax Revenue, result from assessments imposed on exchange transactions. Examples include income taxes, sales taxes, and other assessments on earnings or consumption.

CASH AND CASH EQUIVALENTS

For purposes of the statement of net position/balance sheet, the District considers all short-term highly liquid investments, including restricted assets, and amounts held with the fiscal agent to be cash and cash equivalents. Amounts held with the fiscal agent and investments are available on demand to the District.

CAPITAL ASSETS

Capital assets, which include property, facilities, and equipment are capitalized provided such cost exceeds \$1,000 and the expected useful life of the asset is more than three years. Capital assets are reported at historical cost, or estimated historical cost if constructed. Contributed assets are reported at fair market value as of the date received.

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CAPITAL ASSETS (continued)

Depreciation is reported using the straight-line method calculated on a service-life basis to amortize the cost of the assets over their estimated economic useful lives, which are as follows:

<u>Asset</u>	<u>Years</u>
Structures	20
Equipment	10
Computer equipment	3
Vehicles	8
Furniture	10
Small tools	5

DUE FROM OTHER GOVERNMENTS

The District's receivables include amounts due from other governmental agencies and consist mostly of specific planning grants. Management has determined that the District's receivables are fully collectible. Accordingly, no allowance for doubtful accounts has been made.

VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES

District employees are entitled to certain compensated absences based on the length of their employment, which will be paid to them upon separation from the District. Compensated absences accumulate and are accrued when they are earned. The balance at March 31, 2018 was \$153,607.

NET POSITION

The government-wide financial statements utilize a net position presentation. Net position comprises the various net earnings from operating income, non-operating revenues and expenses and capital contributions. Net position is classified in the following three components:

Invested in capital assets net of related debt consist of capital assets less accumulated depreciation and net of outstanding balances of any debts used to finance those assets, such as loans.

Restricted may be used only to finance specific types of transactions. These restrictions may be established by debt covenants, grantors, or laws or regulations of other governments. Restricted net position represents the balance of restricted assets less the outstanding balances of any liabilities that will be settled using restricted assets.

Unrestricted net position are those that do not meet the definition of either net position invested in capital assets net of related debt or restricted net position.

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND BALANCE

In accordance with Government Accounting Standards Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances as follows:

Nonspendable – includes amounts that are not in a spendable form or are required to be maintained intact.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors of amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance maybe assigned by the District Manager or Board of Directors.

Unassigned – includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

FAIR VALUE MEASUREMENT

The District uses a framework for defining and measuring fair value in accordance with generally accepted accounting principles, which maximizes the use of observable inputs and minimizes the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value;

Level 1 uses quoted prices and active markets for identical assets or liabilities when determining fair market value;

Level 2 uses non active quoted prices for similar assets and liabilities that can be corroborated with market data;

Level 3 uses unobservable information with little or no market data.

The District reports assets and liabilities using level 1 inputs.

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 for which the District carries insurance as described in Note 9.

GASB 63 – FINANCIAL REPORTING OF DEFERRED OUTFLOWS OF RESOURCES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

The District adopted the provisions of GASB Statement No. 63 (GASB 63), Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position during the fiscal year ended March 31, 2014. GASB 63 provides financial reporting guidance for deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. It also identifies net position as a residual of all other elements presented in a statement of financial position, or the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. As implied above, GASB 63 changes the previous classification of net assets to net position, and consequently, the statement of net assets to the statement of net position.

Note 2 CASH AND INVESTMENTS

The District maintains commercial bank accounts and accounts with the Placer County Treasurer.

The District's cash balances at March 31, 2018 are:

	<u>General Fund</u>	<u>Atwood Park Fund</u>	<u>City Mitigation Fund</u>	<u>Youth Assistance Fund</u>	<u>Government- wide</u>
Imprest Fund (Petty Cash)	\$ 580	\$ -	\$ -	\$ -	\$ 580
First Foundation Bank	180,254	-	-	-	180,254
Placer County Treasurer – General	3,674,340	-	-	-	3,674,340
ADA Reserve Account	70,032	-	-	-	70,032
Placer County Treasurer – City Trust	-	-	419,809	-	419,809
Youth Assistance Fund – In District	-	-	-	9,981	9,981
Atwood III Fund	-	-	-	-	-
Atwood III – Equipment Replacement Fund	-	-	-	-	-
Arboretum Grant Fund	13,276	-	-	-	13,276
Shockley Maintenance Fund	6,781	-	-	-	6,781
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Cash and Cash Equivalents	<u>\$ 3,774,410</u>	<u>\$ -</u>	<u>\$ 419,809</u>	<u>\$ 9,981</u>	<u>\$ 4,375,053</u>

**AUBURN AREA RECREATION AND PARK DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2018**

Note 2 CASH AND INVESTMENTS (continued)

POOLED FUNDS

The District maintains substantially all of its cash in the Placer County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the deposits are maintained in a recognized pooled investment fund under the care of a third party and the share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classification is required.

In accordance with applicable State laws, the Placer County Treasurer may invest in derivative securities. However, at March 31, 2018 the Placer County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

DEPOSITS – CUSTODIAL CREDIT RISK

The carrying amount of the District's accounts was \$4,375,053 and the custodial balance was \$4,429,274 (\$4,194,219 with Placer County Treasurer and \$235,055 with the bank) at March 31, 2018. Deposits held in banks and in the revolving fund are insured up to \$250,000 by the Federal depository Insurance Corporation. All cash held by financial institutions at March 31, 2018 was fully insured.

INTEREST RATE RISK

The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CREDIT RISK

The District does not have a formal investment policy that limits its investment choices other than the limitation of State law.

CONCENTRATION OF CREDIT RISK

The District does not place limits on the amount it may invest in any one issuer. At March 31, 2018 the District had no concentration of credit risk.