

**ALAMO-LAFAYETTE
CEMETERY DISTRICT**

**Financial Statements
& Required Supplementary Information
With Independent Auditors' Report**

**For the Fiscal Years Ended
June 30, 2020 and 2019**

(THIS PAGE INTENTIONALLY LEFT BLANK)

ALAMO-LAFAYETTE CEMETERY DISTRICT
For the Fiscal Years Ended June 30, 2020 and 2019
Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – June 30, 2020	10
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position – June 30, 2020	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – June 30, 2020	12
Reconciliation of the Statement Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities – June 30, 2020	13
Balance Sheet – June 30, 2019	14
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position – June 30, 2019	15
Statement of Revenues, Expenditures, and Changes in Fund Balances – June 30, 2019	16
Reconciliation of the Statement Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities – June 30, 2019	17
Notes to Financial Statements	18

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule – General Fund – June 30, 2020	32
Budgetary Comparison Schedule – General Fund – June 30, 2019	33
Notes to the Required Supplementary Information	34

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	35
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----

FINDINGS AND RECOMMENDATIONS

Schedule of Audit Findings and Recommendations	37
------------------------------------------------------	----

(THIS PAGE INTENTIONALLY LEFT BLANK)



A: PO Box 1092 | Riverside, CA 92502
E: kevin@brejnakcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Alamo-Lafayette Cemetery District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Alamo-Lafayette Cemetery District (the District) as of and for the fiscal years ended June 30, 2020, and 2019 and the related notes to the financial statements, which collectively comprise the 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of Alamo-Lafayette Cemetery District, as of June 30, 2020 and 2019, and the respective changes in financial position thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the notes to the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a separate report dated April 5, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Kevin Ruffalo CPA". The signature is written in a cursive style with a large, stylized initial "K".

April 5, 2021

ALAMO-LAFAYETTE CEMETERY DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years Ended June 30, 2020 and 2019

Management's Discussion and Analysis (MD&A) offers readers of Alamo-Lafayette Cemetery District's financial statements a narrative overview of the District's financial activities for the period ended June 30, 2020 and 2019. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- District's net position increased by approximately 5.4% compared to the prior fiscal year.
- The District had an operating gain of \$41,797.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's financial statements. The District's basic financial statements reflect the combined results of the Operating and Capital Programs and include three components: (1) Statement of Net Position; (2) Statements of Revenues, Expenses, and Changes in Net Position; and (3) Notes to the Financial Statements.

The financial statements accompanying this MD&A present the net position and results of operations during the fiscal years ending June 30, 2020 and 2019. These financial statements have been prepared using the accrual basis of accounting, which is similar to the accounting basis used by for-profit entities. Each financial statement is identified and defined in this section, and analyzed in subsequent sections of this MD&A.

REQUIRED FINANCIAL STATEMENTS

Statement of Net Position

The Statement of Net Position presents information on the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Assets exceed liabilities, resulting in a net position of \$814,062 as of June 30, 2020.

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the District's net position changed during the fiscal year. All of the year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the results of the District's operations for the year and can be used to determine if the District has successfully recovered all of its costs through user fees and other charges. Operating revenues and expenses are related to the District's core activities (sale of internment rights and burial services). General revenues and expenses are not directly related to the core activities of the District (e.g. interest income, interest expense, property taxes,). For the fiscal year ended June 30, 2020 net position increased by \$41,797.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years Ended June 30, 2020 and 2019

REQUIRED FINANCIAL STATEMENTS (continued)

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by grantor requirements.

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

Analysis of Net Position

Table A-1: Condensed Statement of Net Position

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>
ASSETS			
Current assets	\$ 98,078	\$ 33,466	\$ 64,612
Restricted assets	544,216	565,216	(21,000)
Capital assets, net	<u>193,793</u>	<u>204,125</u>	<u>(10,332)</u>
Total assets	<u>836,087</u>	<u>802,807</u>	<u>33,280</u>
LIABILITIES			
Current liabilities	7,338	17,618	(10,280)
Non-current liabilities	<u>14,687</u>	<u>12,924</u>	<u>1,763</u>
Total liabilities	<u>22,025</u>	<u>30,542</u>	<u>(8,517)</u>
NET POSITION			
Investment in capital assets	193,793	204,125	(10,332)
Restricted	611,520	582,179	29,341
Unrestricted	<u>8,749</u>	<u>(14,039)</u>	<u>22,788</u>
Total net position	<u>\$ 814,062</u>	<u>\$ 772,265</u>	<u>\$ 41,797</u>

At the end of fiscal year 2020, the District shows a balance in its unrestricted net position of \$8,749. The restricted assets increased because of an increased balance in the endowment fund. The Endowment Care Fund is restricted as it is not available for current use. Unrestricted assets increased which was due to the operating surplus in the General Fund.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years Ended June 30, 2020 and 2019

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses

Table A-2: Condensed Statements of Activities

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>
Program revenue	\$ 246,103	\$ 227,277	\$ 18,826
Expenses	<u>586,747</u>	<u>428,395</u>	<u>158,352</u>
Net program expense	(340,644)	(201,118)	(139,526)
General revenues	<u>382,441</u>	<u>366,004</u>	<u>16,437</u>
Change in net position	41,797	164,886	(123,089)
Net position			
Beginning of year	<u>772,265</u>	<u>607,379</u>	<u>164,886</u>
End of year	<u>\$ 814,062</u>	<u>\$ 772,265</u>	<u>\$ 41,797</u>

While the Statement of Net Position shows the change in financial position, the Statements of Revenues, Expenses and Changes in Net Position provides answers to the nature and source of these changes. The main factors in the change in net position is increased revenue from service fees, charges, and property taxes which surpassed its expenses.

Table A-3: Total Revenues

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Increase (Decrease)</u>
Program revenues:			
Charges for services	\$ 227,953	\$ 204,377	\$ 23,576
Operating contributions	-	472	(472)
Endowment care fees	<u>18,150</u>	<u>22,900</u>	<u>(4,750)</u>
Total program revenues	<u>246,103</u>	<u>227,749</u>	<u>18,354</u>
General revenues:			
Property taxes	371,191	351,810	19,381
Investment earnings	<u>11,250</u>	<u>13,722</u>	<u>(2,472)</u>
Total general revenues	<u>382,441</u>	<u>365,532</u>	<u>16,909</u>
Total revenues	<u>\$ 628,544</u>	<u>\$ 593,281</u>	<u>\$ 35,263</u>

Total revenue from all sources increased by 5.9%, or \$35,263, from the prior year due to increases in property tax assessments and charges for services.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years Ended June 30, 2020 and 2019

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses

Table A-4: Total Expenses

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Increase (Decrease)</u>
Expenses:			
Salaries and employee benefits	\$ 340,460	\$ 323,238	\$ 17,222
Utilities	15,906	17,724	(1,818)
Services and supplies	220,049	77,005	143,044
Interest on long-term debt	-	96	(96)
Depreciation	<u>10,332</u>	<u>10,332</u>	<u>-</u>
Total expenses	<u>\$ 586,747</u>	<u>\$ 428,395</u>	<u>\$ 158,352</u>

Total expenses for the District's operations increased by 37.0%, or \$158,352, from the prior year due to increases in salaries/benefits cost and services/supplies costs related to the district office flooding.

CAPITAL ASSETS

Net capital assets decreased by \$10,332 from the prior year due to current year depreciation.

Table A-5: Capital Assets at Year-End, Net of Depreciation

	<u>Balance June 30, 2020</u>	<u>Balance June 30, 2019</u>
Capital assets:		
Depreciable assets	\$ 493,754	\$ 493,754
Accumulated depreciation	<u>(299,961)</u>	<u>(289,629)</u>
Total capital assets, net	<u>\$ 193,793</u>	<u>\$ 204,125</u>

ANALYSIS OF INDIVIDUAL DISTRICT FUNDS

General Operating Fund

Total budgeted revenues for the fiscal year show revenues outpacing expenditures by \$49,183. The actual results for the year show revenues exceeding expenditures by \$24,551. Stronger than anticipated revenues offset unexpected general fund expenditures and lead to an ending fund balance of \$23,436.

Endowment Care Fund

The Endowment Care Fund increased by \$29,341 over the prior year. The principal portion of this fund is restricted and cannot be used for general operations. Thus, this fund will increase annually. The District can use the investment income portion of the fund but has elected to allow the fund to grow with the investment income included.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years Ended June 30, 2020 and 2019

FACTORS AFFECTING CURRENT FINANCIAL POSITION

The District anticipates that the General Fund revenues and expenses for the fiscal year will be roughly the same as the prior year. However, at the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 pandemic. This economic decline may affect the District's operations and investment earnings for the near future. However, the potential impact to the District is unknown at this time.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our Board of Trustees, citizens, customers, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives and the stewardship of the facilities it owns and operates. If you have questions about this report or need additional information, please contact the Alamo-Lafayette Cemetery District, PO Box 1955, Lafayette, CA 94549.

(THIS PAGE INTENTIONALLY LEFT BLANK)

ALAMO-LAFAYETTE CEMETERY DISTRICT
Statement of Net Position
June 30, 2020 and 2019

	Governmental Activities	
	2020	2019
ASSETS		
Cash and cash equivalents	\$ 93,166	\$ 27,185
Due from County of Contra Costa		
Property taxes	3,074	2,666
Interest	1,838	3,615
Investments	544,216	565,216
Capital assets, net of accumulated depreciation	193,793	204,125
Total assets	<u>836,087</u>	<u>802,807</u>
LIABILITIES		
Accounts payable	7,338	17,618
Non-current liabilities		
Due within one year - compensated absences	14,687	12,924
Total liabilities	<u>22,025</u>	<u>30,542</u>
NET POSITION		
Net investment in capital assets	193,793	204,125
Restricted for:		
Nonexpendable	611,520	582,179
Unrestricted (deficit)	8,749	(14,039)
Net position	<u>\$ 814,062</u>	<u>\$ 772,265</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

ALAMO-LAFAYETTE CEMETERY DISTRICT
Statement of Activities
For the Fiscal Years Ended June 30, 2020 and 2019

	Governmental Activities	
	2020	2019
EXPENSES		
Salaries and employee benefits	\$ 340,460	\$ 323,238
Utilities	15,906	17,724
Services and supplies	220,049	77,005
Interest on long-term debt	-	96
Depreciation	10,332	10,332
	<hr/>	<hr/>
Total expenses	586,747	428,395
	<hr/>	<hr/>
PROGRAM REVENUES		
Charges for current services	246,103	227,277
	<hr/>	<hr/>
Net program revenues (expenses)	(340,644)	(201,118)
	<hr/>	<hr/>
GENERAL REVENUES		
Property taxes	371,191	351,810
Investment income	11,250	13,722
Other revenues	-	472
	<hr/>	<hr/>
Total general revenues	382,441	366,004
	<hr/>	<hr/>
Change in net position	41,797	164,886
	<hr/>	<hr/>
Net position - Beginning of year	772,265	607,379
	<hr/>	<hr/>
Net position - End of year	<u>\$ 814,062</u>	<u>\$ 772,265</u>

ALAMO-LAFAYETTE CEMETERY DISTRICT*Balance Sheet – Governmental Funds**June 30, 2020*

	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 27,700	\$ 65,466	\$ 93,166
Investments	-	544,216	544,216
Due from County of Contra Costa			
Property taxes	3,074	-	3,074
Interest	-	1,838	1,838
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 30,774</u>	<u>\$ 611,520</u>	<u>\$ 642,294</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 7,338	\$ -	\$ 7,338
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>7,338</u>	<u>-</u>	<u>7,338</u>
Fund balance			
Nonspendable	-	611,520	611,520
Unassigned	23,436	-	23,436
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>23,436</u>	<u>611,520</u>	<u>634,956</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 30,774</u>	<u>\$ 611,520</u>	<u>\$ 642,294</u>

ALAMO-LAFAYETTE CEMETERY DISTRICT

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

June 30, 2020

Total fund balances - governmental funds \$ 634,956

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.

Cost of capital assets:	493,754	
Accumulated depreciation	<u>(299,961)</u>	
Capital assets, net of depreciation		193,793

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the governmental funds:

Compensated absences	<u>(14,687)</u>
----------------------	-----------------

Total net position - governmental activities \$ 814,062

ALAMO-LAFAYETTE CEMETERY DISTRICT*Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds**For the Fiscal Year Ended June 30, 2020*

	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Property taxes	\$ 371,191	\$ -	\$ 371,191
Charges for current services	227,953	18,150	246,103
Investment income	-	11,250	11,250
	<hr/>	<hr/>	<hr/>
Total revenues	599,144	29,400	628,544
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
EXPENDITURES			
Current:			
Salaries and employee benefits	338,697	-	338,697
Utilities	15,906	-	15,906
Services and supplies	219,990	59	220,049
	<hr/>	<hr/>	<hr/>
Total expenditures	574,593	59	574,652
	<hr/>	<hr/>	<hr/>
Net change in fund balances	24,551	29,341	53,892
	<hr/>	<hr/>	<hr/>
FUND BALANCE			
Balances, July 1, 2019	(1,115)	582,179	581,064
	<hr/>	<hr/>	<hr/>
Balances, June 30, 2020	\$ 23,436	\$ 611,520	\$ 634,956
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ALAMO-LAFAYETTE CEMETERY DISTRICT

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2020*

Net change in fund balances - total governmental funds \$ 53,892

Amounts reported for governmental activities in the statement of activities are different because:

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.

Compensated absences (1,763)

Governmental funds report capital outlay as expenditures, however, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	-	
Depreciation expense	<u>(10,332)</u>	
Net:		<u>(10,332)</u>

Change in net position - governmental activities \$ 41,797

ALAMO-LAFAYETTE CEMETERY DISTRICT*Balance Sheet – Governmental Funds**June 30, 2019*

	<u>General Fund</u>	<u>Permanent Fund Endowment Care Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 13,837	\$ 13,348	\$ 27,185
Investments	-	565,216	565,216
Due from County of Contra Costa			
Property taxes	2,666	-	2,666
Interest	-	3,615	3,615
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 16,503</u>	<u>\$ 582,179</u>	<u>\$ 598,682</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	<u>\$ 17,618</u>	<u>\$ -</u>	<u>\$ 17,618</u>
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>17,618</u>	<u>-</u>	<u>17,618</u>
	<hr/>	<hr/>	<hr/>
Fund balance			
Nonspendable	-	582,179	582,179
Unassigned	<u>(1,115)</u>	<u>-</u>	<u>(1,115)</u>
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>(1,115)</u>	<u>582,179</u>	<u>581,064</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 16,503</u>	<u>\$ 582,179</u>	<u>\$ 598,682</u>

ALAMO-LAFAYETTE CEMETERY DISTRICT

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

June 30, 2019

Total fund balances - governmental funds \$ 581,064

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.

Cost of capital assets:	493,754	
Accumulated depreciation	<u>(289,629)</u>	
Capital assets, net of depreciation		204,125

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the governmental funds:

Compensated absences	<u>(12,924)</u>
----------------------	-----------------

Total net position - governmental activities \$ 772,265

ALAMO-LAFAYETTE CEMETERY DISTRICT*Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds**For the Fiscal Year Ended June 30, 2019*

	General Fund	Permanent Fund Endowment Care Fund	Total Governmental Funds
REVENUES			
Property taxes	\$ 351,810	\$ -	\$ 351,810
Charges for current services	204,377	22,900	227,277
Other revenues	472	-	472
Investment income	-	13,722	13,722
Total revenues	<u>556,659</u>	<u>36,622</u>	<u>593,281</u>
EXPENDITURES			
Current:			
Salaries and employee benefits	310,314	-	310,314
Utilities	17,724	-	17,724
Services and supplies	76,938	67	77,005
Capital outlay	30,761	-	30,761
Debt service:			
Principal	5,885	-	5,885
Interest	96	-	96
Total expenditures	<u>441,718</u>	<u>67</u>	<u>441,785</u>
Net change in fund balances	114,941	36,555	151,496
FUND BALANCE			
Balances, July 1, 2018	<u>(116,056)</u>	<u>545,624</u>	<u>429,568</u>
Balances, June 30, 2019	<u>\$ (1,115)</u>	<u>\$ 582,179</u>	<u>\$ 581,064</u>

ALAMO-LAFAYETTE CEMETERY DISTRICT

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2019*

Net change in fund balances - total governmental funds \$ 151,496

Amounts reported for governmental activities in the statement of activities are different because:

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.

Compensated absences (12,924)

Governmental funds report capital outlay as expenditures, however, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay	30,761	
Depreciation expense	<u>(10,332)</u>	
Net:		20,429

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reduction of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

5,885

Change in net position - governmental activities \$ 164,886

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

The Alamo-Lafayette Cemetery District (the District) is a public cemetery district operating under the provisions of the Health and Safety Code Sections 8890 et seq. The District was established in 1928 to provide maintenance and preservation of an existing cemetery, which had been established in 1878. The District is governed by a Board of Trustees (Board) that acts as the authoritative body of the entity. The Board is comprised of three members appointed by the County Supervisors. Each member serves a term of four years; there are no term limits for reappointment.

Reporting Entity

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice within California Special Districts. The District accounts for its financial transactions in accordance with the policies and procedures of the State Controller's Office Division of Local Government Fiscal Affairs Minimum Audit Requirements and Reporting Guidelines for California Special Districts.

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues, and expenditures, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

Accounting principles generally accepted in the United States of America require that these financial statements present the accounts of the District and any of its component units. Component units are legally separate entities of which the District is considered to be financially accountable or otherwise has a relationship, which is such that the exclusion of the entity would cause the financial statements to be misleading. Blended component units are considered, in substance, part of the District's operations, so the accounts of these entities are to be combined with the data of the District. Component units, which do not meet these requirements, are reported in the financial statements as discrete units to emphasize their separate legal status. However, the District has determined that it is not financially accountable for, nor has any other relationship with, any other organization, which would require its inclusion in these financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately, compared to business-type activities, which rely to a significant extent on fees and charges for support. The District currently has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-Wide and Fund Financial Statements (continued)

Taxes and other items not properly included among program revenues are reported instead as general revenues. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, payments for services, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 120 days after yearend, except for contracts for services which are recognized at the time the contract is signed. Property taxes and investment income are susceptible to accrual. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Permanent funds account for assets for which the principal may not be spent.

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

General Fund: This fund is used to account for all financial resources of the District except those required to be accounted for in another fund. Included are transactions for services, rents, property taxes, and interest. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the rules of the Health and Safety Code and by approval of the Board of Trustees.

Endowment Care Fund: This fund is used to account for financial resources to be used for future maintenance of the Cemetery at such time when all lots have been sold and there is no longer revenue generated from such sales. The resources are derived from an endowment care fee assessed on each sale of a burial right and earnings on these resources. The principal must be preserved intact. Endowment Fund is in accordance with Section 9065(e) of the California Health and Safety Code.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the 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. Generally, available is defined as collectible within 60 days.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. 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.

Budgetary Data

Health and Safety Code Section 9070(a) states that on or before August 30 of each year, the board of trustees shall adopt a final budget, which shall conform to the accounting and budgeting procedures for special districts contained in Subchapter 3 (commencing with § 1031.1) of, and Article 1 (commencing with § 1121) of Subchapter 4 of Division 2 of Title 2 of the California Code of Regulations. The board of trustees may divide the annual budget into categories, including, but not limited to maintenance and operation, employee compensation, interest and redemption for indebtedness, as well as reserves (for endowment income fund, capital outlay, pre-need, contingencies, and unallocated general reserve).

The District follows these procedures in establishing budgetary data reflected in the Required Supplementary Information – Budgetary Comparison Schedule. The annual budget is a complete financial plan for the ensuing budget year and consists of an operating budget and a capital budget. The General Fund is the only Fund for which an annual budget is legally adopted on a basis consistent with generally accepted accounting principles (GAAP). The Board then considers the proposed budget at its regular meeting, which is open to the public.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes mandate the District maintain substantially all of its cash in the Riverside County Treasury. The County's investment pool operates in accordance with appropriate state laws and regulations. The fair value of the District's position in the pool is not the same as the value of the pooled shares. The method used to determine the value of participants' equity withdrawn is based on the book value, amortized cost plus accrued interest, multiplied by the District's percentage at the date of such withdrawal. The County Treasurer's investments, including U.S. Treasury and Agency securities, are carried at fair value based on current market prices. Bond anticipation notes are carried at fair value. Commercial paper is carried at amortized cost. Investments in bankers' acceptances and nonparticipating guaranteed investment contracts are carried at cost. Participating guaranteed investment contracts are carried at fair value based on net realizable value.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

The District has adopted GASB Statement No. 72, Fair Value Measurement and Application; investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Mutual funds are carried at fair value based on the funds' share price. Local agency obligations are carried at fair value based on the value of each participating dollar.

Receivables and Allowance for Doubtful Accounts

Contracts for services include both preneed and at-need receivables to be collected. The accounts are evaluated on an annual basis to determine those that may not be collectable using the specific identification method. The allowance for accounts receivable is based on those accounts that have been identified as uncollectable that must be approved by the District's Board of Directors to be written-off. At June 30, 2020 and 2019, there was no allowance for accounts receivable.

Inventory

Inventory of preneed supplies and fuel is valued at the lower of cost or market using the first-in/first-out method. The costs of government fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$500 and an estimated useful life of five years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over the estimated useful lives. Estimated service lives for the District's classes of assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	30-50 years
Machinery, Vehicles, and Equipment	10-15 years

Interfund Balances and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as due to/from other funds (i.e. current portion of interfund loans). Interfund transfers occur because the District receives charges for services through the special revenues funds and transfers these funds to the general fund as expenditures are incurred or due to contractual requirements.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents the consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

Currently, the District does not have any reported deferred inflows/outflows of resources.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1, each year. Secured property taxes are levied on July 1 and are payable in two installments, on December 10 and April 10. The County of Contra Costa Assessor's Office assesses all real and personal property within the County each year.

Property tax in California is levied in accordance with Article 13A of the State Constitution at one (1%) of countywide assessed valuations. The County of Contra Costa Treasurer's Office remits an undisclosed portion of the one (1%) current and delinquent property tax collections to the District throughout the year.

Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

- **Nonspendable:** Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.
- **Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.
- **Committed:** The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.
- **Assigned:** Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.
- **Unassigned:** Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose.

When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Compensated absences expected to be paid with expendable available resources are accrued and recorded as liabilities and expenditures of the general fund. Amounts not expected to be liquidated with expendable available financial resources are reported in the government-wide financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2020, are reported at fair value and consisted of the following:

	Balance
	June 30, 2020
External Investment Pool - Cash in Contra Costa County Treasury State of California Local Agency Investment Fund (LAIF)	\$ 93,166
	<u>544,216</u>
Total cash and investments	<u>\$ 637,382</u>

Cash and investments at June 30, 2019, are reported at fair value and consisted of the following:

	Balance
	June 30, 2019
External Investment Pool - Cash in Contra Costa County Treasury State of California Local Agency Investment Fund (LAIF)	\$ 27,185
	<u>565,216</u>
Total cash and investments	<u>\$ 592,401</u>

California statutes authorize governments to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. For the year ended June 30, 2020 and 2019, the District’s permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity
U.S. Treasury Obligations	5 years
U.S. Agency Securities	5 years
Insured or Collateralized Certificates of Deposit	5 years
State of California Local Agency Investment Fund	N/A
Local Government Investment Pools	N/A
Money Market Funds	N/A
Passbook Savings and Money Market Accounts	N/A

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS (continued)

Pooled Funds

The District maintains balances of cash in the County Treasury in its General Fund and Endowment Fund at June 30, 2020 and 2019. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited to participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's 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 credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2020 and 2019, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Pooled Investments

The District maintains deposits in the State's Local Agency Investment Fund (LAIF). Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's 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 credit risk classifications is required.

The LAIF, although not registered with the SEC, is a special fund of the California State Treasury through which local governments may pool investments and is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The District balance approximated fair value and was managed by the State Treasurer. The Board consists of five members as designated by State Statute.

The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

ALAMO-LAFAYETTE CEMETERY DISTRICT

Notes to Financial Statements

For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits and Investments

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of a failure of the counter party (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Neither the California Government Code nor the County's investment policy contains legal or policy requirements that would limit the District's exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Concentration of Credit Risk

The District's investment policy places limits on the amounts the District may invest in any one issuer or type of investment and as of June 30, 2020 and 2019, and the District was in compliance with its investment policy.

Investment Valuation

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using either Level 1 or Level 3 inputs.

The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2020:

	<u>General Fund</u>	<u>Endowment Care Fund</u>
Property taxes	\$ 3,074	\$ -
Interest	-	1,838
Total	<u>\$ 3,074</u>	<u>\$ 1,838</u>

Accounts receivable consisted of the following at June 30, 2019:

	<u>General Fund</u>	<u>Endowment Care Fund</u>
Property taxes	\$ 2,666	\$ -
Interest	-	3,615
Total	<u>\$ 2,666</u>	<u>\$ 3,615</u>

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2020:

	<u>Balance June 30, 2020</u>
Accounts payable and accrued liabilities	\$ 7,338
	<u>\$ 7,338</u>

Accounts payable and accrued liabilities consisted of the following at June 30, 2019:

	<u>Balance June 30, 2019</u>
Accounts payable and accrued liabilities	\$ 7,417
Salaries and benefits payable	10,201
	<u>\$ 17,618</u>

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 5 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Capital assets being depreciated:				
Building & improvements	377,076	-	-	377,076
Equipment & Machinery	116,678	-	-	116,678
Total capital assets being depreciated	493,754	-	-	493,754
Accumulated depreciation for:				
Building & improvements	(211,292)	(1,802)	-	(213,094)
Equipment & Machinery	(78,337)	(8,530)	-	(86,867)
Total accumulated depreciation	(289,629)	(10,332)	-	(299,961)
Total capital assets being depreciated, net	204,125	(10,332)	-	193,793
Governmental activity capital assets, net	\$ 204,125	\$ (10,332)	\$ -	\$ 193,793

Depreciation expense amounted to \$10,332 for the fiscal year ended June 30, 2020.

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Capital assets being depreciated:				
Building & improvements	377,076	-	-	377,076
Equipment & Machinery	85,917	30,761	-	116,678
Total capital assets being depreciated	462,993	30,761	-	493,754
Accumulated depreciation for:				
Building & improvements	(209,490)	(1,802)	-	(211,292)
Equipment & Machinery	(69,807)	(8,530)	-	(78,337)
Total accumulated depreciation	(279,297)	(10,332)	-	(289,629)
Total capital assets being depreciated, net	183,696	20,429	-	204,125
Governmental activity capital assets, net	\$ 183,696	\$ 20,429	\$ -	\$ 204,125

Depreciation expense amounted to \$10,332 for the fiscal year ended June 30, 2019.

NOTE 6 – 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. During fiscal year ending June 30, 2020 and 2019, the District participated in the Special District Risk Management Authority (SDRMA) risk management programs for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

This entity has budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these financial statements. Audited financial statements are available from SDRMA.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 7 – NON-CURRENT LIABILITIES

A schedule of changes in non-current liabilities for the fiscal year ended June 30, 2020 is shown below:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>	<u>Due Within One Year</u>
Compensated absences	\$ 12,924	\$ 1,763	\$ -	\$ 14,687	\$ -

A schedule of changes in non-current liabilities for the fiscal year ended June 30, 2019 is shown below:

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance June 30, 2019</u>	<u>Due Within One Year</u>
Compensated absences	\$ -	\$ 12,924	\$ -	\$ 12,924	\$ -

NOTE 8 – NOTES PAYABLE

On July 12, 2011, the District entered into a lease/purchase agreement with Zions First National Bank in the amount of \$66,000 to finance the acquisition and/or construction of real property and/or improvements. The agreement was executed with a fixed 4.9% interest rate, maturing between October 15, 2011 and July 15, 2021. During the 2018-19 fiscal year the district paid off the remaining \$5,885 in principal.

NOTE 9 – COMMITMENTS, CONTINGENCIES AND OTHER UNCERTAINTIES

The District is involved in routine litigation incidental to its business and may be subject to claims and litigation from outside parties. After consultation with legal counsel, management believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Investment securities are exposed to various risks such as interest rate, market and credit. The financial markets in recent months have shown heightened volatility and the markets are significantly down. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term could materially affect investment balances and the amounts reported in the financial statements. Additionally, many mutual funds invest in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 10 – FUND BALANCE

At June 30, 2020, fund balances of the District's governmental funds were classified as follows:

	General Fund	Permanent Fund Endowment Care Fund	Total
Nonspendable:			
Endowment principle	\$ -	\$ 611,520	\$ 611,520
Total Nonspendable	-	611,520	611,520
Unassigned:			
Unassigned balances	23,436	-	23,436
Total Unassigned	23,436	-	23,436
 Total	 \$ 23,436	 \$ 611,520	 \$ 634,956

At June 30, 2019, fund balances of the District's governmental funds were classified as follows:

	General Fund	Permanent Fund Endowment Care Fund	Total
Nonspendable:			
Endowment principle	\$ -	\$ 582,179	\$ 582,179
Total Nonspendable	-	582,179	582,179
Unassigned:			
Unassigned balances	(1,115)	-	(1,115)
Total Unassigned	(1,115)	-	(1,115)
 Total	 \$ (1,115)	 \$ 582,179	 \$ 581,064

NOTE 11 – NEGATIVE FUND BALANCE

At June 30, 2019, the District had a negative unassigned fund balance in its General Fund (\$1,115). The negative fund balance in the General Fund was caused by having inadequate cash and the County allowing the District to draw negative.

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2020 and 2019

NOTE 12 – PROPERTY TAXES

Property taxes allocated to the District for the year ended June 30, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Current:		
Secured	\$ 360,208	\$ 340,880
Unsecured	9,613	9,246
Tax relief subventions	2,154	2,165
Prior:		
Secured	(525)	(424)
Supplemental	(322)	(326)
Unsecured	26	234
RDV apportionment	<u>37</u>	<u>35</u>
Total	<u>\$ 371,191</u>	<u>\$ 351,810</u>

NOTE 13 – SUBSEQUENT EVENTS

Events subsequent to June 30, 2020 and 2019 have been evaluated through April 5, 2021, the date at which the District's audited financial statements were available to be issued. No events requiring disclosures other than the one described above have occurred through this date.

Required Supplementary Information

ALAMO-LAFAYETTE CEMETERY DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Property taxes	\$ 314,497	\$ 314,497	\$ 371,191	\$ 56,694
Charges for current services	175,323	175,323	227,953	52,630
Total revenues	<u>489,820</u>	<u>489,820</u>	<u>599,144</u>	<u>109,324</u>
EXPENDITURES				
Current:				
Salaries and employee benefits	298,612	298,612	338,697	(40,085)
Utilities	25,530	25,530	15,906	9,624
Services and supplies	116,495	116,495	219,990	(103,495)
Total expenditures	<u>440,637</u>	<u>440,637</u>	<u>574,593</u>	<u>(133,956)</u>
Net change in fund balances	49,183	49,183	24,551	(24,632)
FUND BALANCE				
Balances, July 1, 2019	<u>(1,115)</u>	<u>(1,115)</u>	<u>(1,115)</u>	
Balances, June 30, 2020	<u>\$ 48,068</u>	<u>\$ 48,068</u>	<u>\$ 23,436</u>	

ALAMO-LAFAYETTE CEMETERY DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Property taxes	\$ 340,000	\$ 340,000	\$ 351,810	\$ 11,810
Charges for current services	189,400	189,400	204,377	14,977
Other revenues	-	-	472	472
	<u>529,400</u>	<u>529,400</u>	<u>556,659</u>	<u>27,259</u>
EXPENDITURES				
Current:				
Salaries and employee benefits	322,820	322,820	310,314	12,506
Utilities	27,600	27,600	17,724	9,876
Services and supplies	125,940	125,940	76,938	49,002
Capital outlay	-	-	30,761	(30,761)
Debt service				
Principal	-	-	5,885	(5,885)
Interest	-	-	96	(96)
	<u>476,360</u>	<u>476,360</u>	<u>441,718</u>	<u>34,642</u>
Net change in fund balances	53,040	53,040	114,941	61,901
FUND BALANCE				
Balances, July 1, 2018	<u>(116,056)</u>	<u>(116,056)</u>	<u>(116,056)</u>	
Balances, June 30, 2019	<u>\$ (63,016)</u>	<u>\$ (63,016)</u>	<u>\$ (1,115)</u>	

ALAMO-LAFAYETTE CEMETERY DISTRICT
Notes to the Required Supplementary Information
For the Fiscal Years Ended June 30, 2020 and 2019

NOTES TO SCHEDULE

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Excess of Expenditures Over Appropriations

At June 30, 2020, the District incurred the following excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule:

<u>Appropriations Category</u>	<u>Amount</u>
Salaries and employee benefits	\$ 40,085
Services and supplies	103,495

At June 30, 2019, the District incurred the following excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule:

<u>Appropriations Category</u>	<u>Amount</u>
Services and supplies	\$ 30,761
Debt service	5,981

Other Independent Auditors' Report

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Alamo-Lafayette Cemetery District
Lafayette, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Alamo-Lafayette Cemetery District as of and for fiscal years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Alamo-Lafayette Cemetery District's basic financial statements, and have issued our report thereon dated April 5, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alamo-Lafayette Cemetery District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alamo-Lafayette Cemetery District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alamo-Lafayette Cemetery District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alamo-Lafayette Cemetery District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Kevin Ruffalo CPA". The signature is written in a cursive style with a large, stylized initial "K".

April 5, 2021

Findings and Recommendations

ALAMO-LAFAYETTE CEMETERY DISTRICT
Schedule of Audit Findings and Recommendations
For the Fiscal Years Ended June 30, 2020 and 2019

FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings in 2018-19 or 2019-20