

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT

ACCOUNTANT'S AUDIT REPORTS

AND

FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDING JUNE 30, 2011



Michael P. Smith

Certified Public Accountant/Enrolled Agent
December 05, 2011

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT

JUNE 30, 2011

TABLE OF CONTENTS

Independent Auditor's Report.....	1
Management Representation Letter.....	2
Cash Basis Fund Type Balance Sheet.....	3
Cash Basis Statement of Revenue, Expenditures and Change in Fund Balance.....	4
Notes to Financial Statements.....	5-6

MICHAEL P. SMITH, CPA:EA
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Independent Auditor's Report

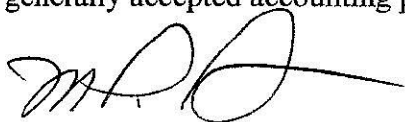
TO: The Board of Directors, Amador County Resource Conservation District
12200-B Airport Road
Jackson, CA 95642

I have audited the accompanying financial statements of ACRCDC and SAWQA, components of the County of Amador, State of California for the years ending June 30, 2005 thru June 30, 2011. These financial statements and report are the responsibility of the District's management. My responsibility is to express an opinion on these statements based on my audit.

I conducted the audit in accordance with generally accepted auditing standards. 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 includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for my opinion.

As described in Note 1 of Notes to Financial Statements, the ACRCDC, consistent with a not-for-profit entity, prepares its financial statements on the basis of cash receipts and disbursements. This basis deviates from private enterprise accounting in that there is no capitalization nor depreciation of capital expenditures.

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balance of ACRCDC as of June 30, 2011, and the revenues received and expenditures paid for the year then ended in conformity with generally accepted accounting principles.



Michael P. Smith, CPA:EA
Ione, California
December 5, 2011

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT
12200-B Airport Road
JACKSON, CA 95642

December 5, 2011

Michael P. Smith, CPA:EA
P.O. Box 1543
Ione, CA 95640-1543

Dear Mr. Smith:

In conjunction with your audit of the District's financial activities for the years ending 06/30/05 thru 06/30/11 and, per your specific request, I/the District attest to the validity of the following statements, EXCLUSIVE of any and all exceptions delineated in Section V. (below) of this representation letter.

- I. To the best of my/our knowledge, there have been no misstatements/irregularities in the financial data provided you for the subject period(s).
- II. To the best of my/our knowledge, there is (are) no pending litigation/liens/encumbrances which may impact the integrity of the District's financial representation as presented to you.
- III. The District is an independent, stand-alone entity, conducting our business under the auspices of the County of Amador and, is in conformance in all regards, with the guidelines as outlined in OMB Circular A-87, "Cost Principles for State and Local Governments."
- IV. I/we attest that all financial data provided to the Auditor's Office of Amador County is, to the best of our knowledge, complete and accurate.
- V. Any and all exceptions to the above affirmations are detailed below:

[Utilize additional pages, if necessary]

Very truly yours,


Dan Port, Board of Directors – Amador County Resources Conservation Dist.

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT
 CASH BASIS COMBINED BALANCE SHEET
 AS OF: JUNE 30, 2011

	Governmental Fund Type
<u>ASSETS</u>	
Cash and Cash Equivalents:	
- ARCD	\$ 62,400
- SAWQC	246,457

Total Assets	\$ 308,857
	=====
<u>LIABILITIES & EQUITY</u>	
Accounts/Warrants Payable	\$ 1,856
<u>FUND BALANCES</u>	
Reserved	\$ 246,457
Unreserved Undesignated	\$ 60,544

Total Fund Equity	\$ 307,001
	=====
<u>TOTAL LIABILITIES & FUND EQUITY</u>	\$ 308,857
	=====

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

COUNTY RESOURCE CONSERVATION DISTRICT
CASH BASIS STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

[NOTE: SAWQA Expenditures ONLY reflected on following page 4a]

	Governmental Fund Type
	General
Revenues:	
Intergovernmental:	
Contributions from Property Owners	\$ 155,264
Other State	232
Other	
Interest Income	2,420
Total Revenues	\$ 157,916
Expenditures:	
Communications	\$ 1,367
Insurance and Bonds	2,631
Memberships	650
Office Expenses	989
Other	6,975
Special Projects	2,356
Mini Grants/Sponsorships	500
Travel and Transportation	742
Utilities	1,500
CDF Stewardship Program	10,592
Professional & Spec. Services	133,027
P.S. – Clerical and Accounting	10,479
Total Expenditures	\$ 171,806
Excess (Deficiency) Revenues Over (Under) Expenditures	(\$ 13,890)
Fund Balance, July 1, 2010	\$ 320,890
Fund Balance, June 30, 2011	\$ 307,000

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

COUNTY RESOURCE CONSERVATION DISTRICT
CASH BASIS STATEMENT OF EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
[NOTE: SAWQA Expenditures ONLY reflected on this page]
Governmental Fund
Type

General

Expenditures:

Insurance and Bonds	\$ 1,227
Other	5,295
Travel and Transportation	577
Professional & Spec. Services	133,027
P.S. – Clerical and Accounting	10,479
 Total Expenditures	 \$ 150,605

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

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS FISCAL YEARS ENDING JUNE 30, 2011

GENERAL: The District, organized under Division IX of the CA Public Resources Code, operates under the auspices of a five (5) member Board of Directors. Conservation programs are conducted in the following geographic areas: The entire County of Amador; portions of adjacent and nearby counties. Funding of project expenditures are almost entirely the result of membership fees and grant solicitation proceeds.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of ACRCO have been prepared on a modified cash basis of accounting. Cash basis accounting recognizes revenues as they are received and expenditures as they are disbursed. In addition, fixed assets are considered expenditures as they are purchased and are therefore not capitalized nor depreciated over their useful economic lives.

II. REPORTING ENTITY

In evaluating how to define ACRCO for financial reporting purposes, management has considered all potential component units. The decision to include a potential unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP). The primary – but not only – criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and the accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether ACRCO is able to exercise oversight responsibilities. Based upon the application of these criteria, no component units were determined to exist that would warrant inclusion in ACRCO's financial statements as part of the reporting entity.

However, based upon the application of the above criteria, ACRCO is a component unit of the County of Amador, state of California. As such, ACRCO is part of the financial reporting entity of the County of Amador, state of California. These component unit financial statements do not, and are not, intended to represent more than ACRCO.

AMADOR COUNTY RESOURCE CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL PERIODS ENDING JUNE 30, 2011

III. MAINTENANCE OF THE GENERAL CASH ACCOUNT

The District's General Cash Account is maintained under the auspices of the Amador County Auditor/Treasurer's office. The subject account is maintained in a 'pooled' cash fund for special districts by the County and as such are not required to be categorized. The reporting of such 'pooled' investments is accounted for in accordance with the provisions of GASB Statement No. 31.

IV. CONTINGENCIES

Management is not aware of any pending or threatened litigation, claims or assessments, or unasserted claims or assessments that may be pending against ACRCDD management. Thus, the potential loss on any unknown claims or lawsuits will not be material to ACRCDD's financial statements. (Reference attached affirmation letter, page 2.)

V. FUND ACCOUNTING

The accounts of ACRCDD are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenditures.

General Fixed Asset Account Group:

The General Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. No depreciation is recorded on general fixed assets. Repairs, maintenance, renewals and betterments are recorded as expenditures.