

**CAMERON ESTATES
COMMUNITY SERVICES DISTRICT**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
for the years ended June 30, 2020 and 2019**

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Robert W. Johnson
an accountancy corporation

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cameron Estates Community Services District
Cameron Park, California

Report on the Financial Statements

We have audited the accompanying financial statements of Cameron Estates Community Services District, as of and for the years ended June 30, 2020 and June 30, 2019, as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cameron Estates Community Services District as of June 30, 2020 and June 30, 2019, and the changes in financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

Other-Matters

Recommended Supplementary Information

Management has chosen to omit the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America recommend to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is recommended 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. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Cameron Estates Community Services District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Robert W. Johnson, AN Accountant

Citrus Heights, California
October 13, 2020

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
June 30, 2020

ASSETS	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash with County (Note 3)	\$ 327,230	\$ -	\$ 327,230
Prepays	<u>7,719</u>	<u>-</u>	<u>7,719</u>
	<u>\$ 334,949</u>	<u>\$ -</u>	<u>\$ 334,949</u>
LIABILITIES			
Accounts payable	\$ 721	\$ -	\$ 721
Salaries payable	<u>753</u>	<u>-</u>	<u>753</u>
	<u>1,474</u>	<u>-</u>	<u>1,474</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Restricted	-	-	-
Committed	-	-	-
Unassigned	<u>333,475</u>	<u>(333,475)</u>	<u>-</u>
Total fund balance	<u>333,475</u>	<u>(333,475)</u>	<u>-</u>
	<u>\$ 334,949</u>		
Net Position:			
Net investment in capital assets		-	-
Restricted		-	-
Unrestricted		<u>333,475</u>	<u>333,475</u>
Total net position		<u>\$ 333,475</u>	<u>\$ 333,475</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
June 30, 2019

ASSETS	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash with County (Note 3)	\$ 284,750	\$ -	\$ 284,750
Prepays	<u>5,956</u>	<u>-</u>	<u>5,956</u>
	<u>\$ 290,706</u>	<u>\$ -</u>	<u>\$ 290,706</u>
LIABILITIES			
Accounts payable	\$ 5,915	\$ -	\$ 5,915
Salaries payable	<u>538</u>	<u>-</u>	<u>538</u>
	<u>6,453</u>	<u>-</u>	<u>6,453</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Restricted	-	-	-
Committed	-	-	-
Unassigned	<u>284,253</u>	<u>(284,253)</u>	<u>-</u>
Total fund balance	<u>284,253</u>	<u>(284,253)</u>	<u>-</u>
	<u>\$ 290,706</u>		
Net Position:			
Net investment in capital assets		-	-
Restricted		-	-
Unrestricted		<u>284,253</u>	<u>284,253</u>
Total net position		<u>\$ 284,253</u>	<u>\$ 284,253</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
for the year ended June 30, 2020

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Program expenditures/expenses:			
Service and supplies	\$ 219,220	\$ -	\$ 219,220
Salaries and benefits	28,934	-	28,934
Capital outlay	-	-	-
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total program expenditures/ expenses	<u>248,154</u>	<u>-</u>	<u>248,154</u>
Program revenues:			
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>
Total program revenues	<u>-</u>	<u>-</u>	<u>-</u>
General revenues:			
Taxes	108,245	-	108,245
Special tax (Note 6)	173,091	-	173,091
Interest	4,712	-	4,712
Other	<u>11,328</u>	<u>-</u>	<u>11,328</u>
Total general revenues	<u>297,376</u>	<u>-</u>	<u>297,376</u>
Excess revenues (expenditures)/ change in net position	49,222	-	49,222
Beginning fund balances/ net position	<u>284,253</u>	<u>-</u>	<u>284,253</u>
Ending fund balances/ net position	<u>\$ 333,475</u>	<u>\$ -</u>	<u>\$ 333,475</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
for the year ended June 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Program expenditures/expenses:			
Service and supplies	\$ 79,960	\$ -	\$ 79,960
Salaries and benefits	28,625	-	28,625
Capital outlay	-	-	-
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>
Total program expenditures/ expenses	<u>108,585</u>	<u>-</u>	<u>108,585</u>
Program revenues:			
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>
Total program revenues	<u>-</u>	<u>-</u>	<u>-</u>
General revenues:			
Taxes	100,809	-	100,809
Special tax (Note 6)	72,211	-	72,211
Interest	4,687	-	4,687
Other	<u>15,541</u>	<u>-</u>	<u>15,541</u>
Total general revenues	<u>193,248</u>	<u>-</u>	<u>193,248</u>
Excess revenues (expenditures)/ change in net position	84,663	-	84,663
Beginning fund balances/ net position	<u>199,590</u>	<u>-</u>	<u>199,590</u>
Ending fund balances/ net position	<u>\$ 284,253</u>	<u>\$ -</u>	<u>\$ 284,253</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
COMPARED TO BUDGET
for the year ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable) Variance</u>
Revenues:			
General tax revenue	\$ 98,400	\$ 108,245	\$ 9,845
Special tax (Note 6)	173,740	173,091	(649)
Interest	1,000	4,712	3,712
Permit – road privileges	4,000	4,000	-
Other	<u>5,000</u>	<u>7,328</u>	<u>2,328</u>
 Total revenues	 <u>282,140</u>	 <u>297,376</u>	 <u>15,236</u>
 Expenditures:			
Salaries	26,000	26,200	(200)
Payroll taxes	2,080	2,004	76
Workers compensation	800	730	70
Telephone	12,000	10,087	1,913
Insurance	5,500	5,226	274
Maintenance - improvements	25,200	23,067	2,133
- roads	10,000	9,000	1,000
- supplies	3,500	3,009	491
Membership	1,100	1,049	51
Miscellaneous	500	297	203
Office	1,600	714	886
Professional services	3,000	260	2,740
Road maintenance & construction	413,460	149,149	264,311
Audit	6,000	500	5,500
Legal	30,000	11,000	19,000
E & C depart./agency	1,950	168	1,782
Director services	2,800	1,560	1,240
Rent & lease	600	600	-
Equipment & software	2,000	1,215	785
Signs	500	159	341

(continued)

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES, continued
COMPARED TO BUDGET
for the year ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	Favorable/ (Unfavorable) <u>Variance</u>
Transportation	\$ 1,100	\$ 803	\$ 297
Staff development	700	-	700
Utilities	1,500	1,357	143
Contingency	<u>15,000</u>	<u>-</u>	<u>15,000</u>
 Total expenditures	 <u>566,890</u>	 <u>248,154</u>	 <u>318,736</u>
 Excess revenues (expenditures)	 <u>\$(284,750)</u>	 <u>\$ 49,222</u>	 <u>\$ 333,972</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
COMPARED TO BUDGET
for the year ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable) Variance</u>
Revenues:			
General tax revenue	\$ 93,100	\$ 100,809	\$ 7,709
Special tax (Note 6)	72,750	72,211	(539)
Interest	300	4,687	4,387
Permit – road privileges	2,000	3,000	1,000
Other	<u>3,000</u>	<u>12,541</u>	<u>9,541</u>
Total revenues	<u>171,150</u>	<u>193,248</u>	<u>22,098</u>
Expenditures:			
Salaries	26,000	26,000	-
Payroll taxes	2,060	1,989	71
Workers compensation	800	636	164
Telephone	11,000	8,598	2,402
Insurance	4,200	4,621	(421)
Maintenance - improvements	15,200	3,845	11,355
- roads	6,000	4,749	1,251
- supplies	3,500	2,719	781
Membership	1,000	1,000	-
Miscellaneous	500	281	219
Office	1,600	396	1,204
Professional services	3,000	1,140	1,860
Road maintenance & construction	232,049	21,005	211,044
Audit	6,000	5,700	300
Legal	30,000	20,460	9,540
E & C depart./agency	1,950	862	1,088
Director services	2,800	1,700	1,100
Rent & lease	600	600	-
Equipment & software	1,000	109	891
Signs	500	-	500

(continued)

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES, continued
COMPARED TO BUDGET
for the year ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	Favorable/ (Unfavorable) <u>Variance</u>
Transportation	\$ 1,100	\$ 813	\$ 287
Staff development	700	-	700
Utilities	1,500	1,362	138
Contingency	<u>15,000</u>	<u>-</u>	<u>15,000</u>
 Total expenditures	 <u>368,059</u>	 <u>108,585</u>	 <u>259,474</u>
 Excess revenues (expenditures)	 <u>\$ (196,909)</u>	 <u>\$ 84,663</u>	 <u>\$ 281,572</u>

See notes to financial statements

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
for years ended June 30, 2020 and June 30, 2019

1. Organization:

On August 26, 1969, Cameron Estates Community Services District (the “District”) was created by the Board of Supervisors of the County of El Dorado Resolution No. 309-69. The purpose of the District is to provide:

- a. Maintenance and repair of road surfaces;
- b. Maintenance and cleanup of access easements on either side of the paved roadway surfaces; and
- c. Definition of riding trails within the District.
- d. Subsequently, additional authorities were added by a majority of the property owners of the District through special elections.

The District’s powers are exercised through an elected Board of Directors composed of five members.

2. Summary of Significant Accounting Policies:

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

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered 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 equity, revenues, and expenditures or expenses, as appropriate. Government 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 various funds are grouped, in the financial statements in this report as follows:

Governmental Funds:

General Fund – 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.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
for years ended June 30, 2020 and June 30, 2019

2. Summary of Significant Accounting Policies, continued:

Basis of Accounting

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All government funds are accounted for using the current financial resources measurement focus. Under this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) as changes in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period they become measurable and available. The District considers revenues as available if they are collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues considered susceptible to accrual include property taxes, interest and certain other intergovernmental revenues. Expenditures are recognized in the accounting period in which the liability is incurred.

Capital Assets

Capital assets are recorded at historical cost if purchased or constructed. Amortization of assets acquired under capital lease is included in depreciation. Structures and equipment are depreciated using the straight-line method over the estimated useful lives.

Budgets

In accordance with the provisions of Sections 13901 through 13906 of the California Health & Safety Code and other statutory provisions, commonly known as the Budget Act, the District prepares and legally adopts a final budget for each fiscal year.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for years ended June 30, 2020 and June 30, 2019

2. Summary of Significant Accounting Policies, continued:

Investments

The District maintains cash balances with the Treasurer of El Dorado County in an interest-bearing pooled investment account.

Property Taxes

The District receives property taxes from El Dorado County. Property taxes become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are levied on July 1, and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

Use of Estimates

The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for years ended June 30, 2020 and June 30, 2019

2. Summary of Significant Accounting Policies, continued:

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary activities of the District. These statements include the financial activities of the overall District.

The statement of activities present direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program, and are clearly identifiable to a particular function. Program revenues include 1) charges for services and 2) grant and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

When both restricted and unrestricted net assets are available, restricted resources are used only after the unrestricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the District's funds, which include only governmental funds.

The District has combined the statements of net position and the statement of activities, with the balance sheet and the statement of revenues, expenditures, and changes in fund balances, into two statements, the statement of net position and governmental funds balance sheet and the statement of activities and governmental fund revenues, expenditures, and changes in fund balances, for simplicity.

The District reports a General Fund that is used to account for all financial resources except those required or designated by the Board of Directors to be accounted for in another fund.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for years ended June 30, 2020 and June 30, 2019

2. Summary of Significant Accounting Policies, continued:

Net Position

Net position is classified in the following categories:

Net Investment in capital assets – groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted – presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – represents the net position of the District, which are not restricted or invested in capital assets net of related debt.

Fund Balance

Fund balance is classified in the following categories:

Restricted – includes fund balance amounts that are subject to externally enforceable legal restrictions or constrained for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed – includes fund balance amount that can only be used for specific purposes pursuant to constraints imposed by the formal actions of the District's Board of Directors.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned – includes fund balance which has not been classified within the above mentioned categories.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for years ended June 30, 2020 and June 30, 2019

3. Cash and Investments:

The District maintains its funds with El Dorado County. The County is authorized to deposit cash and invest excess funds by the California Government code Section 53648 et. seq. Such cash deposits are fully collateralized by governmental securities pledged for the purpose of Public Deposit Collateral.

Cash with County, June 30, 2020	\$ <u>327,230</u>
Cash with County, June 30, 2019	\$ <u>284,750</u>

4. Risk of Loss:

Cameron Estates Community Services District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; and injuries to employees. During the 2020 and 2019 fiscal years, the District purchased certain commercial insurance coverages to provide for these risks.

5. Subsequent Events:

Management has evaluated subsequent events through October 13, 2020, the date these June 30, 2020 and 2019 financial statements were available to be issued.

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for years ended June 30, 2020 and June 30, 2019

6. Measure H – Special Tax:

Cameron Estates Community Services District determined a special tax was needed in order to fund improvements and upgrades to the roads within the District and to increase the level of maintenance of the roads. On November 6, 2018, the voters approved an increase in the special tax – Measure H. The Measure increased the annual special tax rate of \$250/parcel to \$595/parcel. Starting in the 2019-2020 fiscal year, the District will receive approximately annually \$173,700; \$100,000 additional annual special tax revenue.

The District received special tax revenue as follows for years ended:

June 30, 2020	\$ <u>72,211</u>
June 30, 2019	\$ <u>173,091</u>

SUPPLEMENTAL DATA

CAMERON ESTATES COMMUNITY SERVICES DISTRICT
PRINCIPAL OFFICIALS
for the year ended June 30, 2020

Board of Directors:

Doris Miller	President
Angela Johnson	Vice President
Lynn Kissel	Director
James Sholl	Director
Joshua Clark	Director

Staff:

Karen Moonitz	General Manager/Secretary
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