
ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

COMPILED FINANCIAL STATEMENTS

Year Ended June 30, 2021

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ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

ORGANIZATIONAL STRUCTURE

June 30, 2021

The Alpine Village – Sequoia Crest Community Services District was formed in 1977 as a special district to provide snow removal from public roads for these two mountain communities. The District is governed by a five-member non-compensated board of directors serving four year terms. By-laws require Sequoia Crest representation with three directors and Alpine Village representation with two directors.

<u>Member</u>	<u>Office</u>	<u>Community</u>	<u>Term Expires</u>
Kurt Wendelyn	President	Sequoia Crest	December, 2022
Chuck Roudebush	Vice President	Sequoia Crest	December, 2022
Scott Daniels	Director	Alpine Village	December, 2022
Gerald Jackson	Director	Sequoia Crest	December, 2022
Keith McIver	Director	Alpine Village	December, 2022

Non-compensated Secretary – General Manager is Ann Campbell

Non-compensated Webster is Nick Morley

Non-compensated Consultant is Debbie Morley

DENNIS L. HYLTON

CERTIFIED PUBLIC ACCOUNTANT

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Board of Directors and Management of
Alpine Village - Sequoia Crest Community Services District
Springville, California

Management is responsible for the accompanying financial statements of the governmental activities and major fund of Alpine Village - Sequoia Crest Community Services District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the special district's basic financial statements as listed in the accompanying table of contents in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statement on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

OTHER MATTERS

Required Supplementary Information

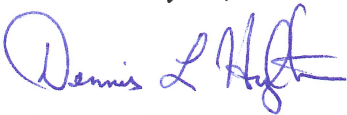
Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 9 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic 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. This information is the responsibility of management. The required supplementary information was subject to my compilation engagement. I have not performed an audit or review on the required supplementary information and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on the information.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information although not a required 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.

Other Information

The community services district organization structure was subject to my compilation engagement.

Dennis L. Hylton, CPA



August 4, 2021

BASIC FINANCIAL STATEMENTS

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

June 30, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Cash	\$ 204,610	\$ -	\$ 204,610
Assessment Receivable	<u>432</u>	<u> </u>	<u>432</u>
Total Assets	<u>\$ 205,042</u>	<u> -</u>	<u>205,042</u>
 LIABILITIES			
Accounts Payable	<u>\$ -</u>	<u> -</u>	<u> -</u>
Total Liabilities	<u> -</u>	<u> -</u>	<u> -</u>
 FUND BALANCE/NET ASSETS			
Unassigned Fund Balance	<u>205,042</u>	<u>(205,042)</u>	<u> -</u>
Total Liabilities and Fund Balance	<u>\$ 205,042</u>		
 Net Position:			
Unrestricted		<u>205,042</u>	<u>205,042</u>
Total Net Position		<u>\$ -</u>	<u>\$ 205,042</u>

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

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES			
Property Taxes	\$ 21,866	\$ -	\$ 21,866
Snow Removal Assessments	18,053		18,053
Interest Income	<u>2,887</u>	<u> </u>	<u>2,887</u>
Total Revenues	<u>42,806</u>	<u>-</u>	<u>42,806</u>
EXPENDITURES/EXPENSES			
Current:			
Professional & Special Fees	14,387		14,387
Insurance	2,265		2,265
Tax Administration	504		504
Supplies	314		314
Memberships	<u>191</u>	<u> </u>	<u>191</u>
Total Expenditures/Expenses	<u>17,661</u>	<u>-</u>	<u>17,661</u>
Excess Revenues over Expenditures	25,145		
Change in Net Position			25,145
Fund Balances/Net Position			
July 1, 2020	<u>179,897</u>	<u> </u>	<u>179,897</u>
June 30, 2021	<u>\$ 205,042</u>	<u>\$ -</u>	<u>\$ 205,042</u>

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

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Alpine Village - Sequoia Crest Community Services District (the District) have been prepared in conformity with generally accepted accounting principles as applied to government units. The more significant of the District's accounting policies are described below:

REPORTING ENTITY - In accordance with the requirement of GASB Statement No. 14, *The Financial Reporting Entity as amended by GASB Statement No. 61, The Financial Reporting Entity*, the financial statements must present the District (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

DESCRIPTION OF OPERATIONS - The District provides snow removal to residents of the mountain communities of Alpine Village and Sequoia Crest by contracting with Tulare County Resource Management Agency.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the District's nonfiduciary activities with all interfund activities removed. Governmental activities are snow removal supported primarily by property assessments and property taxes. The District has no business type activities that rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function.

BASIS OF ACCOUNTING – MEASUREMENT FOCUS – The governmental fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

FUND ACCOUNTING - The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District's operations are accounted for by a governmental general fund.

The General Fund accounts for all financial resources and its fund balance is available for the legally authorized activities of the District.

Revenues - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 60 days of the fiscal year-end.

Non-exchange transactions, in which the District receives value without directly equal value in return, include property taxes and donations. Revenue from property taxes is recognized in the fiscal year in which it is received. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, and snow removal assessments.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of government fund accounting is on decrease in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental fund.

ASSETS AND FUND BALANCES/NET POSITION

Deposits and Investments - The District does not have any policy regarding investments and therefore is subject to California Government Code Sections 53600-53609. Investing must meet the following three objectives: first to safeguard the principal, second to meet liquidity needs, and third to achieve a return on funds. At time of investment, the security term remaining to maturity cannot exceed five years. Investments can include the following: United States Treasury notes, bonds, bills, or those which the faith and credit of the United States are pledged for payment; California local agency bonds; Federal agency or United States government-sponsored enterprise obligations; negotiable certificates of deposit; corporate notes rated “A” or higher, and other specified securities.

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Net Position - Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions by creditors, grantors, or laws or regulations of other governments.

Fund Balance – Unassigned fund balance represents the residual balance in excess of other classifications.

PROPERTY TAX – Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Tulare bills and collects the taxes on behalf of the District. Property tax revenues are recorded based upon assessments at delinquent due dates.

BUDGETARY DATA - Annual budgets are legally required to be and are adopted by the Board of Directors for the general fund to provide for operations and capital expenditures of the District. The adopted budget is subject to amendment during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amount when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. Budgetary accounting controls do not include the use of encumbrances.

County Counsel has advised the District that it is exempt from the Gann Spending Appropriations Limitation Initiative (Article XIII B of the California Constitution) since it did not levy ad valorem taxes in the 1977-78 base year.

ESTIMATES – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

EVALUATION SUBSEQUENT EVENTS – The District has evaluated subsequent events through the report date of these financial statements.

ALPINE VILLAGE – SEQUOIA CREST COMMUNITY SERVICES DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

NOTE 2 – CASH

The District maintains all of its cash in an external investment pool with the Tulare County Treasury. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the Tulare County Treasurer for the entire portfolio (_____ as of June 30, 2021 which approximates the \$204,610 reported on the financial statements.) The fair value of the pooled investment portfolio is determined monthly within the framework established by GASB Statement No. 72 *Fair Value Measurements and Application*. Nearly all four values were considered Level 2. The county is restricted by Government Code section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. This investment pool is considered unclassified as to credit risk for the District because it is not evidenced by securities that exist in physical or book entry form.

REQUIRED SUPPLEMENTARY INFORMATION

ALPINE VILLAGE - SEQUOIA CREST COMMUNITY SERVICES DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2021

	Budgeted Amounts (GAAP Basis)			Variances Positive (Negative)
	Original	Final	Actual (GAAP Basis)	Final to Actual
REVENUES				
Property Taxes	\$ 20,771	\$ 20,771	\$ 21,866	\$ 1,095
Snow Removal Assessments	24,432	24,432	18,053	(6,379)
Interest Income	<u>2,910</u>	<u>2,910</u>	<u>2,887</u>	<u>(23)</u>
Total Revenues	<u>48,113</u>	<u>48,113</u>	<u>42,806</u>	<u>(5,307)</u>
EXPENDITURES				
Current:				
Professional & Special Fees	44,347	44,347	14,387	29,960
Insurance	2,265	2,265	2,265	-
Tax Administration	600	600	504	96
Memberships	200	200	191	9
Supplies	200	200	314	(114)
Publications & Legal Notices	300	300	-	300
Training	200	200	-	200
Contingency	<u>7,216</u>	<u>7,216</u>	<u>-</u>	<u>7,216</u>
Total Expenditures	<u>55,328</u>	<u>55,328</u>	<u>17,661</u>	<u>37,667</u>
Excess Revenue over (under) Expenditures	<u>\$ (7,215)</u>	<u>\$ (7,215)</u>	25,145	<u>\$ 32,360</u>
Fund Balance – July 1, 2020			<u>179,897</u>	
Fund Balance – June 30, 2021			<u>\$ 202,042</u>	